



## VANDEMOORTELE NV

(incorporated with limited liability in Belgium, having its registered office at Ottergemsesteenweg-Zuid 819, B-9000 and enterprise number 0429.977.343)

(the **Issuer**)

Public offer in Belgium and admission to trading on the regulated market of Euronext Brussels of

### **5.600% subordinated fixed rate bonds due 4 July 2029**

Nominal amount per Bond: EUR 1,000  
Issue Price: 101.875% of the nominal amount  
Redemption amount: 100% of the nominal amount  
ISIN: BE0002867480 Common Code: 249296201  
(the **Bonds**)

for a minimum amount of EUR 30,000,000 and a maximum amount of EUR 50,000,000

Subscription Period: from 24 June 2022 (9:00 CET) until (and including) 28 June 2022 (17:30 CET)  
(subject to early closing)

Issue Date: 4 July 2022

Gross actuarial yield at Issue Price: 5.273%

Net actuarial yield at Issue Price: 3.612%

*The actuarial yield is calculated on the basis of the issue of the Bonds on the Issue Date, the relevant Issue Price, the Interest Rate of 5.600% and is based on the assumption that the Bonds will be held until the Maturity Date of 4 July 2029 when they will be repaid at 100% of their principal amount in accordance with the Conditions. It is not an indication of future yield if the Bonds are not held until the Maturity Date. The net actuarial yield reflects a deduction of Belgian withholding tax at the current rate of 30% (see section "Taxation" on page 105 of this prospectus).*

This prospectus has been approved by the Belgian Financial Services and Markets Authority (*Autoriteit voor Financiële Diensten en Markten / Autorité des Services et Marchés Financiers*) (the **FSMA**) as competent authority under Regulation (EU) 2017/1129 (the **Prospectus Regulation**) on 21 June 2022. The FSMA only approves this prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Approval by the FSMA should not be considered as an endorsement of the Issuer or of the quality of the Bonds. Investors should make their own assessment as to the suitability of investing in the Bonds.

Application will be made for the Bonds to be listed and admitted to trading on the regulated market of Euronext Brussels.

**This prospectus is valid until 21 June 2023. The obligation to supplement this prospectus in the event of significant new factors, material mistakes or material inaccuracies does not apply when the prospectus is no longer valid.**

**The Bonds are "complex financial instruments" for purposes of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU Text (MiFID II). The Bonds are unsecured, unguaranteed and subordinated debt instruments. An investment in the Bonds involves risks. By subscribing to the Bonds, investors lend money to the Issuer who undertakes to pay interest on an annual basis and to reimburse the principal on the Maturity Date. In case of bankruptcy or default by the Issuer, the investors may not recover the amounts they are entitled to and risk losing all or part of their investment. The Bonds are subordinated debt, which means that in case of bankruptcy, any other type of *concursum creditorum* (*samenloop / concours*) of the Issuer, certain situations of dissolution and certain other insolvency procedures, in each case as further described in Condition 2.2 (*Subordination*), the Bondholders will only be paid after all higher ranking claims of other creditors have been paid in full (including any non-subordinated loan or other financial indebtedness granted by banks or other lenders such as KBC Bank NV, who is also a Joint Lead Manager). Additionally, in case of any payment default (whether of principal, interest, costs or other amounts due) by the Issuer under its Revolving Facility Agreement (or any refinancing thereof) with certain lenders (including KBC Bank NV), payments of principal, interest or any other amounts due to the Bondholders under the Bonds will be suspended, as set out in Condition 2.3 (*Suspension of payments*). The Bonds are unsecured obligations of the Issuer only, which are structurally subordinated to all debt of the Issuer's subsidiaries.**

**Before making any investment decision, the investors must read this prospectus in its entirety (and, in particular, the section "Risk factors" on pages 11 and following of this prospectus, including the risk factor "The war between Russia and Ukraine is expected to cause price increases of raw materials and energy, which the Group may not be able to fully pass on to its customers and/or increase the potential negative impact or the probability of occurrence of other risk factors").**

*Joint Lead Managers*

**BANK DEGROOF PETERCAM**

**KBC BANK**

## CONTENTS

Summary .....	3
Risk factors .....	11
Important information.....	30

### THE ISSUER AND THE GROUP

Description of the Issuer .....	32
Administrative, management and supervisory bodies .....	37
Business and strategy of the Group.....	42
Description of certain financing arrangements .....	54
Selected financial information .....	62
Alternative Performance Measures.....	72

### THE BONDS

Terms and Conditions of the Bonds.....	75
Clearing.....	104
Taxation .....	105

### THE PUBLIC OFFER

Use of proceeds.....	113
Terms and Conditions of the Public Offer in Belgium .....	114
Selling restrictions .....	120
Consent to use of this prospectus by Authorised Offerors.....	123

### THIS PROSPECTUS

Documents incorporated by reference .....	124
Prospectus supplements .....	125
Where more information can be found .....	126
Responsibility statement .....	127

## SUMMARY

This summary has been prepared in accordance with the content and format requirements of the Prospectus Regulation. The summary has been prepared in English and translated into Dutch and French. The Issuer is responsible for the consistency of the English, French and Dutch versions of the summary. In case of inconsistency between the different language versions of the summary, the English language version shall prevail (without prejudice to the responsibility of the Issuer).

### Introduction and warnings

Name of the Bonds:	5.600% subordinated fixed rate bonds due 4 July 2029 (the <b>Bonds</b> )
International Securities Identification Number (ISIN):	BE0002867480
Name of the Issuer:	Vandemoortele NV
Contact details of the Issuer:	Address: Ottergemsesteenweg Zuid 816, 9000 Gent, Belgium Telephone number: +32 (0)9 242 45 11 E-mail address: investors@vandemoortele.com
Legal Entity Identifier (LEI) of the Issuer:	529900DJYL1RIXIKR398
Name and contact details of the competent authority approving the prospectus:	Financial Services and Markets Authority ( <i>Autoriteit voor Financiële Diensten en Markten / Autorité des Services et Marchés Financiers</i> ) (the <b>FSMA</b> ) Rue du Congrès/Congresstraat 12-14, 1000 Brussels, Belgium Telephone number: +32 (0)2 220 52 11
Prospectus approval date:	21 June 2022
Warnings:	The summary should be read as an introduction to the prospectus. Any decision to invest in the Bonds should be based on a consideration of the prospectus (including any documents incorporated by reference) as a whole by the investor. The investor could lose all or part of the invested capital. Where a claim relating to the information contained in a prospectus is brought before a court, the plaintiff investor might, under national law, have to bear the costs of translating the prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent, when read together with the other parts of the prospectus, or where it does not provide, when read together with the other parts of the prospectus, key information in order to aid investors when considering whether to invest in such securities.

### Key information on the Issuer

#### *Who is the Issuer of the Bonds?*

The Issuer: Vandemoortele NV, a public limited liability company (*naamloze vennootschap / société anonyme*) incorporated under Belgian law, with enterprise number 0429.977.343 and registered with the register of legal persons (*RPR/RPM*) Ghent, section Ghent (the **Issuer**).

Principal activities:	<ul style="list-style-type: none"> <li>• Production, packaging and distribution of Margarines, Culinary Oils &amp; Fats (<b>MCOF</b>), targeting professionals who use margarines, culinary oils and fats and developing and manufacturing private labels for retailers across Europe.</li> <li>• Production, packaging and distribution of Bakery Products (<b>BP</b>) targeting professional chefs and bakers who further craft, bake or simply defrost the products for sale to consumers as fresh bakery goods and snacks.</li> <li>• Ancillary activity of transport, transport management and warehousing services for the Group and third parties.</li> </ul>
Major shareholders:	The Issuer is controlled by Safinco NV, which owns 546,381 shares (99.58%) in the Issuer. Safinco NV is the financial holding company of the family shareholders of the Issuer who indirectly jointly control the Issuer through Safinco NV and the <i>Stichting Administratiekantoor (STAK) Vandemoortele</i> , which has issued share certificates in respect of the shares in Safinco NV.
Key managing directors:	Yvon Guérin (Chief Executive Officer). The CEO is assisted by the Group Executive Committee consisting of the CEO (chair), Bart Bruyneel (Managing Director MCOF), Marc Croonen (Chief Human Resources, Sustainability & Communication Officer), Philippe Delsaut (Chief Legal & Risk Officer and General Secretary), Sabine Sagaert (Managing Director BP), Helena Vanhoutte (Chief Transformation Officer & Managing Director France), Herman Van Steenstraeten (Chief Financial Officer).
Statutory auditor:	Deloitte Bedrijfsrevisoren/Réviseurs d'Entreprises BV/SRL, represented by Tom Windelen.

***What is the key financial information regarding the Issuer?***

Key financial information:	<i>(in thousands of euro)</i>	<u>FY 2021</u>	<u>FY 2020</u>
<i>Condensed income statement</i>			
Total revenue .....		1,329,601	1,197,364
Operating profit/loss .....		<u>45,913</u>	<u>37,792</u>
<i>Condensed balance sheet</i>			
Long term debt plus short term debt minus cash ...		178,593	219,183
Ratio of net financial debt to operating profit/loss		3.64x	5.51x
Ratio of net financial debt to Adjusted EBITDA <sup>(1)</sup>		<u>1.41x</u>	<u>2.01x</u>
<i>Condensed cash flow statement</i>			
Net cash flows from operating activities .....		133,038	81,328
Net cash flows from financing activities .....		(36,626)	(62,190)
Net cash flows from investing activities.....		<u>(38,925)</u>	<u>(6,880)</u>

*FY 2020 and FY 2021 mean the Issuer's financial years ended on respectively 31 December 2020 and 31 December 2021. The numbers in the table above are extracted from the Issuer's audited consolidated annual financial statements.*

<sup>(1)</sup> *Adjusted EBITDA is an alternative performance measure calculated as follows: profit/loss from operations minus amortisations minus depreciations minus impairment losses on property plant and equipment plus consultancy costs relating to mergers and acquisitions plus adjustments for optimisation of operations plus lay-off costs not linked to future reorganisation.*

Audit qualifications: There are no qualifications in the auditor reports pertaining to the Issuer's consolidated annual accounts for the financial years ended 31 December 2021 and 31 December 2020.

### ***What are the key risks that are specific to the Issuer?***

- The war between Russia and Ukraine is expected to cause price increases of raw materials and energy, which the Group may not be able to fully pass on to its customers and/or increase the potential negative impact or the probability of occurrence of other risks.
- Shortages and price volatility of raw materials and energy may affect the Group's costs and/or revenues. The Group may be unsuccessful in passing on cost increases to customers, whether in full or in part, without suffering reduced volume, revenue and operating income.
- The top-5 of the Group's suppliers represent 43.5% of the Group's purchasing costs, resulting in concentration risks. Loss of a significant supplier may negatively affect the Group's operations and financial situation.
- Failure to anticipate or react to changes in consumers' dietary habits or preferences can lead to reduced demand for the Group's products and impact the Group's competitive position.
- Risks relating to food safety and food contamination may lead to product recalls, product liability claims, loss of consumer confidence and reduced product demand, which may ultimately affect the Group's business and results.
- The Group's operations and future development and the Issuer's ability to (re)pay interest and principal of the Bonds when due depend (among other things) on the ability of the Group to refinance its existing financial indebtedness on its maturity date or if it is declared immediately due and payable following an event of default, and raise additional financial indebtedness.
- The Group's financing arrangements contain covenants that restrict the Group's ability to engage in certain transactions and that may impair its ability to respond to changing business and economic conditions.

### **Key information on the Bonds**

#### ***What are the main features of the Bonds?***

Type and class:	The Bonds are a new separate series of bonds issued by the Issuer that are not fungible with any previously issued series of bonds.
Form:	The Bonds will be issued in dematerialised form and cannot be physically delivered.
ISIN:	BE0002867480
Currency:	Euro
Denomination:	EUR 1,000 per Bond
Number of Bonds to be issued:	Between 30,000 and 50,000, for a total nominal amount between EUR 30,000,000 and EUR 50,000,000.

Status and subordination: The Bonds are unsecured and unguaranteed bonds (without prejudice to the “negative pledge” provisions as described below).

Upon certain trigger events in respect of the Issuer (including bankruptcy, any other *concursum creditorum* (*samenloop / concursus*), insolvency proceedings such as a judicial reorganisation, and winding-up or liquidation), the Bonds will:

- be subordinated and rank junior to all unsubordinated rights and claims of other creditors (whether such rights or claims arise from financial indebtedness such as borrowings or non-financial indebtedness such as rights and claims of suppliers, customers, employees and the tax administration), which means that, if any such trigger event occurs, any interest, principal or other amounts due in respect of the Bonds will only be paid after the payment in full of all amounts due in respect of such unsubordinated (senior) rights and claims;
- have the same rank (*pari passu*) as all other subordinated rights and claims (including the Issuer’s existing subordinated bonds due 7 November 2023); and
- rank senior to certain financial indebtedness (other than debt capital market instruments) owed to the Issuer’s shareholders or other connected persons (other than the Issuer’s subsidiaries).

The Bonds are also structurally subordinated to all debt of the Issuer’s subsidiaries.

Suspension of payments: In the event a payment default (however described) occurs by the Issuer under its existing revolving facility agreement with certain of its Lenders (including KBC Bank NV), or any refinancing thereof, then payments of interest, principal or any other amounts due in respect of the Bonds will be suspended until such event of default is no longer outstanding, remedied or waived.

Redemption on Maturity Date: Unless previously purchased and cancelled or redeemed, the Bonds will be redeemed at par on 4 July 2029. There is no early redemption right at the option of the Issuer prior to the Maturity Date.

Early redemption at the option of Bondholders in case of a Change of Control: Each Bondholder, at its own initiative, will have the right to require the Issuer to redeem all or any part of that Bondholder’s Bonds if a Change of Control (as defined in the Conditions) occurs. If a credit rating agency has assigned a credit rating to the Issuer at the time when the Change of Control occurs, then Bondholders will only be able to exercise their early redemption right if any such credit rating is downgraded by the relevant credit rating agency as a result (in whole or in part) from that Change of Control.

Interest: Each Bond bears interest from (and including) the Issue Date at the rate of 5.600 per cent. per annum, payable annually in arrears on 4 July of each year starting with 4 July 2023 up to and including the Maturity Date. Payment of interest may be suspended as described above.

The gross actuarial yield at Issue Price is 5.273% and the net actuarial yield at Issue Price is 3.612%, calculated on the basis of the issue of the Bonds on the Issue Date, the relevant Issue Price, the Interest Rate of 5.600% and is based on the assumption that the Bonds will be held until the Maturity Date of 4 July 2029 when they will be repaid at 100% of

their principal amount in accordance with the Conditions. It is not an indication of future yield if the Bonds are not held until the Maturity Date. The net actuarial yield reflects a deduction of Belgian withholding tax at the current rate of 30% (see “Taxation” below).

- Taxation:** Payments of principal and interest in respect of the Bonds may be subject to withholding or deduction of taxes. For example, payments of interest on the Bonds are in principle subject to 30% Belgian withholding tax, unless the Bondholder can benefit from a reduction or exemption. The Issuer will not pay additional amounts to compensate Bondholders for any withholdings or deductions.
- Negative pledge:** The Issuer and its Subsidiaries are restricted from granting security or guarantees in respect of certain debt capital market instruments, unless the same security and/or guarantees are also granted to the Bondholders in respect of the Bonds (but always subject to the subordination provisions as described above).
- Events of Default:** If an event of default occurs and is continuing then any Bondholder may declare any or all of its Bonds immediately due and payable at the principal amount together with accrued interest (if any) to the date of payment (subject to the subordination and suspension of payments provisions as described above). The events of default applicable to the Bonds are set out in full in the Conditions and include (without limitation) non-payment of amounts due in respect of the Bonds, breach of certain covenants or undertakings in relation to the Bonds, payment default or early termination due to an event of default of any other financial indebtedness in excess of EUR 25,000,000, certain enforcement proceedings or unsatisfied judgments, certain events relating to bankruptcy, reorganisation, insolvency, debt restructuring negotiations, material changes to the Group’s activities, unlawfulness of the Bonds, and delisting or suspension of the listing of the Bonds (in each case, subject to certain thresholds, remedy periods or other limitations as set out in the Conditions).
- Meetings of Bondholders:** The Conditions of the Bonds contain provisions for calling meetings of holders of the Bonds to consider matters relating to the Bonds, including the modification or waiver of any provision of the Conditions (which may include, among other things, an extension of the maturity date of the Bonds, a reduction in the principal amount or the interest rate of the Bonds, amendments to the subordination or suspension of payment provisions and amendments to the events of default). These provisions permit defined majorities to bind all holders, including holders who did not attend and vote at the relevant meeting and holders who voted in a manner contrary to the majority.
- Transfer restrictions:** The Conditions do not restrict transfers of the Bonds. However, investors should note that customary selling restrictions apply for the initial public offer of the Bonds as described in this summary.
- Governing law:** Belgian law
- Bondholder representative:** The Issuer has not appointed a representative of the Bondholders.

***Where will the Bonds be traded?***

Trading: An application will be made for the bonds to be listed and admitted to trading on the regulated market of Euronext Brussels.

***Is there a guarantee attached to the Bonds?***

No guarantee: There is no guarantee attached to the Bonds.

***What are the key risks that are specific to the Bonds?***

- The Bonds are subordinated to all of the Issuer’s present and future unsubordinated financial and other indebtedness (including indebtedness owed to suppliers, employees, tax authorities and hedging counterparties).
- Payments of principal, interest or other amounts due on the Bonds will be suspended for up to 360 calendar days in case of a payment default under the Issuer’s Revolving Facility Agreement (or any refinancing thereof)
- The Bonds are unguaranteed and structurally subordinated to all debt of the Issuer’s subsidiaries.
- The Bonds do not restrict the ability of the Issuer or any other Group member to incur additional financial or other indebtedness that will (contractually or structurally) rank senior to the Bonds, or to grant security interests over any of its assets or to grant guarantees (without prejudice to the negative pledge provisions as described above), which may, in each case, affect the Issuer’s ability to (re)pay principal, interest and other amounts due in respect of the Bonds
- The Conditions contain provisions which may permit their modification without the consent of all Bondholders.
- There is currently no active trading market for the Bonds (or any other bonds issued by the Issuer) and no active trading market for the Bonds may develop.
- The Bonds are fixed rate bonds that are exposed to interest rate risks due to changes in market interest rates.
- The Issuer and the Joint Lead Managers and the Agent may engage in transactions adversely affecting the interests of the Bondholders. In particular, KBC Bank NV as Agent and a Joint Lead Manager in respect of the Bonds is also itself one of the (senior) lenders under the Issuer’s existing revolving facility agreement and other credit agreements, benefiting from the subordination and suspension of payments provisions in respect of the Bonds.

**Key information on the offer of the Bonds to the public and the admission to trading on a regulated market**

***Under which conditions and timetable can I invest in the Bonds?***

Public offer: The Bonds are offered to the public in Belgium only.

Issue Price: 101.875% of the nominal amount of the Bonds.

<b>Indicative timetable (subject to change):</b>	<b>Date (times are CET)</b>	<b>Event</b>
	24 June 2022 at 9.00 am .....	Opening of the Subscription Period
	24 June 2022 at 5.30 pm .....	Earliest possible closing of the Subscription Period



	28 June 2022 at 5.30 pm.....	Closing of the Subscription Period (if not closed earlier and subject to extension)
	Within three business days after closing of the Subscription Period.....	Expected publication date of the results of the Public Offer (including its net proceeds)
	4 July 2022 .....	Issue Date, delivery of the Bonds to the investors against payment of the Issue Price, listing and admission to trading of the Bonds on the regulated market on Euronext Brussels.
Authorised offerors:	Any financial intermediary authorised under MiFID II to conduct such offers that complies with the conditions of the consent to use the prospectus as set out in the prospectus.	
Minimum subscription:	The minimum subscription amount per investor is EUR 1,000 (exclusive of selling and distribution commissions).	
Plan for distribution:	50% of the nominal amount of the Bonds to be issued will be allocated to investors who are not qualified investors as defined in the Prospectus Regulation ( <b>Qualified Investors</b> ), and the other 50% will be allocated to third party distributors and/or Qualified Investors. Percentages may change if there are unplaced Bonds upon closing of the Subscription Period. In case of oversubscription, a reduction may apply, i.e., the subscriptions will be scaled back proportionally, with an allocation of a multiple of EUR 1,000.	
Results of the offer:	The results of the offer will be published within three business days after closing of the Subscription Period on the Issuer's website at <a href="https://vandemoortele.com/en/tags/investor-news/financial-instruments">https://vandemoortele.com/en/tags/investor-news/financial-instruments</a> .	
Listing and admission to trading:	On the Issue Date, the Bonds will be listed and admitted to trading on the regulated market of Euronext Brussels.	
Expenses of the issue and offer borne by the Issuer:	EUR 250,000.	
Expenses charged to the investor by the Issuer:	<p>Investors who are not Qualified Investors will pay a selling and distribution commission of 1.875% (the <b>Retail Commission</b>) of the nominal amount of the Bonds, which is included in the Issue Price of 101.875%.</p> <p>Investors who are Qualified Investors will pay a commission equal to the Retail Commission reduced, as the case may be, by a discount of up to 0.875% as determined by the Joint Lead Managers in their sole discretion, subject to certain exceptions.</p> <p>The financial services in relation to the Bonds will be provided free of charge by the Joint Lead Manager. Investors must inform themselves about the costs that their financial institutions might charge them.</p>	

***Why is this prospectus being produced?***

Estimated net proceeds:	Between EUR 29,750,000 (if the aggregate principal amount of the Bonds is EUR 30,000,000) and EUR 49,750,000 (if the aggregate principal amount of the Bonds is EUR 50,000,000).
Use of proceeds:	Refinancing (in part) of the repayment of the Issuer's EUR 100,000,000 fixed rate bonds on their maturity date of 10 June 2022.
No firm underwrite:	No person has committed to a firm underwrite of the Bonds. The Joint Lead Managers have agreed with the Issuer to use best efforts to place the Bonds.
Material conflicts of interest:	<p>Each Joint Lead Manager as well as its affiliates have engaged in, or may engage in the future in, a general business relationship and/or specific business transactions with, and may offer certain services to, the Issuer and other companies of the Group in any capacity. Any Joint Lead Manager may from time to time hold debt securities, shares and/or other financial instruments of the Issuer.</p> <p>As at the date of this Prospectus, each of the Joint Lead Managers and the Agent provides, among other things, payment services, investments of liquidities, credit facilities, bank guarantees and assistance in relation to bonds and structured products to the Issuer and its Subsidiaries for which certain fees and commissions are being paid. These fees represent one-off or recurring costs which are being paid to the relevant Joint Lead Manager as well as to other banks which offer similar services.</p> <p>KBC Bank NV, in its capacity as lender, will have the benefit of the subordination and suspension of payments provisions of the Bonds with respect to amounts owed to KBC Bank NV by the Issuer under two existing credit facility agreements, for a total outstanding principal amount on 30 April 2022 of EUR 50.0 million. Each Joint Lead Manager (or any of their affiliates) may grant additional senior financial debt to the Issuer in the future, with the benefit of the subordination and suspension of payments provisions of the Bonds.</p> <p>KBC Bank NV will receive customary fees in connection with its role as Agent in respect of the Bonds.</p>

## RISK FACTORS

The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Bonds. All of these factors are contingencies which may or may not occur. Factors which the Issuer believes may be material for the purpose of assessing the market risks associated with the Bonds are also described below.

The risk factors are presented in categories, depending on their nature. In each category, the risk factors which in the assessment of the Issuer are the most material, taking into account the negative impact on the Issuer and the probability of their occurrence, are mentioned first.

Prospective investors should note that the risks relating to the Issuer and the Bonds summarised in the “Summary” section of this prospectus are the risks that the Issuer believes to be the most essential to an assessment by a prospective investor of whether to consider an investment in the Bonds. However, as the risks which the Issuer faces relate to events and depend on circumstances that may or may not occur in the future, prospective investors should consider not only the information on the key risks summarised in the “Summary” section but also, among other things, the risks and uncertainties described below.

In purchasing Bonds, investors assume the risk that the Issuer may become insolvent or otherwise be unable to make all payments due in respect of the Bonds. There is a wide range of factors which individually or together could result in the Issuer becoming unable to make all payments due. Although the Issuer believes that the risks and uncertainties described below represent all material risks and uncertainties considered relevant on the date of publication of this prospectus for the Issuer’s business, it is not possible to identify all such factors or to determine which factors are most likely to occur, as the Issuer may not be aware of all relevant factors and certain factors which it currently deems not to be material may become material as a result of the occurrence of events outside the Issuer’s control. The Issuer has identified in this prospectus a number of factors which could materially adversely affect its businesses and ability to make payments due.

Prospective investors should also read the detailed information set out elsewhere in this prospectus (including any documents incorporated by reference herein) and should reach their own views prior to making any investment decision with respect to any Bonds. Furthermore, before making an investment decision with respect to any Bonds, prospective investors should consult their own stockbroker, bank manager, auditor or other financial, legal and tax advisers and carefully review the risks associated with an investment in the Bonds and consider such an investment decision in light of the prospective investor’s own circumstances.

Terms defined in the Conditions have the same meaning where used below.

### 1. RISK FACTORS SPECIFIC TO THE ISSUER

#### 1.1. Risks related to the Issuer’s exposure to geopolitical and other global events

- (a) *The war between Russia and Ukraine is expected to cause price increases of raw materials and energy, which the Group may not be able to fully pass on to its customers and/or increase the potential negative impact or the probability of occurrence of other risk factors*

The war between Russia and Ukraine does not have a direct effect on the Group’s business since the Group has no production sites or commercial offices in Russia or Ukraine. However, the Group will feel the indirect effect through the impact on the general European economy and through further price increases. Ukraine and Russia are the largest suppliers of wheat and sunflower seeds worldwide (see section “Selected financial information — Business review of the financial year ended 31 December 2021 — Important events after the closing date of the accounts (31 December 2021)” on page 63 for an

illustration of such price increases). Therefore, the Group will face further challenges in 2022 in terms of raw material price increases.

Price increases and reduced availability of sunflower seeds will affect the Margarines, Culinary Oils and Fats (MCOF) business line, while price increases and reduced availability of wheat will affect the Bakery Products (BP) business line. The Group also expects a further increase in all input costs, like energy, gas and oil, due to the war between Russia and Ukraine, which will affect both the MCOF and the BP business lines.

The Group may be unsuccessful in passing on cost increases to customers, whether in full or in part, without suffering reduced volume, revenue and operating income. See “—*Shortages and price volatility of raw materials and energy may affect the Group’s costs and/or revenues*” on page 13.

The continuing war between Russia and Ukraine may increase the materiality of risk factors identified in relation to the Issuer and the Bonds as set out in this section “*Risk factors*”.

**(b) *In case of a deterioration of the Covid-19 situation, new lockdown or other sanitary measures may cause new supply chain disruptions, reduced availability of personnel and temporary closures of factories (among other things), resulting in an increase of the Group’s costs and/or a reduction of the Group’s revenues and/or increase the potential negative impact or the probability of occurrence of other risk factors***

The Covid-19 pandemic has had significant impact on the world economy in 2020 and 2021 – resulting in the largest year-on-year GDP decrease in 2020 since World War II. In 2021 too, the world was still universally affected by the pandemic. The main impact was felt during the first months of 2021, with the year beginning with curfews, lockdowns and reduced social activities. This had a direct impact on food consumption and especially the food service channel (i.e. restaurants, cafes, catering companies etc.) in general, impacting the Group’s activities across all of its business lines.

The Group has mainly been affected by a loss of revenue. Consolidated revenue for financial year 2020 was 13.5% lower than revenue in 2019, which recovered to some extent in financial year 2021 (+11.1% compared to financial year 2020) but which is still below consolidated revenue for financial year 2019 (-3.9% compared to financial year 2019).

The Group has also been confronted with supply chain disruptions, reduced availability of personnel and temporary closure of factories in 2019 and 2020, but this has not had a material effect on the Group’s financial results because of government support and relief measures (among other things) and the food industry having been considered an ‘essential industry’ that was exempt from certain measures.

Depending on how the Covid-19 situation develops, these risks may have a material impact on the Group’s profitability. For example, the Group’s revenue may sharply decrease again if new curfews, lockdowns or reduced social activities are mandated following a deterioration of the Covid-19 situation, such as an increase in number of cases, hospitalisations or deaths resulting from Covid-19, or the outbreak of a new variant of the Covid-19 virus. Additionally, if such new measures are not combined with similar government support and relief measures, the Group may still experience additional loss of revenue or increases of operational expenses as a result of supply chain disruptions, reduced availability of personnel or temporary closure of factories that may occur in case of a deterioration of the Covid-19 situation.

The continuing Covid-19-pandemic may increase the materiality of risk factors identified in relation to the Issuer and the Bonds as set out in this section “*Risk factors*”.

## 1.2. Risks related to the Issuer's business activities and industry

### (a) *Shortages and price volatility of raw materials and energy may affect the Group's costs and/or revenues*

The Group's results may be adversely affected by increases in prices as well as shortage of raw materials, including, among others, flour, butter, sugar, chocolate, eggs, packaging materials (plastics and card board), as well as refined (vegetable) oils and fats. In financial year 2021, the Group's consolidated costs of raw materials and consumables used and goods for resale totaled EUR 739 million (2020: EUR 630 million), representing 56.3% (2020: 53.2%) of the Group's consolidated total operating expenses. Raw materials costs are subject to various factors beyond the Group's control such as market price volatility, currency fluctuations, changes in governmental agricultural programs, harvest and weather conditions (including extreme weather conditions and natural disasters such as floods, forest fires, etc. that are becoming increasingly common and that are expected to further intensify due to climate change), crop or stock disease (including bird flu), crop yields, alternative crops, prices in commodity derivatives, by-product values utilisation of raw materials in bio-fuels, and, ever increasing demand for raw materials by emerging markets such as China and India. The prices of many commodities have recently been at record levels, and commodity markets are experiencing unprecedented volatility over the last years. In the Bakery Products business line, the cost of the two main raw materials, butter and flour, increased steeply at the end of 2021 and was still increasing at the beginning of 2022. In the MCOF business line, raw material prices, mainly the price of palm oil, also grew to historic heights, driven by the booming demand for palm oil from India and China. Also see:

- The risk factor “—*The war between Russia and Ukraine is expected to cause price increases of raw materials and energy, which the Group may not be able to fully pass on to its customers*” on page 11
- Section “*Selected financial information — Business review of the financial year ended 31 December 2021 — Important events after the closing date of the accounts (31 December 2021)*” on page 63 for an illustration of such price increases of butter, wheat (illustrating price increases of flour, for which no market prices are available) and palm oil.

The Group also relies on utilities, such as gas, electricity, gasoline and diesel fuel, to operate its business and deliver its products, of which the storage and production (including ovens and deep-freezers) is particularly energy-intensive. Substantial future increases in prices for, or shortage of, these utilities might adversely affect the Group's financial condition and cash flows. In financial year 2021, the Group's consolidated costs of utilities and transport totalled EUR 117 million (2020: 106 million), representing 8.9% (2020: 9.0%) of the Group's consolidated total operating expenses. Also see “—*The war between Russia and Ukraine is expected to cause price increases of raw materials and energy, which the Group may not be able to fully pass on to its customers*” on page 11.

The Group may be unsuccessful in passing on cost increases to customers, whether in full or in part, without suffering reduced volume, revenue and operating income. Given the discrepancy between the Group's periodical price reviews with its customers and the more volatile movement of raw material and energy prices, short-term price increases cannot be immediately passed on to the Group's customers. Due to the bargaining power of certain key customers, such as large retail distribution chains, these price increases can in certain cases also not be passed on, in whole or in part, as part of the periodical price review. This is compounded by the highly concentrated nature of the retail distribution market – with the three top retailers controlling half or more of the market share in France, Germany, The Netherlands, the United Kingdom and Belgium. Group companies may be (temporarily) removed from the supplier lists of large retailers when they are unable to meet those retailers' stringent price demands due to increased costs of raw materials, ingredients, energy and/or transportation, which would negatively affect the Group's revenues. As at 31 December 2021, the retail distribution channel represented approximately 67% of sale volume in the Bakery Products line, and 30% of sales volume in the MCOF business line.

In order to reduce the Group's exposure to raw materials price volatility, the Group actively manages its raw materials positions within well-defined limits and restrictions, including by entering into forward contracts or other hedging instruments to hedge part of the Group's exposure to raw materials price volatility in line with its sales agreements with customers (on a back-to-back basis). Such measures may at times cause the Group to pay higher prices for raw materials than those available in the spot markets. Additionally, such measures are only intended to offset price swings for existing sales agreements, but do not protect the Group against the risk that it may not be able to pass on cost increases to customers in new sales agreements.

The Group's profitability will be negatively affected if it is not able to timely and fully pass on cost increases of raw materials and energy to its customers when concluding new sales agreements.

**(b) *The top-5 of the Group's suppliers represent 43.5% of the Group's purchasing costs, resulting in concentration risks. Loss of a significant supplier may negatively affect the Group's operations and financial situation***

As at 31 December 2021, the top-5 of the Group's suppliers represent 43.5% or EUR 357 million (31 December 2020: 40.3% or EUR 287 million) of the Group's purchasing costs. Cargill and Lipidos Santiga S.A. are part of the Group's limited number of suppliers of crude and refined oils and fats.

The loss of a significant supplier as a result of the current economic environment or as a result of such supplier's diversification of its product range, labour issues, availability of raw materials (see "*—Shortages and price volatility of raw materials and energy may affect the Group's costs and/or revenues*" on page 13) and quality problems at the supplier, available transport and related costs and other factors related to the suppliers, are outside the Group's control and could adversely impact the Group's operations and financial situation.

Some of the Group's major suppliers source their own raw materials from Russia and/or Ukraine, which may cause operational disruptions and delays due to the war between Russia and Ukraine (see "*The war between Russia and Ukraine is expected to cause price increases of raw materials and energy, which the Group may not be able to fully pass on to its customers and/or increase the potential negative impact or the probability of occurrence of other risk factors*" on page 11). However, the Group expects that any such disruptions at its major suppliers would be temporary, because they can source the relevant raw materials from other parts of the world.

If a major supplier of the Group would temporarily or permanently be unable to supply the raw materials required by the Group (due to the war between Russia and Ukraine referred to above or for any other reason), the Group may experience operational disruptions while it tries to obtain the required volume of raw materials from other suppliers. The Group may be required to change its recipes to replace unavailable raw materials with raw materials that are available. Such operational disruptions may lead to production delays or decreases in production volumes, causing loss of revenue and additional expenses to resolve such disruptions.

The Group may not be able to obtain the required volume of originally required raw materials from new suppliers at the same price as the price agreed with its current suppliers. The price of any replacement raw materials may be higher than the originally required raw materials. The Issuer may be unsuccessful in passing on such cost increases to its consumers (see "*—Shortages and price volatility of raw materials and energy may affect the Group's costs and/or revenues*" on page 13), particularly if such increases to the Group's cost of raw materials are specific to the Group (because of disruptions at one of its major suppliers) and not caused by general disruptions or price increases in the relevant commodity market.

If a major supplier of the Group would temporarily or permanently be unable to supply the raw materials required by the Group, the Group's operations and financial situation may be negatively affected.

**(c) Failure to anticipate or react to changes in consumers' dietary habits or preferences can lead to reduced demand for the Group's products and impact the Group's competitive position**

Changes in consumers' dietary habits or preferences may require the Group to adapt its existing product offering or to add new products to maintain or increase revenue. Anticipating consumer trends and preferences requires research and development and marketing initiatives.

For example, increased emphasis on health and wellness is causing changes in consumers' dietary habits and preferences, such as a preference to reduce the intake of saturated fats, salt and sugar, and to increase the intake of Omega-3 fatty acids and fibres. The Group is adapting its product mix to respond to these changes in dietary habits and preferences, for example:

- In the Bakery Products business line, the Group added more "Clean Label" products to its product range and creating a new concept line "Les BeneFits", consisting of Banquet d'Or® products with an increased focus on nutritional value, use of "whole grain", sourdough, low salt, low sugar, etc.
- In the MCOF business line, the Group has set up various projects with the aim of improving the nutritional value and achieving a higher Nutri-Score® for its spreads, which has already resulted in the development of one spread with Nutri-Score® A. The Group is also improving the nutritional profile of its margarines for industrial applications (B2B) by developing products with less saturated fat and/or less salt.

See section "*Business and strategy of the Group — Innovations — Research & Development: Product innovations*" on page 50 for more information relating to these developments.

Incorrectly identifying changes in consumers' preferences or the failure to (timely) anticipate, identify or react to such changes might result in reduced demand for the Group's products and could negatively affect the Group's competitive position.

**(d) Risks relating to food safety and food contamination may lead to product recalls, product liability claims, loss of consumer confidence and reduced product demand, which may ultimately affect the Group's business and results**

The Group is exposed to risks posed by involuntary or malicious product contamination, general food scares (including as a result of evolving nutritional and health-related concerns), food spoilage, the availability and costs of products liability insurance cover and the potential cost and disruption of product withdrawals and recalls. The risks of food contamination and spoilage exist at each stage of the production cycle: from the purchase and delivery of raw materials through the production, packaging, transport, stocking and delivery processes.

For example in 2021 the European food industry (and thus also the Group) was confronted with sesame seeds from India which were contaminated with the pesticide ETO (ethylene oxide) at levels higher than the permitted maximum threshold. According to applicable legislation in the European Union, such contaminated sesame seeds are considered unsafe and not allowed for sale in the European Union, and require a withdrawal/recall from market. This event has mainly impacted the importers and suppliers of sesame seeds out of India into the European Union (and their insurance), but there was no material financial impact on the Group.

Any actual or alleged health risks associated to the Group's products or even competitors' products may cause customers to lose confidence in the safety and quality of the Group's products, to reduce their demand, introduce individual or joint (class action) (defective) product liability claims, and ultimately have a material adverse effect on the Group's operations and financial condition. This may also lead to product withdrawals and/or recalls that are likely to be costly to the Issuer, and to reduced availability or increased cost of liability insurance cover of product recalls.

The Issuer considers the probability of this risk to be low, but the potential magnitude of the negative impact to be very high. For example, a serious case of product contamination, food scare or food spoilage may lead to a sharp reduction in demand for all or a substantial part of the Group's products (not limited to the products directly affected by the relevant risk), which could cause temporary liquidity issues for the Group. Additionally, such serious case of product contamination, food scare or food spoilage may lead to long-term loss of revenue until the Group is able to regain consumer's confidence in the safety and quality of the Group's products.

In addition, claims or liabilities of this sort might not be covered by the Group's products liability & contaminated products insurance or by any rights of indemnity or contribution that the Group may have against others such as suppliers of non-confirming goods. The Group may incur claims or liabilities for which the Group is not insured or that exceed the amount of its insurance coverage, resulting in significant cash outlays that could materially and adversely affect the Group's results and financial condition. For example, it is unlikely that insurance will be sufficient to cover long-term loss of revenue resulting from a serious case of product contamination, food scare or food spoilage that leads to general loss of confidence in the safety and quality of the Group's products. It may also take considerable time before insurance claims are settled and paid out, which could cause temporary liquidity issues for the Group.

**(e) *The Group's activities are labour-intensive and require attracting and maintaining sufficient qualified personnel, causing significant employee benefit costs***

The Group's activities, mainly in the Bakery Products business line, are labour-intensive. The average number of full-time equivalents employed by the Group during financial year 2021 was 4,515 (2020: 4,562). The total consolidated employee benefit expenses for the financial year ending 31 December 2021 amounted to EUR 259.4 million (31 December 2020: EUR 249.0 million), *i.e.* 19.5% (31 December 2020: 20.8%) of consolidated revenue of EUR 1,329.6 million (31 December 2020: EUR 1,197.4 million).

