

Prospectus dated 21 May 2019



SD Worx Holding NV
public limited liability company (naamloze vennootschap / société anonyme) under Belgian law
LEI: 96760081CZVZP6TSN165
(the “Issuer”)

Public offer in Belgium and admission to trading on Euronext Growth Brussels

3.80 per cent. fixed rate subordinated bonds due 11 June 2026 for an aggregate minimum nominal amount of EUR 50 million and an aggregate maximum nominal amount of EUR 80 million

Specified Denomination: EUR 1,000

Issue Price: 100 per cent.

Gross actuarial yield at Issue Price: 3.80% (on an annual basis)

Net actuarial yield at Issue Price: 2.66% (on an annual basis)

Minimum Subscription Amount: EUR 10,000

ISIN Code: BE0002655364 – Common Code: 199892665

(the “Bonds”).

The yield is calculated on the basis of the issue of the Bonds on the Issue Date, the Issue Price, the interest rate of 3.80% per annum and is based on the assumption that the Bonds will be held until 11 June 2026 (the “Maturity Date”) 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 their Maturity Date. The net yield reflects a deduction of Belgian withholding tax at the current rate of 30%. (Investors should consult Section IX “Taxation” of this Prospectus for further information about Belgian taxation.)

Issue Date: 11 June 2019

Subscription Period: from 24 May 2019 at 9am (CET) until 28 May 2019 at 5.30pm (CET) included (subject to early closing)

Application has been made for the Bonds to be listed and to be admitted to trading on the multilateral trading facility of Euronext Growth Brussels on or about the Issue Date.

The Bonds are subordinated bonds and therefore constitute “complex financial instruments” within the meaning 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”) (as implemented into national laws). This implies that financial intermediaries shall be required to obtain the necessary information from retail investors who wish to subscribe to the Bonds to enable the financial intermediary to assess whether an investment in the Bonds is appropriate for the investor. 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, however, investors may not recover the amounts they are entitled to and risk losing all or a part of their investment. The Bonds are intended for investors who are capable of evaluating the interest rate in light of their knowledge and financial experience. Any decision to invest in these Bonds must be based solely on the information contained in this Prospectus. Before making any investment decision, the investors must read the Prospectus in its entirety (and, in particular, Section II “Risk Factors” on pages 33-61 of this Prospectus). In particular, reference is made to the risk factor that the Bonds are unsecured obligations of the Issuer which do not benefit from any guarantee and are subordinated obligations of the Issuer, as set out in the terms and conditions of the Bonds. In addition, the Bonds are structurally subordinated to the creditors of the Issuer’s Subsidiaries. Reference is also made to the risk factor that the consolidated financial statements of the Issuer include a significant amount of goodwill on the balance sheet, and that the amortisations of such goodwill significantly impact the profitability of the Issuer, which may remain unprofitable in the years to come as a consequence of these amortisations. Each potential investor must investigate carefully whether it is appropriate for him or her to invest in the Bonds, taking into account his or her knowledge and experience and must, if needed, obtain professional advice.

Global Coordinator

Belfius Bank SA/NV

Joint Bookrunners

Belfius Bank SA/NV

BNP Paribas Fortis SA/NV

KBC Bank NV

GENERAL INFORMATION

This prospectus (the “**Prospectus**”) has been prepared by the Issuer in connection with the public offering of the Bonds in Belgium (the “**Bond Offering**”) and in connection with the listing and admission to trading of the Bonds on the multilateral trading facility Euronext Growth Market.

While the following paragraphs provide certain general information with respect to the Bond Offering, a potential investor should carefully review the entire Prospectus, including (without limitation) the Summary on pages 12 until 32 and Section II “*Risk Factors*” of this Prospectus, before making any investment decision in respect of the Bonds.

The Bonds will be issued in dematerialised form (*gedematerialiseerd / dématérialisé*) under the Belgian Company Code and cannot be delivered physically. The Bonds will be represented exclusively by book-entries in the records of the securities settlement system operated by the National Bank of Belgium (“**NBB**”) or any successor thereto (the “**NBB Clearing System**”). Access to the NBB Clearing System is available through those of the NBB Clearing System participants whose membership extends to securities such as the Bonds. NBB Clearing System participants include certain banks, stockbrokers (*beursvennootschappen / sociétés de bourse*), Euroclear Bank NV/SA (“**Euroclear Bank**”), Euroclear France SA (“**Euroclear France**”), SIX SIS AG (“**SIX SIS**”), Monte Titoli S.p.A. (“**Monte Titoli**”), Clearstream Banking AG (“**Clearstream Banking Frankfurt**”) and INTERBOLSA. Accordingly, the Bonds will be eligible to clear through, and therefore accepted by, Euroclear Bank, Euroclear France, SIX SIS, Monte Titoli, Clearstream Banking Frankfurt and INTERBOLSA and investors can hold their Bonds in securities accounts in Euroclear Bank, Euroclear France, SIX SIS, Monte Titoli, Clearstream Banking Frankfurt and INTERBOLSA.

An application has been made with Euronext Brussels to admit the Bonds to trading and to list the Bonds on the multilateral trading facility Euronext Growth Brussels. References in this Prospectus to the Bonds being “**listed**” (and all related references) shall mean that the Bonds have been admitted to trading and listed on Euronext Growth Brussels. The multilateral trading facility of Euronext Growth Brussels is not a regulated market for the 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 (“**MiFID II**”). Prior to the listing, there is no public market for the Bonds.

Belfius Bank SA/NV, a limited liability company (*naamloze vennootschap / société anonyme*) incorporated under Belgian law, having its registered office at Place Charles Rogier 11, 1210 Brussels, Belgium, registered with the Crossroads Bank for Enterprises under number 0403.201.185 (“**Belfius**”) is acting as global coordinator (the “**Global Coordinator**”) and Belfius, BNP Paribas Fortis SA/NV, a limited liability company (*naamloze vennootschap / société anonyme*) incorporated under Belgian law, having its registered office at Montagne du Parc 3, 1000 Brussels, Belgium, registered with the Crossroads Bank for Enterprises under number 0403.199.702 (“**BNPPF**”) and KBC Bank NV, a limited liability company (*naamloze vennootschap / société anonyme*) incorporated under Belgian law, having its registered office at Havenlaan 2, 1080 Brussels, Belgium, registered with the Crossroads Bank for Enterprises under number 0462.920.226 (“**KBC**”), are acting as joint bookrunners (the “**Joint Bookrunners**”) in connection with the Bond Offering (the Global Coordinator and the Joint Bookrunners are together referred to as the “**Managers**”). Belfius is also acting as domiciliary, paying, calculation and listing agent (the “**Agent**”, which expression shall include any successor agent).

In this Prospectus, when reference is made to the condition (financial or otherwise), the business or the prospects of the Issuer, reference is made to the condition, the business or the prospects of the Issuer on a consolidated basis, unless expressly indicated otherwise.

Neither the Issuer, nor the Bonds will be rated by a rating agency. The Issuer does not have the intention to request a rating for the Issuer or the Bonds.

The Issuer has voluntarily opted into the application of the new Belgian Code on Companies and Associations (*Wetboek van Vennootschappen en Verenigingen / Code des Sociétés et Associations*), which has been introduced pursuant to the Law dated 23 March 2019 (*Belgisch Staatsblad / Moniteur belge* 4 April 2019) (the “**Belgian Company Code**”), in accordance with Article 39§1 of such Law. The Belgian Company Code has become applicable to the Issuer as from 7 May 2019, which is the date on which the Issuer’s amended articles of association were published in the Belgian State Gazette (*Belgisch Staatsblad / Moniteur belge*).

All references in this Prospectus to “euro”, “EUR” or “€” refer to the currency introduced at the third stage of European economic and monetary union pursuant to the Treaty on European Union, as amended.

This Prospectus contains various amounts and percentages which are rounded and, as a result, when these amounts and percentages are added up, the totals may not be an arithmetic aggregation of these amounts and percentages.

Unless otherwise stated, capitalised terms used in this prospectus have the meanings set forth in this Prospectus. A glossary of defined terms is included in Section XII. Where a reference is made to the ‘Conditions of the Bonds’, reference is made to the terms and conditions of the Bonds (see Section III “*Terms and Conditions of the Bonds*”).

SUBORDINATION OF THE BONDS

Investors should be aware that the Bonds are subordinated obligations of the Issuer, as summarised below and as detailed in the Conditions.

Subordination upon the occurrence of a Trigger Event

The Bonds will constitute direct, general, unconditional, subordinated and (subject to Condition 7.1 (*Negative Pledge*)) unsecured obligations of the Issuer. The Bonds rank and will at all times rank *pari passu* without any priority among themselves and at least equally and rateably (*pro rata*) with all other present and future outstanding subordinated obligations of the Issuer, except as otherwise mentioned under Condition 3.2 (*Subordination*) and Condition 3.3 (*Indebtedness to Shareholders and Connected Persons*).

Upon the occurrence of a Trigger Event (as defined in Condition 3.2 (*Subordination*)), 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 “**Junior Liabilities**”) shall rank (a) *pari passu* with the rights and claims of any creditor of the Issuer (including (but not limited to) commercial creditors, but excluding the persons mentioned under (b) and (c) below), (b) junior to the rights and claims of all unsubordinated creditors of the Issuer, but only in respect of Senior Financial Indebtedness (whether present or future, actual or contingent, unsecured or secured) owed by the Issuer (the “**Senior Liabilities**”, including, without limitation, the senior facilities agreement dated 28 June 2018 entered into by, among others, the Issuer as the company and original borrower, as amended, restated or replaced from time to time (the “**Senior Facilities Agreement**”) and (c) senior to all present and future rights and claims of existing and future (x) shareholders of the Issuer and (y) Connected Persons (as defined in the Conditions) (other than shareholders) 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 shareholders) (the “**Super Junior Liabilities**”). The Bonds are structurally subordinated to all creditors of the Issuer’s Subsidiaries.

A “**Trigger Event**” is defined as follows:

- (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*);

- (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 Code of Economic Law (*Insolventie van Ondernemingen/Insolvabilité des entreprises*)), the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer or the enforcement of any Encumbrance over any assets of the Issuer other than a winding up petition which is frivolous or vexatious and is discharged, stayed or dismissed within 7 days of commencement or, if earlier, the date on which it is advertised.

Indebtedness to Shareholders and Connected Persons

The Issuer shall not incur indebtedness owed towards any of its shareholders or any Connected Person (other than its shareholders) to the Issuer unless the rights and claims of such shareholder or Connected Person resulting from such indebtedness shall rank upon a Trigger Event:

- (a) junior to (1) the Senior Liabilities, and (2) the rights and claims of any other subordinated creditor of the Issuer (including the Bondholders) whether present or future, actual or contingent, unsecured or secured, but
- (b) *pari passu* with all other Super Junior Liabilities.

The Issuer confirms that on the date of this Prospectus it does not have any Super Junior Liabilities that do not qualify as capital.

Limitation on additional senior and subordinated debt

The Issuer may decide to incur additional indebtedness, subject to compliance with the covenant in Condition 7.2 (*Adjusted Leverage*). Failure to comply with such covenant may result in an increase of the Original Rate of Interest or, if the applicable thresholds are met, in an Event of Default (as detailed in the Conditions).

It is important to note that, for purposes of calculating the Adjusted Leverage, the “Total Net Senior Debt” of the Issuer excludes subordinated debt incurred by the Issuer, but only up to an aggregate nominal amount of EUR 150 million (which includes the Aggregate Nominal Amount of this Bond Offering). This implies that any subordinated debt that the Issuer may incur above an aggregate nominal amount of EUR 150 million will be taken into account in the calculation of the Adjusted Leverage and that, therefore, the covenant in Condition 7.2 (*Adjusted Leverage*) not only limits the incurrence by the Issuer of additional senior debt, but also of additional subordinated debt.

Further details are set out in the Conditions of the Bonds.

PUBLIC OFFER IN BELGIUM

This Prospectus has been prepared in connection with the Bond Offering and the admission to trading and listing on Euronext Growth Brussels.

This Prospectus is a prospectus for the purposes of Article 5(3) of Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading and amending Directive 2001/34/EC, as amended (the “**Prospectus Directive**”) and the Belgian Law dated 16 June 2006 concerning the public offer of investment securities and the admission of investment securities to trading on a regulated market (the “**Prospectus Law**”). This Prospectus has been prepared in accordance with the Prospectus Law and Commission Regulation (EC) 809/2004 of the 29 April 2004 implementing the Prospectus Directive, as amended (the “**Prospectus**”).

Regulation”) and in accordance with Annexes IV, V, XXII (in respect of Annexes IV and V) and XXX of the Prospectus Regulation.

This Prospectus intends to give the information with regard to the Issuer and the Bonds, which, according to the particular nature of the Issuer and the Bonds, is necessary to enable investors to make an informed assessment of the rights attaching to the Bonds and of the assets and liabilities, financial position, profit and losses and prospects of the Issuer.

This Prospectus has been prepared on the basis that any offer of Bonds in any Member State of the European Economic Area which has implemented the Prospectus Directive (each, a “**Relevant Member State**”) other than the offer in Belgium (the “**Permitted Public Offer**”), will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for the offer of the Bonds. Accordingly any person making or intending to make an offer in that Relevant Member State of Bonds which are the subject of the offering contemplated in this Prospectus, other than the Permitted Public Offer, may only do so in circumstances in which no obligation arises for the Issuer or the Managers to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer. Neither the Issuer nor the Managers have authorised, nor do they authorise, the making of any offer (other than the Permitted Public Offer) of Bonds in circumstances in which an obligation arises for the Issuer or the Managers to publish or supplement a prospectus for such offer.

This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy or subscribe for the Bonds in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Prospectus and the offer or sale of Bonds may be restricted by law in certain jurisdictions. The Issuer and the Managers do not represent that this Prospectus may be lawfully distributed, or that the Bonds may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer or the Managers which is intended to permit a public offering of the Bonds or the distribution of this Prospectus in any jurisdiction (other than Belgium) where action for that purpose is required. Accordingly, no Bonds may be offered or sold, directly or indirectly, and neither this Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Prospectus or any Bonds may come must inform themselves about, and observe, any such restrictions on the distribution of this Prospectus and the offering and sale of Bonds.

The Issuer authorises the use of this Prospectus for the purposes of a public offer until the last day of the subscription period, which shall run from 24 May 2019 at 9am (CET) until 28 May 2019 at 5.30pm (CET) included, or until such earlier date as the Issuer may determine in agreement with the Joint Bookrunners (as specified in Section X.H “*Allocation structure, early termination and reduction, allotment / oversubscription in the Bonds*”) (the “**Subscription Period**”) in Belgium, by any financial intermediary authorised pursuant to MiFID II to conduct such offers (a “**Financial Intermediary**”) and with respect to any subsequent resale or final placement by such Financial Intermediary during the Subscription Period in Belgium.

Any Financial Intermediary envisaging to use this Prospectus in connection with a Permitted Public Offer is obliged to state on its website, during such Subscription Period, that this Prospectus is used for a Permitted Public Offer with the authorisation of the Issuer and in accordance with the relevant applicable conditions.

If, during the period for which the Issuer authorised the use of this Prospectus, a public offer of the Bonds is made in Belgium by a Financial Intermediary, the Issuer accepts responsibility for the content of this Prospectus as set out below. Neither the Issuer nor any Manager can be held responsible or liable for any act or omission

from any Financial Intermediary, including compliance with any rules of conduct or other legal or regulatory requirements under or in connection with such public offer.

Neither the Issuer nor any Manager has authorised any public offer of the Bonds by any person in any circumstance and such person is under no circumstance authorised to use this Prospectus in connection with a public offer of the Bonds, unless (i) the public offer is made by a Financial Intermediary in Belgium during the Subscription Period, or (ii) the public offer is made within an exemption from the requirement to publish a prospectus under the Prospectus Directive. Any such unauthorised public offer is not made by or on behalf of the Issuer or any Manager and neither the Issuer nor any Manager can be held responsible or liable for the actions of any such person engaging in such unauthorised public offers.

Each offer and each sale of the Bonds by a Financial Intermediary will be made in accordance with the terms and conditions agreed between such Financial Intermediary and the investor, including in relation to the price, the allocation and the costs and/or taxes to be borne by the 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 such Financial Intermediary and the investor. This Prospectus does not contain the terms and conditions of any Financial Intermediary. The terms and conditions of the Managers are however included in this Prospectus (see Section X “*The Bond Offering*”). The terms and conditions in connection with the offer and sale of the Bonds will be provided to any investor by a Financial Intermediary during the Subscription Period. The Issuer nor any Manager can be held responsible or liable for any such information (without prejudice to the fact that the Issuer accepts responsibility for the content of this Prospectus). This Prospectus may be used for the purposes of the Bond Offering in Belgium by a Financial Intermediary until the last day of the Subscription Period.

The distribution of the Prospectus and the offer and sale of the Bonds may be subject to restrictions in certain jurisdictions. It is important that any person into whose possession this Prospectus comes, informs himself or herself on the applicable restrictions.

None of the Managers, nor the Issuer are taking any action to permit a public offering of the Bonds in any jurisdiction outside Belgium. The distribution of this Prospectus and the offer or sale of the Bonds in certain jurisdictions may be restricted by law. This Prospectus does not constitute an offer to sell, or the solicitation of an offer to buy, any securities, including the Bonds, in any circumstances in which such offer or solicitation is unlawful. The Bonds are subject to transfer and selling restrictions in certain jurisdictions. Prospective investors should read the restrictions described in Section X.L “*Selling Restrictions*”.

The Bonds have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”) or the securities laws of any state or other jurisdiction of the United States and are subject to United States tax law requirements. The Bonds are being offered outside the United States by the Managers (as defined in Section X “*The Bond Offering*” below) in accordance with Regulation S under the Securities Act (“**Regulation S**”), and may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

For a description of further restrictions on offers and sales of Bonds and distribution of this Prospectus see Section X “*The Bond Offering*”.

RESPONSIBLE PERSONS

The Issuer accepts responsibility for the information contained in this Prospectus, and, as the case may be, any supplement to the Prospectus. The Issuer declares that, having taken all reasonable care to ensure that such is the case, the information contained in the Prospectus is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

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 the Managers. 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 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 the Prospectus in accordance with the Prospectus Law (in this respect, please refer to Section X.M “*Prospectus Supplements*”).

To the fullest extent permitted by applicable law, the Managers disclaim all responsibility for the contents of this Prospectus (including any supplement thereto or any other statement made or purported to be made by the Managers or on their behalf in connection with the Issuer, its Subsidiaries and the Group or the issue and offering of the Bonds). Accordingly, no representation, warranty, undertaking, express or implied, is made and no responsibility or liability is accepted by the Managers as to the accuracy or completeness of the information contained or incorporated in this Prospectus or any other information in connection with the Issuer, its Subsidiaries and the Group or the offering of the Bonds.

The Managers and the Issuer expressly do not undertake to review the condition (financial and otherwise) or affairs of the Issuer, the Subsidiaries and the Group during the life of the Bonds and do not undertake to provide an update of the information contained in the Prospectus or to provide the investors in the Bonds with information they may have. In respect of the Issuer only, this is without prejudice to any legal obligations of the Issuer (including, without limitation, to publish a supplement in accordance with Article 34 of the Prospectus Law (in this respect, please refer to Section X.M “*Prospectus Supplements*”).

Neither this Prospectus nor any other information supplied in connection with the offering of the Bonds (a) is intended to provide the basis of any credit or other evaluation or (b) should be considered as a recommendation by the Issuer or the Managers that any recipient of this Prospectus or any other information supplied in connection with the offering of the Bonds should purchase any Bonds. Each investor contemplating a purchase of the Bonds should make its own independent investigation of the condition (financial and otherwise) and affairs, and its own appraisal of the creditworthiness, of the Issuer.

WARNINGS

An investment in the Bonds implies risks. Potential investors should carefully review Section II “*Risk Factors*” of this Prospectus in order to understand which risk factors are capable of affecting the Issuer’s ability to fulfil its obligations of the Bonds. Certain risk factors are of material importance for an assessment of the market risks associated with an investment in the Bonds. Potential investors are invited to consult with their own professional advisors and to form their own opinion with respect to the Issuer as well as with respect to the conditions of the Bond Offering, taking into account, amongst other things, the advantages and the risks associated with such an investment. The investors bear sole responsibility for the assessment of the advantages and the risks associated with a subscription to the Bonds. An investment decision should be based on a comprehensive review by the

investor of the entire Prospectus. Each investor contemplating purchasing the Bonds should make its own independent assessment of the condition and affairs, and its own appraisal of the creditworthiness, of the Issuer.

Each prospective investor in the Bonds must determine, based on its own independent review and such professional advice as it deems appropriate under the circumstances, that its acquisition of the Bonds is fully consistent with its financial needs, objectives and condition, complies and is fully consistent with all investment policies, guidelines and restrictions applicable to it and is a fit, proper and suitable investment for it, notwithstanding the risks inherent in investing in or holding the Bonds.

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

The Managers as well as their 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 their capacity as dealer or in another capacity. As at the date of this Prospectus, the Managers provide, among other things, payment services, investments of liquidities, credit facilities, hedging, discretionary management, 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 recurring costs which are being paid to the Managers as well as to other banks which offer similar services. As at the date hereof, the principal amount of the existing indebtedness under the Senior Facilities Agreement outstanding towards each of Belfius and BNPPF amounted to approximately EUR 11.17 million, making the total outstanding amount approximately EUR 22.34 million. In addition, SD Worx Staffing & Career Solutions – Holding NV (formerly named Vio Worx) is a party to the Vio Credit Facilities Agreement, with, amongst others BNPPF, for a principal amount of EUR 43.5 million, of which EUR 32.54 million is outstanding at the date hereof. As at the date hereof, the Group does not have any senior financial indebtedness outstanding towards KBC (no amounts outstanding under the factoring arrangements with KBC). Potential investors should also be aware that the Managers may from time to time hold debt securities, shares and/or other financial instruments of the Issuer. Furthermore, the Managers and the Agent receive customary commissions in relation to the Bond Offering, which constitute a significant part of the aggregate costs and expenses of the Issuer in relation to the Bond Offering (such aggregate costs and expenses are expected to amount to between approx. EUR 1 million (on the assumption that the Aggregate Nominal Amount for which Bonds are issued is EUR 50 million, as the Placement Fee is variable) and approx. EUR 1.45 million (on the assumption that the Aggregate Nominal Amount for which Bonds are issued is EUR 80 million, as the Placement Fee is variable)). Please also refer to the risk factor *‘The Issuer and the Managers may engage in transactions adversely affecting the interests of the Bondholders’* in Section II *“Risk factors”* of this Prospectus.

MARKET AND INDUSTRY INFORMATION

Statements in this Prospectus with respect to market and other industry data are based on statistics and other information from independent industry publications and reports by research firms or other published independent sources. The facts and statistics presented are accurately reproduced from such sources, and, as far as the Issuer is aware and is able to ascertain from such sources, no facts have been omitted which would render the reproduced information inaccurate or misleading.

In addition, certain statements contained in this Prospectus regarding the Issuer’s industry and position in the industry are based on certain assumptions concerning the Issuer’s customers and competitors. These assumptions are based on the Issuer’s experience in the industry and investigation of market conditions. No representation is made as to the accuracy of any such assumptions, and such assumptions may not be indicative of the Issuer’s positions in its industry.

FORWARD-LOOKING STATEMENTS

This Prospectus contains statements that constitute estimates and forward-looking statements. These statements appear in a number of places in this Prospectus, including but not limited to the sections “*Summary*”, “*Risk Factors*”, and “*Description of the Issuer*”, 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.

Such estimates and forward-looking statements may be influenced by, among others, the following factors:

- the Issuer’s ability to integrate and benefit from recent or future acquisitions and strategic alliances;
- the effects of a possible economic recession;
- competition and loss of market share;
- the Issuer’s ability to implement its strategy;
- the loss of one or more significant customers;
- the performance of the Issuer’s customers and any preference they give to products of the Issuer’s competitors;
- risks inherent to international operations;
- compliance with governmental laws and regulations;
- loss of key personnel;
- interruptions or failures in the Issuer’s information technology systems;
- increases in the Issuer’s operating costs or the Issuer’s inability to meet efficiency or cost reduction objectives;
- limitation on the Issuer’s access to sources of financing on competitive terms and compliance with covenants; and
- other factors, some of which are described in Section II “*Risk Factors*” and elsewhere in this Prospectus.

The words “believe”, “plan”, “expect”, “anticipate”, “intend”, “continue”, “seek”, “may”, “may have”, “might”, “would”, “should”, “estimate”, “continue”, “anticipate”, “intend”, and similar words 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 the Managers undertake 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 risks, 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. In light of the risks and uncertainties described above, the events referred to in the estimates and forward-looking statements included in this Prospectus may or may not occur, and the Issuer’s business performance and results of operations may differ materially from those expressed in such estimates and forward-looking statements, due to factors that include but are not limited to those mentioned above. Investors are warned not to place undue reliance on any estimates or forward-looking statements in making decisions regarding investment in the Bonds.

APPROVAL OF THE PROSPECTUS

This Prospectus was approved on 21 May 2019 by the Financial Services and Markets Authority (*Autoriteit voor Financiële Diensten en Markten / Autorité des services et marchés financiers*) (the “FSMA”) in its capacity as competent authority under Article 23 of the Prospectus Law. This approval cannot be considered as a judgment as to the opportunity or the quality of the transaction, nor on the situation of the Issuer and the FSMA gives no undertaking as to the economic and financial soundness of the transaction and the quality or solvency of the Issuer, in line with the provisions of Article 23 of the Prospectus Law.

AVAILABILITY OF THE PROSPECTUS

The Prospectus is available in English, which is the version approved by the FSMA, and in Dutch. The summary of the prospectus is also available in French. The Issuer is responsible for the consistency between the respective versions. Investors shall be entitled to rely on each of the English version, the Dutch version and the French summary in their contractual relationship with the Issuer.

The Prospectus will be published on the website of the FSMA (www.fsma.be/en/prospectus-ems). The Prospectus will also be available on the website of the Issuer (www.sdworx.com/en/investor-relations) and the Managers (on the website of Belfius at www.belfius.be/sdworx2019, on the website of BNPPF at www.bnpparibasfortis.be/emissions and on the website of KBC at www.kbc.be/sdworx).

Hard copies of the Prospectus (in English and in Dutch) and the translation of the summary in French are available free of charge at the registered office of the Issuer (Brouwersvliet 2, 2000 Antwerp), Belfius (Place Charles Rogier 11, 1210 Brussels), BNPPF (Montagne du Parc 3, 1000 Brussels) and KBC (Havenlaan 2, 1080 Brussels).

The documents and other information made available on the website of the Issuer and the Managers (other than this Prospectus) do not form part of the Prospectus.

FURTHER INFORMATION

For more information about the Issuer, please contact:

SD Worx Holding NV
Brouwersvliet 2
2000 Antwerp
Belgium
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www.sdworx.com/en/investor-relations

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I. SUMMARY

This Summary has been prepared in accordance with the content and format requirements of the Prospectus Regulation.

Summaries are made up of disclosure requirements known as ‘Elements’. These elements are numbered in Sections A – E (A.1 – E.7). This Summary contains all the Elements required to be included in a summary for this type of securities and Issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in the Summary because of the nature of the Bonds and the Issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the Summary with the mention of ‘not applicable’.

Where reference is made to the “Conditions”, reference is made to the terms and conditions of the Bonds (see Section III “Terms and Conditions of the Bonds”).

The Summary has been prepared in Dutch, French and English. The Issuer is responsible for the consistency of the Dutch, French and English versions of the Summary. Investors shall be entitled to rely on each of the English, Dutch and French versions of the Summary in their contractual relationship with the Issuer.

Section A – Introduction and warnings

- | | | |
|-----|---|---|
| A.1 | Introduction and warnings | <p>This Summary should be read as an introduction to the prospectus for the public offer in Belgium of bonds dated 21 May 2019 (the “Prospectus”). Any decision to invest in the Bonds (as defined below) should be based on consideration of the Prospectus as a whole by the investor. A full version of the Prospectus is available on the website of the Issuer (www.sdworx.com/en/investor-relations) and on the websites of Belfius at www.belfius.be/sdworx2019, BNPPF at www.bnpparibasfortis.be/emissions and KBC at www.kbc.be/sdworx (Belfius Bank SA/NV, BNP Paribas Fortis SA/NV and KBC Bank NV are together referred to as the “Joint Bookrunners” or the “Managers”).</p> <p>Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the Member States of the European Economic Area, be required to bear the costs of translating the Prospectus before the legal proceedings are initiated.</p> <p>Civil liability attaches only to those persons who have tabled the Summary, including any translation thereof, but only if the Summary is misleading, inaccurate or inconsistent, when read together with the other parts of this Prospectus or 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 Bonds.</p> |
| A.2 | Consent to the use of the Prospectus for subsequent resale or final placement of the Bonds by financial intermediaries | <p>SD Worx Holding NV (the “Issuer”) consents to the use of this prospectus in connection with the public offering in Belgium of 3.80 per cent. fixed rate subordinated bonds due 11 June 2026 (the “Bonds”), for an aggregate minimum nominal amount of EUR 50 million and an aggregate maximum nominal amount of EUR 80 million (the “Bond Offering”), by any financial intermediary authorised pursuant to Directive 2014/65/EU (“MiFID II”) to conduct such offers (a “Financial Intermediary”) and with respect to any subsequent resale or final placement by such Financial Intermediary during the Subscription Period in Belgium.</p> |
| | Indication of the offer period | <p>The Issuer consents to the use of this Prospectus subject to the conditions below from 24 May 2019 up to and including 28 May 2019, or such earlier date as the Issuer may determine in agreement with the Joint Bookrunners (the “Subscription Period”).</p> |

Any other clear and objective conditions attached to the consent which are relevant for the use of the Prospectus

The Issuer only consents to the use of the Prospectus in connection with the public offer of the Bonds in Belgium (the “**Permitted Public Offer**”).

