MG REAL ESTATE

MG RE Invest S.A.

ANNUAL REPORT, 2019

Content

Consolidated Annual Accounts

Consolidated Balance Sheet as of December 31, 2019

ASSETS	Notes	2019	2018
A. Subscribed capital unpaid		**0**	**0**
I. Subscribed capital not called		**0**	**0**
II. Subscribed capital called but unpaid		**0**	**0**
B. Formation expenses		**2**	**0**
C. Fixed assets		**6.662**	**18.580**
I. Intangible assets	4	**2**	**2**
1. Costs of development		2	2
2. Concessions, patents, licences, trade marks and similar rights and assets, if they were		0	0
a) acquired for valuable consideration and need not be shown under C.I.3		*0*	*0*
b) created by the undertaking itself		*0*	*0*
3. Goodwill, to the extend that it was acquired for valuable consideration		0	0
4. Payments on account and intangible assets under development		0	0
II. Tangible assets	5	**6.573**	**18.472**
1. Land and buildings		6.199	17.887
2. Plant and machinery		95	153
3. Other fixtures and fittings, tools and equipment		279	432
4. Payments on account and tangible assets in the course of construction		0	0
III. Financial assets	6	**87**	**106**
1. Shares in affiliated undertakings		0	0
2. Loans to affiliated undertakings		0	0
3. Participating interests		0	0
4. Loans to undertakings with which the company is linked by virtue of participating interests		0	0
5. Investments held as fixed assets		0	0
6. Other loans		87	106
D. Current assets		**225.655**	**201.155**
I. Stocks	7	**164.617**	**136.510**
1. Raw materials and consumables		0	0
2. Work in progress		0	0
3. Finished goods and goods for resale		164.617	136.510
4. Payments on account		0	0
II. Debtors	8	**40.105**	**41.230**
1. Trade debtors		9.493	4.702
a) becoming due and payable within one year		*9.493*	*4.702*
b) becoming due and payable after more than one year		*0*	*0*
2. Amounts owed by affiliated undertakings		0	0
a) becoming due and payable within one year		*0*	*0*
b) becoming due and payable after more than one year		*0*	*0*
3. Amounts owed by undertakings with which the undertaking is linked by virtue of participating interests		0	0
a) becoming due and payable within one year		*0*	*0*
b) becoming due and payable after more than one year		*0*	*0*
4. Other debtors		30.612	36.528
a) becoming due and payable within one year		*30.612*	*36.528*
b) becoming due and payable after more than one year		*0*	*0*
III. Investments	9	**0**	**47**
1. Shares in affiliated undertakings		0	0
2. Own shares		0	0
3. Other investments		0	47
IV. Cash at bank and in hand		**20.933**	**23.368**
E. Prepayments	10	**244**	**1.017**
TOTAL ASSETS		**232.563**	**220.752**

Consolidated Balance Sheet as of December 31, 2019

CAPITAL, RESERVES AND LIABILITIES	Notes	2019	2018
A. Capital and reserves	11	**98.332**	**77.656**
I. Subscribed capital		**19.000**	**19.000**
II. Share premium account		**0**	**0**
III. Revaluation reserve		**0**	**0**
IV. Reserves		**2.500**	**2.500**
1. Legal reserve		1.900	1.900
2. Reserve for own shares		0	0
3. Reserves provided for by the articles of association		0	0
4. Other reserves, including the fair value reserve		600	600
a) other available reserves		*600*	*600*
b) other non available reserves		*0*	*0*
V. Profit or loss brought forward		**56.156**	**50.215**
VI. Profit or loss for the financial year		**20.676**	**5.941**
VII. Interim dividends		**0**	**0**
VIII. Capital investment subsidies		**0**	**0**
B. Provisions	12	**79**	**22**
1. Provisions for pensions and similar obligations		0	0
2. Provisions for taxation		0	0
3. Other provisions		79	22
C. Creditors	13	**133.285**	**142.694**
1. Debenture loans		**38.761**	**39.518**
a) Convertible loans		0	0
i) becoming due and payable within one year		*0*	*0*
ii) becoming due and payable after more than one year		*0*	*0*
b) Non convertible loans		38.761	39.518
i) becoming due and payable within one year		*11.261*	*1.268*
ii) becoming due and payable after more than one year		*27.500*	*38.250*
2. Amounts owed to credit institutions		**71.353**	**78.455**
a) becoming due and payable within one year		13.486	26.545
b) becoming due and payable after more than one year		57.867	51.910
3. Payments received on account of orders in so far as they are shown separately as deductions from stocks		**0**	**0**
a) becoming due and payable within one year		0	0
b) becoming due and payable after more than one year		0	0
4. Trade creditors		**7.408**	**9.038**
a) becoming due and payable within one year		7.408	9.038
b) becoming due and payable after more than one year		0	0
5. Bills of exchange payable		**0**	**0**
a) becoming due and payable within one year		0	0
b) becoming due and payable after more than one year		0	0
6. Amounts owed to affiliated undertakings		**0**	**0**
a) becoming due and payable within one year		0	0
b) becoming due and payable after more than one year		0	0
7. Amounts owed to undertakings with which the undertaking is linked by virtue of participating interests		**0**	**0**
a) becoming due and payable within one year		0	0
b) becoming due and payable after more than one year		0	0
8. Other creditors		**15.763**	**15.683**
a) Tax authorities		5.876	2.154
b) Social security authorities		186	141
c) Other creditors		9.701	13.388
i) becoming due and payable within one year		*9.701*	*13.388*
ii) becoming due and payable after more than one year		*0*	*0*
D. Deferred income	14	**867**	**380**
TOTAL CAPITAL, RESERVES AND LIABILITIES		**232.563**	**220.752**

