

## IMPORTANT NOTICE

### NOT FOR DISTRIBUTION DIRECTLY OR INDIRECTLY IN OR INTO THE UNITED STATES OR TO ANY U.S. PERSON

**IMPORTANT: You must read the following disclaimer before continuing.** The following disclaimer applies to the attached preliminary information memorandum (the **Document**) and you are therefore advised to read this carefully before reading, accessing or making any other use of the attached Document. In accessing the Document, you agree to be bound by the following terms and conditions, including any modifications to them from time to time, each time you receive any information from us as a result of such access. You acknowledge that this electronic transmission and the delivery of the attached Document is confidential and intended only for you and you agree you will not forward, reproduce or publish this electronic transmission or the attached Document to any other person.

**THE DOCUMENT IS IN PRELIMINARY FORM ONLY, IS NOT COMPLETE AND CONTAINS INFORMATION THAT IS SUBJECT TO COMPLETION AND CHANGE.**

The Document does not and will not constitute a prospectus within the meaning of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market (the **Prospectus Regulation**) or the Belgian Law of 11 July 2018 on public offers of investment instruments and the admission to trading of investment instruments on regulated markets (the **Prospectus Law**) for which an approval of the Belgian Financial Services and Markets Authority (**FSMA**) would be required, as (i) the private placement of the Bonds (as defined below) is exclusively made on the basis of the private placement exemption set forth in article 1.4, c) of Prospectus Regulation, since the Bonds have a nominal amount per unit of EUR 100,000, and (ii) no application has been made for the Bonds to be admitted to trading on a regulated market within the meaning of the Prospectus Regulation (however, an application has been made for the Bonds to be admitted to trading on the multilateral trading facility Euronext Growth Brussels organised by Euronext Brussels).

In the United Kingdom (the **UK**), this Document is solely distributed under and is solely addressed to (a) persons who are outside the UK, (b) investment professionals which fall under article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the **Order**) or (c) high-net-worth companies and other persons to whom it can be lawfully announced who fall under article 49(2) (a) to (d) of the Order or persons to whom it may otherwise lawfully be distributed (all such persons together being referred to as **Relevant Persons**). Any investment or investment activity to which this Document relates is only available to Relevant Persons. A person who is not a Relevant Person, cannot act as a result of, or rely on, this Document and its content.

In Switzerland, neither the Document nor any other offering or marketing material relating to the Bonds (as defined in the Document) constitutes a prospectus as such term is understood pursuant to article 652a or article 1156 of the Swiss Code of Obligations or a listing prospectus within the meaning of the listing rules of the SIX Swiss Exchange or any other regulated trading facility in Switzerland and neither this document nor any other offering or marketing material relating to the Bonds may be publicly distributed or otherwise made publicly available in Switzerland. Neither the Document nor any other offering or marketing material relating to the offering, nor the Issuer nor the Bonds have been or will be filed with or approved by any Swiss regulatory authority. The Document has been prepared without regard to the disclosure standards for issuance prospectuses under the Swiss Code of Obligations or the disclosure standards for listing prospectuses under the listing rules of any stock exchange or regulated trading facility in Switzerland. The Bonds are not subject to the supervision by any Swiss regulatory authority,

e.g., the Swiss Financial Markets Supervisory Authority FINMA (FINMA), and investors in the Bonds will not benefit from protection or supervision by such authority.

THIS DOCUMENT MAY ONLY BE DISTRIBUTED IN “OFFSHORE TRANSACTIONS” AS DEFINED IN, AND AS PERMITTED BY, REGULATION S UNDER THE US SECURITIES ACT OF 1933, AS AMENDED (THE **SECURITIES ACT**). ANY FORWARDING, REDISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS NOTICE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, RESOLD, PLEDGED, TRANSFERRED OR DELIVERED, DIRECTLY OR INDIRECTLY, INTO OR WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN COMPLIANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES.

**Confirmation of your representation:** The attached Document is delivered to you at your request and on the basis that you have confirmed to BNP Paribas Fortis SA/NV, Bank Degroof Petercam SA/NV and KBC Bank NV (the **Joint Bookrunners**) and Leasinvest Real Estate Comm.VA/SCA (the **Issuer**) that (i) you are located outside United States and not a U.S. person (as defined in Regulation S under the Securities Act); and (ii) if you are in the UK, you are a Relevant Person; and (iii) if you are acting as a financial intermediary (as that term is used in Article 5 of the Prospectus Regulation), the securities acquired by you as a financial intermediary in the offer have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, any person in circumstances which may give rise to an offer of any securities to the public other than their offer or resale in any member state of the European Economic Area (the **EEA**) to qualified investors (as defined in Article 2(e) of the Prospectus Regulation); and (iv) if you are outside of the UK or the EEA, the electronic mail addresses that you gave us and to which this Document has been delivered are not located in such jurisdictions); and, in each case (v) you are a person into whose possession this Document may lawfully be delivered in accordance with the laws of the jurisdiction in which you are located.

This Document has been made available to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently neither the Issuer, the Joint Bookrunners nor any of their respective affiliates accept any liability or responsibility whatsoever in respect of any difference between the document distributed to you in electronic format and the hard copy version. By accessing the linked document, you consent to receiving it in electronic form.

A hard copy of the Document will be made available to you only upon request to the Joint Bookrunners.

You are reminded that you have accessed the attached Document on the basis that you are a person into whose possession this Document may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not nor are you authorised to deliver this Document, electronically or otherwise, to any other person.

**Restriction:** Nothing in this electronic transmission constitutes an offer of securities for sale to persons other than the specified investors described above, to whom it is directed and access has been limited so that it shall not constitute a general solicitation. If you have gained access to this transmission contrary to the foregoing restrictions, you will be unable to purchase any of the securities described therein.

You are responsible for protecting against viruses and other destructive items. Your receipt of the electronic transmission is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.





## Leasinvest Real Estate Comm.VA

*(Public regulated real estate company (openbare gereguleerde vastgoedvennootschap / société immobilière réglementée publique), incorporated as a partnership limited by shares (commanditaire vennootschap op aandelen/société en commandite par actions) in Belgium), under Belgian law, with registered office at Lenniksebaan 451, 1070 Anderlecht (Belgium) and registered with the Crossroads Bank for Enterprises under number 0436.323.915 (RLE Brussels, Dutch-speaking division) (the Issuer or Leasinvest)*

### PRIVATE PLACEMENT OF BONDS

1.95 per cent fixed rate bonds due 28 November 2026  
Issue Price: 100 per cent. - ISIN Code: BE0002679604 - Common Code: 208586785  
(the **Bonds**)

Issue Date: 28 November 2019

This information memorandum dated 25 November 2019 (the **Information Memorandum**) does not constitute a prospectus within the meaning of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market (the **Prospectus Regulation**) or the Belgian Law of 11 July 2018 on public offers of investment instruments and the admission to trading of investment instruments on regulated markets (the **Prospectus Law**) for which an approval of the Belgian Financial Services and Markets Authority (**FSMA**) would be required, as the Private Placement (as defined below) is exclusively made on the basis of the private placement exemption set forth in article 1.4, c) of Prospectus Regulation, since the Bonds have a nominal amount per unit of € 100,000. This Information Memorandum is a listing information document for the purposes of the admission to trading of the Bonds on Euronext Growth Brussels (as defined below). Before making any investment decision, potential investors are invited to read the Information Memorandum in its entirety and in particular Part I (*Risk Factors*) on page 10 to 27 of the Information Memorandum. Copies of the Information Memorandum can be obtained at the registered seat of the Issuer and at the registered seat of each of the Joint Bookrunners. These Bonds constitute debt instruments. An investment in the Bonds involves risks. By subscribing to the Bonds, investors lend money to the Issuer who undertakes to pay interest on an annual basis and to reimburse the nominal amount on the Maturity Date. In case of bankruptcy of or default by the Issuer, investors may not recover the amounts they are entitled to and risk losing their investment partially or entirely.

**Global Coordinators**



**Joint Bookrunners**



Information Memorandum dated 25 November 2019.

Leasinvest Real Estate Comm.VA, a public regulated real estate company (*openbare gereguleerde vastgoedvennootschap / société immobilière réglementée publique*) having the corporate form of a partnership limited by shares (*commanditaire vennootschap op aandelen/société en commandite par actions*) incorporated under Belgian law, with registered office at Lenniksebaan 451, 1070 Anderlecht, Belgium and registered with the Crossroads Bank for Enterprises under number 0436.323.915, business court of Brussels (Dutch-speaking division) (the **Issuer**) intends to issue the Bonds for an aggregate principal amount of € 100,000,000. The Bonds will bear interest at the rate of 1.95 per cent. per annum (the **Interest Rate**). Interest on the Bonds is payable annually in arrear on the Interest Payment Dates (as defined below) falling on, or nearest to 28 November in each year. The first payment of interest will occur on 28 November 2020. The Bonds will mature on 28 November 2026 (the **Maturity Date**). All references in this Information Memorandum to **Leasinvest** or the **Group** refer to the Issuer together with its subsidiaries (within the meaning of the Belgian Companies Code) (the **Subsidiaries**).

BNP Paribas Fortis SA/NV and Bank Degroof Petercam SA/NV are acting as global coordinators (the **Global Coordinators** and each a **Global Coordinator**) and BNP Paribas Fortis SA/NV (having its registered office at Warandeborg 3, 1000 Brussels), Bank Degroof Petercam SA/NV (having its registered office at Nijverheidsstraat 44, 1040 Brussels, Belgium) and KBC Bank NV (having its registered office at Havenlaan 2, 1080 Brussels, Belgium) are acting as joint bookrunners (together the **Joint Bookrunners** and each a **Joint Bookrunner**) for the purpose of the private placement of the Bonds (the **Private Placement**).

Application has been made to Euronext Brussels for the Bonds to be admitted to trading on the multilateral trading facility Euronext Growth Brussels organised by Euronext Brussels (formerly known as Alternext) (**Euronext Growth Brussels**). References in this Information Memorandum to the Bonds being listed (and all related references) shall mean that the Bonds have been admitted to trading on Euronext Growth Brussels.

The denomination of the Bonds shall be € 100,000 and integral multiples thereof (the **Denomination**). The Issuer and the Bonds do not have a credit rating.

This information memorandum dated 25 November 2019 (the **Information Memorandum**) intends to provide the information with regard to the Issuer and the Bonds, which, according to the particular nature of the Issuer and the Bonds, is necessary to enable investors to make an informed assessment of the rights attached to the Bonds and of the assets and liabilities, financial position, profit and losses and prospects of the Issuer.

The Bonds will be issued in dematerialised form (*gedematerialiseerd/dématérialisé*) in accordance with the Belgian Companies Code (*Wetboek van Vennootschappen/Code des Sociétés*) dated 7 May 1999, as the same may be amended or replaced from time to time, including with effect from its applicable effective date, the Belgian Code of Companies and Associations (*Wetboek van vennootschappen en verenigingen/Code des sociétés et des associations*) dated 23 March 2019, as amended from time to time (the **Belgian Companies Code**) and cannot be physically delivered. The Bonds will be represented by book-entries in the records of the securities settlement system operated by the National Bank of Belgium (the **NBB**) or any successor thereto (the **Securities Settlement System**) itself or participants of the Securities Settlement System (the **Participants**) or sub-participants of the Securities Settlement System. Access to the Securities Settlement System is available through those of its Participants whose membership extends to securities such as the Bonds. Participants include certain banks, stockbrokers (*beursvennootschappen/sociétés de bourse*), Euroclear Bank SA/NV (**Euroclear**), and Clearstream Banking A.G. (**Clearstream Banking Frankfurt**), SIX SIS AG (**SIX SIS**) and Monte Titoli S.p.A. (**Monte Titoli**). Accordingly, the Bonds will be eligible for clearance through and will therefore be accepted by Euroclear, and Clearstream Banking Frankfurt, SIX SIS and Monte Titoli. Investors, who

are not Participants, can hold their Bonds within securities accounts in Euroclear, and Clearstream Banking Frankfurt, SIX SIS and Monte Titoli or any other Participant.

Unless otherwise stated, capitalised terms used in this Information Memorandum have the meanings set forth in this Information Memorandum. Where reference is made to the **Terms and conditions of the Bonds** or to the **Conditions**, reference is made to the Terms and Conditions of the Bonds as set out in Part III (*Terms and Conditions of the Bonds*).

An investment in the Bonds involves risks. Potential investors should take note of Part I (*Risk Factors*) on page 10 to 27 of the Information Memorandum to understand which factors may affect the Issuer's ability to fulfil its obligations under the Bonds.

### **RESPONSIBLE PERSON**

The Issuer, having its registered office and correspondence address at Lenniksebaan 451, 1070 Anderlecht, Belgium and registered with the Crossroads Bank for Enterprises under number 0436.323.915, Business Court of Brussels (Dutch-speaking division) (the **Responsible Person**) accepts responsibility for the Information Memorandum and any supplements of the Information Memorandum.

To the best of the knowledge and belief of the Issuer, having made all reasonable enquiries and taken all reasonable care to ensure that such is the case, the information contained in this Information Memorandum is in accordance with the facts and contains no omissions likely to affect its import.

### **OFFER OF THE BONDS**

This Information Memorandum was prepared in view of the Private Placement.

This Information Memorandum was not filed for approval with the FSMA or any other competent authority in the European Economic Area and Switzerland. Consequently, the Bonds may not be distributed in Belgium by means of a public offering of securities, as defined in article 2, d) of the Prospectus Regulation and in article 4, 2° of the Prospectus Law. This Private Placement is made solely on the private placement exemption in accordance with article 1.4, c) of Prospectus Regulation, as the Bonds have a nominal amount per unit of EUR 100,000.

This Information Memorandum does not constitute a public offer to sell, buy or subscribe to the Bonds nor the solicitation of an offer to buy, sell or subscribe to the Bonds in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction.

The distribution of this Information Memorandum and the offer or sale of Bonds may be restricted by law in certain jurisdictions. The Issuer and the Joint Bookrunners do not represent that this Information Memorandum may be lawfully distributed, or that the Bonds may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer or the Joint Bookrunners which is intended to permit a public offering of the Bonds or the distribution of this Information Memorandum in any jurisdiction where action for that purpose is required. Accordingly, no Bonds may be offered or sold, directly or indirectly, and neither this Information Memorandum nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Information Memorandum or any Bonds may come must inform themselves about, and observe, any such restrictions on the distribution of this Information Memorandum and the offering and sale of Bonds.



This Information Memorandum is to be read in conjunction with all the documents which are incorporated herein by reference (see Part II (*Documents Incorporated by Reference*) of the Information Memorandum) and each supplement. This Information Memorandum shall be read and construed on the basis that such documents are incorporated in and form part of the Information Memorandum.

For a description of further restrictions on offers and sales of Bonds and distribution of this Information Memorandum see Part IX (*Subscription and Sale*) of the Information Memorandum.

No person is or has been authorised to give any information, make statements or to make any representation not contained in or not consistent with this Information Memorandum and any information or representation not so contained or inconsistent with this Information Memorandum or any other information supplied in connection with the Bonds and, if given or made, such information must not be relied upon as having been authorised by or on behalf of the Issuer or the Joint Bookrunners. Neither the delivery of this Information Memorandum nor any sale made in connection herewith shall, under any circumstances, create any implication that:

- the information contained in this Information Memorandum is true subsequent to the date of the Information Memorandum or otherwise that there has been no change in the affairs of the Issuer or its Subsidiaries since the date hereof or the date upon which this Information Memorandum has been most recently amended or supplemented;
- there has been no adverse change, or any event likely to involve any adverse change, in the condition (financial or otherwise) of the Issuer or its Subsidiaries since the date hereof or, if later, the date upon which this Information Memorandum has been most recently amended or supplemented; or
- the information contained in it or any other information supplied in connection with the Bonds is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

Market data and other statistical information used in the Information Memorandum have been extracted from a number of sources, including independent industry publications, government publications, reports by market research firms or other independent publications. Such information has been accurately reproduced and the Issuer confirms that, so far as it is aware, it is able to ascertain from information published by the relevant independent source, no facts have been omitted which would render the reproduced information inaccurate or misleading. However, the Issuer and its advisors have not independently verified any of the abovementioned information.

The Joint Bookrunners and the Issuer expressly do not undertake to review the condition (financial or otherwise) of the Issuer and its Subsidiaries during the life of the Bonds and do not undertake to provide an update of the information contained in this Information Memorandum or to provide the investors in the Bonds with information they may have.

Neither this Information Memorandum nor any other information supplied in connection with the offering of the Bonds (a) is intended to provide the basis of any credit or other evaluation or (b) should be considered as a recommendation by the Issuer or the Joint Bookrunners that any recipient of this Information Memorandum or any other information supplied in connection with the offering of the Bonds should purchase any Bonds. Each investor contemplating a purchase of the Bonds should make its own independent investigation of the financial conditions and affairs, and its own appraisal of the creditworthiness of the Issuer.

Neither this Information Memorandum nor any other information supplied in connection with the offering of the Bonds constitutes an offer or invitation by or on behalf of the Issuer or the Joint Bookrunners to any person to subscribe for or purchase any Bonds.

Neither the Joint Bookrunners nor any of their affiliates have approved the whole or any part of the Information Memorandum and none of them makes any representation or warranty or accepts any responsibility as to the accuracy or completeness of the information contained in the Information Memorandum. To the fullest extent permitted by law, the Joint Bookrunners accept no responsibility whatsoever for the contents of this Information Memorandum or for any other statement, made or purported to be made by the Joint Bookrunners or on their behalf in connection with the Issuer or the issue and private placement of the Bonds. The Joint Bookrunners accordingly disclaim all liability, whether arising in tort or in contract or in any other event, in relation to the information contained or incorporated by reference in this Information Memorandum or any other information in connection with the Issuer, the offering of the Bonds or the distribution of the Bonds.

The Bonds have not been and will not be registered under the United States Securities Act of 1933, as amended (the **Securities Act**), or the securities laws of any state or other jurisdiction of the United States. The Bonds are being offered and sold solely outside the United States to non-U.S. persons in reliance on *Regulation S* under the Securities Act (**Regulation S**). Subject to certain exceptions, the Bonds may not be offered, sold or delivered within the United States or to, or for the account or benefit of U.S. persons (as defined in Regulation S). For a further description of certain restrictions on the offering and sale of the Bonds and on the distribution of this document, please refer to Part IX (*Subscription and Sale*) of the Information Memorandum.

The Bonds may not be a suitable investment for all investors. In particular, each potential investor may wish to consider, either on its own or with the help of its financial and other professional advisers, whether it:

- (a) has sufficient knowledge and experience to make a meaningful evaluation of the Bonds, the merits and risks of investing in the Bonds and the information contained or incorporated by reference in this Information Memorandum or any applicable supplement;
- (b) has access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Bonds and the impact the Bonds will have on its overall investment portfolio;
- (c) has sufficient financial resources and liquidity to bear all of the risks of an investment in the Bonds including Bonds where the currency for principal or interest payments is different from the potential investor's currency;
- (d) understanding thoroughly the terms of the Bonds and is familiar with the behaviour of any relevant financial markets; and
- (e) is able to evaluate (either alone or with the help of a financial advisor) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Legal investment considerations may restrict certain investments. The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) the Bonds are legal investments for it, (2) the Bonds can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Bonds. Financial

institutions should consult their legal advisors or the appropriate regulators to determine the appropriate treatment of Bonds under any applicable risk-based capital or similar rules.

For a further description of certain restrictions on the offering and sale of the Bonds and on the distribution of this document, please refer to Part IX (*Subscription and Sale*) of the Information Memorandum.

All references in this document to **euro**, **EUR** and **€** refer to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Community, as amended.

This Information Memorandum contains various amounts and percentages which are rounded and, as a result, when these amounts and percentages are added up, they may not total.

### **WARNING**

This Information Memorandum has been prepared to provide information on the Private Placement of the Bonds and in connection with the listing of the Bonds on Euronext Growth Brussels. When potential investors make a decision to invest in the Bonds, they should base this decision on their own research of the Issuer and the terms and conditions of the Bonds set out in Part III (*Terms and Conditions of the Bonds*) of the Information Memorandum, including, but not limited to, the associated benefits and risks, as well as the conditions of the Private Placement of the Bonds. The investors must themselves assess, with their own advisors if necessary, whether the Bonds are suitable for them, considering their personal income and financial situation. In case of any doubt about the risk involved in purchasing the Bonds, investors should abstain from investing in the Bonds.

The summaries and descriptions of legal provisions, taxation, accounting principles or comparisons of such principles, legal company forms or contractual relationships reported in the Information Memorandum may in no circumstances be interpreted as investment, legal or tax advice for potential investors. Potential investors are urged to consult their own advisor, accountant or other advisors concerning the legal, tax, economic, financial and other aspects associated with the subscription to the Bonds.

## **FURTHER INFORMATION**

For more information about the Issuer, please contact:

Leasinvest Real Estate Comm.VA

Lenniksebaan 451  
1070 Anderlecht, Belgium

Tel.: +32 3 238 98 77

Fax: +32 3 237 52 99

e-mail: [info@leasinvest.be](mailto:info@leasinvest.be)

## TABLE OF CONTENTS

PART I	RISK FACTORS.....	10
PART II	DOCUMENTS INCORPORATED BY REFERENCE.....	28
PART III	TERMS AND CONDITIONS OF THE BONDS .....	30
PART IV	CLEARING.....	60
PART V	DESCRIPTION OF THE ISSUER .....	61
PART VI	SELECTED FINANCIAL INFORMATION .....	86
PART VII	USE OF PROCEEDS .....	93
PART VIII	TAXATION .....	94
PART IX	SUBSCRIPTION AND SALE.....	102

## **PART I RISK FACTORS**

*An investment in Bonds is, by definition, subject to risks. Prior to investing in the Bonds, potential investors have to carefully consider all the information contained in this Information Memorandum, including the specific risks and uncertainties described below. This Part describes certain risks relating to the economic climate, the Issuer, regulations, and the Bonds.*

*The Issuer believes that the risk factors described below, as well as those set forth elsewhere in this Information Memorandum, represent the main risks and uncertainties that are considered to be relevant on the Date of this Information Memorandum in the context of an investment in the Bonds, it being understood that the inability of the Issuer to pay interest, principal or other amounts on, or in connection with, the Bonds may occur for other reasons, which the Issuer, based on information available to it at present, may not consider to be significant risks or which the Issuer cannot foresee at this time. Investors are invited to consider the risks described below, the uncertainties and any other relevant information given in the Information Memorandum before making an investment decision. Should one of the following risks materialize, the Issuer's business, operating results, financial position and/or prospects could be significantly adversely affected, which consequently could lead to a decrease of the value of the Bonds and/or loss by an investor of a part or all of its investment, as a result of the (potentially) decreased capacity or incapability of the Issuer to pay interest, principal or other amounts on, or in connection with, the Bonds.*

*Potential investors also have to take note of the detailed information that is incorporated elsewhere, or through incorporation by reference, in this Information Memorandum and must make their own assessment in light of their own circumstances before making an investment decision. In addition, before making an investment decision, potential investors should consult their securities broker, banker, lawyer, accountant, or other financial, legal and tax advisors as they deem appropriate.*

*The order in which the risk factors are mentioned, is not an indication of the degree of probability that they may materialize or of the extent of their commercial impact.*

*Terms defined in Part III (Terms and Conditions of the Bonds) shall have the same meaning where used below.*

*A reference to Group is a reference to the Issuer and its Subsidiaries.*

### **RISK FACTORS THAT MAY AFFECT THE ISSUER'S ABILITY TO FULFIL ITS OBLIGATIONS UNDER THE BONDS**

#### **1. RISK RELATED TO THE ISSUER AND ITS ACTIVITIES**

##### **1.1 MARKET RISKS**

###### ***Risks related to the deterioration of the economic situation in relation to the existing situation***

As the evolution of real estate supply and demand is influenced by the general economic climate, the deterioration of the main macro-economic indicators (including consumer confidence) could negatively affect the Issuer's business and development prospects.

The Issuer's activities are affected by economic cycles, as these have an impact on the disposable income of the tenants (and thus on their ability to meet their obligations), on the demand for rental premises and on the availability of sources of financing for investments.

The main risks to which the Issuer is exposed in case of deterioration of the economic climate concern the occupancy rate of its buildings and the (in)ability to maintain its rental prices when new rents are contracted or rents are renewed, and, consequently, maintain the value of its property portfolio. A deteriorating economic climate has a negative impact on rental requests and on investor's demand for real estate, and can therefore lead to higher vacancies and/or lower rental prices in the event of re-letting, resulting in a decrease in the fair value of the Issuer's property portfolio. Such a lower valuation of the property has a negative accounting impact on the Issuer's equity and net result, and also leads to an increase in the debt ratio (expressed as a percentage of the value of the assets) of the Issuer.

In such circumstances also the risk exists regarding the quarterly valuations of possible decreases that could effectively be realized in case of possible sales.

If any of the risks set out above would materialise, this could have a material adverse effect on the Issuer's business, results of operations, financial condition and prospects

### ***Risks related to the decreased demand for the real estate of the Issuer***

The value of the real estate in the Issuer's portfolio is mainly determined by the commercial value of its location. The willingness of institutional investors to invest can temporarily fall sharply due to macro-economic factors that influence the availability of loans and their cost.

The reduced demand from investors for the real estate of the Issuer may lead to a decrease in the fair value of the real estate portfolio of the Issuer, which in turn would have a negative accounting impact on the Issuer's equity and net profit, and would therefore lead to an increase in its debt ratio (since this is expressed as a percentage of the value of the assets), and, as a consequence, its financial position and prospects.

### ***Inflation risks***

A general increase in the price level (inflation boosted by monetary easing) may give rise to an increase in the cost of funding (as a result of an increase in interest rates) and/or an increase in the capitalization rates, and can therefore cause a decrease in the fair value of the Issuer's real estate portfolio, and a lower level of its equity, which could have a material adverse effect on the Issuer's business, results of operations, financial condition and prospects.

### ***Deflation risks***

A decrease in economic activity can lead to a deflationary spiral and consequently to a fall in the general price levels. This can lead to lower rental income for the Issuer on new contracts or on renegotiated contracts as well as to a decrease in the rental income from existing contracts that are subject to indexation clauses whereby the nominal rent is adjusted to reflect the deflation, which could have a material adverse effect on the Issuer's business, results of operations, financial condition and prospects.

### ***Risks related to the splitting or disappearance of the monetary union and/or political instability, Brexit, ...***

A possible split in or disappearance of the monetary union or political instability in the European Union may lead to an increase of the funding costs as well as an increase of the capitalization rates, which can lead to a decrease in the fair value of the Issuer's real estate portfolio, which in turn would have a negative accounting impact on its equity and net result and would therefore lead to an increase in its debt ratio (as this is expressed as a percentage of the value of the assets).

In addition, such a scenario may also affect the creditworthiness of tenants of the Issuer, whose income mainly comes from countries leaving the Union (see in this respect risk factor “*Risks related to tenants, rental prices and vacancy of the buildings*”).

If any of the risks set out above would materialise, this could have a material adverse effect on the Issuer’s business, results of operations, financial condition and prospects.

***Risks related to the volatility and uncertainty on the capital markets and/or volatility of the interest rates***

High volatility and uncertainty on the financial markets may lead to a reduced ability of the Issuer to strengthen its equity through recourse to the capital markets. This could act as a brake on the growth of its activities, as a strengthening of the Issuer’s equity enables the Issuer to make more debt-financed investments within the permitted debt ratio.

Such volatility and uncertainty could also lead to a more difficult and expensive access to loans and a possible limited liquidity for additional loans as a result, which could in turn act as a brake on the growth of the Issuer’s activities. Such volatility will also be reflected in an increase in interest rates, which will directly lead to an increase of the financing cost and indirectly to an increase in the capitalisation rates, which in turn could lead to a decrease in the fair value of the Issuer’s real estate portfolio, net income and equity, which could have a material adverse effect on the Issuer’s business, results of operations, financial condition and prospects.

***Risks associated with the loss of consumer confidence***

A drop in consumer confidence can lead to a lower turnover among tenants and pressure on the rental prices within the Issuer’s retail portfolio (including the participation of the Issuer in the BE-REIT Retail Estates), which may lead to renegotiation of existing rental prices, lower rental prices for future rentals or (temporary) vacancy resulting from the inability of the tenant to pay the rental price, and ultimately to a decrease in the fair value of the properties and an impact on the Issuer’s equity which could have a material adverse effect on the Issuer’s business, results of operations, financial condition and prospects.

**1.2 OPERATIONAL RISKS**

***Risks associated with inappropriate policy choices that result in inappropriate investment or development choices***

The risk exists that, despite the fact that potential investments are preceded by an extensive strategic and risk analysis of the market and that due diligence investigations are carried out on technical, administrative, legal and accounting level, the choice for a particular real estate investment does not meet the Issuer’s expectations. A possible miscalculation of the risks associated with an investment, or of the probability that such risks will materialise, could result in an inappropriate investment or development choice. This could result in failure to achieve the expected returns or to the discovery of hidden liabilities with a negative impact on the Issuer’s revenues and its risk profile as a consequence. If an investment in real estate or, more generally, if the composition of the real estate portfolio does not meet the market demand, this can lead to a higher vacancy rate, which could materially adversely affect the value of the Issuer’s property portfolio and, consequently, its financial position and development prospects.



