

GROUPE BRUXELLES LAMBERT (GBL)

Limited Liability Company

Avenue Marnix 24, 1000 Brussels

RLE Brussels 0407.040.209

Report of the Board of Directors

Article 7:227 of the Code on companies and associations

1 Background of and reasons for this report

As part of its remuneration policy, GBL sets up long-term incentive plans for the CEO and members of the staff of the GBL group (the “**Plans**”). The Plans consist of the granting of options on existing shares of the companies FINPAR VI and FINPAR VII, subsidiaries of GBL. These options with a 10-year maturity will, in principle, become permanently acquired upon the expiration of a period of three years after their granting.

In the framework of the putting in place of the Plans, FINPAR VI and FINPAR VII acquire at market conditions, mainly GBL shares and in the alternative, shares of companies in GBL portfolio and on which GBL may exercise its influence. These acquisitions are financed, partly, with own funds and, partly, with a loan agreed upon between FINPAR VI and FINPAR VII and a financial institution (the “**Loans**”). FINPAR VI and FINPAR VII will pledge their portfolio as principal security (the “**Pledges**”). On a secondary basis, GBL will grant a security (a guarantee) for the benefit of the financial institution (the “**Guarantees**”), it being understood that FINPAR VI and FINPAR VII will remunerate GBL for the granting of these Guarantees at market value.

2 Applicable provisions

Article 7:227, § 1 of the Code on companies and associations provides, in particular, that the provision of securities by a limited liability company with a view to the acquisition of its own shares is subject to various conditions including the drawing up of a report of the Board of Directors of the company concerned.

Therefore, this report aims to clarify (i) the reasons for the Guarantees, (ii) the importance of the Guarantees to GBL, (iii) the conditions to which it is subjected, (iv) the risks that it holds for the liquidity and the solvency of GBL and (v) the price at which FINPAR VI and FINPAR VII will acquire the GBL shares.

This report will be deposited and published in the Annexes to the Belgian Official Gazette pursuant to Articles 2:8 and 2:14, 4° of the Code on companies and associations.

The grant of the Guarantees will be subject to the approval by the GBL's Ordinary General Shareholders' Meeting convened on April 27, 2021.

3 Importance of the Guarantees to GBL

The Guarantees that GBL wishes to grant is part of the putting in place of the Plans, permitting its subsidiaries FINPAR VI and FINPAR VII to notably acquire GBL shares by making use, in part, of the Loans granted by a financial institution.

These Plans aim to motivate the CEO and members of the staff of the GBL group to further increase their participation in the strategy and the value creation of GBL and align their interests with those of the shareholders. The Plans will so contribute to the positive development of the business of GBL.

4 Conditions of the Loans and of the Guarantees

4.1 Principal conditions of the Loans

The principal conditions of the Loan can be summarised as follows:

Borrower:	FINPAR VI	FINPAR VII
Lender:	A financial institution	A financial institution
Maximum Loans Amount:	EUR 14,820,000	EUR 14,850,000
Loans purpose:	The Loan is aimed to partially finance the acquisition of GBL shares	The Loan is aimed to partially finance the acquisition of GBL shares
Term:	10 years as from the date on which the funds will be made available	10 years as from the date on which the funds will be made available
Interest rate:	Market conditions	Market conditions
Repayment:	The Loan is refundable at maturity of the credit's advance or earlier	The Loan is refundable at maturity of the credit's advance or earlier

4.2 Principal conditions of the Guarantees

In the context of the Loans, GBL is requested to act as secondary guarantor for the benefit of the financial institution to the Maximum Loans Amount in principal to be increased by all the interests, fees and costs.

The principal conditions of these Guarantees are the following:

- The financial institution can only call and execute the Guarantees (the “**Execution Condition**”) if the value of the Pledges given by FINPAR VI and FINPAR VII to the financial institution should be insufficient to cover its due undertakings.
- In addition, the Execution Condition shall be assumed automatically met if the Pledges or Loans terms and conditions are not satisfied.

For the Guarantees, GBL shall receive from FINPAR VI and FINPAR VII a yearly remuneration in accordance with market conditions.

5 Price at which the GBL shares will be acquired by FINPAR VI and FINPAR VII

FINPAR VI and FINPAR VII acquire the GBL shares from Sagerpar, sub-subsidiary of GBL, on the basis of the share price and according to provisions of the Law of March 26, 1999 concerning the 1998 Belgian Employment Action Plan and setting out various clauses, as amended by subsequent laws.

6 Risks for the liquidity and solvency of GBL and proprietary interests of GBL

Taking into account the assets owned by GBL, the GBL’s Board of Directors is of the opinion that the potential execution of the Guarantees would not affect the GBL liquidity or its solvency.

*

*

*