RETAIL ESTATES
Public Limited Liability Company
Public regulated real estate investment company under Belgian law (BE-REIT)
Registered office: Industrielaan 6, 1740 Ternat
Company number: 0434.797.847 (RLE Brussels, Dutch division)
(“**Retail Estates**” or the “**Company**”)

Memorandum of Information of 28 May 2025 regarding the optional interim dividend of Retail Estates

Option period from 5 June 2025 (9 am Belgian time) through 19 June 2025 (3 pm Belgian time)

Issue price per new share	EUR 57.12
Contribution proportion	16 No. 33 coupons for one new share. It is not possible to make additional cash payments for insufficient coupons.
Option period	5 June 2025 (9 am Belgian time) to 19 June 2025 (3 pm Belgian time).
Net dividend right	Net dividend right of € 3.57, represented by No. 33 coupon, which will not be traded separately at Euronext Brussels and Euronext Amsterdam.
Delivery of new shares and payment of dividend in cash	26 June 2025
Participation in the result	As from the current financial year that started on 1 April 2025

The new shares are expected to be admitted for trading on the regulated markets of Euronext Brussels and Euronext Amsterdam on or around 26 June 2025.

KBC Securities
Centralizer

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On 28 May 2025, the Board of Directors of Retail Estates (the "**Board**") decided to pay, in the form of an optional dividend, an interim dividend for financial year 2024/2025 (which started on 1 April 2024 and ended on 31 March 2025) amounting to € 5.10 gross (or € 3.57 net, being the net dividend per share after deduction of withholding tax at a rate of 30%[1]) per share (participating in the profits of financial year 2024/2025).

Taking into account the distribution obligation of Retail Estates as a public BE-REIT pursuant to article 13 of the Royal Decree of 13 July 2014 relating to regulated real estate investment companies, the Board will propose to the annual general meeting of 22 July 2025 not to pay an additional dividend for the financial year 2024/2025.

In the context of its decision to pay an interim dividend to the shareholders, the Board offers the shareholders the possibility to contribute their claims arising from the distribution of the interim dividend to the capital of the Company in return for the issue of new shares (in addition to the option to receive the interim dividend in cash and the possibility to opt for a combination of the two preceding options).

This "**Memorandum of Information**" is intended for the shareholders of Retail Estates and provides information about the number and the nature of the new shares and the reasons for and details of this optional interim dividend. It has been drawn up in application of articles 1.4 (h) and 1.5 (g) of Regulation (EU) 2017/1129 of the European Parliament and the Board of 14 June 2017 concerning the prospectus to be published when securities are offered to the public or admitted for trading on a regulated market and repealing of Directive 2003/71/EC (the "**Prospectus Regulation**").

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[1] Please refer to the notes on the fiscal treatment of the optional interim dividend under Title II, item 11, for a more detailed explanation on the withholding tax.

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No funds, shares or other remuneration may be requested by means of the website of the Company or the Centralizer or the information it contains, in any jurisdiction in which such an offer or request is not permitted or if such an offer or request is addressed to any person who may not legally receive such an offer or request. Any such funds, shares or remuneration sent in response to this Memorandum of Information or the website of the Company or the Centralizer will not be accepted.

No government has expressed its position regarding this Memorandum of Information. No government has assessed the timeliness and quality of this transaction or the situation of the persons implementing it.

I. OVERVIEW OF THE MAIN CHARACTERISTICS OF THE OPTIONAL INTERIM DIVIDEND

1. OPTIONS FOR THE SHAREHOLDER

In the context of the optional interim dividend, each holder of rights can choose between:

- contribution of its net dividend claim to the capital of the Company in exchange for new Retail Estates shares;
- payment of the interim dividend in cash; or
- a combination of the two previous options.

2. ISSUE PRICE AND RATIO

The issue price per new share amounts to € 57.12.

To obtain one new share, the net dividend rights linked to 16 number 33 coupons must be contributed.

3. OPTION PERIOD

- Start of the option period: 5 June 2025 at 9 am (Belgian time)
- End of the option period: 19 June 2025 at 3 pm (Belgian time)

Shareholders who do not express a choice during the option period in the appropriate manner shall in any event receive the interim dividend in cash.

4. NUMBER OF NEW SHARES TO BE ISSUED

A maximum of 919,208 new shares will be issued.

