



**LEASINVEST**

REAL ESTATE

**Leasinvest Real Estate NV/SA**

*Public limited liability company*

*With registered office at Route de Lennik 451, 1070 Anderlecht (Belgium)*

*Enterprise number 0436.323.915 (RLE Brussels, Dutch-speaking division)*

(the "**Company**")

## **CONVOCAATION TO THE GENERAL MEETING OF BONDHOLDERS**

The Board of Directors of the Company has the honour to invite the holders of the EUR 100,000,000 1.95% fixed rate bonds due 28 November 2026 issued by the Company (the **Bonds**) to attend the general meeting of such bondholders to be held on 9 August 2021 at 10 AM (Brussels time) at Schermersstraat 42, 2000 BE-Antwerp (the **Meeting**) in order to deliberate and decide on the resolutions described in paragraph 2 below in the context of the approved Transaction. Further information on the Meeting and related matters, including the requirements to participate in the Meeting, is included in a memorandum prepared by the Company which is available on the website of the Company at <https://leasinvest.be> (the **Consent Solicitation Memorandum**). In this notice, unless the context indicates otherwise, terms used in the Consent Solicitation Memorandum have the same meaning and construction.

### **1 BACKGROUND**

The Company realised a restructuring consisting of the following three steps:

- renunciation by the Company of its BE-REIT status (the **Renunciation**);
- conversion of the Company into a public limited liability company with a (collegial) board of directors under the CCA, and the corresponding internalisation of the management of the Company through a contribution in kind of the shares in Leasinvest Real Estate Management NV/SA, the statutory manager of the Company (**LREM** or the **Manager**), by Ackermans & van Haaren NV/SA (**AvH**) into the capital of the Company;
- a "business combination" with Extensa Group NV/SA (**Extensa**), a 100% subsidiary of AvH, by means of a contribution in kind of the shares in Extensa by AvH in the capital of the Company,

with the aim of transforming the Company into one integrated real estate group (the **Transaction**). The Transaction has been approved by an extraordinary meeting of shareholders held on 19 July 2021.

For further explanation regarding the Transaction, we refer to the Consent Solicitation Memorandum.

### **2 AGENDA**

The Company requests the Bondholders to:

1. waive the right to request any early redemption or acceleration of the Bonds as a result of any event of default under Condition 9(c), Condition 3(a) *juncto* Condition 9(b), and under Condition 9(j) of the Bonds that have been or could be triggered by the Transaction; and
2. consent to various amendments to the Conditions in light of the Transaction.

### 3 PROPOSED RESOLUTIONS

The Bondholders are requested to approve the following resolutions (together, the **Resolutions**):

1. Waiver of the Events of Default under Condition 9(c) and under Condition 9(j).

The loss of its BE-REIT status by the Company triggered the Event of Default under Condition 9(j) of the Bonds. The Bondholders are therefore requested to waive this Event of Default as the Company will be renounce to its BE-REIT status upon completion of the Transaction.

Moreover, it cannot be excluded that a lender under a relevant credit facility would invoke an Event of Default under such credit facility and request early repayment as a result of the Transaction.

**Proposed Resolution 1:** The general meeting of Bondholders resolves to waive the right to request any early redemption or acceleration of the Bonds as a result of any event of default under Condition 9(c), Condition 3(a) *juncto* Condition 9(b), and under Condition 9(j) of the Bonds that have been or could be triggered:

- a. by the Transaction;
  - b. in the framework of the Transaction, as a result of the Company losing its BE-REIT status;
  - c. as a result of another lender reclaiming early repayment of any Financial Indebtedness, as a result of the Transaction.
2. Amendments to Condition 3, 4, 9(j) and 10.1:

**Proposed Resolution 2:** The general meeting of Bondholders resolves to:

- a. amend Condition 3 as follows (amendment to point 3 (a)(ii) and (iii), see underlined text) :