### ***Risks related to own (re)developments***

On an ancillary basis, the Issuer also engages in project development for its own real estate portfolio. An oversized pipeline of own developments could lead to uncertainty about future revenues, costs and occupation. After all, development activities are subject to specific risks that differ from the risks associated with the other activities of the Issuer. In case of new developments, there is always a degree of uncertainty during the preparatory phase relating to obtaining all required permits in accordance with town planning and/or environmental regulations, and about the timeframe within which this is possible. If the required permits are not obtained, the costs incurred for the project will not generate a return. Furthermore, there is an inherent risk that the predetermined timing will not be met, that the predetermined budget for the development investment will be exceeded, or that the intended quality of the property will not be achieved, which has a negative impact on the return on investment. In addition, the risk of long-term vacancy is considerably higher in the case of newly developed or redeveloped real estate as opposed to an investment in existing properties for which there is generally already an acceptable existing occupancy rate at the time of the investment. Any of such risks could materially adversely affect the value of the Issuer's property portfolio and, consequently, its financial position and development prospects.

### ***Risks related to the decreases in value of the real estate portfolio and property valuations***

The Issuer is exposed to the risk of fluctuations in the fair value of its real estate portfolio.

For example, the Issuer is exposed to the risk of a decrease of the fair value of the real estate in its portfolio due to wear and tear as a result of ordinary, structural and technical obsolescence and/or damage caused by users, increasing vacancy, unpaid (rental) prices, and decreases in (rental) prices when concluding new rental agreements or when renewing existing rental agreements. In addition, there is a risk that the buildings no longer (or will no longer) comply with the increasing (legal or commercial) requirements, including in the field of sustainable development (energy performance, etc.).

The Issuer's real estate portfolio is appraised on a quarterly basis by independent real estate experts, on the basis of standard norms. Nevertheless, a certain degree of subjectivity is associated with the real estate expert's assessment of the Issuer's real estate portfolio. Consequently, each valuation involves a certain degree of uncertainty. It is possible that the real estate expert's reports are based on hypotheses that would subsequently prove to be wrong, unadjusted or no longer up-to-date. In such a case, as well as when a new real estate expert would be appointed, there is a risk that the Issuer's real estate portfolio would be valued on a different basis, which could result in significant deviations from the valuation of the real estate portfolio by the current real estate expert.

Decreases in the fair value of the Issuer's property have an accounting impact on the net result, and the Issuer's debt ratio which could have a material adverse effect on the Issuer's financial position and development prospects.

### ***Risks related to tenants, rental prices and vacancy of the buildings***

The Issuer's revenues consist mainly of rental income generated by renting out to third parties. Therefore, the risk exists that, if the tenants concerned fail to meet their obligations towards the Issuer, the rental warranty agreed with the tenants, is insufficient and the Issuer would be unable to exercise recourse against the tenant (without initiating legal procedures), which consequently means that the Issuer bears the risk of recovering nothing, or an insufficient amount, from such tenant (the Issuer is not insured against non-payments). Moreover, the Issuer does not generate any income if and to the extent that there are vacancies in its real estate portfolio. Non-payment due to reduced solvency or bankruptcy

of the tenants and/or a decrease in the occupancy rate of the buildings have a negative impact on the operational result of the Issuer.

In addition, the Issuer is exposed to the risk of a loss of rental income related to the (unforeseen) departure of tenants on a due date or at the expiry of the rent (which is also the case for buildings sold during the term of the rental guarantee). Taking into account the economic situation at that time, there is a risk that, even if new tenants are found, the new rent contracts will generate lower rental income than the current contracts, e.g., when the new tenants are not in a position to pay the same or a higher rental price, or demand additional rental incentives.

The (maintenance and other) costs of a building can usually not be adjusted (reduced) in proportion to a lower rental income. This could adversely affect the Issuer's revenue and cash flows. In addition, the Issuer may be faced with vacant properties in case a new tenant cannot be found immediately or in case an unforeseen non-renewal or early termination of the rent contract occurs. This could result in a loss of rental income, reduced rental income or higher commercial costs to attract new tenants, as well as additional refurbishment costs. All this has a negative impact on the results and on the value of the Issuer's real estate portfolio.

If any of the risks set out above would materialise, this could have a material adverse effect on the Issuer's business, results of operations, financial condition and prospects.

***Risks related to the underestimated volatility in the maintenance costs of the buildings***

The attractiveness of the Issuer's real estate portfolio on the rental market and its valuation thereof depends on the perception of the buildings by the tenants or potential buyers, in particular as regards to the quality, the state of maintenance and the security of the buildings.

For example, high maintenance costs, wear and tear or the deteriorated condition of the real estate can have an impact on the results of the Issuer, as a building's poor condition has a negative impact on the rents that tenants are willing to pay. In addition, if the real estate becomes architecturally or technically outdated, this will result in a reduced market interest, which also has a negative impact on the possibility of re-letting and on the valuation of the property.

The Issuer may, due to a lack of renovation, maintenance or sustainable development of its real estate portfolio, either be confronted with a decrease of the occupancy rate or with an increase in costs, which could materially adversely affect its financial position.

***Risks associated with the destruction of buildings by damage, terrorism, fire, natural disasters, ...***

The Issuer is exposed to the risk of the financial consequences of external factors and serious damage claims (e.g. the threat of terrorism, vandalism, fire and natural disasters) regarding the buildings in its real estate portfolio, which may lead to the interruption of the activities carried out in the concerned buildings and to the loss of tenants, and reduced rental income, which could ultimately affect the financial position of the Issuer.

***Risks associated with the intrusion into the IT-network, cybercrime, phishing, ...***

If the systems put in place by the Issuer with regard to data backup and protection against data loss prove to be unsuitable, do not function properly or do not offer full protection, this may lead to data loss, which may harm the operational management of the Issuer.

In general, any error in the operation or failure of the information systems as well as any loss of data or failure of data protection, may harm the operational management and reputation of the Issuer, which could have a material adverse effect on the activities and/or the operating results of the Issuer.

#### ***Risks related to concentration***

The concentration of the activities of the tenant base, the concentration of the tenants or the concentration of the investments in one or more buildings or locations, can lead to an unexpected, sudden loss of income when a particular economic sector, tenant or region in which the tenants are active, is affected by internal or external factors, which could lead to a significant loss of rental income, a decrease in the fair value of the related property and an increase in uncollectible receivables. In such a case, the Issuer could additionally face difficulties in replacing the defaulting tenant at similar conditions (if at all possible). The impact of the above is reinforced if such tenant(s) rent(s) a single building and its (their) departure leads to complete vacancy of the building. In that case, the impact on the value of the entire building is relatively larger than if only a part of a building is affected by vacancy; consequently, the negative impact on the Issuer's equity is also relatively larger.

In this context, it should be pointed out that, in accordance with the BE-REIT legislation, the Issuer must respect a diversification of its real estate, geographically, by type of real estate and by category of tenant. Article 30 of the BE-REIT Act provides that "no transaction carried out by the Public BE-REIT may result in (1°) more than 20% of its consolidated assets being invested in real estate that constitutes a single real estate entity; or (2°) this percentage increases further if it is already more than 20%, regardless of the reason for the initial exceeding of this percentage in the latter case. This limitation applies at the time of the transaction in question". If the Issuer were to exceed the 20% diversification rule, the Issuer may not make any investments, divestments or other actions that would result in a further increase of this percentage. In other words, the 20% diversification rule limits the Issuer's possibilities in the context of additional investments or divestments.

#### ***Risks associated with the success of e-commerce***

The increasing importance of e-commerce can have an impact on existing sales channels. This can lead to a reduced demand for the "retail" property held by the Issuer (including the Issuer's participation in the BE-REIT Retail Estates NV), which may lead to a decrease in rental income and thus to a decrease of the net result, higher vacancy rates, a decrease in the fair value of the concerned real estate and consequently to a decrease in the Issuer's equity, which could materially adversely affect the Issuer's financial position.

### **1.3 FINANCIAL RISKS**

#### ***Risks related to the insolvency of the financial or banking counterparties (counterparty risk)***

The Issuer may be confronted with the insolvency of a financial or banking counterparty. This could lead to the cancellation of existing credit lines, both for credits and for hedges, and consequently to a reduction of the Issuer's financial resources.

In line with market practices, the credit agreements generally provide for market disruption and material adverse change clauses that may, in certain extreme circumstances, generate additional costs for the Issuer and, in even more extreme cases, lead to a termination of the credit lines.

***Risks associated with the unavailability of funding or the desired maturity of the financing (liquidity risk) and drying up of the commercial paper market***

The Issuer has a strong and long-lasting relationship with its lenders, a diversified group of financial institutions. Nevertheless, the risk always exists that financing would no longer be available or that there would be no market for the desired maturity of the credit. This could lead to the impossibility to finance acquisitions or only at higher costs, which would result in a lower profitability of the acquisition. The event of non-renewal of a credit line, could also lead to a mandatory sale of assets at a value lower than its fair value, in order to be able to repay the credit, the principal of which is usually fully repayable at maturity (so-called 'bullet' loans).

In addition, the Issuer has an outstanding commercial paper programme. There could be a risk that this market will disappear. The Issuer has a policy whereby it opts to guarantee the full amount of outstanding financing on the commercial paper market with undrawn credit lines. The disappearance of the commercial paper market could have a negative impact on the financing cost and consequently on the net result of the Issuer.

***Risks associated with the combination of adverse interest rate movements, increased risk premiums on equity markets and the increase in the lending margin (cost of funding)***

Unfavourable interest rate movements or higher risk premiums in the equity and bond market, could lead to a significant rise in the level of weighted average cost of funding of the Issuer (i.e. equity and debt capital), which could have a significant negative impact on the results and the financial situation of the Issuer.

***Risks related to the Issuer's indebtedness and contractual covenants in finance agreements***

The Issuer's borrowing capacity is limited by the statutory maximum debt ratio of 65% which is permitted by the BE-REIT legislation. As at 31 December 2018, the consolidated debt ratio was 53.53%. At 30 June 2019, the consolidated debt ratio was 55.70%. In accordance with Article 24 of the BE-REIT Royal Decree, the Issuer must draw up a financial plan describing the measures that will be taken to prevent the consolidated debt ratio from exceeding 65% when its consolidated debt ratio exceeds 50%. The Issuer must include the general guidelines of this financial plan in its annual and half-yearly financial reports.

At 30 June 2019, the Issuer had a debt capacity of EUR 323.5 million before reaching a debt ratio of 65% and of EUR 131.5 million before reaching a debt ratio of 60%. The value of the real estate portfolio also has an impact on the debt ratio. Taking into account the capital base as per 30 June 2019, the maximum debt ratio of 65% would only be exceeded in the event of a possible decrease in the value of the real estate portfolio of approximately EUR 174.1 million or 16.5 %.

In the context of its relations with financial counterparties, the Issuer is required to take into account specific financial parameters, as part of certain financing agreements and/or legal regimes (debt ratio limited to a maximum of 65%) to which the Issuer and/or its subsidiaries are party or to which they are subject.

Failure to comply with these financial parameters could lead to: (i) sanctions and/or stricter monitoring by the relevant regulator(s) if specific statutory financial parameters are not complied with (e.g. compliance with the mandatory debt-equity ratio); and/or (ii) a cancellation of credit facilities or mandatory early repayment of outstanding amounts as well as the damaged confidence between the Issuer and investors and/or between the Issuer and financial institutions, in case of non-compliance with contractual covenants. Some or all of these defaults could allow creditors to (i) have such debts repaid in

advance as well as other debts to which a cross-default or cross-acceleration provision applies, (ii) declare all loans outstanding due and payable and/or (iii) cancel undrawn commitments.

Although, on the basis of the information in its possession, the Issuer is, on the date of this Information Memorandum, not aware of elements that would indicate that one or more of these covenants and/or statutory financial parameters could not be complied with, the risk of non-compliance cannot be excluded. The aforementioned non-compliance would have a significant negative impact on the activities, results, return, financial position and prospects of the Issuer, as well as possibly lead to the loss of its BE-REIT statute.

***Risks of deviating from the financial results of the proposed budget, and legal requirements***

The annual budgets and financial outlooks are adjusted at least quarterly and are an important aid for decision-making and for the monitoring of the management. Possible erroneous assumptions and material errors can, if they go unnoticed, lead to a breach of the obligations imposed by various regulations (such as, for example, respecting the maximum debt ratio and the obligations related to the BE-REIT statute) and/or contractual obligations (an erroneous cash planning assumption can lead to the failure to meet financial obligations). They may therefore also affect the Issuer's performance.

***Risks in relation to the fair value fluctuations on derivatives or a relatively higher financing cost as a result of selected hedges in the event of a decrease of interest rates***

The majority of the Issuer's financial debts have a floating (variable) interest rate. This allows it to benefit, when applicable, from low interest rates. In order to cover the risk of interest rate increases, the Issuer has a policy of hedging the interest rate risk for approximately 75% of its financial debts for a period of 5 years and for 50% for a period of the following 5 years. The policy aims to achieve an optimal financing cost taking into account the hedges. As a result, it is possible to temporarily deviate from this policy or to enter into relatively more fixed-interest rate loans on a temporary basis.

Securing the risk of the increase of interest rates regarding variable interest rate loans is dealt with by entering into hedging instruments, such as interest rate swaps (a product in which the Issuer exchanges the variable interest rate for a fixed rate) or interest rate caps (a product in which the Issuer agrees on a certain rate above which the variable interest rate cannot increase).

Such financial hedging instruments entered into by the Issuer are valued at fair value. Changes in fair value give rise to a higher variability of the net result and the equity, as well as the net asset value of the Issuer. Therefore, a decrease in the hedged interest rates will have a negative impact on the aforementioned parameters. Additionally, a decrease in these interest rates may also give rise to a relatively higher financing cost as a result of the selected financial hedging instruments.

## **1.4 REGULATORY AND OTHER RISKS**

***Risks related to non-compliance with the legal regime concerning regulated real estate companies***

As a Public BE-REIT, the Issuer is subject to the BE-REIT legislation, which contains restrictions with respect to, among other things, the activities, the debt ratio, the appropriation of results, conflicts of interest and corporate governance. The (continued) compliance with these specific requirements depends, among other things, on the Issuer's ability to successfully manage its assets and debt position, and on compliance with strict internal control procedures. The Issuer may not be able to meet these requirements in the event of a significant change in its financial situation or otherwise. If the Issuer were to lose its BE-REIT licence, it would no longer benefit from the special BE-REIT tax regime. Such loss

would furthermore constitute an event of default under most of the Issuer's credit facilities and under the Conditions of the Bonds.

If any of the risks set out above would materialise, this could have a material adverse effect on the Issuer's business, results of operations, financial condition and prospects.

***Risks in relation to the legal statute of Leasinvest Immo Lux SA as SICAV-FIS and non-AIF***

Leasinvest Immo Lux SA, a 100% subsidiary of the Issuer under Luxembourg law, has the statute of SICAV-FIS in Luxembourg. SICAV-FISs can benefit from a different tax regime which exempts them from Luxembourg corporation tax.

Leasinvest Immo Lux SA is subject to the AIFMD-rules since, as SICAV-FIS, it is in principle qualified as AIF. However, it may apply an exception under the applicable legislation relating to the statute of Leasinvest Real Estate and the shareholding structure so that Leasinvest Immo Lux SA is ultimately not considered as AIF. If Leasinvest Immo Lux SA were to be qualified as AIF (e.g. through an amendment or interpretation of the legislation), additional significant statutory obligations would be imposed on the Issuer (as AIF manager), which could in turn have a material adverse effect on the Issuer's business, results of operations, financial condition and prospects.

***Risks in relation to the evolution of legislation***

New (European, national, federal, regional or local) regulations or changes to existing regulations (whether or not from a purely political point of view), including in the fields of taxation, environment, town planning, mobility policy, privacy and sustainable development and new provisions relating to the letting of real estate and the renewal of permits to which the Issuer or the users of the Issuer's real estate must comply, or a change in the application and/or interpretation of such regulations by the administration (including the tax administration) or the courts and tribunals, may increase the administrative costs and obligations of the Issuer, as well as significantly negatively affect its return and the fair value of its assets.

In addition, a change in urban or environmental legislation may lead to higher costs for maintaining the Issuer's real estate in good operating condition.

Changes in the EU reference framework such as IFRS and transpositions of new initiatives into national legislation, e.g. in the framework of AIFMD (Alternative Investment Fund Managers Directive) or EMIR (European Market Infrastructure Regulation) can also have an impact on reporting, capital requirements, the use of derivative instruments and the organisation of the Issuer. They can also determine the operational activities of the Issuer and its practical and legal organisation, the applicable taxation and possibly the valuation.

The exit tax, payable by companies whose assets are taken over by a BE-REIT at the time of (among other things) merger, is calculated taking into account Circular Ci.RH.423/567.729 of the Belgian tax authorities of 23 December 2004, of which the interpretation or practical application could always change. The "fair value for tax purposes" as referred to in this circular is calculated after deduction of registration duties or VAT (which would be applicable in the event of a sale of the assets) and may differ from (including be lower than) the fair value of the real estate as recorded in the BE-REIT's balance sheet in accordance with IAS 40. For transactions that have taken place as from 1 January 2018, the exit tax rate is 12.75% (incl. additional crisis contribution of 2%). For transactions that take place as from fiscal year 2021, linked to a taxable period that starts at the earliest as from 1 January 2020, the rate of the exit tax will increase again to 15% (without additional crisis contribution).

If any of the risks set out above would materialise, this could have a material adverse effect on the Issuer's business, results of operations, financial condition and prospects.

***Risks associated with the changes of the fiscal climate in Luxembourg***

The deterioration of the fiscal incentives for cross border shopping could lead to lower turnover and pressure on retail tenants' rents in the Luxembourg shopping centres with possible vacancies and a decrease in the fair value of retail properties as a result, which will also have an impact on the Issuer's equity, which could ultimately affect the financial position of the Issuer.

***Risks related to the complexity of acquisition or divestment transactions***

The Issuer is and may in the future be a party to (complex) merger, demerger or other acquisition transactions. Although the Issuer takes precautions in these type of transactions, among other things, by carrying out due diligence on the contributed goods and by stipulating warranties in the acquisition agreements, it is not excluded that latent liabilities may be transferred to the Issuer in these transactions. This may result, among other things, from the non-compliance of certain obligations by the transferors or from the fact that certain documents could not be submitted by the transferors (such as minutes of provisional or final acceptance, insurance documents, electricity reports, post-intervention files, fire safety monitoring reports, etc.). In addition, the negotiated warranties are, by their nature, limited in time and transferors usually stipulate restrictions on their maximum liability under the warranties. Finally, the Issuer remains confronted with the risk of the insolvency of its counterparty. If any of the risks set out above would materialise, this could have a material adverse effect on the Issuer's business, results of operations, financial condition and prospects.

***Risks associated with the turnover of key personnel***

The turnover of key personnel of the Issuer and its subsidiaries or of the Statutory Manager can have a negative impact on the existing professional relationships and can lead to a loss of decisiveness and efficiency in the decision-making process of the management. Furthermore, unexpectedly losing one or more key individuals could lead to a negative market perception which could have a material adverse effect on the Issuer's business, results of operations, financial condition and prospects.

**2. RISK FACTORS IN RELATION TO THE BONDS**

***The Bonds may not be a suitable investment for all investors.***

Each potential investor in the Bonds must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (a) have sufficient knowledge and experience to make a meaningful evaluation of the Bonds, the merits and risks of investing in the Bonds and the information contained or incorporated by reference in this Information Memorandum or any applicable supplement;
- (b) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Bonds and the impact the Bonds will have on its overall investment portfolio;
- (c) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Bonds, including where the currency for principal or interest payments is different from the potential investor's currency;

- (d) understand thoroughly the terms of the Bonds and be familiar with the behaviour of any relevant financial markets; and
- (e) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

A potential investor should not invest in the Bonds unless it has the expertise (either alone or with a financial adviser) to evaluate how the Bonds will perform under changing conditions, the resulting effects on the value of the Bonds and the impact the investment will have on the potential investor's overall investment portfolio.

Furthermore, each prospective investor in the Bonds must determine, based on its own independent review and such professional advice as it deems appropriate under the circumstances, that its acquisition of the Bonds is fully consistent with its financial needs, objectives and condition, complies and is fully consistent with all investment policies, guidelines and restrictions applicable to it and is a fit, proper and suitable investment for it, notwithstanding the clear and substantial risks inherent in investing in or holding the Bonds.

***The Bonds are exposed to market interest rate risk.***

The Bonds provide a fixed interest rate until the Maturity Date. Investment in the Bonds involves the risk that subsequent changes in market interest rates may adversely affect the value of the Bonds. The longer the maturity of bonds, the more exposed the bonds are to fluctuations in market interest rates. An increase in the market interest rates can result in the Bonds trading at prices lower than their nominal value.

***Risks related to the market value of the Bonds, the creditworthiness of the Issuer and other factors***

The market value of the Bonds may be affected by the creditworthiness of the Issuer and a number of additional factors, such as market interest, exchange rates and yield rates and the time remaining to the maturity date and more generally all economic, financial and political events in any country, including factors affecting capital markets generally and the stock exchanges on which the Bonds are traded. The price at which a Bondholder will be able to sell the Bonds prior to maturity may be at a discount, which could be substantially lower than the Issue Price or the Issue Price or purchase price paid by such investor.

***There may be no active trading market for the Bonds.***

The only manner for the holder of the Bonds to convert his or her investment in the Bonds into cash before their maturity date is to sell them at the applicable market price at that moment. The price can be less than the nominal value of the Bonds. The Bonds are new securities that may not be widely traded and for which there is currently no active trading market. The Issuer has filed an application to have the Bonds listed and admitted to trading on Euronext Growth Brussels. If the Bonds are admitted to trading after their issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of the Issuer. There is no assurance that such application will be accepted or that an active trading market will develop. Accordingly, there is no assurance as to the development or liquidity of any trading market for the Bonds. Therefore, investors may not be able to sell their Bonds easily or at all, or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. Illiquidity may have a severely adverse effect on the market value of Bonds. In the event that the put options are exercised in accordance with the Conditions, liquidity will be reduced for the remaining



Bonds. Furthermore, it cannot be guaranteed that the admission to listing and trading, once approved, will be maintained.

***The Bonds are exposed to inflation risk.***

The inflation risk is the risk of future value of money. The actual yield of an investment in the Bonds will be reduced by inflation. The higher the rate of inflation, the lower the actual yield of a Bond will be. If the rate of inflation is equal to or higher than the nominal rate of the Bonds, then the actual output is equal to zero, or the actual yield could even be negative.

***The Issuer and the Bonds do not have a credit rating.***

The Issuer and the Bonds do not have a credit rating at the time of the Private Placement. The Issuer currently does not intend to request a credit rating for itself or the Bonds at a later date. This may impact the trading price of the Bonds. There is no guarantee that the price of the Bonds and the other Conditions at the time of the Private Placement, or at a later date, will cover the credit risk related to the Bonds and the Issuer. In addition, there can be no assurance that, should a rating be requested in respect of the Issuer or the Bonds, an investment grade rating would be assigned.

***The Issuer may not be able to repay the Bonds.***

The Issuer may not be able to repay the Bonds at their maturity. The Issuer may also be required to repay all or part of the Bonds upon the occurrence of one or more Events of Default (as defined in Condition 9 (*Events of Default*)). If one or more Bondholders were to ask the Issuer to repay their Bonds upon the occurrence of an Event of Default (as defined in Condition 9 (*Events of Default*)), the Issuer cannot be certain that it will be able to pay the required amount in full. The Issuer's ability to repay the Bonds, on the Maturity Date, upon the occurrence of an Event of Default or on another payment date, will depend on the Issuer's financial condition (including its cash position resulting from its ability to receive income and dividends from its Subsidiaries and to receive any other participations) and the other indebtedness of the Group and other participations at the time of the requested repayment, and may be limited by law, by the terms of its indebtedness and debt instruments within the Group and by the agreements that it or its Subsidiaries may have entered into on or before such date, which may replace, supplement or amend its existing or future indebtedness. The Issuer's failure to repay the Bonds may result in an event of default under the terms of other outstanding indebtedness.

The Issuer notes in this respect that, on the one hand, the Subsidiaries have the possibility to enter into bank debts (for which the Issuer may provide a guarantee) and on the other hand, the Subsidiaries have the possibility to issue bonds and similar debt instruments (for which the Issuer may not provide a guarantee, see Condition 3 (*Negative Pledge*)). The inability of the Issuer to repay the Bonds may in turn result in a default under the terms of other outstanding indebtedness and debt instruments of the Issuer or its Subsidiaries, which may again cause the financial situation of the Group to deteriorate. In the event of restructurings, the Issuer or certain group companies may transfer assets within the group or to third parties. The credit agreements, the legislation and the Conditions may permit such restructurings, which may affect the Issuer's repayment ability.

***The Bonds may be redeemed prior to maturity.***

Upon the occurrence of an (i) Event of Default (as defined in Condition 9 (*Events of Default*)), or (ii) upon the occurrence of a Change of Control as set out in Condition 6.2 (*Redemption at the option of the Bondholders following a Change of Control*) the Bonds may be redeemed prior to maturity, in accordance with the Conditions. This may affect the value of the Bonds. In such circumstances, an

investor may furthermore not be able to reinvest the repayment proceeds (if any) at a yield comparable to that of the Bonds.

***The Bonds may be redeemed prior to maturity in the event of a Change of Control***

The Bondholders will have the right to require the Issuer to repurchase all or any part of their Bonds at the Put Redemption Amount upon the occurrence of a Change of Control (each term as defined in the Conditions) in accordance with the Conditions (the **Put Redemption Event**). In such circumstances, an investor may not be able to reinvest the repayment proceeds (if any) at a yield comparable to that of the Bonds.

Potential investors should also be aware that the Put Redemption Event can only be exercised provided that prior to the earliest of (a) the Issuer being notified by the FSMA of a formal filing of a proposed offer to the shareholders of the Issuer pursuant to Article 7 of the Belgian Royal Decree of 27 April 2007 on takeover bids or (b) the occurrence of the Change of Control, (i) the Change of Control Resolutions have been approved by the Shareholders of the Issuer in a general meeting of shareholders and (ii) such resolutions have been filed with the Clerk of the Business Court of Brussels (*griffie van de ondernemingsrechtbank/greffe du tribunal d'entreprise*). The Issuer has undertaken, pursuant to Condition 10.3 (*Filing of Change of Control Resolutions*), to use all reasonable efforts to ensure (a) submit the Change of Control Resolutions for approval to the general meeting of shareholders of the Issuer that is scheduled to take place before 30 June 2020 and (b) to file a copy of such resolutions with the clerk of the Business Court of Brussels at the latest on the Long Stop Date. If a Change of Control occurs prior to such approval and filing or if the shareholders do not approve the Put Redemption Event, Bondholders will not be entitled to exercise the option set out in Condition 6.2 (*Redemption at the option of the Bondholders following a Change of Control*). There can be no assurance that such approval will be granted at such meeting. If the Issuer does not comply with the undertaking set out in Condition 10.3 (*Filing of Change of Control Resolutions*) this will, subject to any applicable grace periods, constitute an Event of Default under the Conditions.

Potential investors should be aware that the Put Redemption Event can only be exercised upon the occurrence of a Change of Control (as defined in the Conditions), which may not cover all situations where a change of control may occur or where successive changes of control occur in relation to the Issuer. Bondholders deciding to exercise the option stipulated in Condition 6.2 (*Redemption at the option of the Bondholders following a Change of Control*) shall have to do this through the bank or other financial intermediary through which the Bondholder holds the Bonds (the **Financial Intermediary**) and are advised to check when such Financial Intermediary requires to receive instructions and Put Option Notices (as defined in the Conditions) from Bondholders in order to meet the deadlines and for such exercise to be effective. The fees and/or costs, if any, of the relevant Financial Intermediary shall be borne by the relevant Bondholders.

***The bonds are unsecured obligations of the Issuer which do not benefit from any guarantee or security.***

The claims of the Bondholders are unsecured. The right of the Bondholders to receive payment on the Bonds is not guaranteed by a third party or secured by any security. In the event of a liquidation, dissolution, restructuring, insolvency or analogous procedure affecting the Issuer, the holders of secured indebtedness will be repaid first with the proceeds of the enforcement of such security, prior to a repayment of the Bondholders. This means that in that case the Bondholder could lose all or part of his investment, as there may be no or insufficient funds left to pay the Bondholders after the payment of the secured creditors.

***Risks related to the debt ratio: additional indebtedness***

The Issuer may decide in the future to incur additional indebtedness and to increase its debt ratio. This may negatively affect the Issuer's ability to repay the Bonds. When the Issuer incurs additional indebtedness, the value of the Bonds on the secondary market may decline. If the Issuer decides to incur additional indebtedness, this decision may therefore have important consequences for the Bondholders. However, it should be stressed that the amount that the Issuer may borrow is limited by the following: the Conditions of the Bonds impose certain restrictions on the debt ratio that the Issuer can enter into on a consolidated basis. Moreover, the current regulations on regulated real estate companies on the one hand and the provisions of the currently applicable credit agreements on the other hand impose limits on the maximum debt ratio of the Issuer.

***Belgian insolvency laws may adversely affect a recovery by the holders of amounts payable under the Bonds.***

Belgian insolvency laws, which should be applicable because the main residence and corporate seat of the Issuer are located in Belgium, may adversely affect a recovery by the holders of amounts payable under the Bonds. The application of these insolvency laws may adversely affect the Bondholders' claim to obtain repayment (partial or in full) of the Bonds, e.g., as the result of a suspension of payments, a stay on enforcement measures or an order providing for partial repayment of the Bonds. On the date of this Information Memorandum, various Subsidiaries have their corporate seat outside of Belgium, i.e. in Luxembourg and Austria. Proceedings under Luxembourg and Austrian law could be initiated in respect of these Subsidiaries.