5. AMOUNT OF THE CAPITAL INCREASE

The total maximum capital increase amounts to € 20,682,538.12. The total maximum issue price of the new shares to be issued amounts to € 52,505,160.96.

6. WHO CAN SUBSCRIBE?

Any (former or current) shareholder holding a sufficient quantity of No. 33 coupons linked to shares of the same form, i.e. 16 No. 33 coupons or a multiple thereof to subscribe to one new share or a multiple thereof.[2] Shareholders who do not hold the necessary number of net dividend rights, represented by No. 33 coupons, linked to shares of the same form in order to subscribe to at least one share will receive their dividend rights in cash. It is not possible to acquire additional No. 33 coupons and as from 2 June 2025 (i.e. the 'ex date', or the date on which coupon no. 33 will be detached) it will also not be possible to acquire additional shares with coupon No. 33 attached. The No. 33 coupon will not be admitted to

[2] Hereafter referred to as the shareholder(s), for simplicity.

trading on the stock exchange either. The contribution of net dividend rights cannot be supplemented by a contribution in cash. Coupons linked to shares in different forms cannot be combined.[3]

7. How to subscribe?

Shareholders who wish to contribute their dividend rights (in whole or in part) to the capital of the Company in exchange for new shares must contact the following during the option period:

- the Company, as far as the registered shares are concerned;
- the financial institution where they hold their shares through their securities account, as far as the dematerialised shares are concerned.

8. Capital increase and payout

The implementation of the capital increase and the issue of the new shares will take place on 26 June 2025. Interim dividends will also be paid in cash as from this date.

No. 33 coupons linked to shares of the same form which have not been contributed with a view to participation in the capital increase in the prescribed manner by 19 June 2025 at 3 pm (Belgian time) will no longer carry rights to new shares after this date.

9. Admission to trading on the regulated market

The Company will submit a request to Euronext Brussels and Euronext Amsterdam for the admission to trading of the new shares issued further to the capital increase within the context of the optional interim dividend and intends for the new shares, which will participate in the profits as from financial year 2025/2026, to be traded on Euronext Brussels and Euronext Amsterdam as from the date of issue (26 June 2025).

10. Profit participation

The new shares issued within the context of the capital increase will participate in the profits as from 1 April 2025.

[3] Shareholders wishing to combine the net dividend rights represented by coupons No. 33, attached to shares of different forms, may request in writing and at their own expense the conversion of registered shares into dematerialised shares or vice versa, in each case before 2 June 2025 (i.e. the 'ex date', or the date on which coupon No. 33 is detached).

II. FURTHER INFORMATION

1. INTRODUCTION

On 28 May 2025, the Board, authorized to pay out interim dividends pursuant to article 28 of the articles of association of Retail Estates, decided to award a gross interim dividend for financial year 2024/2025 (which started on 1 April 2024 and ended on 31 March 2025) amounting to € 5.10 gross (€ 3.57 net after deduction of withholding tax at the rate of 30%[4]) per share participating in the profits of financial year 2024/2025.

In this context, the Board offers the shareholders the possibility to contribute their claims arising from the distribution of the interim dividend to the capital of the Company in return for the issue of new shares (in addition to the option to receive the interim dividend in cash and the possibility to opt for a combination of the two preceding options).

The total amount of the interim dividend is in line with the amount Retail Estates is required to pay to its shareholders in its capacity of a public BE-REIT pursuant to article 13 of the Royal Decree of 13 July 2014 relating to regulated real estate investment companies; consequently, the Board will propose to the annual general meeting of 22 July 2025 not to pay an additional dividend for financial year 2024/2025.

Within the framework of the authorised capital[5], the Board will increase the share capital through a contribution in kind of the net dividend claims held by the shareholders who have opted to receive new

[4] Please refer to the notes on the fiscal treatment of the optional interim dividend under Title II, item II.11, for a more detailed explanation on the withholding tax.

