

BASE PROSPECTUS SUPPLEMENT N°1
dated 19 October 2021



Immobel SA
EUR 325,000,000 Euro Medium Term Note Programme

This base prospectus supplement n°1 (the “**Supplement N°1**”) constitutes a supplement for the purposes of Article 23(1) of Regulation (EU) 2017/1129 (the “**Prospectus Regulation**”). The Supplement N°1 is supplemental to, forms part of, and must be read in conjunction with the base prospectus dated 1 June 2021 (the “**Base Prospectus**”), prepared in connection with the EUR 325,000,000 Euro Medium Term Note Programme (the “**Programme**”) established by Immobel SA, a limited liability company (*société anonyme/naamloze vennootschap*) organised under the laws of Belgium, having its registered office at Rue de la Régence 58, 1000 Brussels, Belgium, and registered with the Crossroads Bank of Enterprises (*Banque-Carrefour des Entreprises/Kruispuntbank van Ondernemingen*) under the number 0405.966.675, Business Court of Brussels, French-speaking division, and with LEI 549300GAV4HKKFJA8W67 (the “**Issuer**”).

Terms defined in the Base Prospectus shall, unless the context requires otherwise, have the same meaning when used in this Supplement N°1.

This Supplement N°1 has been approved on 19 October 2021 by the Belgian Financial Services and Markets Authority (*Autorité des Services et Marchés Financiers/Autoriteit voor Financiële Diensten en Markten*) (the “**FSMA**”) in its capacity as competent authority under the Prospectus Regulation. This approval does not imply any appraisal by the FSMA as to the appropriateness or the merits of any issue under the Programme, nor of the situation of the Issuer. This Supplement N°1 will be published on the website of the Issuer (<https://www.immobelgroup.com/en/publications/update-emptn-programme-2019>) and on the website of Euronext Brussels (www.euronext.com).

The Issuer accepts responsibility for the information contained in this Supplement N°1. To the best of the knowledge of the Issuer, the information contained in this Supplement N°1 is in accordance with the facts and does not omit anything likely to affect the import of such information.

1 New information

On 9 September 2021, the Issuer published its 2021 intermediary report covering amongst others, the condensed consolidated financial statements for the half year period ending 30 June 2021.

In addition, references in the Base Prospectus to the shareholders' approval of the Change of Control Resolutions by "1 July 2021" should be replaced by the shareholders' approval of the Change of Control Resolutions by "1 July 2022" and references to a Long Stop Date on "17 July 2021" should be replaced by a Long Stop Date on "17 July 2022".

In order to ensure that the information contained in the Base Prospectus is correct and up-to-date, as required by the Prospectus Regulation, the Base Prospectus is deemed to be amended as set out below.

1.1 Risk factors

In sub-section "Risks relating to the Conditions" the third paragraph of risk factor "*The Change of Control Put Option can only be exercised in specific circumstances*" on page 30 of the Base Prospectus will be deemed deleted and be replaced by the following new paragraph:

"Furthermore, potential investors should be aware that the put option can only be exercised in specified circumstances of a "Change of Control" as defined in the Conditions. This may not cover all situations where a change of control may occur or where successive changes of control occur in relation to the Issuer. In particular, the Change of Control Put Option can only be exercised provided that prior to the earliest of (a) the Issuer being notified by the FSMA of a formal filing of a proposed offer to the shareholders of the Issuer pursuant to Article 7 of the Belgian Royal Decree of 27 April 2007 on takeover bids or (b) the occurrence of the Change of Control, (i) the Change of Control Resolutions have been approved by the shareholders of the Issuer in a general meeting and (ii) such resolutions have been filed with the Clerk of the Business Court of Brussels (greffe du tribunal de l'entreprise/griffie van de ondernemingsrechtbank). The Issuer has undertaken, pursuant to Condition 6.6 (a) (Upon a Change of Control (Change of Control Put Option)), to use all reasonable endeavours to procure that the Change of Control Resolutions approved by a resolution of the Shareholders of the Issuer at its next general meeting, and in connection therewith to propose the Change of Control Resolutions at the next general meeting of the Shareholders of the Issuer to be held not later than on 1 July 2022 and to file a copy of the resolution as aforesaid immediately thereafter. If a Change of Control occurs prior to such approval and filing or if the shareholders do not approve the Change of Control Put Option, Noteholders will not be entitled to exercise the option set out in Condition 6.6 (a) (Upon a Change of Control (Change of Control Put Option)). There can be no assurance that such approval will be granted at such meeting and, hence, that the Change of Control Put Option will be able to be exercised by the Noteholders."