***The Conditions may be modified and defaults may be waived by defined majorities of the meetings of Bondholders.***

Condition 13 (*Meeting of Bondholders and Modifications*) and Schedule 1 (*Provisions on meetings of bondholders*) to the Conditions contains provisions for calling meetings of Bondholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Bondholders including Bondholders who did not attend and vote at the relevant meeting and Bondholders who voted in a manner contrary to the majority.

The Terms and Conditions of the Bonds also provide that the Agency Agreement and/or the Clearing Agreement and/or the Conditions, may be amended without the consent of the relevant Bondholders, by the Agent, either (i) if to do so could not reasonably be expected to be materially prejudicial to the interests of the relevant Bondholders or (ii) which in the Agent's opinion is of a formal, minor or technical nature or (iii) is made to correct a manifest error or (iv) to comply with mandatory provisions of law.

***Changes in governing law and practices could modify certain Conditions.***

The Conditions are based on the laws of Belgium and interpretations thereof and the practices in effect as at the date of this Information Memorandum. No assurance can be given as to the impact of any possible judicial decision or change to the laws, the official application, interpretation or the administrative practice after the date of this Information Memorandum.

***The Agent is not required to segregate amounts received by it in respect of Bonds cleared through the Securities Settlement System***

The Conditions of the Bonds and the Agency Agreement provide that the Agent will debit the relevant account of the Issuer and use such funds to make payment to the Bondholders via the Clearing

Settlement System. The Agency Agreement provides that the Agent will, simultaneously with the receipt by it of the relevant amounts, pay to the Bondholders, directly or through the Security Settlement System, any amounts due in respect of the relevant Bonds. However, the Agent is not required to segregate any such amounts received by it in respect of the Bonds. In the event that the Agent were subject to insolvency proceedings at any time when it held any such amounts, Bondholders would not have any further claim against the Issuer in respect of such amounts, and would be required to claim such amounts from the Agent in accordance with applicable Belgian insolvency laws, because the Conditions provide that the payment obligations of the Issuer will be discharged by payment to the Agent in respect of each amount so paid. In such case, it may occur that there are insufficient assets remaining which can be distributed to and used to pay the Bondholders.

### ***Relationship with the Issuer***

All notices and payments to be delivered to the Bondholders will be distributed by the Issuer to such Bondholders in accordance with the Conditions. In the event that a Bondholder does not receive such notices or payments, its rights may be prejudiced, but it may not have a direct claim against the Issuer with respect to such prejudice.

### ***The transfer of the Bonds, any payments made in respect of the Bonds and all communications with the Issuer will occur through the Securities Settlement System.***

The Bonds will be issued in dematerialised form under the Belgian Companies Code and cannot be physically delivered. The Bonds will be represented exclusively by book-entries in the records of the Securities Settlement System. Access to the Securities Settlement System is available through its Securities Settlement System participants whose membership extends to securities such as the Bonds. Securities Settlement System participants include certain banks, stockbrokers (*beursvennootschappen/sociétés de bourse*), Euroclear, and Clearstream Banking Frankfurt, SIX SIS and Monte Titoli. Transfers of the Bonds will be effected between the Securities Settlement System participants in accordance with the rules and operating procedures of the Securities Settlement System. Transfers between investors will be effected in accordance with the respective rules and operating procedures of the Securities Settlement System participants through which they hold their Bonds. The Issuer and the Agent will have no responsibility for the proper performance by the Securities Settlement System or the Securities Settlement System participants of their obligations under their respective rules and operating procedures.

A Bondholder must rely on the procedures of the Securities Settlement System to receive payment under the Bonds or notices under the Bonds. The Issuer will have no responsibility or liability for the records relating to, or payments made or notices distributed in respect of, the Bonds within the Securities Settlement System.

### ***The payments made under the Bonds may be subject to withholding tax.***

If the Issuer or any other person is however required to make any withholding or deduction for, or on account of, any present or future taxes, duties or charges of whatever nature in respect of any payment in respect of the Bonds, the Issuer or that other person shall make such payment after such withholding or deduction has been made and will account to the relevant authorities for the amount so required to be withheld or deducted.

Potential investors should be aware that neither the Issuer, the NBB nor any other person will be liable for or otherwise obliged to pay, and the relevant Bondholders will be liable for and/or pay, any tax, duty, charge, withholding or other payment whatsoever which may arise as a result of, or in connection with,

the ownership, any transfer and/or any payment in respect of the Bonds, except as provided for in Condition 8 (*Taxation*).

***Taxation.***

Potential purchasers and sellers of the Bonds should be aware that they may be required to pay taxes or other documentary charges or duties in accordance with the laws and practices of the country where the Bonds are transferred or other jurisdictions. In addition, payments of interest on the Bonds, or profits realised by the Bondholder upon the sale or repayment of the Bonds, may be subject to taxation in the home jurisdiction of the potential investor or in other jurisdictions in which it is required to pay taxes.

Potential investors are advised not to rely upon the tax overview contained in this Information Memorandum but to ask for their own tax adviser's advice on their individual taxation with respect to the acquisition, sale and redemption of the Bonds. Only these advisors are in a position to duly consider the specific situation of the potential investor. This investment consideration has to be read in connection with the taxation sections of this Information Memorandum.

***The Agent does not assume any fiduciary duty or other obligations to the Bondholders.***

The Agent will act in its respective capacity in accordance with the terms and conditions of the Bonds and the Agency Agreement in good faith. However, Bondholders should be aware that the Agent assumes no fiduciary duty or other obligations to the Bondholders and, in particular, is not obliged to make determinations which protect or enhance the interests of the Bondholders.

The Agent may rely on any information that is reasonably believed by it to be genuine and to have been originated by the proper parties. The Agent shall not be liable for the consequences to any person (including Bondholders) of any errors or omissions in (i) the calculation by the Agent of any amount due in respect of the Bonds or (ii) any determination made by the Agent in relation to the Bonds or interests, in each case in the absence of bad faith or wilful misconduct (*opzettelijke fout/faute intentionnelle*). Without prejudice to the generality of the foregoing, the Agent shall not be liable for the consequences to any person (including Bondholders) of any such errors or omissions arising as a result of (a) any information provided to the Agent proving to have been incorrect or incomplete or (b) any relevant information not being provided to the Agent on a timely basis.

***Potential conflicts of interest - The Issuer, the Agent and the Joint Bookrunners may engage in transactions adversely affecting the interests of the Bondholders.***

The Issuer may from time to time be engaged in transactions which may affect the market price, liquidity or value of the Bonds and which could be deemed to be adverse to the interests of the Bondholders.

The Agent and the Joint Bookrunners may have conflicts of interests which could have an adverse effect on the interests of the Bondholders. Potential investors should be aware that the Issuer is or may, in the future, be involved in a general business relationship or/and in specific transactions with the Agent, or/and each of the Joint Bookrunners and that they might have conflicts of interests which could have an adverse effect to the interests of the Bondholders. Potential investors should also be aware that the Agent and each of the Joint Bookrunners may hold from time to time debt securities or/and other financial instruments of the Issuer.

Certain parties involved in the issuance of the Bonds may act in different capacities and may also be engaged in other commercial relationships, in particular, be part of the same group, be lenders, provide banking, investment banking or other services (whether or not financial) to other parties involved in the

issuance of Bonds. In such relationships the relevant parties may not be obliged to take into consideration the interests of the Bondholders. Accordingly, because of these relationships, potential conflicts of interest may arise out of the transaction.

Within the framework of normal business relationship with its banks, the Issuer or any Subsidiary could enter into or has entered into loan agreements and other facilities with any of the Joint Bookrunners (via bilateral transactions or/and syndicated loans together with other banks). The terms and conditions of these debt financings may differ from the Conditions and certain terms and conditions of such debt financings could be or are more restrictive than the Conditions of the Bonds. The terms and conditions of such debt financings may contain financial covenants, different from or not included in the Conditions of the Bonds. In addition, as part of these debt financings, the lenders may have or have the benefit of certain guarantees or security, whereas the Bondholders will not have the benefit from similar guarantees. This may result in the Bondholders being subordinated to the lenders under such debt financings. Please also refer to *Description of the Issuer – Financing* for more information.

The Bondholders should be aware of the fact that the Agent and the Joint Bookrunners, when they act as lenders to the Group (or when they act in any other capacity whatsoever), do not have any fiduciary duties or other duties of any nature whatsoever vis-à-vis the Bondholders and are under no obligation to take into account the interests of the Bondholders.

The Joint Bookrunners and their affiliates have engaged in, or may engage in, investment banking and other commercial dealings in the ordinary course of business with the Issuer or its Subsidiaries. They have received, or may receive, customary fees and commissions for these transactions. In addition, in the ordinary course of their business activities, the Joint Bookrunners and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer or its Subsidiaries. The Joint Bookrunners and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

These diverging interests may manifest themselves amongst other things in case of an event of default for any of the credit facilities granted by the Joint Bookrunners before the maturity of the Bonds or in case of a mandatory early repayment and may have a negative impact on the repayment capacity of the Issuer. It is not excluded that these credit facilities will be repaid before the maturity of the Bonds. The Joint Bookrunners do not have any obligation to take into account the interests of the Bondholders when exercising their rights as lender under the aforementioned credit facilities. Any full or partial repayment of credit facilities granted by the Joint Bookrunners will, at that time, have a favourable impact on the exposure of the Joint Bookrunners vis-à-vis the Issuer.

***The Bonds may be exposed to exchange rate risks and exchange controls.***

The Issuer will pay principal and interest on the Bonds in euro. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the **Investor's Currency**) other than euro. Exchange rates may significantly change (including changes due to devaluation of the euro or revaluation of the Investor's Currency) and authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the euro would decrease (1) the Investor's Currency-equivalent yield on the Bonds, (2) the Investor's Currency equivalent value of the principal payable on the Bonds and (3) the Investor's Currency equivalent market value of the Bonds.

Government and monetary authorities may impose exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal at all.

***Legal investment considerations may restrict certain investments***

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (i) Bonds are legal investments for it, (ii) Bonds can be used as collateral for various types of borrowing, and (iii) other restrictions apply to its purchase or pledge of any Bonds. The investors should consult their legal advisers to determine the appropriate treatment of Bonds under any applicable risk-based capital or similar rules.

## PART II DOCUMENTS INCORPORATED BY REFERENCE

This Information Memorandum shall be read and construed in conjunction with:

- (1) the audited consolidated financial statements of the Issuer for the financial years ended on 31 December 2017 and ended on 31 December 2018 (consolidated in accordance with IFRS), together with the audit reports thereon, as included in the Issuer's respective annual reports for the 2017 and 2018 financial years; and
- (2) the half-yearly condensed financial statements of the Issuer for the six-month period ended on 30 June 2019 together with the limited review report on the half-yearly condensed financial statements of the statutory auditor thereto.

Such documents shall be incorporated in, and form part of this Information Memorandum, save that any statement contained in a document which is incorporated by reference herein shall be modified or superseded for the purpose of this Information Memorandum to the extent that a statement contained herein modifies or supersedes such earlier statement. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Information Memorandum.

Copies of documents incorporated by reference in this Information Memorandum may be obtained (without charge) from the registered offices of the Issuer and the website of the Issuer ([www.leasinvest.be](http://www.leasinvest.be)).

The tables below include references to the relevant pages of the audited consolidated financial statements of the Issuer for the financial years ended 2017 and 2018.

### **Audited consolidated financial statements of the Issuer, audit report and explanatory notes for the financial year ended 31 December 2017.\***

Consolidated balance sheet	p. 117
Consolidated income statement	p. 115-116
Notes	p. 122-170
Statutory auditor's report	p. 171-173

### **Audited consolidated financial statements of the Issuer, audit report and explanatory notes for the financial year ended 31 December 2018.\***

Consolidated balance sheet	p. 110
Consolidated income statement	p. 108-109
Notes	p. 116-164
Statutory auditor's report	p. 165-167



**Half-year condensed financial statements of the Issuer, audit report and explanatory notes for the financial half-year ended 30 June 2019.\***

Consolidated balance sheet	p. 28
Consolidated income statement	p. 26-27
Notes	p. 30-42
Statutory auditor's report	p. 43

\*Page references are to the English language PDF version of the relevant incorporated documents.

Information contained in the documents incorporated by reference other than information listed in the table above is for informational purposes only.

### PART III TERMS AND CONDITIONS OF THE BONDS

*The following is the text of the terms and conditions (the **Conditions**) applying to the Bonds (as defined below), with the exception of the paragraphs in italics that shall be read as complementary information.*

*The issue of the 1.95% fixed rate bonds due 28 November 2026 for an amount of EUR 100,000,000 (the **Bonds**) by Leasinvest Real Estate Comm.VA (the **Issuer**) was authorised pursuant to the resolutions of the board of directors of Leasinvest Real Estate Management NV, acting in its capacity as the statutory manager of the Issuer passed on 4 November 2019. The Bonds are issued subject to and with the benefit of a paying, calculation and listing agency agreement dated 25 November 2019 (such agreement as amended and/or supplemented and/or restated from time to time, the **Agency Agreement**) between the Issuer, KBC Bank NV as listing agent, calculation agent and paying agent (the **Agent**, which expression shall include any successor under the Agency Agreement or the institution or institutions appointed to replace the Agent in accordance with the Agency Agreement).*

*Application has been made for the Bonds to be listed on and admitted to trading on Euronext Brussels' multilateral trading facility Euronext Growth Brussels (**Euronext Growth Brussels**).*

*The provisions of these Conditions include summaries of, and are subject to, the specific provisions of the Agency Agreement and the service agreement for the issuance of dematerialised bonds to be concluded on or before 26 November 2019 between the Issuer, the Agent as paying agent and the National Bank of Belgium (the **NBB**) (as amended and/or restated from time to time, the **Clearing Agreement**). The Agency Agreement includes, inter alia, provisions relating to the appointment of and changes to the Agent, and the respective obligations of the Issuer and the Agent with respect to (i) the issue, payment and delivery of the Bonds; (ii) the payment of the principal amount and interest with respect to the Bonds; (iii) the redemption of the Bonds; (iv) the calculation of the Put Redemption Amount; and (v) the application for the listing of the Bonds.*

*The holders of the Bonds (the **Bondholders**) are subject to, and are deemed to have notice of, all the provisions of the Agency Agreement and the Clearing Agreement applicable to them. Copies of the Agency Agreement and the Clearing Agreement are available for inspection by the Bondholders during normal business hours at the specified office of the Agent. The specified office of the Agent is Havenlaan 2, 1080 Brussels.*

*References below to **Conditions** are, unless the context otherwise requires, to the numbered paragraphs below.*

#### **1. FORM, DENOMINATION AND TITLE**

- (a) The Bonds are in dematerialised form in accordance with the Belgian Companies Code, as amended or superseded and cannot be physically delivered. The Bonds are accepted for settlement through the Securities Settlement System operated by the NBB or any successor thereto (the **Securities Settlement System**) and are accordingly subject to the applicable Belgian clearing regulations, including the Belgian law of 6 August 1993 on transactions in certain securities, its implementing Belgian Royal Decrees of 26 May 1994 and 14 June 1994 (all as amended from time to time) and the rules of the Securities Settlement System and its annexes, as issued or modified by the NBB from time to time (the laws, decrees and rules mentioned in this Condition 1 being referred to herein as the **NBB Regulations**). The Bondholders will not be entitled to exchange the Bonds into bonds in bearer form (*titres au porteur/effecten aan toonder*). No definitive bearer certificates will be delivered. The Bonds will be represented and evidenced by book entries in the records of the Securities Settlement System itself or participants or sub-participants in the Securities Settlement System.
- (b) The Bonds can be held by their holders through the participants in the Securities Settlement System (the **Participants**), including Euroclear Bank SA/NV (**Euroclear**), and Clearstream Banking A.G.

(**Clearstream Banking Frankfurt**), SIX SIS AG (**SIX SIS**) and Monte Titoli S.p.A. (**Monte Titoli**) and through other financial intermediaries who in turn hold the Bonds through Euroclear, Clearstream or other participants in the Securities Settlement System. Accordingly, the Bonds will be eligible to clear through, and therefore be accepted by, Euroclear, Clearstream Banking Frankfurt, SIX SIS and Monte Titoli or other Participants, and investors can hold their interests in the Bonds within securities accounts in Euroclear, Clearstream Banking Frankfurt, SIX SIS and Monte Titoli and any other Participant.

- (c) Title to the Bonds is evidenced by book entries in the Bondholder's securities account with the NBB or with an approved Participant or sub-Participant of the Securities Settlement System. The person who is for the time being shown in the records of the Securities Settlement System or of an approved Participant or sub-Participant of the Securities Settlement System as the holder of a particular nominal amount of Bonds shall for all purposes be treated by the Issuer and the Agent as the holder of such nominal amount of Bonds, and the expression **Bondholders** and related expressions shall be construed accordingly.
- (d) Bondholders are entitled to directly demand from the Issuer any payment, which the Issuer failed to pay in accordance with the Conditions and to exercise the voting rights and other associative rights (as defined in Article 474 or article 7:41 of the Belgian Companies Code, as applicable) vis-à-vis the Issuer upon submission of an affidavit drawn up by the NBB, Euroclear, Clearstream Banking Frankfurt or any other Participant duly licensed in Belgium to keep dematerialised securities accounts showing such Bondholder's position in the Bonds (or the position held by the financial institution through which such Bondholder's Bonds are held with the NBB, Euroclear, Clearstream Banking Frankfurt or such other Participant, in which case an affidavit drawn up by such financial institution will also be required).
- (e) If at any time the Bonds are transferred to another clearing system, not operated or not exclusively operated by the NBB, these provisions shall apply *mutatis mutandis* to such successor clearing system and successor clearing system operator or any additional clearing system and additional clearing system operator (any such clearing system, an **Alternative Clearing System**).
- (f) The Bonds are in nominal amounts of EUR 100,000 and integral multiples thereof (the **Nominal Value**).

## 2. STATUS

The Bonds constitute direct, unconditional, unsubordinated and, without prejudice to Condition 3 (*Negative Pledge*), unsecured obligations of the Issuer which will at all times rank *pari passu*, without any preference among themselves, and at least equally with all other present and future unsubordinated and unsecured obligations of the Issuer that are not covered by a Security or Guarantee, save for such obligations as may be preferred by provisions of law that are mandatory and of general application and subject to any set-off right that could be exercised by or in relation to the Issuer.

## 3. NEGATIVE PLEDGE

- (a) So long as any Bond remains outstanding and up to the effective and full (re)payment of principal and interest of the Bonds, the Issuer:
  - (i) will not create or permit to subsist any Security upon the whole or any part of its present or future undertaking(s), business(es), assets, profits or revenues (including any uncalled capital) to secure any Relevant Financial Debt of the Issuer or a Subsidiary or any other Person or to secure any Guarantee in respect of any Relevant Financial Debt of the Issuer or a Subsidiary or any other Person;

- (ii) will procure that no Material Subsidiary creates or permits to subsist any Security upon the whole or any part of its present or future undertaking(s), business(es), assets, profits or revenues (including any uncalled capital) to secure any Relevant Financial Debt of the Issuer or a Subsidiary or any other Person or to secure any Guarantee in respect of any Relevant Financial Debt of the Issuer or a Subsidiary or any other Person; and
- (iii) will not grant any Guarantee and will procure that no Subsidiary grants any Guarantee in respect of any Relevant Financial Debt of the Issuer or a Subsidiary or any other Person,

unless, in each case, at the same time or prior thereto, (i) such Security or Guarantee is given or granted rateably and in equal rank, in respect of the Bonds or (ii) another Security or Guarantee is given or granted in respect of the Bonds as approved by a general meeting of the Bondholders in accordance with Condition 13 (*Meeting of Bondholders, Modification and Waiver*). The Issuer shall be deemed to have satisfied any such obligation to provide such Security or Guarantee rateably and in equal rank if the benefit of any such Security or Guarantee is rateably and in equal rank granted to an agent or trustee on behalf of the Bondholders or through any other structure which is customary in the debt capital markets (whether by way of supplement, guarantee agreement, deed or otherwise).

- (b) The prohibition contained in this Condition 3 (*Negative Pledge*) does not apply to:
  - (i) any Security or Guarantee in respect of any Relevant Financial Debt which, in the case of an undertaking, assets or revenues which are acquired by the Issuer or a Subsidiary, exist at the time of such acquisition; or
  - (ii) any Security or Guarantee in respect of any Relevant Financial Debt which exists prior to an entity becoming a Subsidiary,
 

provided that in such circumstances (set out in (a) and (b) above) such Security or Guarantee was not entered into or granted with a view to the Issuer or Subsidiary taking over the undertaking, assets or revenues or with a view to such entity becoming a Subsidiary, or that the principal amount of the Relevant Financial Debt is not subsequently increased.
  - (iii) any Security existing by operation of law and which does not come into existence as a result of default or negligence by the Issuer or a Subsidiary.

#### 4. DEFINITIONS

- 4.1 Capitalised terms in these Conditions have the meaning given to them in this Condition 4, unless otherwise specified or defined in these Conditions. Words described in the singular form also apply to the plural form, and vice versa.

**Agency Agreement** has the meaning given to it in the introduction to the Conditions.

**Agent** has the meaning given to it in the introduction to the Conditions

**Alternative Clearing System** has the meaning given to it in Condition 1 (*Form, Denomination and Title*).

**Belgian Companies Code** means the Belgian Companies Code (*Wetboek van Vennootschappen/Code des Sociétés*) dated 7 May 1999, as the same may be amended or replaced from time to time, including with effect from its applicable effective date, the Belgian Code of Companies and Associations (*Wetboek van vennootschappen en verenigingen/Code des sociétés et des associations*) dated 23 March 2019, as amended from time to time.

**Bondholder(s)** has the meaning given to it in the introduction to the Conditions.

**Bonds** has the meaning given to it in the introduction to the Conditions.

**BE-REIT RD** means the Royal Decree of 13 July 2014 regarding regulated real estate companies, as amended from time to time.

**Business Day** means (i) a day (other than a Saturday or Sunday) on which the Securities Settlement System is operating, (ii) a day on which banks and foreign exchange markets are open for general business in Belgium and (iii) a day (other than a Saturday or Sunday) on which TARGET2 is operating for the settlement of payments in euro.

**Calculation Agent** means KBC Bank NV or any other reputable investment, business or commercial bank as the Issuer may from time to time designate for the calculation of the Put Redemption Amount, and of which the Bondholders are notified in accordance with Condition 14 (*Notification*).

**Clearing Agreement** has the meaning given to it in the introduction to the Conditions.

**Clearstream Banking Frankfurt** has the meaning given to it in Condition 1 (*Form, Denomination and Title*).

**Change of Control** has the meaning given to it in Condition 6.2 (*Redemption at the option of the Bondholders following a Change of Control*).

**Change of Control Put Date** means the tenth Business Day after the Change of Control Put Exercise Period.

**Change of Control Put Exercise Notice** has the meaning given to it in Condition 6.2 (*Redemption at the option of the Bondholders following a Change of Control*).

**Change of Control Put Exercise Period** means the period beginning on the date of the Put Redemption Event and ending sixty (60) calendar days after the date on which a Notice of Relevant Change of Control is given to the Bondholders as provided in Condition 6.2 (*Redemption at the option of the Bondholders following Change of Control*).

**Change of Control Resolutions** means one or more resolutions validly taken by the general meeting of shareholders of the Issuer approving Condition 6.2 (*Redemption at the option of the Bondholders following a Change of Control*).

**Day Count Fraction** has the meaning given to it in Condition 5 (*Interest*).

**Eligible Investor** means a person who falls within one of the categories of persons mentioned in Article 4 of the Belgian Royal Decree of 26 May 1994 on the withholding and reimbursement of withholding tax (as amended or replaced from time to time) and which holds Bonds on an exempt account in the X/N clearing system.

**Euroclear** has the meaning given to it in Condition 1 (*Form, Denomination and Title*).

**Euronext Growth Brussels** has the meaning given to it in the introduction to the Conditions.

**Event of Default** has the meaning given to it in Condition 9 (*Events of Default*).

**Existing Companies Code** means the Belgian Companies Code (*Wetboek van Vennootschappen/Code des Sociétés*) dated 7 May 1999, as amended from time to time.

**Extraordinary Resolution** has the meaning given to it in Condition 13 (*Meeting of Bondholders, Modification and Waiver*).

**Financial Intermediary** has the meaning given to it in Condition 6.2 (*Redemption at the option of the Bondholders following a Change of Control*).

**Group** means the Issuer and its Subsidiaries from time to time.

**Guarantee** means, in relation to any Person, any obligation to pay the debts of another Person, including (without limitation):

- (a) any (autonomous) guarantee or indemnity obligation to pay such debts;
- (b) any obligation, pursuant to a financing agreement, to lend money, to purchase or subscribe shares or other securities or to purchase these or any obligation to purchase assets or services, in each case where such obligation is entered into in order to provide funds to the other Person for the payment of its debts; or
- (c) any agreement to indemnify or provide similar cover in relation to the consequences of the failure by the other Person to pay its debts.

**Interest Payment Date** has the meaning given to it in Condition 5 (*Interest*).

**Interest Period** has the meaning given to it in Condition 5 (*Interest*).

**Interest Rate** has the meaning given to it in Condition 5 (*Interest*).

**Issue Date** has the meaning given to it in Condition 5 (*Interest*).

**Issuer** has the meaning given to it in the introduction to the Conditions.

**Long Stop Date** means 30 June 2020.

**Material Subsidiary** means:

- (a) each Subsidiary of the Issuer whose net assets, calculated on a stand-alone basis on the basis of the most recent stand-alone audited financial statements at the time of calculation, represent 10 % or more of the consolidated net assets in the most recent consolidated audited financial statements of the Issuer at the time of calculation;
- (b) each Subsidiary of the Issuer whose operating result, calculated on a stand-alone basis on the basis of the most recent stand-alone audited financial statements at the time of calculation, represents 10% or more of the consolidated operating result in the most recent consolidated audited financial statements of the Issuer at the time of calculation;
- (c) Leasinvest Immo Lux SA; and
- (d) any Subsidiary of the Issuer to which all or nearly all of the assets and liabilities of a Subsidiary have been transferred that was, immediately prior to the transfer, a Material Subsidiary;

and where for the purposes of this definition the following terms have the following meaning:

- **Net assets** means the results obtained by deducting the debts (long term and short term) and provisions from the total assets; and

- **Operating result** means the amounts included in items I to XV (including) of the profit and loss account, as set forth in section 4 of part 1 of chapter 1 of Schedule C to the BE-REIT RD.

**Maturity Date** means 28 November 2026.

**Meeting Provisions** has the meaning given to it in Condition 13 (*Meeting of Bondholders, Modification and Waiver*).

**NBB** has the meaning given to it in the introduction to the Conditions.

**NBB Regulations** has the meaning given to it in Condition 1 (*Form, Denomination and Title*).

**New Companies Code** means the Belgian Code of Companies and Associations (*Wetboek van vennootschappen en verenigingen/Code des sociétés et des associations*) dated 23 March 2019, as amended from time to time.

**Nominal Value** has the meaning given to it in Condition 1 (*Form, Denomination and Title*).

**Notice of Relevant Change of Control** has the meaning given to it in Condition 6.2 (*Redemption at the option of the Bondholders following a Change of Control*).

**Person** includes any physical person, legal entity, company, firm, partnership, joint venture, undertaking, corporation, association, organisation, trust, state or government agency (in each case with or without separate legal personality).

**Put Redemption Amount** means an amount per Bond calculated by the Calculation Agent by multiplying the Redemption Rate by the Nominal Value of such Bond and rounding, if necessary, the resultant figure to the nearest cent (half of one cent being rounded upwards), and by adding any accrued but unpaid interest of such Bond to (but excluding) the Change of Control Put Date.

**Put Redemption Event** has the meaning given to it in Condition 6.2 (*Redemption at the option of the Bondholders following a Change of Control*).

**Redemption Rate** means the outcome of the following mathematical function:

$\text{MIN}(101\%; 100\% \times \text{Exp}(T \times 0.74720148386\%))$ , rounded down to the 9th decimal.

In which

**MIN** is the function that selects the lower of the 2 results.

**T** means the time, expressed in decimals of one year, elapsed from the Issue Date (included) to the Change of Control Put Date (not included).

For the avoidance of doubt, **Exp** means the exponential function, which means the function  $e^x$ , where  $e$  is the number (approximately 2.718) such that the function  $e^x$  equals its own derivative.

*The Put Redemption Amount applicable in the event of a Redemption at the option of the Bondholders following a Change of Control as referred to in Condition 6.2 shall be equal to the amount that is the lower of the following two possibilities: (i) 101% of the Nominal Value or (ii) such percentage (higher than 100%) of the Nominal Value that results in an*

*investor's gross actuarial return between the Issue Date and the repayment date in accordance with Condition 6.2 not exceeding the relevant Interest Rate plus 0.75 points.*

*This limitation follows from the application of the Belgian Royal Decree of 26 May 1994 on the withholding and reimbursement of withholding tax. The Put Redemption Amount resulting from this formula may be lower than the gross actuarial yield on the Issue Price as mentioned in the Information Memorandum.*

**Relevant Credit Debt** means (without double counting) any debt obligation of the Issuer, any Subsidiary or any other Person due to or relating to (i) amounts drawn or borrowed under loan or credit agreements, (ii) any amount drawn under (exchange) acceptance loans or a dematerialised equivalent thereof, (iii) the amount due under any hire purchase contract that, in accordance with IFRS as applicable at the date of the relevant hire purchase contract, would be treated as a financing or finance lease, (iv) sold or discounted receivables (unless and to the extent that the receivables are sold without recourse), (v) a counter-guarantee in relation to a guarantee issued by a bank or another financial institution, documentary credit, surety or other similar instrument issued by a bank or financial institution, (vi) any amount of any liability under an advanced purchase agreement or deferred purchase agreement if the main reason for concluding the agreement is to obtain financing, (vii) sale and lease back transactions and (viii) any amount raised under any other transaction (including any forward sale or forward purchase agreement) with the economic effect of a loan.