In some cases, the Group has had to increase wages in order to find/retain qualified personnel. The Group experiences tightening of the labour market and expects this to continue in the future.

Failure by the Group to attract and maintain qualified personnel at competitive wages and other benefits can negatively affect the Group's future growth and financial results. A shortage of qualified people might force the Group to increase wages or other benefits to be competitive when hiring or retaining employees, which could negatively affect the Group's profitability.

### **1.3. Risks relating to the Issuer's financial situation**

**(a) *The Group's operations and future development and the Issuer's ability to (re)pay interest and principal of the Bonds when due depend (among other things) on the ability of the Group to refinance its existing financial indebtedness on its maturity date or if it is declared immediately due and payable following an event of default, and raise additional financial indebtedness***

The Group covers its liquidity, working capital and capital expenditure needs through supplier credit, factoring, overdraft facilities, leasing, bank loans and bonds with various maturity dates and repayment profiles. As at 31 December 2021, the Group's consolidated gross borrowings (excluding off-balance factoring arrangements) amounted to EUR 237.5 million (31 December 2020: EUR 238.5 million). The Group must repay or refinance all of its financial debt existing on the date of this prospectus (other than certain long-term real estate leasing arrangements) prior to the Maturity Date of the Bonds. See "*Description of certain financing arrangements*" on page 54.

Additionally, financial indebtedness may become due prior to its stated maturity date in case of certain events of default (see "*Description of certain financing arrangements*" on page 54 for more information



relating to such events of default), which are in most cases different from and more elaborate than the events of default applicable to the Bonds (see Condition 8 (*Events of Default*)). The Group may agree to more stringent events of default in its future financing arrangements.

An event of default or acceleration (*i.e.*, declaring the relevant debt immediately due and payable) in one financing arrangement may trigger cross-default or cross-acceleration provisions in other financing arrangements, resulting in a cascade effect and increasing the likelihood of the Issuer becoming subject to or eligible for bankruptcy, reorganisation or other insolvency proceedings. An acceleration (but not merely the occurrence of an event of default that is not followed by acceleration of the indebtedness) of any financial indebtedness may also trigger a cross-default under Condition 8(iii) (*Cross-Default of the Issuer or a Material Subsidiary*) of the Bonds, subject to the conditions set out therein.

The Group's ability to meet its debt service obligations (including payments of interest and principal under the Bonds) or to refinance its debt on or before its due date (or when such debt is declared due and payable prior to its due date following an event of default or mandatory prepayment event), depends on its future operating and financial performance, which will be affected by its ability to successfully implement its business strategy as well as general economic, financial, competitive, regulatory and other factors beyond its control. Additional financial indebtedness or debt refinancing may not be available on attractive terms or at all. Consequently, the Group's financing costs may increase, which would have a negative influence on the Group's profitability.

**(b) *The Group's financing arrangements contain covenants that restrict the Group's ability to engage in certain transactions or to respond to changing business and economic conditions***

The Group's financing arrangements contain operational, strategic and financial covenants that restrict the Group's ability to engage in certain transactions (for example, restrictions on acquisitions of other businesses, on disposals of certain of the Group's subsidiaries or activities and on raising financial indebtedness) or to respond to changing business and economic conditions (for example, changing the nature of certain of the Group's or certain of its subsidiaries' business activities, or pursuing acquisitions and disposals that are necessary for a change in its business activities). See "*Description of certain financing arrangements*" on page 54 for more information relating to such restrictive covenants. The Group may agree to more stringent covenants in its future financing arrangements.

In cases where the Group is unable to obtain the agreement from the relevant financing parties to waive the relevant restrictions, the Group's only option may be to refinance the relevant indebtedness. However, voluntary prepayment of such indebtedness may also be restricted by the terms thereof. The Group may be unable to raise additional financial indebtedness for such refinancing at attractive terms or at all (see "*—The Group's operations and future development and the Issuer's ability to (re)pay interest and principal of the Bonds when due depend (among other things) on the ability of the Group to refinance its existing financial indebtedness on its maturity date or if it is declared immediately due and payable following an event of default, and raise additional financial indebtedness*" on page 16).

As a result, the Group may be forced to forego opportunities for transactions which it expects to be profitable or otherwise useful for the Group's activities. The Group may also not be able to respond to changing business and economic conditions, or its response may not be as effective as would have been possible without such restrictions.

**(c) *The Group could be required to increase contributions to its pension plans, thereby reducing financial resources to repay its financial liabilities or invest in its business operations***

The Group has various post-employment schemes, including both defined benefit and defined contribution pension plans. A defined benefit plan is a post-employment benefit plan that defines an amount of pension benefit that an employee will receive upon retirement. The liability recognised in the balance sheet for a defined benefit retirement plan is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets (see Notes 3.3.17 and 28 to the

Issuer's consolidated financial statements, incorporated by reference herein; see "*Documents incorporated by reference*" on page 124).

The Group's most important defined benefit pension plan is located in Belgium and was closed for new entrants as of 31 December 2012. Employees hired as of 1 January 2013 are covered by a defined contribution plan. Due to Belgian legislation, the employer is obliged to guarantee a minimum rate of return on the contributions. Therefore, the defined contribution plan is classified and accounted for as a defined benefit plan.

As at 31 December 2021, the amount recognised in the Issuer's audited consolidated financial statements in respect of defined benefit plans amounted to EUR 14.3 million (31 December 2020: EUR 19.8 million).

In case of adverse market situations, the present value of the future defined benefit (including the guaranteed rate of return on defined contribution plans) may increase and/or the fair value of plan assets may decrease, which may result in underfunding of the plan. For example, in case of an increase in the assumed inflation rate of 0.50% (keeping all other parameters constant), the Issuer expects that its total obligations under the pension plans would increase by 2.33% (see page 78 of the Issuer's consolidated financial statements, incorporated by reference herein; see "*Documents incorporated by reference*" on page 124).

In case of underfunding or changes to regulations applicable to such pension plans, the Group may be required to increase contributions to the relevant pension plans, thereby reducing cash flows available for the repayment of the Group's financial liabilities or to invest in the Group's business operations.

#### **1.4. Legal and regulatory risk**

**(a) *The Group is exposed to costs arising from compliance with present and future food and food safety regulations and more stringent health, safety, labour, sustainability, environmental, and other regulations that are specific to the food industry, and the Group may be exposed to liabilities if the Group fails to comply with such regulations***

The Group's activities in the food industry sector are subject to extensive regulation in each country in which it operates in relation to food and food safety regulations and other health, safety, labour, sustainability, environmental and other regulations that are specific to the food industry. Failure to comply with existing laws and regulations might result in fines and penalties being levied against the Group, liability claims (including any class action or similar mass claims by the Group's customers or end-consumers of the Group's products or products manufactured using the Group's products), the loss of its operating permits and might adversely affect the Group's reputation. Compliance with applicable regulatory requirements might result in material costs for the Group.

Compliance with future material changes in such regulations might result in material increase in operating costs and might require interruptions in the Group's operations to implement such regulatory changes. Increased governmental regulation of the food industry, such as proposed requirements designed to enhance food safety, sustainability, impose health-related requirements or to regulate imported ingredients may require changes to the Group's product offering, target markets or operational strategy, or otherwise increase the Group's costs and adversely affect its profitability.

**(b) *Failure to protect trademarks, designs, patents, domain names and other intellectual property rights may affect the Group's competitive position and results***

The Group owns a number of intellectual property rights, as described in more detail in section "*Business and strategy of the Group — Our intellectual property*" on page 52:

- The Group has registered trademarks, designs and domain names for its own name (Vandemoortele or its affiliated companies) and certain of its brand names in countries where

it has determined to have (or expects to have) material operations relating to that brand or its own name on the basis of its sales and marketing strategy and the expected potential of the relevant market. An important portion of the Group's revenues derives from sales of products under own brands, both for the retail markets and for the professional markets (see "*Business and strategy of the Group — Our business lines and key products and services*" on page 43). Maintaining the reputation of the Group's brands is essential to the Group's ability to attract and retain customers and is critical to its future success.

- For some of its products, the Group also has a number of patents.
- Finally, the Group owns certain 'secret know-how' and copyrights in relation to its activities and operations, including new product development and other innovations.

The Group's actions to establish, protect and/or renew (as applicable) its trademarks, designs, domain names and patents may not be sufficient to prevent imitation of the Group's products by others or to prevent others from seeking to block sales of the Group's products on grounds that they violate competitors' patents, trademarks and proprietary rights. If a competitor were to infringe on the Group's trademarks or patents, enforcing the Group's rights would likely be costly and would divert resources that would otherwise be used to operate and develop the Group's business.

If the Group were unable to protect its intellectual property rights against infringement or misappropriation by competitors or other third parties, its competitive position, financial results and growth might be adversely impacted.

## **2. RISK FACTORS SPECIFIC TO THE BONDS**

### **2.1. Risks related to the subordinated, unsecured and unguaranteed nature of the Bonds**

- (a) *The Bonds are subordinated to all of the Issuer's present and future unsubordinated financial and other indebtedness (including indebtedness owed to suppliers, employees, tax authorities and hedging counterparties)***

If a Trigger Event occurs (as defined in Condition 2.2 (*Subordination*) and including bankruptcy, any other type of *concursum creditorum* (*samenloop/concours*) or insolvency proceedings such as a judicial reorganisation (*gerechtelijke reorganisatie / réorganisation judiciaire*) in respect of the Issuer), then the Bonds will rank junior to all Senior Liabilities (defined in Condition 2.2 (*Subordination*) as the rights and claims of all unsubordinated creditors of the Issuer, whether present or future, actual or contingent, unsecured or secured). This means that, after the occurrence of a Trigger Event, the claims of the Bondholders in respect of the Bonds (including for the (re)payment of principal, interest or any other amounts due) will only be paid after payment in full of all Senior Liabilities (including principal, interest and any other amounts due).

Senior Liabilities include, but are not limited to, the Issuer's present and future senior financial indebtedness. It is expected that on or shortly after the Issue Date of the Bonds, the total amount of the Issuer's senior financial indebtedness will decrease with the net proceeds of the Bonds offered pursuant to this prospectus (see sections "*Terms and Conditions of the Public Offer in Belgium — Aggregate Nominal Amount*" on page 117 and "*Use of proceeds*" on page 113 for more information on the estimated amount and use of the net proceeds of the Bonds). Also see the risk factor "*—The Bonds do not restrict the ability of the Issuer or any other Group member to incur additional financial or other indebtedness that will (contractually or structurally) rank senior to the Bonds, or to grant security interests over any of its assets or to grant guarantees, which may, in each case, affect the Issuer's ability to (re)pay principal, interest and other amounts due in respect of the Bonds*" on page 22.

Other (non-financial) Senior Liabilities include liabilities owed by the Issuer to its suppliers, employees, tax and customs authorities, counterparties of derivatives entered into for hedging purposes and any liabilities arising from liability claims.

If a Trigger Event occurs, the Bonds will rank *pari passu* (i.e., have the same rank) as the rights and claims of any other subordinated creditor of the Issuer (including, for the avoidance of doubt, the Issuer’s subordinated bonds due in 2023 as described in section “*Description of certain financing arrangements — Subordinated Bonds due 2023*” on page 59) and senior to Super Junior Liabilities (as defined in Condition 2.2 (*Subordination*)). However, see “*The effectiveness of the subordination of Super Junior Liabilities depends on the relevant creditors thereof to agree to the subordination provisions in accordance with the Conditions*” on page 25.

The table below contains an overview of the Issuer’s senior, junior and super junior liabilities (on a non-consolidated basis) as at 30 April 2022, 31 December 2021 and 31 December 2020:

<i>(in thousands of euro)</i>	<b>30 April 2022</b>	<b>31 Dec 2021</b>	<b>31 Dec 2020</b>
Senior financial indebtedness <sup>(1)</sup> .....	127,207	105,870	164,371
Suppliers .....	127,191	119,112	78,172
Taxes.....	3,086	780	770
Employee benefits.....	2,210	2,719	1,828
Other non-financial debt <sup>(2)</sup> .....	20,875	20,875	22,760
<b><i>Total Senior Liabilities</i></b>	<b><i>277,569</i></b>	<b><i>249,356</i></b>	<b><i>267,901</i></b>
Subordinated financial indebtedness.....	75,000	75,000	75,000
<i>Bonds offered under this prospectus (p.m.)</i>	—	—	—
<b><i>Total Junior Liabilities</i></b>	<b><i>75,000</i></b>	<b><i>75,000</i></b>	<b><i>75,000</i></b>
N/A.....	—	—	—
<b><i>Total Super Junior Liabilities</i></b>	<b><i>—</i></b>	<b><i>—</i></b>	<b><i>—</i></b>

<sup>(1)</sup> More information regarding the Issuer’s senior and subordinated financial debt can be found in the section “*Description of certain financing arrangements*” on page 54.

<sup>(2)</sup> As at 31 December 2021, 31 December 2020 and 30 April 2022, “other non-financial debt” included only the dividend declared but not yet paid by the Issuer in respect of the relevant financial year.

The subordination and ranking provisions of Condition 2.2 (*Subordination*) only specify the legal rank of claims (which will mainly apply in case of distribution of proceeds following bankruptcy or liquidation of the Issuer), but does not specify the order for payment of debts by the Issuer. Except as required by (insolvency) law or any contractual provisions agreed to by the Issuer, the Issuer therefore remains free to pay its debts as it sees fit (on their scheduled maturity date or earlier pursuant to a voluntary or mandatory prepayment). For example, the Issuer is not restricted from repaying its 2023 Existing Bonds (as described in section “*Description of certain financing arrangements — Subordinated Bonds due 2023*” on page 59) on their maturity date, without making payments (rateable or otherwise) in respect of the Bonds, which will in principle remain outstanding until the Maturity Date of 4 July 2029.

**(b) *Payments of principal, interest or other amounts due on the Bonds will be suspended for up to 360 calendar days in case of a payment default under the Issuer’s Revolving Facility Agreement (or any refinancing thereof)***

The Issuer will suspend payments of principal, interest or other amounts due on the Bonds if it does not (timely) pay any amount when due and payable under its Revolving Facility Agreement (see “*Description of certain financing arrangements — Revolving Facility*” on page 55) or any facility entered into for the refinancing thereof (in whole or in part), as described in Condition 2.3 (*Suspension of payments*). Payments on the Bonds will be suspended until the earlier of (i) the date on which such

payment default is no longer outstanding or is remedied and/or waived, and (ii) the date which falls 360 calendar days after the date on which such payment default occurs (the End Date), insofar the Revolving Facility Agreement has not been accelerated (i.e. declared immediately due and payable following an event of default thereunder) prior to such End Date.

Investors should note that, although such non-payment or non-timely payment of any amount when due and payable under its Revolving Facility Agreement or any facility entered into for the refinancing thereof (in whole or in part) would also trigger an Event of Default under Condition 8(iii) (*Cross-Default of the Issuer or a Material Subsidiary*), but any repayment of the Bonds resulting from such Event of Default would also be subject to suspension by Condition 2.3 (*Suspension of payments*).

In case of multiple payment defaults, there may be more than one suspension period. In case of multiple payment defaults causing overlapping suspension periods, payments on the Bonds may be suspended for a total period that is longer than 360 calendar days. No additional interest will accrue on the amount of interests that remains unpaid during any suspension period.

**(c) *The Bonds are unguaranteed and structurally subordinated to all debt of the Issuer’s subsidiaries***

In addition to its operational activities, the Issuer acts as the main operational holding company of the Group. The Bondholders do not have direct recourse (through guarantees or otherwise) against any of the Issuer’s subsidiaries assets or income. The ability of the Issuer to repay the Bonds and other debts depends in part on the ability of the Issuer’s subsidiaries to upstream their profits through dividends, intercompany loans and other payments. The Issuer’s subsidiaries may not be able to pay dividends to the Issuer due to general corporate law restrictions on dividends and payments to shareholders or other legal or contractual restrictions applicable to the Issuer’s subsidiaries. Also see “—*The Group’s financing arrangements contain covenants that restrict the Group’s ability to engage in certain transactions or to respond to changing business and economic conditions*” on page 17.

In the event of liquidation, dissolution, reorganisation, bankruptcy or similar procedure affecting any of the Issuer’s subsidiaries, applicable insolvency and corporate laws will typically require such subsidiary to repay all amounts due to the subsidiaries’ creditors prior to distributing any remaining amounts to its shareholder. Insolvency and corporate laws in certain jurisdictions also provide for automatic subordination of amounts due to shareholders or certain other related entities, as a result of which such subsidiary would be required to first repay all amounts due to the subsidiaries’ other creditors (i.e. other than the Issuer or certain other related entities) prior to paying any amounts due to the Issuer or certain other related entities. Also see the risk factor “—*The Bonds do not restrict the ability of the Issuer or any other Group member to incur additional financial or other indebtedness that will (contractually or structurally) rank senior to the Bonds, or to grant security interests over any of its assets or to grant guarantees, which may, in each case, affect the Issuer’s ability to (re)pay principal, interest and other amounts due in respect of the Bonds*” on page 22.

The table below contains information regarding the liabilities of the Issuer’s subsidiaries (excluding the Issuer itself):

<i>(in thousands of euro)</i>	<b>31 December 2020</b>	<b>31 December 2021</b>	<b>30 April 2022</b>
<b>Financial debt</b> .....	<b>63,110</b>	<b>61,384</b>	<b>59,147</b>
Bank borrowings	16,035	14,079	13,557
Financial leases	47,075	47,755	45,590
<b>Non-financial debt</b> .....	<b>275,954</b>	<b>311,163</b>	<b>270,664</b>
Deferred tax liabilities.....	22,463	19,515	19,529
Derivatives .....	7,043	5,664	6,047
Employee benefit obligation .....	56,639	55,882	55,493
Other non-financial liabilities .....	5,436	6,254	6,174
Trade payables .....	157,089	190,008	161,184

Current tax payables .....	20,490	27,109	27,334
Interests payables .....	400,932	340	196
<b>Total debt .....</b>	<b>332,671</b>	<b>366,606</b>	<b>340,516</b>

The information in the table above as at 31 December 2020 and 31 December 2021 is aggregated by the Issuer on the basis of the audited non-consolidated annual accounts of the Issuer’s subsidiaries, and the information in the table above as at 30 April 2022 is aggregated by the Issuer on the basis of non-audited management accounts.

As a result, in case of an insolvency scenario (or similar procedure) in respect of a subsidiary, such subsidiary’s creditors will be repaid ahead of that subsidiary’s shareholders (including the Issuer as a direct or indirect shareholder of that subsidiary), and the Issuer’s resources available for the repayment of its own indebtedness (including the Bonds) may be insufficient to pay its own creditors (including the Bondholders).

**(d) *The Bonds do not restrict the ability of the Issuer or any other Group member to incur additional financial or other indebtedness that will (contractually or structurally) rank senior to the Bonds, or to grant security interests over any of its assets or to grant guarantees, which may, in each case, affect the Issuer’s ability to (re)pay principal, interest and other amounts due in respect of the Bonds***

The Conditions of the Bonds do not restrict the Issuer or any other member of the Group from incurring additional financial or other indebtedness or to grant guarantees in respect of such indebtedness that will in each case (contractually or structurally) rank senior to the Bonds (except for certain indebtedness of the Issuer ranking *pari passu* with or junior to the Bonds as set out in Condition 2.2 (*Subordination*)). The Issuer has agreed in its Revolving Facility Agreement to procure that additional members of the Group accede as guarantor and grant a guarantee under the Revolving Facility Agreement, if required to ensure that guarantor cover requirements are met (see “*Description of certain financing arrangements — Revolving Facility — Guarantee and guarantor cover test*” on page 55).

Additionally, nothing restricts the Issuer from re-classifying any of its subordinated indebtedness (ranking *pari passu* with the Bonds) into senior indebtedness (ranking ahead of the Bonds), or from refinancing subordinated indebtedness with new senior indebtedness.

As a result, the amount of the Group’s financial or other indebtedness that ranks ahead of the Bonds and other subordinated debt of the Issuer may in the future be substantially higher than on the date of this prospectus, which would reduce the ability of the Issuer to (re) pay principal, interest and any other amounts due under the Bonds (see “—*The Bonds are subordinated to all of the Issuer’s present and future unsubordinated financial and other indebtedness (including indebtedness owed to suppliers, employees, tax authorities and hedging counterparties)*” on page 19 and “—*The Bonds are unguaranteed and structurally subordinated to all debt of the Issuer’s subsidiaries*” on page 21).

Additionally, the Conditions of the Bonds do not restrict the Issuer or any other member of the Group from granting security over any of its assets as security for any of the Group’s or any other person’s liabilities (provided that pursuant to Condition 3 (*Negative pledge*), in cases where the secured liabilities are debt capital market instruments or other Relevant Debt as defined in the Conditions, the same security must be offered to the Bondholders, it being understood that such security granted to Bondholders will not prejudice the ranking of the Bonds as subordinated claims as set out in Condition 2.2 (*Subordination*)). See “—*The Bonds are unsecured liabilities of the Issuer, which may cause the Issuer to have insufficient resources to make payments on the Bonds when due*” on page 23.

**(e) The Bonds are unsecured liabilities of the Issuer, which may cause the Issuer to have insufficient resources to make payments on the Bonds when due**

The rights of the Bondholders to receive payment of interest, principal and any other amounts due in connection with the Bonds, are not secured by any of the Issuer's or any of its subsidiaries' or any other person's assets.

On the date of this prospectus, none of the Group's assets (including receivables and shares in subsidiaries) are the subject of any security rights, except for customary security on bank accounts included in the general terms & conditions of the Group's relationship banks; implicit security rights included in financial lease arrangements; priority rights (*voorrechten/droits de préférence*) arising by operation of law such as the "priority right of the unpaid seller"; priority rights of tax administration and priority rights in connection with employee wages and salaries; and customary reservation of title clauses in connection with the purchase of assets. Also see "—*The Bonds do not restrict the ability of the Issuer or any other Group member to incur additional financial or other indebtedness that will (contractually or structurally) rank senior to the Bonds, or to grant security interests over any of its assets*" on page 22.

In the event of enforcement of security by secured creditors or in the event of liquidation, winding-up, reorganisation, bankruptcy or similar proceedings affecting the Issuer, secured creditors of the Issuer will be paid out of the proceeds of the security they hold in priority to the holders of the Bonds and the Issuer may have insufficient resources to make payments on the Bonds when due.

**(f) The Bondholders are subject to insolvency and reorganisation proceedings and may be forced to accept reorganisation plans which may include a temporary suspension or permanent reduction of interest and/or principal payable under the Bonds or an extension of the maturity date**

Bankruptcy, reorganisation or other insolvency proceedings may substantially affect the right of the Bondholders to obtain (full or partial) repayment of the Bonds on the Maturity Date (or earlier in case of an Event of Default or Change of Control) or (full or partial) payment of interests or any other amount due on its respective due date. This risk factor sets out certain important cases where material rights of the Bondholders are suspended following bankruptcy or judicial reorganisation procedures.

*No acceleration of the Bonds merely due to the initiation or opening of a judicial reorganisation in respect of the Issuer*

Pursuant to paragraph (vii) (*Insolvency*) of Condition 8 (*Events of Default*), an Event of Default under the Bonds will occur and Bondholders can declare the bonds immediately due and payable (without prejudice to Condition 2.3 (*Suspension of payments*) and Condition 2.4 (*Super Junior Liabilities*)) if the Issuer or any Material Subsidiary initiates a bankruptcy proceeding or another insolvency proceeding under applicable Belgian or foreign bankruptcy laws, insolvency laws or similar laws (including Book XX of the Belgian Economic Law Code (*Wetboek van economisch recht / Code de droit économique*)), subject to certain limited exceptions specified in paragraph (vii) (*Insolvency*) of Condition 8 (*Events of Default*).

Bondholders should note that they will not be able to declare the Bonds due and payable on the basis of paragraph (vii) (*Insolvency*) of Condition 8 (*Events of Default*) merely due to the initiation or approval of a judicial reorganisation (*gerechtelijke reorganisatie / réorganisation judiciaire*) in respect of the Issuer. However, they will be able to declare the Bonds due and payable on the basis of paragraph (vii) (*Insolvency*) of Condition 8 (*Events of Default*) if (i) the Issuer initiates any other insolvency procedure, including a bankruptcy procedure or (ii) a judicial reorganisation (*gerechtelijke reorganisatie / réorganisation judiciaire*) is initiated or approved in respect of a Material Subsidiary of the Issuer. The table below summarizes in which cases a Bondholder can declare the Bonds due and

payable on the basis of an initiation or opening of certain insolvency procedures in respect of the Issuer or a Material Subsidiary:

<u>Type of procedure</u>	<u>Initiated or opened in respect of:</u>	
	<u>The Issuer</u>	<u>A Material Subsidiary</u>
Judicial reorganisation .....	No	Yes
Bankruptcy proceedings.....	Yes	Yes
Any other insolvency procedure .....	Yes	Yes

*Restrictions on accelerating the Bonds following the initiation or opening of a judicial reorganisation in respect of the Issuer*

- If an Event of Default had already occurred prior to the initiation or opening of a judicial reorganisation in respect of the Issuer: the Bondholders will still be able to declare the Bonds due and payable following the initiation or opening of a judicial reorganisation in respect of the Issuer if any other Event of Default (other than the mere initiation or opening of the judicial reorganisation itself) had already occurred under Condition 8 (*Events of Default*) (for example, if the Issuer had already not paid interests in respect of the Bonds when due) prior to the opening of a judicial reorganisation in respect of the Issuer.

This requires that the Bondholder gives notice of such Event of Default to the Issuer. If the Issuer still does not remedy the relevant Event of Default (e.g. by paying the relevant overdue amount to the Bondholders) within a 15-day period following that notice to the Issuer, then the Bondholder can declare its Bonds due and payable.

- If an Event of Default occurs after the initiation or opening of a judicial reorganization in respect of the Issuer: as from the opening of a judicial reorganisation in respect of the Issuer, the Issuer can unilaterally decide to cease performing its obligations under the Bonds (e.g. suspend making any payments of principal, interest or other amounts when due in respect of the Bonds) during the reorganisation proceedings. This requires that the Issuer notifies the Bondholders thereof and that such non-performance is necessary for the Issuer to be able to propose a reorganisation plan to its creditors or to transfer all or part of the enterprise or its assets.

The Bondholders cannot declare the Bonds due and payable solely on the ground that the Issuer has suspended the performance of its own obligations following the opening of a judicial reorganisation.

*Suspension of enforcement measures*

Enforcement measures in respect of the debtor (including by the Bondholders) are in principle suspended during bankruptcy and judicial reorganisation proceedings.

*Binding reorganisation plans*

In case of reorganisation proceedings, Bondholders may be forced to accept a reorganisation plan on the basis of which their claims to obtain payment of principal and interest under the Bonds are temporarily suspended or permanently reduced or extended, without the Bondholders' prior consent.

*Potential differences in rights and treatment of (categories of) creditors*

Other creditors (than the Bondholders) may not be subject to the same suspension, reduction or extension measures as those imposed on the Bondholders. For example, secured creditors can in principle not be forced to accept suspensions, reductions or extensions of their claims, which could



result in conflicts of interest among (classes of) creditors and which could increase the need for suspensions, reductions or extensions imposed on non-secured creditors such as the Bondholders.

*Interest stops accruing in respect of the Bonds following bankruptcy*

If the Issuer is declared bankrupt, interest will stop accruing in respect of all unsecured claims such as the Bonds as from the date of the decision of the bankruptcy court declaring bankruptcy.

**(g) *The effectiveness of the subordination of Super Junior Liabilities depends on the relevant creditors thereof to agree to the subordination provisions in accordance with the Conditions***

“Super Junior Liabilities” are defined in paragraph (iii) of Condition 2.2 (*Subordination*) as all present and future rights and claims of existing and future (x) shareholders of the Issuer and (y) Connected Persons (other than the Issuer’s Subsidiaries) as connected to the Issuer in relation to any indebtedness for or in respect of monies borrowed or raised from any of its shareholders or Connected Persons (other than the Issuer’s Subsidiaries), other than indebtedness under the form of Debt Capital Market Instruments. On the date of this prospectus, the Issuer does not have any Super Junior Liabilities.

Pursuant to paragraph (iii) of Condition 2.2 (*Subordination*), upon the occurrence of a Trigger Event, Super Junior Liabilities will rank junior to all rights and claims of the Bondholders against the Issuer in respect of or arising under (including, without limitation, principal, interest and any damages awarded for breach of any obligation under) the Bonds, in accordance with and subject to Condition 2.4 (*Super Junior Liabilities*).

Pursuant to Condition 2.4 (*Super Junior Liabilities*), the Issuer shall not (and shall procure that none of its Subsidiaries will) incur indebtedness for or in respect of monies borrowed or raised (other than indebtedness in the form of Debt Capital Market Instruments) from any of its shareholders or any Connected Person (other than the Issuer’s Subsidiaries) as connected to the Issuer unless that shareholder or Connected Person irrevocably agrees, by way of a *beding ten behoeve van een derde/stipulation pour autrui* for the benefit of the Bondholders, the rights and claims of such shareholder or Connected Person resulting from such indebtedness shall rank, upon a Trigger Event, junior to (1) the Senior Liabilities, and (2) the Junior Liabilities.

If the Issuer does not comply with the requirement of Condition 2.4 (*Super Junior Liabilities*) or if the subordination undertaking of the Issuer’s relevant shareholder or Connected Person (as applicable) referred to in Condition 2.4 (*Super Junior Liabilities*) is not valid or enforceable for any reason, then the junior ranking of such Super Junior Liabilities as set out in Condition 2.2 (*Subordination*) will not be effective, and such Super Junior Liabilities will rank at least *pari passu* with the 2029 Subordinated Bond Liabilities.

**2.2. Risks relating to the other Conditions of the Bonds**

**(a) *The Bonds may be redeemed prior to maturity and investors may not be able to invest the repayment proceeds at a comparable yield***

If an Event of Default or a Change of Control occurs, the holder of any Bond may give written notice to the Issuer that such Bond is immediately due and repayable in accordance with the Conditions, in which case the repayment amount will be equal to the principal amount together with accrued interest (if any) to the date of payment or the Put Redemption Amount (as defined in the Conditions; this amount comprises in any event the principal amount and the accrued interest (if any)), respectively. An investor may not be able to reinvest the repayment proceeds (if any) at a yield comparable to that of the Bonds and investors will not be compensated for such (potential) loss.

In the event that holders of a significant proportion of the Bonds exercise their right to early redemption, Bonds in respect of which such right is not exercised may be (more) illiquid and (more) difficult to trade, which could negatively affect the price of the Bonds in the secondary market (also see “—There

is currently no active trading market for the Bonds (or any other bonds issued by the Issuer) and no active trading market for the Bonds may develop” on page 27).

**(b) The Conditions contain provisions which may permit their modification without the consent of all Bondholders**

Condition 11 (*Meetings of Bondholders and modification*) and Annex 1 (*Provisions on meetings of Bondholders*) to the Conditions contain provisions for calling meetings of Bondholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Bondholders, including Bondholders who did not attend and vote at the relevant meeting and Bondholders who voted in a manner contrary to the relevant majority. Investors might therefore be bound by certain amendments to the Bonds or the Conditions to which they did not consent. Such decisions may include decisions relating to the interest payable on the Bonds (if any), the amount paid by the Issuer upon redemption of the Bonds, the status, ranking, subordination of the Bonds, the negative pledge provision and the requirement to grant security to the Bondholders in certain cases, the terms and conditions of suspension of payments on the Bonds, the terms of repayments (e.g. the Maturity Date or the cases or procedure for redemption in case of an Event of Default or a Change of Control).

Bondholders should note that the Bonds are a separate series of bonds issued by the Issuer, different from its other series of bonds such as the 2023 Existing Bonds. Decisions of meetings of bondholders of the Bonds will not be binding on meetings of bondholders of other series of bonds (such as the 2023 Existing Bonds), and vice-versa.

However, the Issuer may at any time in the future and without the consent of the existing Bondholders issue additional Bonds on terms that are identical to the Bonds (except for the issue date and the first interest period) and declare that such additional Bonds are part of the same series and fungible with the Bonds issued on the Issue Date, in accordance with Condition 13 (*Further issues*). In that case, there will be a single meeting of Bondholders in respect of the originally issued Bonds and such further issue(s), and majorities and quora will be calculated on the aggregate amount originally issued and such further issue(s) of Bonds.

**(c) The Bonds do not benefit from tax gross-up protection**

Potential investors should be aware that the Conditions do not require the Issuer to gross up the net payments received by a Bondholder in relation to the Bonds with the amounts withheld or deducted for Belgian tax purposes (see “*Taxation*” on page 105).

In case the Belgian tax rules would be amended such that Bondholders holding their Bonds in an exempt securities account in the NBB-SSS are no longer exempt from Belgian withholding tax, such Bondholders will bear the risk that Belgian withholding tax will be applied to and withheld from the payments to be received in relation to the Bonds.

If any such withholding would apply or increase, this would have a material adverse effect on the net yield the Bondholder will receive.

**(d) Bondholders must rely on the procedures of the NBB-SSS to receive payments or notices in respect of the Bonds or to settle transfers of Bonds**

The Bonds will be issued in dematerialised form in accordance with Articles 7:35 *et seq.* of the Belgian Companies Code. The Bonds will be represented by book entries in the records of the NBB-SSS. Access to the NBB-SSS is available through the NBB-SSS participants whose membership extends to securities such as the Notes (see section “*Clearing*” on page 104).

A Bondholder must rely on the procedures of the NBB-SSS to receive payments in respect its Bonds or to settle transfers of Bonds. Furthermore, pursuant to Condition 12 (*Notices*), notices to Bondholders in

relation to the Bonds shall be given through the NBB-SSS (among other methods). Unless a Bondholder relies on a different method of receiving notices, that Bondholder will therefore also need to rely on the procedures of the NBB-SSS to receive notices from the Issuer in relation to the Issuer.

Neither the Issuer nor the Agent will have any responsibility or liability for the records relating to, or payments made in respect of, the Bonds within, or any other improper functioning of, the NBB-SSS. In such case, Bondholders should make a claim against the NBB (as operator of the NBB-SSS) through the relevant participant in the NBB-SSS through which it holds its Bonds.

Any such risk may adversely affect the rights and/or return on investment of a Bondholders, for example where the Bondholder would not receive a payment or notification or where the Bondholder would not be able to settle a transfer of Bonds in due time following a malfunction of the NBB-SSS.

### **2.3. Risks that may affect the secondary market value and liquidity of the Bonds**

***(a) There is currently no active trading market for the Bonds (or any other bonds issued by the Issuer) and no active trading market for the Bonds may develop***

The Bonds are new securities which may not be widely distributed and for which there is currently no active trading market. If the Bonds are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the Issuer's results of operations.

Although application will be made for the Bonds to be listed and admitted to trading on the regulated market of Euronext Brussels, there is no assurance that such application will be accepted or that an active trading market will develop.

Accordingly, there is no assurance as to the development or liquidity of any trading market for the Bonds. Therefore, investors may not be able to sell their Bonds easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. It cannot be guaranteed that the listing, once approved, will be maintained. If the trading of the Bonds on the regulated market of Euronext Brussels is suspended or cancelled, this may under certain circumstances result in an Event of Default under the Bonds (in this respect, reference is made to paragraph (xi) (*Delisting of the Bonds*) of Condition 8 (*Events of Default*)).

Illiquidity may have a severely adverse effect on the market value of Bonds.

***(b) The Bonds are fixed rate bonds that are exposed to interest rate risks due to changes in market interest rates***

Interest on the Bonds will be payable at a fixed rate of interest until the Maturity Date (or the relevant redemption date of the relevant Bonds following a Change of Control or an Event of Default). The holder of a fixed interest rate bond is exposed to the risk that the price of such bond falls as a result of changes in market interest rates. While the nominal interest rate of a fixed interest rate bond is fixed, the current interest rate on the market (market interest rate) typically changes on a daily basis. As the market interest rate changes, the price of such bond tends to evolve in the opposite direction. All other things being equal, if the market interest rate increases, the price of such bond typically falls, until the yield of such bond is approximately equal to the market interest rate. Bondholders should be aware that movements of the market interest rate can adversely affect the price of the Bonds and can lead to losses for the Bondholders if they sell the Bonds before their maturity.

***(c) Absence of credit rating may render the price setting for the Bonds more difficult***

The Issuer and the Bonds do not have a credit rating, and the Issuer currently does not intend to request a credit rating for itself or for the Bonds at a later stage. It may therefore be more difficult for investors to assess the Issuer's ability to comply with its payment obligations under the Bonds. Due to the absence

of a credit rating, it may also be more difficult for Bondholders to benchmark their investment in the Bonds against other debt securities, and to become aware of any adverse change in the credit risk of the Issuer. The foregoing elements may impact both the liquidity of the Bonds and the trading price of the Bonds (also see “—*There is currently no active trading market for the Bonds (or any other bonds issued by the Issuer) and no active trading market for the Bonds may develop*” on page 27). There is no guarantee that the price of the Bonds will cover the credit risk related to the Bonds and the Issuer.

## **2.4. Risks relating to conflicts of interest**

### **(a) *The Issuer and the Joint Lead Managers and the Agent may engage in transactions adversely affecting the interests of the Bondholders***

The Joint Lead Managers and the Agent might have conflicts of interest that could have an adverse effect on the interests of the Bondholders. Potential investors should be aware that the Issuer is involved in a general business relation and/or in specific transactions with each of the Joint Lead Managers and the Agent and that they might have conflicts of interest that could have an adverse effect on the interests of the Bondholders.

As at the date of this Prospectus, each of the Joint Lead Managers and the Agent provides, among other things, payment services, investments of liquidities, credit facilities, bank guarantees and assistance in relation to bonds and structured products to the Issuer and its Subsidiaries for which certain fees and commissions are being paid. These fees represent one-off or recurring costs which are being paid to the relevant Joint Lead Manager as well as to other banks which offer similar services.

Additionally, KBC Bank NV, in its capacity as lender under certain credit facility agreements, is a direct beneficiary of Condition 2.2 (*Subordination*). More information regarding the credit facility agreements with KBC Bank NV can be found in sections “*Description of certain financing arrangements — Revolving Facility*” on page 55 and “—*Irrevocable and Revolving Letter Of Credit by KBC Bank NV*” on page 61. See also the risk factors “*The Bonds are subordinated to all of the Issuer’s present and future unsubordinated financial and other indebtedness (including indebtedness owed to suppliers, employees, tax authorities and hedging counterparties)*” on page 19.

KBC Bank NV in its capacity as lender under the Revolving Facility is a direct beneficiary of Condition 2.3 (*Suspension of payments*). More information regarding the Revolving Facility can be found in sections “*Description of certain financing arrangements — Revolving Facility*” on page 55. See also the risk factor “*Payments of principal, interest or other amounts due on the Bonds will be suspended for up to 360 calendar days in case of a payment default under the Issuer’s Revolving Facility Agreement*” on page 20.

As at 30 April 2022, the total outstanding principal amount of financial indebtedness owed to KBC Bank NV was EUR 50.0 million and there is no financial indebtedness owed to Bank Degroof Petercam SA/NV. It cannot be excluded that the amount of indebtedness owed to KBC Bank NV and/or Bank Degroof Petercam SA/NV would increase over the lifetime of the Bonds or that the Issuer would grant security interests in respect thereof (also see “*The Bonds do not restrict the ability of the Issuer or any other Group member to incur additional financial or other indebtedness that will (contractually or structurally) rank senior to the Bonds, or to grant security interests over any of its assets or to grant guarantees, which may, in each case, affect the Issuer’s ability to (re)pay principal, interest and other amounts due in respect of the Bonds*” on page 22).