Consolidated Profit and Loss Account for the year ended December 31, 2019

CONSOLIDATED PROFIT AND LOSS ACCOUNT	Notes	2019	2018
1. Net turnover	15	**49.231**	**14.835**
2. Variation in stocks of finished goods and in work in progress	16	**15.848**	**30.224**
3. Work performed by the undertaking for its own purposes and capitalised		**0**	**0**
4. Other operating income	17	**2.718**	**18.018**
5. Raw materials and consumables and other external expenses	18	**(49.882)**	**(46.084)**
a) Raw materials and consumables		(35.361)	(33.621)
b) Other external expenses		(14.521)	(12.463)
6. Staff costs	19	**(1.534)**	**(1.381)**
a) Wages and salaries		(1.040)	(910)
b) Social security costs		(270)	(277)
i) relating to pensions		*(8)*	*0*
ii) other social security costs		*(262)*	*(277)*
c) Other staff costs		(224)	(194)
7. Value adjustments		**11.529**	**(1.123)**
a) in respect of formation expenses and of tangible and intangible fixed assets	20	(730)	(1.123)
b) in respect of current assets	7	12.259	0
8. Other operating expenses	21	**(1.107)**	**(6.091)**
9. Income from participating interests		**0**	**0**
a) derived from affiliated undertakings		0	0
b) other income from participating interests		0	0
10. Income from other investments and loans forming part of the fixed assets		**0**	**0**
a) derived from affiliated undertakings		0	0
b) other income not included under a)		0	0
11. Other interest receivable and similar income		**1.603**	**1.628**
a) derived from affiliated undertakings		0	0
b) other interest and similar income		**1.603**	1.628
12. Share of profit or loss of undertakings accounted for under the equity method		**0**	**0**
13. Value adjustments in respect of financial assets and of investments held as current assets		**0**	**0**
14. Interest payable and similar expenses	22	**(3.461)**	**(3.285)**
a) concerning affiliated undertakings		0	0
b) other interest and similar expenses		**(3.461)**	(3.285)
15. Tax on profit or loss	23	**(4.037)**	**(617)**
16. Profit or loss after taxation		**20.908**	**6.124**
17. Other taxes not shown under items 1 to 16		**(232)**	**(183)**
18. Profit or loss for the financial year		**20.676**	**5.941**

Notes to the Consolidated Annual Accounts

NOTE 1 – GENERAL INFORMATION

MG RE Invest S.A. (formerly M.G. Invest N.V.) - hereafter the "Company" - was incorporated on December 10, 2007 as a public limited company governed by the laws of Belgium.

As per extraordinary general meeting held on December 11, 2017, the Company has been converted into a "Société Anonyme" under the Luxembourg Law of August 10, 1915 ("the Luxembourg law"), for an unlimited period. The registered office, the principal establishment and the central administration of the Company have been transferred from Belgium to Luxembourg with immediate effect and without prior dissolution of the Company ("the transfer") but in continuation of the legal entity in the Grand Duchy of Luxembourg and in conformity with the Luxembourg law. The corporate denomination of the Company has been simultaneously changed into MG RE Invest S.A. The registered office of the Company is established at 5, Rue Heienhaff, L-1736 Senningerberg.

The objective of the Company is, either for its own account or on behalf of third parties/clients or through participation or as intermediary or on the basis of commission, or in any other similar manner, in Luxembourg or abroad:

- to participate in domestic and / or foreign legal entities and / or companies, whether existing or newly established, by subscription, contribution, exchange or otherwise;
- to buy, manage, rent and sell immovable property;
- to manage companies and legal entities;
- to provide services and advice in the broadest sense to enterprises and companies of all kinds, including in the areas of administration, management, business organization, promotion and information technology;
- to exercise the position of director, manager or authorized representative in enterprises and companies;
- to participate in and manage the interests in enterprises and companies;
- to perform all intermediary activities aimed at the sale, purchase, exchange, renting or abandonment of immovable property, immovable property rights and trade funds;
- the acquisition, disposal and management of movable and immovable property;
- the import, export, trade, purchase, sale, treatment, processing, transport, loading, offloading, checking, weighing, monitoring, packing, stacking, stowing, storing of goods of any kind in the broadest sense such as materials, machinery, vehicles, equipment, raw materials, semi-finished and finished products, waste and products for recycling, scrap etc.;
- the rental of vehicles, equipment, machinery and the carrying out of repair works to vehicles, equipment and machinery;
- the granting of loans to third parties as well as issuing a guarantee for the benefit of third parties; and
- to borrow in any form and proceed to the issuance of bonds, debentures, notes and other instruments convertible or not, without a public offer;

All of the foregoing with the express exclusion of any activities considered as regulated activities of the financial sector.

The Company may participate by means of contribution, merger, registration, or in any other way, in all kind of companies, associations, companies that pursue a similar or corresponding objective, or those that can contribute to the achievement, in full or in part, directly or indirectly, of the objective of the Company.

In general, the Company may both within Luxembourg as well as abroad, carry out all civil, commercial, movable, immovable, industrial and financial transactions that are, directly or indirectly, wholly or partly, related to its purpose or which are of such a nature that they realize, contribute or facilitate, in whole or in part, directly or indirectly, the object of the Company.

The Company's financial year begins on 1 January and ends on 31 December. Group entities as defined in Note 2.1 included in the scope of consolidation also have a financial year ending on 31 December except for MG City Station N.V. & MG Residential N.V. which have a financial year ending on 30 September.

The present consolidated annual accounts are presented in thousand EUR, and all amounts stated in the notes are also presented in thousand EUR unless otherwise specified.

The consolidated annual accounts are established in accordance with generally accepted accounting principles and in accordance with the laws and regulations in force in the Grand Duchy of Luxembourg.

Notes to the consolidated annual accounts as at December 31, 2019

NOTE 2 – SCOPE OF CONSOLIDATION AND CONSOLIDATION POLICIES

2.1. Consolidation

The parent company (MG RE Invest S.A.), its subsidiaries and associates included in the scope of consolidation form together “the Group”.

Subsidiaries

The consolidated annual accounts of the Company as at 31 December, 2019 include its standalone annual accounts and those of all directly or indirectly majority owned subsidiaries. Subsidiaries are all entities over which the Company exercises control. Control is defined as the direct or indirect power to govern the financial and operating policies so as to obtain benefits from its activities. The existence and effect of potential voting rights that are currently exercisable or convertible, including potential voting rights owned by other entities, are considered when assessing whether the Company controls another entity.
Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are no longer consolidated from the date that control ceases.

Associates (participating interest)

Associates are all entities over which the Company has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting.
The Company’s investments in associates includes goodwill identified on acquisition, net of any accumulated value adjustments.