Notice informing investors that information on the terms and conditions of the offer by any Financial Intermediary is to be provided at the time of the offer by the Financial Intermediary

Each offer and each sale of the Bonds by a Financial Intermediary will be made in accordance with the terms and conditions agreed between such Financial Intermediary and the investor, including in relation to the price, the allocation and the costs and/or taxes to be borne by the 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 Financial Intermediary and the investor. This Prospectus does not contain the terms and conditions of any Financial Intermediary.

Any Financial Intermediary envisaging to use this Prospectus in connection with a Permitted Public Offer is obliged to state on its website, during the Subscription Period, that this Prospectus is used for a Permitted Public Offer with the authorisation of the Issuer and in accordance with the relevant applicable conditions.

The terms and conditions in connection with the offer and sale of the Bonds will be provided to any investor by a Financial Intermediary at the relevant time during the Subscription Period. Neither the Issuer nor any Manager can be held responsible or liable for any act or omission from any Financial Intermediary, including compliance with any rules of conduct or other legal or regulatory requirements under or in connection with such Permitted Public Offer.

Section B – Issuer

B.1	Legal and commercial name of the Issuer	SD Worx Holding NV
B.2	Domicile/Legal Form/Legislation/County of incorporation	<p>The Issuer is a limited liability company (<i>naamloze vennootschap / société anonyme</i>) incorporated under Belgian law and having its registered office at Brouwersvliet 2, 2000 Antwerp, Belgium. Its legal entity identification (LEI) is 96760081CZVZP6TSN165.</p> <p>The Issuer has voluntarily opted into the application of the new Belgian Code on Companies and Associations (<i>Wetboek van Vennootschappen en Verenigingen / Code des Sociétés et Associations</i>), which has been introduced pursuant to the Law dated 23 March 2019 (<i>Belgisch Staatsblad / Moniteur belge</i> 4 April 2019) (the “Belgian Company Code”), in accordance with Article 39§1 of such Law. The Belgian Company Code has become applicable to the Issuer as from 7 May 2019.</p>
B.4b	Trends affecting the Issuer and the industries in which it operates	<p>The activities and results of the Issuer and its subsidiaries (<i>dochtervennootschappen / filiales</i>) within the meaning of the Belgian Company Code (the “Subsidiaries”) (the Issuer together with its Subsidiaries, joint venture interests and minority participations from time to time, the “Group”) are affected by international, national and regional economic conditions. Economic downturns may negatively affect the Group’s customers, suppliers or partners. A deterioration of the macroeconomic conditions and general employment may significantly adversely affect the Group’s business, results of operation or financial condition.</p> <p>The staffing market, in which the Group is active through SD Worx Staffing & Career Solutions, is sensitive to changes in the level of economic activity. The market for</p>

staffing services is dependent on the willingness of companies to accept contingent staffing arrangements as a source of flexible labour. Pressure from unions, works council, political groups and/or regulatory agencies could have a material adverse effect on the Group's staffing business, impacting the Group's business, results of operations, financial condition and prospects.

The Group's core product markets are highly competitive and fragmented. While the Group considers that it is well positioned in its core service offerings (including payroll and HR services) and in the jurisdictions in which it operates, benefiting from a unique combination of competitive strengths, it continues to face strong competition and anticipates that existing or new competitors might broaden their service offerings and extend their geographic scope, or might integrate downwards into the Group's markets.

The European payroll services market, in which SD Worx Group is active, is to date still very much a fragmented market. The Group expects consolidation in this market in the coming years, with digital transformation, 'zero-marginal cost' platforms, cloud technology and multi-country payroll services as key drivers for such consolidation, as these benefit from economies of scale and require significant investments. Additionally, rapidly evolving technology is changing competitive dynamics. HR software providers are entering the services market, HR tech players are disrupting the market with new and innovative solutions and incumbents of other markets are entering the payroll/HR market while leveraging their existing data and customer base. The Group has the ambition to strengthen its current position on the payroll services market and to play an active role in the further consolidation in this market.

The European staffing market is also still largely fragmented with a few global players dominating the industry, complemented by a limited number of mid-tier companies and a large number of smaller, often local, entities. Consolidation in the industry has already begun, as evidenced by a large number of M&A transactions over the past few years, and the Group intends to play an active role in this consolidation wave as well, principally by continuing its buy-and-build strategy in the staffing market. By investing in a flexible work offering, SD Worx Staffing & Career Solutions can moreover offer its customers a wider set of HR services and respond to the rise of flexible work and the gig economy.

B.5 Description of the Group and the Issuer's position within the Group

The Issuer is the parent company of a group which is active, among others, in the areas of payroll, HR (including HR administration), capacity management, legal support, training, automation, consultancy, outsourcing and staffing services.

The Issuer has two direct Subsidiaries: SD Worx Group NV and SD Worx Staffing & Career Solutions – Holding NV. SD Worx Group NV is the Group's sub-holding for legal entities in both Belgium and abroad providing services in the areas of payroll, HR (including HR administration), capacity management, legal support, training, automation, consultancy and outsourcing services. SD Worx Staffing & Career Solutions – Holding NV is the sub-holding of the Vio Group and the Flexpoint Group, which are active in the areas of flexible work, temp work, secondment, recruitment & selection, career guidance, outplacement, specific payroll for temps and HR consultancy. Except for the companies listed hereinafter, all Subsidiaries are 100% owned, directly or indirectly, by the Issuer. The Issuer is, directly or indirectly, a majority shareholder in Equipe BV (the Netherlands) and Redirect BV (the Netherlands). The Issuer is, directly or indirectly, a minority shareholder in UwPayroll NV (Belgium), Assusoft NV (Belgium), Unbox NV (Belgium), CoStation NV

(Belgium) and GlobePayroll SA (France).

B.9	Profit forecast/estimate	Not applicable. The Issuer does not include profit forecasts or estimates.
B.10	Audit report qualifications	Not applicable. There are no qualifications in the audit reports relating to the audited financial statements of the Issuer for the financial years ended 31 December 2017 and 31 December 2018.
B.12	Selected Historical Key Financial Information/material adverse changes	The tables below set out a summary of the key financial information extracted from the consolidated audited financial statements of the Issuer for the financial year ended 31 December 2018 (consolidating the Vio Group for a period of ten months and the Flexpoint Group for a period of three months, as these acquisitions were completed during the course of financial year 2018) and comparative consolidated financial information with respect to the Issuer for the financial year ended 31 December 2017, in each case prepared in accordance with generally accepted accounting principles in Belgium.

Income statement

<i>(in thousands of EUR)</i>	2017	2018
Total net revenues	446,327	594,402
- Net operating expenses (*)	(394,420)	(528,699)
Normalised EBITDA	51,907	65,702
- Non-recurring items	(7,427)	(16,833)
- Depreciation and amortization fixed assets	(12,148)	(12,401)
- Amortizations & Impairments on participations and goodwill	(19,068)	(29,338)
EBIT	13,265	7,131
+/- Net Financial Income / (Expenses)	4,224	(3,440)
Profit before taxes	17,489	3,691
- Current & Deferred Taxes	(16,429)	(12,032)
- Share in the results of enterprises accounted for using the equity method	(41)	(752)
Consolidated profit/(Loss)	1,019	(9,093)
Share of the Issuer	929	(8,197)

(*) Net operating expenses are defined as other recurring operating income minus recurring operating charges, excluding depreciations, amortisations and impairments of non-current assets and consolidation goodwill. Net operating expenses can be reconciled with the Issuer's financial statements as follows: code 72 + 74 - 60 - 61 - 62 - 631/4 - 635/8 - 640/80.

Financial position

Assets (in thousands of EUR)	31.12. 17	31.12.18
Non-current assets	230,879	348,322
Intangible fixed assets and formation expenses	14,983	19,431
Consolidation differences (pos)	153,272	262,802
Tangible assets	62,012	63,885

Investments in joint ventures, associates and other financial assets	612	2,204
Current assets	368,336	330,493
Pension & deferred tax assets	21,184	20,560
Inventory, amounts receivable & other current assets	99,537	160,015
Funds held for clients	3,443	6,106
Current investments & Cash	244,172	143,813
Total assets	599,215	678,815
Equity and liabilities (in thousands of EUR)	31.12. 17	31.12.18
Equity	419,962	417,222
Non-controlling interest	1,122	9,412
Pensions, provisions and deferred taxes	40,973	48,988
Amounts payable > 1 year	17,526	48,437
Amounts payable < 1 year	119,632	154,756
Financial payables < 1 year	11,044	13,262
Trade, social, tax and other current payables	108,588	141,494
Total equity & liabilities	599,215	678,815

There has been no material adverse change in the prospects of the Issuer and the Group since 31 December 2018.

There have been no significant changes in the financial or trading position since 31 December 2018.

- B.13 **Recent Events particular to the Issuer which are to a material extent relevant to the evaluation of the Issuer's solvency** There are no recent events particular to the Issuer which are to a material extent relevant to the evaluation of the Issuer's solvency.
- B.14 **Dependence on other entities within the Group** As holding entity of the Group, the Issuer is dependent upon the operating activities of its Subsidiaries and the ability of such Subsidiaries to generate and upstream cash flows.
- B.15 **Principal activities of the Issuer** The Issuer is the holding company of a Belgium-based group, which is structured in two sub-groups: the SD Worx Group and the SD Worx Staffing & Career Solutions Group.
- The SD Worx Group provides services in the areas of payroll, HR (including HR administration), capacity management, legal support, training, automation, consultancy and outsourcing. With more than 4,150 employees (full-time equivalents), the SD Worx Group operates in ten different countries: Belgium (HQ), Germany, France, Ireland, Luxembourg, Mauritius, the Netherlands, Austria, the United Kingdom and Switzerland. Offering a full-service package in the areas of payroll calculations and administration, tax and social-legal support and support for businesses' HR processes, the SD Worx Group achieved a turnover of EUR 466.7

million in 2018, a growth of 4.7% compared to 2017.

The SD Worx Staffing & Career Solutions Group was created as a result of the acquisition of the Vio Group in February 2018 and the acquisition of the Flexpoint Group in September 2018. It is active in the areas of flexible work, temporary work, secondment, recruitment & selection, career guidance, outplacement, specific payroll for temporary workers and HR consultancy. With more than 450 employees (full-time equivalents), SD Worx Staffing & Career Solutions Group operates in Belgium and the Netherlands. It operates from 105 offices, has approximately 3,000 customers and places more than 5,500 temp workers on average per day. It achieved a turnover of EUR 275.6 million in 2018 on a like-for-like basis (i.e. revenues of the Vio Group and Flexpoint Group, both acquired during the course of 2018, consolidated on a 12-month basis).

Together, SD Worx Group and SD Worx Staffing & Career Solutions Group achieved a combined turnover of EUR 742.3 million in 2018 on a like-for-like basis.

B.16 Direct or indirect control over the Issuer

The Issuer is wholly-owned by HR Worx Holding NV (“**HR Worx Holding**”), a holding company incorporated on 9 July 2018 by Private Stichting SD Patrimonium (holding 59.14% of the shares) and SD Worx for Society CVBA/VSO (holding 40.86% of the shares). The latter is in turn owned by Private Stichting SD, owning 9,900 shares, with 90 other shares owned by Private Stichting SD Patrimonium and 10 other shares owned by HR Worx Holding.

Private Stichting SD Patrimonium and Private Stichting SD (together, the “**Foundations**”) do not have any shareholders, unitholders or members and their sole decision-making body is their board of directors. The composition of the board of directors is determined in accordance with the Foundations’ respective articles of association. Currently, both boards of directors have the same composition.

The Issuer is not aware of any shareholders’ arrangements between its indirect shareholders or any other arrangements the operation of which may at a subsequent date result in a change in control of the Issuer. HR Worx Holding has certified certain shares in the Issuer to beneficiaries under the Group’s share purchase plans.

B.17 Credit ratings assigned to the Issuer or the Bonds

Not applicable. The Issuer and the Bonds are not rated and the Issuer does not intend to request a rating for the Issuer or the Bonds.

Section C – Securities

C.1	Type and class of the Bonds and security identification numbers	3.80 per cent. fixed rate subordinated bonds due 11 June 2026 denominated in euro. ISIN Code: BE0002655364. Common Code: 199892665.
C.2	Currency of the Bonds	EUR
C.5	Description of any restrictions on the free transferability of the Bonds	Restrictions apply to offers, sales and transfers of the Bonds in various jurisdictions. In all jurisdictions, offers, sales or transfers may only be effected to the extent lawful in the relevant jurisdiction. Subject to those restrictions, the Bonds are freely transferable. The distribution of the Prospectus or of this Summary may be restricted by law in certain jurisdictions.
C.8	Description of rights attached to the Bonds,	The Bonds will constitute direct, general, unconditional, subordinated and (subject to Condition 7.1 (<i>Negative Pledge</i>)) unsecured obligations of the Issuer. The Bonds rank

including ranking and limitations to those rights

and will at all times rank *pari passu* without any priority among themselves and at least equally and rateably (*pro rata*) with all other present and future outstanding subordinated obligations of the Issuer, except as otherwise mentioned under Condition 3.2 (*Subordination*) and Condition 3.3 (*Indebtedness to Shareholders and Connected Persons*). Upon the occurrence of a Trigger Event (as defined in Condition 3.2 (*Subordination*)), 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 “**Junior Liabilities**”) shall rank (a) *pari passu* with the rights and claims of any creditor of the Issuer (including (but not limited to) commercial creditors, but excluding the persons mentioned under (b) and (c) below), (b) junior to the rights and claims of all unsubordinated creditors of the Issuer, but only in respect of Senior Financial Indebtedness (whether present or future, actual or contingent, unsecured or secured) owed by the Issuer (the “**Senior Liabilities**”) and (c) senior to all present and future rights and claims of existing and future (x) shareholders of the Issuer and (y) Connected Persons (other than shareholders) 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 (as defined in the Conditions) (other than shareholders) (the “**Super Junior Liabilities**”). The Bonds are structurally subordinated to all creditors of the Issuer’s Subsidiaries.

C.9

See C.8 above for a description of the rights attaching to the Bonds, ranking and limitation to those rights.

Interest

Each Bond bears interest from (and including) the Issue Date (see below) at the rate of 3.80 per cent. per annum per Specified Denomination (the “**Original Rate of Interest**”). Pursuant to Condition 7.2 (*Adjusted Leverage*), if however on 31 December prior to an Interest Payment Date, the Adjusted Leverage is higher than 3.25 to 1, then, with effect from the first subsequent Interest Payment Date, the Original Rate of Interest shall be increased by 0.75% per annum for the Interest Period commencing on such Interest Payment Date. This increase remains applicable for any subsequent Interest Period during which the Adjusted Leverage is higher than 3.25 to 1. If following any step-up, the Adjusted Leverage is equal to or lower than 3.25 to 1 on 31 December prior to a further Interest Payment Date, then with effect from such Interest Payment Date, the rate of interest on the Bonds shall again be the Original Rate of Interest.

Interest Payment Date

11 June in each year starting with 11 June 2020 up to and including the Maturity Date (each an “**Interest Payment Date**”).

Maturity Date

11 June 2026

Redemption Amount at Maturity Date

The Bonds will be redeemed at 100 per cent. of the nominal amount at the Maturity Date.

Negative pledge

So long as any Bond remains outstanding, the Issuer shall not, and shall procure that none of its Subsidiaries will, create or permit to subsist any Encumbrance upon the whole or any part of its present or future undertaking, assets or revenues (including uncalled capital) to secure any Relevant Indebtedness without at the same time or prior thereto securing the Bonds equally and rateably (*pro rata*) therewith or providing such other security as may be approved by an Extraordinary Resolution of the Bondholders.

For the purposes of this section:

“**Encumbrance**” means any Security as well as any mandate, promise or undertaking

to create such Security.

“**Extraordinary Resolution**” means a resolution passed at a meeting of Bondholders duly convened and held in accordance with the Conditions by a majority of at least 75% of the votes cast.

“**Relevant Indebtedness**” means any Financial Indebtedness which is in the form of or represented by any bond, debenture, debenture stock, loan stock, certificate or other instrument which is, or is capable of being, listed, quoted or traded on any stock exchange or in any securities market (including, without limitation, any over-the-counter market) (and includes any guarantee or indemnity in respect of any such indebtedness or any arrangement having a similar effect). For the avoidance of any doubt, any bank loan or intra-group loan that is granted on the basis of a loan agreement is not Relevant Indebtedness.

“**Security**” means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

Early Redemption

In the event of a Change of Control, each Bondholder will have the right to require the Issuer to redeem that Bond, on the Change of Control Put Date at the Put Redemption Amount, by depositing a put option notice (a “**Change of Control Put Exercise Notice**”) with the bank or other financial intermediary during the Change of Control Put Exercise Period.

For the purposes of this section:

“**Calculation Agent**” means Belfius Bank SA/NV, or such other leading investment, merchant or commercial bank with appropriate expertise as may be appointed from time to time by the Issuer at its own expense for purposes of calculating the Put Redemption Amount, and notified to the Bondholders in accordance with Condition 11 (*Notices*), or, if the Issuer fails to make such appointment and such failure continues for a reasonable period (as determined by a resolution of the Bondholders in their sole discretion), appointed by a resolution of the meeting of Bondholders (voting in accordance with the quorum and voting requirements set forth in the Belgian Company Code), in each case at the expense of the Issuer.

“**Change of Control**” means that Private Stichting SD and Private Stichting SD Patrimonium together cease, directly or indirectly, to

- (a) have the power (whether by way of ownership of shares, proxy, contract, agency or otherwise) to:
 - (i) cast, or control the casting of, more than 50 per cent. of the maximum number of votes that may be cast at a general meeting of the Company; or
 - (ii) appoint or remove the majority of the directors (or other equivalent officers) of the Company; or
- (b) hold beneficially more than 50 per cent. of the issued share capital of the Issuer (excluding any part of that issued capital that carries no right to participate beyond a specified amount in a distribution of either profits or capital).

“**Change of Control Put Date**” shall be the 14th TARGET Business Day after the last day of the Change of Control Put Exercise Period.

“**Change of Control Put Exercise Period**” means the period commencing on the date of a Change of Control and ending 120 calendar days following the Change of Control, or, if later, 120 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 upon a Change of Control*).

“**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 cent (half of one cent 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 $\text{MIN}(101\%; \text{Re-offer Price in } \% \times \text{Exp}(T \times 0.74720148386\%))$, rounded down to the ninth decimal, whereby “**Re-offer Price**” means 100%, “**T**” means the time, expressed in decimals of a year, elapsed from (and including) the Issue Date until (and including) the relevant redemption 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.

“**Specified Denomination**” means EUR 1,000.

Tax Call

If, as a result of a change in law, on the next Interest Payment Date any interest payable by the Issuer in respect of the Bonds ceases (or will cease) to be deductible by the Issuer for Belgian corporate income tax purposes or such deductibility is reduced (a “**Tax Deductibility Event**”), the Issuer may, in accordance with the Conditions, redeem the Bonds as a whole at the Tax Call Redemption Amount.

“**Tax Call Redemption Amount**” means, on the date fixed for redemption, the highest of:

- (a) the market value of the Bonds; and
- (b) the aggregate Specified Denomination of the Bonds, together with accrued interest,

in each case determined in accordance with the Conditions.

Events of Default

If any of the following events (each an “**Event of Default**”) occurs and is continuing, then the holder of any Bond may declare its Bonds to be immediately due and payable in accordance with the Conditions:

- (a) non-payment in respect of the Bonds;
- (b) the Adjusted Leverage exceeds 4:1 on 30 June or 31 December and such breach is not remedied within 12 months;
- (c) failure by the Issuer to comply with other obligations in respect of the Bonds;;
- (d) cross-acceleration under any other present or future indebtedness of the Issuer or any of its Material Subsidiary, provided that, in each case, the aggregate amount of the relevant indebtedness equals or exceeds EUR 35 million or its equivalent in any other currency;
- (e) enforcement of security interests against the Issuer or any Material Subsidiary, provided that, in each case, the aggregate amount of the relevant indebtedness equals or exceeds EUR 35 million or its equivalent, and provided that if the Issuer or such Material Subsidiary disputes the enforceability of the security interest or the enforcement steps taken in that respect, the Event of Default shall

only be deemed to occur on the date on which a binding and final judgment by a court of competent jurisdiction permitting the relevant enforcement has been issued;

- (f) dissolution or liquidation of the Issuer or any of its Material Subsidiaries;
- (g) certain matters affecting the solvency of the Issuer or its Material Subsidiaries;
- (h) it is or becomes unlawful for the Issuer to perform or comply with any of its obligations under or in respect of the Bonds;
- (i) cessation or significant change of business by the Group other than on terms approved by the general meeting of Bondholders;
- (j) withdrawal or suspension of the listing of the Bonds (unless the Issuer obtains the listing of the Bonds on another regulated market or MTF within the EEA at the latest on the last day of this period of 15 TARGET Business Days).

For purposes of the Events of Default, “**Material Subsidiary**” means any Subsidiary of the Issuer which has earnings before interest, tax, depreciation and amortisation calculated on the same basis as EBITDA representing 10 % or more of EBITDA or has gross assets or turnover (excluding intra-group items) representing 10 % or more of gross assets or turnover of the Restricted Group, calculated on a consolidated basis.

Yield

Gross actuarial yield: 3.80 per cent. (on an annual basis)

Net yield: 2.66 per cent. (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 3.80% per annum and is based on the assumption that the Bonds will be held until their Maturity Date when they will be repaid at 100% of their Specified Denomination in accordance with the Conditions. It is not an indication of future yield if the Bonds are not held until their Maturity Date. The net yield reflects a deduction of Belgian withholding tax at the rate of 30 per cent. (Investors should consult Section IX “Taxation” of this Prospectus for further information about Belgian taxation.)

The pricing of the Bonds has been fixed by the Issuer, taking into account the current level of the swap rate, increased with an additional spread that takes into account the different risks related to these Bonds. These risks are amongst others the credit risk of the Issuer (based on its activities and historical performance), the risk related to the subordination of the bonds and the liquidity risk of the Bonds. The pricing of the Bonds was also benchmarked against the pricing of comparable Bonds in the Belgian market, both in terms of activities of the issuer, tenor and targeted investor base.

Representative of Bondholders / Meeting of Bondholders

The conditions of the Bonds contain provisions for calling meetings of Bondholders to consider matters affecting their interest generally. The 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 majority.

C.10 **Derivative component in the interest payment** Not applicable. The Bonds have no derivative component in the interest payment.

C.11 **Listing and admission to trading** An application has been made with Euronext Brussels to list the Bonds on the multilateral trading facility of Euronext Growth Brussels.

Section D – Risks

D.2 Key risks regarding the Issuer

The Issuer believes that the factors described below represent the principal risks, each of which may affect its business or financial condition, and therefore its ability to fulfil its obligations under the Bonds. The inability of the Issuer to pay any amounts in connection with any Bonds may occur for other reasons which may not be considered significant risks by the Issuer based on the information currently available to it or which it may not currently be able to anticipate. The sequence in which the risk factors are listed is not an indication of their likelihood to occur or of the extent of their consequences.

These factors include amongst others, the following risks:

Market risk and strategic risk

Market risk

The Group's activities and results are affected by international, national and regional economic conditions. Economic downturns may negatively affect the Group's customers, suppliers or partners. A deterioration of the macroeconomic conditions and general employment may significantly adversely affect the Group's business, results of operations, financial condition and prospects.

The Issuer has experienced significant growth in its HR and payroll solutions service offerings, in which it positions itself as a market leader in Belgium, with operations in several other geographic markets. However, as existing and new competitors continue to broaden their focus area and geographic scope, the Group faces strong competition which may impact the Group's future growth rate. Furthermore, it is difficult to determine whether demand for the services rendered by the Group will continue to grow in line with past trends.

The staffing market, in which the Group is also very active, is also sensitive to changes in the level of economic activity. The market for staffing services is dependent on the willingness of companies to accept contingent staffing arrangements as a source of flexible labour. Pressure from unions, works council, political groups and/or regulatory agencies could have a material adverse effect on the Group's staffing business, impacting the Group's business, results of operations, financial condition and prospects.

As the Group relies for a great deal on third-party service providers for many aspects of its business, any failure on their side could materially affect the Issuer's business, financial condition, results of operation and prospects. The Group also depends on key suppliers and alliance partners in certain areas of its operations. If any of these suppliers or partners were to cease to provide their services to the Group, there is no assurance that the Group would be able to replace them in a timely and cost-effective manner, or at all. Any delays or interruption on their services could furthermore have a material adverse effect on the Group's reputation, business, financial condition, results of operation and prospects. Furthermore, the Group's success in the staffing market will depend greatly on its ability to recruit qualified temporary personnel and retain them.

Risks related to acquisitions

The Group has recently completed several acquisitions of other businesses, and the Group expects that it will continue to grow through acquisitions of other businesses, assets or technologies. Acquisitions involve numerous other risks, including as to

integration of acquired businesses, realising synergies, over-valuation, entering markets in which the Group has no prior experience, et cetera.

On the date hereof, the Group is considering a potential sizeable acquisition of a business that is active inside and outside of Europe, including in certain jurisdictions where the Group is currently not active. The potential acquisition of such business is within the scope of the Group's scope of activities, ambitions and strategy. It is currently uncertain whether the Group will enter into a binding agreement for such acquisition. If this would be the case, then it is currently expected that the Group's Adjusted Leverage would increase from -1.13 (as at the end of 2018) to approx. +0.30 (based on current estimations). The risks inherent to any acquisition also apply to the currently contemplated acquisition.

Operational risk

Risks related to senior management

The Group depends on its senior management teams, which possess extensive operating experience and industry knowledge, to set its strategy and manage its business. Its operations and profitability might be disrupted if it lost the services of certain of its senior management team members or if it would not be able to recruit, integrate or retain senior managers with the necessary competences, which may affect the Group's business, results of operations, financial condition and prospects.

Risks related to personnel

The Group is also exposed to risks association with the potential loss or inability to attract skilled and motivated key personnel. The implementation of the Group's strategic business plan could be undermined by a failure to attract or retain key personnel or the unexpected loss of senior employees. The Group's success is further also dependent on maintaining good relations with its workforce. The Group's operations may be affected by disputes with trade unions. Such disruptions could put a strain on the Group's relationships with suppliers and clients and may impact the Group's business. It is also exposed to employees' misconduct, negligence or fraud, which could result in sanctions and serious reputational or financial harm or damage to its assets.

Risks related to interruption or failure in the Group's information technology systems

The Group's information technology systems form an integral part of its business operations as they are used to deliver material parts of the services rendered to its customers, their employees, the government services and the Group's other business partners. Its systems are vulnerable to computer viruses, break-ins and similar disruptions from unauthorised tampering. A prolonged system-wide outage or frequent outages could cause harm to the Group's reputation and could result in damage claims by the Group's customers. Aging software infrastructure assets could also result in high level of expenses, affecting the Group's business, results of operations, financial condition and prospects.

Risks relating to security breaches

The Group's business relies on securely transmitting, storing and hosting sensitive information, including personal data, financial information and other sensitive information relating to its customers, company and workforce. As a result, the Group faces the risk of unauthorised access to its computer systems, both deliberate and unintentional, that may disrupt its business, such as through misappropriation or loss of sensitive information and corruption of data. Similarly, the Group faces the risk of

denial-of-service (DOS) and other Internet- based attacks ranging from mere vandalism of its electronic systems to systematic theft of sensitive information and intellectual property. The Group believes that any compromise of its electronic systems, including the unauthorised access, use or disclosure of sensitive information or a significant disruption of its computing assets and networks would (i) adversely affect the Group's reputation and its ability to fulfil contractual obligations, (ii) require the Group to devote significant financial and other resources to mitigate such problems and (iii) increase the Group's future cyber-security costs, including through organisational changes, deploying additional personnel and protection technologies, further training employees and engaging third-party experts and consultants.

These risks could result in reputational damage resulting in lost revenues, civil or criminal liability or regulatory action, including potential fines and penalties, the insurance coverage of which might not be sufficient. If the Group's security is breached, its business, financial condition, results of operations and prospects could be materially and adversely affected.

Risks relating to handling sensitive information

The costs of compliance with, and other burdens imposed by privacy and data protection laws and regulations that are applicable to the businesses of the Group's customers (in particular Regulation 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation or GDPR), or to its business directly, may limit the use and adoption of its applications and reduce overall demand or lead to significant fines, penalties, or liabilities for any non-compliance with such privacy laws. The amount of personal information collected within the offering of its services, can also be used by criminals to commit identity theft, to impersonate third parties, or to otherwise gain access to the data or funds of an individual. The Group is liable to its customers for damage caused by unauthorised disclosure of sensitive and confidential information, which may also damage the Group's brand and/or reputation and have an adverse effect on the Group's ability to attract and retain customers, which may adversely affect the Group's business and profitability.

Risks related to adverse market perception

The Group must display a high level of integrity and maintain the trust and confidence of its customers. Any mismanagement, fraud or failure to satisfy legal or contractual obligations, allegations of such acts, or negative publicity resulting from such acts, or the association of any of the above with the Group could adversely affect the Group's reputation and the value of its brands, as well as its business, results of operations, financial condition and prospects.

Legal risk

Risks related to the upstreaming of cash flows from the Issuer's Subsidiaries

Since the Issuer is a holding company that conducts operations through subsidiaries, its ability to repay the Bonds is subject to the ability of its Subsidiaries to upstream their revenues through dividends, intercompany receivables, management fees and other payments, including to allow the Issuer to pay interest on, or repay, the Bonds. The Issuer's Subsidiaries may not be able to pay dividends to the Issuer. Relevant to note in this respect is that SD Worx Staffing & Career Solutions – Holding NV (formerly named Vio Worx NV) is under the VIO Credit Facilities Agreement only permitted to distribute funds to its shareholders (and therefore to the Issuer) when the

Adjusted Leverage (calculated in accordance with the VIO Credit Facilities Agreement) is equal to or lower than 2.00:1. Currently, such Adjusted Leverage is approximately 2.41:1 and no such dividends are therefore permitted. SD Worx Group and its Subsidiaries are not bound by the restrictions of the VIO Credit Facilities Agreement, which is ring-fenced to the entities that are a party to it (SD Worx Staffing & Career Solutions – Holding NV and its Subsidiaries).