Potential investors should also be aware that any Joint Lead Manager may from time to time hold debt securities, shares and/or other financial instruments of the Issuer.

KBC Bank NV, in its capacity as Agent, will act in accordance with the Conditions and the Agency Agreement in good faith. However, Bondholders should be aware that the Agent does not assume any fiduciary or other obligations to the Bondholders and, in particular, is not obliged to make determinations which protect or further the interests of the Bondholders. The Agent may rely on any

information to which it should properly have regard to and is reasonably believed by it to be genuine and to have been originated by the proper parties.

Also see “*Important information — Potential conflicts of interest of the Joint Lead Managers and the Agent*” on page 30.

## **IMPORTANT INFORMATION**

### **MiFID II Product Governance / Eligible counterparties**

The Joint Lead Managers acting as the manufacturers for the Bonds in accordance with MiFID II has communicated the results of its product approval procedures of the Bonds to the Issuer. Solely for the purposes of the manufacturer's product approval process, the target market assessment in respect of the Bonds has led to the conclusion that: (i) the target market for the Bonds is eligible counterparties, professional clients and retail clients, each as defined in MiFID II; (ii) all channels for distribution of the Bonds to eligible counterparties and professional clients are appropriate; and (iii) the following channels for distributions of the Bonds to retail clients are appropriate: investment advice, portfolio management, non-advised sales and pure execution services, subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable (the **Target Market Determination**).

The Target Market Determination does not affect the requirements of any contractual, legal or regulatory selling restriction related to the Public Offer. In order to avoid any doubt, the Target Market Determination may not be considered as: (a) an assessment of the suitability or appropriateness of the Bonds for any (potential) investor for the purpose of MiFID II (b) a recommendation to any investor or group of investors to invest in, to purchase or to take any other measure relating to the Bonds.

The Target Market Determination is the exclusive responsibility of the Joint Lead Managers. Any distributor should take into account the manufacturer's target market assessment; however, a distributor subject to MiFID II is responsible for making its own target market assessment in respect of the Bonds (by either adopting or refining the manufacturer's target market assessment) and determining the appropriate distribution channels, subject to the distributor's suitability and appropriateness obligations under MiFID II, as applicable.

No provision of this prospectus should be considered as a restriction on the protection granted to potential investors pursuant to mandatory investor protection rules, including such rules under MiFID II.

### **Basis for any investment decision**

This prospectus has been prepared to provide information on the Public Offer. When potential investors decide to invest in the Bonds, they should base their decision on the information set forth in this prospectus (including documents incorporated by reference in this prospectus) and on their own research of the Issuer and the Conditions, including, but not limited to, the associated benefits and risks, as well as the conditions of the Public Offer itself. Potential investors must themselves assess, with their own advisors if necessary, whether the Bonds are suitable for them, taking into account their personal income and financial situation. In case of any doubt about the risk involved in purchasing the Bonds, investors should abstain from investing in the Bonds.

### **This prospectus does not constitute investment, legal or tax advice**

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

### **Potential conflicts of interest of the Joint Lead Managers and the Agent**

The Joint Lead Managers as well as its affiliates have engaged in, or may engage in the future in, a general business relationship and/or specific business transactions with, and may offer certain services to, the Issuer and other companies of the Group in any capacity.

Potential investors should also be aware that any Joint Lead Manager may from time to time hold debt securities or other financial instruments of the Issuer.

Additionally, KBC Bank NV, in its capacity as lender under certain facility agreements described below, is a direct beneficiary of the subordination and suspension of payment provisions of the Bonds:

- KBC Bank NV is a bookrunning mandated lead arranger and a lender with a 27.5% participation in the Issuer's EUR 200,000,000 revolving facility agreement (see "*Description of certain financing arrangements — Revolving Facility*" on page 55). As at 30 April 2022, the principal amount outstanding under this revolving facility agreement owed to KBC Bank NV is zero. However, the Issuer expects to draw on this revolving facility between the date of this Prospectus and the Issue Date (see "*Use of proceeds*" on page 113).
- KBC Bank NV is the sole lender of an up to EUR 50,000,000 credit facility (see "*Description of certain financing arrangements — Irrevocable and Revolving Letter Of Credit by KBC Bank NV*" on page 61). As at 30 April 2022, the principal amount outstanding under this credit facility owed to KBC Bank is EUR 50.0 million.

Furthermore, KBC Bank NV receives customary commissions in relation to the Public Offer in its capacity as Agent.

Please also refer to the risk factor "*The Issuer and the Joint Lead Managers and the Agent may engage in transactions adversely affecting the interests of the Bondholders*" on page 28.

### **Forward looking statements**

This prospectus includes forward-looking statements. These statements appear in a number of places in the prospectus, and include statements regarding the Issuer's intent, belief or current expectations, and those of the Issuer's officers, with respect to (among other things) its financial condition. Such estimates and forward-looking statements are based mainly on current expectations and estimates of future events and trends which affect, or may affect, the Issuer's business and results of operations. Although the Issuer believes that these estimates and forward-looking statements are based upon reasonable assumptions, they are subject to several risks and uncertainties and are based on information currently available to the Issuer.

The words "believe", "plan", "expect", "anticipate", "intend", "continue", "seek", "may", "can", "will", "should" and similar words and expressions are intended to identify estimates and forward-looking statements. Estimates and forward-looking statements refer only to the date when they were made and neither the Issuer nor any Joint Lead Manager undertakes any obligation to update or review any estimate or forward-looking statement, whether as a result of new information, future events or any other factors. Estimates and forward-looking statements involve uncertainties and other factors that may cause the actual results, condition, performance or achievements of the Issuer, its Subsidiaries or affiliated entities or industry results to be materially different from future results, condition, performance or achievements expressed or implied in such forward-looking statements. Given these uncertainties, investors should only rely to a reasonable extent on such estimates and forward-looking statements in making decisions regarding investment in the Bonds.

## THE ISSUER AND THE GROUP

### DESCRIPTION OF THE ISSUER

#### Overview

Legal and commercial name:	Vandemoortele NV
Legal form:	Public limited liability company ( <i>naamloze vennootschap / société anonyme</i> ) under Belgian law
Country of incorporation:	Belgium
Registered office:	Ottergemsesteenweg Zuid 816, 9000 Gent, Belgium
Place of registration:	Register of Legal Persons ( <i>Rechtspersonenregister / Registre des personnes morales</i> ) of Ghent, section Ghent (Belgium)
Registration number:	0429.977.343
Legal entity identifier (LEI):	529900DJYL1RIXIKR398
Date of incorporation:	2 December 1986
Duration:	Unlimited duration
Telephone number:	+32 (0)9 242 45 11
Website:	<a href="https://www.vandemoortele.com">https://www.vandemoortele.com</a>

The information on the website does not form part of the prospectus unless that information is incorporated by reference into the prospectus (see section “*Documents incorporated by reference*” on page 124).

Credit ratings:	No credit ratings have been assigned to the Issuer or any of its securities (including the Bonds) at the request or with the cooperation of the Issuer in the rating process.
-----------------	---

#### Corporate object

The following is an English translation of the Dutch official text of the Issuer’s corporate object as defined in Article 3 of its articles of association:

- Acquisition of participations in any form in all existing or to-be-incorporated legal entities and companies;
- Management, monetization and sale of such participations;
- Stimulating, planning, coordinating, developing and investing in legal entities and companies in which it does or does not hold a participation;
- Participation in the management and supervision of companies in which it holds a participation;
- Granting of loans or credit facilities to legal entities or enterprises or private persons, in any form; in this context, it can also give guarantees or grant aval, in the broadest sense, complete any trade- and financial operations except those that are legally reserved for credit institutions;



- Providing services and advice of a financial, technical, commercial or administrative nature; in the broadest sense, except advice regarding investments and placements of money; providing assistance and services, directly or indirectly in relation to administration and finance, sales, production and general management.
- Performance of management assignments and assignments of liquidators, performing assignments and offices.
- Developing, purchasing, selling, obtaining or giving licenses regarding patents, knowhow and related intangible durable assets.
- Both for the benefit of sister companies and affiliated companies as for the benefit of third parties, both in Belgium and abroad, providing computer services, technical assistance, and making available knowhow and show-how in connection with the development, the installation, the operation and the maintenance of information processing systems of, for example and without limitation, accounting, financial, commercial, logistical or industrial nature for accounting, financial management and cash management, production planning, cost accounting and logistical management. This includes both the provision of services as obtaining, disposing and making available of all property rights and/or rights of use of hardware and software.
- The purchase and sale, import and export, brokering and agency of any goods, i.e. trade intermediary.
- Research, development, manufacturing or commercialisation of new products, new forms of technology and their applications.
- Creating, developing and managing a movable patrimonium; all transactions with respect to movable assets and rights, of any nature, such as acquiring by subscription or purchase and the management of shares, bonds, certificates of deposit or other movable instruments, of any nature, of Belgian or foreign, existing or to-be-incorporated legal entities and enterprises.
- Creating, duly developing and managing an immovable patrimonium; all transactions with respect to immovable assets and immovable real rights such as leasing of immovable assets to third parties, purchasing, selling, exchanging, building, renovating, maintaining, letting, leasing, parcellate, prospect and operate immovable assets; the purchase and sale, leasing and letting of movable assets, and all acts that are directly or indirectly related to this object and that are by nature increasing the revenues of movable and immovable assets, including giving guarantees for the due completion of obligations by third parties that would have the benefit of these movable and immovable assets.
- Centrally purchasing and selling, for itself or as intermediary in any capacity whatsoever, of all goods and services that are related in any way to the object mentioned above and more specifically but without limitation, purchasing, selling and/or becoming involved in the purchase and sale of raw materials, by-products, ingredients and packaging for the production of margarines, culinary oils and lipids, bakery products, frozen pastry and any other commodities, consumables and investment goods, including the negotiation, management of purchase and sale positions and volume synergies and related risks and the development and management of IT systems to support such purchase and sale of goods and services, for itself, for affiliated companies and for third parties.

The foregoing includes all related industrial, commercial, agricultural, maritime, financial, movable and immovable and technical and IT transactions in Belgium and abroad that are directly or indirectly related to the Issuer's object or involved therein or can support the completion thereof, in all ways and manners that it considers fit.

The above enumeration is not limitative and must be construed in the widest sense. The Issuer may either act in its own name and for its own account, or in the name and for the account of third parties, or in cooperation with them. It may do everything which may support the pursuit of its object in any way. It may among other things appeal to public savings. The company may pursue its object in Belgium and abroad, in all ways and manners, which it may deem most appropriate.

### **Share capital**

The share capital of the Issuer amounts to EUR 14,862,354, represented by 547,208 shares without specified nominal value. All shares are of the same class and represent an equal fraction of the Issuer's share capital. All shares are fully paid up. There is no authorized, un-issued capital.

All shares are in registered form (*op naam / nominative*). Each share has one vote in the Issuer's general meeting of shareholders (subject to certain voting restrictions, e.g. in case of treasury shares held by the Issuer itself).

As at 31 December 2021, the Issuer held 2,315 of its own shares and the Issuer or one of its subsidiaries held 47,252 certificates (representing shares in the Issuer) issued by the Issuer's parent company, Safinco NV. Own shares and Safinco certificates held by the Issuer or its subsidiaries are reorganised in the Issuer's financial statements as treasury shares. The voting and dividend rights in respect of treasury shares and certificates representing shares in the Issuer are suspended.

The Issuer has two stock option plans under which 12,313 options were outstanding as at 31 December 2021. Each such stock option gives the holder the right to buy one share in the Issuer at a pre-defined price during the exercise period. See Note 31.2 of the Issuer's audited consolidated financial statements for the financial year ended 31 December 2021 for more information regarding these options (see section "*Documents incorporated by reference*" on page 124). Upon exercise of these options, the Issuer intends to satisfy its delivery obligation using its treasury shares. Under the issue conditions of these options, the beneficiary of the stock options agree to sell its shares immediately upon exercise to Safinco NV (or, for options issued prior to 2018, to the Issuer) at the latest available share value at the moment of exercise of the options. Therefore, any exercise of stock options issued pursuant to the Issuer's stock option plans would not affect the Issuer's share capital or composition of shareholders.

### **Major shareholder**

The Issuer is directly controlled by Safinco NV, which owns 546,381 shares (99.58%) in the Issuer. Safinco NV is the financial holding of the family shareholders of the Issuer, who indirectly jointly control the Issuer through Safinco NV and the *Stichting Administratiekantoor (STAK) Vandemoortele*, which has issued share certificates in respect of the shares in Safinco NV.

In addition to measures provided by law to ensure that such control is not abused, the Issuer's non-binding corporate governance charter specifies that the board of directors consists of six family directors who are non-executive directors, five non-family directors who are non-executive directors, and the Chief Executive Officer (CEO).<sup>1</sup> The Issuer's non-binding corporate governance charter further specifies that non-family directors must be sufficiently independent i.e. he or she must be free of any commercial relationships, close family ties, or other connections with the Issuer, the controlling shareholders or the management of the Group which might give rise to conflicts of interests and/or which could affect the independent and sound judgement of this director. The Issuer has also established an Audit Committee and a Compensation and Nomination (C&N) Committee (see "*Administrative, management and supervisory bodies — Board of directors of the Issuer*" on page 37), and an internal audit function set up as an independent control function reporting directly to the Issuer's board of directors.

---

<sup>1</sup> The Issuer's corporate governance charter is not incorporated by reference and does not form part of this prospectus.

The Issuer is not aware of any arrangements which may at a subsequent date result in a change of control of the Issuer.

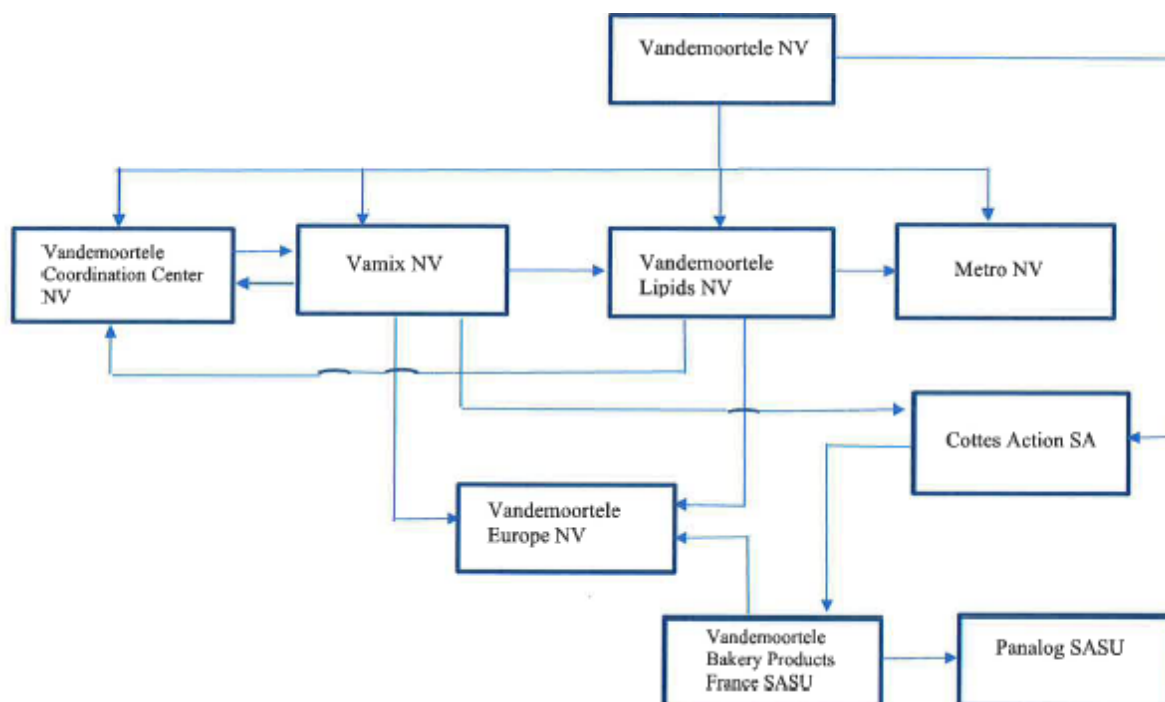
### Organisational structure: the Vandemoortele Group

The Issuer is the main operational holding company of the Vandemoortele Group, consisting of the Issuer and its subsidiaries (the **Group**). In addition to directly and indirectly holding shares in its subsidiaries, the Issuer itself performs certain operational functions for the Group, including procurement, IT, administrative and financial services and central marketing services.

The Issuer's two main Belgian subsidiaries (Vamix NV and Vandemoortele Lipids NV) are value chain companies, holding directly or indirectly through its subsidiaries the production plants and supply chain of the Bakery Products and MCOF business lines respectively (see section "*Business and strategy of the Group — Our business lines and key products and services*" on page 43)).

Vandemoortele Europe NV is jointly held by Vamix NV (39.61%), Vandemoortele Lipids NV (49.91%) and Vandemoortele Bakery Products France SASU (10.49%) and performs commercial functions (*i.e.* sales and distribution of finished products) for the Group (across both business lines) through branches in Czech Republic, France, Germany, Hungary, Italy, Poland, Slovakia, Spain, The Netherlands, United Kingdom.. Vandemoortele USA Inc. is a 100% subsidiary of Vamix NV and performs commercial functions in the United States of America for the Bakery Products business line of the Group.

The Issuer also has a number of subsidiaries that perform holding functions, and two subsidiaries (Panalog SAS and Metro NV) that provide logistics services (*i.e.* transport, transport management and warehousing services) for the Group and third parties.



\* Note: simplified structure chart which includes only certain important subsidiaries. Not all subsidiaries of the Issuer are included in the above simplified structure chart.

As at 31 December 2021, the Group included 32 subsidiaries in Austria, Belgium, France, Germany, Hungary, Italy, Luxembourg, Poland, Slovakia, Spain, Switzerland, The Netherlands and the United States of America, which are fully consolidated in the Issuer's consolidated financial statements. Each of these subsidiaries are directly or indirectly fully controlled by the Issuer.

The Group also includes eight subsidiaries in which it holds part of the shares, but which are not consolidated as these do not meet the criteria of significance under IFRS.

### **Legal and arbitration proceedings**

The Issuer is not and has not been involved in any governmental, legal or arbitration proceedings (including any such proceedings that are pending or threatened of which the Issuer is aware) during the twelve months preceding the date of this prospectus that may have or have had in the recent past significant effects on the financial position or profitability of the Issuer or the Group.

### **Certain material contracts**

Except as described below there are no material contracts that are not entered into in the ordinary course of the Issuer's business, which could result in any Group member being under an obligation or an entitlement that is material to the Issuer's ability to meet its obligations to Bondholders in respect of the Bonds;

- Certain financing arrangements as described in the section "*Description of certain financing arrangements*" on page 54.
- Cargill and Lipidos Santiga S.A. are part of the Group's limited number of suppliers of crude and refined oils and fats. The agreement with Cargill (as amended) dates back to 1998. The agreement with Lipidos Santiga (as amended) dates back to 1996. In accordance with the terms and conditions of these supply agreements, both Cargill and Lipidos Santiga S.A. have to supply the Group on a most favoured customer principle. These agreements together represent a substantial majority portion of the Group's supply of refined oils and fats.

## ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

### Board of directors of the Issuer

The Issuer's board of directors is the principal governing body of the Issuer. It has the broadest powers to perform all acts that are necessary or useful for achieving the Issuer's corporate object, except for matters reserved by law to the general meeting of shareholders. The board of directors has the power to appoint and remove its own Chair, the Chief Executive Officer of the Group, the Managing Director (*gedelegeerd bestuurder / administrateur-délégué*) of the Issuer, and the Chair and members of committees created by the board of directors (as described below).

The directors are appointed and removed by the general meeting of shareholders. According to the Issuer's corporate governance charter, the Issuer's board will submit its proposals relating to (re-)appointments of directors to the general meeting of shareholders on the recommendation of the Compensation & Nomination Committee (as described below). Proposals by the board of directors regarding the (re-)appointment of directors are not binding on the shareholders.

The board of directors has established two specialised committees:

- The *Audit Committee*, established in accordance with Article 7:99 of the Belgian Companies Code, which assists and advises the board of directors in fulfilling the board's monitoring responsibilities.
- The *Compensation and Nomination (C&N) Committee*, which follows the principles of the *Remunatiecomité / Comité de Rémunération* as provided by Article 7:100 of the Belgian Companies Code, advising the board of directors with respect to (re-)appointment and performance review matters, general principles of the remuneration arrangements and policy, and individual remuneration decisions.

The Issuer's board of directors is composed of twelve directors:

<b>Director</b>	<b>AC*</b>	<b>C&amp;N*</b>
<i>Non-executive family directors (6)</i>		
Jean Vandemoortele (Chairman) .....	X	X
Catherine Billiet.....		
Arema SRL, represented by François Casier .....	X	X
Marie-Christine Casier.....		
Honest Foods BV, represented by Charles Vandemoortele.....		
Artval NV, represented by Christian Vandemoortele .....		
<i>Non-executive non-family directors (5)</i>		
CB Management Sàrl, represented by Cécile Bonnefond.....		X
Cytifinance NV, represented by Michel Delloye.....	X	X
Otmar Hofer.....		
Natasja Laheij .....	X	X
Philippe Schailleé.....		
<i>Chief Executive Officer (CEO) of the Group and Managing Director of the Issuer (1)</i>		
Yvon Guérin.....		

\* AC: "X" indicates that the director is also a member of the Audit Committee. C&N: "X" indicates that the director is also a member of the Compensation and Nomination Committee.

The following paragraphs set forth biographical information regarding the directors, including any principal activities performed by them outside of the Issuer that are significant with respect to the Issuer:

*Jean Vandemoortele* (Chairman) joined Vandemoortele in 1982. He was appointed as board member in 1986, as CEO in 2001 and as Chairman of the Board in 2014. He holds a degree in Applied Economic Sciences from the University of Leuven, Belgium, and an MBA from Insead, Fontainebleau, France. Jean Vandemoortele is a member of the 4th generation of the shareholders family.

*Catherine Billiet* was appointed as board member in May 2021. She gained a Master in Law from the Catholic University of Leuven, Belgium, as well as a Master in General Management from the Vlerick Business School, Belgium, and a Master of Laws (LL.M.) from the Columbia Law School in New York, USA. Catherine Billiet started her career as a corporate lawyer, gaining experience in several highly regarded international law firms and is accredited both to the bar in Brussels and the state of New York. She is currently working as an M&A lawyer at Cargill. Catherine Billiet is a member of the 5<sup>th</sup> generation of the shareholders family.

*Cécile Bonnefond*, representing CB management sàrl (Chair of the Compensation and Nomination Committee), joined the board of directors of the Issuer in 2016. She is a member of the Compensation and Nomination Committee and became its Chair in 2020. After graduating from the European Business School in 1977, Cécile Bonnefond made a career in the food and beverage industry for 35 years. The first 20 years, she held positions from marketing and sales to general management in international food companies such as Danone, Kellogg, Grand Metropolitan and Sara Lee. She joined Veuve Clicquot Champagne (LVMH) as President and CEO, then became an investor and Chairman at Piper and Charles Heidsieck. Cécile Bonnefond is now involved in international boards of directors and acts as a strategic advisor to the bank Bpifrance, where she advises small and medium-sized enterprises in France.

*François Casier*, representing Arema srl, joined the board of the Issuer in the 80's and, since 1999 he also chairs the Family Council. Holder of a Law and of an MBA degree from Insead in France, he started his professional career in marketing at Procter & Gamble. Later, François Casier managed a company that employed 40 people for 9 years. After a fortuitous encounter with a young refugee, he founded and managed the non-profit organisation Mentor-Escale. Through this, François Casier helped more than a hundred unaccompanied minor refugees every year in their process of becoming independent and responsible citizens. He also sits on the board of The de Duve Institute, a multidisciplinary biomedical research institute. François Casier is a member of the 4th generation of the Vandemoortele family.

*Marie-Christine Casier* joined the board in 1998 and holds a degree from the University of Louvain, Belgium. For several years, she has been vice-president of the non-profit organisation AEMfe: Association Européenne Du Microcredit Pour Les Femmes Entrepreneurs. Marie-Christine Casier is a member of the 4th generation of the shareholders family.

*Michel Delloye* (Chairman of the Audit Committee) joined the board of the Issuer in 2011, as representative of Cytifinance NV. He holds a Law degree at the University of Louvain (UCL), Belgium. Michel Delloye has been CFO and General Manager of Groupe Bruxelles Lambert. From 1988 and 1990, he worked as Head of the US activities of GBL. Between 1992 and 1996, he was CEO of RTL Group. Since then, he has been an active Private Equity investor and sits on the board of companies in Belgium and abroad. Michel Delloye has served as Chairman of the board of the Issuer in 2012-2014 and is currently a member of the Remuneration Committee and Chairman of the Audit Committee.

*Yvon Guérin* (Chief Executive Officer of the Group and Managing Director of the Issuer) joined Vandemoortele in January 2019 as Managing Director BP and in July 2020, he became CEO of the Vandemoortele Group. Yvon Guérin graduated as Food Engineer at ESA Angers, France, and obtained an MBA in ESSEC Business School in Paris, France. For 28 years, he worked at Lactalis Group, a worldwide dairy leader. During his career at Lactalis, he continued to earn his stripes. First, as Head of

Control and Finance. Later as GM for USA and Brazil, and years later as MD Industrial & Food Service Europe and Group Europe. For a decade, Yvon Guérin was a member of the Exco and the Board of the Lactalis Group. Seven years before joining Vandemoortele, Yvon Guérin was CEO and MD of the Parmalat Group in Parma, Italy.

*Otmar Hofer* joined the board of the Issuer in 2020. He earned a master's degree in Food Technology from the Federal Institute of Technology in Zürich, Switzerland, as well as an MBA from the Swiss University of St. Gallen. He worked for HERO, Ospelt and Swiss retailer Migros. Otmar Hofer is CEO and co-owner of the Swiss based HPW group, a fruit processor with factories in Ghana, the Ivory Coast and Kenya.

*Natasja Laheij* joined the board of the Issuer in September 2020 as an independent board member and member of the audit committee. She obtained a bachelor's degree in Business Economics and a master's degree in Business Strategy & Management from Erasmus University Rotterdam, the Netherlands. Moreover, she completed post grad degrees from London Business School and Harvard Business School. Natasja Laheij has 25 years of experience as a finance executive in several technology companies, overseeing and assessing company performance. She started her career by executing finance roles at Sony Ericsson, Vodafone, Deloitte and KLM. Between 2010 and 2014, Natasja Laheij held several senior Business and Finance roles at Apple Inc. From 2014 to 2019, she held the position of CFO at Amazon Fashion EMEA. In 2019, Natasja Laheij became CFO for Google EMEA. She is also a board member for Google Payment Limited.

*Philippe Schailleé* was appointed as a board member in 2020. At the University of Leuven, Belgium, he obtained a degree in Applied Economic Sciences, followed by an MBA from the Vlerick School of Management, Belgium. Philippe Schailleé has held Divisional leadership, General Management, Strategy, M&A and CMO roles at Sara Lee and JDEP across North America and Europe. He currently serves as Senior Executive Vice President at Groupe Seb, where he is responsible for the Small Domestic Appliance and Cookware Business Units.

*Charles Vandemoortele*, representing Honest Foods BV, was appointed as board member in 2021. He holds a degree in Applied Economic Sciences from the University of Leuven, Belgium, and a Master degree in Financial Management from the Vlerick Management School of Ghent, Belgium. Before becoming the managing owner of a juice bar chain, he was active in private equity. Charles Vandemoortele is a member of the 5th generation of the shareholders family.

*Christian Vandemoortele*, representative of Artval NV, joined the board in 1986. He holds a law degree from the Catholic University of Brussels, Belgium. For several years, he worked as a creative in advertising companies. Christian Vandemoortele is a member of the 4th generation of the shareholders family.

The business address of each director is at the registered office of the Issuer.

### **Chief Executive Officer (CEO) and Group Executive Committee**

Yvon Guérin has been appointed by the Issuer's board of directors as the Chief Executive Officer (CEO) of the Group. The CEO has the final operational authority and responsibility for the Group within the framework of the decisions made by the Issuer's board of directors and within the confines of the delegation of powers defined by the Issuer's board of directors. The CEO is also appointed as the Managing Director (*gedelegeerd bestuurder / administrateur-délégué*) of the Issuer.

The CEO is assisted by the Group Executive Committee in leading the Group's operations. Each member of the Group Executive Committee is responsible for his/her specific business line or group service and reports to the CEO. The CEO chairs the Group Executive Committee. The members of the Group Executive Committee are appointed by the Issuer's board of directors upon proposal of the CEO

and the Compensation and Nomination Committee. The Group Executive Committee is not a *directiecomité / comité de direction* as defined in the Belgian Companies Code.

The Group Executive Committee consists of the following members:

Yvon Guérin.....	CEO and Chairman of the Executive Committee
Bart Bruyneel.....	Managing Director of the Business Line Margarines, Culinary Oils and Fats (MCOF)
Marc Croonen .....	Chief Human Resources, Sustainability & Communication Officer
Philippe Delsaut.....	Chief Legal & Risk Officer / General Secretary
Sabine Sagaert.....	Managing Director of the Business Line Bakery Products
Helena Vanhoutte.....	Chief Transformation Officer & Managing Director France
Herman Van Steenstraeten....	Chief Financial Officer

The following paragraphs set forth biographical information regarding the members of the Group Executive Committee:

*Yvon Guérin* (CEO and Chairman of the Executive Committee) joined the Group in January 2019 as Managing Director Bakery Products and in July 2020, he became CEO of the Group. He graduated as Food Engineer at ESA Angers, France, and obtained an MBA in ESSEC Business School in Paris, France. For 28 years, Yvon Guérin worked at Lactalis Group, a worldwide dairy leader. During his career at Lactalis, he continued to earn his stripes. First, as Head of Control and Finance. Later as General Manager for USA and Brasil, and years later as Managing Director Industrial & Food Service Europe and Group Europe. For a decade, Yvon Guérin was a member of the Exco and the Board of the Lactalis Group. Seven years before joining the Group, Yvon Guérin was CEO and Managing Director of the Parmalat Group in Parma, Italy.

*Bart Bruyneel* joined Vandemoortele in 1991. After several management roles in operations and commercial, he was appointed Managing Director of the Business Line Margarine, Culinary Oils and Fats (MCOF) in 2009. Bart Bruyneel holds a Master and a Ph.D in Bio-engineering and a Master in Industrial Management from the University of Ghent, Belgium, as well as an MBA from INSEAD, Fontainebleau, France. Before joining Vandemoortele he worked at the University of Ghent and at RADAR (pre-mixes for animal feed).

*Marc Croonen* joined the Group in January 2019 as Chief Human Resources Officer. He now also holds responsibility for Communication, Sustainability and HSE (Health, Safety and Environment). Marc Croonen holds a master's degree in organizational psychology and has international experience in different industries and different functions at AB InBev (HR, IT), Ahold Delhaize (HR, Sustainability), Danone (HR, Communication), International Paper (HR) and Dexia (HR).

*Philippe Delsaut* (Chief Legal & Risk Officer / General Secretary) joined the Group in April 2022. He graduated as Master of Laws at the University of Brussels. Later, he also obtained an Executive MBA at HEC Paris. The first steps of his career path were taken in different Belgian law firms. In 2006, Philippe became Vice President at Newell Rubbermaid, for the regions Belgium, France and Switzerland. In the years to follow, he additionally took up roles as General Manager Emerging Regions, General Counsel EMEA and, as of 2011, APAC. In 2015, Philippe joined the Eaton Corporation, as Vice President and Chief Counsel EMEA for Switzerland. Later, he was appointed as Senior VP and General Counsel Electrical & Industrial Sectors for USA of the Eaton Corporation, before joining the Group in April 2022.

*Sabine Sagaert* joined the Group in October 2020 as Managing Director of the Bakery Products Business Line. She holds a Master in Commercial Engineering at the Catholic University of Leuven (KUL), a Master in Economic Legislation at the Catholic University Louvain-La-Neuve, a Master of Business Administration at the KUL and a Bachelor in Fiscal Law. Sabine Sagaert started her career with CBR (Heidelberg Cement), after which she joined AB Inbev in 1998 holding different positions



(Sales, Marketing Belgium, PDG France, MD Belux). She continued her professional career at Arseus and finally at Cargill in 2011 for almost 10 years, first as General Manager EMEA of the Malt division and then as President of the Global Malt division. In 2018, Sabine Sagaert was appointed Managing Director Oils & Seeds EMEA/Russia, her latest role at Cargill before joining Vandemoortele.

*Helena Vanhoutte* has been with the Group for more than ten years in various positions (Sales, Marketing, R&D, Quality and Engineering). She holds a Master in Bio-engineering from the University of Leuven, Belgium, and ENSBANA Dijon, France. For the past two years, as Chief Transformation Officer, Helena Vanhoutte has also accompanied the group's transformation projects. Since March 2020, she leads the Management Team France as General Manager France to continue the growth dynamic of the French Business Unit, the largest market for the Group.

*Herman Van Steenstraeten* joined the Group in 2011. Since October 2017 he leads the Finance and IT organisation of the Group. He graduated as Master in Commercial and Financial Science. Herman Van Steenstraeten started his career at Price Waterhouse (Audit). Since then, he worked in different positions at Henkel (Controlling, Sales) where, in 2005, he became CFO of Henkel BeNeLux and Global Head of Financial Controlling Henkel Group in Germany. Returning to Belgium, as CFO he led Thomas Cook Belgium through a transformation programme for more than 2 years.

The business address of each member of the Group Executive Committee is at the registered office of the Issuer. No member of the Group Executive Committee has any principal activities outside of the Issuer that are significant with respect to the Issuer.

### **Potential conflicts of interest**

The Issuer is not aware of any potential conflicts of interest of the members of its board of directors or the Group Executive Committee (as listed above), between any duties to the Issuer and their private interests and/or other duties, except that:

- Certain members of the Issuer's board of directors and the Group Executive Committee, as listed above, directly or indirectly hold an interest in the share capital of the Issuer or in securities such as stock options that give rights to the Issuer's shares or that are settled in cash on the basis of a valuation of the Issuer's shares.
- The CEO and the Chairman of the Issuer's board of directors have a conflict of interest with respect to any resolution of the Issuer's board of directors in relation to their remuneration.
- Certain members of the board of directors have principal activities outside the Issuer (as described in their biographies above), which may in the future cause conflicts of interest between their duties to the Issuer and their duties to or interests in such other companies (as applicable). The Issuer is not aware of such conflicts interest actually existing at this time or that have existed in the past.

Members of the Issuer's board of directors and the CEO (in his capacity as Managing Director of the Issuer) must apply the conflicts of interest procedures as provided by the Belgian Companies Code when they have a conflict of interest with a decision to be taken by respectively the board of directors or the managing director.

Members of the Group Executive Committee (including the CEO when not acting in his capacity as a member of the board of directors or the managing director of the Issuer) must apply the conflicts of interest procedure as provided by the Group's Code of Business Conduct and Ethics, as adopted and administered by the Issuer's board of directors.<sup>2</sup>

---

<sup>2</sup> The Group's Code of Business Conduct and Ethics is not incorporated in and does not form part of this prospectus.

## BUSINESS AND STRATEGY OF THE GROUP

References in this section to “we”, “us”, “our” and “Vandemoortele” are references to the Group.

### Introduction

Vandemoortele was founded in 1899 as a Belgian family business, and has continued to grow and develop ever since. Over the last two decades, we became a European food company with one of the leading positions<sup>3</sup> in two business lines: Bakery Products (BP) and Margarines, Culinary Oils & Fats (MCOF). We supply innovative and high-quality products that are sold both under our own brand names and under private labels.

### History and development

Four main phases can be identified in the history of the Group:

- **Founding and growth into national producer of bulk edible oils (1899-1945):** The first factory was set up in Izegem (Belgium) by Constant Vandemoortele and his son Adh mar. Vandemoortele grew from a local manufacturer and supplier to the soap and cattle feed industries into a national producer of bulk edible oils.
- **From national oil producer to European producer of oils and fats, bakery products and soy food (1946-1997):** Vandemoortele expanded from a national manufacturer of edible oils into a European vertically integrated producer of oils and fats (crude oils, refined oils, bottled oils, margarines, fats and mayonnaise). The creation of Vamix in 1978 added a new segment to the Group, namely frozen bread and bakery products. With the creation of Alpro in 1980, Vandemoortele was able to expand into the production of soy drinks and related products adding another important activity to the Group. Gradually, the Group established or acquired production units and commercial organizations in major countries of the European Union.
- **Focus on and expansion of three activities (1998-2008):** Vandemoortele undertook a strategic realignment of its product portfolio and disposed, in 1998, of its low-margin upstream bulk activities (crushing and refining) and, in 2002-2003, of its oil bottling and mayonnaise production activities (except for Belgian brands). The focus was then directed on three core activities in which the Group already had or could aim at a market leadership position in Europe: *i.e.*, Soy Foods, Lipids (margarines and fats) and Bakery Products (frozen bakery products). From 2004 to 2008, Vandemoortele pursued a new phase of expansion through a combination of organic growth and acquisitions.
- **Focus on Lipids and Bakery Products (2009-2016):** 2009 was an important year for Vandemoortele in which it conducted a strategic reorientation and reorganisation, shifting its focus to professional customers by selling its Alpro soy division (*i.e.* the main part of its consumer business) and deciding to focus on Lipids (renamed into the Margarines, Culinary Oils & Fats (MCOF) business line) and Bakery Products. In 2009, investment company GIMV acquired a minority stake in the Company through a subordinated loan and warrants.
- **One firm focusing on good taste (since 2017):** Following the exit by GIMV in 2016, the Issuer was once again an (almost) 100% family-owned company. The Group integrates all international subsidiaries under the Vandemoortele corporate name with a new corporate identity: *“Bringing great taste in your kitchen, at the table and on the go”*. In June 2020 the Group sold its stake in its Spanish former subsidiary Lipidos Santiga (a processor and refiner of oils and fats) as oil refining was no longer a core activity, realising a cash inflow of around

---

<sup>3</sup> Source: the Issuer’s internal strategic review of the MCOF and BP markets (based on both internal and, to the extent available, external market data).

EUR 50,000,000. The Group's aim remains to expand its two core activities through further organic growth and acquisitions.

## **Our business lines and key products and services**

### ***Bakery Products***

The Bakery Products (BP) business line targets professional chefs and bakers across our distribution channels with the Vandemoortele frozen bakery portfolio. The products are further crafted, baked or simply defrosted by these chefs and bakers and sold to consumers as fresh bakery goods and snacks. The BP business line generated EUR 812.5 million revenue on a consolidated basis in the financial year ended 31 December 2021, up from EUR 724.3 million in the financial year ended 31 December 2020.<sup>4</sup>

Our Bakery Products include five product categories: Pastry, Bread, Sweet Treats, Italian Savoury and Patisserie. We deliver our bakery products at various convenience levels: raw (i.e. unbaked dough), pre-proved (i.e. leavened unbaked dough) and ready-to-serve (i.e. finished product that must only be thawed before serving). Customers can simply bake or defrost our products and sell them directly to consumers as freshly baked goods. Our most important and well-known bakery brands are Banquet d'Or®, Lanterna®, My Originals® and Les Pains Pérènes de Roland Cottes®.

