

Board of Directors
MG RE Invest SA
5, Rue Heienhaff
L-1736 Senningerberg

Agreed-Upon Procedures Report in respect of the calculations of the financial covenants under Lux GAAP for 2022 on a consolidated basis for the level of MG RE Invest SA

Scope and purpose

We have performed the procedures enumerated below, which were agreed to by MG RE Invest SA (the "Engaging Party"), solely to assist you in determining whether your calculation of the financial covenants for accounting year 2022 on a consolidated basis and in accordance with Luxembourg Generally Accepted Accounting Principles as formulated in the prospectus dated 11 May 2021 have been completed accurate ("Subject Matter"), and which may not be suitable for another purpose.

Restricted use

This agreed-upon procedures report ("AUP Report") is intended solely for the information and use of the Engaging Party and the financial institutions that have granted credit facilities to MG RE Invest SA as of 31 December 2022 and is not intended to be and should not be used by anyone else.

Responsibilities of the Engaging Party

MG RE Invest SA has acknowledged that the agreed-upon procedures are appropriate for the purpose of the engagement.

Responsibilities of the Practitioner

We have conducted the agreed-upon procedures engagement in accordance with the International Standard on Related Services (ISRS) 4400 (Revised), *Agreed-Upon Procedures Engagements*. An agreed-upon procedures engagement involves our performing the procedures that have been agreed with MG RE Invest SA, and reporting the findings, which are the factual results of the agreed-upon procedures performed. We make no representation regarding the appropriateness or the sufficiency of the agreed-upon procedures described below either for the purpose for which this AUP Report has been requested or for any other purpose.

This agreed-upon procedures engagement is not an assurance engagement. Accordingly, we do not express an opinion or an assurance conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported.

Our independence and quality control

In performing the Agreed-Upon Procedures engagement, we complied with the ethical requirements in the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA) and the independence requirements in accordance with the law of 7 December 2016. We are the independent auditor of the Entity and therefore we also complied with the independence requirements of the IESBA Code that apply in context of the financial statement audit.

EY applies International Standard on Quality Control 1, *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements*, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Description of procedures performed

We have performed the procedures described below, which were agreed upon with MG RE Invest SA on the accuracy of its calculation of the financial covenants for accounting year 2022 on a consolidated basis and in accordance with Luxembourg Generally Accepted Accounting Principles as formulated in the prospectus dated 11 May 2021, part 5 - terms and conditions of the bonds, in the section 'Financial Covenants' of the public offer in Belgium and admission to trading on Euronext Growth Brussels of fixed rate bonds (the "Terms and conditions" - see annex 2):

- A) With regard to the amount of equity as described in the Terms and conditions:
- a. Reconciliation with the consolidated accounting records for accounting year 2022.
- We have no findings to report.*
- B) With regard to the calculation of the adjusted equity as described in the Terms and conditions:
- a. Reconciliation of the items of the adjusted equity with the consolidated accounting records for accounting year 2022.
 - b. Recalculation of the adjusted equity.
- We have no findings to report.*
- C) With regard to the calculation of the adjusted balance sheet total as described in the Terms and conditions:
- a. Reconciliation of the items of the adjusted balance sheet with the consolidated accounting records for accounting year 2022.
 - b. Recalculation of the adjusted balance sheet total.
- We have no findings to report.*
- D) With regard to the calculation of the ratio of (i) adjusted equity to (ii) adjusted balance sheet total, as described in the Terms and conditions:
- a. Recalculation of the ratio.

We have no findings to report.

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Our report is intended solely for the use of the Board of Directors to whom it is addressed, and may not be provided to any third party without our prior written consent. We will not accept any responsibility or liability for damages to any third party to whom our report may be provided or into whose hands it may come. In this respect, we consent to our report being shown to the financial institutions that have granted credit facilities to MG RE Invest SA as of 31 December 2022, on the understanding that we accept no responsibility or liability for damages to any other third party to whom our report may be provided or into whose hands it may come. This report relates only to the procedures as specified above and does not extend to any financial statements of MG RE Invest SA, taken as a whole.