**Relevant Financial Debt** means any present or future indebtedness of the Issuer, any Subsidiary or any other Person in the form of, or represented by, bonds, notes, debt instruments or other debt securities listed or traded or that could be traded on a stock exchange, over the counter, or any other securities market, in any public or private transaction in the European Union, the United States of America or elsewhere in the world, including *Schuldscheine* or instruments with similar characteristics.

**Relevant Indebtedness** means Relevant Credit Debt and Relevant Financial Debt.

**Securities Settlement System** has the meaning given to it in Condition 1 (*Form, Denomination and Title*).

**Security** means any mortgage, *in rem* security right, charge, pledge, lien or other form of encumbrance or security interest under the laws of any jurisdiction, on any asset or multitude of assets, including any mandate to establish such a right.

**Subsidiary** means a Person which is a subsidiary (*dochtervennootschap/filiale*) within the meaning of Article 6, 6° or Article 1:15, 2°, as applicable, of the Belgian Companies Code.

**TARGET2** means the Trans-European Automated Real-time Gross Settlement Express Transfer payment (TARGET2) system, or any successor thereof.

4.2 In these Conditions, any reference to any law, decree, regulation, directive or any implementing or other legislative measure shall be construed as a reference to such law, decree, regulation, directive or implementing or other legislative measure as the same may be amended, supplemented, restated or replaced from time to time.

## 5. INTEREST

### 5.1 Interest Rate and Interest Payment Dates

Subject to a possible step-up as described in Condition 6.2 (*Redemption at the option of the Bondholders following a Change of Control*), each Bond shall bear interest on its outstanding



nominal amount from (and including) 28 November 2019 (the **Issue Date**) at the rate of 1.95 per cent. per annum (the **Interest Rate**), payable annually in arrears on 28 November of each year (each an **Interest Payment Date**), commencing with the Interest Payment Date falling on 28 November 2020.

The amount of interest payable on each Interest Payment Date shall be EUR 1,950.00 for each Bond. When interest is required to be calculated in respect of any period which is shorter than an Interest Period, the interest due shall be calculated by applying the relevant Interest Rate to the outstanding nominal amount of the Bond and multiplying the product with the Day Count Fraction and rounding off the result to the nearest cent (half of one cent being rounded upwards).

In this Condition:

**Day Count Fraction** means, with respect to a period, the number of days in the relevant period from (and including) the first day of such period until (and excluding) the last day of such period, divided by the number of days in the Interest Period in which the relevant period falls; and

**Interest Period** means each period from (and including) the Issue Date or any Interest Payment Date until (and excluding) the next Interest Payment Date.

## 5.2 Accrual of interest

Each Bond will cease to bear interest from and including its Maturity Date for repayment thereof, unless payment of principal is improperly withheld or refused, in which event interest will continue to accrue (both before and after judgment and, as the case may be, increased with judicial interest) until the day on which all sums due in respect of the Bonds have been paid in full discharge of liabilities to the Clearing System.

## 6. REDEMPTION AND PURCHASE

### 6.1 Redemption on the Maturity Date

Unless previously purchased or redeemed pursuant to this Condition 6, the Bonds will be redeemed at their Nominal Value on the Maturity Date.

### 6.2 Redemption at the option of the Bondholders following a Change of Control

#### (a) Redemption following a Change of Control

##### (i) Change of Control

If a Change of Control occurs (a **Put Redemption Event**, where, for the definition of Change of Control Put Exercise Period, the relevant date is the date on which the Change of Control occurs), each Bondholder will be entitled to require the Issuer to redeem all or part of the Bonds of such Bondholder on the Change of Control Put Date at the Put Redemption Amount.

For the purpose of this Condition, a Change of Control will be deemed to have occurred if:

- (A) in the hypothesis that the Issuer is a company having the legal form of a partnership limited by shares (*Commanditaire vennootschap op aandelen* (Comm.VA)/*Société en commandite par actions* (SCA)) and Leasinvest Real Estate Management SA/NV (**LREM**) is the only statutory manager of the Issuer (i.e. the current situation):

- I. a person or group of persons Acting in Concert, acquire Control over the statutory manager of the Issuer; or
  - II. LREM is replaced as statutory manager of the Issuer by one or more new statutory managers (unless Ackermans & van Haaren NV or a person Connected to Ackermans & van Haaren NV exercises Control over the new statutory manager(s));
- (B) in the hypothesis that the Issuer takes the form of a public limited liability company (*naamloze vennootschap* (NV)/*société anonyme* (SA)):

a person or group of persons Acting in Concert acquire Control over the Issuer,

it being understood (i) that the conversion of the Issuer from a partnership limited by shares (*Commanditaire vennootschap op aandelen* (Comm.VA)/*Société en commandite par actions* (SCA)) to a public limited liability company (*naamloze vennootschap* (NV)/*société anonyme* (SA)) whether by way of opt-in in accordance with Article 39, §1, second paragraph of the Act of 23 March 2019 introducing the Belgian Code of Companies and Associations or otherwise, and (ii) Ackermans & van Haaren NV or a person Connected to Ackermans & van Haaren NV acquiring or losing Control over the Issuer at any time, shall not constitute a Change of Control.

**Control** means, for the purpose of this paragraph:

In hypothesis (A) above, a person:

- (i) holding, directly or indirectly, the majority of the voting rights attached to the total of the shares of the statutory manager of the Issuer; or
- (ii) acquiring the right to appoint or dismiss the majority of the directors of the statutory manager pursuant to the statutory manager's articles of association or on the basis of agreements known by that statutory manager;

In hypothesis (B) above, a person:

- (i) holding, directly or indirectly, the majority of the voting rights attached to the total number of shares of the Issuer;
- (ii) acquiring the right pursuant to the Issuer's articles of association or on the basis of agreements known to the Issuer to appoint or dismiss the majority of the directors of the Issuer; or
- (iii) acquiring or holding voting rights in the Issuer, even if this amounts to less than 50% plus one (1) of the voting rights attached to the total number of shares of the Issuer, as a result of an acquisition that has given rise to a mandatory public takeover bid on the shares with voting rights.

**Acting in Concert** means a group of persons who cooperate on the basis of an explicit or tacit, oral or written agreement that aims to acquire or maintain Control over the Issuer or the statutory manager of the Issuer.

A **person** as used in this Condition means: any Person, with the exception of Ackermans & van Haaren NV, AXA Belgium NV or any Person Connected with any of them.

**Connected** has the meaning given to it in Article 11 or Article 1:20, as applicable, of the Belgian Companies Code.

(ii) Exercise of the right to redeem and payment

In order to exercise this redemption right following a Change of Control, the relevant Bondholder must, during the Change of Control Put Exercise Period, deposit a duly completed and signed notice of exercise in the form as set out in Schedule 1 to the Conditions (a **Change of Control Put Exercise Notice**) with the bank or other financial intermediary through which the Bondholder holds the Bonds (the **Financial Intermediary**) for further delivery to the Agent (with copy to the Issuer) and instruct the Financial Intermediary to transfer the relevant Bonds to the Agent's account, it being understood that the Bondholders must check with their Financial Intermediary, if applicable, when instructions and the Change of Control Put Exercise Notice must be given to this Financial Intermediary by the Bondholders to respect the time limits, so that such exercise would be timely. Once delivered, a Change of Control Put Exercise Notice will be irrevocable, unless, prior to the Change of Control Put Date, any Bond in relation to which a Change of Control Put Exercise Notice has been deposited, is immediately redeemable or payment is unlawfully refused, in which case the Agent will notify the relevant Bondholder at the address specified by the Bondholder in the relevant Change of Control Put Exercise Notice. By delivering a Change of Control Put Exercise Notice, the Bondholder will undertake to hold the Bonds until the date of the effective redemption of the Bonds.

The Issuer will, on the Change of Control Put Date, repay all Bonds that are the subject of the Change of Control Put Exercise Notices that have been delivered as mentioned above and provided that Bonds have been delivered to the Agent as mentioned above.

Payments in respect of these Bonds will be made by transfer to a euro account held with a bank in a city or municipality where banks have access to TARGET2 as specified by the relevant Bondholder in the relevant Change of Control Put Exercise Notice.

*The Bondholders should be aware that exercising the option stipulated in this Condition 6.2 may only be effective under Belgian law if, prior to the earlier of (a) the Issuer being notified by the FSMA of a formal filing of a takeover bid to the shareholders of the Issuer or (b) the occurrence of a Change of Control within the meaning of Article 5 or Article 1:14, as applicable, of the Belgian Companies Code, the Change of Control Resolutions (i) have been approved by a general meeting of the shareholders of the Issuer and (ii) such resolutions have been filed with the clerk of the Business Court of Brussels (or any other competent business court at the date of such filing). The Issuer undertakes to (a) submit the Change of Control Resolutions for approval to the general meeting of shareholders of the Issuer that is scheduled to take place before 30 June 2020 and (b) to file a copy of such resolutions with the clerk of the Business Court of Brussels at the latest on the Long Stop Date . If the Issuer receives a notification from the FSMA regarding a takeover bid to the shareholders of the Issuer, or a change of control within the meaning of Article 5 or Article 1:14, as applicable, of the Belgian Companies Code takes place before such an approval and deposit, the Bondholders will not be entitled to exercise the option under this Condition 6.2. There can be no assurance that such approval will be obtained during the general meeting of shareholders of the Issuer.*

(b) Notice of Relevant Change of Control

Within ten (10) Business Days following a Put Redemption Event, the Issuer will notify the Bondholders in accordance with Condition 14 (*Notices*) (a **Notice of Relevant Change of Control**). The Notice of Relevant Change of Control will contain a statement informing the Bondholders of

their right to demand the redemption of their Bonds under this Condition 6.2. Such notification is irrevocable.

The Notice of Relevant Change of Control will also contain the following information:

- (i) to the extent permitted by applicable law, any information relevant to Bondholders with respect to the Change of Control;
- (ii) the last day of the Change of Control Put Exercise Period;
- (iii) the Change of Control Put Date; and
- (iv) the Put Redemption Amount.

The Agent is not obliged to supervise, or take any steps to inquire, whether a Put Redemption Event or an event that could lead to a Put Redemption Event has occurred or could occur and will not be responsible or liable towards the Bondholders or to any other person for any loss arising from the fact that the Agent has not done so.

(c) **Change of Control Resolutions**

If at the latest on the Long Stop Date:

- (i) the Change of Control Resolutions have not been approved or accepted by a general meeting of shareholders of the Issuer; or
- (ii) the Change of Control Resolutions have not been filed with the clerk of the competent Business Court at the relevant date;

then, with effect from the Interest Period starting on the first Interest Payment Date following the Long Stop Date, the amount of the interest payable on the Bonds will be increased by 0.50 per cent. per annum, up to (and including) the last day of the Interest Period during which the Change of Control Resolutions were approved by a general meeting of shareholders of the Issuer and were filed with the clerk of the Business Court of Brussels.

**6.3 No other redemptions**

The Issuer will not be entitled to redeem the Bonds other than in the circumstances stipulated in Conditions 6.1 (*Redemption on the Maturity Date*) and 6.2 (*Redemption at the option of the Bondholders following a Change of Control*).

**6.4 Purchase**

The Issuer or any member of the Group may at any time purchase Bonds in the open market or otherwise and at any agreed price, subject to compliance with any applicable rules or regulations.

**6.5 Cancellation**

All Bonds redeemed by the Issuer will be cancelled and may not be reissued or resold. Bonds purchased by or on behalf of the Issuer or its Subsidiaries may be held or resold at the option of the Issuer, or (if held by the Issuer) transferred to the Agent for cancellation.

## **6.6 Multiple notices**

If more than one notice of redemption is given pursuant to Condition 6, the first of such notices, given in accordance with Condition 14 (Notices), shall prevail.

## **7. PAYMENTS**

### **7.1 Principal and interest**

Without prejudice to Article 474 or Article 7:41, as applicable, of the Belgian Companies Code, all payments of principal or interest in respect of the Bonds shall be made in accordance with the NBB Regulations and the Clearing Agreement through the Securities Settlement System. The payment of principal and accrued interest under the Bonds will be discharged by payment to the Securities Settlement System in respect of each amount so paid.

### **7.2 Payment**

Each payment in respect of the Bonds pursuant to Condition 7.1 (*Principal and interest*) will be made by transfer to a euro account maintained by the payee with a bank in a city or municipality in which banks have access to TARGET2.

### **7.3 Payments subject to fiscal laws**

All payments in respect of the Bonds are in all cases subject to any fiscal or other laws and regulations applicable in the place of payment, without prejudice to the provisions of Condition 8 (*Taxation*).

### **7.4 Agents**

The Agent shall act solely as agent of the Issuer and will not assume any obligations towards or agency relationship with any of the Bondholders.

The Issuer reserves the right at any time to vary or terminate the appointment of the Agent and to appoint additional or other Agents, provided, however, that the Issuer shall at all times maintain (i) a paying agent and (ii) a domiciliary agent which will at all times be a participant in the Securities Settlement System. Notice of any such change or any change of any specified office shall promptly be given to the Bondholders in accordance with Condition 14 (*Notices*).

### **7.5 No charges**

No commissions or expenses shall be charged by the Agent to the Bondholders in relation to any payment in respect of the Bonds.

### **7.6 Fractions**

When making payments to Bondholders, if the relevant payment is not of an amount which is a whole multiple of the smallest unit of the relevant currency in which such payment is to be made, such payment will be rounded up to the nearest unit (half of one unit being rounded upwards).

### **7.7 Payment on non-Business Days**

If any date for payment in respect of the Bonds is not a Business Day, the Bondholder shall not be entitled to payment until the next Business Day nor to any interest or other sum in respect of such postponed payment. For the purpose of calculating the interest payable on the Bonds, the Interest Payment Date will not be adjusted.

## 8. TAXATION

All payments of principal and interest by or on behalf of the Issuer in respect of the Bonds shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within the Kingdom of Belgium or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. The Issuer will not be required to pay any additional or further amounts in respect of such deduction or withholding.

## 9. EVENTS OF DEFAULT

If any of the following events (each an **Event of Default**) occurs:

- (a) *Non-payment*: the Issuer fails to pay the principal amount, interest or any other amount relating to the Bonds within seven (7) Business Days after the relevant payment date in the case of the principal amount and within ten (10) Business Days after the relevant payment date in the case of interest;
- (b) *Breach of other obligations*: the Issuer fails to comply with or perform any other provision, agreement, undertaking or obligation as described in the conditions of the Bonds (other than non-payment as described under (a) above or delisting of the Bonds as described under (k) below), the applicable legislation relating to Bonds, the Agency Agreement or the Clearing Agreement and such default cannot be remedied or, if such default can be remedied, such default has not been remedied within a period of twenty (20) Business Days after the date on which a written notice of such default (putting the Issuer on notice to remedy) was sent to the Issuer at its registered office by a Bondholder;
- (c) *Cross-acceleration*
  - (A) any present or future Relevant Indebtedness (other than the Bonds) of the Issuer or any Subsidiary (in principal, interest or any other amount including any present or future Guarantee) is not paid on the relevant payment date thereof or, as the case may be, after expiry of the original applicable or permitted grace period; or
  - (B) any current or future Relevant Indebtedness (other than the Bonds) of the Issuer or any Subsidiary is or are accelerated by the lenders or is or are made payable by virtue of the applicable agreement prior to its stated due date or payment date as a result of a default (howsoever defined or described);

provided that the total amount of Relevant Indebtedness referred to in paragraphs (A) and (B) above, in total, exceeds EUR 12,500,000 (or its equivalent in other currencies);

- (d) *Enforcement proceedings*: one or more conservatory or executory seizures are served, ordered, enforced or executed on the basis of an executory seizure on or against the property, assets or income of the Issuer and/or one or more Subsidiaries and are not lifted within sixty (60) calendar days thereafter, provided that the outstanding debt claim(s) on the basis of which the attachment(s) was/are served, ordered, enforced or enforced, is equal to or greater than EUR 12,500,000 (or the equivalent thereof at the time of enforcement) in the case of a single outstanding claim or, in the case of several claims, amount to at least EUR 12,500,000 calculated over a twelve (12) month period (or the equivalent thereof at the time of enforcement) irrespective of the origin of the debt;
- (e) *Security or Guarantee enforced*: (i) any Security created (or assumed) by the Issuer or any of its Subsidiaries in respect of any of its property or assets or (ii) any Guarantee granted (or

assumed) by the Issuer or any of its Subsidiaries for an amount of at least EUR 12,500,000 (or its equivalent in another currency) becomes enforceable and any step is taken to enforce it (unless the enforcement proceeding is suspended or dismissed within a period of sixty (60) calendar days);

- (f) *Insolvency*:
- (A) the Issuer or any Material Subsidiary is declared bankrupt or is unable to pay its debts as they fall due (under Belgian law or any other applicable foreign laws);
  - (B) proceedings are initiated against the Issuer or any Material Subsidiary or the Issuer or any Material Subsidiary itself initiates bankruptcy proceedings or other insolvency proceedings of the Issuer or a Material Subsidiary under applicable Belgian or foreign bankruptcy, insolvency or other similar legislation that is now or later in force (including under Book XX of the Belgian Code of Economic Law (*Wetboek economisch recht/Code de droit économique*));
  - (C) a bankruptcy trustee, liquidator, administrator (or any similar official under any applicable law) is appointed with respect to the Issuer or any Material Subsidiary, or a bankruptcy trustee, liquidator, administrator (or any similar official under any applicable law) takes possession of all or a substantial part of the assets of the Issuer or any Material Subsidiary;
  - (D) the Issuer or any Material Subsidiary is not capable of paying its debts as they fall due, stops or suspends the payment of all or a substantial part of its debt or announces its intention to stop or suspend payment of all, or a substantial part of its debts (whereby these concepts shall be interpreted in accordance with the applicable national bankruptcy laws); or
  - (E) the Issuer or any Material Subsidiary makes any agreement or commences negotiations for the deferral, rescheduling or other readjustment of all of its debts or the general assignment to the benefit of the relevant creditors in respect of any such debts.
- (g) *Reorganisation* : (a) a material change of the nature of the activities of the Issuer or the Group (considered as a whole), as compared to the activities as these are carried out on the Issue Date occurs, or (b) a reorganisation of the Issuer or the Group occurs, resulting in a transfer of all or nearly all assets of the Issuer or the Group, unless within the framework of a reorganisation on a solvent basis (unless such reorganisation results in the Issuer becoming a mere holding company without real estate assets);
- (h) *Winding-Up*: a definitive court order or an effective resolution is passed for the winding-up or the liquidation of the Issuer or any of its Material Subsidiaries, except in the case of a solvent winding-up of a Material Subsidiary, with distribution of the assets within the Group;
- (i) *Unlawfulness*: it is or becomes unlawful for the Issuer to perform any of its obligations under the Bonds;
- (j) *Loss of status*: the Issuer loses the status of a public regulated real estate company (*openbare gereguleerde vastgoedvennootschap /société immobilière réglementée publique* ) under Belgian law, except in the event that the Issuer, within a period of sixty (60) Business Days after the loss of this status, acquires an alternative "fiscally transparent" status under the supervision of the FSMA that (i) is substantially similar to the status of a public regulated

real estate company under Belgian law, or (ii) does not materially prejudice the interests of the Bondholders;

- (k) *Delisting of the Bonds*: the Bonds are delisted or suspended from trading on Euronext Growth Brussels for a period of fifteen (15) consecutive Business Days for a reason attributable to the Issuer, unless the Issuer obtains an effective listing and admission to trading of the Bonds on another multilateral trading facility such as Euronext Growth Brussels or a regulated market in the European Economic Area by the end of that period;

then any Bond may, by means of a written notice given by the Bondholder to the Issuer at its registered office with a copy to the Agent at its specified office, be declared immediately due and payable at its outstanding nominal amount together with accrued interest (if any) until the date of payment, without notice or further formalities being required, unless the Event of Default has been remedied before receipt of such notice by the Agent (or within the applicable period, as mentioned above).

## 10. UNDERTAKINGS

### 10.1 Financial Covenants

For so long as the Bonds remain outstanding and until the effective and full repayment of principal and payment of interest on the Bonds, the Issuer will ensure that:

- (A) the Gross Debt Ratio on a consolidated basis will not exceed 65%, in accordance with Article 23 of the BE-REIT RD; and
- (B) the Interest Cover Ratio on a consolidated basis will be at least equal to 2.

For the purposes of this Condition 10.1, the following terms shall have the following meaning:

**Consolidated Total Debt** means, at any time, the Total Indebtedness calculated at Group level.

**Gross Debt Ratio** means the ratio of Consolidated Total Debt to total assets at Group level in accordance with the calculation methods of the BE-REIT RD, as these appear in the annual consolidated financial statements or the half-yearly consolidated financial statements, as the case may be, as at the date of these relevant accounts.

**Interest Cover Ratio** means "Operating profit (70/40) / Debt charges (650)".

**Total Indebtedness** means "indebtedness" (*schuldenlast/endettement*) as defined in Article 13, §1 of the BE-REIT RD (second to fourth paragraph).

### 10.2 Seat of the Issuer

The Issuer undertakes that it shall not transfer its registered seat, its principal place of business (*voornaamste vestiging / établissement principal*) or its place of management to any jurisdiction outside of Belgium.

### 10.3 Filing of Change of Control Resolutions

The Issuer will use (i) its reasonable efforts to ensure that the Change of Control Resolutions are approved by the general meeting of shareholders of the Issuer, scheduled to take place before 30 June 2020 and (ii) an extract of the Change of Control Resolutions will be filed with the clerk of the Business Court of Brussels in accordance with Article 556 or Article 7:151 of the Belgian



Companies Code, as applicable, as soon as reasonably possible following their approval and on the Long Stop Date at the latest.

## 11. COMPLIANCE WITH FINANCIAL COVENANTS

The Issuer will include in its annual and half-yearly consolidated financial statements a statement that: (i) the Financial Covenant mentioned in Condition 10.1(A) has been complied with on the date of the relevant financial statements, for the Relevant Period; and (ii) the Financial Covenant mentioned in Condition 10.1(B) has been complied with on the date of the relevant financial statements. This statement will be confirmed in a certificate from the statutory auditor of the Issuer which will also be included in the Issuer's annual and half-yearly consolidated financial statements.

**Relevant Period** means, for the purposes of this Condition 11, the twelve (12) month period preceding the date of the relevant financial statements.

## 12. PRESCRIPTION

Claims against the Issuer for payment in respect of the Bonds shall be prescribed unless made within ten (10) years (in the case of principal) or five (5) years (in the case of interest) from the relevant payment date in respect of them.

Claims in respect of any other amounts payable in respect of the Bonds shall be prescribed within ten (10) years following the date on which such payment becomes due under these Conditions.

## 13. MEETING OF BONDHOLDERS, MODIFICATION AND WAIVER

### (a) Meetings of Bondholders:

- (i) Subject to paragraph (ii) below, all meetings of Bondholders will be held in accordance with the provisions on meetings of Bondholders set out in Schedule 2 (*Provisions on meetings of Bondholders*) to these Conditions (the **Meeting Provisions**). Meetings of Bondholders may be convened to consider matters in relation to the Bonds, including the modification or waiver of the Bonds or any of the Conditions. For the avoidance of doubt, any modification or waiver of the Bonds or the Conditions applicable to the Bonds shall always be subject to the consent of the Issuer.

A meeting of Bondholders may be convened by the Issuer and shall be convened by the Issuer upon the request in writing of Bondholders holding not less than one fifth of the aggregate nominal amount of the outstanding Bonds.

Any modification or waiver of the Bonds or the Conditions proposed by the Issuer may be made if sanctioned by an Extraordinary Resolution. Resolutions duly passed by a meeting of Bondholders in accordance with these provisions shall be binding on all Bondholders, whether or not they are present at the meeting and whether or not they vote in favour of such a resolution.

The Meeting Provisions furthermore provide that, for so long as the Bonds are in dematerialised form and settled through the Securities Settlement System, in respect of any matters proposed by the Issuer, the Issuer shall be entitled, where the terms of the resolution proposed by the Issuer have been notified to the Bondholders through the relevant clearing systems as provided in the Meeting Provisions, to rely upon approval of such resolution given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) by or on behalf of the holders of not less than 75 per cent. in principal amount of the outstanding Bonds. To the extent such electronic consent

is not being sought, the Meeting Provisions provide that, if authorised by the Issuer and to the extent permitted by Belgian law, a resolution in writing signed by or on behalf of Bondholders of not less than 75 per cent. of the aggregate nominal amount of the outstanding Bonds shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Bondholders duly convened and held, provided that the terms of the proposed resolution shall have been notified in advance to those Bondholders through the relevant settlement system(s). Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Bondholders.

For the purpose of this paragraph (i), the following term shall have the following meaning:

**Extraordinary Resolution** means a resolution passed at a meeting of Bondholders duly convened and held in accordance with these Conditions and the Meeting Provisions by a majority of at least 75 per cent. of the votes cast, provided, however, that any such proposal (i) to amend the dates of maturity or redemption of the Bonds or date for payment of interest or interest amounts, (ii) to assent to an extension of an interest period, a reduction of the applicable interest rate or a modification of the conditions applicable to the payment of interest, (iii) to assent to a reduction of the nominal amount of the Bonds or a modification of the conditions under which any redemption, substitution or variation may be made, (iv) to alter the method of calculating the amount of any payment in respect of the Bonds or the date for any such payment in circumstances not provided for in the Conditions, (v) to change the currency of payment of the Bonds, (vi) to modify the provisions concerning the quorum required at any meeting of Bondholders or the majority required to pass an Extraordinary Resolution or (vii) to amend this provision, may only be sanctioned by an Extraordinary Resolution passed at a meeting of Bondholders at which one or more persons holding or representing not less than 75 per cent. or, at an adjourned meeting, 25 per cent. of the aggregate principal amount of the outstanding Bonds form a quorum.

(ii) For so long as the relevant provisions relating to meetings of bondholders of the Belgian Companies Code of 7 May 1999 (the **Existing Companies Code**) cannot be derogated from, where any provision of the Meeting Provisions would conflict with the relevant provisions of the Existing Companies Code, the mandatory provisions of the Existing Companies Code will apply.

(b) *Modifications and waiver:* The Agent shall only permit any modification of, or any waiver or authorisation of any breach or proposed breach of or any failure to comply with, the Agency Agreement and/or the Clearing Agreement and/or the Conditions, without the consent of the Bondholders, either (i) if to do so could not reasonably be expected to be materially prejudicial to the interests of the Bondholders or (ii) which in the Agent's opinion is of a formal, minor or technical nature or (iii) is made to correct a manifest error or (iv) to comply with mandatory provisions of law.

## 14. NOTICES

### 14.1 Notices to Bondholders

Notices to be given to the Bondholders shall be valid (i) if delivered by or behalf of the Issuer to the NBB (in its capacity as operator of the Securities Settlement System) for onward communication to the Bondholders via Participants in the Securities Settlement System and (ii) if published on the website of the Issuer ([www.leasinvest.be](http://www.leasinvest.be)). Any such notice shall be deemed to have been given on the latest of (i) the day following the date of its delivery to the Securities Settlement System and (ii) the day of its publication on the Issuer's website. In addition to the above communications and publications, the Issuer shall ensure that all notices are duly published in a manner which complies

with the rules and regulations of Euronext Growth Brussels or any other stock exchange on which the Bonds are listed and all applicable laws.

If publication as provided above is not practicable, notice will be given in such other manner, and shall be deemed to have been given on such date, as the Agent may approve.

#### **14.2 Notices by Bondholders**

Notices to be given by any Bondholders shall be given by registered mail with acknowledgement of receipt to the Issuer and the Agent. A notice will be deemed to be given on the date of receipt of the notice by the addressee.

#### **15. FURTHER ISSUES**

The Issuer may from time to time without the consent of the Bondholders create and issue further notes, bonds or debentures having (i) either the same terms and conditions either in all respects as the outstanding notes, bonds or debentures of any series (including the Bonds), or (ii) have the same terms and conditions in all respects, except for the first interest payment, so that such further issue, unless otherwise specified, shall be consolidated and form a single series with the outstanding notes, bonds or debentures of any series (including the Bonds) after the first interest payment. Consequently references in these Conditions to Bonds or series shall be construed accordingly

#### **16. GOVERNING LAW AND JURISDICTION**

##### **(a) Governing Law**

The Bonds, and any non-contractual obligations arising out of or in connection with the Bonds, are governed by, and shall be construed in accordance with, Belgian law.

##### **(b) Jurisdiction**

The courts of Brussels, Belgium are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Bonds and any non-contractual obligations arising out of or in connection with the Bonds and, accordingly, any legal action or proceedings arising out of or in connection with the Bonds and any non-contractual obligations arising out of or in connection with the Bonds may be brought in such courts. This provision is made for the benefit of each of the Bondholders and shall not limit the right of any of them to bring proceedings in the courts designated pursuant to Article 624, 1°, 2° and 4° of the Belgian Judicial Code.