Through our Croustico® business unit, we offer 1,500 customers a full-service 'proximity' bakery concept. Our customers are existing proximity stores, supermarkets, etc. Our Croustico® range includes over 200 Vandemoortele products for sale by our customers to end-consumers, and different types of services for our customers such as recipe tutorials, manuals, live trainings and baking programmes. We help customers with concept design and packaging challenges, advise them on how to present our products in their retail premises, and counsel them on safety and hygiene.

In 2021, we introduced MyCroustiPlace, an online B2B order and communications platform for Croustico customers. As at 31 December 2021, more than 200 Croustico customers are using the platform to place their orders on-line, accounting for 32% of all Croustico® purchases.

### ***Margarines, Culinary Oils & Fats***

The MCOF business line comprises the development, production and sale of Margarines, Culinary Oils & Fats. The MCOF business line generated EUR 516.4 million revenue on a consolidated basis in the financial year ended 31 December 2021, up from EUR 469.749 million in the financial year ended 31 December 2020.<sup>5</sup>

Our MCOF products include margarines, butter, blends, deep-frying oils and fats, culinary oils, mayonnaises, sauces and dressings, vegetable-based creams, and dough improvers. Our products combine functionality with taste and texture, as well as high nutritional values. Our MCOF range contains both private labels, which we develop for customers, and our own brands.

Our best-known brands in the MCOF business line are Vandemoortele®, Risso®, Baker's Margarines®, St. Villepré®, St-Allery® and Gold Cup®

### ***Our key services***

Vandemoortele not only provides its customers with a wide range of products, but also supports them with several services. These services include online training and baking instructions, technical support, customer insights, the development of customised products and category management. Category

---

<sup>4</sup> See Note 5.1 to the Issuer's audited consolidated financial statements for additional financial segment information, including information relating to unallocated revenue and total Group revenue (see section "Documents incorporated by reference" on page 120).

<sup>5</sup> Idem as previous footnote.

management is a service we offer to our customers active in the retail industry, and entails developing range proposals and formulating advice regarding positioning, placement and pricing. In this way, we contribute to increasing our customers' sales volumes and profits. We offer many of these services through our B2B online order and communications platform MyCroustiPlace for the Croustico® range, and our professional digital platform for chefs and bakers for our other products and services.

Two of the Issuer's subsidiaries, Metro and Panalog, are active in logistics service management, providing ambient, cooled, temperature controlled and frozen transport and warehousing services to members of the Group and third parties. Metro is active throughout Europe, while Panalog focuses on France.

### **Our customers and distribution channels**

Both in the Bakery Products and the MCOF business lines, we supply our products through the following distribution channels:

- *bakeries*: including artisan (for the Bakery Products business line only) and industrial bakeries
- *food service (mass caterers)*: these are establishments (including a vehicle or a fixed or mobile stall), such as restaurants, canteens, schools, hospitals and catering enterprises in which, in the course of a business, food is prepared to be ready for consumption by the final consumer
- *retail*: stores, shops, supermarkets, hypermarkets and establishments that sell or distribute products for end consumers' immediate consumption
- *industry*: other large manufacturers of foodstuffs, such as a producer of prepared meals

Overall, the retail distribution channel, which represents approximately 67% and 30% of the sales volume of BP and MCOF respectively, are partly concentrated, with three top retailers controlling at least half of the market share in France, Germany, the Netherlands, the United Kingdom and Belgium. As a result, we may from time to time experience difficulty or delays to pass on price increases of raw materials to large retailers. Also see "*Risk factors — Shortages and price volatility of raw materials and energy may affect the Group's costs and/or revenues*".

The table below sets out an overview of the revenue generated by our top-5 and top-10 customers by revenue per business line and at the Group level, as a percentage of the total revenue in the respective business line or at the Group level:

<b>Business line</b>	<b>Top-5 customers (% of revenue)</b>		<b>Top-10 customers (% of revenue)</b>	
	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2020</b>	<b>FY 2021</b>
Bakery Products ...	26.1%	24.8%	42.1%	38.1%
MCOF .....	19.4%	19.0%	37.0%	30.0%
<b>Group .....</b>	<b>18.8%</b>	<b>17.9%</b>	<b>30.6%</b>	<b>28.1%</b>

No individual customer represents more than 10% of Group revenue.

The table below sets out a number of examples of types of products that we sell in each business line through each distribution channel:

Distribution channel	Business line	
	Bakery Products	MCOF
<b>Bakeries</b> .....	Artisan bakeries: frozen unbaked / part baked bread, pastry, patisserie, and savoury products (bread, croissants, chocolate rolls, tarts, donuts, pizza, focaccia, etc.)	Artisan and industrial bakeries: special margarines for bakery purposes, margarine sheets, butter blends, mixes, etc.
<b>Food service</b> .....	Frozen unbaked/part baked/ fully baked bakery, pastry, patisserie, and savoury products (bread, croissants, chocolate rolls, tarts, donuts, pizza, focaccia, etc.)	Margarines, special frying oils and fats, fats, all kinds of sauces, mayonnaise, vinaigrettes, dressings and vegetable creams etc. for professional use (restaurants, hotels, bars, out of home consumption).
<b>Retail</b> .....	Frozen bakery, pastry, patisserie and savoury products (bread, croissants, chocolate rolls, tarts, donuts, pizza, focaccia, etc.) (destined for sale to consumers through retail stores after baking/defrosting, etc. )	Pre-packed margarines, mayonnaise, vinaigrettes, dressings, frying oils & fats, frying oils, etc. products for (destined for sale to consumers through retail stores)
<b>Industry</b> .....	E.g. dough sheets for a producer of prepared meals.	E.g. special margarines and fats for an industrial producer of cookies  E.g. frying oils for an industrial producer of French fries, croquettes, etc.

### Overview of the locations where we operate

The Vandemoortele Group headquarters are located in Ghent, Belgium. We have commercial offices in 12 European countries, as well as in the United States. We operate 29 production sites across Europe, in order to ensure proximity to our key markets. We export from Europe to 95 countries worldwide.

The table below set outs an overview of revenue per country, based on the geographical location of the external customers:

*(in thousands of euro)*

For the year ended 31 December	2021	2020
France.....	382,637	353,451
Germany.....	174,420	165,465
Belgium.....	164,611	160,640
Italy .....	133,484	104,197
The Netherlands .....	109,435	110,355
Spain .....	92,583	68,963
United Kingdom.....	75,567	64,054
Czech Republic & Slovakia .....	28,374	25,626
Rest of Europe* .....	107,758	93,557

Outside Europe**.....	60,731	51,056
<b>Total .....</b>	<b>1,329,601</b>	<b>1,197,364</b>

\* Rest of Europe mainly consists of Scandinavia, Poland and Hungary.

\*\* Outside Europe mainly consists of North America, Africa and the Middle East.

## Overview of the markets in which we operate

### *The Bakery Products market<sup>6</sup>*

The market size of the global bakery products market is estimated at USD 331.4 billion in 2020. Europe represents the largest bakery products market worldwide, followed by the United States (20%) and China (7%). The market is expected to grow at a compound annual growth rate (CAGR) of c. 4.6% between 2021 and 2026 to reach a global market size of c. USD 436.9 billion.

The BP business line of the Group is mainly active in frozen bakery products. The global size of this segment is estimated at USD 25 billion to USD 30 billion. Europe represents the largest market share of c. USD 12 billion to USD 15 billion (c. 50%), followed by the United States of America (c. USD 7 billion) and Asia (c. USD 5 billion to 6 billion).

In the frozen bakery segment, bread is the largest category with volumes of 6.7 million tonnes, followed by *viennoiserie* (pastry) at 0.9 million tonnes and patisserie at 0.4 million tonnes.

Consumers are increasingly shifting sales to modern retail, away from traditional bakeries. Foodservice is increasing its importance as a sales channel as well with increase in ‘out-of-home’ consumption, which has known a setback especially in 2020 and 2021, due to the Covid crisis.

The rising number of convenient retail channels (e.g. the rise in online retailing (which will partially replace existing channels), proximity shops, etc.) mostly affects the market’s upward growth potential. The convenience factor (i.e. ready-to-eat products that are easily accessible) is being considered as one of the most influential market trends for future growth of the market for frozen bakery products due to the convenience and prolonged shelf life of frozen bakery products.

The Group has identified the following main market dynamics in BP:

- The global market is driven by demographic growth, higher living standards and growing urbanization.
- Changing lifestyle and eating habits have pushed manufacturers to introduce new and/or healthier products containing less calories, additive-free products, etc.
- Although health and sustainability are important to consumers, indulgence remains an important driver for consumers to turn to Bakery Products.

Vandemoortele competes both against pan-European players and local companies in the frozen bakery space. The biggest competitors differ by country and sometimes even by sales channel. The most prominent competitors within Europe include Aryzta, Lantmännen Unibake, Delifrance, Bridor, Europastry and La Lorraine Bakery Group. According to a 2019 GIRA study, the 9 Pan-European players with turnover over €500m represent 28% of the market value, while the next set of 18 large players with turnover over €100m represent another 21% of the market.

<sup>6</sup> Source: “*Bakery Products Market 2022-2027*” published by ExpertMarketResearch, “*Bakery Products Market: Global Industry Trends, Share, Size, Growth, Opportunity and Forecast 2022-2027*” published by imarc and “*Bakery Products Market (2021-2030)*” published by Allied Market Research.

Vandemoortele has its strongest market share positions in France, Belgium and Italy, followed by Czech & Slovak Republics, The Netherlands, Poland, the UK, Germany and Spain.

### ***The MCOF market<sup>7</sup>***

The global market for cooking oils and fats was estimated at USD 65.5 billion in 2021. Currently, palm oil is the most frequently used type of cooking oil worldwide as a result of its large consumption in Asia and Europe.

The market for cooking oils and fats is expected to grow at a compounded annual growth rate (CAGR) of 1.7% between 2022 and 2027 to reach USD 72.6 billion. In terms of geography, North America held the largest market share of 36% of the overall market in 2021.

The vegetable (plant-based) and seed oil segment is estimated to grow the fastest within the MCOF market, at a compounded annual growth rate (CAGR) of 2.2% in the upcoming five year, attributable to relative health advantages typically associated with vegetable and seed oil such as minimal cardiovascular disease hazards, metabolism and digestion benefits, etc.

Margarine and fats are the core of the assortment. They are mainly obtained from vegetable oils and are used as final product and/or as an ingredient in many different food recipes. Margarine has a similar cooking quality as butter, with some extra benefits: less burning and spattering in the pan, easily spreadable and healthier (IMACE 2022). Margarine is part of daily consumer habits though overall consumption has been declining over the years, mainly due to changing consumer habits: less cooking at home (consumers enjoy more ‘ready-to-eat’ solutions) but also less spreading (decreasing consumption of bread and increasing usage of other type of spreadable such as humus, spreadable cheese,...).

The Group has identified the following main market dynamics in MCOF:

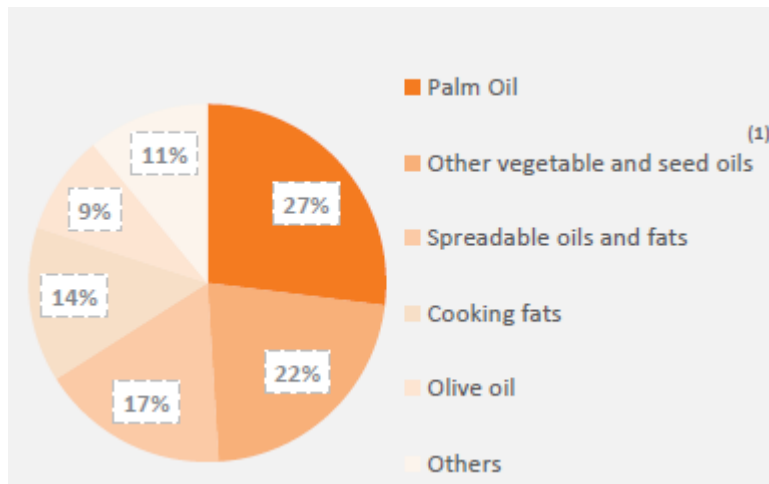
- The market for cooking oils and fats is poised to grow rapidly following the soaring number of applications of coconuts and palm oil (vegetable oils) in Asia, such as in bakery products (e.g. cakes, crackers, cookies, biscuits), confectionery (e.g. chocolate, ice cream, donuts) and processed foods (e.g. pizza, French fries, burgers).
- Health risks typically associated with extensive use of cooking oils and fats are raising principal concerns and may therefore hamper market growth.

The MCOF market is subject to intensive price competition, resulting in additional pressure on sales prices, and thus on margins.

---

<sup>7</sup> Source: “Cooking Oils and Fats Market – Forecast (2022-2027)” published by IndustryARC.

The allocation of market share of cooking oils and fats in 2021 is estimated as follows:



(1) other vegetable and seed oils include: soybean, oil, corn oil, sunflower oil, sesame oil, coconut oil, etc.

The MCOF market and Vandemoortele's position in this market differs depending on the distribution channel:

- Within the **retail channel**, Vandemoortele is supplying products destined for consumers (sold through supermarkets and hypermarkets), under its own brands and under distributor owned brands (private label), mainly in Europe. IRI and Nielsen also report the growth of private labels, gaining shares from A-brands (on the basis of data gathered at scanning terminals in stores in 2021).

Vandemoortele is supplying private label margarine across 7 main markets (Belgium, Netherlands, Germany, France, Spain and Italy) with an average market share of 46,9%. According to Nielsen and IRI, Vandemoortele gained a market leader position in private labels in 3 markets: Belgium, France and The Netherlands. Vandemoortele's biggest competitor is Bunge for the private label market and Upfield for the branded business.

In Belgium, Vandemoortele is also active with consumer brands in the margarine category (with the brands Fama®, Vitelma® and Alpro® (under license)) and gained a market leader position in the category of branded culinary oils, vinaigrettes and dressings with the Vandemoortele brand.

Recently the brand also entered the mayonnaise category, to become the third biggest brand in Belgium in 2022. Within the frying fat category our brand 'Blanc de Boeuf®' is also market leader in Belgium, mainly competing against private labels.

- In terms of **industrial** application, margarines are sold to industrial producers to be used as ingredient in other food products.

Axiom (Research and Consultancy agency) reports that industrial margarine is commonly used in bakery products & confectionary (48%), spreads, sauces, and toppings (22%), convenience food (15%), dessert (9%) and others (6%).

According to the report of Axiom (Report Industrial margarine market, 2021), it has been observed that margarine made up of vegetable oils is getting widely popular since they (1) contain more healthy properties, (2) are preferred by the vegan and vegetarian population, (3) are easily available and less expensive than butter and (4) benefit from the rapid growth of the confectionary and bakery market in emerging economies such as China and India.



Axiom predicts a significant growth in Europe of industrial margarine application (+ 3,72% CAGR in value by 2027 to reach a global market of 902.83 M€). In terms of volume, Europe was the major consumer of industrial margarine market (486.44 KT in 2020, growing at a CAGR of 2.49% by 2027). Germany dominated the market in 2020, followed by the United Kingdom. Vandemoortele is active in Belgium, the Netherlands, Germany, United Kingdom, Spain and France. Germany, Spain and the United Kingdom are the biggest markets for Vandemoortele.

- Within the market of **artisanal bakeries**, Vandemoortele supplies ingredients – mainly margarine, butterblends (blend of margarine and butter) and some vegetable-based creams – to artisanal bakeries that produce bakery goods. According to GIRA (report Bakery Panorama 2021) the Artisan Bakery channel is predicted to lose volume in Europe (-1,75% CAGR by 2023) in favor of (1) retail - consumers find it convenient to buy their bakery goods at their regular supermarket, (2) bakery chains – gaining shares from small independent stores and (3) foodservice revival – consumers will resume consuming more out-of-home and on-the-go after the pandemic period of the last two years.

Vandemoortele is present in EU-6 core markets (Belgium, the Netherlands, France, Italy, Spain, Germany). Its main European competitors are CSM and Puratos while some local competitors exist as well (for example Unigra in Italy).

- **Foodservice** outlets are classified into two sectors: commercial establishments (restaurants, fast food, commercial catering, hotels, etc.) and non-commercial outlets (catering at hospitals, schools, military bases, etc.). Vandemoortele does not perform any direct sales to those outlets, but accesses the market through specialized wholesalers and distributors.

Research&Market (market research company) reports some key trends impacting the growth of the Foodservice market: (1) resumption of consumption of out-of-home meals after the pandemic period, (2) growing demand for innovation in food menu options, as consumers are seeking to customize their meals according to their taste, dietary and budget preferences, (3) millennials and working professionals to become the key target audience, (4) development of e-commerce/online platforms and on-the-go food services.

Vandemoortele is active in five main European countries (Spain, France, Belgium, the Netherlands, Germany) and has the ambition to accelerate its growth in the coming years. The product portfolio is more diversified, including margarine, fats, culinary oils, sauces and dressings and some vegetable-based creams. Competition is diverse, with differences per geographical market and product category. Some of the biggest international players in the foodservice distribution channel are Upfield, Bunge, Cargill.

## Our supply chain

### *Sourcing raw materials: our suppliers*

To manufacture our products, we source raw materials like vegetable oils (sunflower, rapeseed, linseed, palm, soybean, coconut, etc.), wheat, butter, cocoa and eggs from selected suppliers.

As at 31 December 2021, the top-5 of the Group's suppliers represent 43.5% or EUR 357 million (31 December 2020: 40.3% or EUR 287 million) of the Group's purchasing costs. Cargill and Lipidos Santiga S.A. are part of the Group's limited number of suppliers of crude and refined oils and fats.

Suppliers are all asked to sign our Vandemoortele Supplier Code of Conduct, which includes provisions relating to ethics, workers' rights, health and safety, and environmental impact reduction.<sup>8</sup> We are also

---

<sup>8</sup> Vandemoortele's Supplier Code of Conduct is available on the Issuer's website at <https://vandemoortele.com/sites/default/files/2019->

adhering to separate sourcing charters in relation to certain specific raw materials (including palm oil, soy, paper and cardboard and eggs) in recognition of the environmental risks and issues that are specific to sourcing such raw materials.<sup>9</sup> Ensuring clear traceability enables us to monitor where our raw materials come from and how they are produced.

### ***Production and logistics***

Our products are manufactured at 29 production sites spread across Europe. We distribute and sell our products all over the world through a logistics network that specialises in the transportation of temperature controlled and frozen goods. Also see “—*Overview of the locations where we operate*” on page 45.

Our subsidiary Metro NV organises logistics services (transport and warehousing) of packed goods across Europe and is specialised in ambient, refrigerated and frozen goods. Metro NV either transports goods itself using a fleet of 85 vehicles, or by relying on external local and pan-European transportation networks.

Our subsidiary Panalog SAS is specialised in the storage and physical distribution (transport) of frozen food products across France and owns 10 warehouses and 57 trucks.

For export outside of Europe, we use external logistics service providers for transport and warehousing.

### **Innovations**

#### ***Research & Development: Product innovations***

Our Research and Development (R&D) teams across Europe consist of around 75 people from various backgrounds, such as bakers, food and packaging technologists, pilot operators, sensory experts and researchers. Together, they focus on our key innovation pillars: sustainability, plant-based, health and nutrition, taste and craftsmanship, more convenient solutions for our customers and consumers and new process technologies. They select ingredients and packaging materials, analyse the various stages of the manufacturing process and evaluate new and existing technologies, led by the latest scientific developments and nutritional recommendations.

To obtain new insights into the nutritional profile of our products, we collaborate with scientific research institutes like Ghent University and KU Leuven, follow-up on scientific studies and the latest trends and recommendation in nutrition science and investigate techniques in other industries. The Vandemoortele Centre for Lipid Science and Technology joined forces with Ghent University in 2012. Since then, we have jointly conducted specific scientific projects for our MCOF business line, undertaking research into margarines with fewer additives and healthier fats. In collaboration with KU Leuven, we have conducted research into sugar reduction for our bakery and patisserie product range.

#### ***Product innovations in Bakery Products***

Our patented Bake’Up® croissant concept allows a raw croissant to be put directly from the freezer into the oven, providing additional convenience mainly in the foodservice sector.

---

[04/Vandemoortele%20Supplier%20Code%20of%20Conduct%202019%20-%20EN.pdf](#). Vandemoortele’s Supplier Code of Conduct is not incorporated by reference into and does not form part of this prospectus and has not been scrutinised or approved by the FSMA.

<sup>9</sup> Separate sourcing charters for specific commodities are available on the Issuer’s website at <https://vandemoortele.com/en/sustainability-documents>. Such sourcing charters or any other information available on or linked to on that web page is not incorporated by reference into and does not form part of this prospectus and has not been scrutinised or approved by the FSMA.

In 2021, we took steps to add more Clean Label products to our product range. We replaced artificial additives by ingredients of natural origin and removed emulsifiers from several pastry products, like our Banquet d'Or® puff pastry sheets.

We have outlined several plans to gradually decrease the salt and sugar content of our bread range. We have recently launched a low-salt donut and a less salty ciabatta.

An increasing number of consumers value healthy bread with a clear ingredient list and nutrition information, as well as a good nutrition profile as part of a balanced and varied diet. That is why we created the concept line 'Les BeneFits', consisting of Banquet d'Or® products with an increased focus on nutritional value, use of "whole grain", sourdough, low salt, low sugar, etc.

In 2021, we launched our protein bread stick, which contains edamame beans, red lentils and wholewheat flour. The flour adds a high amount of fibre, while the beans and lentils result in a high protein content.

#### *Product innovations in Margarines, Culinary Oils & Fats*

In our MCOF business line, we are conducting product reformulations to improve the nutritional value of our products.

In 2020, we started a project to eliminate as many E-numbers (food additives) as possible from our Gold Cup® professional margarine range. This led to the development of our first E-free Gold Cup® margarine, which has been launched earlier this year. By using fewer additives, we aim for more transparency and less complex ingredients lists.

We succeeded in developing a Nutri-Score® A spread by adding fibres and proteins to the recipe and lower fat content (38%). We have set up various projects with the aim of improving the nutritional value and achieving a higher Nutri-Score® for our spreads.

In 2021, we developed three vegan alternatives to our most popular vinaigrettes: chive, mustard and garden herbs. The mustard variety has been launched earlier this year. Chive and garden herbs are expected to be launched later this year.

We are also improving the nutritional profile of our margarines for industrial applications (B2B) by developing products with less saturated fat and/or less salt.

In 2021, we launched our "immune-boosting concept", where we add vitamins and minerals that contribute to fortify consumers' immune system to various food products.

#### ***Packaging innovation***

To reduce waste, Vandemoortele is increasing the amount of recycled material in its packaging. We aim to use packaging as efficiently as possible, use less different materials, and use recyclable alternatives whenever possible.

For example, we aim to exclusively use 100% recyclable, reusable and compostable packaging by 2025. To reach this target, we focus on a shift toward more mono-material packaging. In 2021, we made progress on this front, with 88% of our packaging now being monomaterial. We are working to replace the aluminum leaves on our PP tubs with polypropylene (PP) seal leaves. The roll-out of further improvements across our various plants will start from mid-2022. However, in progressing to our 100% goal we meet several challenges, such as the wrapping material used for margarines, as most wrappers consist of different material layers. Combined with margarine residue left on the wrapper, this makes wrappers difficult to recycle.

We continue to work on the volume reduction of packaging materials in two ways: by banning all unnecessary packaging and by reducing the weight of our packaging. In 2021, we managed to reduce the weight of the buckets at our Spanish sites by 12%. In addition, we are testing the optimisation of the thickness of our packaging bags for bakery products. In 2022, we will implement a small change in the design of our PET-bottles so that 18 extra boxes can be stacked per pallet. This would result in 20 fewer trucks on the road each year. Furthermore, there will be some weight reduction due to the design change, saving 3.3 tonnes of PET per year.

### ***Better sorting process***

In 2020, Vandemoortele joined the “Holy Grail 2.0” project, an international initiative to put digital watermarks on packaging materials. The watermarks contain coded information that allows waste sorting installations to determine what material a product is made of. This enables more efficient separation and processing of waste. A first successful trial was conducted in 2021. In 2022, we will launch our first two products with a sorting watermark. The Issuer expects that more and more EU countries will introduce mandatory sorting instructions on the labels.

### **Our intellectual property**

We own the following material intellectual property rights:

- Trademarks and designs for the name of our companies (i.e. Vandemoortele and certain of its affiliates) and most of our brand names in the countries where we operate those brands, including our most important and well-known bakery brands Banquet d’Or®, Lanterna®, My Originals® and Les Pains Pérènes de Roland Cottes®, and our best-known brands in the MCOF business line Vandemoortele®, Risso®, Baker’s Margarines®, St. Villepré®, St-Allery® and Gold Cup®. See section “—*Our business lines and key products and services*” on page 43 for more information relating to these and other brands. We determine which brands to register in each country on the basis of the (expected) materiality of our operations of each brand per country in line with our sales and marketing strategy and the expected market potential.
- Domain names consisting of the name of the Issuer and some of its brand names, followed by a “global top-level domain name” (such as .com) and/or top-level domains that are specific to the countries where we operate those brands (such as .be or .fr). We determine which domain names to register on the basis of the (expected) materiality of our operations of each brand per country in line with our sales and marketing strategy and the expected market potential.
- Certain patents, such as our patents relating to the Bake’Up® range (see section “—*Innovations — Research & Development: Product innovations — Product innovations in Bakery Products*” on page 50).
- “Secret know-how” in relation to certain aspects of the Group’s activities and operations, including new product developments and other innovations.
- Copyright on copyrightable works such as recipes, logos etc.

### **Our sustainability strategy**

At Vandemoortele, we believe that sustainability is an important driver for our business performance and long-term value creation. Our sustainability strategy is directed by three strategic goals:

- ‘Balanced nutrition’ shows our commitment to improve the nutrition profile of our products, to offer Clean Label products and plant-based alternatives and to become a leader in food safety. See for example “—*Innovations — Research & Development: Product innovations*” on page 50.

- ‘Protecting nature’ covers our efforts to source more responsibly (see for example “—*Our supply chain — Sourcing raw materials: our suppliers*” on page 49), to strive for zero carbon emissions (for example, the electricity that we use in our production sites and offices comes from 100% renewable sources) and zero food waste and to contribute to circular packaging (see for example “—*Innovations — Packaging innovation*” and “—*Better sorting process*” on page 52).
- ‘Enhancing lives’ by offering an engaging, inclusive and safe workplace to our associates and by collaborating with our partners in order to create a positive social impact.

## DESCRIPTION OF CERTAIN FINANCING ARRANGEMENTS

The Group finances its activities using cash generated by its business activities, and a combination of bank loans, bonds, leasing and factoring.

### Overview of the equity and debt position of the Group

The figures in the table below are extracted from the Issuer's audited consolidated annual accounts for the financial year ending 31 December 2021 that is incorporated by reference into this prospectus (see section "Documents incorporated by reference" on page 124).

<i>(in thousands of euro, except ratios)</i>	<b>31 Dec 2021</b>	<b>31 Dec 2020</b>
Equity .....	436,721	423,092
Total borrowings (gross financial debt).....	237,475	238,536
Ratio between equity and total borrowings .....	1.84x	1.77x
Net Financial Debt <sup>(1)</sup> .....	167,233	208,295
Ratio between equity and Net Financial Debt <sup>(1)</sup> .....	2.61x	2.07x
Profit/(loss) from operations (EBIT) .....	45,913	37,792
Ratio between Net Financial Debt <sup>(1)</sup> and EBIT .....	3.64x	5.51x
Adjusted EBITDA <sup>(1)</sup> .....	118,546	103,853
Ratio between Net Financial Debt <sup>(1)</sup> and Adjusted EBITDA <sup>(1)</sup> .....	1.41x	2.01x

<sup>(1)</sup> Net Financial Debt and Adjusted EBITDA are Alternative Performance Measures used by the Group. A definition of these APM's and reconciliation to IFRS metrics can be found in the section "Alternative Performance Measures" on page 72.

### Overview of maturity date and outstanding amount of debt financing arrangements

The table below lists the debt financing arrangements of the Group, with the outstanding amount as at 31 December 2021 and 30 April 2022. See section "Use of proceeds" on page 113 for information relating to the repayment of the Issuer's existing senior bonds due 10 June 2022. More information regarding certain financing arrangements listed in the overview below is included below in this section "Description of certain financing arrangements".

The figures in the table below as at 31 December 2021 are extracted from Note 24 (Borrowings) to the Issuer's audited consolidated annual accounts for the financial year ending 31 December 2021 that is incorporated by reference into this prospectus (see section "Documents incorporated by reference" on page 124), except for the outstanding amount of the Irrevocable Letter of Credit Facility which is not reported separately and is accounted for as trade payables instead of borrowings (see footnote (5) under the table below), and except for the 'outstanding amount' of the factoring agreements, which are not included in the balance sheet because of the non-recourse nature of the factoring (except for limited continued involvement liabilities). The figures in the table below as at 30 April 2022 are not audited.

<i>(in thousands of euro)</i>	<b>Maturity date</b>	<b>Outstanding amount</b>	
		<b>31 Dec 2021</b>	<b>30 April 2022</b>
Revolving Facility Agreement.....	14 May 2025 <sup>(1)</sup>	–	0
Senior Bonds due 2022 <sup>(4)</sup> .....	10 June 2022	100,000	100,000
Subordinated Bonds due 2023 .....	7 November 2023	75,000	75,000
Irrevocable Letter of Credit Facility <sup>(5)</sup> .....	31 March 2027 <sup>(1)</sup>	42,000	49,975
Leasing .....	<i>(see note <sup>(2)</sup> below)</i>	48,322	46,301
Bank overdrafts .....	N/A	220	0
<i>Factoring Agreements</i>			
ING Commercial Finance Belux NV.....	23 November 2022 <sup>(1)</sup>	36,623 <sup>(3)</sup>	39,303 <sup>(3)</sup>
BNP Paribas Fortis Factor NV.....	1 July 2025 <sup>(1)</sup>	43,313 <sup>(3)</sup>	34,911 <sup>(3)</sup>

<sup>(1)</sup> For facilities with a revolving nature, the maturity date included in the table above is the termination date of the facility, i.e. the date on which the facility is no longer available and (except for the factoring agreements) on which all drawings or other utilisations under that facility must be repaid. Drawings or utilisations under a facility with a revolving nature typically have a shorter maturity date, as described in the detailed sections below.

<sup>(2)</sup> The Issuer and its subsidiaries have entered into multiple leasing agreements, each with its own term. An overview of remaining term of the lease liabilities is included in Note 24.4 (*Lease liabilities*) to the Issuer's audited consolidated annual accounts for the financial year ending 31 December 2021 that is incorporated by reference into this prospectus (see section "*Documents incorporated by reference*" on page 124). Also see the sub-section "*Leasing*" on page 61.

<sup>(3)</sup> The 'outstanding amounts' of the factoring agreements as included in the table above, is the aggregate amount of the Initial Purchase Price (as described in section "*—Factoring Agreements*" on page 60) paid by the factor to Vandemoortele Europe NV for the invoices that have been submitted for factoring to the factor, and that have not yet been paid by the customer to the factor on the relevant date. This amount corresponds to the amount that the Group would have had to finance itself at the relevant date if the factoring agreement would not have been in place.

<sup>(4)</sup> The Senior Bonds due 2022 have been repaid in full on 10 June 2022. They are still included in the table above for completeness' sake.

<sup>(5)</sup> The liabilities under the Irrevocable Letter of Credit Facility are accounted for in the Issuer's audited consolidated annual accounts as trade payables and not as financial debt, as explained in note 25.5 (Credit risk) to the Issuer's audited consolidated annual accounts for the financial year ending 31 December 2021 that is incorporated by reference into this prospectus (see section "*Documents incorporated by reference*" on page 124).

## Revolving Facility

### Overview

The Issuer and Vandemoortele Coordination Center NV (a wholly-owned subsidiary of the Issuer) are the original borrowers and original guarantors under a Revolving Facility Agreement originally dated 10 March 2015 (as amended from time to time) with Belfius Bank NV/SA, BNP Paribas Fortis NV/SA, ING Belgium SA/NV and KBC Bank NV as lenders (the **Revolving Facility Agreement**).

Pursuant to the Revolving Facility Agreement, the Lenders have made available a revolving credit facility to the Issuer and Vandemoortele Coordination Center NV as borrowers (the **Revolving Facility**). Under the Revolving Facility, the borrowers may draw loans or request that ancillary facilities are made available up to a total aggregate outstanding amount of EUR 200,000,000. Loans can be drawn in pound sterling, U.S. dollars, Polish zloty or any other currency approved by the lenders up to a maximum aggregate amount (in euro equivalent) of EUR 25,000,000.

On 31 December 2021, no loans were drawn under the Revolving Facility, and the total outstanding amount under the Revolving Facility was zero. On the date of this prospectus, the Issuer has drawn a loan under the Revolving Facility for a total outstanding amount of EUR 110,000,000, for purposes of repaying the 2022 Existing Bonds on 10 June 2022 (among other things). The Issuer will repay part of that loan under the Revolving Facility Agreement on or shortly after the Issue Date using the net proceeds of the Bonds offered under this prospectus. See section "*Use of proceeds*" on page 113 for more information.

### Guarantee and guarantor cover test

The Issuer and the Issuer's subsidiaries listed below guarantee the due payment of all borrowers' obligations under the Revolving Facility, subject to certain limitations calculated on the basis of the amount of that subsidiary's net assets and the amount of loans drawn under the Revolving Facility by a member of the Group that is subsequently on-lent using an intra-group loan to that subsidiary.

The guarantors are: the Issuer, Vandemoortele Coordination Center NV, Vandemoortele Europe NV, Vandemoortele Seneffe SA, Vandemoortele Ghislenghien SA, Metro NV, Vamix NV, Vandemoortele Lipids NV, Vandemoortele Izegem NV, Vandemoortele Eeklo NV, Panalog SAS, Vandemoortele

Bakery Products France SAS (formerly known as Panavi SAS), Cottes Action SA, Vandemoortele Brunssum B.V., Vandemoortele Zeewolde B.V. (formerly known as Vandemoortele Nederland B.V.).

The Issuer must ensure that the following guarantor cover requirements are satisfied:

- aggregate of Adjusted EBITDA of the Guarantors (calculated in accordance with the terms of the Revolving Facility Agreement, as described in section “—*Financial covenant: senior leverage ratio*” on page 58); and
- aggregate net and gross assets of the Guarantors (in each case calculated on an unconsolidated basis and excluding all intra-group items),

must at all times represent at least seventy per cent. (70%) of the Adjusted EBITDA, net or gross assets (as applicable) of the Group.

On the date of this prospectus, the guarantor cover requirements are satisfied as follows:

<i>(in thousands of euro)</i>	<b>Guarantors</b>	<b>Group</b>	<b>Satisfied?</b>
Adjusted EBITDA .....	96.832.515	118.545.790	Yes (81.7%)
Gross assets .....	945.230.730	1.088.047.945	Yes (86.9%)
Net assets .....	410.583.365	436.721.371	Yes (91.0%)

The Issuer must procure that additional members of the Group accede as guarantor to the Revolving Facility Agreement to ensure these guarantor cover requirements are satisfied. Failure to meet the guarantor cover requirements will constitute an event of default under the Revolving Facility Agreement, allowing the lenders to cancel or suspend the facility and declare the outstanding loans thereunder immediately due and payable.

### ***No security***

The liabilities of the Issuer and other borrowers or guarantors under the Revolving Facility Agreement are not secured by any asset of any member of the Group.

### ***Purpose***

The Revolving Facility can be used for general corporate purposes, including working capital, the funding of capital expenditure of the Group (including the financing of the construction of a “Food Experience Center” in Ghent), the funding of permitted acquisitions, repayment of any financial indebtedness of the Group, and the repurchase of shares in the Issuer at market value in relation to the Issuer’s stock option plan (see “*Description of the Issuer — Share capital*” on page 34).

### ***Conditions of utilisation***

Lenders will only be obliged to comply with a utilisation request under the Revolving Facility if, on the date of the utilisation request and on the proposed utilisation date, no actual or potential event of default is outstanding or would result from the proposed utilisation.

A utilisation that is a roll-over of an existing loan (i.e. a loan is redrawn on the last day of their interest period instead of being repaid) can be drawn if no actual event of default (but not just a potential event of default) is outstanding or would result from the proposed utilisation.

A ‘potential event of default’ is an event or circumstance that would be an actual event of default with the expiry of any grace period, the giving of notice, the making of any determination or any combination of the foregoing, in each case as applicable under the terms of the Revolving Facility Agreement. For example, non-compliance with any provision of the Revolving Facility Agreement or any related



finance document constitutes an event of default under the Revolving Facility Agreement, subject to a remedy period of ten business days:

- As from such non-compliance and until the expiry of the remedy period, a ‘potential event of default’ would be outstanding (as a result of which the borrowers under the Revolving Facility Agreement would no longer be able to draw new loans under the Revolving Facility Agreement, but they would still be able to roll-over existing loans already drawn under the Revolving Facility Agreement).
- If such non-compliance is not remedied upon expiry of the remedy period, this would become an ‘actual event of default’, as a result of which no new or roll-over loans can be drawn under the Revolving Facility Agreement and the lenders can cancel or suspend the Revolving Facility and declare any outstanding loans under the Revolving Facility Agreement immediately due and payable (also see section “—*Representations, Undertakings and Events of Defaults*” on page 59).

### ***Repayment***

Each loan drawn under the Revolving Facility is to be repaid or rolled over on the last day of its interest period. The interest period of a loan is one, three or six months (as selected by the borrower), or such other period as agreed between the borrower and the lenders.

The Revolving Facility will expire and all loans outstanding thereunder must be repaid in full on 14 May 2025.

### ***Prepayment***

The Revolving Facility is subject to mandatory prepayment, in whole or in part, in the following circumstances:

- if it becomes illegal for a lender to perform any of its obligations relating to the Revolving Facility (in which case that lender must be prepaid); or
- upon the occurrence of any public offering, flotation or listing of any member of the Group on any recognised investment exchange, if any person or group of persons acting in concert gains direct or indirect control of the Issuer or upon the sale of all or substantially all Group’s assets, in each case upon request by any lender, in which case, that lender must be prepaid.

The Revolving Facility may further be voluntarily prepaid, in whole or in part, by the Issuer upon five business days’ prior written notice, in a minimum amount of EUR 5,000,000, subject to payment of break costs as the case may be.

### ***Interest Rate***

The interest payable on loans drawn under the Revolving Facility Agreement is equal to the sum of a certain reference rate for loans and a margin.

The reference rate is EURIBOR (for loans in euro), LIBOR (for loans in U.S. dollar), WIBOR (for Polish złoty), or a daily compounded rate based on SONIA subject to certain adjustments including a credit adjustment spread (for loans in pound sterling). The Revolving Facility Agreement contains mechanisms to switch the reference rate for loans in U.S. dollar by 15 December 2022 at the latest into a daily compounded rate based on the secured overnight financing rate (SOFR) subject to certain adjustments including a credit adjustment spread.

The margin varies during the life of the Revolving Facility depending on the Group’s senior leverage ratio (calculated in accordance with the terms of the Revolving Facility Agreement as described in

section “—*Representations, Undertakings and Events of Defaults*” on page 59). The lowest margin can be achieved if the Group’s senior leverage ratio is below 1.00. The applicable margin increases for each 0.50 increment in the Group’s senior leverage ratio above 1.00, until the maximum applicable margin is reached when the Group’s senior leverage ratio is equal to or greater than 3.00. The difference between the lowest applicable margin and the highest applicable margin is 75 basis points. As at 31 December 2021, the Group’s senior leverage (calculated in accordance with the terms of the Revolving Facility Agreement) was 0.52:1, so that the currently applicable margin is the lowest possible margin.