[5] The board of directors is authorised to increase the capital of the Company, on one or more occasions, up to a maximum amount of:

(a) € 161,728,154.10 for public capital increases by means of a cash contribution, providing for the possibility for the shareholders of the Company to exercise their preferential subscription right or their irreducible allocation right,
(b) € 161,728,154.10 for capital increases within the context of an optional dividend,
(c) € 32,345,630.81 for capital increases by contribution in cash not providing for the possibility for the shareholders of the Company to exercise the preferential subscription right or the irreducible allocation right, with the understanding that the board of directors will only be allowed to increase the capital in accordance with this item (c) if and to the extent that the aggregate amount of the capital increases performed over a period of 12 months in accordance with this paragraph does not exceed 10% of the amount of the capital at the moment on which the resolution for the capital increase is adopted; and
(d) € 59,520,064.58 for all other forms of capital increase on which the board of directors would decide up to and including 6 July 2027 and € 32,345,630.81 for such capital increases on which the board of directors would decide as from 7 July 2027, it being understood that the amount of each capital increase on which the board of directors would decide under this point d. as from the date of publication in the Annexes to the Belgian Official Gazette of the amendment to the articles of association decided by the extraordinary general meeting of 12 June 2024 and up to and including 6 July 2027 shall not be deducted from the maximum amount of € 32,345,630.81;

with the understanding that within the context of the authorized capital, the capital can never be increased to exceed the maximum amount of € 297,600,322.91 during the period for which the authorisation was granted.
This authorisation is granted to the Board for a period of five years as from the publication in the Annexes to the Belgian Official Gazette of the amendment to the articles of association, adopted by the extraordinary shareholders' meeting of 12 June 2024 (*i.e.* 16 July 2024). At the date of this Memorandum of Information, the Board has not used the authorization so that the available balance of the authorized capital following a contribution in kind in the context of the optional dividend remains at present € 161.728.154,10.

shares in exchange for the (full or partial) contribution of their net dividend rights. The specific terms and conditions for this transaction are described in more detail below.

2. Offer

In the context of the interim dividend for financial year 2024/2025, the Company is offering the shareholders the following choices:

- contribution of their net dividend claim to the capital of the Company in exchange for new Retail Estates shares; or
- payment of the interim dividend in cash; or
- a combination of the two previous options.

3. Description of the transaction

Shareholders who opt for the (whole or partial) contribution of their net dividend rights to the capital of the Company in exchange for new shares can subscribe to the capital increase during a set option period (see below).

The net dividend claim that is linked to a specific number of coupons linked to existing shares of the same form will entitle shareholders to one new share at an issue price per share that is described further down in this Memorandum of Information.

The coupon granting entitlement to the optional interim dividend is coupon No. 33.

Only shareholders holding a sufficient quantity of No. 33 coupons linked to shares of the same form may subscribe to the capital increase. Shareholders who do not hold the necessary number of net dividend rights, represented by No. 33 coupons, linked to shares of the same form in order to subscribe to at least one share will receive their dividend rights in cash.

It is not possible to acquire additional No. 33 coupons and as from 2 June 2025 (i.e. the ‘ex date’, or the date on which coupon no. 33 will be detached) it will also not be possible to acquire additional shares with coupon No. 33 attached. The No. 33 coupon will not be admitted to trading on the stock exchange either.

It is also not possible to supplement the contribution of net dividend rights with a contribution in cash. If a shareholder does not possess the required quantity of No. 33 coupons linked to shares of the same form in order to subscribe to a whole number of new shares, that shareholder does not have the option of “supplementing” its contribution in kind by means of a cash contribution in order to be able to subscribe to the next whole number of new shares of the same form. The remaining balance will be paid out in cash in such a situation.

If a shareholder holds shares of different forms (e.g. a number of registered shares and a number of shares in dematerialised form), the net dividend claims, represented by No. 33 coupons, linked to these various forms of shares may not be combined to acquire a new share.

4. THE ISSUE PRICE

The issue price of the new shares to be issued amounts to € 57.12.

On 28 May 2025 the Board determined the issue price, taking into account different parameters, such as the stock market price, the issue price used in recent similar transactions by similar companies and with the fact that the new shares will be entitled to dividends from 1 April 2025. In doing so, in application of article 48, third paragraph of the Law of 12 May 2014 on regulated real estate companies (the "REITs Act"), the Board also took into account the valuation of the assets held by the Company (and its perimeter companies) as of 31 March 2025, which the valuation experts have confirmed is still up to date. The issue price is 12,53% lower than the closing price of the Retail Estates share on 27 May 2025, which was EUR 65.30. The closing price includes the gross dividend for financial year 2024/2025, represented by coupon No. 33, to which the newly issued shares will not be entitled.[6]

The Board states that article 26, §2, 2° of the REITs Act should not be complied with because this contribution in kind relates to a contribution of the right to dividend in the context of the payment of an optional dividend and the optional dividend is indeed made payable to all shareholders.