Please make payment in respect of the Bonds redeemed early pursuant to Condition 6.2 by Euro transfer to the following bank account:

Name of Bank: .....

Branch Address: .....

Account Number: .....

The undersigned holder of the Bonds confirms that payment in respect of the redeemed Bonds shall be made against debit of his/her/its securities account number ..... with [*name and address of bank*] for the above-mentioned nominal amount of Bonds.

All notices and communications relating to this Change of Control Put Exercise Notice should be sent to the address of the Bondholder specified above.

Terms used and not otherwise defined in this Change of Control Put Exercise Notice have the meanings given to them in the terms and conditions of the Bonds.

Signature of the holder: ..... Date:.....

N.B. The Agent shall not in any circumstances be liable to any Bondholder or any other person for any loss or damage arising from any act, default or omission of the Agent in relation to the said Bonds or any of them unless such loss or damage was caused by the fraud or negligence of the Agent.

**THIS CHANGE OF CONTROL PUT EXERCISE NOTICE WILL NOT BE VALID UNLESS (I) ALL OF THE PARAGRAPHS REQUIRING COMPLETION ARE DULY COMPLETED AND (II) IT IS DULY SIGNED AND SENT TO THE RELEVANT FINANCIAL INTERMEDIARY.**

**BONDHOLDERS ARE ADVISED TO CHECK WITH THE RELEVANT FINANCIAL INTERMEDIARY WHEN SUCH FINANCIAL INTERMEDIARY WOULD REQUIRE TO RECEIVE THE COMPLETED CHANGE OF CONTROL PUT EXERCISE NOTICE TO ARRANGE TO DELIVER THE CHANGE OF CONTROL PUT EXERCISE NOTICE AND THE BONDS TO BE REDEEMED TO THE ACCOUNT OF THE AGENT FOR THE ACCOUNT OF THE ISSUER BY THE RELEVANT CHANGE OF CONTROL PUT DATE.**

**ONCE VALIDLY GIVEN THIS CHANGE OF CONTROL PUT EXERCISE NOTICE IS IRREVOCABLE.**

## Schedule 2 – Provisions on meetings of Bondholders

### 1. INTERPRETATION

Unless otherwise defined, capitalised terms in this Schedule have the meaning given to them in the Conditions. In addition, in this Schedule:

- (i) references to a **meeting** are to a meeting of Bondholders and include, unless the context otherwise requires, any adjournment;
- (ii) references to **Bonds** and **Bondholders** are only to the Bonds and in respect of which a meeting has been, or is to be, called and to the holders of the Bonds, respectively;
- (iii) **representative** means a holder of a Voting Certificate or a proxy for, or representative of, a Bondholder;
- (iv) **Block Voting Instruction** means a document issued by a Recognised Accountholder or the Securities Settlement System in accordance with Clause 6(b) (*Arrangements for Voting*) of this Schedule;
- (v) **Electronic Consent** has the meaning set out in Clause 13(a)(i) (*Written Resolutions and Electronic Consent*);
- (vi) **Extraordinary Resolution** means a resolution passed (a) at a meeting of Bondholders duly convened and held in accordance with this Schedule 2 (*Provisions on meetings of Bondholders*) by a majority of at least 75 per cent. of the votes cast, (b) by a Written Resolution or (c) by an Electronic Consent;
- (vii) **Ordinary Resolution** means a resolution with regard to any of the matters listed in Clause 4 (*Ordinary Resolution*) and passed or proposed to be passed by a majority of at least 50 per cent. of the votes cast;
- (viii) **Recognised Accountholder** means an entity recognised as account holder in accordance with the Belgian Companies Code with whom a Bondholder holds Bonds on a securities account;
- (ix) **Voting Certificate** means a certificate issued by a Recognised Accountholder or the Securities Settlement System in accordance with Clause 6(a) (*Arrangements for Voting*);
- (x) **Written Resolution** means a resolution in writing signed by the holders of not less than 75 per cent. in principal amount of the Bonds outstanding; and
- (xi) references to persons representing a proportion of the Bonds are to Bondholders, proxies or representatives of such Bondholders holding or representing in the aggregate at least that proportion in nominal amount of the Bonds for the time being outstanding.

### 2. GENERAL

- (a) All meetings of Bondholders will be held in accordance with the provisions set out in this Schedule.

- (b) For so long as the relevant provisions relating to meetings of bondholders of the Belgian companies code of 7 May 1999 (the **Existing Companies Code**) cannot be derogated from, where any provision of this Schedule would conflict with the relevant provisions of the Existing Companies Code, the mandatory provisions of the Existing Companies Code will apply.
- (c) Where any of the provisions of this Schedule would be illegal, invalid or unenforceable, that will not affect the legality, validity and enforceability of the other provisions of this Schedule.
- (d) For the avoidance of doubt, any modification or waiver of the Bonds or the Conditions applicable to the Bonds shall always be subject to the consent of the Issuer.

### **3. EXTRAORDINARY RESOLUTION**

- (a) A meeting shall, subject to the Conditions and (except in the case of Clause 3(a)(v) below) only with the consent of the Issuer and without prejudice to any powers conferred on other persons by this Schedule, have power by Extraordinary Resolution:
  - (i) other than as set out in Clause 4(a) and 4(b), to sanction any proposal by the Issuer for any modification, abrogation, variation or compromise of, or arrangement in respect of, the rights of the Bondholders against the Issuer (other than in accordance with the Conditions or pursuant to applicable law);
  - (ii) other than as set out in Clause 4(a) and 4(b), to assent to any modification of this Schedule or the Bonds proposed by the Issuer or the Agent;
  - (iii) to authorise anyone to concur in and do anything necessary to carry out and give effect to an Extraordinary Resolution;
  - (iv) to give any authority, direction or sanction required to be given by Extraordinary Resolution;
  - (v) to appoint any persons (whether Bondholders or not) as a committee or committees to represent the Bondholders' interests and to confer on them any powers (or discretions which the Bondholders could themselves exercise by Extraordinary Resolution);
  - (vi) to approve the substitution of any entity for the Issuer (or any previous substitute) as principal debtor under the Bonds or to approve the exchange or substitution of the Bonds into shares, bonds or other obligations or securities of the Issuer or any other person, in each case in circumstances not provided for in the Conditions or in applicable law; and
  - (vii) to accept any security interests established in favour of the Bondholders or a modification to the nature or scope of any existing security interest or a modification to the release mechanics of any existing security interests.
- (b) Any Extraordinary Resolution shall require an "Extraordinary Resolution quorum" as set out in Clause 9(b) (*Quorum and Adjournment*), provided that the "special quorum resolution" provisions in Clause 9(b) (*Quorum and Adjournment*) shall apply to any Extraordinary Resolution for the purpose of Clause 3(a)(vi) above or for the purpose of making a modification to the Conditions, the Bonds or this Schedule which would have the effect (other than in accordance with the Conditions or pursuant to applicable law):

- (A) to amend the dates of maturity or redemption of the Bonds or date for payment of interest or interest amounts;
- (B) to assent to an extension of an interest period, a reduction of the applicable interest rate or a modification of the conditions applicable to the payment of interest;
- (C) to assent to a reduction of the nominal amount of the Bonds or a modification of the conditions under which any redemption, substitution or variation may be made;
- (D) to alter the method of calculating the amount of any payment in respect of the Bonds or the date for any such payment in circumstances not provided for in the Conditions;
- (E) to change the currency of payment of the Bonds;
- (F) to modify the provisions concerning the quorum required at any meeting of Bondholders or the majority required to pass an Extraordinary Resolution; or
- (G) to amend this provision.

#### **4. ORDINARY RESOLUTION**

Notwithstanding any of the foregoing and without prejudice to any powers otherwise conferred on other persons by this Schedule, a meeting of Bondholders shall have power by Ordinary Resolution:

- (a) to authorise or waive any proposed or actual breach of any covenant or undertaking contained in or arising pursuant to the Conditions;
- (b) to make any amendment to the Conditions:
  - (i) which is of a formal, minor or technical nature or is to correct a manifest or clerical error; or
  - (ii) whereby such amendment is not detrimental to the interest of the Bondholders as a group; or
  - (iii) if such amendment is required by applicable law, a court ruling or a decision by a relevant authority;
- (c) to assent to any decision to take any conservatory measures in the general interest of the Bondholders;
- (d) to assent to the appointment of any representative to implement any Ordinary Resolution; or
- (e) to assent to any other decisions which do not require an Extraordinary Resolution to be passed.



Any modification or waiver of any of the Conditions shall always be subject to the consent of the Issuer.

## **5. CONVENING A MEETING**

- (a) The Issuer may at any time convene a meeting. A meeting shall be convened by the Issuer upon the request in writing of Bondholders holding at least twenty (20) per cent. in principal amount of the Bonds for the time being outstanding. Every meeting shall be held at a time and place approved by the Agent.
- (b) Convening notices for meetings of Bondholders shall be given to the Bondholders in accordance with Condition 14 (*Notices*) not less than fifteen (15) calendar days prior to the relevant meeting. The notice shall specify the day, time and place of the meeting and the nature of the resolutions to be proposed and shall explain how Bondholders may appoint proxies or representatives, obtain Voting Certificates and use Block Voting Instructions and the details of the time limits applicable.

## **6. ARRANGEMENTS FOR VOTING**

- (a) A Voting Certificate shall:
  - (i) be issued by a Recognised Accountholder or the Securities Settlement System;
  - (ii) state that on the date thereof (i) the Bonds (not being Bonds in respect of which a Block Voting Instruction has been issued which is outstanding in respect of the meeting specified in such Voting Certificate and any such adjourned meeting) of a specified principal amount outstanding were (to the satisfaction of such Recognised Accountholder or the Securities Settlement System) held to its order or under its control and blocked by it and (ii) that no such Bonds will cease to be so held and blocked until the first to occur of:
    - (A) the conclusion of the meeting specified in such certificate or, if applicable, any such adjourned meeting; and
    - (B) the surrender of the Voting Certificate to the Recognised Accountholder or the Securities Settlement System who issued the same; and
  - (iii) further state that until the release of the Bonds represented thereby the bearer of such certificate is entitled to attend and vote at such meeting and any such adjourned meeting in respect of the Bonds represented by such certificate.
- (b) A Block Voting Instruction shall:
  - (i) be issued by a Recognised Accountholder or the Securities Settlement System;
  - (ii) certify that the Bonds (not being Bonds in respect of which a Voting Certificate has been issued and is outstanding in respect of the meeting specified in such Block Voting Instruction and any such adjourned meeting) of a specified principal amount outstanding were (to the satisfaction of such Recognised Accountholder or the Securities Settlement System) held to its order or under its control and blocked by it and that no such Bonds will cease to be so held and blocked until the first to occur of:

- (A) the conclusion of the meeting specified in such document or, if applicable, any such adjourned meeting; and
  - (B) the giving of notice by the Recognised Accountholder or the Securities Settlement System to the Issuer, stating that certain of such Bonds cease to be held with it or under its control and blocked and setting out the necessary amendment to the Block Voting Instruction;
- (iii) certify that each holder of such Bonds has instructed such Recognised Accountholder or the Securities Settlement System that the vote(s) attributable to the Bond(s) so held and blocked should be cast in a particular way in relation to the resolution or resolutions which will be put to such meeting or any such adjourned meeting and that all such instructions cannot be revoked or amended during the period commencing three (3) days prior to the time for which such meeting or any such adjourned meeting is convened and ending at the conclusion or adjournment thereof;
  - (iv) state the principal amount of the Bonds so held and blocked, distinguishing with regard to each resolution between (i) those in respect of which instructions have been given as aforesaid that the votes attributable thereto should be cast in favour of the resolution, (ii) those in respect of which instructions have been so given that the votes attributable thereto should be cast against the resolution and (iii) those in respect of which instructions have been so given to abstain from voting; and
  - (v) naming one or more persons (each hereinafter called a **proxy**) as being authorised and instructed to cast the votes attributable to the Bonds so listed in accordance with the instructions referred to in Clause 6(b)(iv) above as set out in such document.
- (c) If a holder of Bonds wishes the votes attributable to it to be included in a Block Voting Instruction for a meeting, he must block such Bonds for that purpose at least three (3) days before the time fixed for the meeting to the order of the Agent with a bank or other depository nominated by the Agent for the purpose. The Agent or such bank or other depository shall then issue a Block Voting Instruction in respect of the votes attributable to all Bonds so blocked.
  - (d) No votes shall be validly cast at a meeting unless in accordance with a Voting Certificate or Block Voting Instruction.
  - (e) The proxy appointed for purposes of the Block Voting Instruction or Voting Certificate does not need to be a Bondholder.
  - (f) Votes can only be validly cast in accordance with Voting Certificates and Block Voting Instructions in respect of Bonds held to the order or under the control and blocked by a Recognised Accountholder or the Securities Settlement System and which have been deposited at the registered office at the Issuer not less than three (3) days and not more than six (6) days before the time for which the meeting to which the relevant voting instructions and Block Voting Instructions relate, has been convened or called. The Voting Certificate and Block Voting Instructions shall be valid for as long as the relevant Bonds continue to be so held and blocked. During the validity thereof, the holder of any such Voting Certificate or (as the case may be) the proxies named in any such Block Voting Instruction shall, for all purposes in connection with the relevant meeting, be deemed to be the holder of the Bonds to which such Voting Certificate or Block Voting Instruction relates.

- (g) In default of a deposit, the Block Voting Instruction or the Voting Certificate shall not be treated as valid, unless the chairman of the meeting decides otherwise before the meeting or adjourned meeting proceeds to business.
- (h) A company which holds a Bond may, by delivering at least three (3) days before the time fixed for a meeting to a bank or other depositary appointed by the Agent for such purposes a certified copy of a resolution of its directors or other governing body or another certificate evidencing due authorisation (with, in each case, if it is not in English, a translation into English), authorise any person to act as its representative (a **representative**) in connection with that meeting.

## **7. CHAIRMAN**

The chairman of a meeting shall be such person as the Issuer may nominate in writing, but if no such nomination is made or if the person nominated is not present within 15 minutes after the time fixed for the meeting the Bondholders or representatives present shall choose one of their number to be chairman, failing which the Issuer may appoint a chairman. The chairman need not be a Bondholder or representative. The chairman of an adjourned meeting need not be the same person as the chairman of the original meeting.

## **8. ATTENDANCE**

The following persons may attend and speak at a meeting of Bondholders:

- (a) Bondholders and their respective representatives, financial and legal advisers;
- (b) the chairman and the secretary of the meeting; and
- (c) the Issuer and the Agent (through their respective representatives) and their respective financial and legal advisers.

No one else may attend or speak.

## **9. QUORUM AND ADJOURNMENT**

- (a) No business (except choosing a chairman) shall be transacted at a meeting unless a quorum is present at the commencement of business. If a quorum is not present within 15 minutes from the time initially fixed for the meeting, it shall, if convened on the requisition of Bondholders, be dissolved. In any other case it shall be adjourned until such date, not less than 14 nor more than 42 calendar days later, and time and place as the chairman may decide. If a quorum is not present within 15 minutes from the time fixed for a meeting so adjourned, the meeting shall be dissolved.
- (b) One or more Bondholders or representatives present in person shall be a quorum:
  - (i) in the cases marked “No minimum proportion” in the table below, whatever the proportion of the Bonds which they represent;
  - (ii) in any other case, only if they represent the proportion of the Bonds shown by the table below.

Purpose of meeting	Any meeting except for a meeting previously adjourned through want of a quorum	Meeting previously adjourned through want of a quorum
	Required proportion	Required proportion
To pass a special quorum resolution	75 per cent.	25 per cent.
To pass any Extraordinary Resolution	A clear majority.	No minimum proportion
To pass an Ordinary Resolution	10 per cent.	No minimum proportion

- (c) The chairman may, with the consent of (and shall if directed by) a meeting, adjourn the meeting from time to time and from place to place. Only business which could have been transacted at the original meeting may be transacted at a meeting adjourned in accordance with this Clause or Clause 9(a) (*Quorum and Adjournment*).
- (d) At least ten (10) calendar days' notice of a meeting adjourned due to the quorum not being present shall be given in the same manner as for an original meeting and that notice shall state the quorum required at the adjourned meeting. Subject as aforesaid, it shall not be necessary to give any other notice of an adjourned general meeting.

## 10. VOTING

- (a) Each question submitted to a meeting shall be decided by a show of hands, unless a poll is (before, or on the declaration of the result of, the show of hands) demanded by the chairman, the Issuer or one or more persons representing 2 per cent. of the Bonds.
- (b) Unless a poll is demanded, a declaration by the chairman that a resolution has or has not been passed shall be conclusive evidence of the fact without proof of the number or proportion of the votes cast in favour of or against it.
- (c) If a poll is demanded, it shall be taken in such manner and (subject as provided below) either at once or after such adjournment as the chairman directs. The result of the poll shall be deemed to be the resolution of the meeting at which it was demanded as at the date it was taken. A demand for a poll shall not prevent the meeting continuing for the transaction of business other than the question on which it has been demanded.
- (d) A poll demanded on the election of a chairman or on a question of adjournment shall be taken at once.
- (e) On a show of hands or a poll every person has one vote in respect of each nominal amount equal to the minimum Nominal Value of the Bonds so produced or represented by the voting certificate so produced or for which he is a proxy or representative. Without prejudice to the

obligations of proxies, a person entitled to more than one vote need not use them all or cast them all in the same way.

- (f) In case of equality of votes, the chairman shall both on a show of hands and on a poll have a casting vote in addition to any other votes which he may have.

## 11. EFFECT AND PUBLICATION OF AN EXTRAORDINARY AND AN ORDINARY RESOLUTION

An Extraordinary Resolution and an Ordinary Resolution shall be binding on all the Bonds, whether or not present at the meeting, and each of them shall be bound to give effect to it accordingly. The passing of such a resolution shall be conclusive evidence that the circumstances justify its being passed. The Issuer shall give notice of the passing of an Ordinary Resolution or an Extraordinary Resolution to Bondholders within fourteen (14) calendar days but failure to do so shall not invalidate the resolution.

## 12. MINUTES

- (a) Minutes shall be made of all resolutions and proceedings at every meeting and, if purporting to be signed by the chairman of that meeting or of the next succeeding meeting, shall be conclusive evidence of the matters in them. Until the contrary is proved every meeting for which minutes have been so made and signed shall be deemed to have been duly convened and held and all resolutions passed or proceedings transacted at it to have been duly passed and transacted.
- (b) The minutes can be consulted at the corporate seat of the Issuer within fifteen (15) calendar days after they have been passed.

## 13. WRITTEN RESOLUTIONS AND ELECTRONIC CONSENT

- (a) For so long as the Bonds are in dematerialised form and settled through the Securities Settlement System, then in respect of any matters proposed by the Issuer:
  - (i) Where the terms of the resolution proposed by the Issuer have been notified to the Bondholders through the relevant clearing system(s) as provided in Clauses 13(a)(i)(A) and/or 13(a)(i)(B) below, the Issuer shall be entitled to rely upon approval of such resolution given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) to the Agent or another specified representative in accordance with their operating rules and procedures by or on behalf of the holders of not less than 75 per cent. in nominal amount of the Bonds outstanding (the **Required Proportion**) by close of business on the Relevant Date (**Electronic Consent**). Any resolution passed in such manner shall be binding on all Bondholders, even if the relevant consent or instruction proves to be defective. The Issuer shall not be liable or responsible to anyone for such reliance.
    - (A) When a proposal for a resolution to be passed as an Electronic Consent has been made, at least fifteen (15) calendar days' notice (exclusive of the day on which the notice is given and of the day on which affirmative consents will be counted) shall be given to the Bondholders through the relevant clearing system(s). The notice shall specify, in sufficient detail to enable Bondholders to give their consents in relation to the proposed resolution, the method by which their consents may be given (including, where applicable, blocking of their accounts in the relevant clearing system(s)) and the time and date (the **Relevant**

**Date**) by which they must be received in order for such consents to be validly given, in each case subject to and in accordance with the operating rules and procedures of the relevant clearing system(s).

- (B) If, on the Relevant Date on which the consents in respect of an Electronic Consent are first counted, such consents do not represent the Required Proportion, the resolution shall be deemed to be defeated. Such determination shall be notified in writing to the Agent. Alternatively, the Issuer may give a further notice to Bondholders that the resolution will be proposed again on such date and for such period as determined by the Issuer. Such notice must inform Bondholders that insufficient consents were received in relation to the original resolution and the information specified in Clause 13(a)(i)(A) above. For the purpose of such further notice, references to **Relevant Date** shall be construed accordingly.

For the avoidance of doubt, an Electronic Consent may only be used in relation to a resolution proposed by the Issuer which is not then the subject of a meeting that has been validly convened in accordance with Clause 5(b) (*Convening a meeting*) above, unless that meeting is or shall be cancelled or dissolved.

- (ii) To the extent Electronic Consent is not being sought in accordance with Clause 13(a)(i) above, a resolution in writing signed by or on behalf of the holders of not less than 75 per cent. in nominal amount of the Bonds outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution or an Ordinary Resolution passed at a meeting of Bondholders duly convened and held, provided that the terms of the proposed resolution have been notified in advance to the Bondholders through the relevant clearing system(s). Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Bondholders. For the purpose of determining whether a resolution in writing has been validly passed, the Issuer shall be entitled to rely on consent or instructions given in writing directly to the Issuer (a) by accountholders in the clearing system(s) with entitlements to the Bonds or (b) where the accountholders hold any such entitlement on behalf of another person, on written consent from or written instruction by the person identified by that accountholder for whom such entitlement is held. For the purpose of establishing the entitlement to give any such consent or instruction, the Issuer shall be entitled to rely on any certificate or other document issued by, in the case of (a) above, the Securities Settlement System, Euroclear, Clearstream or any other relevant alternative clearing system (the **relevant clearing system**) and, in the case of (b) above, the relevant clearing system and the accountholder identified by the relevant clearing system for the purposes of (b) above. Any resolution passed in such manner shall be binding on all Bondholders, even if the relevant consent or instruction proves to be defective. Any such certificate or other document may comprise any form of statement or print out of electronic records provided by the relevant clearing system (including Euroclear's EUCLID or Clearstream's CreationOnline system) in accordance with its usual procedures and in which the accountholder of a particular principal or nominal amount of Bonds is clearly identified together with the amount of such holding. The Issuer shall not be liable to any person by reason of having accepted as valid or not having rejected any certificate or other document to such effect purporting to be issued by any such person and subsequently found to be forged or not authentic.

- (iii) A Written Resolution or Electronic Consent shall take effect as an Extraordinary Resolution or an Ordinary Resolution. A Written Resolution and/or Electronic Consent will be binding on all Bondholders whether or not they participated in such Written Resolution and/or Electronic Consent.

## PART IV CLEARING

The Bonds will be settled through the Securities Settlement System. The Bonds will have ISIN number BE0002679604 and Common Code 208586785. The Bonds will accordingly be subject to the Securities Settlement System regulations.

The number of Bonds in circulation at any time will be registered in the register of registered securities of the Issuer in the name of the NBB (National Bank of Belgium, Boulevard de Berlaimont 14, B-1000 Brussels), as operator of the Securities Settlement System.

Access to the Securities Settlement System is available through the Securities Settlement System participants whose membership extends to securities such as the Bonds.

Participants include certain banks, stockbrokers (*beursvennootschappen/sociétés de bourse*), Euroclear, and Clearstream Banking Frankfurt, SIX SIS and Monte Titoli. Accordingly, the Bonds will be eligible for clearance through Euroclear, and Clearstream Banking Frankfurt, SIX SIS and Monte Titoli and investors can hold their Bonds within securities accounts in Euroclear, and Clearstream Banking Frankfurt, SIX SIS and Monte Titoli.

Transfers of interests in the Bonds will be effected between Participants in accordance with the rules and operating procedures of the Securities Settlement System. Transfers between investors will be effected in accordance with the respective rules and operating procedures of the Participants through which they hold their Bonds.

KBC Bank NV will perform the agency obligations under the Agency Agreement and the Clearing Agreement. The Issuer and the Agent will not have any responsibility for the proper performance of the Securities Settlement System or the Participants of their obligations under their respective rules and operating procedures.



## PART V DESCRIPTION OF THE ISSUER

### 1. HISTORY AND DEVELOPMENT

#### 1.1 Official and commercial name

Leasinvest Real Estate, a public regulated real estate company incorporated under Belgian law (*openbare gereguleerde vastgoedvennootschap (GVV) /société immobilière réglementée (SIR) publique* or “BE-REIT” in short) (**Leasinvest** or the **Company**).

Leasinvest takes the form of a partnership limited by shares (*Commanditaire vennootschap op aandelen/Société en commandite par actions*).

#### 1.2 Place of registration, registration number and Legal Entity Identifier (LEI)

Leasinvest is registered with the register of legal entities in Brussels under number 0436.323.915, and has the LEI 549300BPHBCHEODTG670.

#### 1.3 Date of incorporation and duration

Leasinvest was established on 21 November 1973 under the legal form of an “*Aktiengesellschaft*” under Swiss law, after which the registered office was transferred (17 November 1988) to Belgium, where it was established that the Company assumed the legal form of a public limited liability company (*naamloze vennootschap/société anonyme*) and is a legal person under Belgian law, subject to Belgian law.

On 8 June 1999, the name of the Company was changed to Leasinvest Real Estate and the Company was recognized as, and was granted the status of, a public real estate investment trust (*vastgoedbevak/sicafi*) under Belgian law, and changed its legal form to a partnership limited by shares (*Commanditaire vennootschap op aandelen/Société en commandite par actions*), for an indefinite term.

On 6 November 2014 the Company was recognized as, and was granted the status of, a public regulated real estate company under Belgian law (*gereguleerde vastgoedvennootschap (GVV)/société immobilière réglementée (SIR)* or “BE-REIT” in short).

#### 1.4 Domicile, legal form, legislation and coordinates

##### (a) Registered office

Leasinvest has its registered office at the Lenniksebaan 451, in 1070 Brussels.

##### (b) Administrative headquarters

Leasinvest has its administrative headquarters at Schermersstraat 42, 2000 Antwerp (T +32 3 238 98 77).

##### (c) Location

See paragraph (a) of this Clause 1.4.

##### (d) Legal form and legislation

Leasinvest is a public regulated real estate company under Belgian law (*openbare gereguleerde vastgoedvennootschap (GVV)/société immobilière réglementée (SIR) publique* or “BE-REIT” in short) and has the legal form of a partnership limited by shares (*Commanditaire vennootschap op aandelen/Société en commandite par actions*).

The Company is subject, among other things, to the Belgian Companies Code, the Belgian Law of 12 May 2014 concerning regulated real estate companies, as amended from time to time (the **BE-REIT Act**) and the Royal Decree of 13 July 2014 on regulated real estate companies, as amended from time to time (the **BE-REIT RD**, together with the BE-REIT Act, the **BE-REIT-Regulation**).

The Company is a partnership limited by shares, a form of company that will be abolished by the new Belgian Code of Companies and Associations, as published in the Belgian Official Gazette on 4 April 2019. The Company will gradually make the necessary adjustments to implement this new Belgian Code of Companies and Associations. Regarding the legal form of the Company, the Company will be converted into a public limited liability company (*naamloze vennootschap/société anonyme*).

(e) Country of incorporation

Leasinvest was founded on 21 November 1973 in Switzerland, with the transfer of its registered office to Belgium on 17 November 1988 (see also Clause 1.3 of this Part V).

## 1.5 Important events

### 1999

Recognition as a real estate investment fund (*vastgoedbevak/sicafi*).

Listing on NYSE Euronext Brussels (previously the Brussels’ Stock Exchange).

### > 2005

Various acquisitions of mainly office buildings in Belgium.

Own management and personnel.

### 2006

Geographical diversification towards the Grand Duchy of Luxembourg through the acquisition of the Luxembourg Sicav Dexia Immo Lux (now Leasinvest Immo Lux) for EUR 150 million (13 buildings).

### 2007-2011

Divestment of office buildings and further diversification towards logistics in Belgium.

Redevelopment of offices and storage in the Grand Duchy of Luxembourg.

Focus on diversification towards retail with acquisition of top retail portfolio in Luxembourg.

## **2012-2013**

Investment in two shopping centres and acquisition of an important retail property in the Grand Duchy of Luxembourg.

Completion and acquisition of the State Archives in Bruges.

Divestment of office buildings.

Public capital increase and public and private bond issue.

## **2014**

Acquisition of important retail portfolio in Switzerland.

Change of status from real property investment fund (vastgoedbevak/sicafi) into a public regulated real estate company (*openbare gereguleerde vastgoedvennootschap (GVV)/société immobilière réglementée (SIR) publique* or “BE-REIT” in short).

Further divestment of smaller non-strategic properties.

Pre-letting of the Royal20 office project in the Grand Duchy of Luxembourg.

## **2015**

Conclusion of the sale agreement for the prestigious Royal20 office project in the Grand Duchy of Luxembourg (fully pre-let) as from its completion in 2016.

Acquisition of iconic multi-tenant building Royal Warehouse located on the Tour & Taxis site in Brussels.

Start of redevelopment of Square de Meeûs in CBD of Brussels.

Further divestment of non-strategic properties.

## **2016**

Sale of completed Royal20 office building in the Grand Duchy of Luxembourg.

Acquisition of highly successful Frun® retail park in Asten, Austria.

## **2017**

Acquisition of Mercator office building in the city of Luxembourg in the Grand Duchy of Luxembourg.

Divestment of Swiss properties.

Divestment of the majority of logistic premises in Belgium.

Acquisition of two retail properties near Vienna in Austria.