***Financial covenant: senior leverage ratio***

The Revolving Facility Agreement contains a single financial covenant, *i.e.* a maximum senior leverage ratio of 3.50:1 tested semi-annually on 30 June and 31 December in respect of twelve month period preceding the relevant test date. As at 31 December 2021, the Group’s senior leverage was 0.52:1, well within the agreed maximum of 3.50:1.

The maximum senior leverage ratio must be calculated in accordance with the terms of the Revolving Facility Agreement as follows:

- *Senior leverage ratio* is defined as the ratio between senior net financial debt and Adjusted EBITDA (each calculated as set out below) in respect of the most recent 12 month period on the relevant testing date (*i.e.* on 30 June and 31 December of each year).
- *Senior net financial debt* is equal to the Alternative Performance Measure ‘Senior Net Financial Debt’ published by the Issuer,<sup>10</sup> provided that any liability in respect of a lease or hire purchase contract, which would, in accordance with GAAP in force prior to 1 January 2019, have been treated as an operating lease, must be excluded from senior net financial debt for purposes of the testing of financial covenants and determination of the interest rate margin (see “—*Interest Rate*” on page 57) under the Revolving Facility Agreement.
- *Adjusted EBITDA* is defined as consolidated profit, plus income tax expense, plus net finance expense, plus depreciation, amortisation and write-offs and before taking into account any exceptional, one-off, non-recurring or extraordinary items in accordance with IFRS (in each case during the last twelve months preceding the relevant testing date). If during the twelve months preceding the testing date, the Issuer or a subsidiary has completed an acquisition or divestiture then Adjusted EBITDA shall include the pro forma effect of that acquisition or divestiture as if that transaction had occurred at the beginning of the Relevant Period.

See below the calculation of the senior leverage ratio for purposes of the Revolving Facility Agreement:

<i>(in thousands of euro, except ratios)</i>	<b>31 Dec 2021</b>	<b>31 Dec 2020</b>
Alternative Performance Measure ‘Senior Net Financial Debt’ .....	92,233	133,295
- Leases that would have been an operating lease prior to 1 January 2019 .....	(35,714)	(33,522)
<b>= Senior net financial debt for purposes of Revolving Facility Agreement...</b>	<b>56,519</b>	<b>99,773</b>
Consolidated profit .....	33,156	37,213
+ Income tax expense .....	8,006	18,591
+ Net finance expense.....	4,752	7,989
+ Depreciation, amortisation .....	[65,456]	[60,626]
- Depreciation of leases that would have been operating lease prior to 1 Jan 2019	9,036	8,809
+ Exceptional, one-off, non-recurring or extraordinary items .....	7,177	5,435
- Adjustment for acquisitions or divestitures during last twelve months .....	–	26,000
<b>= Adjusted EBITDA for purposes of Revolving Facility Agreement.....</b>	<b>109,511</b>	<b>95,045</b>

<sup>10</sup> A definition of this APM and reconciliation to the closest IFRS metric (*i.e.* Borrowings) can be found in the section “Alternative Performance Measures” on page 72.

<b>Senior leverage ratio (senior net financial debt / Adjusted EBITDA) .....</b>	<b>0.52x</b>	<b>1.05x</b>
--	--------------	--------------

The aggregate principal amount (including any capitalised interest) of financial indebtedness that constitutes “Permitted Subordinated Debt” (as defined in the Revolving Facility Agreement), including the 2023 Existing Bonds (see “—*Subordinated Bonds due 2023*” on page 59) and the Bonds, is not taken into account for the calculation of the senior leverage ratio referred to in the above paragraph. Therefore, the refinancing (in part) of the senior 2022 Existing Bonds with the new subordinated Bonds offered under this prospectus will lead to a reduction of the Group’s senior leverage ratio (all else being equal).

### ***Representations, Undertakings and Events of Defaults***

In addition to the financial covenant discussed in the section above, the Revolving Facility is subject to customary representations and warranties, undertakings (including limitations on financial indebtedness and negative pledge provisions) and events of default (including cross-default).

Under the terms of the Revolving Facility Agreement, only the Issuer and Vandemoortele Coordination Center NV are allowed to incur additional financial indebtedness (subject to compliance with the Group’s senior leverage ratio as described below). Other members of the Group are restricted from incurring financial indebtedness, subject to certain exceptions. Those exceptions include, among other things, any financial indebtedness under any derivative transaction, financial indebtedness of target companies existing at the time of acquisition of the target by the Group, provided that such indebtedness is repaid within six months following the date of acquisition, or any financial indebtedness approved by lenders representing more than two-thirds of the total commitments under the Revolving Facility.

The Revolving Facility Agreement further allows the requisite majority of lenders to accelerate the Revolving Facility upon any borrower or guarantor being in a negative net assets position, taking into account contingent and prospective liabilities.

### **Senior Bonds due 2022**

On 10 June 2015, the Issuer has issued EUR 100,000,000 fixed rate bonds due 10 June 2022 (the **2022 Existing Bonds**). The Issuer has repaid the 2022 Existing Bonds in full, together with accrued interest, on 10 June 2022. There Issuer has no further outstanding obligations under the 2022 Existing Bonds.

The Issuer has funded the repayment of principal on the 2022 Existing Bonds using a drawing under the Revolving Facility (see “—*Revolving Facility*” on page 55), which will be partly repaid using the net proceeds of the Bonds (see “*Use of proceeds*” on page 113).

### **Subordinated Bonds due 2023**

On 7 November 2016, the Issuer has issued EUR 75,000,000 fixed rate subordinated bonds due 7 November 2023 (the **2023 Existing Bonds**). The 2023 Existing Bonds constitute unsecured and unguaranteed obligations of the Issuer. The 2023 Existing Bonds are subject to subordination and suspension of payment provisions that are similar to those included in Conditions 2.2 (Subordination) and 2.3 (Suspension of payments) of the Bonds.

The 2023 Existing Bonds bear interest at a rate of 3.50% per annum, payable annually in arrears on 7 November up to and including their maturity date of 7 November 2023.

The 2023 Existing Bonds are subject to conditions that are similar to the conditions of the Bonds (including in relation to subordination, suspension of payments, the redemption right of the bondholders in case of a change of control, the list of events of default, and undertakings of the Issuer). However, the 2023 Existing Bonds are a separate series and are not fungible with the Bonds.

## Factoring Agreements

### *ING Commercial Finance Belux NV*

Vandemoortele Europe NV, acting through its various branches, has a non-recourse factoring agreement with ING Commercial Finance Belux NV (**ING ComFin**). Subject to the terms and conditions of the factoring agreement, Vandemoortele Europe NV, acting through its various branches, will assign title to certain eligible receivables arising from the supply of goods and/or the provision of services to ING ComFin on a non-recourse basis and ING ComFin will purchase these receivables against payment of the nominal value of these receivables reduced by a discount. ING ComFin will pay immediately 95% of the nominal value of these receivables (the **Initial Purchase Price**). The remaining 5% of the nominal value is paid when ING ComFin receives payment under the receivables.

The maximum aggregate Initial Purchase Price paid for all outstanding receivables that are sold to ING ComFin is limited to EUR 50,000,000 at any time. The aggregate Initial Purchase Price paid for all outstanding receivables that are sold to ING ComFin as at 31 December 2021 and 30 April 2022 is included in the table set out in section “— *Overview of maturity date and outstanding amount of debt financing arrangements*” on page 54.

During the term of the factoring agreement and until the debtors have fulfilled all of their obligations vis-à-vis ING ComFin, Vandemoortele Europe NV (acting through its various branches) is not permitted to assign its receivables to any other party than ING ComFin or to pledge or encumber the same in any way to the benefit of any other party than ING ComFin.

The factoring agreement entered into force on 13 November 2012 for an initial period of three (3) years, subject to tacit renewal for subsequent periods of one (1) year, unless terminated by either party upon six (6) months' notice. The agreement has been renewed several times and the current term will expire on 23 November 2022, unless renewed or terminated.

### *BNP Paribas Fortis Factor NV*

Vandemoortele Europe NV, acting through its French branch, has a non-recourse factoring agreement with BNP Paribas Fortis Factor NV (**BNPPFF**). Subject to the terms and conditions of the agreement, Vandemoortele Europe NV, acting through its French branch, assigns on a continuing basis title to certain eligible receivables arising from the supply of goods or the provision of services to BNPPFF on a non-recourse basis and BNPPFF purchases these receivables against payment of the nominal value of these receivables reduced by a discount. BNPPFF will pay immediately 95% of the nominal value of these receivables (the **Initial Purchase Price**). The remaining 5% of the nominal value is paid when BNPPFF receives payment under the receivables.

The maximum aggregate Initial Purchase Price paid for all outstanding receivables that are sold to BNPPFF is limited to EUR 50,000,000 at any time. The aggregate Initial Purchase Price paid for all outstanding receivables that are sold to BNPPFF as at 31 December 2021 and 30 April 2022 is included in the table set out in section “— *Overview of maturity date and outstanding amount of debt financing arrangements*” on page 54.

During the term of the factoring agreement, Vandemoortele Europe NV, acting through its French branch, is not permitted to assign its receivables to any other party than BNPPFF or to pledge or encumber the same in any way to the benefit of any other party than BNPPFF. The scheduled termination date of the factoring agreement with BNPPFF is 1 July 2025. Both parties have the possibility to early terminate this factoring agreement at any time after 1 July 2023 with a 6 months prior written notice.

### **Irrevocable and Revolving Letter Of Credit by KBC Bank NV**

The Issuer, KBC Bank NV and a major supplier of the Issuer (the **Supplier**) have entered into an agreement pursuant to which the Supplier has the right to submit its invoices to KBC Bank NV which accepts to pay the Supplier (without recourse by KBC Bank NV to the Supplier) pursuant to an irrevocable and revolving letter of credit issued by KBC Bank NV (the **Irrevocable and Revolving Letter of Credit**).

The Issuer must pay the relevant invoices within 42 days to KBC Bank NV. The maximum amount of outstanding invoices at any time may not exceed EUR 50,000,000 (until 31 March 2023; after this date the amount is reduced to EUR 35,000,000). As at 31 December 2021, the total amount of outstanding invoices under this facility was ca. EUR 42,000,000.

The agreement has a term from 1 April 2022 until 31 March 2027.

### **Leasing**

The Issuer and its subsidiaries have entered into various leasing agreements. The Group mainly leases vehicles (company cars, forklifts) and buildings. The lease term varies from 4 to 5 years for vehicles, and from 2 to 24 years for buildings. The lease agreements do not impose any covenants. Leased assets are owned by the lessor. Creditors of the Issuer (such as the Bondholders) have no recourse or other claims to the leased assets.

For the lease of land and buildings, the Group is exposed to potential future increases in variable lease payments based on an index. Some limited property leases contain variable payment terms that are linked to the space used in the buildings.

Extension and termination options are included in several property and equipment leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the group's operations. The majority of extension and termination options held are exercisable only by the Group, and not by the respective lessor.

The Group also leases certain plant and equipment with lease terms of 12 months or less, as well as office equipment of low value. The aggregate commitments of the Group for short-term leases amounted to EUR 0.8 million as at 31 December 2021, and EUR 0.8 million as at 30 April 2022.

### **Super Junior Liabilities**

On the date of this prospectus, the Issuer does not have any Super Junior Liabilities (as defined in paragraph (iii) of Condition 2.2 (*Subordination*)).

## SELECTED FINANCIAL INFORMATION

References in this section to “we”, “us”, “our” and “Vandemoortele” are references to the Group.

### Business review of the financial year ended 31 December 2021

#### *Financial performance*

Despite the slow start to the year due to the prolonged Covid-19 measures and the historically high input cost prices, Vandemoortele presented growth figures in 2021. Our revenue increased by €133 million (+11% compared to 2020) to €1,330 million in 2021. This means the revenue for 2021 was almost at the same level as that of 2019, the last year prior to the worldwide breakout of the Covid-19 pandemic, which had a revenue of €1,384 million. Profit from operations (EBIT) increased by 21% from €38 million to €46 million. The Adjusted EBITDA amounted to €119 million, or 9% of the revenue of 2021: €15 million, or 14% higher year-on-year. This results in a 26% increase of the Adjusted EBIT to €55 million.<sup>11</sup>

Sales volumes recovered compared to 2020, thanks to the lifting of Covid-19 restrictions and the reopening of food service businesses from May and June onwards. The main growth in revenue however, is due to the reflection of the rising costs in our sales prices. The previously taken strategic decision to expand the food service channel and to focus on products with a higher added value resulted in a slight increase in margins compared to 2020.

The adjusting items of €9 million are mainly related to restructuring costs incurred in France and Belgium. Furthermore, there was a loss on disposals for idle assets, such as machinery (or parts thereof) that is no longer in operation and non-recurring consultancy fees for possible mergers or acquisitions.

In 2021, Vandemoortele realised earnings after tax (EAT) of €33 million, compared to €37 million in 2020. In 2020, we sold our shares of Lipidos Santiga with a one-time capital gain of €26 million.

The consolidated balance sheet includes equity of €437 million (versus €423 million at the end of December 2020), Borrowings of €237 million (versus €238 million in 2020), Net Financial Debt of €167 million (versus €208 million in 2020) and Senior Net Financial Debt of €92 million (versus €133 million in 2020).<sup>12</sup>

#### *Performance of the business lines (financial segment information)*

The following figures are extracted from note 5.1 (Financial segment information) of the Issuer’s audited consolidated annual statements (see “Documents incorporated by reference” on page 124):

<i>(in thousands of euro)</i>	<b>Bakery products</b>		<b>MCOF</b>	
	<b>FY 2020</b>	<b>FY 2021</b>	<b>FY 2020</b>	<b>FY 2021</b>
Revenue.....	724,265	812,529	469,749	516,384
Adjusted EBITDA .....	61,086	86,969	42,900	31,754
Adjusted EBITDA as a % of revenue .....	8.4%	10.7%	9.13%	6.15%
Profit/loss from operations (EBIT) .....	7,807	29,718	30,124	16,373

<sup>11</sup> Adjusted EBITDA and Adjusted EBIT are Alternative Performance Measures used by the Group. A definition of these APM’s and reconciliation to IFRS metrics can be found in the section “Alternative Performance Measures” on page 70.

<sup>12</sup> Net Financial Debt and Senior Net Financial Debt are Alternative Performance Measures used by the Group. A definition of these APM’s and reconciliation to IFRS metrics can be found in the section “Alternative Performance Measures” on page 70.

Profit/loss from operations (EBIT) as a % of revenue	1.1%	3.7%	6.4%	3.2%
--	------	------	------	------

### *Performance of Bakery Products*

In 2021, our focus was placed on pastries and sweet treats in this business line, with both categories having a higher added value. At the same time, we reduced our raw bread capacity due to the declining trend in this category in favour of pre-proved and ready-to-eat convenience levels (see section “*Business and strategy of the Group — Our business lines and key products and services — Bakery Products*” on page 43). Sales of bakery products in Italy grew thanks to several contracts with new customers. Our Bakery Products business line also did remarkably well in the French market in 2021.

Due to the constraints imposed by Covid-19 measures upon the catering industry, our ambition to grow in the food service channel lagged in the first half of the year. Therefore, a tight and active cost management was required during the first half of 2021. Marketing campaigns were temporarily put on hold, and recruitment was limited to strictly necessary positions. From June onwards, the food service channel recovered, and we were able to re-initiate certain marketing campaigns.

Altogether this resulted in a revenue increase of €89 million to €813 million in 2021, profit from operations (EBIT) of €30 million (versus €8 million in 2020) and an Adjusted EBITDA of €87 million (versus €61 million in 2020) in this business line. Thanks to the focus on added value products and strict cost monitoring, we were able to perform well in financial terms, and to improve margins in this business line, with Adjusted EBITDA as a percentage of revenue increasing from 8.4% in 2020 to 10.7% in 2021, and profit/loss from operations (EBIT) as a percentage of revenue increasing from 1.1% in 2020 to 3.7% in 2021 (see the table with financial segment information above).

### *Performance of MCOF*

Compared to financial year 2020, the revenue in the MCOF business line for financial year 2021 increased by €47 million to €516 million. The profit from operations (EBIT) for this business line amounted to €16m compared to €30m in 2020, and Adjusted EBITDA amounted to €32 million compared to €43 million in 2020. This lower result is mainly due to the sharp increase in raw material prices, which could only be passed on to the customers with delay. In 2021, price competition also intensified and put additional pressure on sales prices, and thus on the margins. Sales in the food service channel decreased in the first half of the year as a direct result of the imposition of Covid-19 restrictions, but recovered in the second half. In the retail channels our sales volumes slightly grew, largely thanks to the growth in popularity of home cooking during lockdown.

### ***Important events after the closing date of the accounts (31 December 2021)***

Vandemoortele was prepared for further cost price increases during the first months of 2022. These increases appear to hold true, and have been even higher than expected during the first calendar months. The war between Russia and Ukraine and the sanctions imposed on Russia have a significant share in those price increases. As they are the main suppliers of wheat and sunflower seeds worldwide, these prices have risen significantly since the start of the crisis and will continue to do so. Prices of other raw materials that are important to the Group such as butter and palm oil have also increased. The charts of the market prices for sunflower oil, wheat, butter and palm oil below (that are relevant for the Group) illustrate the sharp price increases following the break-out of the war between Russia and Ukraine at the end of February 2022. Investors should note that the charts below are public market prices to illustrate the price increase trend generally. These market prices and types of raw materials do not necessarily correspond to actual prices paid or actual types of raw materials purchased by the Group at any time (for example, the Group mostly uses a different grade of butter than the grade of butter for which a chart is included below) .

### CRUDE SUNFLOWER OIL 6 NORTHERN PORTS IN EURO/MT (1 JAN 2021 – 7 JUN 2022)



### MATIF WHEAT IN EURO/MT (1 JAN 2021 – 7 JUN 2022)





## CRUDE PALMOIL CIF ROTTERDAM IN EURO/MT (1 JAN 2021 – 7 JUN 2022)



## EEX BUTTER IN EURO/MT (1 JAN 2021 – 7 JUN 2022)



In addition, the war between Russia and Ukraine has an effect on further increases in energy, oil and gas prices.

There is no material adverse change in the prospects of the Issuer and there are no significant changes in the financial position or financial performance of the Group since the date of its last published audited financial statements (31 December 2021).

### **Cost drivers**

Costs reached historically high levels across all domains in 2021:

- Generally speaking, the shortage of transport capacity in the market in combination with increased fuel prices made transport more expensive. The Group's consolidated transport

expenses increased from EUR 77.9 million in 2020 to EUR 86.0 million in 2021 (+10.4% increase).

- Operational costs grew significantly as a result of peaks in the price of gas and electricity (+20%). The Group's consolidated utilities expenses increased from EUR 28.5 million in 2020 to EUR 30.7 million in 2021 (+7.7% increase).
- Packaging prices also rose significantly due to the high demand for packaging for hygienic reasons and from the medical sector and the increased uptake of e-commerce.
- Employment costs also increased, and were further compounded by difficulties in identifying qualified personnel in certain locations, and especially in the UK as a result of the Brexit. The Group's consolidated employee benefit expenses increased from EUR 249 million in 2020 to EUR 259.4 million in 2021 (+4.2% increase)

These factors, together with the costs associated with the imposed Covid-19 restrictions, all contributed to unprecedented costs.

Finally, and most importantly, the raw material prices increased sharply in 2021. In the Bakery Products business line, the cost of the two main raw materials, butter and flour, increased steeply at the end of 2021 and was still increasing at the beginning of 2022. In the MCOF business line, raw material prices, mainly the price of palm oil, also grew to historic heights, driven by the booming demand for palm oil from India and China.

### ***Investments***

In total, Vandemoortele spent €40 million on investments in 2021.

We invested €31 million and €9 million in the BP and MCOF business lines respectively. To meet the increasing demand for floor-baked bread, we installed a new floor- baking oven at our Arras site. To respond to the Brexit, we invested in a new pre-proofed pastry line on our production site in Worcester.

We also invested in our production sites for the BP business line in Lyon, Seneffe, Reims and Eeklo in order to renew or expand existing installations, or to make them greener. In the MCOF business line, our focus is on maintenance and modernisation investments to enable us to keep our plants and installations up to date. We are implementing a new automatic production control system, and we have started to invest in an extrusion line.

### ***Covid-19 impact***

In 2021 too, the world was still universally affected by the pandemic. The main impact was felt during the first months of 2021, with the year beginning with curfews, lockdowns and reduced social activities. This had a direct impact on food consumption and the food service channel in general.

Vandemoortele's Covid Taskforce continued in the same form as in 2020; consisting of several external experts, local country/site leaders and HR managers. The Covid Taskforce monitored the situation on a daily basis, in line with the information and guidelines provided by authorities and officials.

Several actions were continued, such as a mandatory home working policy, protective measures for Vandemoortele's personnel and creation of optimal working conditions, while ensuring strong communication at and across all levels of the organisation.

### **Outlook for the financial year ending 31 December 2022**

We foresee further price increases for all input costs (raw materials, ingredients, energy, transport & logistics, packaging and wages) in 2022, even more explicitly because of the war between Russia and

Ukraine. The focus for the coming year will be on passing these cost price increases on to our customers without losing sales volumes and keeping focused on serving our customers high-quality products.

In the BP business line, we expect continuous and sharp price increases for flour and butter in 2022. Because of the war between Russia and Ukraine, prices will increase even more sharply, as Russia and Ukraine are the world's largest suppliers of wheat and they account for 33% of the global sunflower seed export. We expect this to have a negative impact on our financial results in 2022. Alongside passing on the increased costs to our customers, the focus in this business line will be twofold. We will further develop the food service channel and further expand our product mix by introducing more added value (high-margin) products. To be able to do so, we will increase our production capacity for these value-added products, at the same time upgrading a number of lines to improve operational output. From a sustainability point of view, we will replace the liquid coolants currently still in use at a few sites (Seneffe, Reims and Carros) with more environmentally friendly alternatives.

The war between Russia and Ukraine will also have a major impact on our MCOF business line. Both a price increase and a shortage of sunflower oil will affect this business line in 2022. The challenge of passing on cost price increases to the customer in our MCOF business line will be further compounded by a context of intensified competition. Additional focus will therefore be placed upon fixed cost control and exploration of new product categories. Also, in MCOF, we will further develop the food service channel in order to gain market share. The implementation of a new production control system and investment in the future extrusion line will be continued. We will replace the CIP (Cleaning in Place) installation in Izegem, and also install solar panels and charging stations for electric vehicles at the site.

In both business lines (BP and MCOF) we will increase our investments in digital marketing and e-commerce to foster sales and to further improve our sales efficiency.

## Historical financial information

The tables below contain key financial information extracted from the consolidated audited financial statements of the Issuer for the financial year ended 31 December 2021 and for the financial year ended 31 December 2020, each prepared in accordance with International Financial Reporting Standards (IFRS). The Issuer has not published quarterly or half-yearly financial information since the date of its last audited consolidated annual accounts of 31 December 2021.

### Consolidated income statement

(in thousands of euro)

For the year ended 31 December	2021	2020
Revenue .....	1,329,601	1,197,364
Raw materials and consumables used and goods for resale.....	(738,585)	(629,886)
Changes in inventories of finished goods and goods purchased for resale.....	7,204	978
Services.....	(237,952)	(227,428)
Employee benefit expenses.....	(259,413)	(249,040)
Depreciation, amortisation and write down .....	(62,173)	(62,259)
Net impairment losses.....	(1,901)	(405)
Change in provisions.....	1	(671)
Other operating income.....	19,663	22,359
Other operating expenses.....	(10,531)	(13,219)
<b>Profit/ (loss) from operations .....</b>	<b>45,913</b>	<b>37,792</b>
Financial Income.....	7,490	5,097
Financial Expense .....	(12,242)	(13,086)
Gain on disposal of equity accounted investments <sup>(1)</sup> .....	-	26,000
<b>Profit/ (loss) before tax .....</b>	<b>41,162</b>	<b>55,804</b>
Income tax (expense) .....	(8,006)	(18,591)
<b>Profit/ (loss) from continuing operations.....</b>	<b>33,156</b>	<b>37,213</b>
<b>Profit/loss .....</b>	<b>33,156</b>	<b>37,213</b>
Profit/loss attributable to the owners of the parent .....	33,156	37,213

(1) 2020 included a one-time capital gain of €26 million on the sale of our shares of Lipidos Santiga

### Other comprehensive income

(in thousands of euro)

For the year ended 31 December	2021	2020
<b>Profit/(loss) for the year.....</b>	<b>33,156</b>	<b>37,213</b>
<b>Other Comprehensive income.....</b>	<b>5,992</b>	<b>(3,784)</b>
<b>Items that may be reclassified subsequently to profit or loss:.....</b>	<b>598</b>	<b>(4,880)</b>
Cash flow hedges, net of tax .....	-	-
Cash flow hedges associates, net of tax.....	-	-
Currency translation differences.....	598	(4,880)
<b>Items that will not be reclassified subsequently to profit or loss: .....</b>	<b>5,393</b>	<b>1,096</b>
Remeasurements of defined benefit obligations, net of tax.....	5,393	1,096
<b>Total comprehensive income for the year.....</b>	<b>39,148</b>	<b>33,429</b>
- attributable to the owners of the parent company.....	39,148	33,429

## Consolidated balance sheet

(in thousands of euro)

For the year ended 31 December	2021	2020
<b>Assets</b>		
Goodwill .....	199,329	199,329
Other intangible assets .....	7,612	8,845
Property, plant & equipment .....	398,816	413,952
Deferred tax assets .....	38,334	38,002
Other financial assets .....	30	30
Other assets .....	2,809	2,727
<b>Non-current assets</b> .....	<b>646,931</b>	<b>662,887</b>
Inventories.....	141,015	119,428
Trade and other receivables .....	220,302	184,990
Derivatives .....	2,587	2,370
Other Financial assets <sup>(1)</sup> .....	11,360	10,888
Cash and cash equivalents .....	59,364	20,152
Other assets .....	6,489	6,481
<b>Current assets</b> .....	<b>441,117</b>	<b>344,309</b>
<b>Total Assets</b> .....	<b>1,088,048</b>	<b>1,007,196</b>
<b>Equity and liabilities</b>		
Share capital.....	79,365	79,365
Retained earnings & reserves.....	357,356	343,727
<b>Equity</b> .....	<b>436,721</b>	<b>423,092</b>
Borrowings.....	123,445	227,343
Deferred tax liabilities.....	19,515	22,463
Derivatives .....	2,681	5,101
Employee benefits.....	19,090	27,119
Provisions.....	6,391	6,393
Other non-current liabilities .....	4,059	2,700
<b>Non-current liabilities</b> .....	<b>175,180</b>	<b>291,119</b>
Borrowings.....	114,030	11,193
Current tax .....	5,242	5,154
Derivatives .....	3,133	1,942
Employee benefits.....	41,928	36,797
Trade payables and other liabilities .....	311,813	237,900
<b>Current liabilities</b> .....	<b>476,147</b>	<b>292,985</b>
<b>Total equity and liabilities</b> .....	<b>1,088,048</b>	<b>1,007,196</b>

(1) Includes Sicavs noted on the Luxembourg market and valued at the final recorded market price before closing date

## Consolidated cash-flow statement

(in thousands of euro)

For the year ended 31 December	2021	2020
<b>Profit/ (loss) from operations (1).....</b>	<b>45,913</b>	<b>37,792</b>
Amortisations.....	2,509	2,612
Depreciations .....	61,046	57,609
Impairments on intangible & tangible fixed assets.....	1,901	405
<b>EBITDA from continuing operations.....</b>	<b>111,369</b>	<b>98,418</b>
Depreciations on government grants.....	(407)	(476)
Fair value adjustments on commodity contracts.....	174	(72)
Change in provisions.....	(1)	671
Change in long-term employee benefits .....	(960)	1,888
Write down on inventories and receivables .....	(1,381)	2,039
Loss / (gain) on disposals of intangible assets and PPE.....	918	1,105
Other .....	1,882	(341)
<b>Cash flow from operating activities before changes in working capital ..</b>	<b>111,592</b>	<b>103,232</b>
Decrease / (increase) in inventories .....	(21,580)	8,046
Decrease / (increase) in trade receivables.....	(24,200)	11,898
Increase / (decrease) in trade payables.....	66,940	(40,370)
Increase / (decrease) in other working capital.....	286	(1,479)
<b>Net cash generated from operating activities .....</b>	<b>133,038</b>	<b>81,328</b>
Interest received.....	66	18
Net interest paid.....	(8,060)	(8,752)
Income taxes paid .....	(9,580)	(7,119)
Other financial fees .....	(788)	774
<b>Cash flow from operating activities in continuing operations .....</b>	<b>114,677</b>	<b>64,702</b>
Acquisition of intangible assets .....	(634)	(786)
Acquisition of property, plant and equipment.....	(39,142)	(57,630)
Proceeds from sale of intangible assets.....	42	21
Proceeds from sale of property, plant and equipment.....	760	961
Proceeds from sale of subsidiaries & associates .....	-	50,500
Government grants.....	49	54
<b>Cash flow from investing activities in continuing operations .....</b>	<b>(38,925)</b>	<b>(6,880)</b>
Proceeds from borrowings .....	38	-
Repayment of borrowings.....	(2,083)	(37,158)
Repayment of lease liabilities (2).....	(9,063)	(11,466)
Dividends paid .....	(22,760)	(17,404)
Dividends received.....	2,264	2,006
Acquisition of treasury shares / Sale of own shares.....	(5,022)	1,882
Other .....	-	(50)
<b>Cash flow from financing activities in continuing operations.....</b>	<b>(36,626)</b>	<b>(62,190)</b>
<b>Net increase / (decrease) in cash &amp; cash equivalents .....</b>	<b>39,126</b>	<b>(4,368)</b>
Cash and cash equivalents less bank overdrafts as of 1 January.....	20,020	24,387
Effect of exchange rate fluctuations.....	(2)	0
<b>Cash and cash equivalents less bank overdrafts as of 31 December .....</b>	<b>59,144</b>	<b>20,020</b>

(1) Includes interests on leases and rent payments for low value assets, short term leases, variable lease payments and non-lease components (2) See note 17 (movements of lease liabilities) to the Issuer's audited consolidated financial statements (see section "Documents incorporated by reference" on page 124)

## **Audit**

The Issuer's statutory auditor is Deloitte Bedrijfsrevisoren/Réviseurs d'Entreprises BV/SRL, represented by Tom Windelen, who is a member of the *Instituut van de Bedrijfsrevisoren / Institut des Réviseurs d'Entreprises*.

The Issuer's statutory auditor has issued audit reports in respect of the financial statements in respect of financial years ending 31 December 2021 and 31 December 2020 which do not contain qualifications, modifications of opinion, disclaimers or an emphasis of matter.

## ALTERNATIVE PERFORMANCE MEASURES

The below metrics, which are consistently used to analyse the financial performance of the Group, are considered as Alternative Performance Measures (APMs) as defined in the European Securities and Markets Authority’s Guidelines on Alternative Performance Measures (ESMA/2015/1057). The Issuer uses these key APMs in addition to the figures that are prepared in accordance with IFRS. The Issuer believes the presentation of these key APMs enhances the understanding of its financial performance. The APMs should be viewed as complementary to, rather than substitute for, the financial figures determined according to IFRS. The Issuer presents these APMs as (i) supplemental information because they are used by it to measure operating performance or as an auxiliary profitability parameter, and (ii) as a basis for strategic planning and forecasting. The Issuer believes that these measures are widely used by certain investors, securities analysts, and other parties as supplemental measures of operating and financial performance.

### ***EBIT***

EBIT is defined as the profit/loss from operations as reported in the Issuer’s consolidated income statement in accordance with IFRS. It is therefore not an Alternative Performance Measure, but it is included in this section for completeness’ sake.

### ***EBITDA***

EBITDA means profit/loss from operations (EBIT) before depreciation, amortisation and impairments.

EBITDA can be reconciled as follows for the financial years ended 31 December 2021 and 31 December 2020:

*(in thousands of euro)*

<b>For the year ended 31 December</b>	<b>2021</b>	<b>2020</b>
Profit/loss from operations.....	45,913	37,792
Amortisations.....	2,509	2,612
Depreciations .....	61,046	57,609
Impairment losses on property, plant and equipment .....	1,901	405
<b>EBITDA .....</b>	<b>111,369</b>	<b>98,418</b>

### ***Adjusted EBIT***

Adjusted EBIT means EBIT before Adjusting Items (as defined below).

Adjusted EBIT can be reconciled as follows for the financial years ended 31 December 2021 and 31 December 2020:

*(in thousands of euro)*

<b>For the year ended 31 December</b>	<b>2021</b>	<b>2020</b>
Profit/loss from operations (EBIT) .....	45,913	37,792
Adjusting Items.....	9,078	5,793
<b>Adjusted EBIT .....</b>	<b>54,991</b>	<b>43,585</b>

### ***Adjusted EBITDA***

Adjusted EBITDA means Adjusted EBIT before depreciation and amortisation or EBITDA before Adjusting Items.



Adjusted EBITDA can be reconciled as follows for the financial years ended 31 December 2021 and 31 December 2020:

*(in thousands of euro)*

<b>For the year ended 31 December</b>	<b>2021</b>	<b>2020</b>
EBITDA.....	111,369	98,418
Adjusting Items.....	7,177	5,435
<b>Adjusted EBITDA.....</b>	<b>118,546</b>	<b>103,853</b>

### ***Adjusting Items***

Adjusting Items means items that are related to restructuring programmes, lay-off costs that cannot be associated with the future organisation, gains/losses on disposals, dismantling costs, impairment losses on assets (including goodwill), fade-out costs for production or logistic sites that are closed during the year and consultancy fees relating to possible mergers and acquisitions.

Adjusting Items are composed of the following items for the financial years ended 31 December 2021 and 31 December 2020:

*(in thousands of euro)*

<b>For the year ended 31 December</b>	<b>2021</b>	<b>2020</b>
Consultancy cost relating to mergers and acquisitions .....	(1,008)	(174)
Optimisation of operations.....	(3,995)	(3,912)
Lay-off costs not linked to future reorganisation.....	(2,174)	(1,349)
<b>Total Adjusting Items (excluding impairments) .....</b>	<b>(7,117)</b>	<b>(5,435)</b>
Impairment losses .....	(1,901)	(358)
<b>Total Adjusting Items.....</b>	<b>(9,078)</b>	<b>(5,793)</b>

### ***Net Financial Debt***

Net Financial Debt means the borrowings excluding the issuance costs minus cash and cash equivalents and current other financial assets.

Net Financial Debt can be reconciled as follows for the financial years ended 31 December 2021 and 31 December 2020:

*(in thousands of euro)*

<b>For the year ended 31 December</b>	<b>2021</b>	<b>2020</b>
Borrowings (note 24).....	237,474	238,536
- Issuance costs (net book value) (note 24).....	483	799
- Cash and cash equivalents (note 22).....	(59,416)	(20,152)
- Other financial assets.....	(11,360)	(10,888)
<b>Net Financial Debt .....</b>	<b>167,233</b>	<b>208,295</b>

The notes refer to the notes to the Issuer's audited consolidated financial statements as incorporated by reference into this prospectus (see section "Documents incorporated by reference" on page 124).

### ***Senior Net Financial Debt***

Senior Net Financial Debt means Net Financial Debt excluding subordinated loans.

Senior Net Financial Debt can be reconciled as follows for the financial years ended 31 December 2021 and 31 December 2020:

(in thousands of euro)

<b>For the year ended 31 December</b>	<b>2021</b>	<b>2020</b>
Net Financial Debt .....	167,233	208,295
- Subordinated Loans (note 25).....	(75,000)	(75,000)
<b>Senior Net Financial Debt .....</b>	<b>92,233</b>	<b>133,295</b>

The notes refer to the notes to the Issuer's audited consolidated financial statements as incorporated by reference into this prospectus (see section "*Documents incorporated by reference*" on page 124).

\* \* \*

For completeness' sake, the Issuer notes that Note 4 (*Alternative Performance Measures*) of its audited consolidated annual accounts, which are incorporated by reference herein (see section "*Documents incorporated by reference*" on page 124) contains the following additional Alternative Performance Measures (together with a reconciliation to IFRS metrics) which are not used in this prospectus: Net Fixed Assets, (Operational) Working Capital Needs, Other Working Capital Needs, Capital Employed, Capital Provided and Return on Capital Employed.

## THE BONDS

### TERMS AND CONDITIONS OF THE BONDS

*The following is the text of the Conditions of the Bonds (in each case as defined below) save for the paragraphs in italics that shall be read as complementary information.*

The issue of the 5.600% subordinated fixed rate bonds due 4 July 2029 for an expected minimum principal amount of EUR 30,000,000 and a maximum principal amount of EUR 50,000,000 (the **Bonds**) by Vandemoortele NV (the **Issuer**) was authorised by resolutions of the Issuer's board of directors on 12 May 2022.

The Bonds are issued subject to and with the benefit of a paying, calculation and listing agency agreement dated 21 June 2022 entered into between the Issuer and KBC Bank NV acting as paying, calculation and listing Agent (the **Agent**, which expression shall include any successor as Agent under the Agency Agreement) (such agreement as amended and/or supplemented and/or restated from time to time, the **Agency Agreement**).

A copy of the Agency Agreement is available (i) for inspection during normal business hours at the specified office of the Agent and (ii) electronically upon request from workflow@kbc.be. The specified office of the Agent as at the date of the Prospectus is at Havenlaan 2, 1080 Brussels, Belgium.

References herein to a **Condition** are references to the relevant numbered paragraph below, unless the context requires otherwise.

Condition 15 (*Definitions and interpretation*) contains the definitions of certain terms used in these Conditions and certain rules of interpretation applicable to these Conditions.

#### 1. FORM AND DENOMINATION

##### 1.1. Form

- (a) The Bonds are issued in dematerialised form in accordance with Article 7:35 of the Companies Code and cannot be physically delivered. At issuance, the Bonds will be exclusively represented by book-entry in the records of the securities settlement system operated by the National Bank of Belgium (the **NBB**) or any successor thereto (the **NBB-SSS**). The Bonds can be held by their holders through participants in the NBB-SSS, including (on the Issue Date and subject to change) Euroclear Bank, Clearstream Banking Frankfurt, SIX SIS, Euronext Securities Milan, Euroclear France, Euronext Securities Porto and LuxCSD.
- (b) The Bonds are accepted for clearance through the NBB-SSS, and are accordingly subject to the applicable Belgian clearing regulations, including the Belgian law of 6 August 1993 on transactions in certain securities, its implementing Belgian Royal Decrees of 26 May 1994 and 14 June 1994 and the rules of the NBB-SSS and its annexes, as issued or modified by the NBB from time to time (the laws, decrees and rules mentioned in this Condition being referred to herein as the **NBB-SSS Regulations**).
- (c) Title to the Bonds will pass by account transfer.
- (d) Bondholders are entitled to directly demand from the Issuer any payment which the Issuer failed to pay in accordance with the Conditions and to exercise the voting rights and other member's rights (as defined in Article 7:41 of the Companies Code) *vis-à-vis* the Issuer upon submission of an affidavit drawn up by the NBB or the relevant participant in the NBB-SSS duly licensed in Belgium to keep dematerialised securities accounts showing such holder's position in the Bonds (or the position held by the financial intermediary through which such holder's Bonds

are held with the NBB or the relevant participant in the NBB-SSS, in which case an affidavit drawn up by such financial intermediary will also be required).