2.1.b Scope of Consolidation

Entities included in the scope of consolidation are listed here:

(*) In 2019, full consolidation of the profit and loss account for the period from January 01, 2019 to the date of disposal.

Name	% of shares held	% of shares held	Country	Consolidation method
	December 31, 2019	December 31, 2018		
MG RE Invest S.A.	N/A	N/A	Luxembourg	Parent Company
MG Projects Luxembourg S.à r.l.	100%	100%	Luxembourg	Full consolidation
MG Projects Belgium N.V.	100%	100%	Belgium	Full consolidation
MG Lux Two S.à r.l.	100%	100%	Luxembourg	Full consolidation
MG Lux Three S.à r.l.	100%	N/A	Luxembourg	Full consolidation
MG Lux Four S.à r.l.	100%	N/A	Luxembourg	Full consolidation
Lonicera One N.V.	100%	100%	Belgium	Full consolidation
MG Residential N.V.	100%	100%	Belgium	Full consolidation
MG Logistik Greve A.p.S.	100%	100%	Denmark	Full consolidation
Westfields Log Dev B.V.	50%	50%	The Netherlands	Proportionate consolidation
MG Services N.V. (formerly EOS Logistics N.V.)	100%	100%	Belgium	Full consolidation
MG Real Estate N.V.	100%	100%	Belgium	Full consolidation
MG Real Estate Sweden AB	100%	N/A	Sweden	Full consolidation
MG Parc Malmö AB	100%	N/A	Sweden	Full consolidation
MG Build B.V.B.A.	100%	100%	Belgium	Full consolidation
MG City Station N.V.	100%	100%	Belgium	Full consolidation
MG Projects N.V.	100%	100%	Belgium	Full consolidation
MG Projekter A.p.S.	100%	100%	Denmark	Full consolidation
MG Real Estate Germany GmbH	100%	N/A	Germany	Full consolidation
MG Real Etsate Development GmbH	100%	N/A	Germany	Full consolidation
LOU 32 S.A.	100%	100%	France	Full consolidation
MG Retail N.V.	100%	100%	Belgium	Full consolidation
Office Park Eleven N.V.	100%	100%	Belgium	Full consolidation
Opuntia N.V.	100%	100%	Belgium	Full consolidation
Paulownia N.V.	50%	50%	Belgium	Proportionate consolidation
Picea Pungens N.V.	100%	100%	Belgium	Full consolidation
Pinus Mugo N.V.	100%	100%	Belgium	Full consolidation
Pinus Peuce N.V.	100%	100%	Belgium	Full consolidation
Populus Balsamifera N.V.	100%	100%	Belgium	Full consolidation
Prunus N.V.	100%	100%	Belgium	Full consolidation
Quercus Rubra N.V.	100%	100%	Belgium	Full consolidation
Rhamnus N.V.	100%	100%	Belgium	Full consolidation
Rubus One N.V.	100%	100%	Belgium	Full consolidation
Salix Triandra N.V.	100%	100%	Belgium	Full consolidation
Sasa N.V.	100%	100%	Belgium	Full consolidation
Sasaellea N.V.	100%	100%	Belgium	Full consolidation
Solbus N.V.	100%	100%	Belgium	Full consolidation
Sophora N.V.	100%	100%	Belgium	Full consolidation
Sorbus Alia N.V.	100%	100%	Belgium	Full consolidation
Stasimo N.V.	100%	100%	Belgium	Full consolidation
Ulmus N.V.	100%	100%	Belgium	Full consolidation
Weigela N.V.	100%	100%	Belgium	Full consolidation
Abies Alba N.V.	100%	100%	Belgium	Full consolidation
Abies Grandis N.V.	100%	100%	Belgium	Full consolidation
Abies One N.V.	100%	100%	Belgium	Full consolidation
Acer Opalus N.V.	100%	100%	Belgium	Full consolidation
Alnus N.V.	100%	100%	Belgium	Full consolidation
Araucaria One N.V.	100%	100%	Belgium	Full consolidation
Aucuba N.V.	100%	100%	Belgium	Full consolidation
Bambus N.V.	100%	100%	Belgium	Full consolidation
Camellia One N.V.	100%	100%	Belgium	Full consolidation
Cedrus N.V.	100%	100%	Belgium	Full consolidation
Corylus N.V.	100%	100%	Belgium	Full consolidation
DP Real Estate S.à.r.l.	100%	100%	France	Full consolidation
Dulle Griet Garden N.V.	100%	100%	Belgium	Full consolidation
Fagius N.V.	100%	100%	Belgium	Full consolidation
Golden Gate One N.V.	0%	100%	Belgium	Full consolidation *
Larix Decidua N.V.	100%	100%	Belgium	Full consolidation
Magnifera N.V.	100%	100%	Belgium	Full consolidation
Malus Sylvestris N.V.	100%	100%	Belgium	Full consolidation
Tilia Dila B.V.B.A	100%	N/A	Belgium	Full consolidation

