

## PRESS RELEASE

Leasinvest Real Estate intends to become an integrated real estate group through an envisaged business combination with Extensa Group and by giving up its BE-REIT status.



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# LEASINVEST REAL ESTATE INTENDS TO BECOME AN INTEGRATED REAL ESTATE GROUP THROUGH AN ENVISAGED BUSINESS COMBINATION WITH EXTENSA GROUP AS WELL AS BY GIVING UP ITS BE-REIT STATUS.



**JAN SUYKENS,  
CEO ACKERMANS & VAN HAAREN  
CHAIRMAN LEASINVEST RE:**

*"AvH, which owns today both 30.01% of LRE and 100% of Extensa, is pleased to be able to support the evolution of the Company's strategy as proposed by its management. Through the contribution of our stake in Extensa, we strengthen our commitment to LRE and we support the intended strategic evolution towards a mixed real estate investment and development group."*



**MICHEL VAN GEYTE, CEO LEASINVEST  
RE**

*"Leasinvest 2.0' will become a real estate player with a unique market position that combines the best of both worlds: recurring rental income from real estate investments and added value potential from development activities. In addition, 'Leasinvest 2.0' will operate from a thorough sustainability vision in which it will make a lasting contribution to the development and optimization of its real estate portfolio in Belgium, the Grand Duchy of Luxemburg and Austria."*

## A unique combination

Leasinvest Real Estate (the “Company”) announces today it is working on a business combination whereby Ackermans & van Haaren (“AvH”) will contribute its 100% stake in Extensa Group NV/SA (“Extensa”) to the capital of the Company.

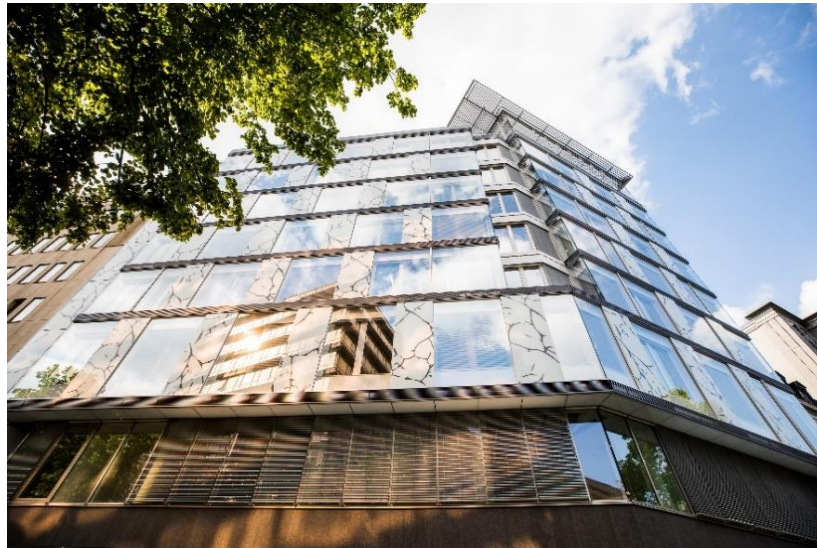
This is in line with the intention to transform the Company into a listed integrated real estate player, which on the one hand will invest and on the other hand will develop real estate, either to sell or to keep in portfolio. This new business model implies several fundamental changes to the framework in which the Company operates today. Leasinvest Real Estate will therefore propose to an Extraordinary General Meeting to voluntarily renounce its BE-REIT status (and the associated tax regime).

“Leasinvest 2.0” will combine a proven track record of an international real estate investor with leading (re)development capabilities.

This is made possible by the business combination of:

- Leasinvest Real Estate, a real estate investor, active in the high-quality segment of both offices and retail in Belgium, Luxembourg and Austria.
- Extensa, a true specialist in mixed-use urban developments, which realizes large, particularly high-quality, and acclaimed real estate projects in Belgium, in particular Tour & Taxis in Brussels and Cloche d’Or in Luxembourg.