- (e) The Bonds may not be exchanged for securities in bearer form (*effecten aan toonder / titres au porteur*).
- (f) If at any time the Bonds are transferred to another clearing system, not operated or not exclusively operated by the NBB, these provisions shall apply *mutatis mutandis* to such successor clearing system and successor clearing system operator or any additional clearing system and additional clearing system operator (any such clearing system, an **Alternative Clearing System**).

## 1.2. Denomination

The Bonds will have a denomination of EUR 1,000 each (the **Specified Denomination**), which is the principal amount of each Bond at the moment of issuance.

## 2. STATUS, SUBORDINATION AND SUSPENSION OF PAYMENTS

### 2.1. Status of the Bonds

The Bonds constitute direct, unconditional and (subject to Condition 3 (*Negative Pledge*)) unsecured obligations of the Issuer. The rights and claims of the holders of the Bonds are subordinated as described in Condition 2.2 (*Subordination*). The Bonds rank and will at all times rank *pari passu*, without any priority among themselves and at least equally and rateably with all other present and future outstanding subordinated obligations of the Issuer, except as otherwise mentioned under Condition 2.2 (*Subordination*) relating to any Super Junior Liabilities (as defined below).

### 2.2. Subordination

In the event:

- (a) a court order or an effective resolution is passed for the winding up or the liquidation of the Issuer (except for, in any such case, a solvent winding up or liquidation solely for the purposes of a reorganisation, reconstruction or amalgamation, merger or consolidation of the Issuer or the substitution in place of the Issuer of a successor in business of the Issuer);
- (b) the Issuer is declared bankrupt (*failliet/faillite*) or is unable to pay its debts as they fall due (*staking van betaling/cessation de paiements*);
- (c) any concursus creditorum (*samenloop/concours*) in respect of the Issuer has occurred; or
- (d) any corporate action is taken and/or legal proceedings are initiated and/or any step is taken in relation to a composition, compromise, assignment or arrangement with any creditor or the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise, including under Book XX of the Belgian Economic Law Code (*Wetboek van economisch recht / Code de droit économique*)), the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer or the enforcement of any Security over any assets of the Issuer other than a winding up petition which is frivolous or vexatious and is discharged, stayed or dismissed within 14 days of commencement or, if earlier, the date on which it is advertised,

(each of these events referred to directly above under (a) to (d), a **Trigger Event**),

then all rights and claims of the Bondholders against the Issuer in respect of or arising under (including, without limitation, principal, interest and any damages awarded for breach of any obligation under) the Bonds (the **2029 Subordinated Bond Liabilities**), including resulting from any purchase of the Bonds by the Issuer, shall rank:

- (i) junior to the rights and claims of all other unsubordinated creditors of the Issuer, whether present or future, actual or contingent, unsecured or secured (the **Senior Liabilities**);
- (ii) *pari passu* with the rights and claims of any other subordinated creditor of the Issuer (including, for the avoidance of doubt, the holders of the Issuer's 2023 Existing Bonds) but excluding any Super Junior Liabilities (as defined below) (together with the 2029 Subordinated Bond Liabilities, the **Junior Liabilities**); and
- (iii) senior to all present and future rights and claims of existing and future (x) shareholders of the Issuer and (y) Connected Persons (other than the Issuer's Subsidiaries) as connected to the Issuer in relation to any indebtedness for or in respect of monies borrowed or raised from any of its shareholders or Connected Persons (other than the Issuer's Subsidiaries), other than indebtedness under the form of Debt Capital Market Instruments (the **Super Junior Liabilities**), in accordance with and subject to Condition 2.4 (*Super Junior Liabilities*).

For the avoidance of doubt, any present and future rights and claims of existing and future shareholders of the Issuer or Connected Persons (other than the Issuer's Subsidiaries) as connected to the Issuer, in the form of Debt Capital Market Instruments, will not be subordinated to the 2029 Subordinated Bond Liabilities pursuant to paragraph (iii) above, but will rank senior to or *pari passu* with the 2029 Subordinated Bond Liabilities, in accordance with the terms of paragraph (i) or (ii) above (as applicable).

**Each Bondholder acknowledges that the facility agent, acting on behalf of the senior lenders under the Revolving Facility Agreement, has accepted the benefit of the subordination of the 2029 Subordinated Bond Liabilities as set out in this Condition 2.2 (*Subordination*) as third-party beneficiary of the *stipulation pour autrui/beding ten behoeve van een derde* under this Condition 2.2 (*Subordination*) by means of a letter dated on or about 21 June 2022 to the Issuer. A copy of such letter is available for each Bondholder to review at the registered seat of the Issuer.**

### **2.3. Suspension of payments**

*Investors should refer to section "Description of certain financing arrangements — Revolving Facility" on page 55 of this prospectus for a description of the Revolving Facility Agreement (on the date of this prospectus) that is referred to below.*

- (a) In the event a payment default (however described) occurs by the Issuer under the Revolving Facility Agreement, then, as from the date such payment default occurs until the earlier of:
  - (i) the date on which such payment default is no longer outstanding or is remedied and/or waived, and
  - (ii) the date which falls 360 calendar days after the date on which such payment default occurs (the **End Date**), insofar the Revolving Facility Agreement has not been accelerated prior to such End Date,

the payment, including (without limitation) through set-off or through purchase of any Bonds, of all or any part of the 2029 Subordinated Bond Liabilities (including (without limitation) the principal, any interest or indemnities under the Junior Liabilities) shall be postponed and subordinated to the payment in full of all outstanding amounts due to the finance parties under the Revolving Facility Agreement, including (without limitation) the principal, interest or indemnities under the Revolving Facility Agreement.

- (b) The amount of any 2029 Subordinated Bond Liabilities that have not been paid on their due date pursuant to paragraph (a) above, shall be paid promptly following the expiry of the suspension pursuant to paragraph (a) above.
- (c) In accordance with Condition 4.2 (*Accrual of interest*), interest shall continue to accrue in accordance with these Conditions in respect of any amount of principal that becomes due and payable but in respect of which payment is suspended pursuant to paragraph (a) above, until payment of such principal amount in accordance with paragraph (b) above.
- (d) Bondholders are not entitled to any compensation solely by reason of the suspension of payments pursuant to paragraph (a) above. No interest shall accrue on any amount of interest or any other amount (other than principal) that becomes due and payable under or in connection with the Bonds but in respect of which payment is suspended pursuant to paragraph (a) above.
- (e) The Issuer will notify the Bondholders in accordance with Condition 12 (*Notices*) of any suspension of payments in accordance with this Condition 2.3 (*Suspension of payments*) within 10 Business Days of the payment default, unless an Interest Payment Date falls in those 10 Business Days, in which case the Issuer will notify the Bondholders in accordance with Condition 12 (*Notices*) at the latest on the Business Day before such Interest Payment Date.

#### **2.4. Super Junior Liabilities**

*Investors should refer to section “Description of certain financing arrangements — Super Junior Liabilities” on page 61 of this prospectus for a confirmation that there are no Super Junior Liabilities on the date of this prospectus.*

The Issuer shall not (and shall procure that none of its Subsidiaries will) incur indebtedness for or in respect of monies borrowed or raised (other than indebtedness in the form of Debt Capital Market Instruments) from any of its shareholders or any Connected Person (other than the Issuer’s Subsidiaries) as connected to the Issuer unless that shareholder or Connected Person irrevocably agrees, by way of a *beding ten behoeve van een derde/stipulation pour autrui* for the benefit of the Bondholders, that as long as any Bond remains outstanding:

- (a) the rights and claims of such shareholder or Connected Person resulting from such indebtedness shall rank, upon a Trigger Event, junior to (1) the Senior Liabilities, and (2) the Junior Liabilities; and
- (b) payment, including (without limitation) through set-off, of all or any part of the Super Junior Liabilities will be suspended in the same circumstances and for the same periods as set out in Condition 2.3 (*Suspension of payments*).

### **3. NEGATIVE PLEDGE**

3.1. So long as any Bond remains outstanding, the Issuer:

- (a) will not create or permit to subsist any mortgage, charge, pledge, lien or other form of encumbrance or security interest, including, without limitation, anything analogous to any of the foregoing under the laws of any jurisdiction (**Security**) upon the whole or any part of its undertaking, assets or revenues present or future to secure any Relevant

Debt of the Issuer or a Subsidiary or to secure any guarantee of or indemnity in respect of any Relevant Debt of the Issuer or a Subsidiary;

- (b) will procure that no Subsidiary creates or permits to subsist any Security upon the whole or any part of its undertaking, assets or revenues present or future to secure any Relevant Debt of the Issuer or a Subsidiary or to secure any guarantee of or indemnity in respect of a Relevant Debt of the Issuer or a Subsidiary; and
- (c) will not give, and will procure no Subsidiary (determined at the time of incurrence) gives any guarantee of, or indemnity in respect of any of the Relevant Debt of the Issuer or a Subsidiary,

unless, at the same time or prior thereto, the Issuer's obligations under the Bonds are secured equally (including, without limitation, with respect to (i) the ranking of such Security and (ii) terms governing the provision of additional Security and the release of Security) therewith or benefit from a guarantee or indemnity in substantially identical terms thereto (including, for the avoidance of doubt, terms governing the provision of additional guarantees and indemnities and the release of such guarantees and indemnities), as the case may be, or have the benefit of such other security, guarantee, indemnity or other arrangement as shall be approved by an Extraordinary Resolution of the Bondholders. The Issuer shall be deemed to have satisfied any such obligation to provide Security, a guarantee or indemnity on substantially the same terms if the benefit of such Security, guarantee or indemnity is equally 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). The enforcement of any Security so provided shall be subject to the subordination of the Bonds pursuant to Condition 2.2 (*Subordination*).

- 3.2. The prohibition contained in this Condition 3 (*Negative pledge*) does not apply to any guarantee, indemnity or Security either:
- (a) existing prior to any entity becoming a Subsidiary (provided that such guarantee, indemnity or Security was not created or assumed in contemplation of such company or other entity becoming a Subsidiary of the Issuer and that the principal amount of such Relevant Debt is not subsequently increased); or
  - (b) coming into existence pursuant to a modification of any mandatory provision of an applicable law.

## 4. INTEREST

### 4.1. Interest Rate and Interest Payment Dates

- (a) Each Bond bears interest from (and including) the Issue Date at the rate of 5.600 per cent. per annum (the **Interest Rate**) by reference to its Specified Denomination.
- (b) Subject to Condition 2.3 (*Suspension of payments*), interest on the Bonds is payable annually in arrears on 4 July in each year starting with 4 July 2023 up to and including the Maturity Date (each an **Interest Payment Date**).
- (c) When interest is required to be calculated in respect of any period which is shorter than an Interest Period, the interest amount payable for each Bond shall be calculated by multiplying the product of the Interest Rate and the Specified Denomination with (i) the actual number of days in the relevant period from (and including) the first day of such period to (but excluding) the date on which it falls due, divided by (ii) the actual number of days from (and including) the immediately preceding Interest Payment Date (or, if none, the Issue Date) to (but excluding) the next following Interest Payment Date. For these purposes, an **Interest Period** means the

period beginning on (and including) the Issue Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date.

#### 4.2. Accrual of interest

Each Bond will cease to bear interest from and including its due date for redemption or repayment thereof unless payment of principal is improperly withheld or refused or unless default is otherwise made in respect of payment or unless payment is lawfully suspended pursuant to Condition 2.3 (*Suspension of payments*), in which event interest will continue to accrue at the Interest Rate specified in Condition 4.1 (*Interest Rate and Interest Payment Dates*) (both before and after judgment, if applicable) until the day on which all sums due in respect of such Bond up to that day are received by or on behalf of the relevant Bondholder.

### 5. REDEMPTION AND PURCHASE

#### 5.1. Final redemption

Unless previously purchased and cancelled or redeemed as herein provided, the Bonds will be redeemed at 100 per cent. of their Specified Denomination on 4 July 2029 (the **Maturity Date**).

#### 5.2. Redemption at the Option of Bondholders – Change of Control

- (a) For the purpose of this Condition 5.2 (*Redemption at the Option of Bondholders – Change of Control*), a **Change of Control** shall be deemed to have occurred if (i) any person not affiliated with the Reference Shareholder or (ii) a group of persons not affiliated with the Reference Shareholder, Acting in Concert, gain(s) Control of the Issuer, whereby:

**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;

**Control** means (i) the acquisition or the holding of more than 50 per cent. of the voting rights in the Issuer, (ii) the right to nominate, pursuant to the articles of association or pursuant to agreements known by the Issuer, the majority of the directors of the Issuer or (iii) the acquisition or the holding of a number of voting rights, even if such number is less than 50 per cent. of the outstanding voting rights in the Issuer, if such acquisition or holding has resulted in a mandatory public offer over the whole of the outstanding shares of the Issuer; and

**Reference Shareholder** means Safinco NV or any successor or other vehicle substituted to it and controlled (within the meaning of Article 1:14 of the Companies Code) by the descendants of Mr. Constant Vandemoortele.

- (b) In the event that:

- (i) a Change of Control occurs at the time the Issuer is not rated; or
- (ii) a Change of Control occurs at the time the Issuer is rated and within the Change of Control Period, a Rating Downgrade resulting (in whole or in part) from that Change of Control occurs,

(each an **Early Redemption Event**), then each Bondholder, at its own initiative, will have the right to require the Issuer to redeem all or any part of that Bondholder's Bonds on the Change of Control Put Date at the Put Redemption Amount.



To exercise such right, the relevant Bondholder must, at any time during the Change of Control Put Exercise Period, deliver to the bank or other financial intermediary through which the Bondholder holds Bonds (the **Financial Intermediary**) for further delivery to the Issuer, a duly completed and signed notice of exercise (a **Change of Control Put Exercise Notice**) substantially in the form attached in Annex 2 to these Conditions and obtainable upon request during usual business hours from the specified office of the Agent or on the website of the Issuer at <https://vandemoortele.com/en/tags/investor-news/financial-instruments>. Bondholders must check with their Financial Intermediary, as applicable, when such Financial Intermediary would require to receive instructions and Change of Control Put Exercise Notices in order to meet the deadlines for such exercise to be effective.

The Bonds shall be delivered for the account of the Issuer by no later than the second Business Day following the last day of the Change of Control Put Exercise Period on a delivery against payment basis, with settlement on the Change of Control Put Date.

A Change of Control Put Exercise Notice, once delivered, shall be irrevocable and the Issuer shall repay all Bonds that are the subject of Change of Control Put Exercise Notices delivered as aforesaid on the Change of Control Put Date.

For the purpose of this Condition 5.2 (*Redemption at the Option of Bondholders – Change of Control*):

**Calculation Agent** means KBC Bank NV or such other leading investment, merchant or commercial bank as may be appointed from time to time by the Issuer for purposes of calculating the Put Redemption Amount, and notified to the Bondholders in accordance with Condition 12 (*Notices*);

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

**Put Redemption Amount** means an amount per Bond calculated by the Calculation Agent by multiplying the Redemption Rate by the Specified Denomination of such Bond and rounding, if necessary, the resultant figure to the nearest minimum sub-unit of euro (half of such unit being rounded downwards), and by adding any accrued but unpaid interest of such Bond to (but excluding) the Change of Control Put Date;

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

**T** means the time, expressed in decimals of a year, elapsed from (and including) the Issue Date until (and including) the Change of Control Put Date.

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

*The Put Redemption Amount applicable in the case of, or following, the Early Redemption Event referred to under Condition 5.2 (Redemption at the Option of Bondholders – Change of Control), reflects a maximum yield of 0.75 points above the yield of the Bonds on the Issue Date up to the Maturity Date in accordance with the NBB-SSS Regulations. The Royal Decree indeed requires that in relation to Bonds that can be traded on N accounts, if investors exercise a right to have the Bonds redeemed early, the actuarial return cannot exceed the actuarial return of the Bonds upon the issue up to the final maturity, by more than 0.75 points.*

- (c) Within 5 Business Days following an Early Redemption Event, the Issuer shall give notice thereof to the Bondholders in accordance with Condition 12 (*Notices*) (a **Change of Control Notice**). The Change of Control Notice shall contain a statement informing Bondholders of

their entitlement to exercise their rights to require redemption of their Bonds pursuant to Condition 5.2 (*Redemption at the Option of Bondholders – Change of Control*). The Change of Control Notice shall also specify:

- (i) to the fullest extent permitted by applicable law, all information material to Bondholders concerning the Change of Control;
  - (ii) the last day of the Change of Control Put Exercise Period;
  - (iii) the Change of Control Put Date; and
  - (iv) the Put Redemption Amount.
- (d) The Agent shall not be required to monitor or take any steps to ascertain whether a Change of Control or any event which could lead to a Change of Control has occurred or may occur and will not be responsible or liable to Bondholders or any other person for any loss arising from any failure by it to do so.

### **5.3. Purchase**

Subject to the subordination in Condition 2.2 (*Subordination*), Condition 2.3 (*Suspension of payments*) and the requirements (if any) of any stock exchange on which the Bonds may be admitted to listing and trading at the relevant time and subject to compliance with applicable laws and regulations, the Issuer, any Affiliate or Subsidiary of the Issuer may at any time purchase any Bonds in the open market or otherwise at any price. Voting rights attached to such repurchased Bonds that are not cancelled in accordance with this Condition 5.3 (*Purchase*) shall be suspended and such Bonds shall also be deemed not to remain outstanding for the purposes of determining quorum or majority approval at any meeting of Bondholders or relation to any resolution to be taken by the Bondholders in accordance with Condition 11 (*Meetings of Bondholders and modification*) and Annex 1 (*Provisions on meetings of Bondholders*).

### **5.4. Cancellation**

All Bonds which are redeemed by the Issuer will be cancelled and may not be reissued or resold.

## **6. PAYMENTS**

### **6.1. Principal and interest**

Without prejudice to Article 7:41 of the Companies Code, all payments of principal or interest in respect of the Bonds shall be made through the Agent and the NBB-SSS in accordance with the NBB-SSS Regulations. The payment by the Issuer under the Bonds to the NBB as operator of the NBB-SSS discharges the Issuer.

### **6.2. Payments**

Each payment in respect of the Bonds pursuant to Condition 6.1 (*Principal and interest*) will be made by transfer to a euro account maintained by the payee with a bank in a city in which banks have access to the TARGET System.

### **6.3. Payments subject to fiscal and other applicable laws**

All payments in respect of the Bonds are subject in all cases to any applicable fiscal or other laws and regulations, without prejudice to the provisions of Condition 7 (*Taxation*).

#### **6.4. Agents, etc.**

The Issuer reserves the right under the Agency Agreement at any time, with the prior written approval of the Agent, to vary or terminate the appointment of the Agent and appoint additional or other agents, provided that it will maintain a paying agent and the paying agent will at all times be a participant in the NBB-SSS. Notice of any change in Agent or its specified offices will promptly be given by the Issuer to the Bondholders in accordance with Condition 12 (*Notices*).

#### **6.5. No Charges**

The Agent shall not make or impose on a Bondholder any charge or commission in relation to any payment in respect of the Bonds, without prejudice to (i) any such charges or commissions that may be charged by the Agent in another capacity, or (ii) any such charges or commissions that may be charged by any Financial Intermediaries through which a Bondholder holds the Bonds.

#### **6.6. Fractions**

When making payments to Bondholders, if the relevant payment is not of an amount which is a whole multiple of the smallest unit of the relevant currency in which such payment is to be made, such payment will be rounded down to the nearest unit.

#### **6.7. Non-TARGET Business Days**

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

### **7. TAXATION**

All payments of principal and interest by or on behalf of the Issuer in respect of the Bonds shall be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature (**Taxes**) imposed, levied, collected, withheld or assessed by or on behalf of Belgium, or any political subdivision or any authority therein or thereof having power to tax, unless such withholding or deduction of the Taxes is required by law.

### **8. EVENTS OF DEFAULT**

If any of the following events (each an **Event of Default**) occurs and is continuing then any Bond may, by notice in writing given to the Issuer at its registered office with a copy to the Agent at its specified office by the Bondholder, be declared immediately due and repayable at its principal amount, together with accrued interest (if any) to the date of payment (subject to Condition 2.2 (*Subordination*) and Condition 2.3 (*Suspension of payments*)), without further formality, unless such event shall have been remedied prior to the receipt of such notice by the Agent:

- (i) **Non-payment:** the Issuer fails to pay the principal of or interest on any of the Bonds when due and such failure continues for a period of 5 Business Days in the case of principal and 10 Business Days in the case of interest;
- (ii) **Breach of other covenants, agreements or undertakings:** the failure on the part of the Issuer to observe or perform any provision, covenant, agreement or obligation

relating to the Bonds (other than referred to under (i) above) set out in the Conditions, the Agency Agreement or the Clearing Agreement, which default is incapable of remedy, or if capable of remedy, is not remedied within 15 Business Days after notice of such default shall have been given to the Issuer by any Bondholder;

(iii) **Cross-Default of the Issuer or a Material Subsidiary:**

- (A) any Indebtedness of the Issuer or any of its Material Subsidiaries is not paid on its due date or, as the case may be, within any applicable grace period;
- (B) such Indebtedness becomes due and payable prior to its stated due date by reason of an event of default (however described), provided that any applicable stand-still period has expired and there has been no waiver or discharge of the event of default;
- (C) the Issuer or any of its Material Subsidiaries fails to pay when due, or as the case may be, within any applicable grace period, any amount payable by it under any present or future guarantee for, or indemnity in respect of, any Indebtedness; or
- (D) as long as any 2023 Existing Bonds remain outstanding, an Event of Default occurs under and as defined in the conditions of the 2023 Existing Bonds (as applicable on the Issue Date, excluding any amendments or waivers effected in respect of those conditions after the Issue Date and excluding any refinancing thereof),

provided that, with respect to paragraphs (A) to (C) only, the aggregate amount of the commitments agreed under the agreement or instrument creating the relevant Indebtedness, guarantees and indemnity in respect of which one or more of the events mentioned above in this paragraph have occurred equals or exceeds EUR 25,000,000 or its equivalent in any other currency or currencies;

- (iv) **Enforcement Proceedings:** an execution on the basis of an enforceable judgment (*uitvoerend beslag / saisie exécutoire*) is enforced against all or any part of the property or assets of the Issuer or any Material Subsidiary having an aggregate book value of at least EUR 25,000,000 (or its equivalent at time of execution) and is not discharged or stayed within three months;
- (v) **Security Enforced:** any Security created or assumed by the Issuer or any of its Material Subsidiaries in respect of any of its property or assets of which the book value at the time of enforcement is at least EUR 25,000,000 (or its equivalent at the time of enforcement) is enforced and the enforcement proceedings in relation to such Security are not suspended or dismissed within three months;
- (vi) **Unsatisfied judgment:** a judgment or order for the payment of an amount in excess of EUR 25,000,000 (or its equivalent in any other currency at the time of the judgment) is rendered against the Issuer or any of its respective Material Subsidiaries and no appeal or other legal remedy against such judgment or order that would suspend the payment obligation thereunder is possible and such judgment continues unsatisfied and unstayed for a period of three months after the date thereof or, if later, the date therein specified for payment;
- (vii) **Insolvency:**
  - (A) the Issuer or any of its Material Subsidiaries is unable to pay its debts as they fall due;

- (B) the Issuer or any Material Subsidiary initiates a bankruptcy proceeding or another insolvency proceeding or such proceedings are initiated against the Issuer or any Subsidiary, under applicable Belgian or foreign bankruptcy laws, insolvency laws or similar laws (including Book XX of the Belgian Economic Law Code (*Wetboek van economisch recht / Code de droit économique*)), provided that if the Issuer or such Subsidiary defends itself in good faith against a proceeding initiated against it and such defence is successful within one month after the initiation of such proceedings, no Event of Default shall be deemed to have occurred;
  - (C) the Issuer or any Material Subsidiary is declared bankrupt by a competent court or a bankruptcy trustee, liquidator, administrator (or any similar official under any applicable law) is appointed with respect to the Issuer or any Material Subsidiary, or a bankruptcy trustee, liquidator, administrator (or any similar official under any applicable law) is appointed to take possession of all or a substantial part of the assets of the Issuer or any Material Subsidiary;
  - (D) the Issuer or any Material Subsidiary stops, suspends or announces its intention to stop or suspend payment of all, or a material part of (or a particular type of) its debts; or
  - (E) the Issuer or any of its Material Subsidiaries (in each case by reason of actual or threatened insolvency) commences out-of-the-ordinary-course negotiations with one or more of its creditors with the view of deferring, rescheduling or otherwise readjusting any of its debts or makes any agreement for the deferral, rescheduling or other readjustment of all of (or all of a particular type of) its debts, proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any such debts or a moratorium is declared or comes into effect in respect of all or any part of (or of a particular type of) the debts of the Issuer or of any Material Subsidiary;
- (viii) **Reorganisation, change, cessation or transfer of business or transfer of assets:**
- (A) a material change of the nature of the activities of the Group as a whole, as compared to the activities as these are carried out on the Issue Date, occurs; or
  - (B) the Issuer ceases or threatens to cease to carry on all or substantially all of its business or operations or a reorganisation or transfer of the assets of the Group occurs resulting in:
    - (I) a material change or cessation of the nature of the activities of the Group as a whole; or
    - (II) a transfer of all or substantially all of the assets of the Group,
 

other than on terms approved by the general meeting of Bondholders or on a solvent basis and for as long as the Group, as a whole, remains active in the food industry or food ingredients industry, and ancillary services and sectors;
- (ix) **Winding-Up:** a court order or an effective resolution passed for the winding-up or the liquidation of the Issuer or any of its Material Subsidiaries (except for, in the case of any of the Material Subsidiaries, a solvent winding-up or liquidation procedure);
- (x) **Unlawfulness:** it is or becomes unlawful for the Issuer to perform or comply with its obligations under or in respect of the Bonds;

- (xi) **Delisting of the Bonds:** the listing of the Bonds on the regulated market of Euronext Brussels is withdrawn or suspended for a period of at least 15 subsequent Business Days as a result of a failure of the Issuer, unless the Issuer obtains the listing of the Bonds on another regulated market of the European Economic Area at the latest on the last day of this period of 15 Business Days.

## 9. UNDERTAKINGS

### 9.1. Domicile, residency etc.

The Issuer will procure that it shall not become domiciled or resident in or subject generally to the taxing authority of any jurisdiction other than Belgium.

### 9.2. Compliance with listing requirements

Upon the Bonds becoming listed on the regulated market of Euronext Brussels on or prior to the Issue Date, the Issuer undertakes to furnish to Euronext Brussels all documents, information and undertakings and publish all advertisement or other material that may be necessary in order to effect and maintain such listing, and to cause such listing to be continued so long as any of the Bonds remain outstanding. Without prejudice to Condition 8(xi), if the Bonds are not or cease to be listed on the regulated market of Euronext Brussels, the Issuer undertakes to ensure admission of the Bonds to trading on another regulated market in the European Economic Area.

### 9.3. Notification of suspension of payment

The Issuer will notify the Bondholders in the event a payment under the Bonds cannot be made on its due date as a result of Condition 2.2 (*Subordination*) and/or Condition 2.3 (*Suspension of payments*).

## 10. PRESCRIPTION

Claims against the Issuer for payment in respect of the Bonds shall be prescribed and become void unless made within 10 years (in the case of principal) or 5 years (in the case of interest) from the appropriate Relevant Date in respect of such payment.

Claims in respect of any other amounts payable in respect of the Bonds shall be prescribed and become void unless made within 10 years following the due date for payment thereof.

## 11. MEETINGS OF BONDHOLDERS AND MODIFICATION

### 11.1. Meetings of Bondholders

All meetings of Bondholders will be held in accordance with the provisions on meetings of Bondholders set out in Annex 1 to these Conditions (the **Meeting Provisions**). Meetings of Bondholders may be convened to consider matters relating to the Bonds, including the modification or waiver of any provision of the Conditions. For the avoidance of doubt, any such modification or waiver shall always be subject to the consent of the Issuer.

A meeting of Bondholders may be convened by the Issuer and shall be convened by the Issuer upon the request in writing of Bondholders of the relevant series of Bonds holding not less than one-tenth of the aggregate principal amount of the outstanding Bonds.

Any modification or waiver of any provision of the Conditions proposed by the Issuer may only be made if sanctioned by an Extraordinary Resolution. An Extraordinary Resolution means a resolution passed at a meeting of Bondholders duly convened and held in accordance with these Conditions and the Meeting Provisions by a majority of at least 75% of the votes cast, provided, however, that any such proposal (i) to amend the dates of maturity or redemption of the Bonds

or date for payment of interest or interest amounts, (ii) to assent to an extension of an interest period, a reduction of the applicable interest rate or a modification of the conditions applicable to the payment of interest, (iii) to assent to a reduction of the principal amount of the Bonds or a modification of the conditions under which any redemption, substitution or variation may be made, (iv) to alter the method of calculating the amount of any payment in respect of the Bonds or the date for any such payment in circumstances not provided for in the Conditions, (v) to change the currency of payment of the Bonds, (vi) to modify the provisions concerning the quorum required at any meeting of Bondholders or the majority required to pass an Extraordinary Resolution or (vii) to amend this provision, may only be sanctioned by an Extraordinary Resolution passed at a meeting of Bondholders at which one or more persons holding or representing not less than 75% or, at an adjourned meeting, 25% of the aggregate principal amount of the outstanding Bonds forms a quorum.

Any Bonds which are at the time of such meeting of Bondholders being held by or on behalf of either the Issuer, or any Affiliate or Subsidiary of the Issuer shall be disregarded and be deemed not to remain outstanding for this purpose.

Resolutions duly passed by a meeting of Bondholders in accordance with these provisions shall be binding on all Bondholders, whether or not they are present at the meeting and whether or not they vote in favour of such a resolution.

The Meeting Provisions furthermore provide that, for so long as the Bonds are in dematerialised form and settled through the NBB-SSS, in respect of any matters proposed by the Issuer, the Issuer shall be entitled, where the terms of the resolution proposed by the Issuer have been notified to the Bondholders through the NBB-SSS as provided in the Meeting Provisions, to rely upon approval of such resolution given by way of electronic consents communicated through the electronic communications systems of the NBB-SSS by or on behalf of the holders of not less than 75% in principal amount of outstanding Bonds.

To the extent such electronic consent is not being sought, the Meeting Provisions provide that, if authorised by the Issuer, a resolution in writing signed by or on behalf of holders of not less than 75% of the aggregate principal amount of the Bonds outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of holders of Bonds of the relevant series duly convened and held, provided that the terms of the proposed resolution shall have been notified in advance to those Bondholders through the NBB-SSS. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Bondholders.

## **11.2. Modification and Waiver**

The Agent may agree, without the consent of the Bondholders, to any modification of the provisions of the Agency Agreement or any agreement supplemental to the Agency Agreement either (i) which in the Agent's opinion is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of law, and (ii) any other modification to the provisions of the Agency Agreement or any agreement supplemental to the Agency Agreement, which is, in the opinion of the Agent, not materially prejudicial to the interests of the Bondholders.

Each such change is binding for all Bondholders and any such modification shall be notified to the Bondholders in accordance with Condition 12 (*Notices*) as soon as practicable thereafter.

## **12. NOTICES**

Notices to the Bondholders shall be valid if (i) delivered by or on behalf of the Issuer to the NBB-SSS for communication by it to the participants of the NBB-SSS and (ii) published on the

website of the Issuer. Any such notice shall be deemed to have been given on the latest day of (i) seven days after its delivery to the NBB-SSS and (ii) the date of first publication on the website of the Issuer (<https://vandemoortele.com/en/tags/investor-news/financial-instruments>).

The Issuer shall also ensure that all notices are duly published in a manner which complies with the rules and regulations of the regulated market of Euronext Brussels (or any other regulated market on which the Bonds may be listed from time to time in accordance with these Conditions). Any such notice shall be deemed to have been given on the date of such publication or, if required to be published in more than one newspaper or in more than one manner, on the date of the first such publication in all the required newspapers or in each required manner.

### **13. FURTHER ISSUES**

- (a) Subject to Condition 3 (*Negative pledge*), the Issuer may from time to time without the consent of the Bondholders create and issue:
- (i) further tranches of bonds having the same terms and conditions in all respects as the Bonds (including a subordination and suspension of payments as set out in Condition 2.2 (*Subordination*) and Condition 2.3 (*Suspension of payments*)) except, as the case may be, for the first payment of interest, and so that such further issue shall be consolidated and form a single series with the outstanding Bonds; or
  - (ii) further series of bonds upon such terms as to interest, premium, redemption, status, ranking, subordination (if any), suspension of payments (if any) and otherwise as the Issuer may determine at the time of their issue, which shall not be consolidated with the Bonds and which shall form a separate series of bonds distinct from the Bonds.
- (b) Bondholders holding Bonds of the same series (excluding any separate series referred to in paragraph (a)(ii) above) shall form one meeting of Bondholders.
- (c) References in these Conditions to the Bonds include (unless the context requires otherwise) any further issues of bonds issued pursuant to this Condition and forming a single series with the Bonds (excluding any separate series referred to in paragraph (a)(ii) above).

### **14. GOVERNING LAW AND JURISDICTION**

#### **14.1. Governing Law**

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

#### **14.2. Jurisdiction**

Without prejudice to the jurisdiction of any courts pursuant to Article 624, 1<sup>o</sup>, 2<sup>o</sup> and 4<sup>o</sup> of the Belgian Judicial Code, the courts of Brussels, Belgium are to have exclusive jurisdiction to settle any disputes that may arise out of or in connection with the Bonds and accordingly any legal action or proceedings between any Bondholder and the Issuer arising out of or in connection with the Bonds is to be brought in such courts.

### **15. DEFINITIONS AND INTERPRETATION**

#### **15.1. Definitions**

In these Conditions, unless otherwise provided:

**2023 Existing Bonds** means the EUR 75,000,000 3.50 per cent. fixed rate subordinated bonds due 7 November 2023.



**Affiliate** means an affiliate (*met een vennootschap verbonden vennootschap/société liée à une société*) within the meaning of Article 1:20, 1° of the Companies Code.

**Alternative Clearing System** has the meaning provided in paragraph (f) of Condition 1.1 (*Form*).

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

**Business Day** means, in relation to any place, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets are open for business in Brussels.

**Calculation Agent** has the meaning provided in Condition 5.2 (*Redemption at the Option of Bondholders – Change of Control*).

**Change of Control** has the meaning provided in Condition 5.2 (*Redemption at the Option of Bondholders – Change of Control*).

**Change of Control Notice** has the meaning provided in Condition 5.2 (*Redemption at the Option of Bondholders – Change of Control*).

**Change of Control Period** shall commence on the date of the Change of Control, and shall end 60 days after the date of the Change of Control which period shall, if the Issuer is rated at the time of the Change of Control, be extended following consummation of a Change of Control for so long as any Rating Agency has publicly announced within the period ending 60 days after the Change of Control that it is considering a possible Rating Downgrade, provided that the Change of Control Period shall not extend more than 60 days after the public announcement of such consideration.

**Change of Control Put Exercise Period** means the period commencing on the date of an Early Redemption Event and ending 60 calendar days following the Early Redemption Event, or, if later, 60 calendar days following the date on which a Change of Control Notice is given to Bondholders as required by Condition 5.2 (*Redemption at the Option of Bondholders – Change of Control*).

**Change of Control Put Date** has the meaning provided in Condition 5.2 (*Redemption at the Option of Bondholders – Change of Control*).

**Change of Control Put Exercise Notice** has the meaning provided in Condition 5.2 (*Redemption at the Option of Bondholders – Change of Control*).

**Clearing Agreement** means the service contract concerning the issue of dematerialised bonds to be dated on or about the Issue Date between the Issuer, the Agent and the NBB.

**Companies Code** means the Belgian Companies and Associations Code (*Wetboek van vennootschappen en verenigingen / Code des sociétés et des associations*).

**Connected Person** means any of the following:

- (a) an Affiliate; and
- (b) a connected person (*persoon verbonden met een persoon/personne liée à une personne*) in the sense of article 1:20, 2° of the Companies Code.

**Debt Capital Market Instruments** means (i) any present or future indebtedness (whether being principal, premium, interest or other amounts), in the form of or evidenced by notes,

bonds, debentures, loan stock, treasury notes (including German law registered notes (*Namensschuldverschreibungen*) or *Schuldschein* loan (*Schuldscheindarlehen*)), commercial paper or other transferable debt securities (*titres de créance négociables sur le marché des capitaux/schuldinstrumenten die op de kapitaalmarkt verhandelbaar zijn*) in the sense of Article 2, 31°, b) of the Belgian law of 2 August 2002 on the supervision of the financial sector and on the financial services), whether issued for cash or in whole or in part for a consideration other than cash, and which are, or are capable of being, quoted, listed or ordinarily dealt in or traded on any stock exchange, over-the-counter or other securities market (provided such indebtedness is not intended to be issued only to the shareholders of the Issuer and/or any Connected Person), or (ii) any liability under or in respect of any acceptance of or guarantee issued by the Issuer or any Subsidiaries in respect of such indebtedness.

**Early Redemption Event** has the meaning provided in Condition 5.2 (*Redemption at the Option of Bondholders – Change of Control*).

**EBITDA** means, solely for the purpose of the definition of Material Subsidiary in these Conditions, for each Relevant Period, the aggregate (without duplication) of the Issuer's:

- (a) consolidated profit for that Relevant Period;
- (b) income tax expense for that Relevant Period;
- (c) net finance expense for that Relevant Period;
- (d) depreciation, amortisation and write-offs made in relation to that Relevant Period;
- (e) before taking into account any Exceptional Items,

all determined on a consolidated basis on the level of the Issuer in accordance with IFRS.

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

**Event of Default** has the meaning provided in Condition 8 (*Events of Default*).

**Exceptional Items** means any exceptional, one off, non-recurring or extraordinary item.

**Extraordinary Resolution** has the meaning provided in Annex 1 (*Provisions on Meetings of Bondholders*) of these Conditions.

**GAAP** means:

- (a) in respect of the Issuer, IFRS for consolidation purposes and accounting policies and principles generally accepted in Belgium for its statutory stand alone accounts; and
- (b) in respect of any other member of the Group, accounting policies and principles generally accepted in its jurisdiction of incorporation.

**Group** means the Issuer and its Subsidiaries.

**IFRS** means international accounting standards within the meaning of IAS Regulation 1606/2002.

**Indebtedness** means (without double counting) any indebtedness (other than any trade credit received from suppliers in the ordinary course of business of the Group) for or in respect of:

- (a) moneys borrowed and debt balances at banks or other financial institutions including (without limitation) the Revolving Facility Agreement;
- (b) any amount raised by acceptance under any acceptance credit facility or dematerialized equivalent;
- (c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument, including (without limitation) the 2023 Existing Bonds;
- (d) the amount of any liability in respect of any lease or hire purchase contract, which would, in accordance with GAAP, be treated as a balance sheet liability (other than any liability in respect of a lease or hire purchase contract which would, in accordance with GAAP in force prior to 1 January 2019, have been treated as an operating lease);
- (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis and meet any requirement for derecognition under GAAP);
- (f) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing;
- (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 shall be taken into account);
- (h) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution;
- (i) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) to (h) above.

**Interest Payment Date** has the meaning provided in Condition 4.1 (*Interest Rate and Interest Payment Dates*).

**Interest Period** has the meaning provided in Condition 4.1 (*Interest Rate and Interest Payment Dates*).

**Issue Date** means 4 July 2022.

**Material Subsidiary** means each member of the Group, but excluding the Issuer, whose gross assets or EBITDA (in each case calculated on an unconsolidated basis, in accordance with applicable IFRS) represents 5 per cent. or more of the consolidated gross assets or EBITDA (as the case may be) of the Group (all as calculated by reference to the latest publicly available annual audited or semi-annual consolidated financial statements of the Issuer available at the time of the calculation).