The shareholder who does not wish to proceed to a (total or partial) contribution of its net dividend rights in exchange for new shares will undergo a dilution of the financial rights (including dividend rights and participation in the liquidation balance) and membership rights (including voting rights and preferential subscription rights) connected to its existing participation.

Based on the assumption that 919.208 new shares would be issued (i.e. the total number of new shares that would be issued if all net dividend claims were contributed to the capital[7]), the intrinsic value per share would increase from € 77.92 (rounded off) on 31 March 2025 to € 76.70 (rounded off) (on the basis of the weighted average number of shares).

The impact of the issue of the new shares on the participation in the capital of an existing shareholder who held 1% of the capital of the Company prior to the issue and does not contribute its net dividend rights to the capital of the Company is discussed below.

The calculation is based on the number of existing shares and an estimated 919,208 new shares taking into account the maximum amount of the capital increase of € 20,682,538.12 and the issue price per share of € 57.12.

[6] For comparison purposes, the share price can also be reduced pro forma by the gross dividend (EUR 5.10) or the net dividend (EUR 3.57). The issue price is then 5.12% lower than the closing price on 27 May 2025 (EUR 65.30) if the gross dividend is deducted and 7.47% lower than the closing price on 27 May 2025 if the net dividend is deducted.
[7] The net dividend rights linked to the 14,707,335 existing shares that entitle the holder to participate in the profits of financial year 2024/2025.

	Participation in the shareholding
Prior to the issue of the new shares	1.00%
After the issue of the new shares	0.94 %

Shareholders who do not contribute their net dividend rights to the capital of the Company are also exposed to a risk of financial dilution of their participation. This risk results from the fact that the new shares are issued at an issue price that is lower than the current stock market price.

5. THE OPTION PERIOD

The option period, during which shareholders may subscribe to the capital increase, starts on 5 June 2025 at 9 am (Belgian time) and ends on 19 June 2025 at 3 pm (Belgian time).

Shareholders who do not express a choice during the option period in the appropriate manner shall in any event receive the interim dividend in cash.

6. CAPITAL INCREASE AND INTERIM DIVIDEND PAYMENT

The implementation of the capital increase and the issue of the new shares will take place on 26 June 2025.

Taking into account the aforementioned issue price, it will be possible to subscribe to any new share to be issued, and will be fully paid up, by the contribution of net dividend rights attached to 16 existing shares of the same form (represented by coupon no. 33[8]). This means that, for each contribution of net dividend rights attached to 16 shares (held at the time of detachment of the coupon), the shareholder will receive one new share.

For shareholders who benefit from reduced withholding tax or are exempt from withholding tax, just as for those shareholders who do not benefit from such a reduction or exemption, the contribution of the interim dividend claim will amount to € 3.57[9] per share (more exactly: a shareholder shall receive one new share for each contribution of net dividend rights linked to 16 shares of the same form (held at the time of detachment of the coupon) (represented by coupon No. 33)), and the balance resulting from the reduction in or exemption from withholding tax will also be paid in cash as from 4 July 2025. Shareholders in such situation should send the relevant certificates, unless otherwise stated in the information they receive from their financial institution or intermediary, no later than on 3 July 2025 at 12:00 (Belgian time) by e-mail to taxoperations@kbc.be and by post to Tax Operations, KBC Bank NV, GENtoren +13, Kortrijksesteenweg 1100, 9051 Gent, in order to receive this tax benefit.

The total amount of the capital increase will equal the number of new shares to be issued multiplied by the (exact) fractional value of the existing Retail Estates shares (i.e. rounded, € 22.50 per share),

[8] That will be detached on 2 June 2025 (before opening of the stock market).
[9] Please refer to the discussion of the fiscal treatment of the optional interim dividend under this Title II, item 11, for a more detailed explanation on the withholding tax.

rounding up the result of the calculation to two decimals. All (new and at the relevant time existing) shares of the Company will then be awarded the same fractional value. The difference between the fractional value and the issue price, after deduction, if necessary, of an amount maximum equal to the cost of the capital increase within the meaning of the applicable IFRS rules, will be recorded as an available reserve in a separate account "Available Issue Premiums", under equity on the liabilities side of the Company's balance sheet.