2.2. Consolidation policies

2.2.1. General Information

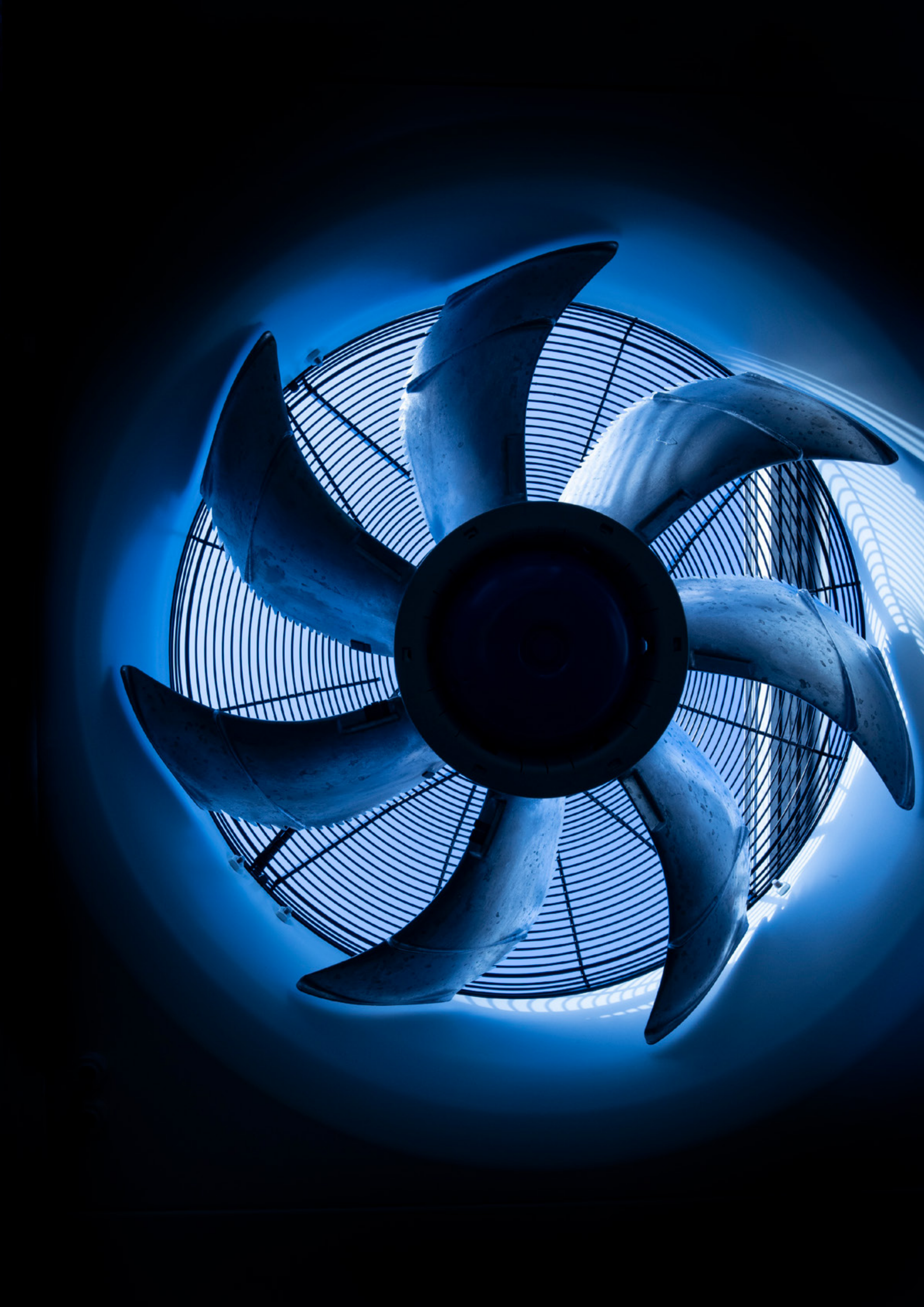
The consolidated annual accounts include the balance sheet and profit and loss account of the Group, as well as the present accompanying notes. The accounts of the Group entities have been adjusted when necessary in order to comply with the Group's accounting policies.

2.2.2. Balances and transactions between consolidated companies

All intercompany balances and intercompany transactions have been eliminated.

2.2.3. Profit and loss account

The income and expenses of a subsidiary are included in the consolidated annual accounts as from its acquisition in accordance with Luxembourg legal and regulatory requirements. The income and expenses of a subsidiary are included in the consolidated annual accounts until the date when the parent ceases to control the subsidiary. For the associates accounted for using the equity method, the investor's share of the profit or loss of the investee is recognised in the investor's profit or loss. Distributions received from an investee reduce the carrying amount of the investment.



NOTE 3 – SUMMARY OF SIGNIFICANT GROUP ACCOUNTING POLICIES

3.1. Basis of preparation

The consolidated annual accounts have been prepared in accordance with Luxembourg legal and regulatory requirements, and according to generally accepted accounting principles applicable in Luxembourg ("Luxembourg GAAP"), under the historical cost convention. The accounting policies and valuation rules are, besides the ones laid down by the law of December 19, 2002, as amended, determined and implemented by the Board of Directors. The preparation of consolidated annual accounts requires the use of certain critical accounting estimates. It also requires the Board of Directors to exercise their judgment in the process of applying the accounting policies. Changes in assumptions may have a significant impact on the annual accounts in the period in which the assumptions change. The Board of Directors believes that the underlying assumptions are appropriate and that the consolidated annual accounts therefore present the consolidated financial position and consolidated results fairly.

The Board of Directors makes estimates and assumptions that affect the reported amounts of assets and liabilities in the next financial year(s). Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under these circumstances.

The consolidated annual accounts have been prepared by the Board of Directors on a going concern basis, which assumes the realisation of assets and the discharge of liabilities in the normal course of business for the foreseeable future.

In order to ensure the comparability with the figures for the year ending December 31, 2019, kEUR 22 have been reclassified from *"Provisions – Provisions for taxation"* to *"Provisions – Other provisions"* in the balance sheet as of 31 December, 2018.

3.2. Foreign currency translation

The Company maintains its books and records in Euro.
All transactions expressed in a currency other than Euro are translated into Euro at the exchange rate effective at the time of the transaction.

Cash at bank is translated at the exchange rate effective at the balance sheet date. Exchange gains and losses are recorded in the profit and loss account for the year.

Other assets and liabilities are translated separately respectively at the lower or at the higher of the value converted at the historical exchange rate or the value determined on the basis of the exchange rate effective at the balance sheet date. Unrealised exchange losses are recorded in the profit and loss account. Unrealised exchange gains are not recognised. Realised exchange gains and losses are recorded in the profit and loss account when realised.

Where there is an economic link between an asset and a liability, they are valued in total according to the method described above and any net unrealised exchange loss is recorded in the profit and loss account whereas a net unrealised exchange gain is not recognised.

For the purpose of consolidating Group entities, the results and financial position of all the Group entities that have a local currency different from Euro are translated into Euro as follows:

- Assets and liabilities are translated at the closing rate at the date of the balance sheet;
- Income and expenses are translated at the average exchange rate of the year;
- Any currency translation differences are directly charged / credited to the translation reserve.

3.3. Intangible assets

Intangible assets are valued at purchase price including the expenses incidental thereto or at production costs, less accumulated amortisation amounts and value adjustments. These value adjustments are not continued if the reasons for which they were made have ceased to apply.