**Maturity Date** means 4 July 2029.

**Month** means a period starting on one day in a calendar month and ending on the numerically corresponding day in the next calendar month, except that:

- (a) if the numerically corresponding day is not a Business Day, that period shall end on the next Business Day in that calendar month in which that period is to end if there is one, or if there is not, on the immediately preceding Business Day; and

- (b) if there is no numerically corresponding day in the calendar month in which that period is to end, that period shall end on the last Business Day in that calendar month.

The above rules will only apply to the last Month of any period.

**NBB** has the meaning assigned to it in Condition 1.1 (*Form*).

**Put Redemption Amount** has the meaning provided in Condition 5.2 (*Redemption at the Option of Bondholders – Change of Control*).

**Rating Agency** means Standard & Poor’s Global Ratings Europe Limited and its successors, Moody’s France SAS. and its successors and Fitch Ratings Ireland Ltd. and its successors or any other rating agency of comparable international standing registered in accordance with Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies.

**Rating Downgrade** means a downgrade of any rating of the Issuer by any Rating Agency.

**Relevant Period** means each period of 12 Months ending on the last day of a financial year of the Issuer and each period of 12 Months ending on the last day of a financial half year of the Issuer.

**Relevant Date** means, in respect of any Bond, whichever is the later of:

- (a) the date on which payment in respect of it first becomes due; and
- (b) if any amount of the money payable is improperly withheld or refused, the date on which payment in full of the amount outstanding is made or (if earlier) the date on which notice is duly given by the Issuer to the Bondholders in accordance with Condition 12 (*Notices*) that such payment will be made, provided that such payment is in fact made as provided in these Conditions.

**Relevant Debt** means any Indebtedness of the Issuer or any Subsidiary in the form of, or represented by, bonds, notes, debentures or other securities which are for the time being, or are capable of being, quoted, listed or ordinarily dealt in on any stock exchange, over the counter or other securities market and does not include any loan or credit agreements entered into by the Issuer or any Subsidiary with a (consortium) of financial institution or other credit provider.

**Revolving Facility Agreement** means:

- (a) the revolving facility agreement originally entered into on 10 March 2015 between the Issuer and Vandemoortele Coordination Center NV (a wholly-owned subsidiary of the Issuer), as original borrowers and original guarantors, ING Bank N.V. and KBC Bank NV, as bookrunning mandated lead arrangers, BNP Paribas Fortis SA/NV, as mandated lead arranger, Belfius Bank SA/NV and Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A. (Rabobank), as lead arrangers, KBC Bank NV, acting as agent, and ING Bank N.V., acting as coordinator, as amended and restated pursuant to an amendment and restatement agreement dated 14 May 2018 and pursuant to an amendment and restatement agreement dated 17 December 2021; and
- (b) any agreement entered into for the refinancing of the revolving facility agreement referred to in paragraph (a) above, in whole or in part,

and in each case as such agreement may be further amended, restated or supplemented from time to time.

**Security** has the meaning provided in Condition 3 (*Negative pledge*).

**Specified Denomination** has the meaning provided in Condition 1.2 (*Denomination*).

**Subsidiary** means a subsidiary (*dochtervennootschap*) within the meaning of Article 1:15, 2° of the Companies Code.

**TARGET Business Day** means a day (other than a Saturday or Sunday) on which the TARGET System is operating for the settlement of payments in euro.

**TARGET System** means the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) system, or any successor thereto.

**Taxes** has the meaning provided in Condition 7 (*Taxation*).

**Trigger Event** has the meaning provided in Condition 2.2 (*Subordination*).

**NBB-SSS** has the meaning provided in Condition 1.1 (*Form*).

**NBB-SSS Regulations** has the meaning provided in Condition 1.1 (*Form*).

## 15.2. Interpretation

A reference in these Conditions to **any act or statute or any provision of any act or statute** shall be deemed also to refer to any statutory modification or re-enactment thereof or any statutory instrument, order or regulation made thereunder or under such modification or re-enactment.

A reference in these Conditions to a **person** shall include any individual, company, corporation, firm, partnership, joint venture, undertaking, association, organisation, trust, state or agency of a state (in each case whether or not being a separate legal entity).

## ANNEX 1

### PROVISIONS ON MEETINGS OF BONDHOLDERS

#### Interpretation

1. In this Annex, terms defined in the Conditions shall have the same meaning when used herein, and further:
  - (a) references to a **meeting** are to a meeting of Bondholders and include, unless the context otherwise requires, any adjournment;
  - (b) **agent** means a holder of a Voting Certificate or a proxy for, or representative of, a Bondholder;
  - (c) **Block Voting Instruction** means a document issued by a Recognised Accountholder or the NBB-SSS in accordance with paragraph 9;
  - (d) **Electronic Consent** has the meaning set out in paragraph 30(a);
  - (e) **Extraordinary Resolution** means a resolution passed (a) at a meeting of Bondholders duly convened and held in accordance with this Annex 1 (*Provisions on meetings of Bondholders*) by a majority of at least 75% of the votes cast, (b) by a Written Resolution or (c) by an Electronic Consent;
  - (f) **NBB-SSS** means the NBB in its capacity as operator of the NBB-SSS;
  - (g) **Ordinary Resolution** means a resolution with regard to any of the matters listed in paragraph 4 and passed or proposed to be passed by a majority of at least 50% of the votes cast;
  - (h) **Recognised Accountholder** means a recognised account holder (*erkend rekeinghouder / teneur de comptes agréé*) referred to in Article 7:35 and following of the Companies Code, with whom a Bondholder holds Bonds on a securities account;
  - (i) **Voting Certificate** means a certificate issued by a Recognised Accountholder or the NBB-SSS in accordance with paragraph 7;
  - (j) **Written Resolution** means a resolution in writing signed by the holders of not less than 75% in principal amount of the Bonds outstanding; and
  - (k) references to persons representing a proportion of the Bonds are to Bondholders, proxies or representatives of such Bondholders holding or representing in the aggregate at least that proportion in principal amount of the Bonds for the time being outstanding.

#### General

2. All meetings of Bondholders will be held in accordance with the provisions set out in this Annex.
- 2.1. Where any of the provisions of this Schedule would be illegal, invalid or unenforceable, that will not affect the legality, validity and enforceability of the other provisions of this Annex.

### Extraordinary Resolution

3. A meeting shall, subject to the Conditions and (except in the case of sub-paragraph (f) below) only with the consent of the Issuer and without prejudice to any powers conferred on other persons by this Schedule, have power by Extraordinary Resolution:
- (a) to sanction any proposal by the Issuer for any modification, abrogation, variation or compromise of, or arrangement in respect of, the rights of the Bondholders against the Issuer (other than in accordance with the Conditions or pursuant to applicable law);
  - (b) to assent to any modification of the Conditions proposed by the Issuer or the Agent;
  - (c) to authorise anyone to concur in and do anything necessary to carry out and give effect to an Extraordinary Resolution;
  - (d) to give any authority, direction or sanction required to be given by Extraordinary Resolution;
  - (e) to appoint any persons (whether Bondholders or not) as a committee or committees to represent the Bondholders' interests and to confer on them any powers (or discretions which the Bondholders could themselves exercise by Extraordinary Resolution);
  - (f) to approve the substitution of any entity for the Issuer (or any previous substitute) as principal debtor under the Bonds in circumstances not provided for in the Conditions or in applicable law; and
  - (g) to accept any security interests established in favour of the Bondholders or a modification to the nature or scope of any existing security interest granted in favour of the Bondholders or a modification to the release mechanics of such existing security interests,
  - (h) provided that the special quorum provisions in paragraph 18 shall apply to any Extraordinary Resolution (a **special quorum resolution**) for the purpose of sub-paragraph (f) above or for the purpose of making a modification to the Conditions which would have the effect (other than in accordance with the Conditions or pursuant to applicable law):
    - (i) to amend the dates of maturity or redemption of the Bonds or date for payment of interest or interest amounts;
    - (ii) to assent to an extension of an interest period, a reduction of the applicable interest rate or a modification of the conditions applicable to the payment of interest;
    - (iii) to assent to a reduction of the principal amount of the Bonds or a modification of the conditions under which any redemption, substitution or variation may be made;
    - (iv) to alter the method of calculating the amount of any payment in respect of the Bonds or the date for any such payment in circumstances not provided for in the Conditions;
    - (v) to change the currency of payment of the Bonds;
    - (vi) to modify the provisions concerning the quorum required at any meeting of Bondholders or the majority required to pass an Extraordinary Resolution; or

- (vii) to amend this provision 3.

### **Ordinary Resolution**

4. Notwithstanding any of the foregoing and without prejudice to any powers otherwise conferred on other persons by this Annex, a meeting of Bondholders shall have power by Ordinary Resolution:
- (a) to assent to any decision to take any conservatory measures in the general interest of the Bondholders;
  - (b) to assent to the appointment of any representative to implement any Ordinary Resolution; or
  - (c) to assent to any other decisions which do not require an Extraordinary Resolution to be passed. Any modification or waiver of any of the Conditions shall always be subject to the consent of the Issuer.

### **Convening a meeting**

5. The Issuer may at any time convene a meeting. A meeting shall be convened by the Issuer upon the request in writing of Bondholders holding at least 10% in principal amount of the Bonds for the time being outstanding. Every meeting shall be held at a time and place approved by the Agent.
6. Convening notices for meetings of Bondholders shall be given to the Bondholders in accordance with Condition 12 (*Notices*) not less than fifteen days prior to the relevant meeting. The notice shall specify the day, time and place of the meeting and the nature of the resolutions to be proposed and shall explain how Bondholders may appoint proxies or representatives, obtain Voting Certificates and use Block Voting Instructions and the details of the time limits applicable.

### **Arrangements for voting**

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



8. A Block Voting Instruction shall:
  - (a) be issued by a Recognised Accountholder or the NBB-SSS;
  - (b) certify that the Bonds (not being Bonds in respect of which a Voting Certificate has been issued and is outstanding in respect of the meeting specified in such Block Voting Instruction and any such adjourned meeting) of a specified principal amount outstanding were (to the satisfaction of such Recognised Accountholder or the NBB-SSS) held to its order or under its control and blocked by it and that no such Bonds will cease to be so held and blocked until the first to occur of:
    - (i) the conclusion of the meeting specified in such document or, if applicable, any such adjourned meeting; and
    - (ii) the giving of notice by the Recognised Accountholder or the NBB-SSS to the Issuer, stating that certain of such Bonds cease to be held with it or under its control and blocked and setting out the necessary amendment to the Block Voting Instruction;
  - (c) certify that each holder of such Bonds has instructed such Recognised Accountholder or the NBB-SSS that the vote(s) attributable to the Bond(s) so held and blocked should be cast in a particular way in relation to the resolution or resolutions which will be put to such meeting or any such adjourned meeting and that all such instructions cannot be revoked or amended during the period commencing 48 hours prior to the time for which such meeting or any such adjourned meeting is convened and ending at the conclusion or adjournment thereof;
  - (d) state the principal amount of the Bonds so held and blocked, distinguishing with regard to each resolution between (i) those in respect of which instructions have been given as aforesaid that the votes attributable thereto should be cast in favour of the resolution, (ii) those in respect of which instructions have been so given that the votes attributable thereto should be cast against the resolution and (iii) those in respect of which instructions have been so given to abstain from voting; and
  - (e) name one or more persons (each hereinafter called a **proxy**) as being authorised and instructed to cast the votes attributable to the Bonds so listed in accordance with the instructions referred to in 8(d) above as set out in such document.
9. If a holder of Bonds wishes the votes attributable to it to be included in a Block Voting Instruction for a meeting, he must block such Bonds for that purpose at least 48 hours before the time fixed for the meeting to the order of the Agent with a bank or other depository nominated by the Agent for the purpose. The Agent shall then issue a Block Voting Instruction in respect of the votes attributable to all Bonds so blocked.
10. No votes shall be validly cast at a meeting unless in accordance with a Voting Certificate or Block Voting Instruction.
11. The proxy appointed for purposes of the Block Voting Instruction or Voting Certificate does not need to be a Bondholder.
12. Votes can only be validly cast in accordance with Voting Certificates and Block Voting Instructions in respect of Bonds held to the order or under the control and blocked by a **Recognised Accountholder** or the NBB-SSS and which have been deposited at the registered office at the Issuer not less than 48 hours before the time for which the meeting to which the relevant voting instructions and Block Voting Instructions relate, has been convened or called. The Voting Certificate and Block Voting Instructions shall be valid for as long as the relevant

Bonds continue to be so held and blocked. During the validity thereof, the holder of any such Voting Certificate or (as the case may be) the proxies named in any such Block Voting Instruction shall, for all purposes in connection with the relevant meeting, be deemed to be the holder of the Bonds to which such Voting Certificate or Block Voting Instruction relates.

13. In default of a deposit, the Block Voting Instruction or the Voting Certificate shall not be treated as valid, unless the chairman of the meeting decides otherwise before the meeting or adjourned meeting proceeds to business.
14. A corporation which holds a Bond may by delivering at least 48 hours before the time fixed for a meeting to a bank or other depository appointed by the Agent for the purpose a certified copy of a resolution of its directors or other governing body (with, if it is not in English, a certified translation into English) authorise any person to act as its representative (a representative) in connection with that meeting.

### **Chairman**

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

### **Attendance**

16. The following may attend and speak at a meeting of Bondholders:
  - (a) Bondholders and their agents;
  - (b) the chairman and the secretary of the meeting;
  - (c) the Issuer and the Agent (through their respective representatives) and their respective financial and legal advisers.

No one else may attend or speak.

### **Quorum and Adjournment**

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

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

19. The chairman may, with the consent of (and shall if directed by) a meeting, adjourn the meeting from time to time and from place to place. Only business which could have been transacted at the original meeting may be transacted at a meeting adjourned in accordance with this paragraph or paragraph 17.
20. At least ten days' notice of a meeting adjourned due to the quorum not being present shall be given in the same manner as for an original meeting and that notice shall state the quorum required at the adjourned meeting. Subject as aforesaid, it shall not be necessary to give any other notice of an adjourned general meeting.

### **Voting**

21. Each question submitted to a meeting shall be decided by a show of hands, unless a poll is (before, or on the declaration of the result of, the show of hands) demanded by the chairman, the Issuer or one or more persons representing 2% of the Bonds.
22. Unless a poll is demanded, a declaration by the chairman that a resolution has or has not been passed shall be conclusive evidence of the fact without proof of the number or proportion of the votes cast in favour of or against it.
23. If a poll is demanded, it shall be taken in such manner and (subject as provided below) either at once or after such adjournment as the chairman directs. The result of the poll shall be deemed to be the resolution of the meeting at which it was demanded as at the date it was taken. A demand for a poll shall not prevent the meeting continuing for the transaction of business other than the question on which it has been demanded.
24. A poll demanded on the election of a chairman or on a question of adjournment shall be taken at once.
25. On a show of hands or a poll every person has one vote in respect of each principal amount of the Bonds so produced or represented by the voting certificate so produced or for which he is a proxy or representative. Without prejudice to the obligations of proxies, a person entitled to more than one vote need not use them all or cast them all in the same way.

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

### **Effect and Publication of an Extraordinary and an Ordinary Resolution**

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

### **Minutes**

28. Minutes shall be made of all resolutions and proceedings at every meeting and, if purporting to be signed by the chairman of that meeting or of the next succeeding meeting, shall be conclusive evidence of the matters in them. Until the contrary is proved every meeting for which minutes have been so made and signed shall be deemed to have been duly convened and held and all resolutions passed or proceedings transacted at it to have been duly passed and transacted.
29. The minutes must be published on the website of the Issuer within fifteen days after they have been passed.

### **Written Resolutions and Electronic Consent**

30. For so long as the Bonds are in dematerialised form and settled through the NBB-SSS, then in respect of any matters proposed by the Issuer:
- (a) Where the terms of the resolution proposed by the Issuer have been notified to the Bondholders through the relevant clearing system(s) as provided in sub-paragraphs 30(a)(i) and/or 30(a)(ii), the Issuer shall be entitled to rely upon approval of such resolution given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) to the Agent or another specified agent in accordance with their operating rules and procedures by or on behalf of the holders of not less than 75% in principal amount of the Bonds outstanding (the Required Proportion) by close of business on the Relevant Date (Electronic Consent). Any resolution passed in such manner shall be binding on all Bondholders, even if the relevant consent or instruction proves to be defective. The Issuer shall not be liable or responsible to anyone for such reliance.
- (i) When a proposal for a resolution to be passed as an Electronic Consent has been made, at least fifteen days' notice (exclusive of the day on which the notice is given and of the day on which affirmative consents will be counted) shall be given to the Bondholders through the relevant clearing system(s). The notice shall specify, in sufficient detail to enable Bondholders to give their consents in relation to the proposed resolution, the method by which their consents may be given (including, where applicable, blocking of their accounts in the relevant clearing system(s)) and the time and date (the Relevant Date) by which they must be received in order for such consents to be validly given, in each case subject to and in accordance with the operating rules and procedures of the relevant clearing system(s).
- (ii) If, on the Relevant Date on which the consents in respect of an Electronic Consent are first counted, such consents do not represent the Required Proportion, the resolution shall be deemed to be defeated. Such determination

shall be notified in writing to the Agent. Alternatively, the Issuer may give a further notice to Bondholders that the resolution will be proposed again on such date and for such period as determined by the Issuer. Such notice must inform Bondholders that insufficient consents were received in relation to the original resolution and the information specified in sub-paragraph 30(i) above. For the purpose of such further notice, references to “Relevant Date” shall be construed accordingly. For the avoidance of doubt, an Electronic Consent may only be used in relation to a resolution proposed by the Issuer which is not then the subject of a meeting that has been validly convened in accordance with paragraph 6 above, unless that meeting is or shall be cancelled or dissolved.

- (b) To the extent Electronic Consent is not being sought in accordance with paragraph 30(a), a resolution in writing signed by or on behalf of the holders of not less than 75% in principal amount of the Bonds outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution or an Ordinary Resolution passed at a meeting of Bondholders duly convened and held, provided that the terms of the proposed resolution have been notified in advance to the Bondholders through the relevant clearing system(s). Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Bondholders. For the purpose of determining whether a resolution in writing has been validly passed, the Issuer shall be entitled to rely on consent or instructions given in writing directly to the Issuer (i) by accountholders in the clearing system(s) with entitlements to the Bonds or (ii) where the accountholders hold any such entitlement on behalf of another person, on written consent from or written instruction by the person identified by that accountholder for whom such entitlement is held. For the purpose of establishing the entitlement to give any such consent or instruction, the Issuer shall be entitled to rely on any certificate or other document issued by, in the case of (a) above, the NBB-SSS, Euroclear, Clearstream or any other relevant alternative clearing system (the **relevant clearing system**) and, in the case of (b) above, the relevant clearing system and the accountholder identified by the relevant clearing system for the purposes of (b) above. Any resolution passed in such manner shall be binding on all Bondholders, even if the relevant consent or instruction proves to be defective. Any such certificate or other document may comprise any form of statement or print out of electronic records provided by the relevant clearing system (including Euroclear’s EUCLID or Clearstream’s CreationOnline system) in accordance with its usual procedures and in which the accountholder of a particular principal or nominal amount of Bonds is clearly identified together with the amount of such holding. The Issuer shall not be liable to any person by reason of having accepted as valid or not having rejected any certificate or other document to such effect purporting to be issued by any such person and subsequently found to be forged or not authentic.
31. A Written Resolution or Electronic Consent shall take effect as an Extraordinary Resolution. A Written Resolution and/or Electronic Consent will be binding on all Bondholders whether or not they participated in such Written Resolution and/or Electronic Consent.

## ANNEX 2

### FORM OF CHANGE OF CONTROL PUT EXERCISE NOTICE

*Bondholders wishing to exercise the put option following a Change of Control pursuant to Condition 5.2 (Redemption at the Option of Bondholders – Change of Control) will be required to deposit during the Change of Control Put Exercise Period a duly completed and signed Change of Control Put Exercise Notice with the relevant Intermediary. Such Intermediary is the bank or other financial intermediary through which the Bondholder holds the Bonds.*

To: [Details of the Intermediary through which the Bondholder holds the Bonds]

#### **VANDEMOORTELE NV**

(incorporated with limited liability under the laws of Belgium)

5.600% subordinated fixed rate bonds due 4 July 2029 (issued in the denomination of EUR 1,000)  
ISIN: BE0002867480 – Common Code 249296201  
(the **Bonds**)

### CHANGE OF CONTROL PUT EXERCISE NOTICE

By sending this duly completed Change of Control Put Exercise Notice to to the bank or other financial intermediary through which the undersigned Bondholder holds Bonds (the **Financial Intermediary**) for further delivery to the Issuer in accordance with Condition 5.2 (*Redemption at the Option of Bondholders – Change of Control*) of the Bonds, the undersigned Bondholder specified below exercises its option to have such Bonds redeemed early in accordance with Condition 5.2 (*Redemption at the Option of Bondholders – Change of Control*) on the Change of Control Put Date falling on .....\* The undersigned holder of such Bonds hereby confirms to the Issuer that (i) he/she/it holds at least the number of Bonds specified in this Change of Control Put Exercise Notice and (ii) he/she/it undertakes not to sell or transfer such Bonds until the Change of Control Put Date specified above.

Nominal amount of Bonds in respect of which the undersigned holder wishes to exercises its option to have such Bonds redeemed early in accordance with Condition 5.2 (*Redemption at the Option of Bondholders – Change of Control*) (which may be all or part of the Bonds held by it):

EUR.....

#### **Bondholder contact details:**

Name or Company: .....

Address: .....

Telephone number:.....

#### **Payment instructions:**

Please make payment in respect of the Bonds redeemed early pursuant to Condition 5.2 (*Redemption at the Option of Bondholders – Change of Control*) by Euro transfer to the following bank account:

Name of Bank: .....

Branch Address: .....

Account Number: .....

\* Complete as appropriate.

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

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

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

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

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

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

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

## CLEARING

### Securities Settlement System of the National Bank of Belgium (NBB-SSS)

The Bonds will be accepted for clearing through the Securities Settlement System of the National Bank of Belgium (NBB-SSS) under ISIN BE0002867480 and Common Code 249296201, and will accordingly be subject to the NBB-SSS Regulations.

The number of Bonds in dematerialised form in circulation at any time will be registered in the register of registered securities of the Issuer in the name of the National Bank of Belgium (NBB).

Access to the NBB-SSS is available through those of its NBB-SSS participants whose membership extends to securities such as the Bonds.

NBB-SSS participants include certain banks, stockbrokers (*sociétés de bourse/ beursvennootschappen*), and Euroclear Bank, Clearstream Banking Frankfurt, SIX SIS, Euronext Securities Milan, Euroclear France, Euronext Securities Porto and LuxCSD. Accordingly, the Bonds will be eligible to clear through, and therefore accepted by, Euroclear Bank, Clearstream Banking Frankfurt, SIX SIS, Euronext Securities Milan, Euroclear France, Euronext Securities Porto and LuxCSD and investors can hold their Bonds within securities accounts in Euroclear Bank, Clearstream Banking Frankfurt, SIX SIS, Euronext Securities Milan, Euroclear France, Euronext Securities Porto and LuxCSD.

Transfers of interests in the Bonds will be effected between NBB-SSS participants in accordance with the rules and operating procedures of the NBB-SSS. Transfers between investors will be effected in accordance with the respective rules and operating procedures of the NBB-SSS participants through which they hold their Bonds.

### The Agent

KBC Bank NV, having its registered office at Havenlaan 2, 1080 Brussels, Belgium acting in its capacity as Agent, will perform the obligations of paying agent in accordance with the NBB-SSS Regulations and the clearing services agreement in relation to the Bonds between the National Bank of Belgium, the Agent and the Issuer.

The Issuer and the Agent will not have any responsibility for the proper performance by the NBB-SSS or its NBB-SSS participants of their obligations under their respective rules and operating procedures.

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

In connection with the Public Offer and during the life of the Bonds, the Agent will act in accordance with the Agency Agreement and the Conditions in good faith and endeavour at all times to make its determinations in a commercially reasonable manner. However, Bondholders should be aware that the Agent does not assume any fiduciary or other obligations to the Bondholders and, in particular, is not obliged to make determinations which protect or further the interests of the Bondholders.



## TAXATION

**The tax legislation in force in any relevant jurisdiction, including in the country where the investor is domiciled or tax resident and in the Issuer's country of incorporation, may have an impact on the income that an investor receives from the Bonds.**

**During the entire lifetime of the Bonds, Bondholders are exposed to the risk of changes in the tax laws, or in the interpretation and application of the existing tax laws, which may cause new taxes to apply and/or existing taxes to increase. Even a minor increase could have a significant effect on the net yield of the Bonds and/or on its market value.**

The following is a summary of the principal Belgian tax consequences for investors receiving interest in respect of, and disposing of, Bonds and is of a general nature, for information purposes only and based on the Issuer's understanding of current law and practice. This summary is based on the laws, regulations and applicable tax treaties, all as in effect in Belgium on the date of the prospectus, and is subject to any changes in law and the interpretation and application thereof, possibly with retroactive effect. The following overview does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to purchase, own or dispose of the Bonds. Each prospective Bondholder or beneficial owner of Bonds should consult its tax advisor as to the Belgian tax consequences of any investment in, or ownership and disposition of, the Bonds or that of any other relevant jurisdiction.

For the purpose of the summary below, a Belgian resident is, (a) an individual subject to Belgian personal income tax (i.e. an individual who has his domicile in Belgium or has his seat of wealth in Belgium, or a person assimilated to a Belgian resident), (b) a legal entity subject to Belgian corporate income tax (i.e. a company that has its main establishment, or its seat of effective management or control in Belgium and that is not excluded from corporate income tax), or (c) a legal entity subject to Belgian legal entities tax (i.e. an entity other than a legal entity subject to corporate income tax having its main establishment, or its seat of effective management or control in Belgium). A non-resident is a person who is not a Belgian resident.

### Interest

For Belgian tax purposes, interest includes (i) periodic interest income, (ii) any amounts paid by the Issuer in excess of the issue price (upon full or partial redemption, whether or not at maturity, or upon purchase by the Issuer), and (iii) assuming the Bonds qualify as "fixed income securities" pursuant to article 2, § 1, 8° of the Belgian Income Tax Code 1992 (*wetboek van de inkomstenbelastingen 1992/code des impôts sur les revenus 1992, "BITC"*), in case of a sale of the Bonds between two interest payment dates to any third party, other than the Issuer, the pro rata accrued interest corresponding to the detention period. "Fixed income securities" are defined as bonds, specific debt certificates issued by banks (*'kasbon' / 'bon de caisse'*) and other similar securities, including securities where income is capitalized or securities which do not generate a periodic payment of income but are issued with a discount corresponding to the capitalized interest up to the maturity date of the security.

Payments of interest on the Bonds made by or on behalf of a Belgian Issuer are as a rule subject to Belgian withholding tax, currently at a rate of 30% on the gross amount. Both Belgian domestic tax law and applicable tax treaties may provide for a lower or zero rate subject to certain conditions and formalities being complied with.

As an exception to the aforementioned general rule in relation to Belgian withholding tax, payments of interest and principal under the Bonds by or on behalf of the Issuer may be made without deduction of withholding tax in respect of the Bonds if and as long as at the moment of payment or attribution of interest they are held by certain eligible investors (the "*Eligible Investors*," see below) in an exempt securities account (an **X-Account**) that has been opened with a financial institution that is a direct or indirect participant (a **Participant**) in the X/N System operated by the NBB. Holding the Bonds through

the X/N System enables Eligible Investors to receive the gross interest income on their Bonds and to transfer the Bonds on a gross basis.

Participants to the X/N System must enter the Bonds which they hold on behalf of Eligible Investors in an X-Account, and those they hold for the account of non-Eligible Investors on a non-exempt securities account (an **N-Account**). Payments of interest made through X-Accounts are free of withholding tax; payments of interest made through N-Accounts are subject to a withholding tax of 30%.

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

- (a) Belgian resident companies referred to in Article 2, §1, 5°, b) of the BITC;
- (b) without prejudice to the application of Article 262, 1° and 5° of the BITC, the institutions, associations or companies referred to in Article 2, §3 of the Law of July 9, 1975 on the supervision of insurance companies, other than those referred to in 1° and 3°;
- (c) the semi-public (“*parastatal*”) social security agencies, or agencies equivalent thereto, referred to in Article 105, 2° of the Royal Decree implementing the BITC (*koninklijk besluit tot invoering van het wetboek inkomstenbelastingen 1992/arrêté royal d’exécution du code des impôts sur les revenus 1992, “RD/ BITC”*);
- (d) the non-resident investors referred to in Article 105, 5° of the RD/BITC;
- (e) the investment funds recognized in the framework of pension savings referred to in Article 115 of the RD/BITC;
- (f) the taxpayers referred to in Article 227, 2°, of the BITC who are subject to the tax on non-residents in accordance with Article 233 of the BITC and who have used the income producing capital for the exercise of their professional activity in Belgium;
- (g) the Belgian State, for its investments which are exempt from the withholding tax on income from movable assets, in accordance with Article 265 of the BITC;
- (h) collective investment undertakings governed by foreign law which are an indivisible estate managed by a management company on behalf of the participants, provided that the fund units are not publicly issued in Belgium and are not traded in Belgium; and
- (i) Belgian resident companies not referred to under paragraph (a) above, when their activities exclusively or principally consist of the granting of credits and loans.

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

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

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

- A transfer from an N-account to an X-account gives rise to the payment by the transferor non-Eligible Investor to the NBB of withholding tax on the pro rata interest accrued since the last interest payment date up to the transfer date.

- A transfer from an X-account to an N-account gives rise to the refund by the NBB to the transferee non-Eligible Investor of withholding tax on the pro rata interest accrued since the last interest payment date up to the transfer date.
- Transfers of Bonds between two X-accounts do not give rise to any adjustment on account of withholding tax.
- Transfers of Bonds between two N-accounts give rise to the payment by the transferor non-Eligible Investor to the NBB of withholding tax on the pro rata interest accrued since the last interest payment date up to the transfer date, and to the refund by the NBB to the transferee non-Eligible Investor of withholding tax on such amount.

Upon opening of an X-Account for the holding of Bonds, the Eligible Investor is required to provide the Participant with a statement of its eligible status on a form approved by the Minister of Finance. There is no on-going declaration requirement to the X/N System as to the eligible status, save that they need to inform the Participant of any change in the information contained in the statement of their eligible status. However, Participants are required to annually provide the NBB with listings of investors who have held an X-Account during the preceding calendar year.

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

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

## **Belgian Tax on Income and Capital Gains**

### ***Belgian resident individuals***

For Belgian resident individuals (i.e. individuals subject to Belgian personal income tax (*personenbelasting / impôt des personnes physiques*)) who hold the Bonds as a private investment, payment of the 30% withholding tax fully discharges them from their personal income tax liability with respect to these interest payments (*précompte mobilier libératoire / bevrijdende roerende voorheffing*). These Belgian resident individuals do not need to report interests in respect of the Bonds in their personal income tax return, provided that the Belgian withholding tax of 30% has effectively been levied on the interest.

Belgian resident individuals may nevertheless elect to report the interest in respect of the Bonds in their personal income tax return. Where a beneficiary opts to report the interest income, it will be taxable at the lower of the applicable withholding tax rate of 30% or at the progressive personal income tax rate taking into account the taxpayer's other declared income, whichever is lower and no local surcharges will be due. If the interest income is reported, the Belgian withholding tax withheld at source by the

NBB may, under certain conditions, be credited against the personal income tax due and is reimbursable to the extent that it exceeds the personal income tax due.

Capital gains realised on the disposal of the Bonds are in principle tax exempt, unless the capital gains are realised outside the scope of the normal management of one's private estate (in which case they are taxed at a rate of 33% plus local municipal surcharges) or unless the capital gains qualify as accrued interest on the Bonds (as defined above). Capital losses realised upon the disposal of the Bonds held as a non-professional investment are in principle not tax deductible.

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

### ***Belgian Resident Companies***

Interest attributed or paid to corporate holders of the Bonds who are Belgian residents for tax purposes, i.e., who are subject to the Belgian corporate income tax (*vennootschapsbelasting/impôt des sociétés*), as well as capital gains realized upon the sale of the Bonds are taxable at the current general corporate income tax rate of 25% (with a reduced rate of 20% applying to the first tranche of EUR 100,000 of taxable income of qualifying small companies, subject to certain conditions). Capital losses realized upon the sale of the Bonds are in principle tax deductible.

Different rules apply to companies subject to a special tax regime, such as investment companies within the meaning of Article 185*bis* of the BITC.

### ***Belgian Resident Legal Entities***

Belgian legal entities subject to Belgian legal entities tax (*rechtspersonenbelasting/impôts des personnes morales*) which qualify as Eligible Investors and which hold the Bonds through an X-Account and which, consequently, have received gross interest income free from Belgian withholding tax are required to declare the interest and pay the 30% withholding tax to the Belgian tax authorities themselves.

Belgian legal entities which do not qualify as Eligible Investors (as defined above) or that are holding the Bonds in an N-Account, are subject to a withholding tax of 30% on interest payments. The withholding tax is neither creditable nor refundable and therefore constitutes the final taxation (they do not have to declare the interest obtained on the Bonds).

Capital gains realized on the sale of the Bonds are in principle tax exempt, unless and to the extent the capital gains (partially) qualify as interest. Capital losses are in principle not tax deductible.

### ***Organisations for Financing Pensions***

Interest and capital gains derived by Organisations for Financing Pensions (*Organismen voor de Financiering van Pensioenen/Organismes de Financement de Pensions*) within the meaning of the Law of 27 October 2006 on the activities and supervision of institutions for occupational retirement provision (*Wet van 27 oktober 2006 betreffende het toezicht op de instellingen voor bedrijfspensioenvoorzieningen/Loi du 27 octobre 2006 relative au contrôle des institutions de retraite professionnelle*), are in principle not subject to Belgian corporate income tax. Capital losses are in principle not tax deductible.

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

### ***Belgian Non-Residents***

Holders of the Bonds who are not residents of Belgium for Belgian tax purposes and who are not holding the Bonds through a permanent establishment in Belgium and who do not invest in the Bonds in the course of their Belgian professional activity, will not become liable for any Belgian tax on income or capital gains for the sole reason of the acquisition, ownership or disposal of the Bonds provided that they qualify as Eligible Investors and that they hold their Bonds in an X-Account.

A non-resident company having allocated the Bonds to the exercise of a professional activity in Belgium through a Belgian establishment is subject to in substance the same rules as a Belgian resident company (see above).

If the Bonds are not held through an X-Account by the Eligible Investor, withholding tax on the interest is in principle applicable at the current rate of 30%, possibly reduced pursuant to Belgian domestic tax law or applicable tax treaties, on the gross amount of the interest.

### **Tax on Stock Exchange Transactions**

A stock exchange tax (*taks op de beursverrichtingen/taxe sur les opérations de bourse*) will normally be levied on the purchase and sale and other acquisition or transfer for consideration of the Bonds on the secondary market (i.e. not at issuance) if (i) it is executed in Belgium through a professional intermediary, or (ii) deemed to be executed in Belgium, which is the case if the order is directly or indirectly made to a professional intermediary established outside of Belgium, either by private individuals with habitual residence in Belgium, or legal entities for the account of their seat or establishment in Belgium (both, a “*Belgian Investor*”).

The tax on stock exchange transactions is levied at a rate of 0.12% with a maximum amount of €1,300 per transaction and per party.

The tax is due separately by each party to any such transaction, i.e. the seller (transferor) and the purchaser (transferee), both collected by the professional intermediary. However, if the intermediary is established outside of Belgium, the tax will in principle be due by the Belgian Investor (who will be responsible for the filing of a stock exchange tax return and for the timely payment of the amount of stock exchange tax due), unless that Belgian Investor can demonstrate that the tax has already been paid by the professional intermediary established outside Belgium. In the latter case, the foreign professional intermediary also has to provide each client (which gives such intermediary an order) with a qualifying order statement (*borderel/bordereau*), at the latest on the business day after the day on which the relevant transaction was realised. The qualifying order statements must be numbered in series and duplicates must be retained by the financial intermediary. A duplicate can be replaced by a qualifying agent day-to-day listing, numbered in series. Alternatively, professional intermediaries established outside of Belgium can, subject to certain conditions and formalities, appoint a Belgian representative, who will be liable toward the Belgian Treasury for the tax on stock exchange transactions due and for complying with the reporting obligations and the obligations relating to the order statement (*borderel/bordereau*) in respect of the transactions executed through the professional intermediary. If the representative would have paid the tax on stock exchange transactions due, the Belgian Investor will, as per the above, no longer be the debtor of the tax on stock exchange transactions.

An exemption from this tax is available under Article 126/1, 2° of the Code on Miscellaneous Duties and Taxes as regards, among others, the following entities when they act for their own account: (i) parties to securities trades who are intermediaries within the meaning of Article 2, 9° and 10° of the Law of August 2, 2002 on the supervision of the financial sector and financial services; (ii) insurance undertakings within the meaning of Article 2, §1 of the Law of July 9, 1975 on supervision of insurance companies; (iii) institutions for occupational retirement provisions within the meaning of Article 2, 1° of the Law of October 27, 2006 regarding the control of institutions for occupational retirement provisions (*instellingen voor bedrijfspensioenvoorziening/institutions de retraite professionnelle*);

(iv) collective investment schemes; (v) Belgian regulated real estate companies; and (vi) non-residents certifying their non-resident status.

As stated below, the European Commission has published a proposal for a Directive for a common Financial Transactions Tax (“FTT”). The proposal currently stipulates that once the FTT enters into force, the participating Member States shall not maintain or introduce taxes on financial transactions other than the FTT (or VAT as provided in the Council Directive 2006/112/EC of November 28, 2006 on the common system of value added tax). For Belgium, the tax on stock exchange transactions should thus be abolished once the FTT enters into force.

### **The Proposed Financial Transaction Tax (FTT)**

On February 14, 2013, the European Commission published a proposal (the “*Commission’s Proposal*”) for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (each, other than Estonia, a “*participating Member State*”). However, Estonia has ceased to participate.

The Commission’s Proposal has a very broad scope and could, if introduced in its current form, apply to certain dealings in Bonds (including secondary market transactions) in certain circumstances. The issuance and subscription of Bonds should however qualify as primary market transactions referred to in Article 5(c) of Regulation (EC) No 1287/2006 and be exempt. It would call for the Participating Member States to impose a tax of generally at least 0.1% on all such transactions, generally determined by reference to the amount of consideration paid. The mechanism by which the tax would be applied and collected is not yet known, but if the proposed directive or any similar tax is adopted, transactions in the Bonds would be subject to higher costs, and the liquidity of the market for the Bonds may be diminished.

Under the Commission’s Proposal the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in Bonds where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, “established” in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between the participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. The proposed FTT may therefore be altered prior to any implementation, the timing of which remains unclear. Additional Member States of the European Union may decide to participate and/or certain of the Participating Member States may decide to withdraw.

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

### **The new Belgian tax on securities accounts**

The Law of 17 February 2021 introducing an annual tax on securities accounts has been published in the Belgian Official Gazette on 25 February 2021. The law introduces an indirect tax on securities accounts (the “*Tax on Securities Accounts*”) which applies to securities accounts held by resident individuals, companies and legal entities, irrespective as to whether these accounts are held with a financial intermediary which is established or located in Belgium or abroad. The tax also applies to securities accounts held by non-residents individuals, companies and legal entities with a financial intermediary established or located in Belgium and to non-residents which hold one or more securities accounts through a Belgian establishment.