The total capital increase amounts to (provided that every shareholder holds an exact number of No. 33 coupons linked to shares of the same form which entitles them to a whole number of new shares and decides to contribute the relevant net dividend claims to the capital of the Company) a maximum of € 20,682,538.12 within the scope of the issue of maximum 919,208 new shares. The total maximum issue price of the new shares to be issued amounts to € 52,505,160.96.

As the shareholders can choose freely between: (i) payment of the interim dividend in cash; (ii) contribution of net dividend claim in exchange for shares; or (iii) a combination of the two previous options, it is impossible to predict how many new shares will be created exactly.

The capital will only be increased with the amount of the (capital value of the) actual subscriptions received. If the issue is not fully subscribed, the Company reserves the right to increase the capital with the amount of the (capital value of the) subscriptions received.

The allocated new shares will have the same form as the existing shares currently held. Shareholders may submit a written request to have registered shares converted into dematerialised shares, or vice versa, at their own expense at any time after the issue.

As from 26 June 2025, a cash interim dividend will furthermore be paid to shareholders who: (i) have opted to contribute their net dividend rights in exchange for new shares but did not achieve the next whole number of shares (in which case the remaining balance will be paid in cash); (ii) have chosen to receive their dividend in cash; (iii) have opted for a combination of the previous two options; or (iv) have expressed no choice.

The new shares issued within the context of this capital increase will participate in the profits as from 1 April 2025.

The Company will submit a request to Euronext Brussels and Euronext Amsterdam for the additional admission to trading of the new shares issued further to the capital increase within the context of the optional interim dividend and intends for the new shares, which will participate in the profits as from financial year 2025/2026, to be traded on Euronext Brussels and Euronext Amsterdam as from the date of issue (26 June 2025).

7. JUSTIFICATION OF THE TRANSACTION

The contribution in kind of claims vis-à-vis Retail Estates in the context of the optional interim dividend and the associated capital increase improve the equity of the Company and therefore reduce its (legally capped) debt ratio. This opens up the possibility for Retail Estates to perform, as the case may be, additional debt-financed transactions in the future in order to further realise its growth strategy. The optional interim dividend also makes it possible to retain funds in the Company (in the amount of the net dividend rights contributed to the Company's capital), which in turn reinforces the Company's financial position.

In addition, it strengthens the ties with the existing shareholders.

8. CONDITIONS PRECEDENT

The Board reserves the (purely discretionary) right not to proceed with the offer of the optional dividend and the resulting capital increase, or once commenced, to withdraw or suspend, if, between (x) the date of the decision by the Board to issue the (interim) optional dividend and (y) the last day of the option period, the share price of Retail Estates significantly rises or falls on Euronext Brussels and Euronext Amsterdam relative to the issue price of the new shares set by the Board or (ii) the Board would consider, for other reasons that it would not be expedient in the interests of the Company to proceed with the offer.

The Board also reserves the (purely discretionary) right not to proceed with the offer of the optional dividend and the resulting capital increase or, once the optional period has started, to withdraw or suspend it, if between (x) the date of the decision in principle to increase the capital by the Board and (y) the end of the option period, an extraordinary event of a political, military, economic or social nature (including a terrorist attack, epidemic, pandemic or other health crisis) occurs such that the economy and/or the securities markets could significantly be affected.

Any possible withdrawal, suspension or non-exercise of the offer will be immediately communicated to the public by means of a press release.

The exercise or non-exercise of this right may never give rise to any liability on the part of Retail Estates.

9. FINANCIAL SERVICE – CONTRIBUTION TO FINANCIAL INSTITUTION OR COMPANY

Shareholders who wish to contribute their net dividend rights (in whole or in part) to the capital of the Company in exchange for new shares must contact the following during the option period:

- the Company, as far as the registered shares are concerned (the registered shareholders will receive a letter with instructions from Retail Estates in this regard); and
- the financial institution where they hold their shares through their securities account, as far as the dematerialised shares are concerned. Shareholders are requested to obtain information from their financial institution regarding the fees that that institution or any other intermediaries would charge for the service they provide.