1.2 Documents incorporated by reference

In section "Documents incorporated by reference" on pages 34 and 35 of the Base Prospectus the following new paragraph (c) will be added below paragraph (b):

"(c) in the intermediary report and the unaudited condensed consolidated financial statements of the Issuer for the six-month period ended 30 June 2021 together with the limited review auditor's report thereon (available on <https://www.immobelgroup.com/sites/default/files/2021-09/2021%20Immobel%20Half%20Year%20Report%20UK.pdf>), the information set out at the following pages:

<i>Interim management report</i>	<i>Pages 2-9</i>
<i>Condensed consolidated statement of profit and loss and other comprehensive income</i>	<i>Page 10</i>

<i>Condensed consolidated statement of financial position</i>	<i>Page 11</i>
<i>Condensed consolidated statement of cash flows</i>	<i>Page 12</i>
<i>Condensed consolidated statement of changes in equity</i>	<i>Page 13</i>
<i>Notes to the interim condensed consolidated financial statements</i>	<i>Pages 14-36</i>
<i>Auditor's report</i>	<i>Page 37"</i>

1.3 Terms and Conditions of the Notes

- In the section “Terms and Conditions of the Notes”, the fifth paragraph of sub-section 6.6 (a) (ii) “Change of Control Put Option” on page 81 of the Base Prospectus will be deemed deleted and replaced by the following new paragraph:

“Noteholders should note that the exercise by any of them of the option set out in this Condition 6.6 (a) (Upon a Change of Control (Change of Control Put Option)) will only be effective under Belgian law if, prior to the earliest of (a) the Issuer being notified by the FSMA of a formal filing of a proposed offer to the shareholders of the Issuer pursuant to Article 7 of the Belgian Royal Decree of 27 April 2007 on takeover bids or (b) the occurrence of the Change of Control, (i) the Change of Control Resolutions have been approved by the Shareholders of the Issuer in a general meeting and (ii) such resolutions have been filed with the Clerk of the Business Court of Brussels (greffe du tribunal de l’entreprise/griffie van de ondernemingsrechtbank). The Issuer has undertaken pursuant to this Condition 6.6 (a) (Upon a Change of Control (Change of Control Put Option)) to use all reasonable endeavours to procure that the Change of Control Resolutions are approved at the general meeting of Shareholders of the Issuer to be held not later than 1 July 2022 and to file a copy of the resolution as aforesaid immediately thereafter. If a Change of Control occurs prior to such approval and filing, holders will not be entitled to exercise the option set out in this Condition 6.6 (a) (Upon a Change of Control (Change of Control Put Option)). There can be no assurance that such approval will be granted at such meeting.”

- In the section “Terms and Conditions of the Notes”, the first and second paragraphs of sub-section 6.6 (a) (iii) “If the Change of Control Resolutions are not passed” on page 82 of the Base Prospectus will be deemed deleted and replaced by the following new paragraphs:

“(iii) If the Change of Control Resolutions are not passed

*If, by not later than 17 July 2022 (the “**Long Stop Date**”):*

(A) the Change of Control Resolutions are not passed, approved or adopted at a general meeting of the Shareholders of the Issuer; or

(B) the Change of Control Resolutions have not been duly filed with the Clerk of the Business Court of Brussels (greffe du tribunal de l’entreprise/griffie van de ondernemingsrechtbank),

then, with effect from the Interest Period starting on the first Interest Payment Date following the Long Stop Date, the Rate of Interest payable on the Notes, to the extent the Issue Date falls before the Long Stop Date, shall be increased by 0.50% per annum.