## 2018

Successful public capital increase of EUR 84 mio.

Acquisition of the Montoyer 14 building in the Leopold district of Brussels, Belgium.

Acquisition of two additional buildings in the European Bank & Business Center (EBBC) business park in the Grand Duchy of Luxembourg.

Acquisition of iconic building Hangar 26/27, “Eilandje” district in Antwerp, Belgium.

### First semester 2019

Acquisition of two additional buildings (B and E) in the EBBC business park in the Grand Duchy of Luxembourg.

Sale of two floors in the Kennedy building in Kirchberg, the Grand Duchy of Luxembourg.

## 2. INVESTMENTS AS PER 31 DECEMBER 2018 – UPDATE AS PER 30 JUNE 2019

### 2.1 Realised investments

For an overview of the investments made in the course of the financial year 2016, reference is made to the Annual Report – “*Acquisitions*” in the Annual Financial Report 2016 on page 40 (English version).

For an overview of the investments made in the course of the financial year 2017, reference is made to the Annual Report – “*Acquisitions*” in the Annual Financial Report 2017 on pages 37-39 (English version).

Below goes a reproduction of the overview given in (i) the Annual Report – “*Investments*” in the Annual Financial Report 2018 on pages 33-36 (English version), in relation to the investments that took place in the financial year 2018, and (ii) the Interim Annual Report – “*Investments*” in the Half-Year Financial Report 2019 on page 6 (English version), in relation to the investments that took place in the period from 1 January 2019 to 30 June 2019.

#### (a) Financial year 2018

##### (i) Grand Duchy of Luxembourg

#### ACQUISITION IN EUROPEAN BANK & BUSINESS CENTER (EBBC)

On 19 December 2018, Leasinvest acquired, through its 100% subsidiary Leasinvest Immo Lux, two additional office buildings in the EBBC Business Park near Luxembourg Airport. This acquisition represents an investment of EUR 64.1 million, with an initial yield of 6.25%. Both buildings (A and C) are fully let and generate annual rental income of approximately EUR 4 million.

EBBC consists of a total of six office buildings with a total surface area of approximately 26,000 m<sup>2</sup>, and enjoys a strategic location in the Luxembourg Airport district, within walking distance of Luxembourg Airport. Given the importance of this district, it is also part of the tramway extension zone, which

will also allow easy access to the park by public transport from the city centre and the "Kirchberg" business district.

(ii) Belgium

(A) ACQUISITION OF OFFICE BUILDING MONTOYER 14 IN CBD OF BRUSSELS

On 15 October 2018, Leasinvest acquired 100% of the shares in the company NEIF Montoyer SPRL from Next Estate Income Fund ("NEIF"), managed by BNP Paribas REIM Luxembourg. This acquired company holds a long lease with a remaining term of 94 years on the Montoyer 14 office building, located at the corner of the rue Montoyer and rue de l'Industrie in (1000) Brussels. This transaction concerns an investment of EUR 11.35 million, in line with the value estimated by the independent real estate expert.

After the departure of the current tenant (the United Nations) at the end of 2018, Montoyer 14 will be completely redeveloped into an office building that should become the reference in sustainability and the application of the latest technologies. The project management will be carried out by the developer Ion. The new building is expected to comprise approximately 4,000 m<sup>2</sup> of state-of-the-art office space and is expected to be completed in early 2022.

For Leasinvest, this is the third office project located in the European district in Brussels in two years, after Treesquare (Square de Meeûs) and Montoyer 63 (Montoyer Street), and confirms the Company's strategy to further expand its existing office portfolio with quality projects in prime locations.

(B) ACQUISITION OF HANGAR 26-27 IN ANTWERP

On 28 December 2018, Leasinvest acquired the iconic building Hangar 26/27 in the "Eilandje" district in Antwerp, with a direct view on, on the one hand, the river Scheldt, and, on the other hand, the MAS museum ("Museum aan de Stroom").

This acquisition represents an investment of EUR 22.6 million, with an initial yield of 6.2%. The building has a surface area of 9,395 m<sup>2</sup> and is part of a concession agreement with AG Vespa. Currently, gradual renovation works are carried out to the building, which are completed for more than 50% and will be continued by Leasinvest. The building disposes of an additional development potential of 9,000 m<sup>2</sup> for retail and offices purposes.

The concession is acquired through the purchase of 100% of the shares in the company Carver BVBA – concession holder – that already carried out a large part of the renovation works to the existing building.

(C) PARTICIPATION IN CAPITAL INCREASE OF BE-REIT RETAIL ESTATES

In April 2018, Leasinvest participated in the capital increase of Retail Estates, a BE-REIT in which the Company holds a stake of a little over 10% for quite some time. Leasinvest exercised all its priority allocation rights linked to the shares in Retail Estates it held at that time, and subscribed for the offering for a total amount of EUR 12.9 million in exchange for 198,736 new shares in Retail Estates, which were fully entitled to dividends for the relevant financial year. The dividend amounted to EUR 3.60 per share at the end of July 2018.

(iii) Austria

ACQUISITION OF LAND RESERVE

On 18 December 2018, Leasinvest acquired, via its Austrian subsidiary Frun Park Asten GmbH, a plot of land of circa 3,870 m<sup>2</sup> alongside the access road to the Frun Park in Asten for an amount of EUR 625,000. Approximately 1,350 m<sup>2</sup> of commercial space can be developed on this land. The acquisition of this plot of land represents an added value for the retail park that is already owned by the Company.

(b) First semester of financial year 2019:

(i) Grand Duchy of Luxembourg

AGREEMENT WITH IMMO LUX-AIRPORT SA FOR THE ACQUISITION OF THE BUILDINGS B AND E IN THE EBBC BUSINESS PARK IN LUXEMBOURG

Leasinvest (through its 100% subsidiary Leasinvest Immo Lux) came to an agreement with the board of directors of the SA Immo Lux-Airport, issuer of the real estate certificates “Lux Airport”, with regards to the transfer of the buildings B and E subjacent to the real estate certificates “Lux Airport”, located in the EBBC Business park, route de Trèves 6, 2633 Senningerberg, in the Grand Duchy of Luxembourg. The price is in line with the valuation of the buildings by the independent expert of Leasinvest. This acquisition price for these two buildings amounts to EUR 47.3 million. This acquisition was finalised on 27 June 2019.

These two buildings were indirectly already partially held by Leasinvest as investment properties via a stake of 69.8% in the “Lux Airport” real estate certificates.

Pursuant to this transaction, the Company indirectly owns, together with the three buildings already indirectly owned by it (buildings A and C since 19 December 2018 and building D since 22 March 2006), five of the six buildings on the site.

(ii) Belgium

PARTICIPATION IN BE-REIT (GVV/SIR) RETAIL ESTATES – OPTIONAL DIVIDEND

In the course of the first semester of financial year 2019, the Company further invested (EUR 9.2 million) in the BE-REIT Retail Estates by subscribing for its optional dividend and the purchase of an additional 75,000 shares in order to keep a stake of over 10%.

(iii) Austria

ACQUISITION OF TWO RETAIL PARCS NEAR SHOPPING CITY SÜD IN VÖSENDORF CLOSE TO VIENNA

On 28 August 2019, Leasinvest, via its 100% subsidiary Leasinvest Immo Austria, acquired two important retail parks near the largest shopping complex in Austria, Shopping City Süd in Vösendorf, close to Vienna. This mega shopping complex has a total surface area of 235,000 m<sup>2</sup> with 330 shops and a footfall of approximately 20 million a year. Shopping City Süd is excellently located in the South of Vienna and serves about 1,080,000 inhabitants.

Through the acquisition of 100% of the shares in the two companies concerned, Leasinvest has, indirectly, become the owner of:

- Retailpark SCS Nordring 2-10, situated in Vösendorf, with a surface area of 14,800 m<sup>2</sup> and 278 parking spaces, housing tenants such as Conrad Electronic, TK Maxx, Swiss Sense, Brendon/Betten Reiter (in 2020), Fit-One, Art-X, Kinderspielwelt; and
- Retailpark Pittarello Nordring 16, also situated in Vösendorf, with a surface area of 11,350 m<sup>2</sup>, 202 parking spaces and tenants such as Lidl, Pittarello, Action, Bipa and Farben-Partner.

Both retail parks are fully leased and generate an annual rental income of circa EUR 4 million. These acquisitions represent an investment of EUR 71.8 million. This acquisition has, to a large extent, been funded with a new credit line of EUR 65 million with a maturity of seven years.

## 2.2 Investments in progress

Below goes a reproduction of (i) the Annual Report – “*Developments*” in the Annual Financial Report 2018 on pages 36-40, in relation to the investments in progress in the financial year 2018, and (ii) the Interim Annual Report – “*Redevelopments*” in the Half-Year Financial Report 2019 on page 6, in relation to the investments in progress in the period from 1 January 2019 to 30 June 2019.

<b>Investment CAPEX 2018 (€ 1 000)</b>	<b>LRE</b>	<b>Belgium</b>	<b>Luxem- bourg</b>	<b>Austria</b>
(1) Acquisition capex	99,086	34,480	63,944	662
(2) Capex (incl. development and reallocation)	25,291	16,681	7,612	998
(3) Capex recurrent real estate portfolio	2,850	520	2,330	
<b>TOTAL CAPEX</b>	<b>127,227</b>	<b>51,681</b>	<b>73,886</b>	<b>1,660</b>

For an overview of the investments in progress made in the course of the financial year 2016, reference is made to the Annual Report – “*Projects under Redevelopment*” in the Annual Financial Report 2016 on page 42-43 (English version).

For an overview of the investments in progress made in the course of the financial year 2017, reference is made to the Annual Report – “*Redevelopments*” in the Annual Financial Report 2017 on page 41-43 (English version).

(a) Financial year 2018

(i) Grand Duchy of Luxembourg

(A) BOOMERANG STRASSEN SHOPPING MALL

The site of 22,721 m<sup>2</sup>, located at the Route d'Arlon in Strassen, is partially being redeveloped into a retail park that comprises, besides shops, also a restaurant. This site will become the largest retail park in the Luxembourg periphery at the most important entrance to the city of Luxembourg.

After the redevelopment of the first phase that was delivered at the end of 2017, the renovation of the parking and office space (470 m<sup>2</sup>) has also been finalised and have been taken into use by various tenants.

The start of the following phase is foreseen in the course of 2021 after the departure of Bâtiself at the end of March of that same year. After the publication of a master plan by the municipality in October 2018, a new general development plan is expected in the course of 2019, based on which a phased redevelopment plan will be prepared as of 2021 onwards, allowing Leasinvest to offer an even better mix of surface areas at the entrance to the city of Luxembourg.

(B) SHOPPING MALL POMMERLOCH

For the shopping center Pommerloch located in the North of the Grand Duchy of Luxembourg, nearby the Belgian border, the works for the new parking (Bastogne entrance) have started in January 2019.



Furthermore, some extensions (terraces/veranda) were built for current tenants (total of 240 m<sup>2</sup>), that will be occupied in the course of the first quarter of 2019.

(C) SHOPPING MALL SCHMIEDE

The revamping and the renovation works on the shopping center Schmiede have started in September 2018. The renovation of the entrances to the parking was finalized mid-December 2018.

The profound renovation works start in the course of the first quarter of 2019, in combination with an extension of 8,000 m<sup>2</sup> in order to offer more catering opportunities, shops and space for events. The delivery of this extension is foreseen in the third quarter of 2021. In the meanwhile, the urban planning permit for these renovation works has been granted.

(ii) Belgium

(A) OFFICE BUILDING TREESQUARE CBD BRUSSELS

The office building Treesquare located in the Brussels CBD, was entirely reconstructed.

An original architecture was chosen for Treesquare combined with modularity and with great attention for interior design. The different spaces and high-end finishing have contributed to the attraction of prime tenants for this building. A current occupation rate of 82% and the ongoing negotiations demonstrate the success of this development.

(B) OFFICE BUILDING MONTOYER 63 CBD BRUSSELS

The Montoyer 63 office building was provisionally accepted at the end of September 2018 by the European Parliament. The provisional acceptance represents the start of the 21-years usufruct period.

This building was constructed according to the specifications of the European Parliament to realize a training center at walking distance of the Parliament.

The European Parliament currently conducts fitting out works in order to have the building operational in the spring of 2019.

(C) BUSINESS CENTER THE CRESCENT AND CO-WORKING SPACE MOTSTRAAT MECHELEN

In the course of 2018, different new agreements could be concluded for the business center The Crescent, in the building “Motstraat” at Mechelen.

The Crescent is a co-working & business center concept, focusing on community, professional support and quality service.

The co-working space “De Mot” is based on this concept and was inaugurated by the mayor of Mechelen, Bart Somers, and is highly appreciated by the tenants of the building and other users.

The global occupancy rate consequently amounts at 31 December 2018 to 92%. This concept fits within the policy of renovation and redevelopment of buildings, that creates value.

(b) First semester of financial year 2019

(i) Grand Duchy of Luxembourg

SHOPPINGCENTER POMMERLOCH AND SHOPPINGCENTER SCHMIEDE

The already announced renovation works progress as scheduled for both shopping centers.<sup>1</sup>

(ii) Belgium

(A) OFFICE BUILDING MONTOYER 14: SMART BUILDING IN TIMBER FRAME CONSTRUCTION

The office building Montoyer 14 will become a project that will differentiate itself as to smart technology in combination with a timber frame construction.

It is Leasinvest’s ambition to build, together with the Brussels’ authorities, the first high building with a timber frame construction, and to become the reference for the new generation of “recyclable buildings”. The building permit request for this project has been introduced at the end of May 2019.

(B) HANGAR 26/27 ANTWERP

The Danish architectural firm CF Moller has been appointed by Leasinvest as the architect for the development of a high-end mixed project, with extension of offices and retail, and a particular attention to the accessibility between the private spaces of the building and the public space of the quays. The objective is to introduce the building permit request for this project at the beginning of 2020, in order to start the construction works in the course of the fourth quarter of 2020.

---

<sup>1</sup> For more information on this, we refer to the press release of 20/05/2019 on the website [www.leasinvest.be](http://www.leasinvest.be).

### 3. OVERVIEW OF OPERATING ACTIVITIES

#### 3.1 Main activities as per 31 December 2018

(a) Mission of the company

Leasinvest is an out-of-the-box real estate investor, driven by a diverse team of passionate professionals, managing a high-quality portfolio in sustainable markets. By creating inspiring environments, we generate added value and consistent returns for all of our stakeholders.

(b) Corporate purpose

For the Company's corporate purpose, reference is made to the free translation of article 4 of the coordinated Articles of Association of the Company dated 4 October 2018, which have been fully included in the Permanent Document – “*Coordinated Articles of Association dated 04/10/2018 – Extracts (free translation)*” in the Annual Financial Report 2018 on pages 183-184 (English version).

As a public BE-REIT, the Company is subject to the BE-REIT Regulation. This results in a number of restrictions, including that its activities are limited to real estate investments, that no more than 20% of its consolidated assets may be invested in a single property and that the statutory and consolidated debt ratio is limited to 65% of its statutory, respectively, consolidated assets. The key elements related to the status of the Company as a BE-REIT are listed on page 181 of the Annual Financial Report 2018 (English version).

(c) Strategy

Leasinvest's strategy is focused on well located and high-quality retail and office buildings.

Geographically, our buildings are located in the Grand Duchy of Luxembourg, Belgium and Austria.

Our global strategy is based on 4 pillars:

(i) Investment strategy

Leasinvest's investment strategy is based on detecting interesting opportunities. Consequently, the composition of the real estate portfolio has strongly evolved over the years, in function of the evolution of the real estate and financial markets.

The following criteria are used in considering investments:

- diversification: geographical & per asset class
- countries: Luxembourg, Belgium & Austria
- focus on retail sector (retail parks/medium-sized shopping centers) in Luxembourg and Austria
- focus on offices at the best locations in Luxembourg and Belgium

- continue to look for redevelopment opportunities of well located offices in CBD.
- divestment of mainly non-strategic buildings

For more information on the evolution of the real estate market over 2018 until 30 June 2019, we refer to the Real Estate Report – “*Real Estate Market in 2018*” in the Annual Financial Report 2018 on pages 90-93 (English version) and to the Interim Real Estate Report – “*Real estate market over the first half of 2019*” of the Half-Year Financial Report 2019 on pages 19-20 (English version).

(ii) Development strategy

Leasinvest has also been very successful in the redevelopment of buildings in view of leasing them for a longer period. Year after year, buildings of the portfolio that can be taken into consideration for redevelopment are selected, taking into account the risk management policy of the Company.

The objective is to generate capital gains and to continuously improve the portfolio’s quality. Important examples of this are the buildings CFM, Bian, Montimmo, Royal20, shopping center Strassen and shopping center Knauf Schmiede in the Grand Duchy of Luxembourg, The Crescent Anderlecht, Montoyer 63, Treesquare, Montoyer 14 in the Leopold district of Brussels and De Mot in Mechelen.

(iii) Commercial strategy

The commercial strategy of the Company aims at extending the average duration of the rental contracts and keeping the occupancy rate at a high level, in view of generating a continuous flow of recurring income. Leasinvest’s teams therefore operate in a proactive way, looking for possibilities and initiatives to optimally respond to our clients-tenants’ needs, such as organising a move, realising an extension for extra space, or refurbishing (e.g. co-working space De Mot in Mechelen).

(iv) Financing strategy

Despite the fact that the BE-REIT Regulation allows a maximum debt ratio of 65%, the board of directors of the statutory manager of Leasinvest opted for a more conservative funding policy, targeting a debt ratio within the 50-55% spread.

After the capital increase of 4 October 2018, and the subsequent acquisitions, the debt ratio on 30 June 2019 was 55.70% (compared to 59.31% on 30 June 2018) and 53.53% on 31 December 2018 (compared to 57.1% on 31 December 2017).

The debt ratio is closely followed by the management, the combination of the capital increase in 2018 and “capital recycling” over the past years having permitted to realize a number of interesting investments (cf. (i). Investment Strategy above) by selling a number of non-strategic buildings. For more information on the debt ratio, we refer to the Financial Statements – “*Note 33.4 Information on capital and debt ratio*” in the Annual Financial Report 2018 on page 156-157 (English version) and to the Condensed Financial Statements – “*6 Calculation and further comments on the debt ratio*” in the Half-Year Financial Report 2019 on page 38-40 (English version).

The funding strategy also aims at keeping the funding cost as low as possible for the longest possible period, yet with the possibility to swiftly respond to potential investment files. In 2018, the funding cost fell to 2.59% (compared to 2.99% on 31 December 2017) and has further fallen to 2.34% on 30 June 2019.

The weighted average duration of funding on 31 December 2018 is 3.11 years (compared to 3.34 years on 31 December 2017) and is 3.0 years on 30 June 2019.

An important part of this funding is at variable interest rates. In order to protect the company against rising interest rates, a hedging strategy was adopted, with a hedge ratio of approximately 75% for the first 5 years, and of approximately 50% for the 5 following years.

These 4 pillars of our strategy allow us to generate a recurring dividend flow.

### **3.2 New products as per 31 December 2018 – Update as per 30 June 2019**

For an overview of the investments we refer to Clause 2 of this Part V.

The consolidated direct real estate portfolio of Leasinvest at the end of 2018 comprises 29 sites (including the development projects) with a total lettable surface area of 511,382 m<sup>2</sup>, after which two additional office buildings were acquired in the EBBC Business Park in Luxembourg as well as two retail parks in Vösendorf in Austria, in addition to the sale of two floors in the office building Kennedy in Kirchberg in the Grand Duchy of Luxembourg

The real estate portfolio of Leasinvest is geographically spread across the Grand Duchy of Luxembourg (55% of the portfolio), Belgium (35%) and Austria (10%).

On 30 June 2019 the total fair value of the directly held real estate portfolio of Leasinvest amounted to EUR 1.06 billion, compared to EUR 1,04 billion at the end of 2018 and to EUR 903 million at the end of 2017.

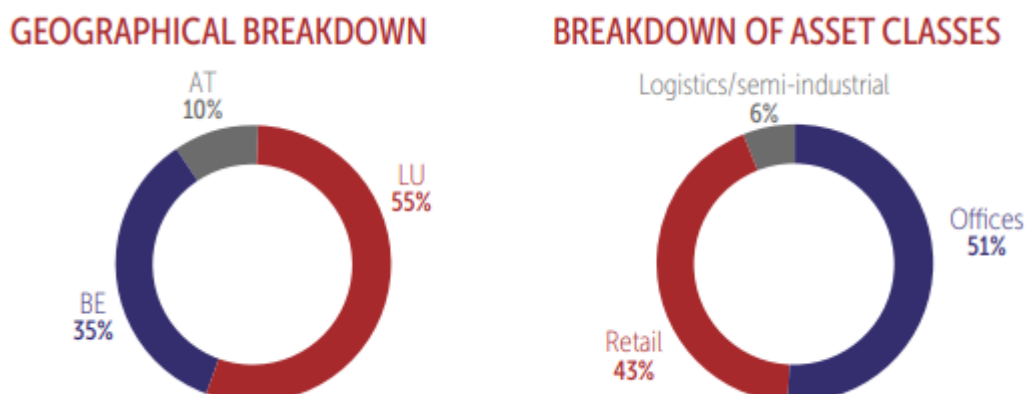
Following the acquisition on 28 August 2019 of two retail parcs near Shopping City Süd in Vösendorf close to Vienna, the total fair value of the real estate portfolio of Leasinvest (including the participation in Retail Estates) rises to over EUR 1.23 billion. The retail part in the directly held real estate portfolio (excluding the participation in Retail Estates) increases that way to 47%, while offices represent 48% and logistics 5%. The share of Austria in the total real estate portfolio consequently rises to 16%. The Grand Duchy of Luxembourg still remains the most important market for Leasinvest, representing 52%, followed by Belgium, representing 32%.

For the activity report for the financial year 2018, reference is made to the Annual Report – “*Activity Report*” in the Annual Financial Report on pages 32-43 (English version).

For the activity report for the half-year 2019, reference is made to the Interim Annual Report – “*Activity report for the period 01/01/2019-30/06/2019*” in the Half-yearly Financial Report 2019 on pages 6-8 (English version).

### 3.3 Most important markets as per 31 December 2018 – Update as per 30 June 2019

Reference should be made to the acquisition on 28 August 2019 of two retail parks in Vösendorf



and its impact on the geographical spread of, and the asset classes in, the real estate portfolio of the Company, being an increase of the retail part in the directly held real estate portfolio (excluding the participation in Retail Estates) up to 47%, while offices represent 48% and logistics 5%. The share of Austria in the total real estate portfolio consequently rises to 16%. The Grand Duchy of Luxembourg still remains the most important market for Leasinvest, representing 52%, followed by Belgium, representing 32%.

For a description of the main real estate markets, based on the different segments and with a breakdown of revenues, reference is made to the following segments in the Annual Financial Reports of the following financial years and in the Half-Year Financial Report 2019.

Document	Segment	Page
Annual Financial Report 2016	Financial Statements – Note 3 Segment information	P 152 - 156
Annual Financial Report 2017	Financial Statements - Note 3 Segment information	P 132 - 136
Annual Financial Report 2018	Financial Statements - Note 3 Segment information	P 126 - 130
Half-Year Financial Report 2019	Composition and analysis of the real estate portfolio	P 20 - 21

No significant changes have occurred, nor have there been any exceptional circumstances, since the closing of the financial year 2018 up to and including 30 June 2019.

### 3.4 Elements affecting competitiveness as per 31 December 2018 – Update as per 30 June 2019

The competitive position of the Company is mainly influenced by the evolution of the real estate markets in which it operates.

For an overview of the real estate markets in the respective financial years, we refer to the following segments in the Annual Financial Reports of the following financial years and in the Half-yearly Financial Report 2019:

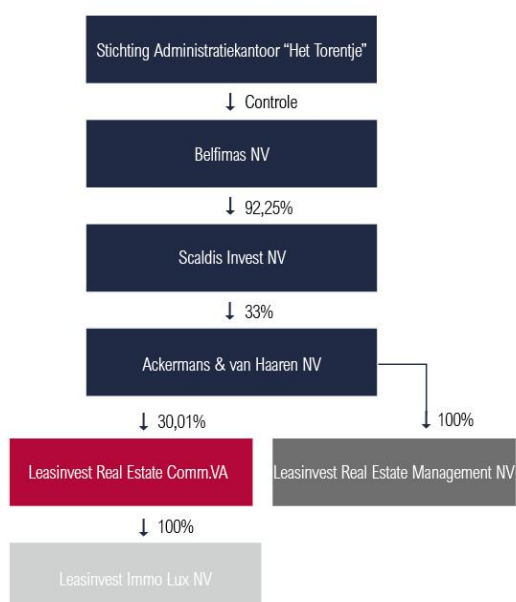
Document	Segment	Page
Annual Financial Report 2016	real estate report – real etate market	P 102-111
Annual Financial Report 2017	real estate report – real etate market	P 96-101
Annual Financial Report 2018	real estate report – real etate market	P 90-93
Half-Year Financial Report 2019	real estate report – real etate market	P 19

## 4. CORPORATE STRUCTURE

### 4.1 Group structure as per 31 December 2018

The company is controlled by Ackermans & van Haaren NV (AvH), having its registered office at Begijnenvest 113, 2000 Antwerp.

Ackermans & van Haaren NV has, in application of article 74 §7 of the act of 1 April 2007 on public takeover bids, announced that it owns more than 30% of the voting securities of the company.



Ackermans & van Haaren is a diversified group, active in 5 core industries:

- Marine Engineering & Contracting
- Private Banking
- Real Estate & Senior Care (including Leasinvest)
- Energy & Resources
- Growth capital

In 2018, AvH realised a net profit of EUR 289.6 million. The group's economic footprint represented, through its participations, a revenue of EUR 5.9 billion and more than 22,000 employees.

The AvH share is part of the BEL20 index, the Private Equity NXT index of Euronext Brussels and the European DJ Stoxx 600.

## 4.2 Subsidiaries as per 31 December 2018 – Update as per 30 June 2019

The following subsidiaries are all included in the scope of consolidation using the full consolidation method. This method consists of fully recognising both the assets and the liabilities, as well as the income statement of the subsidiaries. Minority interests are recorded under a separate heading in the balance sheet and profit and loss account.

The consolidated financial statements are drawn up on the same date as the financial statements of the subsidiaries.

Name & address of the administrative seat	Country of origin/branch	VAT or national number	Direct or indirect part of the capital held and voting rights (in%)	
			31/12/2018	31/12/2017
Leasinvest Services NV, Schermersstraat 42 - 2000 Antwerpen	Belgium	BE 0826.919.159	100%	100%
Leasinvest Immo Lux SA, 6 D, Route de Trèves - L-2633 Senningerberg	Grand Duchy of Luxembourg	LU 1637 2655	100%	100%
Rab Invest NV, Schermersstraat 42 - 2000 Antwerpen	Belgium	BE 0820.897.736	100%	100%
Haven Invest NV, Schermersstraat 42 - 2000 Antwerpen	Belgium	BE 0644.563.317	100%	100%
S INVEST I S.A.	Grand Duchy of Luxembourg	LU B174218	100%	100%
PDA Schmiede S.A.	Grand Duchy of Luxembourg	LU B171588	100%	100%
P INVEST S.A.	Grand Duchy of Luxembourg	LU B174188	100%	100%
PDA Pommerloch S.A.	Grand Duchy of Luxembourg	LU B171587	100%	100%
AE Starvilla Sieben GmbH & Co OG	Austria	FN 456562s	100%	100%
Leasinvest Immo Austria	Austria	FN 456512t	100%	100%
Frun Park Asten GmbH	Austria	FN 379973i	100%	0%
Leasinvest	Austria	FN 439942z	100%	100%



Gewerbeparkstrasse 2 Stadlau GmbH				
Kadmos Immobilien Leasing GmbH	Austria	FN 139265b	100%	100%
NEIF Montoyer SPRL	Belgium	0549.979.409	100%	0%
Carver BVBA	Belgium	0859.557.481	100%	0%
EBBC A Sarl	Grand Duchy of Luxembourg	B112831	100%	0%
EBBC C Sarl	Grand Duchy of Luxembourg	B104717	100%	0%

Leasinvest Services NV, RAB Invest NV, Haven Invest NV, NEIF Montoyer SPRL and Carver BVBA were founded in Belgium, while Leasinvest Immo Lux SA, S Invest SA, PDA Schmiede SA, P. Invest SA, PDA Pommerloch SA, EBBC A Sarl and EBBC C Sarl were founded in Luxembourg. AE Starvilla Sieben GmbH & C° OG, Leasinvest Immo Austria GmbH, Frun Park Asten GmbH, Leasinvest Gewerbeparkstrasse 2 Stadlau GmbH and Kadmos Immobilien Leasing GmbH are all companies under Austrian law.

The consolidation scope was extended as follows during the financial year 2018:

- The company NEIF Montoyer SPRL was acquired on 14 September 2018.
- The companies EBBC A Sarl and EBBC C SARL were acquired on 18 December 2018;
- The company Carver BVBA was acquired on 28 December 2018

In January 2018, a merger took place between Leasinvest Immo Lux SA and Mercator Sarl, as a result of which, Mercator is no longer included in the aforementioned consolidation scope on 30 June 2019.