« 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 (other than any member of the Extensa Sub-Group) 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 (other than any member of the Extensa Sub-Group) 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. Amend Condition 4 (addition of the following definitions):

*“**LRE Sub-Group** means the Issuer and its Subsidiaries from time to time, but excluding any member of the Extensa Sub-Group*

***Extensa Sub-Group** means Extensa Group NV , a public limited liability company with registered office at Avenue du Port 86C, B-1000 Brussels and registered with the Crossroads Bank for Enterprises under number 0425.459.618, and its Subsidiaries from time to time.”*

- c. delete Condition 9(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;”~~

- d. delete Condition 10.1 and replace as follows :

*“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 on the last day of each calendar quarter:*

*(A) the Loan to Value does not exceed 60%;*

*the Interest Cover Ratio is at all times at least 2.0;*

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

**Aggregate Financial Indebtedness** means at any time, any interest bearing financial liabilities of the LRE Sub-Group which have to be included in LRE's consolidated financial statements (but excluding for the avoidance of doubt any liabilities of the Extensa Sub-Group), it being understood that at no time and under no circumstances shall any lease, which is or would be deemed by IFRS as in effect immediately prior to the adoption of IFRS 16 (Lease) to be an operating lease, be treated as a finance lease for purposes hereof.

**Interest Cover Ratio** means, at any time, the ratio of Net Rental Income to Net Financing Costs.

**Loan to Value** means, at any time, the Aggregate Financial Indebtedness as a percentage of the aggregate fair market value of (i) the Properties determined in accordance with the most recent Valuation of the Properties at that time and (ii) its participation in Retail Estates NV (valued on the last day of each calendar quarter at the closing price of the most recent trading day).

**Net Financing Costs** means the aggregate amount of consolidated financial charges of the LRE Sub-Group less consolidated financial income of the LRE Sub-Group, not taking into account the negative or positive valuation on financial instruments (IAS 39) taken in the profit and loss account of the LRE Sub-Group.

**Net Rental Income** means the sum of (1) “Netto huurresultaat” in relation to the profit and loss statement on a consolidated basis (taking into account the LRE Sub-Group, but excluding the Extensa Sub-Group) as such term is defined in the Royal Decree of 13 July 2014 on BE-REITs and (2) the dividend income received from the participation held by LRE in Retail Estates NV.

**Properties** means all real estate investment properties as defined in IAS 40 (Investment Property) held by the LRE Sub-Group.

**Valuation** means a valuation conducted on an annual basis by a reputable external valuation expert of good standing.”

#### 4 FURTHER INFORMATION

Further details on the requirements to satisfy to participate in the Meeting and the applicable quorum and majority are included in the Consent Solicitation Memorandum. To be eligible to participate in the Meeting, a Bondholder should deliver at the latest by 5 PM (Brussels time) on 5 August 2021 (i) a valid Block Voting Instruction or, if the Bondholder is not a participant in the Securities Settlement System of the National Bank of Belgium, request the relevant participant in the Securities Settlement System of the National Bank of Belgium to deliver such Block Voting Instruction by the same time and date or (ii) a Meeting Notification, together with a Voting Certificate issued by a recognised accountholder (*teneur de compte agréé/ erkende rekeninghouder*) within the meaning of the Belgian Code for Companies and associations or by the Securities Settlement System of the National Bank of Belgium certifying that the Bonds in respect of which a Meeting Notification is given will be blocked until the later of the conclusion of the Meeting and any adjourned Meeting.

If applicable government measures in the fight against the Covid-19 pandemic restrict the Company to have the Meeting take place physically, the Meeting will be organised in electronic form. In such case, Bondholders will not be able to physically participate at the Meeting. Bondholders who submitted a Meeting Notification indicating that they wish to be present or represented at the Meeting should request the relevant participation instructions from the Tabulation Agent, the contact details for which appear on the last page of this Consent Solicitation Memorandum.