Risks related to regulatory developments

The Group's services in its different geographic markets are subject to an extensive body of national and supranational (labour, tax, social security and other) legislation. Failure to monitor regulatory developments so may expose the Group to claims from third parties and different types of sanctions, which may negatively impact the Group's business in the relevant countries and its results of operations, financial condition and prospects. In addition, risks of the Group's staffing activities include possible claims by customers or third parties of fraudulent employee activities or employee misconduct or negligence.

Financial risk

Risks related to the financial performance

The Group's ability to make interest payments on the Bonds and to meet its other debt service obligations or to refinance its debt, will depend 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. Its liquidity and working capital needs coverage also depends on the willingness of banks to provide credit lines or loans. Also, the senior facilities agreement dated 28 June 2018 entered into by, among others, the Issuer as the company and original borrower, as amended, restated or replaced from time to time (the "**Senior Facilities Agreement**") and the senior facilities agreement of 19 February 2018 entered into by SD Worx Staffing & Career Solutions – Holding NV (formerly named Vio Worx) (as amended from time to time, the "**Vio Credit Facilities Agreement**") impose operating and financial restrictions on the business. These provisions may negatively affect the Group's ability to react to changes in market conditions or in the industry in which it operates, take advantage of business opportunities it believes to be desirable, pursue its strategy, obtain future financing, fund needed capital expenditures, or withstand a continuing or future downturn in its business.

Risks related to goodwill, goodwill amortizations and future profitability

The consolidated financial statements of the Issuer include a significant amount of goodwill on the balance sheet. The amortisations of such goodwill significantly impact the profitability of the Issuer, which may remain unprofitable in the years to come as a consequence of these amortisations.

Financial reporting risk

The preparation of financial information in terms of the adequacy of the systems, the reporting and compilation of financial information, taking into account changes in scope or changes in accounting standards, is a major challenge for the Group, even more so given the complexity of the Group with activities in several countries. If the Group fails to maintain the adequacy of its internal controls, including any failure to implement required new or improved controls, or if it experiences difficulties in its implementation of internal controls, its business and operating results could be

harmed and the Group could fail to meet its reporting obligations, which could lead to claims or a discontinuation in the trust by its stakeholders.

D.3 Key risks regarding the Bonds

The Issuer believes that the factors described below represent the principal risks in relation to the Bonds, which are material for the purpose of assessing the risks associated with the Bonds. The sequence in which the risk factors are listed is not an indication of their likelihood to occur or of the extent of their consequences.

These factors include, without limitation, the following risks:

The Bonds are complex financial instruments (in the sense of MiFID II) and may not be a suitable investment for all investors

Each potential investor in the Bonds must determine the suitability of that investment in light of its own circumstances.

Also, the Bonds are subordinated bonds and therefore constitute “complex financial instruments” within the meaning of MiFID II. This implies that Financial Intermediaries shall be required to obtain the necessary information from retail investors who wish to subscribe to the Bonds to enable the Financial Intermediary to assess whether an investment in the Bonds is appropriate for the investor.

The Issuer may not have the ability to repay the Bonds

The Issuer may not be able to repay the Bonds at their maturity or upon the occurrence of an Event of Default (as defined in Condition 8 (*Events of Default*)). The Issuer’s ability to repay the Bonds will depend on the Issuer’s financial condition at the time of the requested prepayment and may be limited by law, the terms of its indebtedness and by the agreements that it may have entered into on or before such date.

Unsecured and subordinated obligations of the Issuer which do not benefit from any guarantee

The right of the Bondholders to receive payment on the Bonds is not secured and the Bonds are structurally and contractually subordinated to the secured and guaranteed indebtedness of the Issuer and its Subsidiaries, including the Senior Facilities Agreement. In the event of a liquidation, dissolution, reorganisation or similar procedures affecting the Issuer, the holders of secured indebtedness will be repaid first with the proceeds of the enforcement of such security.

Because the Issuer is a holding company and to a large extent dependent on dividends and other revenue streams from its Subsidiaries, the Bondholders are structurally subordinated to the banks and other creditors of these Subsidiaries. In addition, as described above, certain Subsidiaries of the Issuer have provided and may in the future provide guarantees for the benefit of holders of other indebtedness incurred by the Issuer, including under the Senior Facilities Agreement and the Vio Credit Facilities Agreement. These Subsidiaries will often hold more operational assets than the Issuer. In the event of enforcement against all or any part of these assets, it may occur that there are insufficient assets remaining which can be distributed to and used by the Issuer to repay the Bonds and/or the interest payments. In case of liquidation of any Subsidiary (or other company included in the consolidation of the Issuer) or in case of insolvency of such an entity the collateral of the Bonds will be reduced.

The Issuer may incur additional indebtedness

In the future, the Issuer could decide to incur additional indebtedness or further increase its indebtedness. This could have an impact on its ability to meet its

obligations under the Bonds or could cause the value of the Bonds to decrease.

The Issuer and the Bonds do not have a credit rating

The Issuer and the Bonds do not have a credit rating at the time of the Bond Offering, and the Issuer currently does not intend to request a credit rating for itself or the Bonds at a later date. This may render the price setting of the Bonds more difficult.

Certain of the Group's financing agreements contain restrictive covenants

The Group's financing agreements (including the Senior Facilities Agreement and the Vio Credit Facilities Agreement) and the terms and conditions of the Bonds include a number of restrictive covenants. Although subject to significant qualifications and exceptions, these covenants could limit the Group's ability to plan for or react to market conditions or to meet capital needs or engage in activities that may be in the Group's interest.

There is no guarantee to an active trading market for the Bonds

The Bonds are new securities which may not be widely traded and for which there is currently no active trading market. Therefore, investors may not be able to sell their Bonds easily or at all, or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market.

The Bonds are exposed to market interest rate risk

The Bonds provide a fixed interest rate until the Maturity Date. Investment in the Bonds involves the risk that subsequent changes in market interest rates may adversely affect the value of the Bonds.

The market value of the Bonds may be affected by the creditworthiness of the Issuer

The value of the Bonds may be affected by the creditworthiness of the Issuer and the Group.

The Bonds may be redeemed prior to maturity

The Bonds may be redeemed prior to maturity in accordance with the Conditions.

The Change of Control Put

Each Bondholder, at its own initiative, will have the right to require the Issuer to redeem all or any part of such holder's Bonds at the Put Redemption Amount, upon the occurrence of a Change of Control of the Issuer. If the procedure described in the Conditions has validly been followed, the Issuer may not refuse to redeem the Bonds.

Potential investors should be aware that, in the event that holders of a significant proportion of the Bonds exercise their put option, Bonds in respect of which the put option is not exercised may be illiquid and difficult to trade. 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.

Modifications to the Conditions of the Bonds

The Conditions of the Bonds 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 majority.

Risk of inflation

The actual yield of an investment in the Bonds is being reduced by inflation. The higher the rate of inflation, the lower the actual yield of a Bond will be.

Governing law

The Conditions are based on the laws of Belgium in effect as at the date of this Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to the laws of Belgium, the official application, interpretation or the administrative practice after the date of this Prospectus.

Potential conflicts of interest

Potential investors should be aware that the Issuer is involved in a general business relation or/and in specific transactions with the Managers and that they might have conflicts of interests which could have an adverse effect to the interests of the Bondholders. The Bondholders should also be aware of the fact that the Managers, when they act as lenders to the Issuer or another company within the Group (or when they act in any other capacity whatsoever), have no fiduciary duties or other duties of any nature whatsoever vis-à-vis the Bondholders and that they are under no obligation to take into account the interests of the Bondholders. Potential investors should also be aware that the Agent does not assume any fiduciary duties or other obligations to the Bondholders and, in particular, is not obliged to make determinations which protect their interests.

Reference is made to Section E.4 (*Interests material to the Bond Offering*) of the Summary.

Taxation

Payments made in respect of the Bonds may be subject to Belgian withholding tax.

Potential purchasers and sellers of the Bonds should also be aware that they may be required to pay taxes or other documentary charges or duties in accordance with the laws and practices of the country where the Bonds are transferred or other jurisdictions. Potential investors should ask for their own tax adviser's advice on their individual taxation position with respect to the acquisition, sale and redemption of the Bonds.

Section E – Offer

E.2b Reasons for the Offer and use of proceeds

The Issuer's reasons to proceed with the Bond Offering are several.

First, the Bond Offering frames in the Issuer's, and the wider Group's, intention to ensure that it has sufficient financial means available to fund its growth strategy, which includes acquisitive growth in the product markets in which it operates (in the widest sense). On the date hereof, the Group is assessing several acquisitive growth opportunities, among which a potential sizeable acquisition of a business that is active inside and outside of Europe, including in certain jurisdictions where the Group is currently not active. The potential acquisition of such business is within the scope of the Group's scope of activities, ambitions and strategy. It is currently uncertain whether the Group will enter into a binding agreement for such acquisition. If this would be the case, then it is currently expected that the Group's Adjusted Leverage would increase from -1.13 (as at the end of 2018) to approx. +0.30 (based on current estimations). The Issuer believes that the currently favourable conditions in the financial markets offer a good opportunity to attract additional debt financing to

implement such growth strategy.

Second, the Bond Offering allows the Issuer to diversify its external funding, without diluting its existing shareholders, and therefore reduces its reliance on bank financing by achieving an optimal global balance between the Issuer's existing bank financing and financing through the debt capital markets. The Bond Offering also allows the Issuer to extend the average maturity of its debt funding. The Bond Offering, given its subordinated nature, is moreover permitted under the Senior Facilities Agreement and will therefore not require an amendment to this recently negotiated agreement, which an issuance of senior bonds would.

On the assumption that the Aggregate Nominal Amount for which Bonds are issued is EUR 50 million, the net proceeds of the issue of the Bonds are expected to amount to approx. EUR 49 million. On the assumption that the Aggregate Nominal Amount for which Bonds are issued is EUR 80 million, the net proceeds of the issue of the Bonds are expected to amount to approx. EUR 78.55 million. This is after deduction of the costs and expenses in connection with the Bond Offering, including the costs and fees payable to the Joint Bookrunners and the Agent, which are in aggregate expected to amount to between approx. EUR 1 million (on the assumption that the Aggregate Nominal Amount for which Bonds are issued is EUR 50 million, as the Placement Fee is variable) and approx. EUR 1.45 million (on the assumption that the Aggregate Nominal Amount for which Bonds are issued is EUR 80 million, as the Placement Fee is variable).

E.3 **Terms and conditions of the Offer**

<i>Issue Date</i>	11 June 2019 (the " Issue Date ").
<i>Issue Price</i>	100 per cent. of the Specified Denomination (the " Issue Price ").
<i>Specified Denomination</i>	EUR 1,000 per Bond (the " Specified Denomination ").
<i>Minimum Subscription Amount</i>	EUR 10,000 (the " Minimum Subscription Amount ").
<i>Aggregate Nominal Amount</i>	The Bond Offering will be for an aggregate minimum nominal amount of EUR 50 million and an aggregate maximum nominal amount of EUR 80 million (the final aggregate nominal amount of the Bond Offering is referred to as the " Aggregate Nominal Amount ").
<i>Offer period</i>	From 24 May 2019 at 9am to 28 May 2019 at 5.30pm (subject to early closing).
<i>Global Coordinator</i>	Belfius Bank SA/NV
<i>Joint Bookrunners</i>	Belfius Bank SA/NV BNP Paribas Fortis SA/NV KBC Bank NV
<i>Domiciliary, Paying, Calculation and Listing Agent</i>	Belfius Bank SA/NV
<i>Public offer jurisdictions</i>	Belgium.
<i>Conditions to which the offer is subject</i>	The Bond Offering and the issue of the Bonds is subject to a limited number of conditions set out in the placement agreement between the Issuer and the Managers (the " Placement Agreement "), 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 service contract for the issuance of fixed income securities with the NBB (the “**Clearing Services Agreement**”) and the domiciliary and paying agency agreement between the Issuer and Belfius (the “**Agency Agreement**”) having been executed by all parties thereto prior to the Issue Date; (iii) the admission of the Bonds on the multilateral trading facility of Euronext Growth 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 Bookrunners, no Material Adverse Change (as defined in the Placement Agreement); (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 Bookrunners’ reasonable opinion and with the agreement of the Issuer; and (vii) at the latest on the Issue Date, the Joint Bookrunners having received customary confirmations as to certain legal and financial matters pertaining to the Issuer and the Group.

Allocation

The initial allocation structure between the Managers for the placement of the Bonds will be the following for an Aggregate Nominal Amount of the Bonds of no less than EUR 50 million and no more than EUR 80 million (being possibly subject to rounding and reduced proportionally in case the Aggregate Nominal Amount is lower than EUR 80 million):

- (a) each of the Managers: EUR 22.4 million assuming that the Aggregate Nominal Amount of the Bonds equals the maximum Aggregate Nominal Amount of EUR 80 million (or 28% of the Aggregate Nominal Amount of the Bonds) to be placed on a best efforts basis and allocated exclusively to Retail Investors in its own retail and private banking network, at the Issue Price, in aggregate EUR 67.2 million assuming that the Aggregate Nominal Amount of the Bonds equals the maximum Aggregate Nominal Amount of EUR 80 million (or 84 % of the Aggregate Nominal Amount of the Bonds, the “**JBR Bonds**”); and
- (b) the Managers, acting together on a best efforts basis, for the placement towards third-party distributors and/or Qualified Investors as a pot deal at the Issue Price: EUR 12.8 million assuming that the Aggregate Nominal Amount of the Bonds equals the maximum Aggregate Nominal Amount of EUR 80 million (or 16 % of the nominal amount of the Bonds to be issued, the “**QI Bonds**”).

If the JBR Bonds assigned to a Manager are not fully placed as observed at 5.30 pm (CET) on the first business day of the Subscription Period, the Managers shall have the right to place the remaining unplaced JBR Bonds with third party distributors and/or Qualified Investors (without the consent of the Issuer). In this respect, no priority is given to Qualified Investors who subscribe for purposes of resale to Retail Investors.

If, notwithstanding the above, not all Bonds are placed at the end of the first business day of the Subscription Period, then each of the Managers shall have the right to place the unplaced Bonds with Retail Investors in its own network (without the consent of the Issuer). Each Manager shall place such Bonds at its own pace, it being understood that the unplaced Bonds will be allocated to the investors on a “*first come, first served*” principle.

Early termination of the Subscription Period will intervene at the earliest on 24 May 2019 at 5.30pm (Brussels time) (the minimum Subscription Period is referred to as the “**Minimum Sales Period**”). This means that the Subscription Period will remain open at least one Business Day until 5.30 pm. Thereafter, early termination can take

place at any moment (including in the course of a Business Day). In case of early termination of the Subscription Period, a notice will be published as soon as possible on the websites of the Issuer and the Managers. This notice will specify the date and hour of the early termination.

All subscriptions that have been validly introduced by the Retail Investors with the Managers before the end of the Minimum Sales Period will be taken into account when the Bonds are allotted, it being understood that in case of oversubscription, a reduction may apply, i.e. the subscriptions will be scaled back proportionally per Manager and per Retail Investor who has subscribed for the Bonds, with an allocation of a multiple of EUR 1,000, and to the extent possible, a minimum nominal amount of EUR 1,000, which corresponds to the denomination of the Bonds. Investors should thus note that an amount of Bonds may be allocated to them that is lower than the Minimum Subscription Amount.

*Governing Law and
Jurisdiction*

The Agency Agreement and 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. The courts of Brussels shall have jurisdiction to settle any disputes which may arise out of or in connection with the Agency Agreement and the Bonds.

E.4 **Interests material to
the Bond Offering**

The Managers might have conflicts of interests which 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 relationship or/and in specific transactions with each of the Managers and that they might have conflicts of interests which could have an adverse effect to the interests of the Bondholders. Potential investors should also be aware that each of the Managers may from time to time hold debt securities, shares or/and other financial instruments of the Issuer, for their own account and/or for the accounts of their customers. The Managers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire positions in such securities and instruments.

Within the framework of normal business relationship with its banks, the Issuer from time to time enters into loans and other facilities (via bilateral transactions and/or syndicated loans together with other banks, including the Senior Facilities Agreement), hedging transactions, discretionary management arrangements and other financing transactions (the “**Financing Transactions**”) with certain of the Managers. The terms and conditions of these Financing Transactions differ from the terms and conditions of the proposed Bonds and certain of the terms and conditions of certain of these Financing Transactions are stricter or more extensive than the terms and conditions of the proposed Bonds. The terms and conditions of certain of these Financing Transactions contain financial covenants, different from or not included in the conditions of the proposed Bonds. In addition, as part of certain Financing Transactions, the lenders have the benefit of guarantees granted by operational companies of the Group, whereas the Bondholders will not have the benefit from similar guarantees (subject to Condition 7.1 (*Negative Pledge*)). This results in the Bondholders being structurally subordinated to the lenders under such Financing Transactions. Certain Financing Transactions have repayment dates falling before the Maturity Date of the Bonds and consequently the credit risk for the Managers could be reduced and shifted to the Bondholders.

The Senior Facilities Agreement has been entered into for a principal amount of EUR 150 million, and with a maturity date of 29 June 2023. As at the date hereof, the

principal amount of the existing indebtedness under the Senior Facilities Agreement outstanding towards each of Belfius and BNPPF amounted to approximately EUR 11.17 million, making the total outstanding amount approximately EUR 22.34 million. In addition, SD Worx Staffing & Career Solutions – Holding NV (formerly named Vio Worx) is a party to the Vio Credit Facilities Agreement, with, amongst others BNPPF, for a principal amount of EUR 43.5 million, of which EUR 32.54 million is outstanding at the date hereof. As at the date hereof, the Group does not have any senior financial indebtedness outstanding towards KBC (no amounts outstanding under the factoring arrangements with KBC).

The Bondholders should be aware of the fact that the Managers, when they act as lenders to the Issuer or another company within the Group (or when they act in any other capacity whatsoever), have no fiduciary duties or other duties of any nature whatsoever vis-à-vis the Bondholders and that they are under no obligation to take into account the interests of the Bondholders. In case of a deterioration of the financial condition of the Issuer in the future, the Managers could e.g. decide to renegotiate credit facilities, obtain additional security interests and guarantees or terminate the credit relationship with the Issuer, which could result in the Issuer no longer being able to make payments under the Bonds in full or in part.

E.7	Estimated expenses charged to the investor by the Issuer	No expenses will be charged by the Issuer or the Managers to the Bondholders. It cannot be excluded that certain Financial Intermediaries may charge certain expenses to Bondholders in the framework of their subscription to the Bonds.
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II. RISK FACTORS

The following is a description of risk factors that are material in respect of the Bonds and the financial situation of the Issuer and that may affect the Issuer's ability to fulfil its repayment obligations under the Bonds, which prospective investors should consider carefully before deciding to purchase the Bonds. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring. 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 sequence in which these risk factors are listed is not an indication of their likelihood to occur or of the extent of their commercial consequences.

Before investing in the Bonds, prospective investors should consider carefully all of the information in this Prospectus, including the following specific risks and uncertainties. If any of the following risks materialise, the Issuer's business, results of operations, financial condition and prospects could be materially adversely affected. In that event, the value of the Bonds could decline and an investor might lose part or all of its investment due to an inability of the Issuer to fulfil its obligations under the Bonds. 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, the Issuer may face additional risks and uncertainties not presently known to the Issuer or that the Issuer currently deems to be immaterial. The latter may also have a material adverse effect on the Issuer's business, results of operations, financial condition and prospects, and could negatively affect the value of the Bonds and/or the ability of the Issuer to fulfil its obligations under the Bonds.

Prospective investors should also read the detailed information set out elsewhere in this Prospectus and should reach their own views before making an 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, lawyer, 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 shall have the same meaning where used below.

A. Risks relating to the Issuer

1. Risks related to current macro-economic trends

The Group's activities and results are affected by international, national and regional economic conditions. Economic downturns may negatively affect the Group's customers, suppliers or partners. A deterioration of the macroeconomic conditions and general employment may significantly adversely affect the Group's business, results of operations, financial condition and prospects.

The Group, through its division SD Worx Group, offers a full-service package in the areas of payroll calculations and administration, tax and social-legal support and support for businesses' HR processes. Therefore, the Group is largely dependent on the level of general employment in its operating countries as a large part of its revenues is a result of the Group's payslip production service. A decrease in general employment would result in a decrease in payroll calculations.

The Group, through its division SD Worx Staffing & Career Solutions, is also active in the areas of flexible work, temporary work, secondment, recruitment and selection, career guidance, outplacement, specific payroll for temporary workers and HR consultancy in both Belgium and the Netherlands. Approximately 75% to 90% of organic growth in the staffing market, which is directly correlated to the GDP evolution, matches the evolution in sales in staffing. Temporary staffing is a highly cyclical sector, characterised by first-in, first-out behaviour. This means that, in times of economic growth, temporary workers will be among the first ones to be recruited by SD Worx's clients. In times of

economic downturn, they will however also be among the first ones who will be dismissed. Temporary workers account for 1% to 2.5% of the total labour force and this percentage fluctuates throughout the economic cycle in its operating countries (Belgium and the Netherlands).

2. *Market and Strategic Risks*

2.1 Risks related to the HR and payroll solutions market

The Group is active in the HR and payroll solutions market through its division SD Worx Group. The Group has experienced significant growth in its HR and payroll solutions service offerings, in which it positions itself as a market leader in Belgium, with operations in several other geographic markets. However, as existing and new competitors continue to broaden their focus area and geographic scope, the Group faces strong competition which may impact the Group's future growth rate. Furthermore, it is difficult to determine whether demand for the services rendered by the Group will continue to grow in line with past trends. A slowdown in the growth of the relevant markets is likely to have an adverse effect on the Group's ability to sustain its own growth rate.

2.2 Risks related to the staffing market

The Group is active in the staffing market through its division SD Worx Staffing & Career Solutions. Demand for human resource services generally, and staffing services more in particular, is sensitive to changes in the level of economic activity. When the global economy accelerates, demand for temporary and permanent placement services increases. However, when the economy slows down, so does demand for temporary and permanent personnel. While the career transition (outplacement) business is counter-cyclical in nature (demand for career transition services rises in difficult economic times and decreases when the economy improves), the Group's revenues from outplacement are limited when compared to its revenues from staffing services. An uptick in the Group's outplacement business will therefore only offset a comparable decrease in its staffing services to a limited extent.

Furthermore, the Group has the obligation to pay the wages of its consultants when they are not seconded to clients. In the Netherlands, the Group takes a financial risk on its temporary workers, as it is liable to pay temporary workers' wages in the event of their long-term illness, for a maximum period of two years. This could have a negative impact on the Group's operating margin, results of operations, financial condition or liquidity.

The market for staffing services is dependent on the willingness of companies to accept contingent staffing arrangements as a source of flexible labour. From time to time, the staffing industry has come under criticism from unions, works councils, regulatory agencies and other constituents that maintain labour and employment protections, such as wage and benefits regulations, are subverted when clients use contingent staffing services. An example can be found in the Netherlands, where a recent legislative proposal could heavily impact the temporary staffing market by imposing stricter rules to using flexible workers, which may negatively impact the Group's staffing business in the Netherlands. Pressure from unions, works council, political groups and/or regulatory agencies could have a material adverse effect on the Group's staffing business, impacting the Group's business, results of operations, financial condition and prospects.

2.3 Risks related to Brexit

On 23 June 2016, the United Kingdom held a referendum in which voters approved, on an advisory basis, an exit from the European Union, commonly referred to as "Brexit". The terms of any withdrawal are subject to a negotiation period, which has been extended on multiple occasions and most recently until 31 October 2019. A withdrawal could, among other outcomes, disrupt the free movement of goods, services, people and capital between the UK and the EU, undermine bilateral

cooperation in key geographic areas and significantly disrupt trade between the UK and the EU or other nations as the UK pursues independent trade relations.

The potential impacts, if any, of the uncertainty relating to Brexit or the resulting terms of the withdrawal of the UK from the EU on customer behaviour, economic conditions, interest rates, currency exchange rates, availability of capital or other matters are unclear. Examples of the impact Brexit could have on the Group's business, financial condition or results of operations include:

- 1) restrictions on the movement of labour, which may directly impact the Group's product and services offerings;
- 2) changes in foreign currency exchange rates and disruptions in the capital markets;
- 3) global economic uncertainty, which may cause its customers to re-evaluate what they are willing to spend on the Group's products and services;
- 4) various geopolitical forces may impact the global economy and the Group's business, including, for example, other EU member states proposing referendums to, or electing to, exit the EU; and
- 5) reduced turnover of the Group due to less favourable economic conditions in the UK, taking into account that nearly 10% of the Group's turnover is currently realised in the UK.

Any of these effects of Brexit, and others that the Group cannot anticipate, could adversely impact its business, results of operations, financial condition and prospects.

2.4 **Risks related to third-party service providers**

The Group relies on third-party service providers for many aspects of its business, including, but not limited to, the operation of data centres and its mainframe, wire transfers to support the Group's customer payroll and tax services, and telecommunications and related services. If any third-party service providers on which the Group relies experience a disruption, fail to fulfil their contracts with the Group, experience a decline in quality, go out of business, or terminate their relationship with the Group, the Group could experience a material adverse effect on its business, financial condition, results of operation and prospects.

Important third-party service providers to the Group include the following:

- *Upkeep of data centres.* The Group hosts its applications and serves its customers from data centres operated by third-party providers, primarily NRB, Navisite and Fujitsu. While the Group has control and has access to these servers and all of the components of the Group's network that are located in the Group's external data centres, the Group does not control the operation of these facilities. The owners of the Group's data centre facilities have no obligation to renew their agreements with the Group on commercially reasonable terms, or at all. These parties may also seek to cap their maximum contractual liability resulting in the Group being financially responsible for losses caused by their actions or omissions.

Problems faced by the Group's third-party data centre locations, with the telecommunications network providers with whom the Group or they contract, or with the systems by which the Group's telecommunications providers allocate capacity among their customers, including the Group, could adversely affect the experience of the Group's customers. The Group's third-party data centres operators could decide to close their facilities without adequate notice. In addition, any financial difficulties, such as bankruptcy, faced by the Group's third-party data centres operators or any of the service providers with whom the Group or they contract may have negative effects on the Group's business, the nature and extent of which are difficult to predict. Additionally, if the Group's data centres are unable to keep up with the Group's growing needs for

capacity, this could adversely affect the growth of the Group's business. Any changes in third-party service levels at the Group's data centres or any security breaches, errors, defects, disruptions, or other performance problems with the Group's applications could adversely affect the Group's reputation, damage its customers' stored files, result in lengthy interruptions in its services, or otherwise result in damage or losses to its customers for which they may seek compensation from the Group. Interruptions in the Group's services might reduce its revenues, cause the Group to issue refunds to customers for prepaid and unused subscription services, subject the Group to potential liability, or adversely affect the Group's renewal rates.

- *Sub-processors (including data centres).* The Group's business essentially involves the processing of personal data on behalf of its customers, i.e. acting in the capacity of data processor. In addition to the data centres, the Group uses a number of sub-processors that assist it in providing its services to its customers. As the Group remains primarily responsible and liable towards its customers for the provision of the service, any failure by one of its sub-processors (e.g. data security breach or bankruptcy) may have an adverse effect on the Group's business and reputation.
- *Processing of electronic funds transfers.* The Group currently has agreements with several banks and financial payments companies to execute electronic funds transfers to support its customer payroll and tax services in certain countries where it operates. If one or more of these parties fails to process electronic funds transfers on a timely basis, or at all, then the Group's relationship with its customers could be harmed and the Group could be subject to claims by customers with respect to the failed transfers, with little or no recourse to the banks. In addition, these parties have no obligation to renew the agreements with the Group on commercially reasonable terms, if at all, and transferring to alternative providers could prove time-consuming and costly. If these parties terminate their relationships with the Group, restrict or fail to increase the amounts of funds that they will process on behalf of the Group's customers, their doing so may impede the Group's ability to process funds and could have a material adverse effect on the Group's business, financial condition, results of operations and prospects.
- *Monitoring of changes to applicable laws.* The Group and its third-party providers must monitor any changes or updates in laws that are applicable to the solutions that the Group or its third-party providers provide to the Group's customers. In addition, the Group is reliant on its third-party providers to modify the services that they provide to the Group's customers to enable the Group's clients to comply with changes to such laws and regulations. If the Group's third-party providers fail to reflect changes or updates in applicable laws in the services that they provide to the Group's customers, the Group could be subject to negative customer experiences, harm to its reputation, loss of customers, claims for any fines, penalties or other damages suffered by the Group's customers, and other financial harm.

A failure on the part of any of the Group's third-party service providers could result in a material adverse effect on the Group's business, financial condition, results of operations and prospects.

2.5 **Risks related to key suppliers**

The Group depends on key suppliers in certain areas of its operations. If any of these suppliers were to cease to provide their services to the Group, there can be no assurance that the Group would be able to replace them in a timely and cost-effective manner, or at all. Furthermore, any interruption in the provision by the suppliers of their services could result in delays in the Group's services. This could, among other things, prevent the Group from meeting its quality of service obligations. The loss of suppliers or disruptions in the provision of their services could have a material adverse effect on the Group's reputation, as well as on its business, financial condition, results of operation and prospects.

The Group is also a member of the Payroll Services Alliance, an organisation that aims to pool the strengths, experience and expertise of certain key players in the field of payroll calculation (for more information on this alliance, please refer to Section V.F “*Description of the Issuer – Principal activities and markets*”). The aim is to offer international corporate groups with one single provider for its payroll and HR requirements in the territories in which they operate. The Group’s membership of the Payroll Services Alliance and the fact that it relies on, and works together with, its alliance partners on projects for certain of its clients, also entails certain risks, in particular the risk of claims from such clients, as well as reputational damage, if one of its alliance partners does not perform its services in accordance with the commercial agreement or otherwise at the appropriate standards.