3.4. Tangible assets

Tangible assets are valued at purchase price including the expenses incidental thereto or at production costs, less accumulated depreciation and value adjustments. Tangible assets are depreciated over their estimated useful economic lives. Land is not depreciated.

Where the Board of Directors considers that a tangible asset has suffered a durable depreciation in value, an additional write-down is recorded to reflect this loss. These value adjustments are not continued if the reasons for which they were made have ceased to apply.

Depreciation is calculated using the straight-line method and taken to the profit and loss account based on the estimated useful lives of the assets. The useful life depends on the type of assets.

The depreciation rates applied are as follows:

- Buildings (industrial, semi-industrial, retail, logistic buildings), 20 years (in average)
- Buildings (office buildings), 33 years (in average)
- Plant, machinery and equipment, 15 years (in average)
- Sanitary, 20 years (in average)
- Heating system, 10 years (in average)
- Painting and wallpapering, 5 years (in average)
- Hardware, 3-5 years (in average)
- Vehicles, 5 years (in average)
- Furniture, 5 years (in average)
- Other fixtures, fittings, tools and equipment, 10 years (in average)

The residual value, which is usually set at nil, and the useful lives of tangible assets are reviewed annually on the balance sheet date and adjusted if appropriate.

3.5. Financial assets

Financial assets are composed of deposits and guarantees which are valued at historical value including the expenses incidental thereto.

In case of durable depreciation in value according to the opinion of the Board of Directors, value adjustments are made in respect of financial assets, so that they are valued at the lower figure to be attributed to them at the balance sheet date. These value adjustments are not continued if the reasons for which they were made have ceased to apply.

3.6. Stocks of finished goods and work in progress

Stocks of finished goods and work in progress are valued at the lower of production costs including the purchase price of the raw materials and consumables, the costs directly attributable to the product/contract in question and a proportion of the costs indirectly attributable to the product/contract in question, and net realisable value. A value adjustment is recorded where the net realisable value is below the production costs. These value adjustments are not continued if the reasons for which they were made have ceased to apply.

3.7. Debtors

Debtors are valued at their nominal value. A value adjustement is made when their recovery is partly or completely compromised.

These value adjustments are not continued if the reasons for which they were made have ceased to apply.

3.8. Cash and cash equivalents

Cash and cash equivalents represent cash in hand, bank balances and short-term deposits.

3.9. Prepayments

Prepayments include expenditure incurred during the financial year but relating to a subsequent financial year and financing costs for obtaining loans and borrowings. Financing costs are amortised over the term of the related debt agreements entered into on a linear basis and are fully written off at the latest when the related loans and borrowings are fully reimbursed.

3.10. Provisions
Provisions are intended to cover losses or debts, the nature of which is clearly defined and which, at the date of the balance sheet, are either likely to be incurred or certain to be incurred but uncertain as to their amount or as to the date on which they will arise.
Provisions may also be created to cover charges that have originated during the financial year under review or in a previous financial year, the nature of which is clearly defined and which, at the date of the balance sheet, are either likely to be incurred or certain to be incurred but uncertain as to their amount or as to the date on which they will arise.

3.11. Deferred taxation
Deferred tax assets and liabilities will be recognised for timing differences in the valuation of assets and liabilities for reporting purposes and for tax purposes, as well as for tax loss carry-forwards. The deferred tax assets and liabilities are recognised at nominal value.
Deferred tax assets, inclusive of those resulting from tax loss carry-forwards, are recognised if taxable profit is likely to be available, against which the losses can be offset and offsetting opportunities can be used. Deferred tax assets and liabilities that can be offset according to statutory rights are netted off in the balance sheet.

3.12. Creditors
Creditors are valued at their reimbursement value.

3.13. Deferred income
Deferred income includes income received during the financial year but relating to a subsequent financial year.

3.14. Net turnover
The net turnover includes the amounts derived from the sale of products and the provision of services falling within the ordinary activities of the Group, after deduction of sales rebates and of value added tax and other taxes linked directly to the turnover.
Revenue is recognised in the accounting period in which the services are rendered, by reference to stage of completion of the specific transaction and assessed on the basis of the actual service provided as a proportion of the total services to be provided.

3.15. Interest income and expenses
Interest income and expenses are recognised on an accrual basis.

NOTE 4 – INTANGIBLE ASSETS

		Costs of development	Goodwill	TOTAL	TOTAL
				December 31, 2019	December 31, 2018
		in kEUR	in kEUR	in kEUR	in kEUR
Gross book value - opening balance		9	-	9	9
	Additions for the year	3	-	3	-
	Disposals for the year	-	-	-	-
Gross book value - closing balance		12	-	12	9
Accumulated value adjustment - opening balance		(7)	-	(7)	(4)
	Allocation for the year	(3)	-	(3)	(3)
	Reversal for the year	-	-	-	-
Accumulated value adjustment - closing balance		(10)	-	(10)	(7)
Net book value - closing balance		2	-	2	2

The costs of development consist in the development of the website of the Group.

NOTE 5 – TANGIBLE ASSETS

	Land and buildings	Plant and machinery	Other fixtures and fittings, tools and equipment	TOTAL December 31, 2019	TOTAL December 31, 2018
	kEUR	kEUR	kEUR	kEUR	kEUR
Gross book value - opening balance	21.807	241	791	22.839	64.474
Additions for the year	720	44	72	836	410
Disposals for the year	(14.976)	(126)	(150)	(15.252)	(42.045)
Gross book value - closing balance	7.551	159	713	8.423	22.839
Accumulated value adjustment - opening balance	(3.921)	(88)	(359)	(4.368)	(7.657)
Allocation for the year	(628)	(24)	(75)	(727)	(1.120)
Reversal for the year	3.197	48	-	3.245	4.410
Accumulated value adjustment - closing balance	(1.352)	(64)	(434)	(1.850)	(4.367)
Net book value - closing balance	**6.199**	**95**	**279**	**6.573**	**18.472**
Net book value - opening balance	**17.887**	**153**	**432**	**18.472**	**56.817**

Land and buildings mainly consist of Real Estate located in Belgium.
Plant and machinery consist in installations, machines and equipments.
Other fixtures and fittings, tools and equipment consist in furnitures, office appliances, cars and other vehicles.
The depreciation of the components above is presented in the profit and loss account under value adjustments.