In the context of the optional dividend the principal paying agent of Retail Estates is KBC Bank NV, with registered office at Havenlaan 2, 1080 Brussels, with company number 0462.920.226 (RPR Brussels). The cash dividend payment service provided by the principal paying agent is free of charge.

10. COSTS

All legal and administrative costs relating to the capital increase will be borne by the Company.

Certain costs, such as for changing the form of shares, will remain payable by the shareholder. Shareholders are advised to consult their financial institution in this regard.

11. TAX CONSEQUENCES

Prior warning

The paragraphs below provide an overview of the Belgian fiscal treatment relating to the optional interim dividend and are included for information purposes only. This overview is merely based on the Belgian tax legislation and administrative interpretations applicable at the date of this Memorandum of Information and is provided subject to changes in applicable tax law, including changes with retroactive effect (prior to the date of this Memorandum of Information).

This summary does not take into account, and does not cover, tax laws in other countries and does not take into account the specific circumstances of individual investors. The information contained in this Memorandum of Information must therefore not be considered investment, legal or tax advice. Shareholders are advised to consult their own tax advisor regarding the tax implications in Belgium and other countries within the framework of their specific situation.

On 1 February 2025, the Belgian government announced a few fiscal measures that may impact the distribution of the interim optional dividend. At the time of drafting this Information Memorandum, no draft texts have yet been submitted to the Belgian parliament. One of the main measures announced would be a tightening of the conditions of application for the dividends received deduction (DRD) and a possible freezing of the indexation of some tax expenditures at the amounts applicable for tax year 2025. Shareholders are advised to consult their own tax advisor to further monitor the entry into force and developments in this regard.

Withholding tax

The option for shareholders (i.e. the payment of the interim dividend in cash, the contribution of their net dividend rights in exchange for the issuance of new shares, or a combination of both) has no impact on the calculation of withholding tax. In other words, 30% withholding tax in an amount of € 1.53 will be deducted from the gross interim dividend of € 5.10 (unless an exemption or reduction of withholding tax applies).

- Belgian physical persons

For private investors residing in Belgium, the withholding tax constitutes the final tax on dividend income in Belgium. The dividend income does not have to be declared in the personal income tax return. However, if a private investor decides to include the dividend income in its personal income tax return, he/she will have to pay taxes on this income at the individual rate (30%) or at the progressive personal income tax rate, whichever is the lowest, taking into account other income declared by the tax payer. It is in principle only interesting to declare this income if the combination with other income of the tax payer results in a tax rate lower than 30%. Private investors furthermore qualify for tax exemption for dividends paid or allocated via the personal income tax return during the income year 2025 (tax year 2026) up to the first € 859 (cf article 21, first section, 14° of the Income Tax Code 1992 ("ITC92") - this amount may be frozen at € 833 following the announced fiscal measures - see above). If the dividend income is actually declared, (i) the income tax due will not be increased with the additional municipal tax, and (ii) the withholding tax can be set off against the eventual personal income tax due and any surplus amounts can be refunded, provided the conditions are met.

For professional investors residing in Belgium, the withholding tax does not constitute the final tax in Belgium. The dividend income needs to be declared in the personal income tax return, where it will be taxed at the normal progressive personal income tax rate increased with the additional municipal tax. Subject to certain conditions, the withholding tax can be set off against the personal income tax due and any surplus amounts can be refunded.

- Belgian legal entities

For shareholders subject to the legal entities income tax, the withholding tax in principle constitutes the final tax due.

- Belgian companies

Belgian companies subject to corporate income tax are required to include the dividends in their corporate income tax return and are in principle taxed on the gross dividends received (withholding tax included) at the applicable corporate income tax rate. The standard corporate income tax rate amounts to 25%.

The (interim) dividends paid by the Company in principle do not qualify for the so-called dividends received deduction (DRD) because the Company is a public BE-REIT, which means that the Company benefits from a special tax regime and consequently does not meet the so-called taxation condition (article 203, §1, 2°bis ITC92).