2.6 **Risks related to key customers**

For the year ended 2018, approximately 9% of the Group’s revenue was attributable to its largest ten customers and 12.5% of the Group’s revenue was attributable to its largest 20 customers. After contracts are entered into, the deterioration of relations with, or the termination of contracts by, the Group’s largest customers could have an adverse effect on the Group’s operating performance. Financial difficulties experienced by its key customers could have a negative impact on the Group. In addition, should any of the Group’s key customers divest large portions of their operations, experience consolidation or a change of control, the functions outsourced by such customer may face significant alteration which could lead to reductions or changes of the scope of, or termination of, important contracts with the Group.

In addition, the Group’s growth is, among others, dependent upon its ability to attract additional customers. If the Group does not succeed in continuing to attract and retain such customers, it could have a material adverse effect on its the business, results of operations, financial condition and prospects.

Moreover, there can be no guarantee that the Group will continue to achieve its historic rates of growth.

2.7 **Risks related to qualified temporary personnel**

The Group, and more in particular its division SD Worx Staffing & Career Solutions, depends on its ability to attract and retain temporary personnel who possess the skills and experience necessary to meet the staffing requirements of its clients. Due to a shortage of talented personnel in certain sectors and intense competition for hiring skilled individuals, providing suitably qualified temporary personnel to clients is a challenge. The Group must continually evaluate and upgrade its base of available qualified personnel to keep pace with changing client needs and emerging technologies. Competition for individuals with proven professional skills or special industry know-how is intense, especially in periods of high demand for these individuals. Key to retaining temporary personnel is being able to offer consecutive assignments with attractive wages and training modules to improve the temporary personnel’s skills and qualifications. However, there can be no assurance that qualified personnel will continue to be available to the Group in sufficient numbers and on terms of employment acceptable to the Group and its clients. The Group’s success will depend on its ability to recruit qualified temporary personnel and retain them.

2.8 **Risks related to certain other agreements**

As a rule, the service contracts concluded by the Group with its partners have initial terms in the range of three years. These service contracts and outsourcing contracts may include rights for the customer to terminate for cause, change of control and convenience at or after specified times. These contracts may also include certain other onerous terms, such as minimum volume or payment commitments.

Some of the Group’s contracts provide for the establishment by the parties of a cost “baseline” — an estimate of the pre-outsourcing cost incurred by the customer to provide the relevant goods or services.

These baselines are the result of studies undertaken by the Group, generally over a number of months and are agreed with the customer. If the Group underestimates the baseline costs, or if it overestimates achievable savings, it may incur losses. If the Group encounters difficulties or delays in implementing the methodologies through which the Group plans to generate the required savings, these savings may be delayed or may never materialise. Such delays or failures may have an adverse effect on the Group's business, results of operations, cash flows and on its reputation as an outsourcing provider.

SD Worx Belgium NV ("**SD Worx Belgium**"), an indirect Subsidiary of the Issuer and the operating company for the Group's HRO services in Belgium, is reliant on an agreement with SD Worx VZW, a non-for-profit entity that is not affiliated with the Group (for more information, please refer to Section V.J.3 "*Agreement with SD Worx VZW*"). Pursuant to this agreement, SD Worx VZW provides services in relation to the regulated aspects of social secretariat services to SD Worx Belgium's customers, which allows the latter to offer a wider suite of services to its customers and more effectively compete on the HR and payroll services market. In view of the importance of the Belgian market for the Group, the loss of this agreement could have a material adverse effect on the Group's business, financial condition, operating results and prospects. However, this risk is mitigated by the fact that the agreement was entered into on 3 July 2017 for a fixed ten-year term without right of early termination other than in case of material breach, and with automatic extension for subsequent five-year periods except if terminated at the end of the then current term.

2.9 **Risks related to competitive markets**

The Group's core product markets are highly competitive and fragmented. While the Group considers that it is well positioned in its core service offerings (including payroll and HR services) and in the jurisdictions in which it operates, benefitting from a unique combination of competitive strengths, it continues to face strong competition and anticipates that existing or new competitors might broaden their service offerings and extend their geographic scope, or might integrate downwards into the Group's markets.

The competitive environment results from rivalry amongst existing market players, as well as from price competition, the possibility of new entrants in these markets or from substitute products to the current product portfolio. Moreover, competition from internet-based services has increased, some of which seek to displace traditional HR services providers with new business models. Several of the Group's global competitors have very substantial marketing and financial resources, and may be better positioned in certain markets. The Group is exposed to the risks of the loss of a significant customer and of pressure on profit margins.

Failing to keep costs and service levels at least on par with the Group's main competitors and to differentiate itself from such competitors (in terms of product range, price or quality, customer service, brand recognition, loyalty or IT integration) might lead to market share erosion or to the Group's customers substituting the Group's products with alternatives offered by such competitors, which could materially adversely affect the Group's financial results. This may worsen as clients increasingly take advantage of low-cost alternatives including using their own in-house resources rather than engaging a third party. The Group expects to continue facing strong competition in its core markets and anticipates that existing or new competitors may broaden their product lines, and expand their geographic scope.

Continuous R&D investments geared at product and process improvements, IT investments to support business requirements and achieve costs efficiencies and continuous efforts to improve channel/customer/product mix to compensate for inflation as well as a strict control of fixed costs and overhead and structure costs are not a guarantee for maintaining the Group's position in its core markets in the future.

2.10 **Risks related to the Group's ability to commercialise new products, services and features**

The future performance of the Group's operations will depend on the successful development, introduction and market acceptance of existing and new products and services that address customer requirements in a cost effective manner. If the Group does not expand or enhance its product and/or service range or respond effectively to technological change, its businesses may not grow. The introduction of new products and services, market acceptance of products and services based on new or alternative technologies, or the emergence of new industry standards could render the Group's existing products obsolete or make it easier for other products and/or services to compete with its products and services.

Furthermore, the Group may not be able to successfully provide new or enhanced functionality and features for the Group's existing solutions that achieve market acceptance or that keep pace with rapid technological developments. The success of new or enhanced functionality and features depends on several factors, including their overall effectiveness and the timely completion, introduction, and market acceptance of the enhancements, new features, or applications. Failure in this regard may significantly impair the Group's revenue growth. In addition, because the Group's solutions are designed to operate on a variety of systems, the Group will need to continuously modify and to enhance the Group's solutions to keep pace with changes in internet-related hardware, operating systems, and other software, and communication, browser, and database technologies. The Group may not be successful in developing these new or enhanced functionality and features, or in bringing them to market in a timely fashion. If the Group does not continue to innovate and to deliver high-quality, technologically advanced products and services, the Group will not remain competitive, which could have a material adverse effect in the Group's business, financial condition, results of operations and prospects. Furthermore, uncertainties about the timing and nature of new functionality, or new functionality to existing platforms or technologies, could increase the Group's research and development expenses. Any failure of the Group's applications to operate effectively with future network platforms and technologies could reduce the demand for the Group's applications, result in customer dissatisfaction, and have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

2.11 **Risks related to the Group's strategy**

The Group's primary geographic focus is Belgium, the Netherlands, UK and Ireland and Germany, but it may also expand further into Europe or outside Europe in due course. Market dynamics and labour regulations are different in each new country, which creates the necessity to build local knowledge and sales capacity.

The Group's business strategy focuses on growing revenues while improving its operating profits. The Group's strategy also includes continuing efforts to transform how it uses personnel and technology to enhance its delivery of services. The Group's goal is to become a more agile and effective competitor, to reduce the cost of operating its business and to increase its operating profit and operating profit margin. These efforts to transform how the Group does business may not be successful, and the Group may not succeed at reducing its operating costs or preventing the return of any costs that are eliminated. Additionally, reductions in personnel and other changes could materially adversely affect the Group's ability to effectively operate its business. If, for these or other reasons, the Group is not successful in implementing its business strategy or achieving the anticipated results, its business, financial condition, results of operations and prospects could be materially adversely affected.

An element of the Group's strategy is its effort to diversify its revenues beyond its core staffing and employment services through the sale of innovative workforce solutions. These workforce solutions are often unique and non-repeatable, and present costs, risks and complexity that may be difficult to calculate. These solutions may be unprofitable if the Group is not able to accurately anticipate these

costs and risks in its pricing for these solutions. For example, the Group may fail to structure and price its solutions in a manner that properly compensates it to create an adequate delivery model, to adequately manage new solutions, or to obtain adequate insurance coverage in amount or scope to cover potential risks arising from such solutions.

The future growth and performance of the Group and its operations will also depend on its ability to manage growth effectively, including its ability to adequately manage the number of employees, knowledge and datasets, technical and digital solutions and platforms, operational efficiency, the Group's organisation and locations, and integrating any acquisitions. Growth may lead to inefficiencies when reorganising daily operations such as reorganising operations centres, updating software or systems, hiring and training new employees, potentially adversely affecting profitability and cash flows. Additional pressure on the organisation during periods of transformation may influence motivation and turnover with personnel, and may have an impact on the relationship with the works council.

Adverse market conditions, as a result of a challenging macro-economic environment or intensified competition, could have a negative impact on the Group's product and services offering and customer base. This could also force the Group to concede a larger than anticipated part of internal efficiency improvements and savings to its customers.

2.12 **Risks related to acquisitions**

The Group has recently completed several acquisitions of other businesses, and the Group expects that it will continue to grow through acquisitions of other businesses, assets or technologies. The Group is frequently (including on the date hereof) assessing potential acquisition targets of different sizes (including acquisitions of significant size), which may be active in jurisdictions where the Group is already operating and/or in other jurisdictions (including other parts of the world). Such businesses may operate in different product markets or niches (e.g. focusing on large multi-country customers, which is not currently the Group's main focus), may have different business models, profitability or leverage profiles and such acquisitions (in particular any potential sizeable acquisitions) may therefore have an important impact on the wider Group's business, results of operations and financial condition.

On the date hereof, the Group is considering a potential sizeable acquisition of a business that is active inside and outside of Europe, including in certain jurisdictions where the Group is currently not active. The potential acquisition of such business is within the scope of the Group's scope of activities, ambitions and strategy. It is currently uncertain whether the Group will enter into a binding agreement for such acquisition. If this would be the case, then it is currently expected that the Group's Adjusted Leverage would increase from -1.13 (as at the end of 2018) to approx. +0.30 (based on current estimations). As stated further, any acquisition involves numerous risks and this also applies to the currently contemplated acquisition.

The Group may pay for acquisitions by issuing debt, which could include terms that restrict the Group's ability to operate its business or pursue other opportunities and subject the Group to meaningful debt service obligations. The Group may also use cash to complete acquisitions. To the extent that the Group completes acquisitions in the future, it will likely incur future depreciation and amortisation expenses associated with the acquired assets. The Group may also record significant amounts of intangible assets, including goodwill, which could become impaired in the future.

Acquisitions involve numerous other risks, including:

- difficulties integrating the operations, technologies, services and personnel of the acquired companies (in a timely manner or at all);
- difficulties in capturing the benefits of acquired technology;

- expected synergies may prove to be over-estimated and/or difficult to harness in practice;
- challenges maintaining the Group's internal standards, controls, procedures and policies;
- diversion of management's attention from other business concerns;
- over-valuation of acquired companies;
- litigation resulting from activities of the acquired company, including claims from terminated employees, customers, former stockholders and other third parties;
- insufficient revenues to offset increased expenses associated with the acquisitions and unanticipated liabilities of the acquired companies;
- insufficient indemnification or guarantees from the selling parties for legal liabilities that the Group may assume in connection with its acquisitions;
- entering markets in which the Group has no prior experience and may not succeed;
- risks associated with foreign acquisitions, such as communication and integration problems resulting from geographic dispersion and language and cultural differences, compliance with foreign laws and regulations and general economic or political conditions in other countries or regions;
- potential loss of key employees of the acquired companies; and
- impairment of relationships with clients and employees of the acquired companies or the Group's clients and employees as a result of the integration of acquired operations and new management personnel.

If the Group fails to integrate newly acquired businesses effectively, it might not achieve the growth, service enhancement or operational efficiency objectives of the acquisitions, and its business, results of operations and financial condition could be harmed.

Also, if the Group would in the future fail to identify attractive acquisition candidates or would be unable to reach acceptable terms for future acquisitions, then its ability to grow its business would be impaired.

3. *Operational Risks*

3.1 Risks related to senior management

The Group depends on its senior management teams, which possess extensive operating experience and industry knowledge, to set its strategy and manage its business. Its operations and profitability might be disrupted if it lost the services of certain of its senior management team members or if it would not be able to recruit, integrate or retain senior managers with the necessary competences. The unexpected loss of the services of one or more of these managers and any negative market or industry perception arising from such loss or replacement could have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

3.2 Risks related to personnel

The Group is exposed to risks associated with the potential loss or inability to attract skilled and motivated key personnel. The implementation of the Group's strategic business plans could be undermined by a failure to attract or retain key personnel or the unexpected loss of senior employees. It is not certain that the Group will be able to attract or retain its key employees and successfully manage them.

A shortage of qualified people might force the Group to increase wages or other benefits to be competitive when hiring or retaining key employees. It is not certain that higher labour costs can be offset by efforts to increase the Group's profitability in other activity areas.

The Group's success further depends on maintaining good relations with its workforce. The Group's operations may be affected by disputes with trade unions. Such disruptions could put a strain on the Group's relationships with suppliers and clients and may impact the Group's business.

The Group's business is further exposed to employees' misconduct, negligence or fraud, which could result in sanctions and serious reputational or financial harm, or damage to its assets. It is not always possible to deter employee misconduct and the internal control systems set up by the Group may not always be effective.

3.3 **Risks related to interruption or failure in the Group's information technology systems**

The Group's information technology systems form an integral part of its business operations as they are used to deliver material parts of the services rendered to its customers, their employees, the government services and the Group's other business partners. The continued and uninterrupted performance of the Group's systems is critical to its success, as its customers may become dissatisfied by any system failure that interrupts the Group's ability to provide services to them. The Group's continued ability to satisfy its customers depends on its ability to protect the Group's computer systems against damage from fire, power loss, water, telecommunications failures, earthquake, terrorism attacks, vandalism and similar unexpected adverse events. Despite the Group's efforts to implement network security measures, its systems are also vulnerable to computer viruses, break-ins and similar disruptions from unauthorised tampering. Although the Group maintains insurance that the Group believes is appropriate for its business and industry, such coverage may not be sufficient to compensate for any significant losses that may occur as a result of any of these events. A prolonged system-wide outage or frequent outages could cause harm to the Group's reputation and could cause its customers to make claims against the Group for damages allegedly resulting from an outage or interruption. Any damage or failure that interrupts or delays the Group's systems or sustained or repeated damage or failures could reduce the attractiveness of the Group's services significantly and result in decreased demand for its products and services, which could materially and adversely affect the Group's business, results of operations, financial condition and prospects.

Furthermore, the Group has risks associated with aging software infrastructure assets. The age of certain of its assets may result in a need for replacement, or higher level of maintenance costs. A higher level of expenses associated with the Group's aging software infrastructure may have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

3.4 **Risks related to security breaches**

The Group's business relies on securely transmitting, storing and hosting sensitive information, including personal data, financial information and other sensitive information relating to its customers, company and workforce. As a result, the Group faces the risk of unauthorised access to its computer systems, both deliberate and unintentional, that may disrupt its business, such as through misappropriation or loss of sensitive information and corruption of data. Similarly, the Group faces the risk of denial-of-service (DOS) and other Internet-based attacks ranging from mere vandalism of its electronic systems to systematic theft of sensitive information and intellectual property. The Group cannot guarantee that its programs and controls will be adequate to prevent all possible security threats. The Group believes that any compromise of its electronic systems, including the unauthorised access, use or disclosure of sensitive information or a significant disruption of its computing assets and networks would (i) adversely affect the Group's reputation and its ability to fulfil contractual obligations, (ii) require the Group to devote significant financial and other resources to mitigate such

problems and (iii) increase the Group's future cyber-security costs, including through organisational changes, deploying additional personnel and protection technologies, further training employees and engaging third-party experts and consultants.

Moreover, unauthorised access, use or disclosure of such sensitive information could result in civil or criminal liability or regulatory action, including potential fines and penalties. Although the Group maintains some insurance to cover these types of damages and costs, if the Group is sued for this type of security breach it is uncertain whether this coverage would be sufficient to cover the costs or damages assessed in this type of lawsuit against the Group.

Any real or perceived compromise of the Group's security or disclosure of sensitive information may result in lost revenues by deterring customers from using or purchasing the Group's products and services in the future. If the Group's security is breached, its business, financial condition, results of operations and prospects could be materially and adversely affected.

3.5 **Risks related to handling sensitive information**

The Group's customers can use its applications to collect, to use, and to store personal information regarding their employees, independent contractors, and job applicants. Laws and regulations apply to the collection, use, storage and disclosure of personal information obtained from individuals (in particular Regulation 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation or GDPR)). The costs of compliance with, and other burdens imposed by, such laws and regulations that are applicable to the businesses of the Group's customers, or to its business directly, may limit the use and adoption of its applications and reduce overall demand, or lead to significant fines, penalties, or liabilities for any non-compliance with such privacy laws.

In addition, privacy concerns may cause the Group's customers' workers to resist providing personal information necessary to allow the Group's customers to use its applications effectively. Even the perception of privacy concerns, whether or not valid, may inhibit market adoption of its applications in certain industries. All of these domestic and international legislative and regulatory initiatives may adversely affect the Group's customers' ability to process, to handle, to store, to use, and to transmit demographic information and personal information from their employees, independent contractors, job applicants, customers, and suppliers, which could reduce demand for the Group's applications.

Further, international data protection regulations trending toward increased localised data residency rules make transfers from outside the regulation's jurisdiction increasingly complex and may impact the Group's ability to deliver solutions that meet all customers' needs. If the processing of personal information were to be further curtailed in this manner, the Group's solutions could be less effective, which may reduce demand for the Group's applications, which could in turn have a material adverse effect on its business, financial condition, results of operations and prospects.

The services offered by the Group generally require or involve collecting personal information of its customers and/or their employees, such as their full names, birth dates, addresses, employer records, tax information, social security numbers, and bank account information. This information can be used by criminals to commit identity theft, to impersonate third parties, or to otherwise gain access to the data or funds of an individual.

The Group is liable to its customers for damage caused by unauthorised disclosure of sensitive and confidential information. Unauthorised disclosure of any such information may damage the Group's brand and/or reputation and in turn have an adverse effect on the Group's ability to attract and retain customers, which may adversely affect the Group's business and profitability.

3.6 **Insurance and risk coverage**

In each country where the Group conducts business, its operations and assets are subject to varying degrees of risk and uncertainty. The Group insures its business and assets in a manner that it deems appropriate for a group of its size and activities, based on an analysis of the relative risks and costs. Some types of risks, such as losses resulting from wars, acts of terrorism, or natural disasters, are generally excluded from insurance policies standard in the Group's sector and are not insured because they are either uninsurable or prohibitively expensive. The cost of some of the Group's insurance policies could increase in the future. If the Group were to incur a significant loss or liability for which it is not fully insured or if its insurers would turn out to be insolvent, this could have a material adverse impact on the Group's business, results of operations, financial condition and prospects.

3.7 **Risks related to operating in multiple countries**

The correct understanding, compliance, and abidance of all relevant laws, regulations, and precedents in any of the countries in which the Group operates, is critical to the Group's ability to fulfil its contractual obligations and failure to comply with said laws, regulations, and/or precedents may in turn have an adverse effect on the Group's business, reputation, operating results, financial condition and prospects.

In addition, a proper understanding and adoption of cultures of the countries in which the Group operates, and in countries where the Group may in the future expand, is critical for the Group's success in those countries, and failure to accommodate such cultural sensitivities may have an adverse effect on the Group's business, reputation, operating results, financial condition and prospects.

Further, the Group receives revenues and incurs costs in several currencies. Changes in the relative values of these currencies may adversely affect the Group's results and financial condition.

3.8 **Approvals, labels, consents, licenses, permits and certificates**

Various approvals, labels, consents, licenses, permits and certificates related to the quality, conditions and characteristics of the Group's products, services and internal controls, in particular ISAE and ISO certificates, are required by the Group's customers or to operate its business and facilities. Also, in certain jurisdictions in which it operates (including Belgium and the Netherlands), the Group is required by law to hold certain governmental consents, licenses or permits to operate in certain segments of its business, in particular to offer services in the area of temporary work. The Group may be required to renew these approvals, labels, consents, licenses, permits and certificates or to obtain new approvals, labels, consents, licenses, permits and certificates. The Group cannot guarantee that in the future the relevant authorities and organisations will issue or renew any required approvals, labels, consents, licenses, permits or certificates in a timely manner or at all, or that any such approvals, labels, consents, licenses, permits or certificates will not be withdrawn. Failure to renew, maintain or obtain the required approvals, labels, licenses, permits and certificates, or the withdrawal thereof, may reduce the Group's sales, drive customers or potential customers away, interrupt its operations or delay or prevent the implementation of any capacity expansion or other new projects and may have a material adverse effect on the Group's business, results of operations, financial condition and prospects.

3.9 **Risks related to adverse market perception**

The Group must display a high level of integrity and maintain the trust and confidence of its customers. Any mismanagement, fraud or failure to satisfy legal or contractual obligations, allegations of such acts, or negative publicity resulting from such acts, or the association of any of the above with the Group could adversely affect the Group's reputation and the value of its brands, as well as its business, results of operations, financial condition and prospects.

4. *Legal Risks*

4.1 Risks related to the upstreaming of cash flows from the Issuer's Subsidiaries

Since the Issuer is a holding company that conducts operations through subsidiaries, its ability to repay the Bonds is subject to the ability of its Subsidiaries to upstream their revenues through dividends, intercompany receivables, management fees and other payments, including to allow the Issuer to pay interest on, or repay, the Bonds. The Issuer's Subsidiaries may not be able to pay dividends to the Issuer. Relevant to note in this respect is that SD Worx Staffing & Career Solutions – Holding NV (formerly named Vio Worx NV) is under the VIO Credit Facilities Agreement only permitted to distribute funds to its shareholders (and therefore to the Issuer) when the Adjusted Leverage (calculated in accordance with the VIO Credit Facilities Agreement) is equal to or lower than 2.00:1. Currently, such Adjusted Leverage is approximately 2.41:1 and no such dividends are therefore permitted. SD Worx Group and its Subsidiaries are not bound by the restrictions of the VIO Credit Facilities Agreement, which is ring-fenced to the entities that are a party to it (SD Worx Staffing & Career Solutions – Holding NV and its Subsidiaries).

4.2 Risks related to regulatory developments

The Group's services in its different geographic markets are subject to an extensive body of national and supranational (labour, tax, social security and other) legislation. It is critical that the Group closely monitors legislative developments so as to ensure that its services are at all times in full compliance with applicable laws and regulations. Failure to do so may expose the Group to claims from third parties and different types of sanctions, which may negatively impact the Group's business in the relevant countries and its results of operations, financial condition and prospects.

There can be no assurance that the jurisdictions in which the Group operates will not:

- issue additional regulations that prohibit or restrict types of (employment and other) services which the Group currently provides;
- require the Group to obtain additional licensing to provide (employment and other) services; and/or
- increase taxes payable by the providers of (employment and other) services.

Future changes in regulations may make it more difficult or expensive for the Group to continue to provide its services and may have an adverse effect on the Group's financial condition, results of operations and liquidity.

4.3 Risks related to effective protection of trademarks, patents, domain names and other intellectual property rights

An important portion of the Group's revenues derive from sales of products and services under own brands. 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.

The Group's principal trademarks, in relation to its products and services, are registered in the countries in which such trademarks are used. The Group's actions to establish, protect and renew its trademarks 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, 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, its financial results and growth might be adversely impacted.

4.4 Risks related to employment-related claims and costs

The Group, and more in particular its division SD Worx Staffing & Career Solutions, is in the business of employing people and placing them in the workplace of other businesses. Attendant risks of these activities include possible claims by customers or third parties of fraudulent employee activities or of employee misconduct or negligence, personal injury, damage to or loss of property, errors and omissions caused by temporary employees, misuse of client proprietary information, misappropriation of funds, claims by employees of discrimination or harassment (including claims relating to actions of the Group's customers), claims related to employment that inadvertently violates local immigration rules, minimum wage requirements, or other local employment or social laws, payment of workers' compensation claims and other similar claims. Because of legal constraints and considerations in some jurisdictions, it is increasingly difficult to verify candidates' backgrounds. However, a number of checks and verifications are carried out with respect to the temporary employees placed by the Group as standard practice and these reduce certain of the aforementioned risks.

The Group's SD Worx Group division is active in the areas of payroll calculations (including social security taxes and payroll withholding taxes) and administration, tax and social-legal support and support for businesses' HR processes. The Group needs to closely monitor legislative developments to minimise the risk of mistakes or errors in payroll calculations or more generally in its consultancy services. Any damage incurred by customers, workers or the tax administration as a consequence of mistakes made by the SD Worx Group could result in claims and costs. Mistakes may result either from a software failure or from personal mistakes by SD Worx' employees, although appropriate control mechanisms are in place to avoid such mistakes.

4.5 Risks related to claims for breach of legal or contractual obligations

In case of non-compliance with its legal or contractual obligations, the Group may become subject to claims from interested parties, including counterparties to the agreements to which it is a party, such as customers and suppliers. Certain agreements moreover contain indemnifications and hold harmless obligations in favour of the counterparties, which may also include – for contracts for staffing services – liability of the Group relating to the performance and work product of temporary workers or the achievement of certain business-related targets or work results within the business operations of clients (outsourcing). The Group is not always able to contractually exclude or limit such potential claims and certain of its contracts therefore bear the risk of uncapped liability.

There can be no assurance that the Group will not experience claims for breach of its legal or contractual obligations in the future, that the Group's insurance policies will cover all claims that may be asserted against the Group or that the Group will not incur fines or other losses or negative publicity with respect to such claims; all of which could have a material adverse effect on the Group's business, financial condition, operating results and prospects.

4.6 Risks related to pending and future litigation

In the course of its normal business, the Group is, from time to time, involved in legal proceedings, the outcomes of which are difficult to predict. The Group may also become involved in legal disputes in the future that may involve substantial claims for damages or other payments. Such proceedings could have a material adverse effect on the Group's business, financial condition, operating results and prospects. Accounting provisions for commercial, social and tax litigations may be insufficient in case of adverse outcomes of these litigations. Pending litigations are provisioned as follows in the Issuer's consolidated financial statements for financial year 2018:

Group Company	Subject matter	Provision per 31/12/18 in €000
SD Worx Belgium NV	Payroll calculation & legal consultancy disputes	325
SD Worx Germany GmbH	Payroll calculation disputes	100
SD Worx Staffing Solutions NV	Disputes with former employees	59
SD Worx Staffing Solutions NV	Customer claims	72
Total:		556

4.7 **Risks linked to additional legislation applying to the Issuer as a result of the Bond Offering**

As a result of the Bond Offering and, in particular, listing of the Bonds on Euronext Growth Brussels (a multilateral trading facility), the Issuer will become subject to certain positive obligations applying to issuers under Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (Market Abuse Regulation). Among others, the Issuer will be required to disclose as soon as possible any information that may qualify as inside information in respect of the Bonds. This may include information that the Group would otherwise not wish to make public as it may, for example, be competitively sensitive information. Also, the additional regulatory framework will require additional resources and management oversight. If the Group fails to comply with this regulatory framework, then it may be subject to significant administrative and criminal fines and penalties, as well as damage claims from third parties.

4.8 **Taxation**

The Group is intermittently subject to ordinary-course tax-related audits by the fiscal authorities in multiple jurisdictions. In connection with ongoing and future audits, fiscal authorities may interpret fiscal regulations and tax-related matters differently than the Group has done. For instance, this may happen with any of the Group's measures or practices, which have not been approved by an advance tax ruling. Although the Group would retain the right to appeal any such adverse conclusions, the Group cannot provide assurance that these audits would not entail adverse results, for instance, in a reduction of the Group's carry-forward tax losses or in the immediate payment of taxes. Therefore, it is possible that as a result of audits conducted, tax breaks and other tax advantages may not be honoured (even if recorded as deferred tax assets in the financial statements) and additional taxes may become due (even if respective tax provisions or liabilities are not shown in the financial statements). An audit could also result in having to pay additional taxes in the form of any interest and fines due.

Changes in fiscal regulations or the interpretation of tax laws by the courts may have adverse effects on the Group's business, for example because certain tax exemptions no longer apply or products become less attractive to customers for tax reasons.

5. **Financial Risks**

5.1 **Risks related to the financial performance**

The Group's ability to make interest payments on the Bonds and to meet its other debt service obligations, including but not limited to those under the Senior Facilities Agreement and the senior facilities agreement dated 19 February 2018 (as amended from time to time, the "**Vio Credit Facilities Agreement**"), or to refinance its debt, will depend 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.

The Group covers its liquidity and working capital needs through supplier credit, factoring, overdraft facilities and bank loans. In this context, the Group depends on the willingness of banks to provide credit lines or loans. It cannot be excluded that the willingness of banks to provide credit lines and loans declines in the future in light of the current macroeconomics trends or the performance of the Group. The issuance of the Bonds aims at a further diversification of the funding of the Group.

If the Group's business does not generate sufficient cash flow from operations or if future borrowings are not available to the Group in an amount sufficient to enable the Group to pay its indebtedness, including the Bonds, or to fund its other liquidity needs, the Group may, among other things, need to refinance all or a portion of its indebtedness, including the Bonds, on or before the maturity thereof, sell assets, reduce or delay capital investments or seek to raise additional capital, any of which could have a material adverse effect on its operations. In addition, the Group may not be able to effect any of these actions, if necessary, on commercially reasonable terms or at all. The Group's principal shareholders are not obligated, directly or indirectly, to provide the Group with any form of financial support.

The type, timing and terms of any such potential alternatives would depend on its cash needs and the prevailing conditions in the financial markets. The Group cannot assure the Bondholders that any future financing will be available to the Group at any given time or as to the reasonableness of the terms on which any future financing may be available. For example, any refinancing of its debt could be at higher interest rates and may require the Group to comply with more onerous covenants, which could further restrict its business operations. The terms of existing or future debt instruments, including the terms and conditions of the Bonds, may also limit or prevent the Group from taking any of these actions should the same become necessary.