## 5. IMMOVABLE ASSETS

### 5.1 Description of the tangible assets as Per 31 December 2018 – Update as Per 30 June 2019

For a description of the tangible fixed assets, reference is made to the Financial Statements in the Annual Financial Report 2018:

- Note 20: investment properties on pages 138-142 (English version)
- Note 22: other tangible assets: on page 143 (English version)

For a general update of the tangible fixed assets as per 30 June 2019, reference is made to the following sections of the Half-Year Financial Report 2019:

- Investment properties: p. 36-37 (English version)

- (ii) Other tangible assets: p. 28 (English version)

## 5.2 Environmental aspects which may have an impact as per 31 December 2018

For a description thereof reference is made to the Annual Report – “*Corporate Social Responsibility*” in the Annual Financial Report 2018 on page 67-69 (English version).

## 6. TRENDS AS PER 31 DECEMBER 2018 – UPDATE AS PER 30 JUNE 2019

For the most important trends that are important to the Company (e.g., the level of rents) we refer to the Real Estate Report – “*Real Estate Market*” in the Annual Financial Report 2018 on the pages 90-93 (English version) and to the Real Estate Report – “*Real estate market over the first half-year of 2019*” in the Half-Year Financial Report 2019 on pages 19-20.

For any potential risk factors which, in case of materialisation, could have an impact on the Company, reference is made to the Risk Factors in the Information Memorandum and in the Annual Financial Report 2018.

## 7. ADMINISTRATIVE, MANAGEMENT, AND SUPERVISORY BODIES AND SENIOR MANAGEMENT

### 7.1 Name, office address, and function as per the date of this Information Memorandum

- (a) For the members of the executive, management or supervisory bodies we refer to the Corporate Governance Statement – “*Board of Directors of the manager*” in the Annual Financial Report 2018 on pages 50 to 54 (English version), as updated in the Interim Annual Report – “*Composition of the board of directors of the statutory managers and its subcommittees*” in the Half-Year Financial Report 2019 on page 12 (English version).

- (i) Overview Board of Directors

Director	Capacity	End of term – annual meeting of
Eric Van Dyck	Independent director	2022
Dirk Adriaenssen	Independent director	2022
Jan Suykens	non-executive director	2022
Piet Dejonghe	non-executive director	2022
Michel Van Geyte	executive director	2022
Jean-Louis Appelmans	Non-executive director	2020
Sigrid Hermans	Independent director	2023
Marcia De Wachter	Independent director	2023
Colette Dierick	Independent director	2023

### **Audit committee**

Sigrid Hermans, independent director, acts as chairman of the audit committee

Piet Dejonghe, (Ackermans & Van Haaren NV), non-executive director

Marcia De Wachter, independent director.

### **Nomination- & remuneration committee**

Jan Suykens (Ackermans & Van Haaren NV), non-executive director and chairman of the nomination- & remuneration committee

Eric Van Dyck, independent director

Sigrid Hermans, independent director

### **Committee of independent directors**

The committee of independent directors consists of all independent directors of the board of directors. The committee is chaired by one of its members, in principle the longest serving member of the board.

- (A) For further information on the statutory manager, Leasinvest Real Estate Management, reference is made to the Corporate Governance Statement – “*Statutory Manager*” in the Annual Financial Report 2018 on page 49 (English version).
- (B) For further information on the members of the daily management, we refer to the Corporate Governance Statement – “*Daily Management – Effective Officers*” in the Annual Financial Report 2018 on the pages 56-57 (English version).

#### (ii) Managing director – CEO – permanent representative

Michel Van Geyte acts as managing director of the statutory manager, Leasinvest Real Estate Management NV, of the Company and as (only) permanent representative of Leasinvest Real Estate Management NV.

#### (iii) Effective Officers – Executive Committee

The effective officers and the executive committee consists out of Michel Van Geyte and Tim Rens.

#### (iv) Independent control functions

Michel van Geyte acts as the responsible person for the independent internal audit function, with the assistance of BDO, represented by Mr. Christophe Quiévreux.

Tim Rens, CFO, performs the independent risk management function.

The independent compliance function is exercised by Paul van Lierde, Legal Counsel.

All these appointments were made with the approval of the FSMA.

There are no family ties between the persons listed in the respective sections.

## **7.2 Conflict of interests as per 31 December 2018**

There are no potential conflicts of interest other than those listed in the Corporate Governance Statement – “*Related party transactions – conflicts of interest*” in the Annual Financial Report 2018 on page 64 (English version).

For the management of the conflicts of interest of the administrative, management, and supervisory bodies and senior management, Reference is made to the Corporate Governance Statement – “*Related party transactions – conflicts of interest*” in the Annual Financial Report 2018 on page 64 (English version).

There are no arrangements or agreements with major shareholders, clients, suppliers or other persons by virtue of which the persons referred to in Clause 7 of this Part V have been selected as members of the administrative, management or supervisory bodies or as members of the senior management.

The directors of the statutory manager Leasinvest Real Estate Management NV, Jan Suykens, Jean-Louis Appelmans, Michel Van Geyte, Piet Dejonghe, Eric Van Dyck, Dirk Adriaenssen, Marcia De Wachter, Colette Dierick and Sigrid Hermans do not hold any shares in Leasinvest; the other members of the effective management do not hold any shares in the Company either.

No stock options have been granted, either to the directors or to the members of the executive committee.

Consequently, there are no restrictions on its disposal.

## **8. FUNCTIONING OF THE EXECUTIVE BODY**

### **8.1 Overview of mandates – Mandates that expired – Term**

See Clause 7.1 of this Part V.

### **8.2 Benefits on termination of employment**

See Clause 7.1 of this Part V.

### **8.3 Audit and nomination and remuneration committee**

See Clause 7.1 of this Part V.

For an overview of the tasks and the activity report of the two above-mentioned committees during financial year 2018, please refer to pages 55 and 56 of the Annual Financial Report 2018.

### **8.4 Reference code**

The Belgian Corporate Governance Code 2009 (the **Code**) is applied as the reference code by Leasinvest Real Estate.

The corporate governance principles are, because of the specific management structure of the company, mainly implemented in the management structure of the statutory manager of Leasinvest. The Code is based on a "comply or explain" system: Belgian listed companies are held to comply with the Code, but can derogate from the provisions and guidelines (but not from the principles) thereof, provided they communicate the reasons for such derogation.

The Company complies with the Code, but is convinced that, taking into account the specific situation of the Company, certain derogations of its provisions are justified. For an overview of these derogations, reference is made to the Corporate Governance Statement – “*Comply or Explain - Derogations from the Belgian Corporate Governance Code*” included in the Annual Report of the Annual Financial Report 2018 on pages 48-49 (English version).

## **9. PRINCIPAL SHAREHOLDERS**

### **9.1 Shareholder structure, based on the information received, including the transparency declarations received:**

	<b>Percentage of participation</b>
Ackermans & van Haaren	30,01%
AXA SA	26,58%
AG Insurance	7,36%
Free float	36,05%
Total	100%

Each shareholder exceeding a threshold of three per cent (3%) (statutory threshold) and/or exceeding (the legal) threshold of five per cent (5%) and multiples of five per cent (5%) of the total number of shares has to communicate to the company and the FSMA the number of shares he holds in accordance with the current legislation.

For more information on the transparency notifications by AXA SA, including the chains of control, received in 2018, we refer to [www.leasinvest.be](http://www.leasinvest.be) (investor relations – shareholders and transparency).

### **9.2 Voting rights**

Each share entitles to one vote.

### **9.3 Control**

Leasinvest is managed by, Leasinvest Real Estate Management NV with registered office at 2000 Antwerp, Schermersstraat 42 (RPR 0466.164.776), a 100% subsidiary of Ackermans & van Haaren NV, which has the capacity of sole statutory manager of the Company and also permanently complies with Articles 14 and 15 of the BE-REIT Act.

The main activity of the statutory manager is managing Leasinvest.

Ackermans & van Haaren NV, thus exercises exclusive control over Leasinvest.

The board of directors of the statutory manager of the Company can validly decide if the majority of its members are present or represented. Decisions are preferably taken on the basis of consensus. If not, the simple majority shall apply, except, among other things, in the cases mentioned below, where a special or qualified majority applies to decisions concerning the definition of the Company's strategy and decisions concerning the proposals to amend the Company's Articles of Association, which can only be taken by a simple majority, always including the positive vote of:

- (i) at least the majority of the independent directors and
- (ii) at least the majority of the directors nominated on the proposal of Ackermans & van Haaren SA, providing that those directors have no conflict of interest with the company in the sense of article 523 of the Belgian Companies Code.

This qualified majority is also due to the exclusive control by Ackermans & van Haaren SA over the Company as a consequence of the exclusive control over the statutory manager of the Company.

The board of directors of the statutory manager-legal person, Leasinvest Real Estate Management NV, is exclusively composed of physical persons and is composed in such a way that the Company can be managed in accordance with Article 4 of the BE-REIT Act. The composition of the board of directors also guarantees that Leasinvest is managed in its interest.

Reference is made to Clause 7.2 and to Clause 10 of this Part V in relation to the provisions in relation to, and an overview of, the conflicts of interest and related party transactions.

#### **9.4 Change of control as per 31 December 2018**

Important agreements by which the issuer is a party and that enter into force, undergo amendments or end in the case of a change of control over the issuer after a public takeover bid.

It is customary to incorporate a "change of control" clause in funding agreements allowing the bank to demand the repayment of the credit should a change of control over the company have a significant unfavourable effect ("Material Adverse Effect") on the Company. For an overview of the banks that incorporated such a clause in their financing agreements with the Company at the end of financial year 2018, reference is made to the Annual Report – "Important agreements by which the issuer is a party and that enter into force, undergo amendments or end in the case of a change of control over the issuer after a public take-over bid" in the Annual Financial Report 2018 on page 66-67 (English version).

#### **10. RELATED-PARTY TRANSACTIONS AS PER 31 DECEMBER 2018 – UPDATE AS PER 30 JUNE 2019**

For the provisions on related-party transactions and arrangements regarding potential conflicts of interest, reference is made to the Corporate Governance Statement – "*Related party transactions – conflicts of interest*" in the Annual Financial Report 2018 on page 64 (English version).

For an overview of the related-party transactions reference is made to the Financial Statements – "*Note 38 Related-party transactions*" in the Annual Financial Report 2018 on page 163 (English

version) and to the Condensed Financial Statements – “9 Overview of the main related-party transactions” in the Half-Year Financial Report 2019 on page 42 (English version).

## 11. LITIGATION AND ARBITRATION AS PER 31 DECEMBER 2018

Reference is made to the Permanent Document – “Statements with regard to legal procedures or arbitrages” in the Annual Financial Report 2018 on page 182 (English version).

## 12. ADDITIONAL INFORMATION AS PER THE DATE OF THIS INFORMATION MEMORANDUM

### 12.1 Share capital

The Company's share capital amounts to sixty-five million one hundred and seventy-seven thousand six hundred and ninety-three euro and fifty-seven cents (EUR 65,177,693.57), divided into five million nine hundred and twenty-six thousand six hundred and forty-four (5,926,644) shares.

The Company's share capital is fully paid up.

For further information on the share capital as per 31 December 2018, reference is made to the Financial Statements – “Note 31 Share capital, share premium, treasury shares and net result” in the Annual Financial Report 2018 on pages 147-149.

### 12.2 Deed of incorporation and articles of association

For the Company's **corporate purpose**, reference is made to the free translation of article 4 of the coordinated Articles of Association of the Company dated 4 October 2018, which have been fully included in the Permanent Document – “Coordinated Articles of Association dated 04/10/2018 – Extracts (free translation)” in the Annual Financial Report 2018 on pages 183-184 (English version).

For a summary of the provisions contained in the Company's Articles of Association regarding the **members of the administrative, management and supervisory bodies and senior management**, reference is made to the Corporate Governance Statement in the Annual Financial Report 2018 on pages 49-58 (English version).

For a description of the **nature of the shares**, reference is made to the free translation of article 9 of the coordinated Articles of Association of the Company dated 4 October 2018, which have been fully included in the Permanent Document – “Coordinated Articles of Association dated 04/10/2018 – Extracts (free translation)” in the Annual Financial Report 2018 on pages 183-193 (English version).

In accordance with Articles 558 and 560 of the Belgian Companies Code, the **rights of the shareholders** can only be amended by way of an extraordinary shareholders' meeting.

For a description of the manner on how the **annual general shareholders' meetings and the extraordinary meetings of shareholders** are convened, including the admission conditions, reference is made to the free translation of the articles 21 to 29 of the coordinated Articles of Association of the Company dated 04/10/2018, which have been fully included in the Permanent Document – “Coordinated Articles of Association dated 04/10/2018 – Extracts (free translation)” in the Annual Financial Report 2018 on pages 183-193 (English version).

For the description of a provision which could have the effect of delaying, deferring or preventing a **change in control of the issuer**, reference is made to the free translation of article 13 of the coordinated Articles of Association of the Company dated 4 October 2018, which have been fully included in the Permanent Document – “*Coordinated Articles of Association dated 04/10/2018 – Extracts (free translation)*” in the Annual Financial Report 2018 on pages 183-193 (English version).

For the provisions relating to the **threshold** above which **shareholdings** must be disclosed, reference is made to the free translation of article 12 of the coordinated Articles of Association of the Company dated 4 October 2018, which have been fully included in the Permanent Document – “*Coordinated Articles of Association dated 04/10/2018 – Extracts (free translation)*” in the Annual Financial Report 2018 on pages 183-193 (English version).

For the conditions relating to **changes to the capital – rights , preferential subscription rights and restrictions** attached to each category of existing shares, reference is made to the free translation of articles 7 and 8 of the coordinated Articles of Association of the Company dated 4 October 2018, which have been fully included in the Permanent Document – “*Coordinated Articles of Association dated 04/10/2018 – Extracts (free translation)*” in the Annual Financial Report 2018 on pages 183-193 (English version).

The coordinated Articles of Association of the Company dated 4 October 2018 are the most recent Articles of Association of the Company.

### **13. REAL ESTATE EXPERTS AS PER 31 DECEMBER 2018**

The quarterly valuations of the real estate portfolio were carried out by four independent real estate experts in financial year 2018.

The valuation of the Luxembourg portfolio was carried out by Cushman & Wakefield (except for the underlying buildings of the Lux Airport real estate certificate which was valued by Crombrughe & Partners). The valuation of the Belgian portfolio was carried out by respectively Cushman & Wakefield and Stadim. The valuation of the Austrian portfolio was carried out by Oerag.

Cushman & Wakefield VOF: Cushman & Wakefield VOF is a branch of the offices in the Netherlands (General partnership existing under the laws of the Netherlands), with its registered office at Amstelveenseweg 760, 1081 JK Amsterdam, the Netherlands. The administrative and registered offices of Cushman & Wakefield VOF are established at Kunstlaan 56, 1000 Brussels (company number 418 915 383). Both Cushman & Wakefield Belgium and Cushman & Wakefield Luxembourg are represented by Koen Nevens, MRICS. The valuation is carried out by Gregory Lamarche, Account Manager - Surveyor.

de Crombrughe & Partners: (company number 0462.107.802) has its registered office at Triomflaan 172, 1160 Brussels. The valuation of the real estate portfolio of Lux Airport certificates is carried out by Patrizia Tortolani, MRICS.

Stadim CVBA (company number 0458.797.033), with registered office at 2600 Berchem-Antwerp, Uitbreidingstraat 10-16, is represented by Philippe Janssens. The valuation of the logistics real estate in Belgium is carried out by Yannick Stolk.

Oerag (company number FN 89590), with registered office at A-1010 Vienna, Herrengasse 17. The Surveyor is Michael Buchmeier, MRICS.



For the conclusion of the real estate expert on the Company's real estate portfolio as at 30 June 2019, reference is made to the Real Estate Report – "*Conclusions of the real estate expert*" in the Half-Year Financial Report 2019 on page 23 (English version). For more information on the real estate portfolio of the Company, and the relevant real estate market, reference is made to the Real Estate Report in the Annual Financial Report on pages 84-105 (English Version), and the update as per 30 June 2019 thereof in the Real Estate Report in the Half-Year Financial Report 2019 on pages 18-23 (English version).

## **PART VI SELECTED FINANCIAL INFORMATION**

The consolidated balance sheet of the Issuer for the financial years ended 31 December 2018 and 31 December 2017 (consolidated in accordance with IFRS) set out below has been extracted from the consolidated financial statements of the Issuer for the years ended 31 December 2017 and 2018. The consolidated balance sheet of the Issuer for the six-month period ended 30 June 2019 has been extracted from the half-year financial report of the Issuer for the six-month period ended 30 June 2019.

The consolidated cash flow statement and income statement for the financial years ended 31 December 2018 and 31 December 2017 set out below have been extracted from the 2018 annual report of the Issuer. The consolidated cash flow statement and income statement for the six-month period ended 30 June 2019 set out below have been extracted from the half-year financial report of the Issuer for the six-month period ended 30 June 2019.

## CONSOLIDATED BALANCE SHEET

(in € 1 000)		Period	Period
	Note	31/12/2018	31/12/2017
<b>ASSETS</b>			
<b>I. NON-CURRENT ASSETS</b>		<b>1 116 270</b>	<b>979 104</b>
Goodwill		0	0
Intangible assets	19	0	2
Investment properties	20	1 004 237	885 151
Other tangible assets	22	1 262	354
Non-current financial assets	23	92 974	75 757
Finance lease receivables	24	17 796	17 841
Tax receivables and other current assets		0	0
Deferred taxes -assets		0	0
<b>II. CURRENT ASSETS</b>		<b>39 837</b>	<b>20 189</b>
Assets held for sale	25	15 050	0
Current financial assets	26	0	0
Finance lease receivables		0	0
Trade receivables	27	13 167	11 471
Tax receivables and other current assets	28	3 303	2 533
Cash and cash equivalents	29	7 403	5 702
Deferred charges and accrued income	30	915	482
<b>TOTAL ASSETS</b>		<b>1 156 107</b>	<b>999 293</b>
<b>LIABILITIES</b>			
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<b>475 811</b>	<b>382 206</b>
<b>I. SHAREHOLDERS' EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS OF THE PARENT COMPANY</b>		<b>475 811</b>	<b>382 206</b>
Capital	31	65 178	54 315
Share premium account	31	194 189	121 091
Translation differences		0	0
Reserves	31	178 262	159 267
Purchase of treasury shares		-12	-12
Net result of the financial year	31	38 194	47 545
<b>II. MINORITY INTERESTS</b>		<b>0</b>	<b>0</b>
<b>LIABILITIES</b>		<b>680 296</b>	<b>617 086</b>
<b>I. NON-CURRENT LIABILITIES</b>		<b>385 013</b>	<b>384 626</b>
Provisions		11	11
Non-current financial debts	33	334 509	348 156
- Credit institutions		312 359	251 168
- Other		22 150	96 988
Other non-current financial liabilities	33	35 625	33 696
Trade debts and other non-current debts		0	0
Other non-current liabilities		0	0
Deferred tax liabilities		14 868	2 763
<b>II. CURRENT LIABILITIES</b>		<b>295 283</b>	<b>232 460</b>
Current financial debts	33	264 198	192 283
- Credit institutions		47 533	24 053
- Other		216 665	168 231
Other current financial liabilities		0	160
Trade debts and other current debts	34	17 698	28 193
- Exit tax		0	12 907
- Other		17 698	15 286
Other current liabilities	35	2 048	1 716
Accrued charges and deferred income	36	11 339	10 108
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1 156 107</b>	<b>999 293</b>

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(in € 1 000)	Note	31/12/2018 (12 months)	31/12/2017 (12 months)
Rental income	4	56 209	56 892
Rental-related expenses	4	-212	0
<b>NET RENTAL INCOME</b>		<b>55 997</b>	<b>56 892</b>
Recovery of property charges	5	173	174
Recovery income of charges and taxes normally payable by tenants on let properties	6	5 421	3 578
Costs payable by tenants and borne by the landlord for rental damage and refurbishment at end of lease	5	0	0
Charges and taxes normally payable by tenants on let properties	6	-5 421	-3 578
Other rental-related income and expenditure	5	-2 492	-3 214
<b>PROPERTY RESULT</b>		<b>53 677</b>	<b>53 853</b>
Technical costs	7	-1 147	-2 442
Commercial costs	8	-1 032	-882
Charges and taxes on un-let properties	9	-907	-1 226
Property management costs	10	-5 365	-4 935
Other property charges	10	-297	-438
<b>PROPERTY CHARGES</b>		<b>-8 749</b>	<b>-9 922</b>
<b>PROPERTY OPERATING RESULT</b>		<b>44 928</b>	<b>43 931</b>
Corporate operating charges	11	-2 798	-2 914
Other operating charges and income	11	-610	-453
<b>OPERATING RESULT BEFORE RESULT ON THE PORTFOLIO</b>		<b>41 520</b>	<b>40 565</b>
Result on disposal of investment properties	12	0	-2 798
Result on disposal of other non-financial assets		0	0
Changes in fair value of investment properties	13	1 627	22 348
<b>OPERATING RESULT</b>		<b>43 147</b>	<b>60 114</b>
Financial income	14	4 918	3 887
Net interest charges	15	-13 565	-14 978
Other financial charges	16	-1 414	-1 364
Changes in fair value of financial assets and liabilities	17	5 428	492
<b>FINANCIAL RESULT</b>		<b>-4 633</b>	<b>-11 963</b>
<b>PRE-TAX RESULT</b>		<b>38 513</b>	<b>48 152</b>
Corporate taxes	18	-319	-607
Exit tax		0	0
<b>TAXES</b>		<b>-319</b>	<b>-607</b>
<b>NET RESULT</b>		<b>38 194</b>	<b>47 545</b>
Attributable to:			
Minority interests		0	0
<b>Net result – Group share</b>		<b>38 194</b>	<b>47 545</b>

## FINANCIAL STATEMENTS

(in € 1 000)	Note	31/12/2018	31/12/2017
<b>OTHER ELEMENTS OF COMPREHENSIVE INCOME</b>			
Impact on fair value of estimated transfer rights and costs resulting from hypothetical disposal of investment properties		0	0
Changes in the effective part of the fair value of authorized cash flow hedges according to IFRS		-2 212	11 367
Changes in fair value of financial assets available for sale	23	0	-9 211
Translation differences following the conversion of a foreign activity		0	0
Other		0	282
Costs capital increase		-1 644	0
<b>Other elements of comprehensive income that will be reclassified later to the net result</b>		<b>-3 856</b>	<b>2 438</b>
<b>COMPREHENSIVE INCOME</b>			
Attributable to:			
Minority interests		0	0
Comprehensive income – Group share		34 338	49 983
<b>EPRA EARNINGS</b>			
<b>Net result</b>		<b>38 194</b>	<b>47 545</b>
To be eliminated			
- Result on disposal of investment properties		0	2 798
- Changes in fair value of investment properties		-1 627	-22 348
- Result on disposal of other real estate		120	
- Changes in fair value of financial assets and liabilities		-5 428	-492
<b>EPRA EARNINGS</b>		<b>31 259</b>	<b>27 503</b>
<b>RESULT PER SHARE</b>			
(in €)		31/12/2018 (12 months)	31/12/2017 (12 months)
Comprehensive income per share, group share		6.63	10.12
Comprehensive income per share entitled to dividends		6.63	10.12
Result per share, group share		7.37	9.63
Result per share entitled to dividends		7.37	9.63
EPRA earnings per share		6.03	5.57

## CONSOLIDATED BALANCE SHEET

(in € 1 000)	30/06/2019	31/12/2018
<b>ASSETS</b>		
<b>I. NON-CURRENT ASSETS</b>	<b>1 192 662</b>	<b>1 116 270</b>
Intangible assets	0	0
Investment properties	1 037 334	1 004 237
Other tangible assets	1 036	1 262
Non-current financial assets	136 527	92 974
Finance lease receivables	17 765	17 796
<b>II. CURRENT ASSETS</b>	<b>24 307</b>	<b>39 868</b>
Assets held for sale	0	15 050
Trade receivables	15 545	13 197
Tax receivables and other current assets	3 316	3 303
Cash and cash equivalents	4 178	7 403
Deferred charges and accrued income	1 268	915
<b>TOTAL ASSETS</b>	<b>1 216 969</b>	<b>1 156 107</b>
<b>LIABILITIES</b>		
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>464 430</b>	<b>475 811</b>
<b>I. SHAREHOLDERS' EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS OF THE PARENT COMPANY</b>	<b>464 430</b>	<b>475 811</b>
Capital	65 178	65 178
Share premium account	194 189	194 189
Purchase of treasury shares	-12	-12
Reserves	179 770	178 262
Net result of the financial year	25 305	38 194
Translation differences	0	0
<b>II. MINORITY INTERESTS</b>	<b>0</b>	<b>0</b>
<b>LIABILITIES</b>	<b>752 538</b>	<b>680 297</b>
<b>I. NON-CURRENT LIABILITIES</b>	<b>393 968</b>	<b>385 013</b>
Provisions	11	11
Non-current financial debts	325 723	334 509
- Credit institutions	304 384	312 359
- Other	21 339	22 150
Other non-current financial liabilities	53 549	35 625
Deferred taxes - liabilities	14 686	14 868
<b>II. CURRENT LIABILITIES</b>	<b>358 569</b>	<b>295 283</b>
Provisions	0	0
Current financial debts	288 173	264 198
- Credit institutions	47 500	47 533
- Other	240 673	216 665
Other current financial liabilities	0	0
Trade debts and other current debts	14 339	17 698
- Exit tax	0	0
- Other	14 339	17 698
Other current liabilities	44 938	2 048
Accrued charges and deferred income	11 119	11 339
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1 216 968</b>	<b>1 156 107</b>

## CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(in € 1 000)	30/06/2019	30/06/2018
Rental income	32 377	27 858
Write-back of lease payments sold and discounted	0	0
Related-rental expenses	-202	0
<b>NET RENTAL INCOME</b>	<b>32 175</b>	<b>27 858</b>
Recovery of property charges	2	76
Recovery income of charges and taxes normally payable by tenants on let properties	2 856	1 524
Costs payable by tenants and borne by the landlord for rental damage and refurbishment at end of lease	0	0
Charges and taxes normally payable by tenants on let properties	-2 856	-1 524
Other rental-related income and expenditure	-1 170	-903
<b>PROPERTY RESULT</b>	<b>31 007</b>	<b>27 031</b>
Technical costs	-469	-508
Commercial costs	-478	-371
Charges and taxes on un-let properties	-838	-520
Property management costs	-2 905	-2 555
Other property charges	-348	-222
<b>PROPERTY CHARGES</b>	<b>-5 037</b>	<b>-4 176</b>
<b>PROPERTY OPERATING RESULT</b>	<b>25 969</b>	<b>22 855</b>
Corporate operating charges	-1 716	-1 438
Other operating charges and income	-7	122
<b>OPERATING RESULT BEFORE RESULT ON THE PORTFOLIO</b>	<b>24 246</b>	<b>21 539</b>
Result on disposal of investment properties	795	0
Changes in fair value of investment properties	214	25
<b>OPERATING RESULT</b>	<b>25 255</b>	<b>21 564</b>
Financial income (1)	5 167	59
Net interest charges	-6 238	-6 803
Other financial charges	-656	-563
Changes in fair value of financial assets and liabilities	2 173	5 690
<b>FINANCIAL RESULT</b>	<b>446</b>	<b>-1 617</b>
<b>PRE-TAX RESULT</b>	<b>25 701</b>	<b>19 947</b>
Corporate taxes	-396	-264
Exit tax	0	0
<b>TAXES</b>	<b>-396</b>	<b>-264</b>
<b>NET RESULT</b>	<b>25 305</b>	<b>19 683</b>
Attributable to:		
Minority interests	0	0
<b>Net result - Group share</b>	<b>25 305</b>	<b>19 683</b>

(1) As the dividend from Retail Estates was already distributed in June – unlike previous financial years –, the corresponding income of € 5.1 million was already recognized in the first half-year.

## OTHER ELEMENTS OF COMPREHENSIVE INCOME

(in € 1 000)	30/06/2019	30/06/2018
<b>OTHER ELEMENTS OF COMPREHENSIVE INCOME</b>		
Changes in the effective part of the fair value of authorized cash flow hedges according to IFRS	-10 193	-601
<b>Other elements of comprehensive income</b>	<b>-10 193</b>	<b>-601</b>
Minority interests		
Other elements of comprehensive income – Group share	-10 193	-601
<b>Comprehensive income</b>	<b>15 113</b>	<b>19 082</b>
Attributable to:		
Minority interests	0	0
Comprehensive income – Group share	15 113	19 082
<b>NET RESULT</b>	<b>25 305</b>	<b>19 683</b>
To be eliminated		
- Result on disposal of investment properties	795	0
- Changes in fair value of investment properties	214	25
- Changes in fair value of financial assets and liabilities	2 173	5 690
<b>EPRA EARNINGS</b>	<b>22 124</b>	<b>13 968</b>

RESULTS PER SHARE (in €) (1)	30/06/2019 (6 months)	30/06/2018 (6 months)
Comprehensive income per share, group share (1)	2.55	3.86
Comprehensive income per entitled share	2.55	3.86
Net result per share, group share (1)	4.27	3.99
Net result per entitled share	4.27	3.99
EPRA Earnings per share	3.73	2.83

(1) Based on the number of shares at closing date (30/06/2019).



## **PART VII USE OF PROCEEDS**

The Issuer will use the proceeds to:

- further expand the portfolio base through acquisitions in retail and office markets across Luxembourg, Belgium and Austria;
- redevelop the existing core assets using “smart and green building” technologies;
- execute the Issuer’s current investment strategy; and
- diversify the financial resources.

Leasinvest Real Estate aims to achieve economies of scale through strategic acquisitions, divestments of non-core assets and sufficient diversification per geography and per asset type.