Brussels, 31 March 2023

EY Bedrijfsrevisoren bv
represented by

Joeri Klaykens*
Partner
*Acting on behalf of a bv

23JK0182

Annex 1 - Calculation of the financial covenants by the management of MG RE Invest SA with regard to the prospectus dated 11 May 2021, part 5 - terms and conditions of the bonds, in the section 'Financial Covenants' of the public offer in Belgium and admission to trading on Euronext Growth Brussels of fixed rate bonds

Annex 2 - Extracts from the prospectus dated 11 May 2021, part 5 - terms and conditions of the bonds, in the section 'Financial Covenants' of the public offer in Belgium and admission to trading on Euronext Growth Brussels of fixed rate bonds

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Annex 1 - Calculation of the financial covenants by the management of MG RE Invest SA with regard to the prospectus dated 11 May 2021, part 5 - terms and conditions of the bonds, in the section 'Financial Covenants' of the public offer in Belgium and admission to trading on Euronext Growth Brussels of fixed rate bonds

- (a) the minimum amount of Equity shall be no less than EUR 50,000,000; and
(b) the ratio of (i) Adjusted Equity to (ii) Adjusted Balance Sheet Total shall be at least 30 per cent.

	<i>Covenant calculation LGAAP</i>
(a) Consolidated Equity as of December 31th, 2022 equals	184.494.829,52
(b) The ratio is calculated as follows:	
Consolidated equity =	184.494.829,52
Formation expenses =	-
Intangible fixed assets =	(67.957,98)
Loans granted to its shareholders =	
Adjusted Equity	184.426.871,54
Total Assets	529.327.009,87
- Abies Alba	-5.734.031,72
- MG Square	-25.873.866,26
- New Dockx	-15.933.905,80
- Malmo	-21.414.028,06
- Prunus	-544.818,08
- Rhamnus - Collis Privé	-9.455.996,79
Closed Projects	-78.956.646,71
Adjusted Total Assets	450.370.363,16
Ratio	40,95%

Annex 2 - Extracts from the prospectus dated 11 May 2021, part 5 - terms and conditions of the bonds, in the section 'Financial Covenants' of the public offer in Belgium and admission to trading on Euronext Growth Brussels of fixed rate bonds

PART 5
TERMS AND CONDITIONS OF THE BONDS

*The following constitutes the text of the terms and conditions (the **Conditions**) of the Bonds (as defined below), save for the paragraphs in italics which shall be read as complementary information.*

The issue of the 4.00 per cent fixed rate bonds due 1 June 2026 for an expected minimum principal amount of EUR 15,000,000 and an expected maximum principal amount of EUR 20,000,000 (the **2026 Bonds**, which expression shall, in these Conditions unless otherwise indicated or unless the context otherwise requires, include any Further 2026 Bonds) and the 4.50 per cent fixed rate bonds due 1 June 2028 for an expected minimum principal amount of EUR 25,000,000 and an expected maximum principal amount of EUR 40,000,000 (the **2028 Bonds**, which expression shall, in these Conditions unless otherwise indicated or unless the context otherwise requires, include any Further 2028 Bonds) by MG RE Invest S.A., a public limited liability company (*société anonyme*) incorporated under the laws of the Grand Duchy of Luxembourg (**Luxembourg**), having its registered office at 5 rue Heienhaff, L-1736 Senningerberg, Grand Duchy of Luxembourg, registered with the Luxembourg Trade and Companies' Register ("*R. C. S.*") under number B220298 and with LEI number 549300YYFXOHM0RSR469 (the **Issuer**), was authorised by a resolution of the Issuer's Board of Directors adopted on 29 April 2021. The 2026 Bonds and 2028 Bonds are jointly referred to as the **Bonds** and each is a "series" of Bonds. The issue date of the Bonds will be 1 June 2021 (the **Issue Date**).

Application has been or will be made for the Bonds to be listed and to be admitted to trading on the multilateral trading facility of Euronext Growth Brussels organised by Euronext Brussels (**Euronext Growth Brussels**).