Further, if the Group default on the payments required under the terms of certain of its indebtedness, that indebtedness, together with debt incurred pursuant to other debt agreements or instruments that contain cross-default or cross-acceleration provisions, may become payable on demand, and the Group may not have sufficient funds to repay all of its debts, including the Bonds.

Also, the Senior Facilities Agreement imposes certain operating and financial restrictions on the Group, including, among others, certain limitations on the Group's adjusted leverage (at 2:50:1) and factoring adjusted leverage (which is equal to the adjusted leverage calculated on a pro forma basis to add the utilised amount under permitted factoring at the end of the testing period to the calculation of the total net senior debt) (at 3.00:1). The Vio Credit Facilities Agreement imposes three financial covenants on SD Worx Staffing & Career Solutions – Holding NV and its Subsidiaries: a cashflow cover covenant (which requires a certain ratio of cashflow to debt service to be respected in respect of any testing period) (at 1.10:1), an adjusted leverage covenant (currently at 2.75:1 and decreasing periodically until 2.00:1 for the second half of 2020 and later) and a factoring adjusted leverage covenant (which is equal to the adjusted leverage calculated on a pro forma basis to add the full amount of the non-recourse factoring to the calculation of the total net senior debt) (currently at 3.75:1 and decreasing periodically until 3.00:1 for the second half of 2020 and later). These provisions may negatively affect the Group's ability to react to changes in market conditions or in the industry in which it operates, take advantage of business opportunities it believes to be desirable, pursue its strategy, obtain future financing, fund needed capital expenditures, or withstand a continuing or future downturn in its business. For more information on the Senior Facilities Agreement and the Vio Credit Facilities Agreement, please refer to Section V.J "*Material contracts*".

The Senior Net Financial Debt/(Cash) (as defined in Section VI "*Selected Financial Information*") of the Group was negative (i.e. aggregate cash higher than financial debt) by EUR 82.1 million as at the

end of 2018 and the Group's leverage ratio as at the date hereof, calculated as the ratio of the Group's aggregate net financial indebtedness over the Group's Adjusted EBITDA, is equal to approximately - 1.13. At the date of this Prospectus, the outstanding amount under the Senior Facilities Agreement and the Vio Credit Facilities Agreement amount to EUR 22.4 million and EUR 32.54 million respectively.

As a result of all the foregoing, the Group's inability to generate sufficient cash flow to satisfy its debt service obligations, or to refinance or restructure its obligations on commercially reasonable terms or at all, would have an adverse effect, which could be material, on its business, financial condition and results of operations, as well as on its ability to satisfy its obligations in respect of the Bonds.

In the future, the Group may from time to time incur additional indebtedness, and such indebtedness may be secured (See "*Risks relating to the Bonds*" in Section II.B of this Prospectus). In this case, the risks to which the Group is exposed as a result of its existing indebtedness could further intensify. It is further not certain that any additional financial indebtedness or debt refinancing will be available, and, if available, on attractive terms. Consequently, the Group's financing costs may increase, which would have a negative influence on the Group's profitability.

5.2 **Risks related to goodwill, goodwill amortizations and future profitability**

Goodwill arising from an acquisition of a business is carried by the Group at cost as established at the date of acquisition of the business, less accumulated amortisations and impairment losses (if any). The consolidated financial statements of the Issuer include a significant amount of goodwill on the balance sheet, which mainly results from recent acquisitions in Germany (Fidelis HR, 2016), the UK (Ceridian UK, 2016), Belgium (Vio Group, 2018) and the Netherlands (Flexpoint Group, 2018), as well as from the reorganisation of the Group in 2017, when Private Stichting SD Patrimonium contributed assets into the Issuer, including certain branches of activities, which Private Stichting SD Patrimonium had itself acquired from SD Worx VZW. For more information in respect of recent acquisitions and the Group's reorganisation, please refer to Section V "*Description of the Issuer*".

The Issuer amortises goodwill over a period of 10 years on a straight-line basis as from the acquisition date, in line with BE GAAP. Additionally, goodwill is tested for impairment on an annual basis. Amounts written off on goodwill therefore significantly impact the profitability of the Issuer, which may remain unprofitable in the years to come as a consequence of these material goodwill amortisations.

5.3 **Risks related to counterparties' credit risk**

Although the Group aims to spread its dealings over different banks, the Group is exposed to the risk of its counterparties being unable to perform their contractual obligations: from a liquidity risk with the Group's banks to a risk of non-performance of the counterparty under the derivatives transactions (including the forward contracts) entered into by the Group to hedge commodity, foreign exchange or interest risks.

5.4 **Foreign exchange risk**

The Group has certain operations and interests outside the Eurozone for an aggregate portion of approximately 10% of the Group's total revenues, and is thus subject to adverse movements in foreign currency exchange rates, both in terms of its trading activities and the translation of its financial statements. The key foreign currencies are the British Pound and the Mauritian Rupee.

The Group does not currently hedge the foreign exchange rate risks on its activities in the relevant jurisdictions.

5.5 **Interest rate risk**

The Group uses debt issuance and bank borrowings as a source of funding, of which some are at variable interest rates, which exposes it to changes in such interest rates. The cost of some working capital instruments is also based on a variable market rate. The Group entered into certain interest rate swaps to hedge the floating interest rate due under its financial indebtedness.

5.6 **Risks related to the absence of audited financial information after 31 December 2018**

The Prospectus does not contain audited financial information for the period after 31 December 2018. The Prospectus contains financial information extracted from the consolidated audited financial statements as of and for the period that ended on 31 December 2018.

6. ***Pension Risk***

The Group has a number of defined benefit and defined contribution pension schemes.

A defined benefit plan is a post-employment benefit plan that defines an amount of pension benefit that an employee will receive on 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, together with adjustments for actuarial gains or losses and past service costs. Independent actuaries, using the projected unit credit method, calculate the defined benefit obligation annually. Past service cost is the increase in the present value of the defined benefit obligation or other long-term employee benefits. Past service costs are recognised immediately in income, unless the changes to the pension plan are conditional on the employees remaining in service for a specified period (the vesting period). In this case, the past service costs are amortised on a straight-line over the vesting period.

A defined contribution plan is a post-employment plan under which the Group pays fixed contributions into a separate entity (a fund or insurance company) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employees service in the current and prior periods. The contributions are recognised as employee benefit expenses when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available. However, if under a defined contribution plan, there remains a legal or constructive obligation for the Group to guarantee a certain return, the plan is treated as a defined benefit plan.

Assumptions related to future costs, return on investments, interest rates and other actuarial assumptions have a significant impact on the Group's funding requirements related to these plans. These estimates and assumptions may change based on actual return on plan assets, changes in interest rates, inflation, any changes in governmental regulations and general economic conditions. Therefore, the Group's funding requirements may change and additional contributions could be required in the future. If, as of a balance sheet date, the fair value of any plan assets of a defined benefit plan is lower than the defined benefit obligations (determined based on actuarial assumptions), the Group bears an "underfunding risk" at that moment in time.

2,204 employees benefit from the Group's historic defined benefit plan. Since 1 January 2014, all new employees benefit from a defined contribution plan. At the end of 2018, the Group recognised a net underfunding liability of defined benefit plans of EUR 34.2 million and a net overfunding asset of defined benefit plans of EUR 9.8 million.

7. ***Financial Reporting Risk***

The preparation of financial information in terms of the adequacy of the systems, the reporting and compilation of financial information, taking into account changes in scope or changes in accounting

standards, is a major challenge for the Group, even more so given the complexity of the Group with activities in Belgium, Austria, France, Germany, Ireland, the Grand-Duchy of Luxembourg, Mauritius, the Netherlands, Switzerland and the UK. Competent teams in charge of producing it and suitable tools and systems are required to prevent this financial information from not being produced on time or presenting deficiencies with regard to the required quality.

Effective internal control over financial reporting is necessary for the Group to provide reasonable assurance with respect to the Group's financial reports and to prevent fraud effectively. The existing internal control over financial reporting may not prevent or detect misstatements because of its inherent limitations, including the possibility of human error, the circumvention or overriding of controls, or fraud. Therefore, even effective internal controls can provide only reasonable assurance with respect to the preparation and fair presentation of financial statements. In addition, projections of any evaluation of the effectiveness of internal control over financial reporting to future periods are subject to the risks that the control may become inadequate because of changes in conditions or that the degree of compliance with policies or procedures may deteriorate. If the Group fails to maintain the adequacy of its internal controls, including any failure to implement required new or improved controls, or if it experiences difficulties in its implementation of internal controls, its business and operating results could be harmed and the Group could fail to meet its reporting obligations, which could lead to claims or a discontinuation in the trust by its stakeholders.

B. *Risks relating to the Bonds*

1. *The Bonds are complex financial instruments (in the sense of MiFID II) and may not be a suitable investment for all investors*

Each potential investor in the Bonds must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (a) have sufficient knowledge and experience to make a meaningful evaluation of the Bonds, the merits and risks of investing in the Bonds and the information contained in this Prospectus or any applicable supplement;
- (b) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Bonds and the impact the Bonds will have on its overall investment portfolio;
- (c) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Bonds, including where the currency for principal or interest payments is different from the potential investor's currency;
- (d) understand thoroughly the terms of the Bonds and be familiar with the behaviour of any relevant financial markets; and
- (e) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

A potential investor should not participate in the Bond Offering and invest in the Bonds unless it has the expertise (either alone or with a financial adviser) to evaluate how the Bonds will perform under changing conditions, the resulting effects on the value of the Bonds and the impact the investment will have on the potential investor's overall investment portfolio. Investors should note that they may lose all or part of their investment.

The above is without prejudice to the legal and regulatory obligations of Financial Intermediaries. More in particular, the Bonds are subordinated bonds and therefore constitute "complex financial

instruments” within the meaning of MiFID II. This implies that Financial Intermediaries shall be required to obtain the necessary information from retail investors who wish to subscribe to the Bonds to enable the financial intermediary to assess whether an investment in the Bonds is appropriate for the investor.

2. *The Issuer may not have the ability to repay the Bonds*

The Issuer may not be able to repay the Bonds at their maturity. The Issuer may also be required to repay all or part of the Bonds upon the occurrence of an Event of Default (as defined in Condition 8 (*Events of Default*)). If the Bondholders were to ask the Issuer to repay their Bonds upon the occurrence of an Event of Default (as defined in Condition 8 (*Events of Default*)), the Issuer cannot be certain that it will be able to pay the required amount in full. The Issuer’s ability to repay the Bonds will depend on the Issuer’s financial condition (including its cash position resulting from its ability to receive income and dividends from its Subsidiaries) at the time of the requested repayment, and may be limited by law, by the terms of its indebtedness and by the agreements that it may have entered into on or before such date, which may replace, supplement or amend its existing or future indebtedness. The Issuer’s failure to repay the Bonds may result in an event of default under the terms of other outstanding indebtedness.

3. *The Bonds are unsecured obligations of the Issuer which do not benefit from any guarantee and are subordinated to certain creditors of the Issuer and structurally subordinated to the creditors of its Subsidiaries*

The Bonds shall constitute subordinated debt of the Issuer. The Bonds rank and will at all times rank *pari passu* without any priority among themselves and at least equally and rateably (*pro rata*) with all other present and future outstanding subordinated obligations of the Issuer, except as otherwise mentioned under Condition 3.2 (*Subordination*) and Condition 3.3 (*Indebtedness to Shareholders and Connected Persons*). Upon the occurrence of a Trigger Event (as defined in Condition 3.2 (*Subordination*)), 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 “Junior Liabilities”) shall rank (a) *pari passu* with the rights and claims of any creditor of the Issuer (including (but not limited to) commercial creditors, but excluding the persons mentioned under (b) and (c) below), (b) junior to the rights and claims of all unsubordinated creditors of the Issuer, but only in respect of Senior Financial Indebtedness (whether present or future, actual or contingent, unsecured or secured) owed by the Issuer (the “Senior Liabilities”) and (c) senior to all present and future rights and claims of existing and future (x) shareholders of the Issuer and (y) Connected Persons (other than shareholders) 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 (as defined in the Conditions) (other than shareholders) (the “Super Junior Liabilities”).

On the date hereof, the Senior Financial Indebtedness owed by the Issuer amounts to EUR 22.34 million, which represents the amounts drawn under the Senior Facilities Agreement.

In addition, the right of the Bondholders to receive payment on the Bonds is not secured or guaranteed and will also be effectively subordinated to any secured and guaranteed indebtedness of the Issuer and its Subsidiaries, which the Issuer and its Subsidiaries are allowed to incur, including the Senior Facilities Agreement and the Vio Credit Facilities Agreement. In the event of liquidation, dissolution, reorganisation, bankruptcy or similar procedure affecting the Issuer, the holders of secured indebtedness will be repaid first with the proceeds of the enforcement of such security and/or guarantees (as applicable).

Moreover, certain Subsidiaries of the Issuer have provided and may in the future provide guarantees for the benefit of holders of other indebtedness incurred by the Issuer, including (without limitation) under the Senior Facilities Agreement (see Section V.J.1 under “*Senior Facilities Agreement*”) and the Vio Credit Facilities Agreement (see Section V.J.2 under “*Vio Credit Facilities Agreement*”). In the event of liquidation, dissolution, reorganisation, bankruptcy or similar procedure affecting the Issuer, the holders of any indebtedness which benefit from guarantees from Group members may recover their claims through payments by such Group members under the guarantees provided by them, whereas such right will not be available to the Bondholders.

There are no limitations on the amount of any such guaranteed or secured indebtedness which the Issuer may incur, subject to compliance with the negative pledge (which only relates to certain types of financial indebtedness, including bonds) (Condition 7.1 (*Negative Pledge*)) and the adjusted leverage covenant (Condition 7.2 (*Adjusted Leverage*)).

Because the Issuer is a holding company and to a large extent dependent on dividends and other revenue streams from its Subsidiaries, the Bondholders are structurally subordinated to the banks and other creditors of these Subsidiaries. The total outstanding financial indebtedness at the level of the Issuer’s Subsidiaries currently fluctuates between EUR 34 million and EUR 40 million, including under the Vio Credit Facilities Agreement and depending on the amounts drawn under the factoring facility and bank overdraft facilities. Certain Subsidiaries of the Issuer are moreover guarantors under the Senior Facilities Agreement.

In addition, as described above, certain Subsidiaries of the Issuer have provided and may in the future provide guarantees for the benefit of holders of other indebtedness incurred by the Issuer. Certain Subsidiaries of the Issuer are guarantors under the Senior Facilities Agreement. Under the Senior Facilities Agreement, the Issuer must at all times ensure that the aggregate EBITDA of the relevant guarantors, the aggregate gross assets and the aggregate turnover of the guarantors represents not less than 75% of EBITDA, consolidated gross assets and consolidated turnover of the Group excluding SD Worx Staffing & Career Solutions – Holding NV (formerly named Vio Worx NV) and its Subsidiaries. In addition, SD Worx Staffing & Career Solutions – Holding NV is a party to the Vio Credit Facilities Agreement. Under such agreement, Vio Interim NV (now SD Worx Staffing Solutions NV), Vio HR Group NV and SD Worx Staffing & Career Solutions – Holding NV have guaranteed the relevant obligors’ obligations under the Vio Credit Facilities Agreement. Moreover, a guarantor coverage test applies which is at 80% for aggregate EBITDA, gross assets and turnover of the guarantors as compared to SD Worx Staffing & Career Solutions – Holding NV and its Subsidiaries as a whole. In addition, to secure the obligations under the Vio Credit Facilities Agreement, a pledge has been granted over the shares in Vio HR Group NV and SD Worx Staffing Solutions NV. The latter have, together with SD Worx Staffing & Career Solutions – Holding NV, also granted pledges over their bank accounts, business, moveable assets and receivables.

Finally, from time to time, certain Subsidiaries issue performance bonds for the benefit of public institutions and semi-public entities in the framework of services provided by the Group.

These Subsidiaries will often hold more operational assets than the Issuer. In the event of enforcement against all or any part of these assets, it may occur that there are insufficient assets remaining which can be distributed to and used by the Issuer to repay the Bonds and/or the interest payments. In case of liquidation of any Subsidiary (or other company included in the consolidation of the Issuer) or in case of insolvency of such an entity the collateral of the Bonds will be reduced.

4. *The Issuer may incur additional indebtedness*

In the future, the Issuer could decide to incur additional indebtedness or further increase its indebtedness (including, without limitation, to finance capital expenditure, acquisitions or share buy-

backs). This could have an impact on its ability to meet its obligations under the Bonds or could cause the value of the Bonds to decrease. The Conditions limit the amount of unsecured or secured debts that the Issuer can incur through a limitation on leverage (Condition 7.2 (*Adjusted Leverage*)). The Conditions further do not prevent the Issuer from granting security interests or guarantees in respect of any indebtedness of the Issuer or a Subsidiary other than Relevant Indebtedness, without any obligation for the Issuer to equally secure at the same time or prior thereto the Issuer's obligations under the Bonds.

5. *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 date. This may render the price setting of the Bonds more difficult*

The Issuer and the Bonds do not have a credit rating at the time of the Bond Offering, and the Issuer currently does not intend to request a credit rating for itself or the Bonds at a later date. This may impact the trading price of the Bonds. There is no guarantee that the price of the Bonds and the other Conditions at the time of the Bond Offering, or at a later date, will cover the credit risk related to the Bonds and the Issuer. In addition, there can be no assurance that, should a rating be requested in respect of the Issuer or the Bonds, an investment grade rating would be assigned.

6. *Certain of the Group's financing agreements and the terms and conditions of the Bonds contain covenants that restrict the Group's ability to engage in certain transactions and may impair its ability to respond to changing business and economic conditions*

The Group's financing agreements (including the Senior Facilities Agreement and the Vio Credit Facilities Agreement) and the terms and conditions of the Bonds include a number of restrictive covenants, including financial covenants.

The Senior Facilities Agreement includes two financial covenants: an adjusted leverage covenant (at 2.50:1) and a factoring adjusted leverage (which is equal to the adjusted leverage calculated on a pro forma basis to add the utilised amount under permitted factoring at the end of the testing period to the calculation of the total net senior debt) (at 3.00:1). The Vio Credit Facilities Agreement imposes three financial covenants on SD Worx Staffing & Career Solutions – Holding NV and its Subsidiaries: a cashflow cover covenant (which requires a certain ratio of cashflow to debt service to be respected in respect of any testing period) (at 1.10:1), an adjusted leverage covenant (currently at 2.75:1 and decreasing periodically until 2.00:1 for the second half of 2020 and later) and a factoring adjusted leverage covenant (which is equal to the adjusted leverage calculated on a pro forma basis to add the full amount of the non-recourse factoring to the calculation of the total net senior debt) (currently at 3.75:1 and decreasing periodically until 3.00:1 for the second half of 2020 and later). Non-compliance with the financial covenants included in the Senior Facilities Agreement or the Vio Credit Facilities Agreement (subject to certain leverage spike and equity cure mechanisms, as described in Section V.J "*Material contracts*") results in an event of default under the relevant facilities agreement.

The other covenants under the Group's financing agreements may otherwise restrict, among other things, the Group's ability to: incur additional indebtedness, provide guarantees, create security interests, pay dividends, redeem share capital, sell assets, make investments, merge or consolidate with another company and engage in transactions with affiliates. Although subject to significant qualifications and exceptions, these covenants could limit the Group's ability to plan for or react to market conditions or to meet capital needs or engage in activities that may be in the Group's interest. The Group's ability to comply with these covenants may be affected by events beyond its control, and it may have to curtail some of its operations and growth plans to maintain compliance.

For more information on the Senior Facilities Agreement and the Vio Credit Facilities Agreement, please refer to Section V.J "*Material contracts*".

7. *There is no guarantee to an active trading market for the Bonds*

The only manner for the Bondholders to convert his or her investment in the Bonds into cash before their Maturity Date is to sell them at the applicable market price at that moment. The price can be less than the nominal value of the Bonds. The Bonds are new securities which may not be widely traded and for which there is currently no active trading market. An application has been submitted for admission of the Bonds to trading on the multilateral trading facility of Euronext Growth Brussels. If the Bonds are admitted to trading after their 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 financial condition of the Issuer. There is no assurance 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 all, or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. Illiquidity may have a severely adverse effect on the market value of Bonds. In the event that put options are exercised in accordance with Condition 5.2 (*Redemption at the Option of Bondholders upon a Change of Control*), liquidity will be reduced for the remaining Bonds. Furthermore, it cannot be guaranteed that the admission to listing and trading once approved will be maintained.

8. *The Bonds are exposed to market interest rate risk*

The Bonds provide a fixed interest rate until the Maturity Date. Investment in the Bonds involves the risk that subsequent changes in market interest rates may adversely affect the value of the Bonds. The longer the maturity of bonds, the more exposed bonds are to fluctuations in market interest rates. An increase in the market interest rates can result in the Bonds trading at prices lower than the nominal amount of such Bonds.

9. *The market value of the Bonds may be affected by the creditworthiness of the Issuer and a number of additional factors*

The value of the Bonds may be affected by the creditworthiness of the Issuer and the Group and a number of additional factors, such as market interest and exchange rates and the time remaining to the Maturity Date and more generally all economic, financial and political events in any country, including factors affecting capital markets generally and the stock exchanges on which the Bonds are traded. The price at which a Bondholder will be able to sell the Bonds prior to maturity may be at a discount, which could be substantial, from the issue price or the purchase price paid by such investor.

10. *The Bonds may be redeemed prior to maturity*

In the event of the occurrence of an Event of Default (as defined in Condition 8 (*Events of Default*)), the Bonds may be redeemed prior to their maturity at the option of the Bondholders in accordance with the Conditions.

In addition, in accordance with Condition 5.3 (*Redemption at the Option of the Issuer – Tax Call*), the Issuer may redeem the Bonds prior to their maturity for tax reasons, if, by reason of a change of tax laws, in making any payment of interest on the Bonds, the Issuer would no longer be entitled to claim a tax deduction or such entitlement is reduced (so long as this cannot be avoided by the Issuer taking reasonable measures available to it at the time). In such case, the Issuer may, at its option, having given not less than 30 nor more than 60 calendar days' notice to the holders in accordance with Condition 11 (*Notices*), redeem the Bonds in whole (but not in part) at the Tax Call Redemption Amount. The Tax Call Redemption Amount will be, on the date fixed for redemption, the highest of: (a) the market value of the Bonds; and (b) the aggregate Specified Denomination of the Bonds, together with accrued interest, in each case determined in accordance with the Conditions.

Upon a redemption of the Bonds prior to maturity in accordance with the Conditions, an investor may not be able to reinvest the repayment proceeds (if any) at a yield comparable to that of the Bonds.

11. *The Bonds may be redeemed prior to maturity in the event 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 such holder's Bonds at the Put Redemption Amount, upon the occurrence of a Change of Control of the Issuer. If the procedure described in the Conditions has validly been followed, the Issuer may not refuse to redeem the Bonds.

Potential investors should be aware that, in the event that holders of a significant proportion of the Bonds exercise their put option, Bonds in respect of which the put option is not exercised may be illiquid and difficult to trade.

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. The put option may arise at times when prevailing interest rates may be relatively low. In such circumstances, an investor may not be able to reinvest the repayment proceeds (if any) at a yield comparable to that of the Bonds. Once given, a Change of Control Put Exercise Notice is irrevocable and Bondholders will be required to undertake in the Change of Control Put Exercise Notice not to sell or transfer the relevant Bonds until the relevant Change of Control Put Date.

Bondholders deciding to exercise the Change of Control Put shall have to do this through the bank or other financial intermediary through which the Bondholder holds the Bonds (referred to for purposes of this risk factor as the "**Intermediary**") and are advised to check when such Intermediary would require to receive instructions and Change of Control Put Exercise Notices from Bondholders in order to meet the deadlines for such exercise to be effective. The fees and/or costs, if any, of the relevant Intermediary shall be borne by the relevant Bondholders. Qualified investors exercising their put option by giving notice of such exercise to any paying agent in accordance with the standard procedures of the NBB, Euroclear Bank, Euroclear France, SIX SIS, Monte Titoli, Clearstream Banking Frankfurt and INTERBOLSA in lieu of depositing a Change of Control Put Exercise Notice with an Intermediary are also advised to check by when the relevant securities settlement system would require to receive notices in order to meet the deadlines for such exercise to be effective.

12. *The Bonds may be affected by the turbulence in the global credit markets*

Potential investors should be aware of the continuing turbulence in the global credit markets over the past years which led to a general lack of liquidity in the secondary market for instruments similar to the Bonds at such time. There can be no assurance that conditions of general market illiquidity for the Bonds and instruments similar to the Bonds will not return in the future.

13. *Eurozone crisis*

Potential investors should be aware of the crisis affecting the Eurozone, the turbulence in the global credit markets and the general economic outlook. The Issuer cannot predict when these circumstances will change and potential investors need to be aware of the significant uncertainty about future developments in this regard.

14. *Modification to the Conditions of the Bonds can be imposed on all Bondholders upon approval by defined majorities of Bondholders*

The Conditions of the Bonds 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 majority.

15. *The Bonds may be exposed to exchange rate risks and exchange controls*

The Issuer will pay principal and interest on the Bonds in Euro. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the Euro. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Euro or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Euro would decrease (1) the Investor's Currency-equivalent yield on the Bonds, (2) the Investor's Currency equivalent value of the principal payable on the Bonds, and (3) the Investor's Currency equivalent market value of the Bonds.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal at all.

16. *Risk of inflation*

The inflation risk is the risk of future value of money. The actual yield of an investment in the Bonds is being reduced by inflation. The higher the rate of inflation, the lower the actual yield of a Bond will be. If the rate of inflation is equal to or higher than the nominal output of the Bonds, then the actual output is equal to zero, or the actual yield will even be negative.

17. *Payments made in respect of the Bonds may be subject to Belgian withholding tax*

Potential investors should be aware that neither the Issuer, the NBB, the Agent nor any other person will be liable for or otherwise obliged to pay, and the relevant Bondholders will be liable for and/or pay, any tax, duty, charge, withholding or other payment whatsoever which may arise as a result of, or in connection with, the ownership, any transfer and/or any payment in respect of the Bonds.

If the Issuer, the NBB, the Agent or any other person is required by law to make any withholding or deduction for, or on account of, any present or future taxes, duties or charges of whatever nature in respect of any payment in respect of the Bonds, the Issuer, the NBB, the Agent or that other person shall make such payment after such withholding or deduction has been made and will account to the relevant authorities for the amount so required to be withheld or deducted.

Belgian withholding tax, currently at a rate of 30%, will in principle be applicable to the interest on the Bonds held in a non-exempt securities account (an "**N account**") in the NBB Clearing System, as further described in Section IX (*Taxation*).

In addition, potential investors should be aware that any relevant tax law or practice applicable as at the date of this Prospectus and/or the date of purchase or subscription of the Bonds may change at any time (including during the Subscription Period or the term of the Bonds). Any such change may have an adverse effect on a Bondholder, including that the liquidity of the Bonds may decrease and/or the amounts payable to or receivable by an affected Bondholder may be less than otherwise expected by such Bondholder.

Potential investors who are in any doubt as to their tax position should consult their own independent tax advisers.

18. *No 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. In case the Belgian tax rules would be amended such that Bondholders holding their Bonds in an exempt securities account in the NBB Clearing System 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. The Bondholders (and no other person) will be liable for, and be obliged to pay, any tax, duty, charge, withholding or other payment whatsoever as may arise as a result of, or in connection with, the ownership, transfer or payment in respect of the Bonds.

19. *Potential purchasers and sellers of the Bonds may be required to pay taxes or other documentary charges or duties in accordance with the laws and practices of the country where the Bonds are transferred or other jurisdictions*

Potential purchasers and sellers of the Bonds should be aware that they may be required to pay taxes or other documentary charges or duties in accordance with the laws and practices of the country where the Bonds are transferred or other jurisdictions. Potential investors are advised not to rely upon the tax summary contained in this Prospectus but to seek the advice of a tax professional regarding their individual tax liabilities with respect to the acquisition, sale and redemption of the Bonds. Only these advisors are in a position to duly consider the specific situation of the potential investor. This investment consideration has to be read in connection with the taxation sections of this Prospectus. Such taxes or documentary charges could also be due in case of a possible change of the statutory seat of the Issuer. In addition, potential purchasers should be aware that tax regulations and their application by the relevant taxation authorities change from time to time. Accordingly, it is not possible to predict the precise tax treatment which will apply at any given time.

20. *Changes in governing law could modify certain Conditions*

The Conditions are based on the laws of Belgium in effect as at the date of this Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to the laws of Belgium, the official application, interpretation or the administrative practice after the date of this Prospectus.

21. *Relationship with the Issuer*

All notices and payments to be delivered to the Bondholders will be distributed by the Issuer to such Bondholders in accordance with the Conditions. In the event that a Bondholder does not receive such notices or payments, its rights may be prejudiced, but it may not have a direct claim against the Issuer with respect to such prejudice.

22. *The transfer of the Bonds, any payments made in respect of the Bonds and all communications with the Issuer will occur through the NBB Clearing System*

The Bonds will be issued in dematerialised form under the Belgian Company Code and cannot be physically delivered. The Bonds will be represented exclusively by book entries in the records of the NBB Clearing System. Access to the NBB Clearing System is available through its NBB Clearing System participants whose membership extends to securities such as the Bonds. NBB Clearing System participants include certain banks, stockbrokers (*beursvennootschappen / sociétés de bourse*), and Euroclear Bank, Euroclear France, SIX SIS, Monte Titoli, Clearstream Banking Frankfurt and INTERBOLSA. Transfers of interests in the Bonds will be effected between the NBB Clearing System participants in accordance with the rules and operating procedures of the NBB Clearing System. Transfers between investors will be effected in accordance with the respective rules and operating

procedures of the NBB Clearing System participants through which they hold their Bonds. The Issuer and the Agent will have no responsibility for the proper performance by the NBB Clearing System or the NBB Clearing System participants of their obligations under their respective rules and operating procedures.

A Bondholder must rely on the procedures of the NBB Clearing System to receive payments under the Bonds. The Issuer will have no responsibility or liability for the records relating to, or payments made in respect of, the Bonds within the NBB Clearing System.