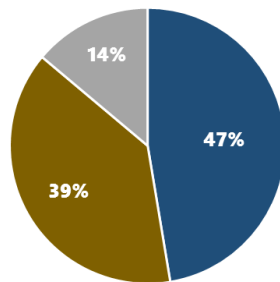
Bringing together the real estate positions and the complimentary expertise of the teams of both companies will create synergies and form a solid base for a strategy focused on realizing and managing innovative mixed-use urban developments, thus creating new city districts or reviving existing ones. With this focus, the Company can combine recurring rental income with attractive capital gains.



This structure will provide LRE increased agility in the current volatile market environment through targeted arbitrages in its portfolio or redevelopments of existing buildings. In addition, the reinforced balance sheet structure will allow to take a proactive approach towards new opportunities in its core or even in new markets.

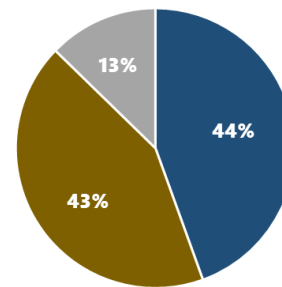
The new structure will have a consolidated balance sheet total of approximately € 1,9 billion with equity capital of +/- € 800 million. The combined investment portfolio will mainly consist of offices (47%) and secondly retail (39%). The “other” section includes on the one hand the remaining logistic buildings from the Leasinvest portfolio and on the other hand the buildings on the Tour & Taxis site that serve for events (The Sheds and Maison de la Poste) as well as the various car parks. Geographically Belgium and Luxemburg are almost equally important (43-44%) and the remaining 13% consists of the retail parks in Austria from the Leasinvest portfolio.

**Investment portfolio type of assets**



- Offices
- Retail
- Other

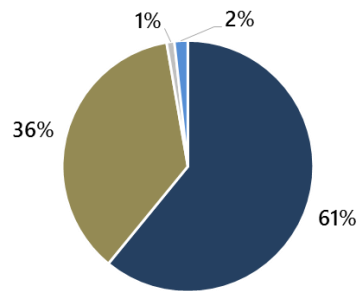
**Investment portfolio geographically**



- Luxembourg
- Belgium
- Austria

By acquiring the iconic heritage buildings of Tour & Taxis (“T&T”), with “Gare Maritime” as its flagship, coupled with Leasinvest’s CSR-strategy, the new entity has all the strengths to be a reference in terms of sustainability in the real estate market.

The development potential, which arises entirely from Extensa, can be classified as follows:



- Residential 208 300 m<sup>2</sup>
- Offices 124 300 m<sup>2</sup>
- Retail 3 400 m<sup>2</sup>
- Other 5 900 m<sup>2</sup>

About two thirds of these developments are planned on the site of Tour & Taxis in Brussels, whereas the remaining part is situated on Cloche d'Or, on the south end of the city of Luxemburg.



Through the participation (50%) of Extensa in Grossfeld PAP NV (Cloche d’Or), the Company will also become active in residential developments in its second home market Luxembourg, in addition to its activities related to the leasing and development of offices and retail.



**KRIS VERHELLEN CEO EXTENSA GROUP:**

*“The complementarity of our assets and know-how provides a very solid foundation for further development and at the same time encourages us to further translate our vision into projects that have a positive impact for all stakeholders.”*

## A new structure

In the context of this proposed transaction, 100% of the shares of Extensa would be contributed by AvH to the Company.

Additionally, it will be proposed to give up the BE-REIT status and to convert the Company into a limited liability company with a (collegial) board of directors under the CCA (Code of Companies and Associations), whereby the management of the Company will be internalized by means of a contribution in kind of the shares of Leasinvest Real Estate Management NV/SA, the statutory manager of the Company (“LREM” or the “Manager”), which is currently a 100% subsidiary of AvH.

The aforementioned decisions will be submitted for approval to an Extraordinary General Meeting of the Company after (i) approval of the Board of Directors of Leasinvest Real Estate, respectively AvH, (ii) the completion of the due diligence with regards to Extensa, (iii) the obtaining of a tax ruling regarding the exit from the BE-REIT status and (iv) an agreement with lenders regarding the financing of “Leasinvest 2.0”. In view of the fact that AvH is a shareholder of LRE, Extensa and LREM, the Board of Directors of the Manager will

take its decision with regard to the transaction in accordance with the advice of the committee of independent directors, assisted by an independent financial expert in accordance with Article 657 in conjunction with 524 of the old Companies Code. and Article 7:97 CCA.