The Bonds are issued subject to and with the benefit of (i) a paying, calculation and listing agency agreement (such agreement as amended and/or supplemented and/or restated from time to time, the **Agency Agreement**) to be entered into between the Issuer and Belfius Bank SA/NV as paying agent, calculation agent and listing agent (the **Agent**, which expression shall include any successors as Agent under the Agency Agreement) on or about the date of this Prospectus and (ii) a service contract for the issuance of fixed income securities which will be entered into on or about the Issue Date between the Issuer, Belfius Bank SA/NV as paying agent and the National Bank of Belgium (the **NBB**) (the **Clearing Agreement**).

The statements in these Conditions include summaries of, and are subject to, the detailed provisions of the Agency Agreement and the Clearing Agreement. Copies of the Agency Agreement and of the Clearing Agreement are available for inspection on the website of the Issuer and during normal business hours at the specified office of the Agent. On the date of this Prospectus, the specified office of the Agent is at Karel Rogierplein 11, 1210 Brussels, Belgium.

The Bondholders are bound by and are deemed to have notice of all the provisions of the Agency Agreement applicable to them.

References herein to "Condition" are, unless the context requires otherwise, to the numbered paragraphs below.

1 DEFINITIONS

For the purposes of these Conditions:

Accounting Principles means generally accepted accounting principles (including Luxembourg GAAP) in the jurisdiction of incorporation of the relevant member of the Group to which an accounting expression relates.

Adjusted Balance Sheet Total means, for any Reference Date, the amount of the Issuer's total assets reduced by the book value of all Closed Projects.

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Adjusted Equity means, for any Reference Date, the Equity of the Issuer, reduced by the aggregate of:

- (a) the amount of its formation expenses;
- (b) the amount of its intangible fixed assets; and
- (c) the amounts outstanding under any loans granted to its shareholders.

Agency Agreement has the meaning attributed thereto in the introduction to the Conditions.

Agent has the meaning attributed thereto in the introduction to the Conditions.

Applicable Interest Rate means the Original Interest Rate as may be adjusted from time to time pursuant to Condition 3 (Interest).

Bond, Bonds, 2026 Bonds or 2028 Bonds has the meaning attributed thereto in the introduction to the Conditions.

Bondholder means each person who is from time to time shown in the records of a participant, sub-participant or the NBB as operator of the NBB-SSS as the holder of a particular amount of Bonds.

Business Day means a day other than a Saturday or Sunday (i) on which the NBB-SSS is operating and (ii) on which banks and forex markets are open for general business in Belgium and Luxembourg and (iii) (if a payment in euro is to be made on that day), which is a Business day for the TARGET2 System.

Calculation Agent means the Agent in its capacity as calculation agent under the Agency Agreement.

a **Change of Control** shall be deemed to have occurred if:

- (a) the Existing Shareholder ceases to Control directly or indirectly the Issuer; or
- (b) any person or group of persons Acting in Concert other than the Existing Shareholder acquires Control over the Issuer,

whereby:

Existing Shareholder means Mr. Ignace De Paepe and/or his heirs (“*wettelijke erfgenamen*”/“*héritiers légaux*”), as well as any entity directly or indirectly Controlled by any of the foregoing; and

Acting in Concert means a group of persons who, pursuant to an agreement or understanding (whether formal or informal), actively co-operate, through the acquisition directly or indirectly of shares in the Issuer by any of them, either directly or indirectly, to obtain or consolidate Control of the Issuer.

Change of Control Notice has the meaning attributed thereto in Condition 4.2 (Repayment Upon a Change of Control).

Change of Control Put Date means the fourteenth Business Day after the expiry of the Change of Control Put Exercise Period.

Change of Control Put Exercise Period means the period commencing on the date of a Change of Control and ending 30 calendar days following the date on which a Change of Control Notice is given to the Bondholders.

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Clearing Agreement has the meaning attributed thereto in the introduction to the Conditions.

Clearstream means Clearstream Banking AG, Mergenthalerallee 61, 65760 Eschborn, Germany.