23. *The Agent is not required to segregate amounts received by it in respect of Bonds cleared through the NBB Clearing System*

The Conditions of the Bonds and the Agency Agreement provide that the Agent will debit the relevant account of the Issuer and use such funds to make payment to the Bondholders. The Agency Agreement provides that the Agent will, simultaneously with the receipt by it of the relevant amounts, pay to the Bondholders, directly or through the NBB, any amounts due in respect of the relevant Bonds. However, the Agent is not required to segregate any such amounts received by it in respect of the Bonds. In the event that the Agent were subject to insolvency proceedings at any time when it held any such amounts, Bondholders would not have any further claim against the Issuer in respect of such amounts, and would be required to claim such amounts from the Agent in accordance with applicable Belgian insolvency laws, because the Conditions provide that the payment obligations of the Issuer will be discharged by payment to the Agent in respect of each amount so paid. In such case, it may occur that there are insufficient assets remaining which can be distributed to and used to pay the Bondholders.

24. *The Issuer and the Managers may engage in transactions adversely affecting the interests of the Bondholders*

The Managers might have conflicts of interests which 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 relationship or/and in specific transactions with each of the Managers and that they might have conflicts of interests which could have an adverse effect to the interests of the Bondholders. Potential investors should also be aware that each of the Managers may from time to time hold debt securities, shares or/and other financial instruments of the Issuer, for their own account and/or for the accounts of their customers. The Managers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire positions in such securities and instruments.

Within the framework of normal business relationship with its banks, the Issuer from time to time enters into loans and other facilities (via bilateral transactions and/or syndicated loans together with other banks, including the Senior Facilities Agreement), hedging transactions, discretionary management arrangements and other financing transactions (the “**Financing Transactions**”) with certain of the Managers. The terms and conditions of these Financing Transactions differ from the terms and conditions of the proposed Bonds and certain of the terms and conditions of certain of these Financing Transactions are stricter or more extensive than the terms and conditions of the proposed Bonds. The terms and conditions of certain of these Financing Transactions contain financial covenants, different from or not included in the conditions of the proposed Bonds. In addition, as part of certain Financing Transactions, the lenders have the benefit of guarantees granted by operational companies of the Group, whereas the Bondholders will not have the benefit from similar guarantees (subject to Condition 7.1 (*Negative Pledge*)). This results in the Bondholders being structurally subordinated to the lenders under such Financing Transactions. Certain Financing Transactions have repayment dates falling before the Maturity Date of the Bonds and consequently the credit risk for the Managers could be reduced and shifted to the Bondholders. The Senior Facilities Agreement has been

entered into for a principal amount of EUR 150 million, and with a maturity date of 29 June 2023. As at the date hereof, the principal amount of the existing indebtedness under the Senior Facilities Agreement outstanding towards each of Belfius and BNPPF amounted to approximately EUR 11.17 million, making the total outstanding amount approximately EUR 22.34 million. In addition, SD Worx Staffing & Career Solutions – Holding NV (formerly named Vio Worx) is a party to the Vio Credit Facilities Agreement, with, amongst others BNPPF, for a principal amount of EUR 43.5 million, of which EUR 32.54 million is outstanding at the date hereof. As at the date hereof, the Group does not have any senior financial indebtedness outstanding towards KBC (no amounts outstanding under the factoring arrangements with KBC). Reference is made to Section V.J of this Prospectus for a further description of the relevant material transactions to which the Issuer is a party.

As at the date of this Prospectus, the Managers provide, among other things, payment services, investments of liquidities, credit facilities, hedging, discretionary management, 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 recurring costs which are being paid to the Managers as well as to other banks which offer similar services.

The Bondholders should be aware of the fact that the Managers, when they act as lenders to the Issuer or another company within the Group (or when they act in any other capacity whatsoever), have no fiduciary duties or other duties of any nature whatsoever vis-à-vis the Bondholders and that they are under no obligation to take into account the interests of the Bondholders. In case of a deterioration of the financial condition of the Issuer in the future, the Managers could e.g. decide to renegotiate credit facilities, obtain additional security interests and guarantees or terminate the credit relationship with the Issuer, which could result in the Issuer no longer being able to make payments under the Bonds in full or in part.

25. *Legal investment considerations may restrict certain investments*

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (i) Bonds are legal investments for it, (ii) Bonds can be used as collateral for various types of borrowing, and (iii) other restrictions apply to its purchase or pledge of any Bonds. The investors should consult their legal advisers to determine the appropriate treatment of Bonds under any applicable risk-based capital or similar rules.

26. *Risk of withdrawal or cancellation of the Bond Offering*

As from the date of this Prospectus and at any time prior to the Issue Date of the Bonds, the Bond Offering may be wholly or partially retracted or cancelled in accordance with the provisions of the Placement Agreement as further specified in Section X.B “*Conditions to which the Bond Offering is subject*”. In this case, investors who paid the Issue Price for the Bonds prior to the notification of retraction or cancellation of the Bond Offering shall receive the total amounts of funds already paid by them as issue price for the Bonds. However, such investor may not receive the interest on such amount they otherwise could have earned if they had not paid the issue price for the Bonds.

27. *The Agent does not assume any fiduciary duties or other obligations to the Bondholders and, in particular, is not obliged to make determinations which protect their interests*

The Agent will act in accordance with the Conditions of the Bonds 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.

The Agent may rely on any information 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 or interests, in each case in the absence of bad faith or wilful 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.

28. *Belgian insolvency laws*

The Issuer is incorporated, and has its registered office, in Belgium and is, consequently, as a rule, subject to insolvency laws and proceedings in Belgium. The application of these insolvency laws may substantially affect the Bondholders' claim to obtain repayment (partial or in full) of the Bonds, *e.g.*, as the result of a suspension of payments, a stay on enforcement measures or an order providing for partial repayment of the Bonds.

III. TERMS AND CONDITIONS OF THE BONDS

The following, save for the paragraphs in italics that shall be read as complementary information, is the text of the terms and conditions of the Bonds.

The issue of the 3.80% Subordinated Bonds due 11 June 2026 (the “**Bonds**”, which expression includes any further bonds issued pursuant to Condition 12 (*Further Issues*) and forming a single series therewith) of **SD WORX HOLDING NV**, a public limited liability company (*naamloze vennootschap/société anonyme*) incorporated under the laws of Belgium, having its registered office at Brouwersvliet 2, B-2000 Antwerpen, Belgium and registered with the Crossroads Bank for Enterprises under number 0644.841.746, Commercial Court of Antwerp, division Antwerp, LEI 96760081CZVZP6TSN165 (the “**Issuer**”) was authorised by a resolution of the board of directors of the Issuer passed on 29 April 2019. The Bonds are issued subject to and with the benefit of (i) a domiciliary and paying agency agreement entered into on or about the date of this Prospectus between the Issuer and Belfius Bank SA/NV acting as domiciliary, paying, calculation and listing agent (the “**Agent**”, which expression shall include any successor Agent under the Agency Agreement (such agreement as amended and/or supplemented and/or restated from time to time, the “**Agency Agreement**”)) and (ii) a service contract for the issuance of fixed income securities which will be entered into on or about the Issue Date between the Issuer, Belfius Bank SA/NV as paying agent and the NBB (the “**Clearing Services Agreement**”).

The statements in these Conditions include summaries of, and are subject to, the detailed provisions of the Agency Agreement and the Clearing Services Agreement. The Bondholders are bound by, and are deemed to have notice of all provisions of the Agency Agreement and the Clearing Services Agreement applicable to them. Copies of the Agency Agreement and the Clearing Services Agreement are available for inspection during normal business hours at the specified office of the Agent. On the date of this Prospectus, the specified office of the Agent is at Place Charles Rogier 11, B-1210 Brussels, Belgium.

References herein to “**Conditions**” are, unless the context otherwise requires, to the numbered paragraphs of these terms and conditions set out below.

1. Form, Denomination, Minimum Subscription Amount and Title

1.1 Form

The Bonds are in dematerialised (*gedematerialiseerd/dématérialisé*) form in accordance with the Belgian Company Code. The Bonds can be held by their holders through participants in the securities settlement system operated by the NBB or any successor thereto (the “**NBB Clearing System**”), including Euroclear Bank, Euroclear France, SIX SIS, Monte Titoli, Clearstream Banking Frankfurt and INTERBOLSA and through other financial intermediaries, which in turn hold the Bonds through Euroclear Bank, Euroclear France, SIX SIS, Monte Titoli, Clearstream Banking Frankfurt and INTERBOLSA or other participants in the NBB Clearing System. The Bonds are accepted for clearance through the NBB Clearing System, 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 Clearing System 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 Clearing System Regulations**”). Title to the Bonds will pass by account transfer. The Bondholders will not be entitled to exchange the Bonds into definitive bonds in bearer form or registered form.

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 are in principal amounts of EUR 1,000 each (the “**Specified Denomination**”).

1.3 Minimum Subscription Amount

The Minimum Subscription Amount of the Bonds is EUR 10,000 (the “**Minimum Subscription Amount**”).

1.4 Title

The Bonds will be represented exclusively by book-entries in the records of the NBB Clearing System.

2. Definitions and Interpretation

2.1 Definitions

For the purposes of these Conditions:

“**Acceptable Bank**” means:

- (a) a bank or financial institution which has a rating for its long-term unsecured and non credit-enhanced debt obligations of BBB- or higher by Standard & Poor’s Rating Services or Fitch Ratings Ltd or Baa3 or higher by Moody’s Investors Service Limited or a comparable rating from an internationally recognised credit rating agency;
- (b) Belfius Bank SA/NV, BNP Paribas Fortis SA/NV or KBC Bank NV (or an Affiliate of any of these credit institutions) provided that these institutions are not subject to an Insolvency Event; or
- (c) any other bank or financial institution approved by the Bondholders.

“**Accounting Principles**” means the accounting principles applied by the Issuer for the preparation of its most recently published consolidated annual financial statements at the relevant time, which shall be either:

- (a) the generally accepted accounting principles in Belgium; or
- (b) International Financial Reporting Standards.

“**Adjusted EBITDA**” means, in relation to a Relevant Period, EBITDA for that Relevant Period adjusted by:

- (a) including the operating profit before interest, tax, depreciation, amortisation and impairment charges (calculated on the same basis as EBITDA) of a member of the Group (or attributable to a business or assets) acquired during the Relevant Period for that part of the Relevant Period prior to its becoming a member of the Group or (as the case may be) prior to the acquisition of the business or assets; and
- (b) excluding the operating profit before interest, tax, depreciation, amortisation and impairment charges (calculated on the same basis as EBITDA) attributable to any member of the Group (or to any business or assets) disposed of during the Relevant Period for that part of the Relevant Period.

“**Adjusted Leverage**” means, in respect of any Relevant Period, the ratio of Total Net Senior Debt on the last day of that Relevant Period to Adjusted EBITDA in respect of that Relevant Period.

“**Affiliate**” means an affiliate (*met een vennootschap verbonden vennootschap/société liée à une société*) within the meaning of the Belgian Company Code.

“**Agency Agreement**” shall have the meaning given to it in the preamble of these Conditions.

“**Agent**” shall have the meaning given to it in the preamble of these Conditions.

“**Alternative Clearing System**” shall have the meaning given to it in Condition 1.1 (*Form*).

“**Applicable Interest Rate**” means the Original Rate of Interest, as adjusted, as the case may be, in accordance with Condition 7.2 (*Adjusted Leverage*).

“**Belgian Company Code**” means the Belgian Code on Companies and Associations (*Wetboek van Vennootschappen en Verenigingen / Code des Sociétés et Associations*), which has been introduced pursuant to the Law dated 23 March 2019 (*Belgisch Staatsblad / Moniteur belge* of 4 April 2019).

“**Bondholder**” means the persons entitled to the Bonds from time to time in accordance with the Belgian Company Code and the NBB Clearing System Regulations.

“**Bonds**” shall have the meaning as set out in the preamble of these Conditions.

“**Borrowings**” means, at any time, the aggregate outstanding principal, capital or nominal amount (and any fixed or minimum premium payable on prepayment or redemption) of any indebtedness of members of the Group for or in respect of:

- (a) moneys borrowed and debit balances at banks or other financial institutions;
- (b) any acceptances under any acceptance credit or bill discount facility (or dematerialised equivalent);
- (c) any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;
- (d) any Finance Lease;
- (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis and meet any requirements for de-recognition under the Accounting Principles);
- (f) any counter-indemnity obligation in respect of a guarantee, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution in respect of an underlying liability of an entity which is not a member of the Group which liability would fall within one of the other paragraphs of this definition;
- (g) any amount raised by the issue of shares which are redeemable (other than at the option of the issuer) before the Maturity Date or are otherwise classified as borrowings under the Accounting Principles;
- (h) any amount of any liability under an advance or deferred purchase agreement if (i) one of the primary reasons behind the entry into the agreement is to raise finance or to finance the acquisition or construction of the asset or service in question or (ii) the agreement is in respect of the supply of assets or services and payment is due more than 60 days after the date of supply;
- (i) any amount raised under any other transaction (including any forward sale or purchase agreement, sale and sale back or sale and leaseback agreement) having the commercial effect of a borrowing or otherwise classified as borrowings under the Accounting Principles;

- (j) earn-outs payable before the Maturity Date, to the extent actually payable based on realised performance or expected performance and to the extent that the earn-out arrangement itself is recognised on the balance sheet (as Financial Indebtedness or otherwise) in accordance with the Accounting Principles; and
- (k) (without double counting) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) to (j) above.

“**Business Day**” means a day (other than a Saturday or Sunday) on which banks are open for general business in Brussels and which is a day on which the TARGET System is open for the settlement of payments in euro.

“**Calculation Agent**” means the Agent, or such other leading investment, merchant or commercial bank with appropriate expertise as may be appointed from time to time by the Issuer at its own expense for purposes of calculating the Put Redemption Amount or the Closing Price (as applicable), and notified to the Bondholders in accordance with Condition 11 (*Notices*), or, if the Issuer fails to make such appointment and such failure continues for a reasonable period (as determined by a resolution of the Bondholders in their sole discretion), appointed by a resolution of the meeting of Bondholders (voting in accordance with the quorum and voting requirements set forth in the Belgian Company Code), in each case at the expense of the Issuer;

“**Cash**” means at any time, cash in hand or at bank and (in the latter case) credited to an account in the name of a member of the Group with an Acceptable Bank and to which a member of the Group is alone (or together with other members of the Group) beneficially entitled and for so long as:

- (a) that cash is repayable within 30 days after the relevant date of calculation;
- (b) repayment of that cash is not contingent on the prior discharge of any other indebtedness of any member of the Group or of any other person whatsoever or on the satisfaction of any other condition; and
- (c) the cash is freely and (except as mentioned in paragraph (a) above) immediately available to be applied in repayment or prepayment of the Bonds.

“**Cash Equivalent Investments**” means at any time:

- (a) certificates of deposit maturing within one year after the relevant date of calculation and issued by an Acceptable Bank;
- (b) any investment in marketable debt obligations issued or guaranteed by the government of the United States of America, the United Kingdom, any member state of the European Economic Area or any Participating Member State or by an instrumentality or agency of any of them having an equivalent credit rating, maturing within one year after the relevant date of calculation and not convertible or exchangeable to any other security;
- (c) commercial paper not convertible or exchangeable to any other security:
 - (i) for which a recognised trading market exists;
 - (ii) issued by an issuer incorporated in the United States of America, the United Kingdom, any member state of the European Economic Area or any Participating Member State;
 - (iii) which matures within one year after the relevant date of calculation; and

- (iv) which has a credit rating of either A-1 or higher by Standard & Poor's Rating Services or F1 or higher by Fitch Ratings Ltd or P-1 or higher by Moody's Investors Service Limited, or, if no rating is available in respect of the commercial paper, the issuer of which has, in respect of its long-term unsecured and non-credit enhanced debt obligations, an equivalent rating; or
- (d) any investment in money market funds which (i) have a credit rating of either A-1 or higher by Standard & Poor's Rating Services or F1 or higher by Fitch Ratings Ltd or P-1 or higher by Moody's Investors Service Limited, (ii) which invest substantially all their assets in securities of the types described in paragraphs (a) to (c) above and (iii) can be turned into cash on not more than 30 days' notice,

in each case, to which any member of the Group is alone (or together with other members of the Group) beneficially entitled at that time and which is not issued or guaranteed by any member of the Group or subject to any Security.

"Change in Law" means any change in, or amendment to, the laws or regulations of Belgium, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date.

"Change of Control" means that Private Stichting SD and Private Stichting SD Patrimonium together cease directly or indirectly:

- (a) to have the power (whether by way of ownership of shares, proxy, contract, agency or otherwise) to
 - (i) cast, or control the casting of, more than 50 per cent. of the maximum number of votes that may be cast at a general meeting of the Issuer; or
 - (ii) appoint or remove the majority, of the directors (or other equivalent officers) of the Issuer; or
- (b) hold beneficially more than 50 per cent. of the issued share capital of the Issuer (excluding any part of that issued share capital that carries no right to participate beyond a specified amount in a distribution of either profits or capital).

"Change of Control Notice" shall have the meaning given to it in Condition 5.2 (*Redemption at the Option of Bondholders upon a Change of Control*).

"Change of Control Put Date" shall be the 14th TARGET Business Day after the last day of the Change of Control Put Exercise Period.

"Change of Control Put Exercise Notice" shall have the meaning given to it in Condition 5.2 (*Redemption at the Option of Bondholders upon a Change of Control*).

"Change of Control Put Exercise Period" means the period commencing on the date of a Change of Control and ending 120 calendar days following the Change of Control, or, if later, 120 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 upon a Change of Control*).

"Clearing Services Agreement" shall have the meaning given to it in the preamble of these Conditions.

"Clearstream Banking Frankfurt" means Clearstream Banking AG, 61 Mergenthalerallee, D-65760 Eschborn, Germany.

"Closing Price" means the closing price for the Bonds on Euronext Growth Brussels (or on any other regulated market or multilateral trading facility on which the Bonds may be listed from time to time in

accordance with these Conditions), as published by or derived from the Euronext Growth Directory on the Euronext website (or any successor page, or from an equivalent page in case of listing on another regulated market or multilateral trading facility) (setting last price, or any other successor setting and using values not adjusted for any event occurring after such dealing day) or such other source as shall be determined to be appropriate by a Calculation Agent, provided that if on any dealing day (the “**Affected Dealing Day**”) such closing price is not available or cannot otherwise be determined, the Closing Price of the Bonds in respect of such dealing day shall be the Closing Price, determined as provided above, on the immediately preceding dealing day on which the same can be so determined, all as calculated by a Calculation Agent, or, if such immediately preceding dealing day falls prior to the fifth day before the Affected Dealing Day or if such price cannot be so determined, such price as a Calculation Agent might otherwise determine in good faith to be appropriate.

“**Compliance Certificate**” shall have the meaning given to it in Condition 7.3 (*Publication of Adjusted Leverage Rate*).

“**Conditions**” shall mean these terms and conditions.

“**Connected Persons**” means any of the following (i) an Affiliate; and (ii) a connected person (*persoon verbonden met een persoon/persoon liée à une personne*) in the sense of the Belgian Company Code.

“**Day-Count Fraction**” shall have the meaning given to it in Condition 4 (*Interest*).

“**EBITDA**” means, in respect of any Relevant Period, the consolidated operating profit of the Group before taxation (excluding the results from discontinued operations):

- (a) before deducting any interest, commission, fees, discounts, prepayment fees, premiums or charges and other finance payments whether paid, payable or capitalised by any member of the Group (calculated on a consolidated basis) in respect of that Relevant Period;
- (b) not including any accrued interest owing to any member of the Group;
- (c) after adding back any amount attributable to the amortisation, depreciation or impairment of assets of members of the Group;
- (d) before taking into account any Exceptional Items;
- (e) before deducting any cost associated with a Permitted Acquisition;
- (f) after deducting the amount of any profit (or adding back the amount of any loss) of any member of the Group which is attributable to minority interests;
- (g) after deducting the amount of any profit of any Non-Group Entity to the extent that the amount of the profit included in the financial statements of the Group exceeds the amount actually received in cash by members of the Group through distributions by the Non-Group Entity;
- (h) before taking into account any unrealised gains or losses on any financial instrument (other than any derivative instrument which is accounted for on a hedge accounting basis);
- (i) before taking into account any gain or loss arising from an upward or downward revaluation of any other asset;
- (j) before taking into account any Pension Items;
- (k) excluding the charge to profit represented by the expensing of stock options, in each case, to the extent added, deducted or taken into account, as the case may be, for the purposes of determining operating profits of the Group before taxation.

“Encumbrance” means any Security as well as any mandate, promise or undertaking to create such Security.

“Euroclear” means Euroclear Bank SA/NV, Koning Albert II-laan, 1210 Brussels, Belgium.

“Event of Default” shall have the meaning given to it in Condition 8.

“Exceptional Items” means any exceptional, one off, non-recurring or extraordinary items.

“Extraordinary Resolution” shall have the meaning given to it in Condition 10.1 (*Meetings of Bondholders*).

“Factoring Adjusted Leverage” means the Adjusted Leverage calculated on a *pro forma* basis to add the utilised amount under the Permitted Factoring at the end of the Relevant Period to the calculation of the Total Net Senior Debt.

“Finance Lease” means any lease or hire purchase contract, a liability under which would, in accordance with the Accounting Principles, be treated as a balance sheet liability (other than a lease or hire purchase contract which would, in accordance with the Accounting Principles in force prior to 1 January 2019, have been treated as an operating lease).

“Financial Half Year” means the period commencing on the day after one Financial Half Year Date and ending on the next Financial Half Year Date.

“Financial Half Year Date” means each of 30 June and 31 December.

“Financial Indebtedness” means any indebtedness for or in respect of:

- (a) moneys borrowed and debit balances at banks or other financial institutions;
- (b) any acceptance under any acceptance credit or bill discounting facility (or dematerialised equivalent);
- (c) any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;
- (d) the amount of any liability in respect of Finance Leases;
- (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 de-recognition under the Accounting Principles);
- (f) any Treasury Transaction (and, when calculating the value of that Treasury Transaction, only the marked to market value (or, if any actual amount is due as a result of the termination or close-out of that Treasury Transaction, that amount) shall be taken into account);
- (g) any counter-indemnity obligation in respect of a guarantee, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution in respect of an underlying liability of an entity which is not a member of the Group which liability would fall within one of the other paragraphs of this definition;
- (h) any amount raised by the issue of shares which are redeemable (other than at the option of the issuer) before the Maturity Date or are otherwise classified as borrowings under the Accounting Principles;
- (i) any amount of any liability under an advance or deferred purchase agreement if (i) one of the primary reasons behind entering into the agreement is to raise finance or to finance the acquisition or construction of the asset or service in question or (ii) the agreement is in respect

of the supply of assets or services and payment is due more than 90 days after the date of supply;

- (j) any amount raised under any other transaction (including any forward sale or purchase, sale and sale back or sale and leaseback agreement) having the commercial effect of a borrowing or otherwise classified as borrowings under the Accounting Principles; and
- (k) the amount of any liability in respect of any guarantee for any of the items referred to in paragraphs (a) to (j) above.

“Financial Year” means the annual accounting period of the Group ending on 31 December in each year.

“Group” means the Issuer and each of its respective Subsidiaries from time to time.

“Holding Company” means, in relation to a person, any other person in respect of which it is a Subsidiary.

“Insolvency Event” in relation to an entity means that the entity:

- (a) is dissolved (other than pursuant to a consolidation, amalgamation or merger);
- (b) becomes insolvent or is unable to pay its debts or fails or admits in writing its inability generally to pay its debts as they become due;
- (c) makes a general assignment, arrangement or composition with or for the benefit of its creditors;
- (d) institutes or has instituted against it, by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official;
- (e) has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and, in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition is instituted or presented by a person or entity not described in paragraph (d) above and:
 - (i) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation; or
 - (ii) is not dismissed, discharged, stayed or restrained in each case within 30 days of the institution or presentation thereof;
- (f) has a resolution passed for its winding-up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger);
- (g) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets (other than, for so long as it is required by law or regulation not to be publicly disclosed, any such appointment which is to be made, or is made, by a person or entity described in paragraph (d) above);

- (h) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within 30 days thereafter;
- (i) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in paragraphs (a) to (h) above; or
- (j) takes any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the foregoing acts.

“**Interest Payment Date**” shall have the meaning given to it in Condition 4.1 (*Interest*).

“**Interest Period**” shall have the meaning given to it in Condition 4.3 (*Interest*).

“**Intermediary**” shall have the meaning given to it in Condition 5.2 (*Redemption at the Option of Bondholders upon a Change of Control*).

“**Issue Date**” means 11 June 2019.

“**Issuer**” shall have the meaning set out in the preamble of these Conditions.

“**Joint Venture**” means any joint venture entity, whether a company, unincorporated firm, undertaking, association, joint venture or partnership or any other entity.

“**Junior Liabilities**” shall have the meaning given to it in Condition 3.2 (*Subordination*).

“**Market Value**” means the average Closing Price over the five dealing days immediately preceding the Notice of Redemption served in accordance with these Conditions.

“**Material Subsidiary**” means any Subsidiary of the Issuer which has earnings before interest, tax, depreciation and amortisation calculated on the same basis as EBITDA representing 10 % or more of EBITDA or has gross assets or turnover (excluding intra-group items) representing 10 % or more of gross assets or turnover of the Restricted Group, calculated on a consolidated basis.

“**Maturity Date**” shall have the meaning given to it in Condition 5.1 (*Final Redemption*).

“**Meeting Provisions**” shall have the meaning given to it in Condition 10.1 (*Meeting of Bondholders, Modification and Waiver*).

“**Minimum Subscription Amount**” shall have the meaning given to it in Condition 1.3 (*Minimum Subscription Amount*).

“**NBB**” means the National Bank of Belgium.

“**NBB Clearing System**” shall have the meaning given to it in Condition 1.1 (*Form*).

“**NBB Clearing System Regulations**” shall have the meaning given to it in Condition 1.1 (*Form*).

“**Non-Group Entity**” means any investment or entity (which is not itself a member of the Group (including associates and Joint Ventures)) in which any member of the Group has an ownership interest.

“**Original Rate of Interest**” shall have the meaning given to it in Condition 4.1 (*Interest*).

“Participating Member State” means any member state of the European Union that has the euro as its lawful currency in accordance with legislation of the European Union relating to Economic and Monetary Union.

“Pension Items” means any income or charge attributable to a post-employment benefit scheme other than the current service costs and any past service costs and curtailments and settlements attributable to the scheme.

“Permitted Acquisition” means:

- (a) an acquisition by a member of the Group of an asset sold, leased, transferred or otherwise disposed of by another member of the Group in circumstances constituting a Permitted Disposal;
- (b) an acquisition of shares or securities pursuant to a Permitted Share Issue;
- (c) an acquisition of securities which are Cash Equivalent Investments;
- (d) the incorporation or acquisition of a company with limited liability which has not traded and which on acquisition or incorporation becomes a member of the Group, but only if that company is incorporated in a country which is not subject to Sanctions;
- (e) any repurchase by the Issuer of up to 7.5% in aggregate of the total shares of the Issuer existing on 31 December 2017, in the context of a share purchase plan for its employees;
- (f) the acquisition of the remaining shares in GlobePayroll SAS;
- (g) an acquisition for cash consideration, of (A) the issued share capital of a limited liability company or (B) (if the acquisition is made by a limited liability company whose sole purpose is to make the acquisition) a business or undertaking carried on as a going concern, but only if:
 - (i) no Event of Default nor an event of default under the Senior Facilities Agreement has occurred and is continuing on the closing date for the acquisition or would occur as a result of the acquisition;
 - (ii) the acquired company, business or undertaking is incorporated or established, and carries on its principal business in a country which is not subject to Sanctions and is engaged in a business substantially the same as that carried on by the Group (which includes, for the avoidance of doubt, pay-rolling and secondment) or in information and communication technologies in relation to the business carried on by the Group;
 - (iii) the Adjusted Leverage ratio for the Relevant Period ending on the Financial Half Year Date falling immediately prior to the date that the Group legally commits to the acquisition (recalculated on a pro forma basis to take into account any Borrowings to be incurred and any cash applied in respect of the acquisition and including Adjusted EBITDA for the acquired entity or business as if it had been part of the Group during the full such Relevant Period) does not exceed 2.25:1 for such Relevant Period.

“Permitted Disposal” means any sale, lease, licence, transfer or other disposal:

- (a) of trading stock or cash made by any member of the Restricted Group in the ordinary course of trading of the disposing entity;
- (b) of any asset by a member of the Restricted Group to another member of the Restricted Group;

- (c) of assets (other than shares, businesses, real property/intellectual property) in exchange for other assets comparable or superior as to type, value and quality (other than an exchange of a non-cash asset for cash);
- (d) of obsolete or redundant vehicles, plant and equipment for cash;
- (e) of Cash Equivalent Investments for cash or in exchange for other Cash Equivalent Investments;
- (f) constituted by a licence of intellectual property rights;
- (g) to a Joint Venture, to the extent the transaction constitutes a Permitted Joint Venture;
- (h) arising as a result of any Permitted Security;
- (i) of receivables under a Permitted Factoring; and
- (j) of assets (other than receivables) provided that at the time of entering into such transaction:
 - (i) the Adjusted Leverage in respect of the most recent completed Relevant Period, adjusted on a pro forma basis to take into account such disposal is less than 2.25:1 (without any double-counting of the same amounts); and
 - (ii) no Event of Default nor an event of default under the Senior Facilities Agreement has occurred and is continuing or would result from such transaction.
- (k) of treasury shares of the Issuer up to 7.5% in aggregate of the total shares of the Issuer existing on 31 December 2017 at any time, but only if the net disposal proceeds are in excess of the acquisition value of the relevant treasury shares that are being disposed;
- (l) of assets (other than shares) for cash where the higher of the market value and net consideration receivable (when aggregated with the higher of the market value and net consideration receivable for any other sale, lease, licence, transfer or other disposal not allowed under the preceding paragraphs) does not exceed EUR 2,500,000 (or its equivalent) in any Financial Year of the Issuer.