NOTE 6 – FINANCIAL ASSETS

	Other loans	TOTAL December 31, 2019	TOTAL December 31, 2018
	kEUR	kEUR	kEUR
Gross book value - opening balance	106	106	89
Additions for the year	-	-	17
Disposals for the year	(19)	(19)	-
Gross book value - closing balance	87	87	106
Accumulated value adjustment - opening balance	-	-	-
Allocation for the year	-	-	-
Reversal for the year	-	-	-
Accumulated value adjustment - closing balance	-	-	-
Net book value - closing balance	**87**	**87**	**106**
Net book value - opening balance	**106**	**106**	**89**

Other loans held as fixed assets consist in deposits and guarantees paid by the Company.

NOTE 7 – STOCKS

As at December 31, 2019 stocks consist in buildings under construction amounting to kEUR 164.617 (2018: kEUR 136.510).
A reversal of value adjustment of an amount of kEUR 12.259 has been recorded during the year on a real estate project held by MG City Station, site Mechelen.

NOTE 8 – DEBTORS

Debtors are analysed as follows:

		Less than 1 year	Between 1 and 5 years	More than 5 years	TOTAL December 31, 2019	TOTAL December 31, 2018
		kEUR	kEUR	kEUR	kEUR	kEUR
Trade debtors		9.493	-	-	9.493	4.702
Tax receivable		741	-	-	741	1.009
Subsidies to receive		-	-	-	-	16
Loans to related parties		22.563	-	-	22.563	20.559
Other debtors		7.308	-	-	7.308	14.944
Balance at the end of the year		**40.105**	**-**	**-**	**40.105**	**41.230**

The loans to related parties are mainly due to loans granted to the companies Nevimo NV and MG Lux One S.à r.l., both are related parties. Subsequently, both loans have been reimbursed in 2020.

NOTE 9 – INVESTMENTS

As per December 31, 2019, investment is nil (2018: kEUR 47).

NOTE 10 – PREPAYMENTS

As per December 31, 2019, prepayments amount to kEUR 244 (2018: kEUR 1.017).

NOTE 11 – CAPITAL AND RESERVES

	Subscribed capital	Legal reserve	Other reserves	Profit or loss brought forward	Profit or loss for the financial year	TOTAL
	kEUR	kEUR	kEUR	kEUR	kEUR	kEUR
Balance as of December 31, 2018	**19.000**	**1.900**	**600**	**50.215**	**5.941**	**77.656**
Allocation of prior year results	-	-	-	5.941	(5.941)	-
Profit or loss for the financial year	-	-	-	-	20.676	20.676
Balance as of December 31, 2019	**19.000**	**1.900**	**600**	**56.156**	**20.676**	**98.332**

11.1. Subscribed capital

The subscribed capital amounting to kEUR 19.000 is represented by 49.250 shares with a nominal value of EUR 385,79 each, fully paid.

11.2. Legal reserve

In accordance with Luxembourg Company Law, the Company is required to transfer a minimum of 5% of its net profit for each financial year to a legal reserve. This requirement ceases to be necessary once the balance of the legal reserve reaches 10% of the issued share capital. The legal reserve is not available for distribution to the shareholders.

NOTE 12 – PROVISIONS

Provisions amount to kEUR 79 (2018: kEUR 22). The provisions include clean-up fees and legal fees related to a pending lawsuit with regards to the right of use of land in a temporary partnership cooperation for kEUR 19. During the year another provision is recorded for kEUR 60.

NOTE 13 – CREDITORS

Creditors are analysed as follows:

	Less than 1 year	Between 1 and 5 years	More than 5 years	TOTAL December 31, 2019	TOTAL December 31, 2018
	kEUR	kEUR	kEUR	kEUR	kEUR
Non-Convertible loans (bonds)	11.261	27.500	-	38.761	39.518
Amounts owed to credit institutions	13.486	57.867	-	71.353	78.455
Trade creditors	7.408	-	-	7.408	9.038
Tax debt	5.876	-	-	5.876	2.154
Social security debt	186	-	-	186	141
Other creditors	9.701	-	-	9.701	13.388
Balance at the end of the year	**47.918**	**85.367**	**-**	**133.285**	**142.694**

Non-Convertible loans (bonds) bear a weighted average interest rate of 3,62%.
Amounts owed to credit institutions bear an interest rate between 1,75% and 1,90%.

NOTE 14 – DEFERRED INCOME

Deferred income is composed of unearned revenues amounting to kEUR 867 (2018: kEUR 380).

NOTE 15 – NET TURNOVER

Net turnover is broken down by category of activity and geographical markets as follows:

		2019	2018
		kEUR	kEUR
- per activity			
	Real Estate development	46.484	12.035
	Rental income	1.490	2.164
	Reinvoicing of costs	1.257	636
Total		**49.231**	**14.835**
- per geographical market			
	Belgium	15.356	13.053
	Luxembourg	4.006	1.782
	Denmark	25.231	-
	Netherlands	4.638	-
Total		**49.231**	**14.835**

NOTE 16 – VARIATION IN STOCKS OF FINISHED GOODS AND IN WORK IN PROGRESS

The caption amounts to kEUR 15.848 (2018: kEUR 30.224) and is related to real estate projects under development.

NOTE 17 – OTHER OPERATING INCOME

Other operating income is analysed as follows:

	2019	2018
	kEUR	kEUR
Other operating income	2.243	1.210
Capital gains on sales of shares	475	16.808
Total	2.718	18.018

Other operating income are mainly composed of a capital gain on sales of shares held in GDC Logistic 9 ApS amounting to kEUR 497 as well as earn-outs regarding the sale of shares held in GDC Logistic 9 ApS for kEUR 3.886, The Bridge Logistics III N.V. for kEUR 1.200 and Actinidia N.V. for kEUR 5.866.