The Issuer shall use all reasonable endeavours to procure that the Change of Control Resolutions are approved by a resolution of the Shareholders of the Issuer at its next general meeting, and in connection therewith to propose the Change of Control Resolutions at the next general meeting of the Shareholders of the Issuer to be held not later than on 1 July 2022 and undertakes to, immediately following approval of such resolutions, file a copy thereof with the Clerk of the Business Court of Brussels (greffe du tribunal de l’entreprise/griffie van de ondernemingsrechtbank).”

1.4 Description of the Issuer

Sub-section 3 “Selected financial information” on page 105 to and including page 110 of the Base Prospectus will be deemed deleted and replaced by the following new sub-section 3 “Selected financial information”:

“The tables below set out a summary of the key financial information extracted from the audited financial statements of the Issuer for the financial years ended 31 December 2019 and 31 December 2020, in each case prepared in accordance with international financial reporting standards, and from the unaudited condensed consolidated financial statements of the Issuer for the six-month period ended 30 June 2020 and 30 June 2021. The Issuer’s financial year starts on 1 January and ends on 31 December.

Condensed consolidated statement of profit and loss and other comprehensive income (in thousand EUR)

	31/12/2019	31/12/2020	30/06/2020	30/06/2021
Operating Income	419,547	375,390	213,913	183,769
Turnover	408,784	364,479	208,034	178,447
Other operating income	10,763	10,911	5,879	5,322
Operating Expenses	-327,192	-333,526	-185,995	-153,080
Cost of sales	-291,027	-300,766	-171,291	-141,723
Cost of commercialisation	-3,160	-1,702	-6	-237
Administration costs	-33,005	-31,057	-14,698	-11,121
Sale of Affiliates	19,618	133	133	2
Gain on sale of affiliates	19,618	133	133	2
Joint Ventures and Associates	4,985	7,994	5,613	3,271
Share in the net result of joint ventures and associates	4,985	7,994	5,613	3,271
Operating Result	116,958	49,991	33,664	33,962
Interest income	3,240	5,773	3,227	2,313
Interest expense	-7,524	-11,859	-5,319	-2,590
Other financial income	738	1,440	1,017	666
Other financial expenses	-1,782	-2,649	-2,990	-3,184
Financial Result	-5,328	-7,295	-4,065	-2,796
Result from continuing Operations before Taxes	111,630	42,696	29,599	31,167
Income taxes	-9,390	-8,650	-7,304	-693
Result from continuing Operations	102,240	34,047	22,295	30,473
Result of Year	102,240	34,047	22,295	30,473
Share of non-controlling interests	-196	775	417	561
Share of Immobil	102,436	33,272	21,878	29,912

RESULT OF THE YEAR	102,240	34,047	22,295	30,473
Other comprehensive income – items subject to subsequent recycling in the income statement	-	2,282	2,726	-183
Currency translation	-	2,282	2,726	-183
Other comprehensive income – items that are not subject to subsequent recycling in the income statement	- 1	201	-	-
Actuarial gains and losses (-) on defined benefit pension plans	-1	201	-	-
Deferred taxes	-	-	-	-
TOTAL OTHER COMPREHENSIVE INCOME	-1	2,483	2,726	-183
COMPREHENSIVE INCOME OF THE YEAR	102,239	36,530	25,021	30,290
Share of non-controlling interests	-196	964	417	561
SHARE OF IMMOBEL	102,435	35,566	24,604	29,729
NET RESULTS PER SHARE (€) (BASIC)	11,66	3,58	2,43	3,00
COMPREHENSIVE INCOME PER SHARE (€) (BASIC)	11,66	3,82	2,74	2,98
NET RESULT PER SHARE (€) (DILUTED)	11,65	3,58	2,43	3,00
COMPREHENSIVE INCOME PER SHARE (€) (DILUTED)	11,65	3,82	2,74	2,98