“Permitted Factoring” means a factoring arrangement entered into by one or more members of the Restricted Group and which satisfies each of the following conditions:

- (a) the receivables sold under this factoring arrangement are sold on a non-recourse basis; and
- (b) the entry into any non-recourse factoring arrangement may not cause the Factoring Adjusted Leverage to exceed 2.75:1.

“Permitted Financial Indebtedness” means Financial Indebtedness:

- (a) incurred by the Issuer provided that such Financial Indebtedness cannot be guaranteed by any member of the Group (other than a Guarantor under the Senior Facilities Agreement) or benefit from any Security granted by any member of the Group and needs to be structured as a bullet facility with a maturity date falling after 28 June 2023;
- (b) arising under any Subordinated Debt;
- (c) to the extent covered by a letter of credit, guarantee or indemnity issued under an Ancillary Facility under the Senior Facilities Agreement;
- (d) arising under a foreign exchange transaction for spot or forward delivery entered into in connection with protection against fluctuation in currency rates where that foreign exchange

exposure arises in the ordinary course of trade, but not a foreign exchange transaction for investment or speculative purposes;

- (e) arising under a Permitted Loan or a Permitted Guarantee or a Permitted Treasury Transaction;
- (f) of any person acquired by a member of the Restricted Group after the date of the Issue Date which is incurred under arrangements in existence at the date of acquisition, but not incurred or increased or having its maturity date extended in contemplation of, or since, that acquisition, and outstanding only for a period of three months following the date of acquisition; and
- (g) incurred by any Restricted Subsidiaries (excluding the Issuer) not permitted by the preceding paragraphs or as a Permitted Transaction and the outstanding principal amount of which does not exceed EUR 15,000,000 (or its equivalent) when aggregated with the programme amount of Permitted Factoring entered into by any Restricted Subsidiaries in aggregate for the Restricted Group at any time.

“Permitted Guarantee” means

- (a) the endorsement of negotiable instruments in the ordinary course of trade;
- (b) any performance or similar bond guaranteeing performance by a member of the Restricted Group under any contract entered into in the ordinary course of trade;
- (c) any guarantee of a Joint Venture to the extent this constitutes a guarantee in respect of the obligations of a Permitted Joint Venture;
- (d) any guarantee which constitutes Permitted Financial Indebtedness or a Permitted Transaction;
- (e) any guarantee given in respect of the netting or set-off arrangements permitted pursuant to paragraph (b) of the definition of “Permitted Security”;
- (f) any indemnity given in the ordinary course of the documentation of an acquisition or disposal transaction which is a Permitted Acquisition or Permitted Disposal which indemnity is in a customary form and subject to customary limitations;
- (g) any guarantee or indemnity by a member of the Restricted Group for the obligations of a member of the Restricted Group;
- (h) any guarantee or indemnity by a member of the Restricted Group for obligations of an Unrestricted Subsidiary provided such guarantee or indemnity does not exceed EUR 2,500,000 (or its equivalent) at any time; and
- (i) any guarantee or indemnity not permitted by the preceding paragraphs or as a Permitted Transaction and the guaranteed or indemnified amount of which does not exceed EUR 500,000 (or its equivalent) in aggregate for the Restricted Group at any time.

“Permitted Joint Venture” means any investment in any Joint Venture where:

- (a) the Joint Venture is a limited liability corporation and is incorporated, or established, and carries on its principal business, in a jurisdiction which is not subject to Sanctions;
- (b) the Joint Venture is engaged in a business substantially the same as that carried on by the Restricted Group (which includes, for the avoidance of doubt, pay-rolling and secondment) or in information and communication technologies in relation to the business carried on by the Group; and

- (c) in any financial year of the Issuer, the aggregate (the “**Joint Venture Investment**”) of:
- (i) all amounts subscribed for shares in, lent to, or invested in all such Joint Ventures by any member of the Restricted Group;
 - (ii) the contingent liabilities of any member of the Restricted Group under any guarantee given in respect of the liabilities of any such Joint Venture; and
 - (iii) the market value of any assets transferred by any member of the Restricted Group to any such Joint Venture

does not result in the Adjusted Leverage ratio for the Relevant Period ending on the Financial Half Year Date falling immediately prior to the date of the Joint Venture Investment (recalculated on a pro forma basis to take into account the Joint Venture Investment) to exceed 2.25:1.

“**Permitted Loan**” means:

- (a) any trade credit extended by any member of the Restricted Group to its customers on normal commercial terms and in the ordinary course of its trading activities;
- (b) Financial Indebtedness which is referred to in the definition of, or otherwise constitutes, Permitted Financial Indebtedness (except under paragraph (d) of that definition);
- (c) a loan made to a Joint Venture in respect of the obligations of a Joint Venture if such transaction is a Permitted Joint Venture;
- (d) a loan made by a member of the Restricted Group to another member of the Restricted Group;
- (e) the EUR 3,500,000 subordinated loan entered into between the Issuer as lender and GlobePayroll SAS as borrower;
- (f) a loan made by a member of the Restricted Group to an Unrestricted Subsidiary, but only if no Event of Default nor an event of default under the Senior Facilities Agreement has occurred and is continuing on the date of granting of the loan or would occur as a result of the granting of the loan; and
- (g) any loan (other than a loan made by a member of the Group to another member of the Group) so long as the aggregate amount of the Financial Indebtedness under any such loans does not exceed EUR 10,000,000 (or its equivalent) at any time.

“**Permitted Security**” means (for the avoidance of doubt without prejudice to Conditions 7.1 and 8.1(e)):

- (a) any lien arising by operation of law and in the ordinary course of trading and not as a result of any default or omission by any member of the Restricted Group;
- (b) any netting or set-off arrangement entered into by any member of the Restricted Group in the ordinary course of its banking arrangements for the purpose of netting debit and credit balances of members of the Restricted Group (including a Multi-account Overdraft);
- (c) any payment or close out netting or set-off arrangement pursuant to any Treasury Transaction or foreign exchange transaction entered into by a member of the Restricted Group which constitutes Permitted Financial Indebtedness, excluding any Security or Quasi-Security under a credit support arrangement;

- (d) any Security or Quasi-Security under credit support arrangements in the framework of currency hedging agreements entered into by a member of the Restricted Group for currency hedging against Mauritian Rupee, if the principal amount secured is not higher than the principal amount under the currency hedging which will not be higher than EUR 1,500,000 (where hedged against EUR) or GBP 4,500,000 (where hedged against GBP);
- (e) any Security or Quasi-Security over or affecting any asset acquired by a member of the Restricted Group after the date of this Agreement if:
 - (i) the Security or Quasi-Security was not created in contemplation of the acquisition of that asset by a member of the Restricted Group;
 - (ii) the principal amount secured has not been increased in contemplation of or since the acquisition of that asset by a member of the Restricted Group; and
 - (iii) the Security or Quasi-Security is removed or discharged within 6 months of the date of acquisition of such asset;
- (f) any Security or Quasi-Security over or affecting any asset of any company which becomes a member of the Restricted Group after the date of this Agreement, where the Security or Quasi-Security is created prior to the date on which that company becomes a member of the Restricted Group if:
 - (i) the Security or Quasi-Security was not created in contemplation of the acquisition of that company;
 - (ii) the principal amount secured has not increased in contemplation of or since the acquisition of that company; and
 - (iii) the Security or Quasi-Security is removed or discharged within 6 months of that company becoming a member of the Restricted Group;
- (g) any Security or Quasi-Security arising under any retention of title, hire purchase or conditional sale arrangement or arrangements having similar effect in respect of goods supplied to a member of the Restricted Group in the ordinary course of trading and on the supplier's standard or usual terms and not arising as a result of any default or omission by any member of the Restricted Group;
- (h) any Quasi-Security arising as a result of a disposal which is a Permitted Disposal;
- (i) any Security or Quasi-Security arising as a consequence of any Finance Lease permitted pursuant to the definition of "Permitted Financial Indebtedness" or "Permitted Transaction";
- (j) any Security arising under general banking conditions of a financial institution with whom a member of the Group holds a bank account; or
- (k) any Security securing indebtedness the outstanding principal amount of which (when aggregated with the outstanding principal amount of any other indebtedness which has the benefit of Security given by any member of the Restricted Group other than any permitted under paragraphs (a) to (j)) does not exceed EUR 2,500,000 (or its equivalent in other currencies).

“Permitted Share Issue” means an issue of:

- (a) treasury shares by the Issuer to its employees and board members, up to 7.5% in aggregate of the total shares of the Issuer existing on 31 December 2017 in the context of the share purchase plan;
- (b) ordinary shares by the Issuer to shareholders, paid for in full in cash upon issue and which by their terms are not redeemable and where such issue does not lead to a Change of Control of the Issuer;
- (c) shares by a member of the Group which is a Subsidiary to its immediate Holding Company; or
- (d) a share premium reserve payment on shares in the capital of a member of the Group which is a Subsidiary by its immediate Holding Company,

so long as in case of paragraphs (c) and (d) above, such share issue or share premium reserve payment in respect of the shares in the capital of an Unrestricted Subsidiary does not occur at the time an Event of Default or an event of default under the Senior Facilities Agreement has occurred and is continuing or would occur as a result of such share issue or share premium reserve payment.

“Permitted Transaction” means:

- (a) any Financial Indebtedness incurred, guarantee, indemnity or Security or Quasi-Security given under, required by or permitted by the Senior Facilities Agreement (without taking into account any amendments to the Senior Facilities Agreement following the Issue Date);
- (b) the amalgamation, merger, demerger, liquidation, corporate reorganisation or restructuring of any member of the Restricted Group, in each case on a solvent basis, provided that:
 - (i) any payments or assets distributed as a result of such liquidation or reorganisation are distributed to other members of the Restricted Group; and
 - (ii) where the Issuer is involved, the Issuer is the surviving entity;
- (c) transactions (other than (i) any sale, lease, license, transfer or other disposal and (ii) the granting or creation of Security or the incurring or permitting to subsist of Financial Indebtedness) conducted in the ordinary course of trading on arm’s length terms.

“Permitted Treasury Transaction” means:

- (a) a hedging transaction with respect to the Senior Facilities Agreement, subject to the conditions of the Senior Facilities Agreement;
- (b) spot and forward delivery foreign exchange contracts entered into in the ordinary course of business and not for speculative purposes; and
- (c) any Treasury Transaction entered into for the hedging of actual or projected real exposures arising in the ordinary course of trading activities of a member of the Group and not for speculative purposes. **“Put Exercise Receipt”** shall have the meaning given to it in Condition 5.2 (*Redemption at the Option of Bondholders upon a Change of Control*).

“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 cent (half of one cent being rounded downwards), and by adding any accrued but unpaid interest of such Bond to (but excluding) the Change of Control Put Date.

“**Quasi-Security**” means any of the following transactions carried out by the Issuer or any of its Subsidiaries whereby such entity:

- (a) sells, transfers or otherwise dispose of any of its assets on terms whereby they are or may be leased to or re-acquired by the Issuer or any of its Subsidiaries;
- (b) sells, transfers or otherwise dispose of any of its receivables on recourse terms;
- (c) enters into any arrangement under which money or the benefit of a bank or other account may be applied, set-off or made subject to a combination of accounts; or
- (d) enters into any other preferential arrangement having a similar effect, in circumstances where the arrangement or transaction is entered into primarily as a method of raising Financial Indebtedness or of financing the acquisition of an asset,

other than a Permitted Security, Permitted Factoring or Permitted Transaction.

“**Redemption Rate**” means $\text{MIN}(101\%; \text{Re-offer Price in } \% \times \text{Exp}(T \times 0.74720148386\%))$, rounded down to the ninth decimal, whereby “**Re-offer Price**” means 100%, “**T**” means the time, expressed in decimals of a year, elapsed from (and including) the Issue Date until (and including) the relevant redemption 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.

“**Reference Date**” means 30 June and 31 December of each Financial Year.

“**Relevant Date**” means, in respect of any Bond, whichever is the later of: (i) the date on which payment in respect of it first becomes due; and (ii) 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 11 (*Notices*) that such payment will be made, provided that such payment is in fact made as provided in these Conditions.

“**Relevant Indebtedness**” means any Financial Indebtedness which is in the form of or represented by any bond, debenture, debenture stock, loan stock, certificate or other instrument which is, or is capable of being, listed, quoted or traded on any stock exchange or in any securities market (including, without limitation, any over-the-counter market) (and includes for the purposes of these Conditions any guarantee or indemnity in respect of any such indebtedness or any arrangement having a similar effect). For the avoidance of any doubt, any bank loan or intra-group loan that is granted on the basis of a loan agreement is not Relevant Indebtedness.

“**Relevant Period**” means each period of 12 months, ending on or about the last day of the Financial Year and each period of 12 months ending on or about the last day of each Financial Half Year.

“**Restricted Group**” means the Group, excluding the Unrestricted Subsidiaries.

“**Restricted Subsidiaries**” means the Subsidiaries of the Issuer excluding the Unrestricted Subsidiaries.

“**Sanctions**” means any economic or trade sanctions or restrictive measures enacted, administered, imposed or enforced by the U.S. Department of the Treasury’s Office of Foreign Assets Control (OFAC), the U.S. Department of State, the United Nations Security Council, and/or the European Union and/or the French Republic, and/or Her Majesty’s Treasury or other relevant sanctions authority.

“**Security**” means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

“**Senior Facilities Agreement**” means the senior term and revolving facilities agreement dated 28 June 2018 for the Issuer arranged by BNP Paribas Fortis SA/NV and Belfius Bank NV/SA as Mandated Lead Arrangers with BNP Paribas Fortis SA/NV acting as Coordinator and Agent.

“**Senior Financial Indebtedness**” means Financial Indebtedness which is not contractually subordinated to any creditors of the Issuer.

“**Senior Liabilities**” shall have the meaning given to in Condition 3.2 (*Subordination*).

“**Shareholders**” means the holders of shares issued by the Issuer.

“**Specified Denomination**” has the meaning given to it in Condition 1.2 (*Denomination*).

“**Subordinated Debt**” means Financial Indebtedness incurred by the Issuer:

- (a) which is fully subordinated (in tenor, principal and interest (subject to payments of cash interest in accordance with paragraph (c) below)) to the facilities under the Senior Facilities Agreement;
- (b) for an aggregate maximum nominal amount of EUR150,000,000;
- (c) having a maximum cash interest rate of 6% per annum and where such cash interest will only be payable if immediately before and immediately after giving effect to any such payment, no event of default under the Senior Facilities Agreement has occurred and is continuing; and
- (d) in respect of which no payments of principal (including capitalised interests) shall be made at any time prior to 28 December 2023.

“**Subsidiary**” (*dochtervennootschap/filiale*) of a company shall have the meaning given to it in the Belgian Company Code.

“**Super Junior Liabilities**” shall have the meaning given to it in Condition 3.2 (*Subordination*).

“**Tax Deductibility Event**” has the meaning given to it in Condition 5.3 (*Redemption at the Option of the Issuer – Tax Call*).

“**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.

“**TARGET2**” means the Trans-European Automated Real-Time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on 19 November 2007.

“**TARGET System**” means the TARGET2 system.

“**Tax Call Redemption Amount**” means, at the time of the Tax Call Redemption Date, the highest of:

- (a) the Market Value of the Bonds; and
- (b) the aggregate Specified Denomination of the Bonds, together with interest accrued to (but excluding) the relevant Tax Call Redemption Date.

“**Tax Call Redemption Date**” has the meaning given to it in Condition 5.3 (*Redemption at the Option of the Issuer - Tax Call*).

“**Total Net Senior Debt**” means, at any time, the aggregate amount of all obligations of members of the Group for or in respect of Borrowings at that time but:

- (a) **excluding** any such obligations to any other member of the Group;
- (b) **excluding** any such obligations in respect of any Subordinated Debt;
- (c) **including**, in the case of Finance Leases only, their capitalised value; and
- (d) **deducting** the aggregate amount of Cash and Cash Equivalent Investments held by any member of the Group at that time,

and so that no amount shall be included or excluded more than once.

“**Treasury Transaction**” means any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price.

“**Trigger Event**” shall have the meaning given to it in Condition 3.2 (Subordination).

“**Unrestricted Subsidiaries**” means:

- (a) each of SD Worx Staffing & Career Solutions – Holding NV (formerly named Vio Worx NV) and each of its Subsidiaries for the time being; and
- (b) any other Subsidiary of the Issuer, newly incorporated or acquired in the context of a Permitted Acquisition and each of the Issuer’s other Subsidiaries, which are financed by a pool of lenders (other than under the Senior Facilities Agreement, without any recourse on the members of the Restricted Group.

2.2 Interpretation

- (a) Any reference in these Conditions to any law, regulation or decree shall be deemed a reference to such law, regulation or decree as the same may be amended, supplemented or replaced from time to time.
- (b) In these conditions “**person**” means any individual, company, corporation, firm, partnership, joint venture, association, unincorporated organisation, trust or other judicial entity, including, without limitation, any state or agency of a state or other entity, whether or not having separate legal personality.
- (c) Any reference in these Conditions to principal, premium and/or interest shall be deemed to include any additional amounts which may be payable under these Conditions or any undertaking given in addition to or substitution for it under the Agency Agreement.

3. Status

3.1 Status

The obligations of the Issuer in respect of the Bonds constitute direct, unconditional and (subject to Condition 7.1 (*Negative Pledge*) and subject to Condition 3.2 (*Subordination*) and Condition 3.3 (*Indebtedness to Shareholders and Connected Persons*)) unsecured subordinated obligations of the Issuer. The rights and claims of the holders of the Bonds are subordinated as described in Condition 3.2 (*Subordination*) and Condition 3.3 (*Indebtedness to Shareholders and Connected Persons*). The Bonds rank and will at all times rank *pari passu*, without any priority among themselves and at least equally and rateably (*pro rata*) with all other present and future outstanding subordinated obligations of the Issuer, except as otherwise mentioned under Condition 3.2 (*Subordination*) and

Condition 3.3 (*Indebtedness to Shareholders and Connected Persons*) and save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.

3.2 Subordination

In the event:

- (d) 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);
- (e) the Issuer is declared bankrupt (*failliet/faillite*);
- (f) any concursus creditorum (*samenloop/concours*) in respect of the Issuer has occurred; or
- (g) 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 Code of Economic Law (*Insolventie van Ondernemingen/Insolvabilité des entreprises*)), the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer or the enforcement of any Encumbrance over any assets of the Issuer other than a winding up petition which is frivolous or vexatious and is discharged, stayed or dismissed within 7 days of commencement or, if earlier, the date on which it is advertised,

(each of these events referred to directly above under (d) 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 “**Junior Liabilities**”) shall rank:

- (a) *pari passu* with the rights and claims of any creditor of the Issuer (including (but not limited to) commercial creditors, but excluding the persons mentioned under (b) and (c) directly below);
- (b) junior to the rights and claims of all unsubordinated creditors of the Issuer, but only in respect of Senior Financial Indebtedness (whether present or future, actual or contingent, unsecured or secured) owed by the Issuer (the “**Senior Liabilities**”); and
- (c) senior to all present and future rights and claims of existing and future (x) shareholders of the Issuer and (y) Connected Persons (other than shareholders) 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 shareholders) (the “**Super Junior Liabilities**”).

3.3 Indebtedness to Shareholders and Connected Persons

The Issuer shall not incur indebtedness owed towards any of its shareholders or any Connected Person (other than its shareholders) to the Issuer unless the rights and claims of such shareholder or Connected Person resulting from such indebtedness shall rank upon a Trigger Event:

- (d) junior to (1) the Senior Liabilities, and (2) the rights and claims of any other subordinated creditor of the Issuer (including the Bondholders) whether present or future, actual or contingent, unsecured or secured, but

(e) *pari passu* with all other Super Junior Liabilities.

The Issuer confirms that on the date of this Prospectus it does not have any Super Junior Liabilities that do not qualify as capital.

4. Interest

4.1 The Bonds bear interest from and including the Issue Date at the rate of 3.80% per annum (the “**Original Rate of Interest**”), as adjusted, as the case may be, in accordance with Condition 7.2 (*Adjusted Leverage*), payable annually in arrears on 11 June in each year (each an “**Interest Payment Date**”). The first Interest Payment Date for the Bonds is 11 June 2020. Each Bond will cease to bear interest from the due date for redemption unless payment of principal is improperly withheld or refused. In such event it shall continue to bear interest at such rate (both before and after judgment) until whichever is the earlier of the day on which all sums due in respect of such Bond up to that day are paid by the Issuer to the Agent for the benefit of the Bondholders.

4.2 Where interest is to be calculated in respect of a period which is equal to or shorter than an Interest Period (as defined below), the day-count fraction used will be the number of days in the relevant period, from and including the date from which interest begins to accrue to but excluding the date on which it falls due, divided by the number of days in the Interest Period in which the relevant period falls (including the first such day but excluding the last) (the “**Day-Count Fraction**”).

4.3 In these Conditions, the period beginning on and including 11 June 2019 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 is called an “**Interest Period**”.

4.4 Interest in respect of any Bond shall be calculated per Specified Denomination. The amount of interest payable per Specified Denomination for any period shall be equal to the Applicable Interest Rate in respect of the Bonds, the Specified Denomination and the Day-Count Fraction for the relevant period, rounding the resulting figure to the nearest cent (half a cent being rounded upwards).

5. Redemptions and Purchase

5.1 Final Redemption

Unless previously redeemed, or purchased and cancelled, the Bonds will be redeemed at their Specified Denomination on 11 June 2026 (the “**Maturity Date**”). The Bonds may not be redeemed at the option of the Issuer, except as set out in Condition 5.3.

5.2 Redemption at the Option of Bondholders upon a Change of Control

(a) Exercise of Put Option

(i) In the event that a Change of Control occurs then each Bondholder, at its own initiative, will have the right to require the Issuer to redeem that Bond on the Change of Control Put Date at the 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 cent (half of one cent being rounded downwards), and by adding any accrued but unpaid interest of such Bond to (but excluding) the Change of Control Put Date (the “**Put Redemption Amount**”). The Issuer may not refuse to redeem such Bonds, subject to compliance with the procedure described hereunder.

- (ii) To exercise such right, the relevant Bondholder must, during the Change of Control Put Exercise Period, deposit a duly completed put option notice (a “**Change of Control Put Exercise Notice**”), substantially in the form as set out in Section XIII, with the bank or other financial intermediary through which the Bondholder holds Bonds (the “**Intermediary**”), requesting that the Intermediary (i) deliver the Change of Control Put Exercise Notice to the Agent, (ii) liaise with the Agent to organise the early redemption of such Bonds pursuant to this Condition 5.2 and (iii) transfer the relevant Bond(s) to the account of the Agent. Upon receipt of such Change of Control Put Exercise Notice, the Agent shall deliver a duly completed receipt for such Change of Control Put Exercise Notice (a “**Put Exercise Receipt**”) to the depositing Bondholder and provide a copy of the Change of Control Put Exercise Notice to the Issuer. The Agent will inform the Issuer of the total amount of Bonds subject to Change of Control Put Exercise Notices no later than the fifth TARGET Business Day following the end of the Change of Control Put Exercise Period. The Issuer will not be liable for any inaction or late action of an Intermediary or the Agent and any fees charged by the Intermediary and/or the Agent in relation to the deposit of the Change of Control Put Exercise Notice or the transfer of the relevant Bonds will be borne by the relevant Bondholders.
- (iii) Payment in respect of any such Bond shall be made by transfer to a euro account maintained with a bank in a city in which banks have access to the TARGET System as specified by the relevant Bondholder in the relevant Change of Control Put Exercise Notice.
- (iv) A Change of Control Put Exercise Notice, once delivered, shall be irrevocable and the Issuer shall redeem all Bonds subject of Change of Control Put Exercise Notices delivered as aforesaid on the Change of Control Put Date.
- (v) For the purposes of this Condition 5.2:

*The Put Redemption Amount 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 “Arrêté Royal du 26 mai 1994 relatif à la perception et à la bonification du précompte mobilier” (Royal decree of 26 May 1994 on the deduction of withholding tax) (the “**Royal Decree**”). 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.*

It results from the definition of the term “Put Redemption Amount” and the underlying definition of the term “Redemption Rate” that the Put Redemption Amount for a Bond, before adding any accrued but unpaid interest of such Bond to (but excluding) the Change of Control Put Date, shall in no event be lower than its Specified Denomination.

- (b) Change of Control Notice
 - (i) Within 10 TARGET Business Days following a Change of Control, the Issuer shall give notice thereof to the Bondholders in accordance with Condition 11 (*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 this Condition.
 - (ii) The Change of Control Notice shall also specify:

- (A) the nature of the Change of Control;
 - (B) the last day of the Change of Control Put Exercise Period;
 - (C) the Change of Control Put Date; and
 - (D) the Put Redemption Amount.
- (c) The Issuer's sole shareholder has, prior to the date of this Prospectus, approved this Condition 5.2 in accordance with the requirements of the Belgian Company Code.
- (d) This Condition 5.2 is without prejudice to the right of any Bondholder to give notice to the Issuer declaring its Bonds immediately due and payable if an Event of Default occurs and is continuing, in accordance with and subject to Condition 8, even if such notice is served between the date on which the relevant Bondholder has deposited a Change of Control Put Exercise Notice in accordance with this Condition 5.2 and the Change of Control Put Date.

5.3 Redemption at the Option of the Issuer – Tax Call

- (a) If, as a result of a Change in Law, on the next Interest Payment Date any interest payable by the Issuer in respect of the Bonds ceases (or will cease) to be deductible by the Issuer for Belgian corporate income tax purposes or such deductibility is reduced and this cannot be avoided by the Issuer taking reasonable measures available to it (a "**Tax Deductibility Event**"), the Issuer may, at its option, having given not less than 30 nor more than 60 calendar days' notice to the holders of the Bonds in accordance with Condition 11 (*Notices*) (the "**Notice of Redemption**"), redeem the Bonds as a whole (but not in part) at the Tax Call Redemption Amount. The Notice of Redemption shall be irrevocable and shall specify the date fixed for redemption which must be an Interest Payment Date (the "**Tax Call Redemption Date**").
- (b) Prior to the publication of any Notice of Redemption pursuant to this Condition 5.3, the Issuer shall deliver to the Agent and make available to Bondholders:
- (i) a certificate signed by two directors of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer to redeem the Bonds have occurred; and
 - (ii) a copy of an opinion of an independent law firm or other tax adviser in the Kingdom of Belgium (in either case being nationally recognised and experienced in such matters) that a Tax Deductibility Event has occurred and is continuing or will apply to payments to be made on the next succeeding Interest Payment Date.
- (c) Upon the expiry of any such notice as is referred to in this Condition 5.3, the Issuer shall be bound to redeem the Bonds in accordance with this Condition 5.3.
- (d) No costs shall be charged to the Bondholders in the framework of the redemption of the Bonds following a Tax Deductibility Event pursuant to this Condition 5.3.
- (e) This Condition 5.3 is without prejudice to the right of any Bondholder to give notice to the Issuer declaring its Bonds immediately due and payable if an Event of Default occurs and is continuing, in accordance with and subject to Condition 8, even if such notice is served between the date on which the Issuer has issued a Notice of Redemption and the Tax Call Redemption Date.

5.4 **Purchase**

Subject to 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 or any Subsidiary of the Issuer may at any time purchase any Bonds in the open market or otherwise at any price. Bonds purchased by the Issuer or any of its Subsidiaries may be held or resold at the option of the Issuer or relevant Subsidiary, or cancelled. The Bonds so purchased, while held by or on behalf of the Issuer or any such Subsidiary, shall not entitle the holder to vote at any meeting of Bondholders and shall not be deemed outstanding for the purposes of calculating quorums at meetings of Bondholders or for the purposes of Condition 10 (*Meetings of Bondholders*).

5.5 **Cancellation**

All Bonds which are redeemed will be cancelled and may not be re-issued or resold.

6. **Payments**

6.1 **Method of Payment**

Without prejudice to the provisions of the Belgian Company Code, all payments of principal or interest in respect of the Bonds shall be made through the Agent and the NBB Clearing System in accordance with the NBB Clearing System Regulations. The payment obligations of the Issuer under the Bonds will be discharged by payment to the Agent in respect of each amount so paid. Each payment in respect of the Bonds pursuant to this Condition 6.1 will be made by transfer to a euro account maintained by the relevant Bondholder with a bank in a city in which banks have access to the TARGET System.

6.2 **Payments Subject to Laws**

All payments are subject in all cases to any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 6.6 (*Taxation*). No commissions or expenses shall be charged by the Issuer to the Bondholders in respect of such payments.

6.3 **Payments on TARGET Business Days**

If any date for payment in respect of the Bonds is not a TARGET Business Day, the holder 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.

6.4 **No Charges**

The Agent shall not make or impose on a Bondholder any charges or commissions in relation to any payment in respect of the Bonds, without prejudice to any such charges that may be charged by the Agent in another capacity, or any such fees or charges that may be charged by other financial intermediaries.

6.5 **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.

6.6 Taxation

All payments of principal and interest by or on behalf of the Issuer in respect of the Bonds shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within the Kingdom of Belgium or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. The Issuer will not be required to pay any additional or further amounts in respect of such deduction or withholding.

7. Covenants

7.1 Negative Pledge

So long as any Bond remains outstanding, the Issuer shall not, and shall procure that none of its Subsidiaries will, create or permit to subsist any Encumbrance upon the whole or any part of its present or future undertaking, assets or revenues (including uncalled capital) to secure any Relevant Indebtedness without at the same time or prior thereto securing the Bonds equally and rateably (*pro rata*) therewith or providing such other security as may be approved by an Extraordinary Resolution of the Bondholders.

For purposes of this section, “**outstanding**” shall mean, with respect to any Bond, any time from the Issue Date unless one or more of the following events has occurred:

- (a) the Bond has been redeemed or repurchased by the Issuer and in either case has been cancelled by the Issuer; or
- (b) the due date for its redemption has occurred and all sums due in respect of such Bond (including all accrued interest to the date for such redemption and any interest payable after such date) have been duly paid to the relevant Bondholder or to the Agent and remain available for payment; or
- (c) the Bond has become void or claims have been prescribed in respect of it.