NOTE 18 – RAW MATERIALS AND CONSUMABLES AND OTHER EXTERNAL EXPENSES

Raw materials and consumables amounting to kEUR 35.361 (2018: kEUR 33.621) are composed of land and buildings acquired for development and resale, production costs of buildings under construction, and raw materials and consumables used in subcontracting activities.
Other external expenses amount to kEUR 14.521 (2018: kEUR 12.463).of the business.

NOTE 19 – STAFF

The number of FTEs employed by the Group as per year-end was 17 (2018: 12,8). The average number of staff employed by the

NOTE 20 – VALUE ADJUSTMENTS

Value adjustments are analysed as follows:

	2019	**2018**
	kEUR	kEUR
On intangible assets	3	3
On tangible assets	727	1.120
Total	**730**	**1.123**

NOTE 21 – OTHER OPERATING EXPENSES

Other operating expenses are analysed as follows:

	2019	**2018**
	kEUR	kEUR
Duties and taxes	51	26
Other operating expenses	1.029	348
Book value of sold fixed assets	5	5.592
Other extraordinary expenses	22	125
Total	**1.107**	**6.091**

NOTE 22 – INTEREST PAYABLE AND SIMILAR EXPENSES

Interest payable and similar expenses amounting to kEUR 3.461 (2018: kEUR 3.285) is composed of interest on bank loans and bonds.

NOTE 23 – INCOME TAX

The Group is subject to the applicable income taxes in the different jurisdictions where the Group operates: Belgium, Luxembourg, France, Netherlands, Germany, Sweden and Denmark.

NOTE 24 – REMUNERATIONS OF AUDITORS

The consolidated annual accounts ended December 31, 2019 include auditors' fees amounting to kEUR 148 (2018: kEUR 139).

NOTE 25 – REMUNERATIONS OF THE BOARD

There has been no remuneration paid during the year ended to the members of the administrative, managerial and supervisory bodies (Board of Directors).

NOTE 26 – OFF-BALANCE SHEET COMMITMENTS

Purchase commitments

The Group has, through a subsidiary, entered into an agreement, to acquire several plots of land located in the municipalities of Vilvoorde and Machelen. The acquisition for approx. EUR 31 million will be made in several parts as set out in the purchase agreement, upon fulfilment of several conditions. The acquisition of the "southern part of the plots of land" has already been completed in 2017 and the purchase of the "northern part of the plots of land" is granted and accepted in consideration of a net price of EUR 18,5 million, of which EUR 6 million has been deposited. All the conditions were met in January 2020 and the northern part is subsequently acquired in March 2020.

The Group has, through a subsidiary, signed a letter of intent to acquire a company holding near Ghent, a plot of land and a former retail activity, subject to satisfactory permits enabling a residential project. The expected consideration is approx. EUR 2,2 million and the company was subsequently acquired in October 2020.

The Group has, through a subsidiary, signed a letter of intent to acquire a special purpose company with a retail activity on a plot of land of approx. 14.000 sqm subject to satisfactory permits enabling a 10.000 sqm retail development near Capellen. The expected consideration is approx. EUR 10 million and the company was subsequently acquired in July 2020.

The Group has, through subsidiaries, signed different letters of intent on several plots in Denmark, Sweden, Belgium, Germany, France & the Netherlands.

Guarantees

The Group, through its subsidiaries, provided to the different acquirers different representations and warranties in the light of the various disposals that occurred during the past years.

Legal proceedings

The Group is subject to a limited number of lawsuits, claims and other legal matters that arise in the ordinary course of conducting business, none of which, in management's opinion, is expected to have a material adverse impact on the Group's financial condition, results of operations or cash flows. The Group also tries to recover amounts, that the management qualifies as normal for the construction & development, from different parties in its ecosystem. It is nevertheless not possible to estimate the contingent asset.

Off balance-sheet commitments

The Group is involved in a temporary partnership cooperation (50% ownership) with unlimited responsability in case of losses.

Financial undertakings
Several borrowings were granted to the Group. The Group is jointly and severally liable for the reimbursement of these borrowings.
During 2018, the credit facility of 75 million € by Belfius has been extended to June 2022 and increased to 80 million €. As of December 31, 2019, an amount of approx. 39 million € was undrawn (2018: 31 million €).
Furthermore additional general lines of credit have been granted by ING (10 million € of which 5 million € undrawn) and BNP Paribas for 5 million €.
Besides the above mentioned general credit facilities, the Group finances its real estate projects with specific credit facilities (such as revolving credit facilities, term loans), which are negotiated on a case by case basis with different financial institutions.
The different financing institutions required the pledge of the financed assets.
In 2016, the Group had issued a 40 million € multi-term note program that has been almost fully underwritten by different investors.
In June 2020, the maximum amount of the multi-term note program has been increased to 80 million €.

Financial covenants
The credit facilities and medium term notes are subject to specific covenants which are taking into account the equity and its relation with the financial debt, as well as the generated cash flows. These covenants are fully respected.

NOTE 27 – EARN-OUT AND TOP-UP

In relation to the disposal of one of its subsidiaries and based on the purchase agreement dated July 13, 2018, the parties agreed that MG RE Invest S.A. and the other sellers shall be entitled to receive an additional consideration (“Top Up”), next to the Purchase Price, for the construction of the project “Container Terminal Nedcargo”.

This additional consideration will be paid by the Purchaser to MG RE Invest S.A. and the other sellers at the date of the provisional delivery/acceptance by the tenant of the project.

The parties agreed also that MG RE Invest S.A. and the other sellers shall be entitled to receive an additional consideration (“Earn Out”), next to the Purchase Price, depending on the actual letting of the buildings to be constructed, in accordance with the terms and conditions of the letting agreement to be concluded with the sellers.

The “Earn Out” for the redevelopment of the Land shall be paid by the Purchaser to MG RE Invest S.A. and the other sellers at the latest one month after the acceptance by the respective lessee for the building(s) to be constructed on the Land under Development.
This “Earn out” shall be applicable for 36 months following the Closing Date.

Based on the purchase agreement dated of July 13, 2018, the parties agreed that MG RE Invest S.A. and other sellers shall be entitled to receive a first additional consideration (“Top Up”), next to the purchase price, for the development of Eutraco and received the Top Up in December 2020.