Condensed consolidated statement of financial position (in thousand EUR)

ASSETS	31/12/2019	31/12/2020	30/06/2020	30/06/2021
Non-Curent Assets	213,311	448,370	251,778	472,572
Intangible assets	543	582	506	495
Goodwill	43,789	43,789	43,789	43,789
Property, plant and equipment	983	1,388	884	1,848
Right-of-use assets	6,441	4,390	5,217	4,061
Investment property	81,123	197,149	26,164	195,302
Investment in joint ventures and associates	55,899	106,195	107,688	113,713
Other non-current financial assets	4,920	175	419	500
Advances to joint ventures and associates	9,492	76,644	53,431	91,034
Deferred tax assets	6,374	16,369	9,668	19,756
Other non-current assets	3,747	1,689	4,012	2,074
Current Assets	1,087,903	982,768	1,096,839	1,020,809
Inventories	694,580	683,121	692,375	666,878
Trade receivables	72,516	33,168	18,298	27,674
Contract assets	42,228	57,251	69,355	126,351

Tax receivables	2,703	3,450	3,277	3,290
Other current assets	41,937	37,269	35,769	33,919
Advances to joint ventures and associates	77,743	20,399	44,812	16,702
Other current financial assets	50	49	50	49
Cash and cash equivalents	156,146	148,059	232,903	145,947
Total Assets	1,301,214	1,431,137	1,348,617	1,493,382

EQUITY AND LIABILITIES	31/12/2019	31/12/2020	30/06/2020	30/06/2021
Total Equity	428,162	494,490	477,341	512,771
Equity attributable to the owners of the company	426,151	491,922	474,761	510,210
Share capital	97,256	97,256	97,256	97,257
Retained earnings	328,693	392,143	374,792	410,613
Reserves	202	2,524	2,713	2,341
Non-controlling interests	2,011	2,568	2,580	2,560
Non-current liabilities	523,379	609,602	620,943	530,674
Employee benefit obligations	633	603	633	603
Deferred tax liabilities	15,447	37,301	18,843	38,915
Financial debts	507,008	571,139	601,467	490,705
Derivative financial instruments	291	560	-	451
Current liabilities	349,673	327,045	250,333	449,938
Provisions	3,882	2,114	2,969	1,587
Financial debts	200,063	180,810	129,377	281,853
Trade payables	59,564	60,927	45,935	88,610
Contract liabilities	5,690	3,896	1,221	16,107
Tax liabilities	1,354	7,110	5,740	8,194
Other current liabilities	79,120	72,188	65,091	53,586
Total Equity and Liabilities	1,301,214	1,431,137	1,348,617	1,493,382

Condensed consolidated statement of cash flows (in thousand EUR)

	31/12/2019	31/12/2020	30/06/2020	30/06/2021 (*)
Operating income	419,547	375,390	213,913	183,769
Operating expenses	-327,192	-333,526	-185,995	-153,080
Amortisation, depreciation and impairment of assets	5,788	3,684	968	2,726
Change in provisions	1,839	-1,198	-1,256	-527
Dividends received from joint ventures and associates	2,630	10,533	7,458	-
Disposal of joint ventures and associates	66	-	9,792	-
Repayment of capital and advances by joint ventures	23,608	17,113	6,306	-