The exit of the BE-REIT status triggers, under most credit agreements concluded by Leasinvest Real Estate and its subsidiaries, a claim for reimbursement. The change in the shareholder structure also gives the right to certain lenders to terminate the relevant credit agreements and demand early repayment. The two main lenders of LRE and Extensa, BNP Paribas Fortis and Belfius, have agreed to waive this default and let their loans remain in effect after the transaction, with the financial covenants being adjusted to the new structure. Waivers will be requested from the other lenders. BGL has already issued a waiver for the outstanding Luxembourg credit. In the event that such waivers are not obtained, BNPPF has committed to the Company a credit line of EUR 250 million, so that creditors from whom no waiver could be obtained can be repaid, so that there will be no consequences for the Company.

The exit of the BE-REIT status will also activate a clause of reimbursement under the outstanding bond loan of Leasinvest Real Estate (with a total nominal amount of EUR 100 million, denominations of EUR 100,000, a fixed interest rate of 1.95% and with maturity date 28 November. 2026) issued in a private placement to investors on November 20, 2019. As a result, every bond holder will have the right to declare the bonds held by him due and payable upon renunciation of the BE-REIT status. In the event such repayments are requested, the Company will enter into a bridging loan with BNPPF in the amount of EUR 100 million, so that any repayment will not affect the Company. Leasinvest Real Estate also intends to convene a general meeting of bondholders. This will be communicated further in due course.

Subject to the completion of the due diligence, LREM and EXTENSA will be valued at € 293 million as part of the capital increase through the contribution in kind. In this context, the issue price of the shares in Leasinvest Real Estate will amount to € 72 / share (after payment



of the coupon of € 5.25 for the 2020 financial year presented to the annual meeting on May 17, 2021). Based on this information, Ackermans & van Haaren will own 58.5% of the Company's capital after the proposed transaction.

Leasinvest 2.0 will pursue a dividend policy based on a payment of 40-60% of the EPRA Profit linked to the investment portfolio. Based on this basis, Leasinvest 2.0 strives moreover towards an increase of its dividend, partly thanks to the potential of exceptional realized gains on the sale of investment properties or profits from development projects.

“Leasinvest 2.0” has the ambition to maintain the EPRA status and as such to create a unique investment opportunity within the Belgian EPRA universe.

The management will be available for further explanation as from Wednesday evening and will also make a video cast available on the website [www.leasinvest.be](http://www.leasinvest.be) as from Thursday May 13<sup>th</sup> 2021.

## For more information, contact

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## On LEASINVEST REAL ESTATE SCA

Leasinvest Real Estate SCA is a Public BE-REIT (SIR/GVV) that invests in high quality and well-located retail buildings and offices in the Grand Duchy of Luxembourg, Belgium.

At present, the total fair value of the directly held real estate portfolio of Leasinvest amounts to € 1.12 billion, spread across the Grand Duchy of Luxembourg (56%), Belgium (28%) and Austria (16%).

Moreover, Leasinvest is one of the most important real estate investors in Luxembourg.

The public BE-REIT is listed on Euronext Brussels and has a market capitalization of € 465 million (value on 12 May 2021).

This announcement contains statements that are "forward-looking statements" or may be considered such. These forward-looking statements may be identified by the use of forward-looking terminology, including the words "believe," "estimate," "anticipate," "expect," "intend," "may," "will," "plan," "continue," "ongoing," "possible," "predict," "intend," "pursue," "try," "would" or "will," and include statements from the Company about the intended results of its strategy. Forward-looking statements, by their nature, involve risks and uncertainties, and readers have been warned that none of these forward-looking statements warrant any guarantee of future results. The Company's actual results may differ materially from those predicted by the forward-looking statements. The Company makes no commitment to provide updates or adjustments to these forward-looking statements unless legally required.