Furthermore, the bond issue will also contribute to an increase of the average duration of the total debt given its relatively long term.

## PART VIII TAXATION

The following is a general description of the principal Belgian tax consequences for investors receiving interest in respect of, or disposing of, the Bonds and is of a general nature. It does not purport to be a complete analysis of tax considerations relating to the Bonds whether in Belgium or elsewhere.

This general description is based upon the law as in effect on the date of this Information Memorandum and is subject to any change in law that may take effect after such date (or with retroactive effect). Investors should appreciate that, as a result of changing law or practice, the tax consequences may be otherwise than as stated below. Investors should consult their professional advisors on the possible tax consequences of subscribing for, purchasing, holding or selling the Bonds under the tax laws of Belgium or under the tax laws of their countries of citizenship, residence, ordinary residence or domicile. This description is for general information only and does not purport to be comprehensive.

For purposes of this summary, a Belgian resident is (i) an individual subject to Belgian personal income tax (that is, an individual who is domiciled in Belgium or has his seat of wealth in Belgium or a person assimilated to a resident for purposes of Belgian tax law), (ii) a company subject to Belgian corporate income tax (that is, a corporate entity that has its main establishment, its administrative seat or seat of management in Belgium), (iii) an Organisation for Financing Pensions (**OFP**) subject to Belgian corporate income tax (i.e., a Belgian pension fund incorporated under the form of an OFP in the meaning of Article 8 of the Law of 27 October 2006 on the activities and supervision of institutions for occupational retirement provision), or (iv), or a legal entity subject to Belgian income tax on legal entities (that is, a legal entity other than a company subject to Belgian corporate income tax, that has its main establishment, its administrative seat or seat of management in Belgium). A Belgian non-resident is any person that is not a Belgian resident.

### 1. BELGIAN WITHHOLDING TAX

#### 1.1 General

All payments by or on behalf of the Issuer of interest on the Bonds are in principle subject to Belgian withholding tax at a rate of 30 per cent. on the gross amount of the interest, subject to such relief as may be available under Belgian domestic law or applicable double tax treaties.

For Belgian income tax purposes, “**interest**” means (i) the periodic interest income, (ii) any amount paid by or on behalf of the Issuer in excess of the Issue Price in respect of the relevant Bonds (whether or not on the Maturity Date) and, (iii) in case of a disposal of the Bonds between two interest payment dates, the pro rata part of accrued interest corresponding to the holding period.

#### 1.2 Securities Settlement System of the National Bank of Belgium

Payments of interest and principal under the Bonds by or on behalf of the Issuer may be made without deduction of withholding tax in respect of the Bonds if and as long as at the moment of payment or attribution of interest they are held by certain eligible investors (the **Eligible Investors**, see hereinafter) in an exempt securities account (an **X-Account**) that has been opened with a financial institution that is a direct or indirect participant in the settlement system operated by the NBB. Euroclear and Clearstream Banking Frankfurt are directly or indirectly Participants for this purpose.

Holding the Bonds through the Securities Settlement System enables Eligible Investors to receive the gross interest income on their Bonds and to transfer the Bonds on a gross basis.

Participants to the Securities Settlement System must enter the Bonds which they hold on behalf of Eligible Investors in an X-Account, and those they hold for the account of non-Tax Eligible Investors on a non-exempt securities account (an **N-Account**). Payments of interest made through X-Accounts are free of withholding tax; payments of interest made through N-Accounts are subject to a 30 per cent. Belgian withholding tax, which the NBB deducts from the payment and pays over to the tax authorities.

Eligible Investors are those entities referred to in Article 4 of the Belgian Royal Decree of 26 May 1994 on the deduction of withholding tax (*koninklijk besluit van 26 mei 1994 over de inhouding en de vergoeding van de roerende voorheffing/arrêté royal du 26 mai 1994 relatif à la perception et à la bonification du précompte mobilier*) (as amended from time to time) which include, *inter alia*:

- (i) Belgian corporations subject to Belgian corporate income tax as referred to in Article 2, §1, 5°, b) of the Belgian Income Tax Code 1992;
- (ii) without prejudice to Article 262, 1° and 5° of the Belgian Income Tax Code 1992, institutions, associations or companies specified in Article 2, §3 of the Law of 9 July 1975 on the control of insurance companies other than those referred to in (i) and (iii);
- (iii) state regulated institutions (*parastatalen/institutions parastatales*) for social security, or institutions which are assimilated therewith, provided for in Article 105, 2° of the Royal Decree of 27 August 1993 implementing the Belgian Income Tax Code 1992 (*koninklijk besluit tot uitvoering van het wetboek inkomstenbelastingen 1992/arrêté royal d'exécution du code des impôts sur les revenus 1992*, the **Royal Decree implementing the Belgian Income Tax Code of 1992**);
- (iv) non-resident investors whose holding of the Bonds is not connected to a professional activity in Belgium, referred to in Article 105, 5° of the Royal Decree implementing the Belgian Income Tax Code of 1992;
- (v) investment funds, recognised in the framework of pension savings, provided for in Article 115 of the Royal Decree implementing the Belgian Income Tax Code of 1992;
- (vi) investors provided for in Article 227, 2° of the Belgian Income Tax Code 1992 which have used the income generating capital for the exercise of their professional activities in Belgium and which are subject to non-resident income tax pursuant to Article 233 of the Belgian Income Tax Code 1992;
- (vii) the Belgian State in respect of investments which are exempt from withholding tax in accordance with Article 265 of the Belgian Income Tax Code 1992;
- (viii) investment funds governed by foreign law which are an indivisible estate managed by a management company for the account of the participants, provided the fund units are not offered publicly in Belgium or traded in Belgium; and
- (ix) Belgian resident corporations, not provided for under (i) above, when their activities exclusively or principally consist of the granting of credits and loans.

Eligible Investors do not include, *inter alia*, Belgian resident investors who are individuals or non-profit making organisations, other than those mentioned under (ii) and (iii) above.

The above categories only summarise the detailed definitions contained in Article 4 of the Royal Decree of 26 May 1994, as amended, to which investors should refer for a precise description of the relevant eligibility rules.

Transfers of Bonds between an X-Account and an N-Account may give rise to certain adjustment payments on account of withholding tax:

- A transfer from an N-Account (to an X-Account or N-Account) gives rise to the payment by the transferor non-Eligible Investor to the NBB of withholding tax on the accrued fraction of interest calculated from the last interest payment date up to the transfer date.
- A transfer (from an X-Account or N-Account) to an N-Account gives rise to the refund by the NBB to the transferee non-Eligible Investor of withholding tax on the accrued fraction of interest calculated from the last interest payment date up to the transfer date.
- Transfers of Bonds between two X-Accounts do not give rise to any adjustment on account of withholding tax.

Upon opening of an X-Account for the holding of Bonds, the Eligible Investor is required to provide the Participant with a statement of its eligible status on a form approved by the Belgian Minister of Finance and send it to the participant to the Securities Settlement System where this account is kept. There is no ongoing declaration requirement to the Securities Settlement System as to the eligible status (although Eligible Investors must update their certification should their eligible status change). Participants to the Securities Settlement System are however required to report annually to the NBB as to the eligible status of each investor for whom they hold Bonds in an X-Account during the preceding calendar year.

An X-Account may be opened with a Participant by an intermediary (an **Intermediary**) in respect of Bonds that the Intermediary holds for the account of its clients (the **Beneficial Owners**), provided that each Beneficial Owner is an Eligible Investor. In such a case, the Intermediary must deliver to the Participant a statement on a form approved by the Minister of Finance confirming that (i) the Intermediary is itself an Eligible Investor and (ii) the Beneficial Owners holding their Bonds through it are also Eligible Investors. A Beneficial Owner is also required to deliver a statement of its eligible status to the intermediary.

These identification requirements do not apply to Bonds held in central securities depositories as defined by Article 2, §1, 1) of Regulation (EU) n° 909/2014 of the European Parliament and of the Council of 23 July 2014 on improving securities settlement in the European Union and on central securities depositories and amending Directives 98/26/EC and 2014/65/EU and Regulation (EU) No 236/2012, acting as Participants to the Securities Settlement System, provided that (i) they only hold X-accounts, (ii) they are able to identify the ultimate account holders for whom they hold Bonds in such account and (iii) the contractual rules agreed upon by these central securities depositories acting as Participants include the contractual undertaking that their clients and account owners are all Eligible Investors.

Hence, these identification requirements do not apply to Bonds held in Euroclear and Clearstream Banking Frankfurt, or any other central securities depository as Participants to the Securities Settlement System, provided that (i) Euroclear and Clearstream Banking Frankfurt, or such other central securities depository as Participants to the Securities Settlement System only hold X-accounts, (ii) they are able to identify the ultimate account holders for whom they hold Bonds in such account and (iii) the contractual rules agreed upon by these central securities depositories include the contractual undertaking that their clients and account owners are all Eligible Investors.

In accordance with the NBB Clearing System, a Bondholder who is withdrawing Bonds from an X-Account will, following the payment of interest on those Bonds, be entitled to claim an indemnity from the Belgian tax authorities of an amount equal to the withholding on the interest payable on the Bonds from the last preceding Interest Payment Date until the date of withdrawal of the Bonds from the NBB Clearing System.

### **1.3 Belgian resident individuals**

For Belgian resident individuals who are Belgian residents for tax purposes, i.e., who are subject to the Belgian personal income tax (*personenbelasting/impôt des personnes physiques*) and who hold the Bonds as a private investment, payment of the 30% withholding tax fully discharges them from their personal income tax liability with respect to these interest payments. This means that they do not have to declare the interest obtained on the Bonds in their personal income tax return, provided withholding tax was levied on these interest payments.

Belgian resident individuals may nevertheless elect to declare interest in respect of the Bonds in their personal income tax return. Where the beneficiary opts to declare them, interest payments will normally be taxed at a flat rate of 30 per cent. (or at the progressive personal income tax rate taking into account the taxpayer's other declared income, whichever is more beneficial). If the interest payment is declared, the withholding tax retained may, under certain conditions, be credited against the taxpayer's personal income tax liability and any excess amount will in principle be refundable.

Capital gains realised on the disposal of the Bonds are in principle tax exempt, except if the capital gains are realised outside the scope of the management of one's private estate (in which case they are taxed at a rate of 30 per cent. plus local municipal surcharges) or except to the extent they qualify as interest (as defined in section 1.1 above). Capital losses realised upon the disposal of the Bonds held as a non-professional investment are in principle not tax deductible.

Other tax rules apply to Belgian resident individuals who do not hold the Bonds as a private investment.

### **1.4 Belgian resident companies**

Interest attributed or paid to corporate Bondholders who are Belgian residents for tax purposes, i.e. which are subject to the Belgian Corporate Income Tax (*Vennootschapsbelasting/Impôt des sociétés*) at the ordinary corporate income tax rate of in principle 29.58 per cent. (including the 2 per cent. crisis surcharge). As of tax year 2021 (i.e., for financial years starting on or after 1 January 2020) the ordinary corporate income tax rate will be lowered to 25 per cent. and the crisis surcharge will be abolished.). Subject to certain conditions, a reduced corporate income tax rate of 20.4 per cent. (including the 2 per cent. crisis surcharge) and 20 per cent. as of tax year 2021 (i.e., for financial years starting on or after 1 January 2020) applies for small enterprises (as defined by Article 1:24, paragraphs 1 to 6 of the Belgian Companies and Associations Code) on the first EUR 100,000 of taxable profits. The withholding tax retained by or on behalf of the Issuer will, subject to certain conditions, be creditable against any corporate income tax due and any excess amount will in principle be refundable.

Capital gains realised on the disposal of the Bonds are also taxable at the ordinary corporate income tax rate (or the reduced rate for small enterprises, if applicable). Capital losses realised upon the sale of the Bonds are in principle tax deductible.

Other tax rules apply to investment companies within the meaning of Article 185bis of the Belgian Income Tax Code 1992.

### **1.5 Belgian resident legal entities**

For legal entities subject to Belgian legal entities tax (*Rechtspersonenbelasting/Impôts des personnes morales*) which have been subject to the 30 per cent. Belgian withholding tax on interest payments, such withholding tax constitutes the final taxation.

Belgian legal entities which have received interest income on Bonds without deduction for or on account of Belgian withholding tax are required to declare and pay the 30 per cent. withholding tax to the Belgian tax authorities themselves.

Capital gains realised on the sale of the Bonds are in principle tax exempt, unless the capital gains qualify as interest (as defined in section 1.1 above). Capital losses are in principle not tax deductible.

## 1.6 Organisations for Financing Pensions

Interest and capital gains derived by Organisations for Financing Pensions (*Organismen voor de Financiering van Pensioenen/Organismes de Financement de Pensions*) in the meaning of the Law of 27 October 2006 on the activities and supervision of institutions for occupational retirement provision, are in principle exempt from Belgian corporate income tax. Capital losses are in principle not tax deductible.

Subject to certain conditions, any Belgian withholding tax that has been levied can be credited against any corporate income tax due and any excess amount is in principle refundable.

## 1.7 Non-residents

Non-residents who use the Bonds to exercise a professional activity in Belgium through a permanent establishment are in principle subject to the same tax rules as the Belgian resident companies (see above).

Bondholders who are non-residents of Belgium for Belgian tax purposes and who are not holding the Bonds through a Belgian permanent establishment and do not invest the Bonds in the course of their Belgian professional activity will in principle not incur or become liable for any Belgian tax on interest income or capital gains – save as the case may be, in the form of a withholding tax – by reason only of the acquisition or disposal of the Bonds provided that they qualify as Eligible Investors and that they hold their Bonds in an X Account.

## 2. TAX ON STOCK EXCHANGE TRANSACTIONS

A tax on stock exchange transactions (*taks op de beursverrichtingen/taxe sur les opérations de bourse*) will be levied on the purchase and sale (and any other transaction for consideration) with respect to the Bonds on the secondary market if such transaction is (i) entered into or carried out in Belgium through a professional intermediary or (ii) deemed to be executed in Belgium, which is the case if the order is directly or indirectly made to a professional intermediary established outside of Belgium by individuals with habitual residence (*gewone verblijfplaats/résidence habituelle*) in Belgium or by a legal entity for the account of their seat or establishment in Belgium (both referred to as a **Belgian Investor**).

The current applicable rate is 0.12 per cent., with a maximum amount of €1,300 per transaction and per party. The tax is due separately by each party to any such transaction, i.e. the seller (transferor) and the purchaser (transferee), both collected by the professional intermediary. No tax will be due on the issuance of the Bonds (primary market).

However, in the scenario where the transaction is deemed to be executed in Belgium (where the intermediary is established outside of Belgium), the tax on stock exchange transactions is (according to the Belgian Tax Administration) due by the Belgian Investor, unless the Belgian Investor can demonstrate that the tax due on stock exchange transactions has already been paid by the professional intermediary established outside of Belgium. In such a case, the foreign professional intermediary also has to provide each client (which gives such intermediary an order) with a qualifying order statement (*borderel/bordereau*), at the latest on the business day after the day the

transaction concerned was realised. The qualifying order statements must be numbered in series and a duplicate must be retained by the financial intermediary. The duplicate can be replaced by a qualifying day-to-day listing, numbered in series. Alternatively, professional intermediaries established outside of Belgium could appoint a stock exchange tax representative in Belgium, subject to certain conditions and formalities (**Stock Exchange Tax Representative**). Such Stock Exchange Tax Representative will then be liable toward the Belgian Treasury for the tax on stock exchange transactions due and for complying with the reporting obligations and the obligations relating to the order statement (*borderel /bordereau*) in that respect. If such a Stock Exchange Tax Representative would have paid the tax on stock exchange transactions due, the Belgian Investor will, as per the above, no longer be the debtor of the tax on stock exchange transactions.

A request for annulment has been introduced with the Constitutional Court in order to annul the application of the tax on stock exchange transactions to transactions carried out with professional intermediaries established outside of Belgium (as described above). The Constitutional Court has asked a preliminary question in that regard to the Court of Justice of the European Union. If the Constitutional Court were to annul said application of the tax on stock exchange transactions without upholding its effects, restitution could be claimed of the tax already paid.

A tax on repurchase transactions (*taks op de reportverrichtingen/ taxe sur les reports*) at the rate of 0.085 per cent. will be due from each party to any such transaction entered into or settled in Belgium in which a stockbroker acts for either party (with a maximum amount of €1,300 per transaction and per party).

However neither of the taxes referred to above will be payable by exempt persons acting for their own account including investors who are not Belgian residents, provided they deliver an affidavit to the financial intermediary in Belgium confirming their non-resident status for Belgian tax purposes, and certain Belgian institutional investors as defined in Article 126/1 2° of the code of miscellaneous duties and taxes (*wetboek diverse rechten en taksen /Code des droits et taxes divers*) for the tax on stock exchange transactions and Article 139, second paragraph, of the same code for the tax on repurchase transactions.

As stated below, the EU Commission adopted on 14 February 2013 the Draft Directive on a FTT. The Draft Directive currently stipulates that once the FTT enters into force, the Participating Member States shall not maintain or introduce taxes on financial transactions other than the FTT (or VAT as provided in the Council Directive 2006/112/EC of 28 November 2006 on the common system of value added tax). For Belgium, the tax on stock exchange transactions and the tax on repurchase transactions should thus be abolished once the FTT enters into force. The Draft Directive is still subject to negotiation between the Participating Member States and therefore may be changed at any time.

### 3. COMMON REPORTING STANDARD

The exchange of information is governed by the Common Reporting Standard (**CRS**). On 25 June 2019, the total of jurisdictions that have signed the multilateral competent authority agreement (**MCAA**) amounts to 106. The MCAA is a multilateral framework agreement to automatically exchange financial and personal information, with the subsequent bilateral exchanges coming into effect between those signatories that file the subsequent notifications.

Under CRS, financial institutions resident in a CRS country are required to report, according to a due diligence standard, financial information with respect to reportable accounts, which includes interest, dividends, account balance or value, income from certain insurance products, sales proceeds from financial assets and other income generated with respect to assets held in the account or payments made with respect to the account. Reportable accounts include accounts held by individuals and entities (which includes trusts and foundations) with fiscal residence in another CRS country. The

standard includes a requirement to look through passive entities to report on the relevant controlling persons.

On 9 December 2014, EU Member States adopted Directive 2014/107/EU on administrative cooperation in direct taxation (**DAC2**), which provides for mandatory automatic exchange of financial information as foreseen in CRS. DAC2 amends the previous Directive on administrative cooperation in direct taxation, Directive 2011/16/EU.

The Belgian government has implemented DAC 2, respectively the Common Reporting Standard, per the Law of 16 December 2015 regarding the exchange of information on financial accounts by Belgian financial institutions and by the Belgian tax administration, in the context of an automatic exchange of information on an international level and for tax purposes.

The Bonds are subject to DAC2 and to the Law of 16 December 2015. Under DAC2 and the Law of 16 December 2015, Belgian financial institutions holding the Bonds for tax residents in another CRS contracting state shall report financial information regarding the Bonds (e.g. in relation to income and gross proceeds) to the Belgian competent authority, who shall communicate the information to the competent authority of the state of the tax residence of the beneficial owner.

As a result of the Law of 16 December 2015, the mandatory automatic exchange of information applies in Belgium (i) as of income year 2016 (first information exchange in 2017) towards the EU Member States (including Austria, irrespective the fact that the automatic exchange of information by Austria towards other EU Member States is only foreseen as of income year 2017), (ii) as of income year 2014 (first information exchange in 2016) towards the US and (iii), with respect to any other non-EU States that have signed the MCAA, as of the respective date as determined by the Royal Decree of 14 June 2017. The Royal Decree provides that (i) for a first list of 18 countries, the mandatory automatic exchange of information applies as of income year 2016 (first information exchange in 2017), (ii) for a second list of 44 countries, the mandatory automatic exchange of information applies as of income year 2017 (first information exchange in 2018) and (iii) for one country, the mandatory automatic exchange of information applies as of income year 2018 (first information exchange in 2019).

Investors who are in any doubt as to their position should consult their professional advisers.

#### **4. FINANCIAL TRANSACTION TAX (FTT)**

On 14 February 2013, the European Commission published a proposal (the Commission's Proposal) for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the **Participating Member States**). In December 2015, Estonia withdrew from the group of states willing to introduce the FTT.

The Commission's Proposal currently stipulates that once the FTT enters into force, the participating Member States shall not maintain or introduce taxes on financial transactions other than the FTT (or VAT as provided in the Council Directive 2006/112/EC of 28 November 2006 on the common system of value added tax).

The Commission's Proposal has a very broad scope and could, if introduced, apply to certain dealings in the Bonds (including secondary market transactions) in certain circumstances. The issuance and subscription of Bonds should, however, be exempt.

Under the Commission's Proposal the FTT could apply in certain circumstances to persons both within and outside of the Participating Member States. Generally, it would apply to certain dealings in the Bonds where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, established in a



participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

The rates of the FTT shall be fixed by each Participating Member State but for transactions involving financial instruments other than derivatives they shall amount to at least 0.1 per cent. of the taxable amount. The taxable amount for such transactions shall in general be determined by reference to the consideration paid or owed in return for the transfer or the market price (whichever is higher). The FTT shall be payable by each financial institution established (or deemed established) in a Participating Member State which is a party to the financial transaction, which is acting in the name of a party to the transaction or where the transaction has been carried out on its account. Where the FTT due has not been paid within the applicable time limits, each party to the relevant financial transaction, including persons other than financial institutions, shall become jointly and severally liable for the payment of the FTT due.

However, the FTT proposal remains subject to negotiation between the Participating Member States. Therefore, it may be altered prior to any implementation, the timing of which also remains unclear. Additional EU Member States may decide to participate.

Prospective holders of the Bonds are advised to seek their own professional advice in relation to the FTT.

## PART IX SUBSCRIPTION AND SALE

BNP Paribas Fortis SA/NV (having its registered office at Warandeborg 3, 1000 Brussels), Bank Degroof Petercam SA/NV (having its registered office at Nijverheidsstraat 44, 1040 Brussels, Belgium) and KBC Bank NV (having its registered office at Havenlaan 2, 1080 Brussels, Belgium) acting as joint bookrunners (together the **Joint Bookrunners** and each a **Joint Bookrunner**) will, pursuant to a placement agreement dated on or about 25 November 2019 (the **Placement Agreement**), agree with the Issuer, subject to certain terms and conditions, to place the Bonds on a best efforts basis and will, after the placement, subscribe, or procure subscribers, and pay for the Bonds at the Issue Price and the other conditions as set out in the Placement Agreement.

The aggregate amount payable for the Bonds calculated at the Issue Price less any due Fees (such as stated below) will be paid by the Joint Bookrunners to the Issuer in the manner as set out in the Placement Agreement. Fees and costs in connection with the issue of the Bonds to be paid and/or reimbursed by the Issuer to the Joint Bookrunner have been agreed in the Placement Agreement. The Placement Agreement will entitle the parties to terminate their obligations in certain circumstances prior to payment being made to the Issuer.

### Issue Price and Fees

The issue price for the Bonds will be 100 per cent. (the **Issue Price**), this percentage expressed by reference to the nominal amount of the Bonds.

The Issuer agrees to pay to the Joint Bookrunners on the Issue Date a combined management, underwriting and selling fee of an amount equal to 0.40 per cent. of the aggregate principal amount of the Bonds (the **Placement Fee**).

In addition, the Issuer, at its sole discretion, may pay a discretionary fee up to EUR 100,000 (plus VAT, if applicable) of the aggregate principal amount of the Bonds to the Joint Bookrunners (the **Discretionary Fee**).

An arrangement fee will be due by the Issuer on the settlement date to the Global Coordinators, which will be split on an equal basis between the Global Coordinators (the **Arrangement Fee**).

The Placement Fee and Discretionary Fee will be deducted from the Issue Price paid by the Bookrunners to the Issuer at the time of settlement. The Arrangement Fee shall be invoiced separately as set out in the fee side letter.

### Selling Restrictions

The Bonds have been offered within the framework of a private placement. Neither the Issuer nor the Joint Bookrunners has made any representation that any action will be taken in any jurisdiction by the Joint Bookrunners or the Issuer that would permit a public offering of the Bonds, or possession or distribution of this Information Memorandum or any other offering or publicity material relating to the Bonds (including roadshow materials and investor presentations) in any country or jurisdiction where action for that purpose is required. Each of the Joint Bookrunners has agreed that it will comply at its own expense, and to the best of its knowledge and belief in all material respects with all applicable laws and regulations in force in each jurisdiction in which it acquires, offers, sells or delivers Bonds or has in its possession or distributes this Information Memorandum or any such other material. It will also ensure that no obligations are imposed on the Issuer in any such jurisdiction as a result of any of the foregoing actions by itself or its Subsidiaries and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Bonds under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and neither the Issuer nor any of the other Joint Bookrunners shall have any responsibility therefore. Each Joint Bookrunner has represented and agreed that, in making any

offers or sales of Bonds or distributing any offering materials relating thereto in any country or jurisdiction, it has complied and will comply to the best of its knowledge with all applicable laws in such country or jurisdiction.

The following sections set out specific notices in relation to certain countries that, if stricter, shall prevail over the foregoing general notice.

### **United Kingdom**

Each Joint Bookrunner has represented and agreed that:

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the **Financial Services and Markets Act**)) received by it in connection with the issue or sale of any Bonds in circumstances in which Section 21(1) of the Financial Services and Markets Act does not apply to the Issuer; and
- (b) it has complied and will comply with all applicable provisions of the Financial Services and Markets Act with respect to anything done by it in relation to the Bonds in, from or otherwise involving the United Kingdom.

This announcement will solely be distributed under and is solely addressed to (a) persons who are outside the United Kingdom, (b) investment professionals which fall under article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the **Order**) or (c) high-net-worth companies and other persons to whom it can be lawfully announced who fall under article 49(2) (a) to (d) of the Order (all such persons together being referred to as **Relevant Persons**). The Bonds are only available to, and any invitation, offer or agreement to subscribe to, or to purchase, the Bonds in any way, can only be engaged in with, the Relevant Persons. A person who is not a Relevant Person, cannot act as a result of, or rely on, this document and its content.

### **United States**

The Bonds have not been and will not be registered under the United States Securities Act of 1933, as amended (the **Securities Act**) and may not be offered or sold within the United States, subject to certain exemptions.

The Bonds are being offered and sold outside the United States to non-US persons in reliance on Regulation S.

In addition, until forty days after the commencement of the Private Placement, an offer or sale of Bonds within the United States by any Joint Bookrunner (whether or not participating in the Private Placement) may violate the registration requirements of the Securities Act. Each Joint Bookrunner represents that, unless allowed under the Subscription Agreement, it will not offer or sell Bonds in the United States as part of the Private Placement. Concepts used in this paragraph have the meaning which was given to them in Regulation S.

### **Belgium**

This Information Memorandum has not been filed for approval with the FSMA or any other competent authority in the European Economic Area. Consequently, the Bonds may not be distributed by means of a public offer of securities, as defined in article 2, d) of Prospectus Regulation and in article 4, 2° of the Prospectus Law, except under the conditions as determined in article 1.4, c) of Prospectus Regulation.

## Switzerland

The Bonds may not be publicly offered, sold or advertised, directly or indirectly, in, into or from Switzerland and will not be listed on the SIX Swiss Exchange or on any other exchange or regulated trading facility in Switzerland.

Neither this document nor any other offering or marketing material relating to the Bonds constitutes a prospectus as such term is understood pursuant to article 652a or article 1156 of the Swiss Code of Obligations or a listing prospectus within the meaning of the listing rules of the SIX Swiss Exchange or any other regulated trading facility in Switzerland and neither this document nor any other offering or marketing material relating to the Bonds may be publicly distributed or otherwise made publicly available in Switzerland. Neither this Information Memorandum nor any other offering or marketing material relating to the offering, nor the Issuer nor the Bonds have been or will be filed with or approved by any Swiss regulatory authority. This Information Memorandum has been prepared without regard to the disclosure standards for issuance prospectuses under the Swiss Code of Obligations or the disclosure standards for listing prospectuses under the listing rules of any stock exchange or regulated trading facility in Switzerland. The Bonds are not subject to the supervision by any Swiss regulatory authority, e.g., the Swiss Financial Markets Supervisory Authority FINMA (FINMA), and investors in the Bonds will not benefit from protection or supervision by such authority.

**Issuer**

**Leasinvest Real Estate Comm.VA**

Lenniksebaan 451  
1070 Anderlecht  
Belgium

**Global Coordinators**

**BNP Paribas Fortis SA/NV**

Warandeborg 3  
1000 Brussels  
Belgium

**Bank Degroof Petercam SA/NV**

Nijverheidsstraat 44  
1040 Brussels  
Belgium

**Agent**

**KBC Bank NV**

Havenlaan 2  
1080 Brussels  
Belgium

**Joint Bookrunners**

**BNP Paribas Fortis SA/NV**

Warandeborg 3  
1000 Brussels  
Belgium

**Bank Degroof Petercam SA/NV**

Nijverheidsstraat 44  
1040 Brussels  
Belgium

**KBC Bank NV**

Havenlaan 2  
1080 Brussels  
Belgium

**Legal Advisor to the Issuer**

**Eubelius CVBA**

Louizalaan 99  
1000 Brussels  
Belgium

**Legal Advisor to the Joint Bookrunners**

**Allen & Overy (Belgium) LLP**

Tervurenlaan 268A  
1150 Brussels  
Belgium

**Auditors to the Issuer**

**EY Bedrijfsrevisoren CVBA**

De Kleetlaan 2

1831 Diegem

Belgium