Acquisitions, capital injections and loans to joint ventures and associates	-41,775	-70,095	-60,883	-
Cash flow from operations before changes in working capital	84,511	1,901	-9,697	32,888
Change in working capital	-210,565	-80,846	45,636	-15,074
Cash flow from operations before paid interests and paid taxes	-126,054	-78,945	35,939	17,814
Paid interests	-12,539	-18,936	-5,127	-8,490
Interests received	3,240	5,773	3,227	2,313
Other financing cash flows	-2,534	-552	-1,324	-2,518
Paid taxes	-10,606	-6,011	-3,388	-1,218
Cash from operating activities	-148,493	-98,671	29,327	7,901
Acquisitions of intangible, tangible and other non-current assets	-5,837	-878	-184	-3,626
Sale of intangible, tangible and other non-current assets	-	-	-	-47
Acquisition of affiliate	-67,019	-	-	-
Repayment of capital and advances by joint ventures	-	-	-	13,850
Acquisitions, capital injections and loans to joint ventures and associates	-	-	-	-32,696
Dividends received from joint ventures and associates	-	-	-	3,896
Disposal of affiliates	28,508	9,792	-	2
Cash from investing activities	-44,348	8,914	-184	-18,621
Increase in financial debts	291,307	151,931	96,653	78,374
Repayment of financial debt	-91,965	-100,881	-73,073	-57,765
Sale of own shares	-	57,600	50,671	16,416
Gross dividends paid	-21,241	-26,981	-26,637	-28,417
Cash from financing activities	178,101	81,669	47,614	8,608
Net increase or decrease (-) in cash or cash equivalents	-14,740	-8,088	76,757	-2,112
Cash and cash equivalents at the beginning of the period	170,886	156,146	156,147	148,059
Cash and cash equivalents at the end of the period	156,146	148,058	232,904	145,947

(*) As from 2021, cash flows relating to equity accounted investees and disposal of subsidiaries are being presented under 'cash flow from investing activities' instead of 'cash flow from operating activities' to align the presentation to the nature of the underlying cash flows as defined by IFRS.

Adjusted Gearing Ratio

The Issuer's Adjusted Gearing Ratio, being the ratio of Net Financial Debt to the sum of Adjusted Consolidated Equity and Net Financial Debt (each as defined in the Conditions) amounted to 64,1% as at 30 June 2021 (compared to 60,8% at 30 June 2020).

The Adjusted Gearing Ratio is a measure of financial leverage that demonstrates the degree to which the Issuer's operations are funded by equity capital versus debt financing.

The calculation method and the reconciliation with the figures included in the Issuer’s consolidated financial statements are described in Condition 8.3 (*Definitions*) and below.

<i>(in thousands EUR)</i>	<i>31/12/2019</i>	<i>31/12/2020</i>	<i>30/06/2020</i>	<i>30/06/2021</i>
Capital (“Capital”)	97,256	97,256	97,256	97,256
Share premium account (“Prime d’émission”)	-	-	-	-
Consolidated reserves (“Réserves consolidées”)	328,840	392,519	374,939	410,990
Translation differences (“Ecart de conversion”)	55	2,147	2,566	1,964
Non-controlling interests (“Intérêts de tiers”)	2,011	2,568	2,580	2,560
Establishment costs (“Frais d’établissement”)	-	-	-	-
Intangible assets (“Immobilisations incorporelles”)	543	582	506	495
Consolidation differences (“Ecart de consolidation”)	43,789	43,789	43,789	43,789
Adjusted Consolidated Equity	383,830	450,119	433,046	468,486

<i>(in thousands EUR)</i>	<i>31/12/2019</i>	<i>31/12/2020</i>	<i>30/06/2020</i>	<i>30/06/2021</i>
Non-current and current financial debts	707,071	751,949	730,844	772,558
Cash and cash equivalents	156,146	148,059	232,903	145,947
The pro rata share of the Issuer of the equivalent line items for its “joint ventures and associates” which are part of the section on	116,618	197,913	172,387	209,716

“Investments in joint ventures and associates”				
Net Financial Debt	667,543	801,803	670,328	836,327

On a semi-annual basis and for as long as any Note remains outstanding, the Issuer will publish a certificate on its website, comprising the Adjusted Gearing Ratio as at the relevant Reference Date in accordance with Condition 8.2 (*Publication of Adjusted Consolidated Equity, Adjusted Gearing Ratio and Adjusted Inventories/Net Financial Debt in respect of each Reference Date*).