Belgian resident and non-resident individuals, companies and legal entities will be taxed at a rate of 0.15% on the average value of qualifying financial instruments held on one or more securities accounts during a reference period of twelve consecutive months (in principle) starting on 1 October and ending on 30 September of the subsequent year. No Tax on Securities Accounts will be due provided that the average value of the qualifying financial instruments on those accounts amounts to less than EUR 1 million during the specific reference period. If, however, the average value of the qualifying financial instruments on those accounts amounts to EUR 1 million or more, the Tax on Securities Accounts will be due on the entire average value of the qualifying financial instruments on those accounts during the specific reference period (and, hence, not only on the part which exceeds the EUR 1 million threshold). However, the amount of the Tax on the Securities Accounts is limited to 10% of the difference between the average value of the qualifying financial instruments on those accounts and EUR 1 million.

The financial instruments envisaged include not only shares and bonds, but also derivatives. Each securities account is assessed separately. When multiple holders hold a securities account, each holder shall be jointly and severally liable for the payment of the tax and each holder may fulfill the declaration requirements for all holders.

A financial intermediary is defined as (i) the National Bank of Belgium, the European Central Bank and foreign central banks performing similar functions, (ii) a central securities depository included in Article 198/1, §6, 12° of the Belgian Income Tax Code, (iii) a credit institution or a stockbroking firm as defined by Article 1, §3 of the Law of 25 April 2014 on the status and supervision of credit institutions and investment companies and (vi) the investment companies as defined by Article 3, §1 of the Law of 25 October 2016 on access to the activity of investment services and on the legal status and supervision of portfolio management and investment advice companies, which are, pursuant to national law, admitted to hold financial instruments for the account of customers.

The law on the Tax on Securities Accounts entered into force on 26 February 2021. The first reference period started on the day of the entry into force and ended on 30 September 2021. The law also provides for certain anti-abuse provisions, retroactively applying as from 30 October 2020: a rebuttable general anti-abuse provision and two irrebuttable specific anti-abuse provisions. The latter cover the splitting of a securities account into multiple securities accounts held with the same intermediary and the conversion of taxable financial instruments held on a securities account, into registered financial instruments.

There are various exemptions, such as securities accounts held by specific types of regulated entities for their own account.

It is expected that the value of the Bonds will have to be taken into account in determining the value of a securities account.

Prospective Bondholders are advised to follow up and seek their own professional advice in relation to this new annual Tax on Securities Accounts and the possible impact thereof on their own personal tax position.

### **Common Reporting Standard**

Following recent international developments, the exchange of information will be governed by the Common Reporting Standard (“CRS”).

On January 31, 2022, 115 jurisdictions had signed the multilateral competent authority agreement (“MCAA”), which is a multilateral framework agreement to automatically exchange financial and personal information, with the subsequent bilateral exchanges coming into effect between those signatories that file the subsequent notifications.

In total, 49 jurisdictions, including Belgium, have committed to a specific and ambitious timetable leading to the first automatic information exchanges in 2017, relating to income year 2016 (early adopters). More than 50 jurisdictions have committed to exchange information as from 2018, two jurisdictions as from 2019, three jurisdictions as from 2020, three jurisdictions as of 2021, four jurisdictions as of 2022 and six jurisdictions as of 2023.

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

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

The Belgian government has implemented said DAC2, respectively the CRS, by way of the Law of 16 December 2015 regarding the exchange of information on financial accounts by Belgian financial institutions and by the Belgian tax administration, in the context of an automatic exchange of information on an international level and for tax purposes (“*the Law of 16 December 2015*”).

As a result of the Law of 16 December 2015, the mandatory exchange of information applies in Belgium (i) as of financial year 2016 (first information exchange in 2017) towards the EU Member States, (ii) as of financial year 2014 (first information exchange in 2016) towards the US and (iii) with respect to any other jurisdictions that have signed the MCAA, as of the respective date determined by Royal Decree. In a Royal Decree of 14 June 2017, as amended, it has been provided that the automatic exchange of information has to be provided (i) as from 2017 (for the 2016 financial year) for a first list of 18 foreign jurisdictions, (ii) as from 2018 (for the 2017 financial year) for a second list of 44 jurisdictions, (iii) as from 2019 (for the 2018 financial year) for Nigeria, and (iv) as from 2020 (for the 2019 financial year) for another list of 6 jurisdictions.

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

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



## THE PUBLIC OFFER

### USE OF PROCEEDS

#### Estimated proceeds

The gross proceeds, the net proceeds and the costs and expenses borne by the Issuer in connection with the issue of the Bonds depend on the Aggregate Nominal Amount to be determined by the Issuer after the closing of the Subscription Period (see section “*Terms and Conditions of the Public Offer in Belgium — Aggregate Nominal Amount*” on page 117). The table below sets out the indicative gross proceeds, net proceeds and costs and expenses borne by the Issuer in connection with the issue of the Bonds in case the Aggregate Nominal Amount is EUR 30,000,000 (Scenario A) or EUR 50,000,000 (Scenario B).

<i>(in thousands of euro)</i>	Scenario A	Scenario B
Aggregate Nominal Amount.....	30,000	50,000
Gross proceeds .....	30,000	50,000
Estimated total expenses* .....	250	250
Estimated net proceeds .....	29,750	49,750

\* Estimated total expenses include the costs of legal fees, the auditor, Euronext Brussels, the Agent, the FSMA and costs related to marketing.

#### Use of proceeds

The Issuer has repaid its 2022 Existing Bonds on 10 June 2022 (see “*Description of certain financing arrangements — Senior Bonds due 2022*” on page 59) using (part of) a loan of EUR 110,000,000 drawn under the Issuer’s Revolving Facility Agreement (see “*Description of certain financing arrangements — Revolving Facility*” on page 55).

The Issuer will use the net proceeds of the Bonds to partially refinance that loan drawn under the Revolving Facility Agreement.

The remaining amount of such loan under the Revolving Facility Agreement that is not repaid using the net proceeds of the Bonds may be repaid or remain outstanding for any period at the discretion of the Issuer, subject to the terms of the Revolving Facility Agreement.

The table below sets out an overview of the actual outstanding of the Revolving Facility Agreement and the relevant bonds on 30 April 2022 and on 10 June 2022, and the expected outstanding amounts on the Issue Date. Since the outstanding amount on the Issue Date will depend on the Aggregate Nominal Amount, the table sets out the expected situation in case the Aggregate Nominal Amount is EUR 30,000,000 (Scenario A) or EUR 50,000,000 (Scenario B).

<i>(in thousands of euro)</i>	30 April 2022	10 June 2022	Issue Date	
			Scenario A	Scenario B
Revolving Facility Agreement.....	–	110,000	80,000	60,000
Senior Bonds due 2022.....	100,000	–	–	–
Bonds offered under this prospectus.....	–	–	30,000	50,000

## TERMS AND CONDITIONS OF THE PUBLIC OFFER IN BELGIUM

Bank Degroof Petercam SA/NV and KBC Bank NV (the **Joint Lead Managers**) have agreed with the Issuer, subject to certain terms and conditions, to use best efforts to place the Bonds in an minimum aggregate nominal amount of EUR 30,000,000 and a maximum aggregate nominal amount of EUR 50,000,000 with third parties at the Issue Price (less a discount, if applicable, as further specified below) and at the conditions specified below, pursuant to a placement agreement dated on or about 21 June 2022 (the **Placement Agreement**).

This section contains the terms and conditions of the public offer in Belgium of the Bonds by the Joint Lead Managers (the **Public Offer**). See section “*Consent to use of this prospectus by Authorised Offerors*” on page 123 for information regarding the terms and conditions of a public offer of the Bonds made by Authorised Offerors.

Each of the services provided by a Joint Lead Manager may be provided by that Joint Lead Manager acting through any of its branches, subsidiaries or affiliates, and all references to **Joint Lead Manager** herein shall include such branches, subsidiaries and affiliates to the extent that such services are provided by them.

### Expected timetable of the Public Offer

The main steps of the timetable of the Public Offer are as follows:

<u>Date</u>	<u>Event</u>
22 June 2022 .....	Publication of this prospectus (see section “ <i>Where more information can be found</i> ” on page 126)
24 June 2022 at 9.00 am (CET) .....	Opening of the Subscription Period
24 June 2022 at 5.30 pm (CET) .....	Earliest possible closing of the Subscription Period
28 June 2022 at 5.30 pm (CET) .....	Closing of the Subscription Period (if not closed earlier and subject to extension)
Within three business days after closing of the Subscription Period ..	Expected publication date of the results of the Public Offer (including its net proceeds)
4 July 2022 .....	Issue Date, delivery of the Bonds to the investors against payment of the Issue Price, listing and admission to trading of the Bonds on the regulated market on Euronext Brussels.

The dates and times of the Public Offer and periods indicated in the above timetable and throughout this prospectus may change. Should the Issuer decide to amend such dates, times or periods, it will inform investors through a publication on its website (see section “*Where more information can be found*” on page 126) and, as and when required by applicable law, published in a press release, an advertisement in the financial press and/or a supplement to this prospectus (see section “*Prospectus supplements*” on page 125).

### Subscription Period

The subscription period of the Public Offer will begin on 24 June 2022 at 9.00 am (CET) and is expected to close no later than 5.30 pm (CET) on 28 June 2022, subject to early closing or extension (the **Subscription Period**).

The Subscription Period may be closed early by the Issuer, provided that the Subscription Period will be open for at least one business day and cannot be closed before 5.30 pm (CET) on 24 June 2022, (i) as soon as the Minimum Nominal Amount is reached (see section “*—Aggregate Nominal Amount*” on page 117), or (ii) in the event that a major change in market conditions occurs (including, but not limited

to, a change in national or international financial, political or economic circumstances, exchange rates or interest rates), or (iii) in case a Material Adverse Change occurs with respect to the Issuer. In case the Subscription Period is terminated early as a result of the occurrence described under (ii) or (iii) in the preceding sentence, then the Issuer will publish a supplement to the Prospectus. The Issuer will ensure that any such supplement is published as soon as possible after the occurrence of such termination of the Subscription Period (see section “*Prospectus supplements*” on page 125).

Any early closing or extension of the Subscription Period will be announced by or on behalf of the Issuer (see section “*Where more information can be found*” on page 126) at the latest on the business day following such early closing.

### **Subscribing to the Bonds**

After having read the entire Prospectus, investors can subscribe to the Bonds via the branches of the Joint Lead Managers, using the subscription form provided by the Joint Lead Managers as well via the digital channels (if any) provided by any Joint Lead Manager.

The applications to subscribe to the Bonds can also be submitted via agents or other financial intermediaries in Belgium. In this case, the investors must obtain information concerning the commission fees that the agent or financial intermediary can charge. These commission fees are charged to the investors (please refer to section “*—Costs, fees and charges borne by the investor*” on page 117 for more information regarding commissions and fees).

No subscription may occur prior to the commencement of the Subscription Period.

Each subscription is irrevocable as from closing of the Subscription Period, subject to the withdrawal right described below.

### **Withdrawal right in case of supplement to the prospectus**

Every significant new factor, material mistake or material inaccuracy relating to the information included in this prospectus which may affect the assessment of the Bonds and which arises or is noted between the time when the prospectus is approved and the closing of the Subscription Period or the time when trading of the Bonds on a regulated market begins, whichever occurs later, shall be mentioned in a supplement to this prospectus without undue delay.

In such case, investors who have already agreed to subscribe to the Bonds before such supplement is published shall have the right, exercisable within three working days after the publication of the supplement, to withdraw their acceptances, provided that the significant new factor, material mistake or material inaccuracy referred to above arose or was noted before the closing of the Subscription Period or the delivery of the Bonds, whichever occurs first. That period may be extended by the Issuer. The final date of the right of withdrawal shall be stated in the supplement (see section “*Prospectus supplements*” on page 125).

### **Conditions to which the Public Offer is subject**

The Public Offer and the issue of the Bonds is subject to a limited number of conditions set out in the Placement Agreement, which are customary for this type of transaction, and which include, amongst others: (i) the correctness of the representations and warranties made by the Issuer in the Placement Agreement; (ii) the Placement Agreement, the Agency Agreement and the Clearing Agreement having been executed by all parties thereto prior to the Issue Date, (iii) the admission of the Bonds on the regulated market of Euronext Brussels having been granted on or prior to the Issue Date, (iv) there having been, as at the Issue Date, in the reasonable opinion of the Joint Lead Managers, no Material Adverse Change (as defined in the Placement Agreement and as described below) since the date of the latest consolidated financial statements of the Issuer, except as set out in this prospectus, (v) the Issuer having performed all the obligations to be performed by it under the Placement Agreement on or before

the Issue Date, (vi) the market conditions being satisfactory in the Joint Lead Managers' reasonable opinion and with the agreement of the Issuer and (vii) at the latest on the Issue Date, the Joint Lead Managers having received customary confirmations as to certain legal and financial matters pertaining to the Issuer and the Group.

A **Material Adverse Change** means there having been no material adverse change in the financial condition, business affairs, results or operations of the Issuer or the Group taken as a whole since the date of the Placement Agreement or the date of this prospectus.

These conditions may be waived (in full or in part) by each of the Joint Lead Managers. The Placement Agreement does not entitle a Joint Lead Manager to terminate its obligations prior to payment being made to the Issuer, except in certain limited circumstances.

If the conditions of the Public Offer and the issue of the Bonds are not fulfilled on the Issue Date (subject to the waiver by the Joint Lead Managers (as the case may be)) or if the Joint Lead Manager terminates the Placement Agreement in one of the circumstances described above, the Bonds will not be issued and the total amount of funds already paid by the investors for the Bonds will be reimbursed. For the avoidance of doubt, no interest shall accrue in respect of these funds. In case of a cancellation of the Public Offer, a notification will be published on the website of the Issuer and the websites of the Joint Lead Managers (see section "*Where more information can be found*" on page 126) and the Issuer shall publish a supplement to this prospectus (see section "*Prospectus supplements*" on page 125).

### **Issue Price**

The issue price will be 101.875% of the nominal amount of the Bonds (the **Issue Price**). The Issue Price for each Bond consists of its principal amount and a selling and distribution commission. Such commission will be paid by the investor for the benefit of the Joint Lead Managers.

Retail investors (i.e. investors who are not qualified investors (as defined in the Prospectus Regulation, **Qualified Investors**)) will pay a selling and distribution commission of 1.875% for the Bonds (the **Retail Commission**).

The Qualified Investors will pay a commission equal to the Retail Commission reduced, as the case may be, by a discount up to 0.875% as determined by the relevant Joint Lead Manager in its sole discretion (the **QI Commission**) (no such discount will be granted to Qualified Investors acting as financial intermediaries within the framework of independent investment advice or portfolio management (as defined in MiFID II)).

The gross actuarial yield of the Bonds is 5.273% on an annual basis. The net actuarial yield of the Bonds is 3.612% on an annual basis. The yield is calculated on the basis of the issue of the Bonds on the Issue Date, the Issue Price, the Interest Rate of 5.600% per annum and is based on the assumption that the Bonds will be held until the Maturity Date of 4 July 2029 when they will be repaid at 100% of their principal amount in accordance with and subject to the Conditions. It is not an indication of future yield if the Bonds are not held until the Maturity Date. The net yield reflects a deduction of Belgian withholding tax at the current rate of 30% (investors should consult the section "*Taxation*" on page 105 for further information about the Belgian taxation regime as well as section "*—Costs, fees and charges borne by the investor*" on page 117 for more information regarding fees and expenses charged).

### **Minimum subscription amount per investor**

The minimum subscription amount per investor is EUR 1,000, exclusive of selling and distribution commissions (the **Minimum Subscription Amount**). An investor that wants to subscribe to the Bonds has to put an order equal to the Minimum Subscription Amount, increased, as the case may be, by a multiple of the principal amount of a Bond (i.e., EUR 1,000).

## **Aggregate Nominal Amount**

The expected minimum Aggregate Nominal Amount of the Bonds amounts to EUR 30,000,000 (the **Minimum Nominal Amount**) and the maximum Aggregate Nominal Amount amounts to EUR 50,000,000 (the **Maximum Nominal Amount**).

The criteria in accordance with which the final aggregate nominal amount of the Bonds (the **Aggregate Nominal Amount**) will be determined by the Issuer are the following: (i) the funding needs of the Issuer, which could evolve during the Subscription Period for the Bonds, (ii) the levels of the interest rates and the credit spread of the Issuer on a daily basis, (iii) the level of demand from investors for Bonds as observed by the Joint Lead Managers on a daily basis, (iv) the occurrence or not of certain events during the Subscription Period of the Bonds giving the possibility to the Issuer and/or the Joint Lead Managers to early terminate the Subscription Period (or which would allow the Issuer not to proceed with the Public Offer and the issue of Bonds), (v) and the fact that the Maximum Nominal Amount is EUR 50,000,000 and that Minimum Nominal Amount is EUR 30,000,000.

As the case may be, upon the decision of the Issuer with the consent of the Joint Lead Managers (taking into account the demand from investors), the Maximum Nominal Amount may be increased, at the end (or upon the early closing) of the Subscription Period. In such case, a supplement to the Prospectus shall be published (see section “*Prospectus supplements*” on page 125).

The final Aggregate Nominal Amount shall be published as soon as possible after the end (or the early closing) of the Subscription Period (see section “—*Expected timetable of the Public Offer*” on page 114 and “*Where more information can be found*” on page 126).

If at the end of the Subscription Period there is insufficient demand from investors to issue the Minimum Nominal Amount, the Issuer reserves the right (upon agreement with the Joint Lead Managers) to (i) cancel the issuance of the Bonds, in which case a notification will be published (see section “*Where more information can be found*” on page 126) and the Issuer shall publish a supplement to the Prospectus; or (ii) reduce such Minimum Nominal Amount by publishing a supplement to the Prospectus (see section “*Prospectus supplements*” on page 125).

## **Settlement**

The expected payment date for the Bonds is 4 July 2022. The payment for the Bonds can only occur by means of debiting from a deposit account.

On the date that the subscriptions are settled, the NBB-SSS will credit the Bonds to the custody account of KBC Bank NV as Agent according to the details specified in the rules of the NBB-SSS.

Subsequently, the Agent, at the latest on the payment date, will credit the number of subscribed Bonds to the account of the participants for onward distribution to the subscribers, in accordance with the usual operating rules of the NBB-SSS.

Also see section “*Clearing*” on page 104 for more information relating to the NBB-SSS and the appointment of the Agent.

## **Costs, fees and charges borne by the investor**

The Issue Price shall include the selling and distribution commission as described above (see section “—*Issue Price*” on page 116).

Additionally, each subscriber shall make his own enquiries with his financial intermediaries on the related or incidental costs (transfer fees, custody charge, etc.) which the latter may charge. The financial services in relation to the Bonds will be provided free of charge by the Joint Lead Manager. Investors must inform themselves about the costs that their financial institutions might charge them.

Bondholders should be aware that additional costs and expenses may be due to the relevant financial intermediary upon exercising the Change of Control put option referred to in Condition 5.2 (*Redemption at the Option of Bondholders – Change of Control*) through a financial intermediary (other than the Agent) and the Bondholders should inform themselves thereof before exercising the put option.

See section “*Use of proceeds*” on page 113 for an overview of the costs incurred and borne by the Issuer with respect to the issue of the Bonds and the estimated gross and net proceeds of the Bonds.

Investors may be subject to taxes such as withholding taxes and a tax on stock exchange transactions (see section “*Taxation*” on page 105).

### **Allocation**

The Issuer has agreed that the targeted allocation structure for the placement of the Bonds will be the following:

- 20% and 30% of the nominal amount of the Bonds to be issued, which is in aggregate 50% of the nominal amount of the Bonds to be issued (the **JLM Bonds**), are to be placed by Bank Degroof Petercam SA/NV and KBC Bank NV, respectively, on a best efforts basis and are to be allocated by such Joint Lead Manager exclusively to non-Qualified Investors in its own retail and private banking network, at a price equal to 100% of the nominal amount of Bonds plus the Retail Commission (i.e. at the Issue Price). Each Joint Lead Manager shall receive the Retail Fee for the JLM Bonds placed by it;
- 50% of the nominal amount of the Bonds to be issued (the **QI Bonds**) are to be placed by the Joint Lead Managers, acting together on a best efforts basis, to third party distributors and/or Qualified Investors as a pot deal at a price equal to 100% of the nominal amount of the Bonds plus the QI Fee. Each Joint Lead Manager will receive an equal amount of the total amount of QI Fees earned in relation to the QI Bonds.

If upon the closing of the Subscription Period and after the determination of the Aggregate Nominal Amount (see “—*Aggregate Nominal Amount*” on page 117), the JLM Bonds assigned to a Joint Lead Manager are not fully placed by such Joint Lead Manager, the other Joint Lead Manager (having fully placed the JLM Bonds assigned to it) will have the right (but not the obligation) to allocate 50% of such unplaced Bonds to orders received from Retail Investors in their own retail and private banking network. The other 50% of such unplaced Bonds may be allocated to the orders relating to QI Bonds, towards third party distributors and/or Qualified Investors. If any Bonds remain unplaced thereafter, such Bonds may be allocated to the orders relating to QI Bonds, towards third party distributors and/or Qualified Investors. If any Bonds remain unplaced thereafter, the Joint Lead Manager having fully placed the Bonds assigned to it will have the right (but not the obligation) to allocate such unplaced Bonds to unallocated orders received from Retail Investors in its own retail and private banking network.

Investors should note that the Joint Lead Managers will continue to collect subscriptions until the end of the Subscription Period. Investors that are not Qualified Investors are encouraged to subscribe to the Bonds on the first business day of the Subscription Period before 5.30 pm (CET) to ensure that their subscription is taken into account when the Bonds are awarded, subject, as the case may be, to a proportional reduction of their subscription.

All subscriptions that have been validly introduced by investors that are not Qualified Investors with a Joint Lead Manager before the closing of the Subscription Period (see “—*Subscription Period*” on page 114) will be taken into account when the Bonds are allotted. In case of oversubscription, a reduction may apply, i.e., the subscriptions will be scaled back proportionally, with an allocation of a multiple of EUR 1,000.

Subscribers may have different reduction percentages applicable to them depending on the financial intermediary through which they have subscribed to the Bonds. The Joint Lead Managers shall in no manner whatsoever be responsible for the allotment criteria that will be applied by other financial intermediaries.

Investors should be aware that they should place an order for the Bonds they wish to subscribe to. In case of oversubscription and a subsequent reduction of the subscriptions (as indicated above), investors will not be able to benefit from a reallocation of their order to Bonds which they did not subscribe to.

Investors will be informed of the number of Bonds that have been allotted to them as soon as possible after the date of the (early) closing of the Subscription Period, and in any case at the latest on the third business day after the date of (early) closing of the Subscription Period, it being understood that such information can be indicative and that the definitive individual allotments can be communicated on the Issue Date.

Any payment made by a subscriber to the Bonds in connection with the subscription of Bonds which are not allotted will be refunded within seven business days after the date of payment in accordance with the arrangements in place between such relevant subscriber and the relevant financial intermediary, and the relevant subscriber shall not be entitled to any interest in respect of such payments.

In accordance with Article 7, § 1 of the Royal Decree of 17 May 2007 on primary market transactions, no Joint Lead Manager shall, in case of full subscription or oversubscription in respect of the Public Offer, directly or indirectly acquire any Bonds for its own account.

#### **Publication of the results of the Public Offer and individual allotments**

The results of the Public Offer (including its net proceeds and an indication of the number of Bonds allotted per investor) shall be published as soon as possible and at the latest within three business days after the (early) closing of the Subscription Period and in any case on or before the Issue Date. See section “*Where more information can be found*” on page 126.

The final number of Bonds allotted to each investor will be individually communicated on the Issue Date to each investor by the relevant Joint Lead Manager or other Financial Intermediary to whom such investor has submitted its subscription.

Trading of the Bonds on Euronext Brussels will not begin until after the publication of the results of the Public Offer (including its net proceeds and the number of Bonds allotted to each investor).

## SELLING RESTRICTIONS

### General

The Bonds are being offered only to investors to whom such offer can be lawfully made under any law applicable to those investors. The Issuer has taken necessary actions to ensure that the Bonds may be lawfully offered to the public in Belgium. The Issuer has not taken any action to permit any offering of the Bonds in any other jurisdiction outside of Belgium and neither the Issuer nor any Joint Lead Manager makes any representation that any action will be taken in any jurisdiction (other than Belgium) by any Joint Lead Manager or the Issuer that would permit a public offering of the Bonds in any such jurisdiction, or possession or distribution of this prospectus or any other offering or publicity material relating to the Bonds (including road show materials and investor presentations) in any country or jurisdiction where action for that purpose is required.

The distribution of this prospectus and the subscription for, and acquisition of, the Bonds may, under the laws of certain countries other than Belgium, be governed by specific regulations or legal and regulatory restrictions. Individuals in possession of this prospectus, or considering the subscription for, or acquisition of, the Bonds, must inquire about those regulations and about possible restrictions resulting from them, and comply with those restrictions. Intermediaries cannot permit the subscription for, or acquisition of, the Bonds for clients whose addresses are in a country where such restrictions apply. No person receiving this prospectus (including trustees and nominees) may distribute it in, or send it to, such countries, except in conformity with applicable law. The subscribers undertake to abide to the legal and regulatory rules applicable to the offer and sale of the Bonds in any country where these Bonds would be placed and in particular undertake to abide with the selling restrictions set out below.

This prospectus does not constitute an offer to sell or the solicitation of an offer to buy any securities other than the Bonds, or an offer to sell or the solicitation of an offer to buy the Bonds in any circumstances in which such offer or solicitation is unlawful. Neither the Issuer nor any Joint Lead Manager has authorised, nor do they authorise, the making of any offer of the Bonds (other than the Public Offer in Belgium) in circumstances in which an obligation arises for the Issuer or any Joint Lead Manager to publish a prospectus for such offer.

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

### European Economic Area

Each Joint Lead Managers has represented and agreed that it has not made and will not make an offer of Bonds to the public (except for the Public Offer in Belgium) in the European Economic Area other than:

- to any legal entity which is a qualified investor as defined in the Prospectus Regulation;
- to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation), subject to obtaining the prior consent of the dealer(s) nominated by the Issuer for any such offer; or
- in any other circumstances falling within Article 1.4 or Article 3.2 of the Prospectus Regulation,

provided that no such offer of Bonds shall require the Issuer or any Joint Lead Manager to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression “**offer of Bonds to the public**” means the communication in any form and by any means of sufficient information on the terms of the offer and



the Bonds to be offered so as to enable an investor to decide to purchase or subscribe for the Bonds (Article 2, (d) of the Prospectus Regulation).

### **United States**

The Bonds have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the **Securities Act**) or the securities law of any State or any jurisdiction in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons, except in accordance with Regulation S under the Securities Act or pursuant to an exemption from the registration requirements of the Securities Act. Terms used in this section have the meanings given to them by Regulation S under the Securities Act.

The Bonds are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a U.S. person, except in certain transactions permitted by U.S. tax regulations. Terms used in this section have the meanings given to them by the U.S. Internal Revenue Code of 1986 and regulations thereunder.

Each Joint Lead Manager has represented and agreed that, except as permitted by the Placement Agreement, it has not offered, sold or delivered and will not offer, sell or deliver the Bonds (i) as part of its distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering and the Closing Date (as defined in the Placement Agreement) within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each dealer to which it sells Bonds during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Bonds within the United States or to, or for the account or benefit of, U.S. persons.

In addition, until 40 days after the commencement of the Public Offer, an offer or sale of Bonds within the United States by a dealer that is not participating in the offering may violate the registration requirements of the Securities Act.

### **United Kingdom**

Each Joint Lead Manager has represented and agreed that it has not made and will not make an offer of Bonds to the public in the United Kingdom, except that Bonds may be offered in the United Kingdom:

- to any legal entity which is a qualified investor as defined under Article 2 of the UK Prospectus Regulation;
- to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the UK Prospectus Regulation); or
- in any other circumstances falling within Section 86 of the Financial Services and Markets Act 2000 (the **UK FSMA**),

provided that no such offer of Bonds shall require the Issuer or any Joint Lead Manager to publish a prospectus pursuant to Section 85 of the UK FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation. For the purposes of this provision, the expression an **offer to the public** in relation to Bonds in the United Kingdom means the communication in any form and by any means of sufficient information on the terms of the offer and Bonds to be offered so as to enable an investor to decide to purchase or subscribe for Bonds and the expression **UK Prospectus Regulation** means Regulation (EU) 2017/1129 as it forms part of domestic law in the United Kingdom by virtue of the European Union (Withdrawal) Act 2018.

Moreover, each Joint Lead Manager has represented and agreed that:

- it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the

meaning of Section 21 of the UK FSMA received by it in connection with the issue or sale of the Bonds in circumstances in which Section 21(1) of the UK FSMA does not apply to the Issuer; and

- it has complied and will comply with all applicable provisions of the UK FSMA with respect to anything done by them in relation to the Bonds in, from or otherwise involving the United Kingdom.

## CONSENT TO USE OF THIS PROSPECTUS BY AUTHORISED OFFERORS

The Issuer consents that this prospectus may be used for the purposes of a public offer of the Bonds in Belgium until the last day of the Subscription Period (see section “*Terms and Conditions of the Public Offer in Belgium*” on page 114), which takes place from 24 June 2022 (9.00 am (CET)) until 28 June 2022 (5.30 pm (CET)), subject to early termination, by any financial intermediary authorised under MiFID II to conduct such offers (an **Authorised Offeror**).

**Each offer and each sale of the Bonds by an Authorised Offeror will be made in accordance with the terms and conditions agreed between a financial intermediary and the investor, including in relation to the price, the allocation and the costs and/or taxes to be borne by an investor.**

**The Issuer is not a party to any arrangements or terms and conditions in connection with the offer and sale of the Bonds between the Authorised Offeror and an investor. This prospectus does not contain the terms and conditions of any Authorised Offeror, which will be provided to the investor by the relevant Authorised Offeror during the Subscription Period. Neither the Issuer nor any Joint Lead Manager can be held responsible or liable for the terms and conditions of any Authorised Offeror or any information provided by such Authorised Offeror in respect thereof.**

The Issuer accepts responsibility for the content of this prospectus (see section “*Responsibility statement*” on page 127) with respect to the subsequent resale or final placement of the Bonds by an Authorised Offeror using this prospectus for the purposes of a public offer of the Bonds in Belgium in accordance with the conditions of this consent.

Neither the Issuer, nor any Joint Lead Manager can be held responsible or liable for any act or omission by any Authorised Offeror, including compliance with any rules of conduct or other legal or regulatory requirements under or in connection with such public offer.

Any Authorised Offeror envisaging to use this prospectus in connection with such public offer of the Bonds in Belgium must state on its website, during the Subscription Period, that it uses this prospectus in accordance with the consent given by the Issuer and in accordance with the applicable conditions of such consent.

Neither the Issuer nor any Joint Lead Manager has authorised any public offer of the Bonds by any person in any circumstances and such person is under no circumstance authorised to use this prospectus in connection with a public offer of the Bonds, except as set out above. Any such unauthorised public offer is not made by or on behalf of the Issuer or any Joint Lead Manager and the Issuer nor any Joint Lead Manager can be held responsible or liable for the actions of any such person engaging in such unauthorised public offers.

## THIS PROSPECTUS

### DOCUMENTS INCORPORATED BY REFERENCE

The below sections of the following documents are incorporated by reference and form part of this prospectus:

1. The Issuer's audited consolidated annual accounts for the financial year ended 31 December 2020 (including the statutory auditor's report), as included in the Issuer's "[Financial Report 2020](#)", in the following sections:

Consolidated income statement.....	p. 4
Other comprehensive income.....	p. 5
Consolidated balance sheet .....	p. 6
Consolidated cash-flow statement.....	p. 7
Consolidated statement of changes in equity .....	p. 8
Notes (including the statutory auditor's report) .....	p. 9 – 100

2. The Issuer's audited consolidated annual accounts for the financial year ended 31 December 2021 (including the statutory auditor's report), as included in the Issuer's "[Financial Report 2021](#)", in the following sections:

Consolidated income statement.....	p. 3
Other comprehensive income.....	p. 4
Consolidated balance sheet .....	p. 5
Consolidated cash-flow statement.....	p. 6
Consolidated statement of changes in equity .....	p. 7
Notes (including the statutory auditor's report) .....	p. 8 - 110

Information contained in the documents referred to above other than the sections listed in the tables above does not form part of this prospectus. Such information is either not relevant for the investors or covered elsewhere in this prospectus.

Any website mentioned in any document incorporated by reference does not form part of this prospectus and has not been scrutinised or approved by the FSMA.

Copies of documents incorporated by reference in this prospectus may be obtained (free of charge) from the registered office of the Issuer, the website of the Issuer and the website of the Joint Lead Managers (see section "*Where more information can be found*" on page 126).

## PROSPECTUS SUPPLEMENTS

### **Requirement to prepare a supplement**

Every significant new factor, material mistake or material inaccuracy relating to the information included in this prospectus which may affect the assessment of the Bonds and which arises or is noted between the time when this prospectus is approved and the final closing of the Subscription Period or, as the case may be, the time when trading on Euronext Brussels begins, if this is later than the final closing of the Subscription Period, shall be mentioned in a supplement to this prospectus to be prepared by the Issuer in accordance with Article 23.2bis of the Prospectus Regulation without undue delay.

### **Approval and publication of a supplement**

This supplement will need to be approved by the FSMA and published in compliance with at least the same regulations as applicable to this prospectus and applicable law. The Issuer must ensure that any such supplement is published as soon as possible after the occurrence of such new significant factor. See “*Where more information can be found*” on page 126.

### **Right of withdrawal**

Investors who have already agreed to purchase or subscribe to the Bonds before the publication of the supplement to the Prospectus have the right to withdraw their agreement during a period of three business days commencing on the day after the publication of the supplement, provided that the significant new factor, material mistake or material inaccuracy referred to in the first paragraph of this section “Prospectus Supplements” arose or was noted prior to the closing of the Subscription Period or the delivery of the Bonds, whichever occurs first. This period can be extended by the Issuer. The final date for the exercise of the withdrawal right shall be mentioned in the supplement.

## WHERE MORE INFORMATION CAN BE FOUND

During the Subscription Period, copies of the following documents will be available, during usual business hours on any weekday (Saturdays and public holidays excepted), for inspection at the registered office of the Issuer and on the website of the Issuer (<https://vandemoortele.com/en/tags/investor-news/financial-instruments>) and the websites of the Joint Lead Managers (<https://www.degroofpetercam.com/fr-be/vandemoortele-2022> and <https://www.degroofpetercam.com/nl-be/vandemoortele-2022> for Degroof Petercam SA/NV and [www.kbc.be/bonds/vandemoortele2022](http://www.kbc.be/bonds/vandemoortele2022) and [www.kbc.be/fr/bonds/vandemoortele2022](http://www.kbc.be/fr/bonds/vandemoortele2022) for KBC Bank NV):

- The Issuer's consolidated Articles of Association (*statuten / statuts*).
- A copy of this prospectus, together with any supplement to this prospectus published from time to time.
- A copy of each document incorporated by reference in this prospectus (see section "*Documents incorporated by reference*" on page 124 above).
- All reports, letters and other documents, balance sheets, valuations and statements by any expert, any part of which is extracted or referred to in this prospectus (if any).
- Notices published by the Issuer in connection with any early close or extension of the Subscription Period, the results of the Public Offer and the allotment of Bonds to investors, and any other notice referred to in the section "*Terms and Conditions of the Public Offer in Belgium*" on page 114.

The information referred to above will remain available on the Issuer's website referred to above after the Subscription Period, for at least 10 years after the publication of this prospectus.

Except for copies of this prospectus, any supplements and any documents specifically incorporated by reference herein, the information on the Issuer's website or any of the Joint Lead Managers' website does not form part of this prospectus.

## RESPONSIBILITY STATEMENT

### **The Issuer**

The Issuer is responsible for the information in this prospectus.

To the best of the Issuer's knowledge, the information contained in this prospectus is in accordance with the facts and this prospectus makes no omission likely to affect its import.

Where information in this prospectus has been sourced from third parties, this information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from the information published by such third parties no facts have been omitted which would render the reproduced information inaccurate or misleading. The source of third-party information is identified where used.

The Issuer has prepared the summary of this prospectus (see section "*Summary*" on page 3) in English and translated it into Dutch and French. The Issuer is responsible for the consistency of the English, French and Dutch versions of the summary. In case of inconsistency between the different language versions of the summary, the English language version shall prevail (without prejudice to the responsibility of the Issuer).

### **The Joint Lead Managers**

To the fullest extent permitted by law, none of the Joint Lead Managers accepts any responsibility for the contents of this prospectus (including any information incorporated herein) or for any other statement made or purported to be made by any Joint Lead Manager or on its behalf in connection with the Issuer or the issue and offering of the Bonds. The Joint Lead Managers accordingly disclaim all and any liability whether arising in tort or contract or otherwise (save as referred to above) which they might otherwise have in respect of this prospectus or any such statement.

None of the Joint Lead Managers undertakes to review the financial condition or affairs of the Issuer during the life of the arrangements contemplated by this prospectus nor to advise any investor or potential investor in the Bonds of any information coming to the attention of any of the Joint Lead Managers.

### **Information not contained in, or not consistent with, this prospectus**

No person is or has been authorised to give any information or to make any representation not contained in, or not consistent with, this prospectus and any information or representation not so contained or inconsistent with this prospectus or any other information supplied in connection with the Bonds and, if given or made, such information must not be relied upon as having been authorised by or on behalf of the Issuer or any Joint Lead Manager.

### **Accuracy of this prospectus after the date of this prospectus**

Neither the delivery of this prospectus nor any sale made in connection herewith shall, under any circumstances, create any implication:

- that the information contained in this prospectus is true subsequent to the date hereof or otherwise that there has been no change in the affairs of the Issuer, its subsidiaries or the Group taken as a whole since the date hereof or the date upon which this prospectus has been most recently amended or supplemented; or
- that there has been no adverse change, or any event likely to involve any adverse change, in the condition (financial or otherwise) of the Issuer, its subsidiaries or the Group since the date hereof or, if later, the date upon which this prospectus has been most recently amended or supplemented; or

- that the information contained in it or any other information supplied in connection with the Bonds is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same,

in each case, without prejudice to the obligation the Issuer may have to publish a supplement to this prospectus in accordance with the Prospectus Regulation (in this respect, please refer to the section “*Prospectus supplements*” on page 125).



**THE ISSUER**

Vandemoortele NV  
Ottergemsesteenweg Zuid 816  
9000 Gent  
Belgium

**THE AGENT**

KBC Bank NV  
Havenlaan 2  
1080 Brussels  
Belgium

**JOINT LEAD MANAGERS**

Bank Degroof Petercam SA/NV  
Nijverheidsstraat 44  
1040 Brussels  
Belgium

KBC Bank NV  
Havenlaan 2  
1080 Brussels  
Belgium

**ISSUER'S STATUTORY AUDITOR**

Deloitte Bedrijfsrevisoren/Réviseurs d'Entreprises BV/SRL  
Gateway Building  
Luchthaven Brussel Nationaal 1 J  
1930 Zaventem  
Belgium

**LEGAL ADVISER**

*(to the Issuer and the Joint Lead Managers as to Belgian law)*

Stibbe BV/SRL  
Loksumstraat 25  
1000 Brussels  
Belgium