The dividends do nevertheless qualify for the DRD to the extent that the dividends paid by the Company originate from income from real estate (i) situated in another member state of the European Union or in a state with which Belgium has concluded a double taxation treaty on condition that such treaty or any other agreement provides for an exchange of information necessary for the application of the legal provisions of the contracting states; and (ii) that has been subject to corporate income tax, non-resident income tax or any foreign tax that is similar to one of these taxes and does not benefit from a special tax regime that deviates excessively from ordinary law (article 203, §2, section 6 ITC92). Furthermore, the dividends are also eligible for DRD insofar as and to the extent that these dividends are derived from dividends which themselves meet the taxability conditions mentioned in article 203, §1, first section, 1° to 4° ITC92 or from capital gains realised on shares that qualify for exemption in accordance with article 192, §1 ITC92 and provided that the articles of association of the Company provide for an annual distribution of at least 80% of the income received after deduction of remunerations, commissions and costs (article 203, §2, second section ITC92). Pursuant to article 203, §5 ITC92, this 80% threshold is deemed to be met if the BE-REIT has distributed its net proceeds in accordance with Article 13, §1 of the Royal Decree of 13 July 2014 with regard to regulated real estate companies.

For the application of the DRD as set out above, the so-called quantitative conditions set forth in article 202, §2, first section ITC do not apply (cf. article 202, §2, third section, 3° ITC92). Provided that all legal conditions are met, a company-shareholder resident in Belgium can set off any withholding tax deducted from the dividends received against any corporate income tax due, and any surplus can be refunded.

Belgian companies that, upon payment or allocation of the dividends, hold a minimum participation of at least 10% of the Company's share capital may, under certain conditions and provided that certain formalities are met, benefit from an exemption from Belgian withholding tax.

Dividends paid by the BE-REIT to a non-resident shareholder give in principle rise to the collection of withholding tax at a rate of 30%. Pursuant to article 106, §7 of the Royal Decree implementing the Income Tax Code of 1992 (the "**RD/ITC**"), part of the dividends paid out by a BE-REIT to a non-resident saver may be exempt from withholding tax provided that certain conditions are met. This exemption does not apply to the part of the distributed dividends which originates from Belgian real estate and from dividends obtained by the Company itself from a Belgian resident company, unless the latter is itself a regulated real estate company (or another company referred to in the first section of article 106, §7 RD/ITC) and the dividends it distributes to the Company do not originate from dividends received from a Belgian resident company or from income of Belgian real estate.

Organisations for financing pensions ("**OFPs**"), i.e. Belgian pension funds incorporated under the legal form of an OFP within the meaning of Article 8 of the Belgian Act of 27 October 2006 on the supervision of institutions for occupational retirement provisions, are in principle not taxed on dividend income because of the limited tax base on which these OFPs are taxable (Article 185bis ITC). Except for certain limitations, the Belgian withholding tax can be set off against the corporate income tax due and can be refunded to the extent that it exceeds the corporate income tax due. Foreign OFPs may, under certain conditions, benefit from an exemption from withholding tax (cf Article 106,§2 RD/ITC).

- Shareholders benefiting from an exemption or reduction in withholding tax

For shareholders who benefit from an exemption or reduction of withholding tax pursuant to Belgian law or an (applicable) treaty for the avoidance of double taxation, the standard withholding tax of 30%, which is in principle withheld from the distributed gross dividend, is not (in case of exemption) or not entirely (in case of reduced withholding tax) withheld provided that the necessary supporting documents are submitted.

Shareholders who are exempt from withholding tax or who benefit from a reduction of withholding tax will receive this tax advantage in cash as from 4 July 2025. Shareholders who are in such a position must make sure that the required certificates, unless otherwise stated in the information received from their financial institution or intermediary, are sent no later than 3 July 2025 at 12:00 (Belgian time) by e-mail to taxoperations@kbc.be and by post to Tax Operations, KBC Bank NV, GENtoren +13, Kortrijksesteenweg 1100, at 9051 Gent, in order to receive this tax benefit.

Shareholders who benefit from an exemption or reduced withholding tax will therefore receive a surplus in cash (see above, II.6 "Capital increase and interim dividend payment").

12. REAL ESTATE VALUATION

Pursuant to article 48 of the REITs Act, the actual value of the assets of the Company (and its perimeter companies) as determined in article 47, §1 of the REITs Act needs to be determined by the valuation expert(s) when e.g. the Company issues shares or submits an application to admit shares to trading on a regulated market. The said valuation may not be carried out earlier than one month before the scheduled operation. A new valuation is nevertheless not required when shares are issued or admitted to trading on a regulated market within 4 months after the latest valuation or valuation update with regard to the relevant real estate and insofar the expert confirms that a new valuation is not required based on the general economic situation and the condition of these assets.