Net Financial Debt to Adjusted Inventories

The ratio Adjusted Inventories / Net Financial Debt measures the solvency of the Group. It measures to what extent the Group’s financial debt is covered by inventories which would allow the Group to repay its financial debt.

The Adjusted Inventories / Net Financial Debt ratio (as defined in the Conditions) amounted to 1.55 as at 30 June 2021 (compared to 1.65 at 30 June 2020).

The Issuer’s Net Financial Debt (as defined in the Conditions) amounted to EUR 836,327 as at 30 June 2021 (compared to 670,328 at 30 June 2020).

The Issuer’s Adjusted Inventories (as defined in the Conditions) amounted to EUR 1,292,825 as at 30 June 2021 (compared to 1,108,310 at 30 June 2020).

The calculation method and the reconciliation with the figures included in the Issuer’s consolidated financial statements is described in Condition 8.3 (*Definitions*).

<i>(in thousands EUR)</i>	<i>31/12/2019</i>	<i>31/12/2020</i>	<i>30/06/2020</i>	<i>30/06/2021</i>
the “Inventories” in the Current Assets section (actifs circulants/vlottende activa)	694,580	683,121	692,375	666,878
the “Investment Property” in the Non-Current Assets section (actifs immobilisés/vaste activa)	81,123	197,149	26,164	195,302
the pro rata share of the Issuer of the “Inventories” and the “Investment Property” held by its “joint ventures and associates” which are part of the section on “Investments	264,612	411,385	389,771	430,645

in joint ventures and associates”				
Adjusted Inventories	1,040,315	1,291,655	1,108,310	1,292,825

For a reconciliation of Net Financial Debt, please refer to “Adjusted Gearing Ratio” above.

On a semi-annual basis and for as long as any Note remains outstanding, the Issuer will publish a certificate on its website, comprising the Adjusted Inventories / Net Financial Debt Ratio as at the relevant Reference Date in accordance with Condition 8.2 (*Publication of Adjusted Consolidated Equity, Adjusted Gearing Ratio and Adjusted Inventories/Net Financial Debt in respect of each Reference Date*).”

1.5 General information

- In sub-section “Documents Available” on page 178 of the Base Prospectus the following paragraph (e) will be added below paragraph (d):

“(e) the interim condensed consolidated financial statements of the Issuer for the six-month period ended 30 June 2021 (<https://www.immobelgroup.com/sites/default/files/2021-09/2021%20Immobel%20Half%20Year%20Report%20UK.pdf>);

- The sub-section “Significant or Material Change” on page 178 of the Base Prospectus will be deemed deleted and replaced by the following paragraph:

“There has been no significant change in the financial performance or the financial position of the Group since 30 June 2021 and there has been no material adverse change in the prospects of the Issuer since 31 December 2020.”

2 General

Save as disclosed in this Supplement N°1, there has been no other significant new factor, material mistake or material inaccuracy relating to the information included in the Base Prospectus since the date of the Base Prospectus.

For so long as Notes may be issued pursuant to the Base Prospectus, copies of this Supplement N°1 will be available on the website of the Issuer (<https://www.immobelgroup.com/en/publications/update-emptn-programme-2019>).

To the extent that there is an inconsistency between (a) any statement in this Supplement N°1 and (b) any statement in the Base Prospectus, the statements in (a) above will prevail.

Date: 19 October 2021

The Issuer

Name: KB Financial Services BV
represented by its permanent representative
Karel Breda
Title: Chief Financial Officer

Name: Lady At Work BV
represented by its permanent representative
Stephanie De Wilde
Title: Head of Legal Services