NOTE 28 – SUBSEQUENT EVENTS

The Group did not experience any negative impact related to the Covid-19 pandemic.
The Group commercially succeeded in closing over 100,000 m2 in leases during 2020 and execute in due order the (pre-)sales contracts signed.

Financing for all projects was obtained at conditions equal or marginally better compared to before the pandemic. Construction timing could have been the biggest challenge but, due to the excellent relationships and long-standing collaboration with the construction partners of the Group, no project until to date has experienced any significant negative impact on timing nor budget.

The Covid-19 pandemic represents a non-adjusting subsequent event and is accordingly not reflected in the consolidated financial statements as of December 31, 2019.

Independent Auditor's Report

Building a better working world

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Independent auditor's report

To the Shareholders of
MG RE Invest S.A.
5, rue Heienhaff
L-1736 Senningerberg

Opinion

We have audited the accompanying consolidated annual accounts of MG RE Invest S.A. and its subsidiaries (the "Group"), which comprise the consolidated balance sheet as at 31 December 2019, and the consolidated profit and loss account for the year then ended, and the notes to the consolidated annual accounts, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated annual accounts give a true and fair view of the consolidated balance sheet of the Group as at 31 December 2019, and of the consolidated profit and loss account for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the consolidated annual accounts.

Basis for Opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (the "Law of 23 July 2016") and with International Standards on Auditing ("ISAs") as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" ("CSSF"). Our responsibilities under the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the "responsibilities of the "réviseur d'entreprises agréé" for the audit of the consolidated annual accounts" section of our report. We are also independent of the Group in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants ("IESBA Code") as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the consolidated annual accounts, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors for the consolidated annual accounts

The Board of Directors is responsible for the preparation and fair presentation of these consolidated annual accounts in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the consolidated annual accounts, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated annual accounts, the Board of Directors is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the "réviseur d'entreprises agréé" for the audit of the consolidated annual accounts

Our objectives are to obtain reasonable assurance about whether the consolidated annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the "réviseur d'entreprises agréé" that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated annual accounts.

As part of an audit in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the "réviseur d'entreprises agréé" to the related disclosures in the consolidated annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the "réviseur d'entreprises agréé". However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated annual accounts, including the disclosures, and whether the consolidated annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

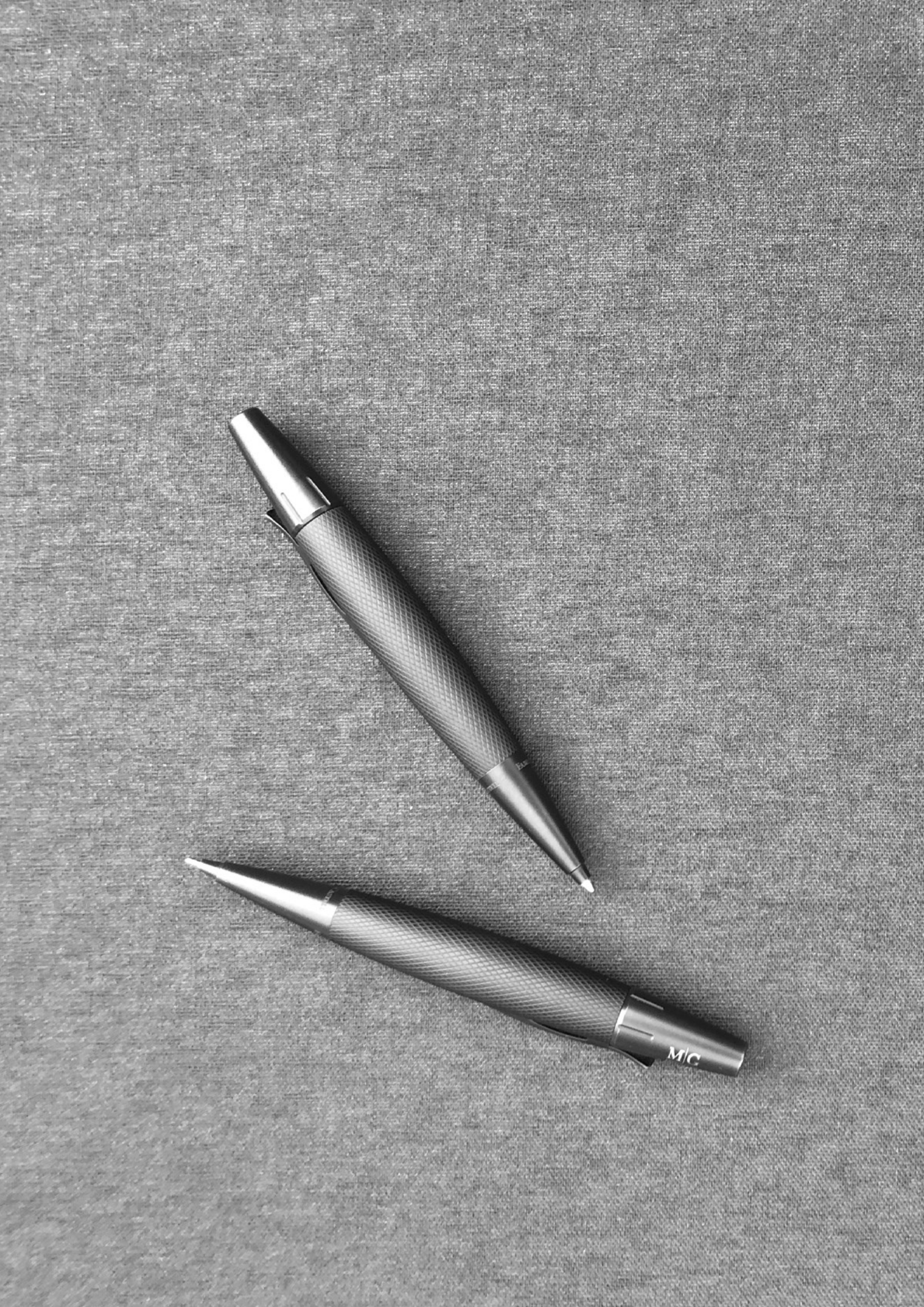
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the Group to express an opinion on the consolidated annual accounts. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Ernst & Young
Société anonyme
Cabinet de révision agréé

René Ensch

Luxembourg, 4 February 2021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