Closed Project means a real estate project of any member of the Group (i) which is commercialised by means of a lease agreement for a minimum original period of four (4) years or a sales agreement or by means of any arrangements with similar effect under the laws of any other jurisdiction and (ii) for which a provisional acceptance has been received.

Control means:

- (a) the direct or indirect ownership of more than 50% of the share capital or similar rights of ownership of the Issuer or of such number of shares of the Issuer carrying more than 50% of the voting rights exercisable at the general meetings of shareholders of the Issuer; or
- (b) the *de facto* or *de iure* power to exercise, directly or indirectly, a decisive influence on the designation of a majority of the directors or managers of the Issuer or on the direction of the management and policies of the Issuer.

EUR, euro or € means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended.

Euroclear France means Euroclear France SA, 66 rue de la Victoire 75009 Paris, France.

Equity means, for any Reference Date, the aggregate amount of equity (i.e., capital and reserves) of the Issuer.

Euroclear means Euroclear Bank NV/SA, Koning Albert II-laan 1, 1210 Brussels, Belgium.

Event of Default has the meaning attributed thereto in Condition 8 (Events of Default).

Financial Indebtedness means any indebtedness for or in respect of:

- (a) moneys borrowed;
- (b) any amount raised by acceptance under any acceptance credit facility or dematerialised equivalent;
- (c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;
- (d) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with the Accounting Principles, be treated as a finance or capital lease;
- (e) receivables sold or discounted (other than any receivables to the extent they are sold on a nonrecourse basis);
- (f) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing and which is treated as a borrowing under the Accounting Principles;
- (g) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value (or, if any actual amount is due as a result of the termination or close-out of that derivative transaction, that amount) shall be taken into account);

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which is customary in the debt capital markets (whether by way of supplement, guarantee agreement, deed or otherwise).

The above, however, is without prejudice to:

- (a) the right or the obligation of the Issuer or its Material Subsidiaries to grant Security or have Security granted over its assets pursuant to mandatory provisions of any applicable law;
- (b) the right of the Issuer to grant Security over a certain asset with a view to the financing of such asset; and
- (c) the right of the Issuer to grant or maintain Security over existing assets upon the acquisition of such assets by the Issuer.

7.2 Financial Covenants

- (a) As long as any Bond remains outstanding, the Issuer will on each Reference Date comply with the following financial covenants (each a **Financial Covenant**):
 - (i) the Equity shall be at least EUR 50,000,000; and
 - (ii) the ratio of (i) Adjusted Equity to (ii) Adjusted Balance Sheet Total shall be at least 30 per cent,

in each case calculated in accordance with the Accounting Principles on the basis of the audited consolidated financial statements of the Issuer for the Financial Year that ended on such Reference Date.

- (b) In case the Compliance Certificate provides that a Financial Covenant has not been complied with as at the Reference Date (a Breach of the Financial Covenants), the applicable Original Interest Rate shall be increased by 50 basis points per annum with effect from and including the Interest Period commencing on the first Interest Payment Date following the date of such Compliance Certificate (such event a Step-Up Change, and Interest Period, the Increased Interest Period).
- (c) If following a Step-Up Change, the Compliance Certificate to be delivered in relation to any following Reference Date provides that the Financial Covenants comply with Condition 7.2(a), the Applicable Interest Rate shall be decreased by 50 basis points per annum with effect from and including the Interest Period commencing on the first Interest Payment Date following the date of such Compliance Certificate (such event, a Step-Down Change).
- (d) Without prejudice to Condition 8(b), the Applicable Interest Rate will not be increased pursuant to Condition 7.2(b) if it has already been increased pursuant to Condition 7.2(b) and has not in the meantime been decreased pursuant to Condition 7.2(c).

7.3 Dividends

The Issuer shall only be permitted to make a dividend distribution in any Financial Year if the following conditions are met:

- (a) at the time of payment of the dividend the most recent Compliance Certificate establishes that the Financial Covenants as at the relevant Reference Date comply with Condition 7.2(a);
- (b) at the time of payment of the dividend no Event of Default is continuing; and
- (c) no Event of Default would occur immediately after the payment of the dividend.