The most recent valuation (or update) with regard to the actual value of these assets of the Company and its perimeter companies took place on 31 March 2025 and was carried out in part by Cushman & Wakefield Belgium, in part by Cushman & Wakefield Netherlands, in part by Stadim, in part by CBRE Belgium, in part by CBRE Netherlands and in part by Colliers Netherlands (which means that the Company is in the possession of a valuation (update) that is at most 4 months old at the time of the date of issue of the new shares, which is 26 June 2025).

On 19 May 2025, respectively on 21 May 2025, the Company received confirmation from Stadim, respectively the other independent real estate experts, namely Cushman & Wakefield Belgium, Cushman & Wakefield Netherlands, CBRE Belgium, CBRE Netherlands and Colliers Netherlands, that it is not required to perform a new valuation within the scope of the application for admission of the new shares to trading on a regulated market based on the general economic situation and the condition of these assets.

The aforementioned real estate experts of the Company will be requested to confirm, prior to the issue of the new shares at the latest on or around 26 June 2025, that, given the general economic situation and the condition of these assets, no new valuation is required.

13. INFORMATION MADE AVAILABLE

As a rule, in the context of a public offering of shares on Belgian territory, and for the admission of these shares to trading on a Belgian regulated market, a prospectus must be published, in application of the Prospectus Regulation. However, there is an exception to this rule in the context of the optional dividend.

In application of article 1.4 (h) and 1.5 (g) of the Prospectus Regulation, on the first day of the option period, this Memorandum of Information will be made available by the Company to the public, containing information on the number and nature of the shares and the reasons for and modalities of the offer and admission.

Subject to certain customary restrictions, this Memorandum of Information is available on the website of Retail Estates (https://www.retailestates.com/en/press-publications/official-documents) as of 28 May 2025 (after trading). The Memorandum of Information is also made available, subject to certain customary restrictions, on the website of KBC Securities (www.kbcsecurities.com/prospectus), KBC Bank NV (https://kbc.be/retailestates2025) and Bolero (https://www.bolero.be/nl/retailestates2025).

The report of the Board of 28 May 2025 concerning the contribution in kind, drawn up in accordance with article 7:179 io. 7:197 of the Belgian Code on Companies and Associations, as well as the report of the statutory auditor of the Company on the contribution in kind, drawn up in accordance with article 7:179 io. 7:197 of the Belgian Code on Companies and Associations, is also made available on the website of Retail Estates as of 28 May 2025.

14. CONTACT

For more information regarding the transaction, shareholders with dematerialised shares can contact the financial institution where they hold their shares in their securities account.

Holders of registered shares can contact the Company for more information by calling us at +32 (0)2 568 10 20 or by emailing us at investorrelations@retailestates.com.

III. ANNEX: EXAMPLE

An example of the distribution of an optional interim dividend by Retail Estates can be found below. Please note that a possible exemption from or reduction of withholding tax is not taken into consideration.

The example assumes a shareholder who owns 101 No. 33 coupons linked to shares of the same form (e.g. 101 dematerialised shares).

The issue price amounts to € 57.12. It is possible to subscribe to any new share to be issued by means of a contribution of net dividend rights linked to 16 existing shares of the same form, represented by coupon No. 33.

This means that the shareholder will receive one new share per contribution of net dividend rights, represented by No. 33 coupons, linked to 16 shares of the same form.

The shareholder can exchange the net dividend rights linked to 101 shares, represented by coupon No. 33, for:

- **Cash**: 101 x € 3.57 = € 360.57;

OR

- **Shares**:
  - 6 new shares (in exchange for 96 No. 33 coupons); <u>and</u>
  - an outstanding balance of € 17.85 in cash (in exchange for the other 5 No. 33 coupons, which do not suffice to subscribe to an additional share);

OR

- **Combination**:
  - (example) 3 new shares (in exchange for 48 No. 33 coupons); <u>and</u>
  - € 189.21 in cash (in exchange for the remaining 53 No. 33 coupons).