7.2 Adjusted Leverage

- (a) Without prejudice to Condition 8 (*Events of Default*), if, on the Reference Date that is 31 December prior to an Interest Payment Date, the Adjusted Leverage is higher than 3.25 to 1, then, with effect from the first Interest Payment Date following the relevant Reference Date where the increase has been evidenced, the Original Rate of Interest shall be increased by 0.75% per annum for the Interest Period commencing on such Interest Payment Date, it being understood that such 0.75 % per annum interest rate increase shall apply once and remain applicable for any subsequent Interest Period following an Interest Period during which the Adjusted Leverage is higher than 3.25 to 1.
- (b) If following any step-up pursuant to paragraph (a) above, the Adjusted Leverage is equal to or lower than 3.25 to 1 on the Reference Date that is 31 December prior to any further Interest Payment Date, then with effect from such Interest Payment Date, the Applicable Interest Rate on the Bonds shall be the Original Rate of Interest.

7.3 Publication of Adjusted Leverage Rate

The Issuer shall publish on its website, in respect of each Reference Date,

- (a) no later than 150 calendar days after the end of its Financial Years (in respect of any Reference Date that is 31 December), a certificate confirming the Adjusted Leverage in respect of the applicable Reference Date; and

- (b) no later than 60 calendar days after 30 June (in respect of any Reference Date that is 30 June), a certificate indicating whether or not the Adjusted Leverage exceeds 4:1 on the applicable Reference Date.

Each such certificate (a “**Compliance Certificate**”) shall be signed by one director and the chief financial officer of the Issuer and, for the Compliance Certificates relating to Reference Dates that are 31 December only, countersigned by the Issuer’s auditor. All such certificates will remain published on the Issuer’s website so long as any Bond remain outstanding.

7.4 **Financial Statements**

The Issuer shall supply to the Agent and publish on its website:

- (a) as soon as they are available, but in any event within 150 calendar days after the end of each of its Financial Years (and for the first time for the Financial Year ending on 31 December 2019) its audited consolidated financial statements for that Financial Year; and
- (b) as soon as they are available, but in any event within 60 calendar days after the end of each Financial Half Year of each of its Financial Years (and for the first time for the Financial Half Year ending on 30 June 2019) its consolidated financial statements for that Financial Half Year.

7.5 **Tax Domicile**

The Issuer will procure that it shall not become domiciled or resident in any jurisdiction other than Belgium.

7.6 **Listing**

Upon the Bonds becoming listed on Euronext Growth Brussels on or prior to the Issue Date, the Issuer undertakes to furnish Euronext Growth Brussels all documents, information and undertakings and publish all advertisements 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 Bonds remain outstanding. If the Bonds are not or cease to be listed on Euronext Growth Brussels, the Issuer undertakes to ensure admission of the Bonds to trading on another regulated market or MTF within the EEA.

7.7 **Event of Default**

Upon the occurrence of an Event of Default as described in paragraphs (d) (*Events of Default – Cross-Acceleration*) and (e) (*Events of Default – Security Enforced*) of Condition 8, the Issuer shall promptly give notice thereof to the Bondholders in accordance with paragraph (i) of Condition 11.1 (through the NBB Clearing System) and 11.2 (the rules of Euronext Growth Brussels and any stock exchange or other relevant authority on which the Bonds are listed). Such notice shall specify the nature of the Event of the Default.

8. **Events of Default**

- 8.1 If any of the following events (each an “**Event of Default**”) occurs and is continuing then any Bond may, by notice in writing given by the Bondholder to the Issuer at its registered office with a copy to the Agent at its specified office, be declared immediately due and payable whereupon it shall become immediately due and payable at its Specified Denomination together with accrued interest (if any) to the date of payment, without further formality unless such Event of Default shall have been remedied prior to the receipt of such notice by the Agent:

- (a) **Non-payment:** default is made in the payment when due of any amount due in respect of the Bonds, and such default shall not have been remedied within 7 Business Days thereafter (in respect of principal) and within 10 Business Days (in respect of interest); or
- (b) **Adjusted Leverage:**
 - (i) the Adjusted Leverage exceeds 4:1 on a Reference Date; and
 - (ii) such breach is not remedied within 12 months (as evidenced by the Compliance Certificate for the second Reference Date following the Reference Date on which the breach has been established); or
- (c) **Breach of other obligations:** default is made in the performance of, or compliance with, any obligation of the Issuer in respect of the Bonds (other than defaults referred to in paragraphs (a) and (b) of this Condition 8) and (except in any case where the failure is incapable of remedy when no continuation or notice as is hereinafter mentioned will be required) such default shall not have been remedied within 20 Business Days after receipt by the Issuer of written notice from any Bondholder of such default requiring the default to be remedied; or
- (d) **Cross-Acceleration:**
 - (i) any Financial 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;
 - (ii) such Financial 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; or
 - (iii) 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 Financial Indebtedness;

provided that no Event of Default shall occur if the aggregate amount of the Financial Indebtedness, guarantees and indemnities in respect of which the relevant event mentioned in this sub-paragraph (d) “*Cross-Acceleration*” has occurred does not individually or in the aggregate exceed EUR 35 million or its equivalent (on the basis of the middle spot rate for the relevant currency against the euro as quoted by any leading bank on the day on which this paragraph operates); or

- (e) **Security enforced:** any Encumbrance, present or future, created or assumed by the Issuer or any of its Material Subsidiaries in an aggregate amount exceeding EUR 35 million or its equivalent (on the basis of the middle spot rate for the relevant currency against the euro as quoted by any leading bank on the day on which this paragraph operates) becomes enforceable and any step is taken to enforce any such Encumbrance (including the taking of possession or the appointment of a receiver, administrative receiver, administrator, manager or other similar person), *provided that* if the Issuer or such Material Subsidiary disputes the enforceability of the Encumbrance or the enforcement steps taken in that respect, the Event of Default shall only be deemed to occur on the date on which a binding and final judgment by a court of competent jurisdiction permitting the relevant enforcement has been issued; or
- (f) **Winding-Up:** a court order or an effective resolution is passed for the winding-up, dissolution 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, dissolution or liquidation proceeding; or

(g) ***Bankruptcy and insolvency:***

- (i) the Issuer or any of its Material Subsidiaries is unable to pay its debts as they fall due or is bankrupt (*failliet/faillite*) (under applicable Belgian or foreign bankruptcy laws);
- (ii) the Issuer or any Material Subsidiary initiates a bankruptcy proceeding or another insolvency proceeding or such proceedings are initiated against the Issuer or any Material Subsidiary, under applicable Belgian or foreign bankruptcy laws, insolvency laws or similar laws (including Book XX of the Belgian Code of Economic Law (*Insolventie van Ondernemingen/Insolvabilité des Entreprises*)), *provided that* if the Issuer or such Material Subsidiary defends itself in good faith against a proceeding initiated against it, the Event of Default shall only be deemed to occur if:
 - (A) a judgment in first instance by a court of competent jurisdiction is rendered which declares the Issuer or the relevant Material Subsidiary bankrupt or insolvent (notwithstanding any pending or available appeal proceedings against such judgment in first instance and regardless of whether such judgment in first instance is in an interim proceeding or a proceeding on the merits); and
 - (B) such judgment has not (x) been reversed in appeal or (y) otherwise been settled, remedied or withdrawn within a period of one month following the date of the judgment,in which case the Event of Default shall be deemed to occur on the first calendar day after the expiry of such one-month period;
- (iii) 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 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;
- (iv) 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, unless the Issuer or such Material Subsidiary contests in good faith that such payment is due and payable;
- (v) 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 a material part 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,

provided that, in each of the events referred to in paragraphs (iv) until (v), no Event of Default shall occur if the aggregate amount of the debts concerned does not individually or in the aggregate exceed EUR 35 million or its equivalent (on the basis of the middle spot rate for the relevant currency against the euro as quoted by any leading bank on the day on which this paragraph operates); or

- (h) **Illegality:** it is or becomes unlawful for the Issuer to perform or comply with any of its obligations under or in respect of the Bonds; or
- (i) **Cessation or change of business:** a cessation of business or change of business by the Group occurs, other than on terms approved by the general meeting of Bondholders, *provided that* no cessation or change of business shall be deemed to occur for so long as the Group as a whole remains predominantly active in the areas of human resources, payroll, legal or tax support, training, learning and development, hosting, automation, consultancy, outsourcing, staffing, outplacement, career guidance, recruitment, selection, secondment, or project sourcing, each in the widest sense, or in any services or sectors that are ancillary or related (in the widest sense) to any such businesses (including but not limited to any IT-related (including development of software, hosting, etc.) or service-related businesses). For the avoidance of doubt, the potential divestment, in whole or in part, of any Subsidiary, including a Material Subsidiary, to a third party shall not constitute a cessation by, or change of business of, the Group, as long as (the remainder of) the Group as a whole remains predominantly active in the aforementioned areas; or
- (j) **Delisting or trading suspension:** the listing of the Bonds on the Euronext Growth Market is withdrawn or suspended for a period of at least 15 subsequent TARGET Business Days as a result of a failure by the Issuer, unless the Issuer obtains the listing of the Bonds on another regulated market or MTF within the EEA (notified to the Agent and to the Bondholders in accordance with Condition 11 (*Notices*)) at the latest on the last day of this period of 15 TARGET Business Days.

9. Prescription

Claims against the Issuer for payment in respect of principal and interest on the Bonds shall be prescribed and become void unless made within a period of ten years in the case of principal and five years in the case of interest from the appropriate Relevant Date in respect of such payment.

10. Meeting of Bondholders, Modification and Waiver

10.1 Meetings of Bondholders

All meetings of Bondholders will be held in accordance with the provisions on meetings of Bondholders set out in Schedule 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 holding not less than one tenth of the aggregate nominal 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 nominal 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 proviso, 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.

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 Clearing System, 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 relevant clearing systems 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 relevant clearing system(s) by or on behalf of the holders of not less than 75% in principal amount of the outstanding Bonds. To the extent such electronic consent is not being sought, the Meeting Provisions provide that, if authorised by the Issuer and to the extent permitted by Belgian law, a resolution in writing signed by or on behalf of holders of not less than 75% of the aggregate nominal amount of the Bonds shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of holders of Bonds duly convened and held, *provided that* the terms of the proposed resolution shall have been notified in advance to the Bondholders through the relevant settlement 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 holders of Bonds.

10.2 **Modification and Waivers**

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 11 (*Notices*) as soon as practicable thereafter.

11. **Notices**

- 11.1 Notices to the Bondholders shall be valid if (i) delivered by or on behalf of the Issuer to the NBB Clearing System for communication by it to the NBB Clearing System participants and (ii) published on its website (www.sdworx.com/en/investor-relations). Any such notice shall be deemed to have been given on the latest day of (i) seven days after its delivery to the NBB Clearing System and (ii) publication on its website.
- 11.2 The Issuer shall further ensure that all notices are duly published in a manner which complies with the rules and regulations of Euronext Growth Brussels (or of any other regulated market or multilateral trading facility 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.

- 11.3 In addition to the above communications and publications, with respect to notices for a meeting of Bondholders, any convening notice for such meeting shall be made in accordance with the Belgian Company Code, by an announcement to be inserted at least fifteen days prior to the meeting, in the Belgian Official Gazette (*Moniteur belge – Belgisch Staatsblad*) and in a newspaper with national coverage. Resolutions to be submitted to the meeting must be described in the convening notice.
- 11.4 All costs associated with the notices and publications sent pursuant to this Condition 11 (*Notices*) shall be borne by the Issuer.
- 11.5 The Issuer shall moreover comply with the obligations set out in the Royal Decree of 14 November 2007 on the obligations of issuers with financial instruments admitted to trading on a regulated market, insofar as these obligations shall apply to the Issuer as from the admission to trading of the Bonds on the Euronext Growth Market pursuant to the Royal Decree of 21 August 2008 on further rules in respect of certain multilateral trading facilities.

12. Further Issues

The Issuer may from time to time without the consent of the Bondholders create and issue further bonds either having the same terms and conditions as the Bonds in all respects or in all respects except for the first payment of interest on them and so that such further issue shall be consolidated and form a single series with the outstanding Bonds or upon such terms as the Issuer may determine at the time of their issue. References in these Conditions to the Bonds include (unless the context requires otherwise) any other bonds issued pursuant to this Condition and forming a single series with the Bonds.

13. Governing Law and Jurisdiction

13.1 Governing Law

The Agency Agreement and 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.

13.2 Jurisdiction

The Dutch-speaking courts of Brussels, Belgium are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Agency Agreement and the Bonds and any non-contractual obligations arising out of or in connection with the Bonds and accordingly any legal action or proceedings arising out of or in connection with the Bonds and any non-contractual obligations arising out of or in connection with the Agency Agreement or the Bonds may be brought in such courts.

Schedule 1
Provisions on meetings of Bondholders

Interpretation

- 1 In this Schedule:
 - 1.1 references to a “**meeting**” are to a meeting of Bondholders and include, unless the context otherwise requires, any adjournment;
 - 1.2 “**agent**” means a holder of a Voting Certificate or a proxy for, or representative of, a Bondholder;
 - 1.3 “**Block Voting Instruction**” means a document issued by a Recognised Accountholder or the NBB Clearing System in accordance with paragraph 8;
 - 1.4 “**Electronic Consent**” has the meaning set out in paragraph 30.1;
 - 1.5 “**Extraordinary Resolution**” means a resolution passed (a) at a meeting of Bondholders duly convened and held in accordance with this Schedule 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;
 - 1.6 “**NBB Clearing System**” means the securities settlement system operated by the NBB or any successor thereto;
 - 1.7 “**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;
 - 1.8 “**Recognised Accountholder**” means a member (*aangesloten lid/ affili *) referred to in the Belgian Royal Decree n 62, with whom a Bondholder holds Bonds on a securities account;
 - 1.9 “**Voting Certificate**” means a certificate issued by a Recognised Accountholder or the NBB Clearing System in accordance with paragraph 7;
 - 1.10 “**Written Resolution**” means a resolution in writing signed by the holders of not less than 75% in principal amount of the Bonds outstanding; and
 - 1.11 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 nominal amount of the Bonds outstanding at such time.

General

- 2 All meetings of Bondholders will be held in accordance with the provisions set out in this Schedule.
 - 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 Schedule.
 - 2.2 For the purposes of (i) ascertaining the right to attend any meeting of Bondholders and vote at any meeting of Bondholders and (ii) the determination of how many Bonds are outstanding for the purposes of these Provisions on Meetings of Bondholders, those Bonds (if any) which are held by the Issuer or any of its Connected Persons (or for their benefit) and not cancelled shall (unless and until ceasing to be so held) be deemed not to be outstanding.

Extraordinary Resolution

- 3 A meeting shall, subject to the Conditions and (except in the case of sub-paragraph 3.5) 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.

- 3.1 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);
- 3.2 to assent to any modification of the Conditions proposed by the Issuer or the Agent;
- 3.3 to authorise anyone to concur in and do anything necessary to carry out and give effect to an Extraordinary Resolution;
- 3.4 to give any authority, direction or sanction required to be given by Extraordinary Resolution;
- 3.5 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;
- 3.6 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
- 3.7 to accept any security interests established in favour of the Bondholders or a modification to the nature or scope of any existing security interest or a modification to the release mechanics of any existing security interests,

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 3.6 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 nominal 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 proviso.

Ordinary Resolution

- 4 Notwithstanding any of the foregoing and without prejudice to any powers otherwise conferred on other persons by this Schedule, a meeting of Bondholders shall have power by Ordinary Resolution:
 - 4.1 to assent to any decision to take any conservatory measures in the general interest of the Bondholders;
 - 4.2 to assent to the appointment of any representative to implement any Ordinary Resolution; or
 - 4.3 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 11 (*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:
 - 7.1 be issued by a Recognised Accountholder or the NBB Clearing System;
 - 7.2 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 Clearing System) 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:
 - 7.2.1 the conclusion of the meeting specified in such certificate or, if applicable, any such adjourned meeting; and
 - 7.2.2 the surrender of the Voting Certificate to the Recognised Accountholder or the NBB Clearing System who issued the same; and
 - 7.3 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:
 - 8.1 be issued by a Recognised Accountholder or the NBB Clearing System;
 - 8.2 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 Clearing System) 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:
 - 8.2.1 the conclusion of the meeting specified in such document or, if applicable, any such adjourned meeting; and
 - 8.2.2 the giving of notice by the Recognised Accountholder or the NBB Clearing System 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;
 - 8.3 certify that each holder of such Bonds has instructed such Recognised Accountholder or the NBB Clearing System 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;

- 8.4 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
- 8.5 naming 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 8.4 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 depositary 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 Clearing System 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 depositary 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:
- 16.1 Bondholders and their agents;
- 16.2 the chairman and the secretary of the meeting;

16.3 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:

18.1 in the cases marked “**No minimum proportion**” in the table below, whatever the proportion of the Bonds which they represent;

18.2 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
	Required proportion	Required proportion
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 nominal amount equal to the minimum Specified Denomination 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 Bonds, 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 Clearing System, then in respect of any matters proposed by the Issuer:
 - 30.1 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 30.1.1 and/or 30.1.2, 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 nominal 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.
 - 30.1.1 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).
 - 30.1.2 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 30.1.1 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.

- 30.2 To the extent Electronic Consent is not being sought in accordance with paragraph 30.1, a resolution in writing signed by or on behalf of the holders of not less than 75% in nominal 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 (a) by accountholders in the clearing system(s) with entitlements to the Bonds or (b) 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 Clearing System, Euroclear, Clearstream Banking Frankfurt 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 Banking Frankfurt’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.

IV. CLEARING

1. The Bonds will be accepted for clearance (settlement) through the NBB Clearing System under the ISIN Code BE0002655364 and Common Code 199892665, and will accordingly be subject to the NBB Clearing System Regulations.
2. The number of Bonds in circulation at any time will be registered in the register of registered securities of the Issuer in the name of the NBB.
3. Access to the NBB Clearing System is available through those of its NBB Clearing System participants whose membership extends to securities such as the Bonds.
4. NBB Clearing System participants include certain banks, stockbrokers (*beursvennootschappen/sociétés de bourse*), and Euroclear Bank, Euroclear France, SIX SIS, Monte Titoli, Clearstream Banking Frankfurt and INTERBOLSA. Accordingly, the Bonds will be eligible to clear through, and therefore accepted by, Euroclear Bank, Euroclear France, SIX SIS, Monte Titoli, Clearstream Banking Frankfurt and INTERBOLSA and investors can hold their Bonds within securities accounts in Euroclear Bank, Euroclear France, SIX SIS, Monte Titoli, Clearstream Banking Frankfurt and INTERBOLSA.
5. Transfer of interests in the Bonds will be effected between NBB Clearing System participants in accordance with the rules and operating procedures of the NBB Clearing System. Transfers between investors will be effected in accordance with the respective rules and operating procedures of the NBB Clearing System participants through which they hold their Bonds.
6. Belfius Bank SA/NV, having its registered office at Place Charles Rogier 11, 1210 Brussels, Belgium (the “**Paying Agent**”) will perform the obligations of paying agent included in a service contract for the issuance of fixed income securities which will be entered into on or about the Issue Date in relation to the Bonds between the Issuer, the NBB and the Paying Agent.
7. The Issuer and the Paying Agent will not have any responsibility for the proper performance by the NBB Clearing System or its NBB Clearing System participants of their obligations under their respective rules and operating procedures.

V. DESCRIPTION OF THE ISSUER

A. Overview

The Issuer is a limited liability company (*naamloze vennootschap / société anonyme*) incorporated under Belgian law on 22 December 2015 for an indefinite term under the name “HR Worx”, by deed of incorporation prepared by notary Frank Liesse, published in the annexes to the Belgian Official Gazette on 28 December 2015, with a legal entity identification number (LEI) 96760081CZVZP6TSN165. The articles of association of the Issuer have been amended several times, and most recently by a notarial deed of 28 September 2018. The Issuer’s corporate name was changed to “SD Worx Holding” following amendments to the articles of association dated 15 May 2017, as published in the annexes to the Belgian Official Gazette on 26 May 2017.

The Issuer has voluntarily opted into the application of the new Belgian Code on Companies and Associations (*Wetboek van Vennootschappen en Verenigingen / Code des Sociétés et Associations*), which has been introduced pursuant to the Law dated 23 March 2019 (*Belgisch Staatsblad / Moniteur belge* 4 April 2019) (the “**Belgian Company Code**”), in accordance with Article 39§1 of such Law. The Belgian Company Code has become applicable to the Issuer as from 7 May 2019, which is the date on which the Issuer’s amended articles of association were published in the Belgian State Gazette (*Belgisch Staatsblad / Moniteur belge*).

The Issuer is the holding company of the Group, which is structured in two sub-groups: the SD Worx Group and the SD Worx Staffing & Career Solutions Group.

The SD Worx Group provides services in the areas of payroll, HR (including HR administration), capacity management, legal support, training, automation, consultancy and outsourcing. With more than 4,150 employees (full-time equivalents), the SD Worx Group operates in ten different countries: Belgium (HQ), Germany, France, Ireland, Luxembourg, Mauritius, the Netherlands, Austria, the United Kingdom and Switzerland. Offering a full-service package in the areas of payroll calculations and administration, tax and social-legal support and support for businesses’ HR processes, the SD Worx Group achieved a turnover of EUR 466.7 million in 2018, a growth of 4.7% compared to 2017.

The SD Worx Staffing & Career Solutions Group was created as a result of the acquisition of the Vio Group in February 2018 and the acquisition of the Flexpoint Group in September 2018. It is active in the areas of flexible work, temporary work, secondment, recruitment & selection, career guidance, outplacement, specific payroll for temporary workers and HR consultancy. With more than 450 employees (full-time equivalents)¹, SD Worx Staffing & Career Solutions Group operates in Belgium and the Netherlands. It operates from 105 offices, has approximately 3,000 customers and places more than 5,500 temp workers on average per day. It achieved a turnover of EUR 275.6 million in 2018 on a like-for-like basis².

Together, SD Worx Group and SD Worx Staffing & Career Solutions Group achieved a combined turnover of EUR 742.3 million in 2018 on a like-for-like basis.

The Issuer’s registered office is located at Brouwersvliet 2, Antwerp, Belgium, with enterprise number 0644.841.746, Register of Legal Entities Antwerp (Division Antwerp). Its telephone number is +32 3 220 28 11. Its website is www.sdworx.com.

The Issuer’s financial year begins on 1 January and ends on 31 December.

¹ The Issuer’s 2018 consolidated annual accounts mention a higher number of total employees for the entire SD Worx group (an average of 6,314 employees and directors in 2018). The difference with the 4,150 employees (full-time-equivalents) of the SD Worx Group and the 450 employees (full-time equivalents) of the SD Worx Staffing & Career Solutions Group mentioned above results from the fact that the average number of employees and directors reflected in the 2018 consolidated annual accounts: (i) includes the employees and directors of the Vio Group for a period of ten months and the Flexpoint Group for a period of three months, as these acquisitions were completed during the course of financial year 2018; and (ii) includes the temporary workers engaged by the SD Worx Staffing & Career Solutions Group (taken into account for the same pro-rated periods as in (i)).

² Revenues of the Vio Group and Flexpoint Group, both acquired during the course of 2018, consolidated on a 12-month basis.

B. Corporate purpose

The corporate purpose of the Issuer is defined in Article 3 of its articles of association and encompasses the following: (i) acquisition of participations in corporations and the management of such participations, (ii) acquisition and development of tools supporting employers, (iii) activities of a real estate company, including the management, sale, acquisition, leasing of property, (iv) activities of a holding company, including financing, through the granting of loans or credit facilities or the provision of guarantees, and all other commercial and financial operations other than those legally reserved to regulated credit institutions, (v) investment of liquidities or securities, cash and movable or immovable property, (vi) performance of the function of director, liquidator and management assignments.

The above enumeration is not limitative and must be construed in the widest sense. The Issuer may act in its own name as well as on behalf of other parties or in cooperation with them. The Issuer may perform all acts, of a commercial, industrial, immovable, movable or financial nature, directly or indirectly related to its purpose or essential to promote the achievement thereof. It may further aim to achieve its purpose, both in Belgium and abroad, in all manners or forms that it would deem suitable.

C. History and development

Incorporation and reorganisation

The Issuer was incorporated on 22 December 2015 as HR Worx NV by Private Stichting SD Patrimonium and Private Stichting SD (together the “**Foundations**”), through a contribution of cash and a contribution in kind of certain assets (including, in particular, real estate). On 15 May and 30 June 2017, Private Stichting SD Patrimonium contributed additional assets into the Issuer, including certain branches of activities, which Private Stichting SD Patrimonium had itself acquired from SD Worx VZW. The Issuer contributed the largest part of the assets so acquired to its Subsidiaries, and these assets have led to the development of the Group as it now stands. The rationale for the reorganisation of the SD Worx group between 2015 and 2017 was to permit its activities to develop further with the most optimal corporate structure in the interest of its stakeholders and with a view to allowing the group to compete with other market participants both in Belgium and abroad in the wider HR market, also taking into account that SD Worx VZW’s activities are limited to those that are permitted by law to be conducted by a recognised social secretariat (*erkend sociaal secretariaat / secrétariat social agréé*).

The history of SD Worx VZW itself traces back to 1945, when it was incorporated as the wage administration company “*Sociale Dienst V.E.V. VZW*” by, among others, the *Vlaams Economisch Verbond*. The latter is now Voka, a Flemish employers’ organisation representing over 18,000 companies in Flanders and Brussels. Voka remains the sole founding and permanent member of SD Worx VZW, with the role of representative employers’ organisation (*representatieve werkgeversorganisatie*) for purposes of Chapter IV of the Royal Decree dated 28 November 1969 implementing the Law of 27 June 1969 (restating the Law of 28 December 1944 on the social security for workers).

HR Worx Holding

The Issuer is wholly-owned by HR Worx Holding NV (“**HR Worx Holding**”), a holding company incorporated on 9 July 2018 with a view to allowing, among others, share incentive plans to be operated at the level of the Issuer, as described in more detail below in Subsection D (*Share capital and share incentive plans*).

The Foundations

HR Worx Holding is wholly-owned by Private Stichting SD Patrimonium (holding 59.14% of the shares) and SD Worx for Society CVBA/VSO (holding 40.86% of the shares). The latter is in turn owned by Private Stichting SD, owning 9,900 shares, with 90 other shares owned by Private Stichting SD Patrimonium and 10 other shares owned by HR Worx Holding.

The Foundations, which are the ultimate beneficial owners of the Issuer, were incorporated by SD Worx VZW respectively in March 2008 and November 2015. SD Worx VZW is a recognised social secretariat (*erkend sociaal secretariaat / secrétariat social agréé*) and focuses on the activities which, under Belgian law, are exclusively reserved to such social secretariats. SD Worx VZW is not affiliated with the Foundations, the Issuer or any member of the Group.

The Foundations do not have any shareholders, unitholders or members and their sole decision-making body is their board of directors. Both boards of directors are composed in accordance with the Foundations' articles of association of a number of directors that were either appointed by SD Worx VZW at incorporation or have been subsequently appointed from the list of replacements that was drawn up in accordance with their respective articles of association. As at the date hereof, the board of directors of both Foundations consists of Mr Filip Dierckx, Mr Dirk Collier and Mr Marc Binnemans.

The altruistic purpose (*belangeloos doel*) of Private Stichting SD includes the promotion of anchorage of enterprises in Belgium, the development and maintenance of knowledge regarding human resources management in Belgium, the sharing of such knowledge abroad, et cetera. For that purpose, Private Stichting SD can, among others, organise trainings for employers and employees, publish reports and other materials, represent the interests of certain interest groups with governmental and other bodies in Belgium and abroad, et cetera. The altruistic purpose of Private Stichting SD Patrimonium includes the development and promotion of working instruments and concepts that can support employers for the employment of their personnel and their enterprise, in Belgium and abroad, with a view to improving the durability of the relationship between employer and employee and the integration on the employment market of as many individuals as possible, including disadvantaged individuals. For that purpose, Private Stichting SD Patrimonium can, among others, acquire and manage all assets and funds as are useful, develop the relevant working instruments and concepts, organise trainings for employers and employees, publish reports and other materials, et cetera. The manner in which the Foundations bring their altruistic purpose into practice may differ over time.

The Issuer is not aware of any shareholders' arrangements between its indirect shareholders or any other arrangements the operation of which may at a subsequent date result in a change in control of the Issuer.

Recent acquisitions and investments

Over the past few years, the Group has known rapid growth through a combination of organic growth and acquisitive growth, including the following recent material acquisitions and investments:

- the acquisition of certain minority interests in Prottime NV (Belgium) to acquire full ownership of the company, closed in January 2016;
- Fidelis HR (Germany), closed in February 2016;
- Ceridian UK & Ireland & Mauritius (United Kingdom), closed in June 2016;
- the acquisition of certain minority interests in CTB Systemen Holding BV (the Netherlands) to acquire full ownership of the company, closed in November 2016;
- Vio Group (Belgium), closed in February 2018; and
- Flexpoint Group (the Netherlands), closed in September 2018.

D. *Share capital and share incentive plans*

Share capital

The share capital of the Issuer amounts to EUR 599,738,000 as of the date of the Prospectus, and is represented by 33,972,055 fully paid-up ordinary shares without par value. The shares are not divided into categories.

Share incentive plans

In 2017, SD Worx Group NV (“**SD Worx Group**”) established a share purchase plan pursuant to which certain employees, managers and directors of the Group were entitled to purchase shares in SD Worx Group at a discount, subject to certain terms and conditions (including a three-year lock-up period).

In June 2018, all beneficiaries under such 2017 share purchase plan were given the option, and agreed, to exchange their shares in SD Worx Group for certificates issued by HR Worx Holding, a company newly incorporated by Private Stichting SD Patrimonium and Private Stichting SD as direct parent company of the Issuer, and representing shares in the Issuer (“**Certificates**”), in a one-for-one exchange. The Certificates grant the beneficiaries the economic rights on the underlying shares of the Issuer, while the other rights attaching to the shares (including voting rights and preferential subscription rights) are exercised by HR Worx Holding. The exchange was implemented in July 2018.

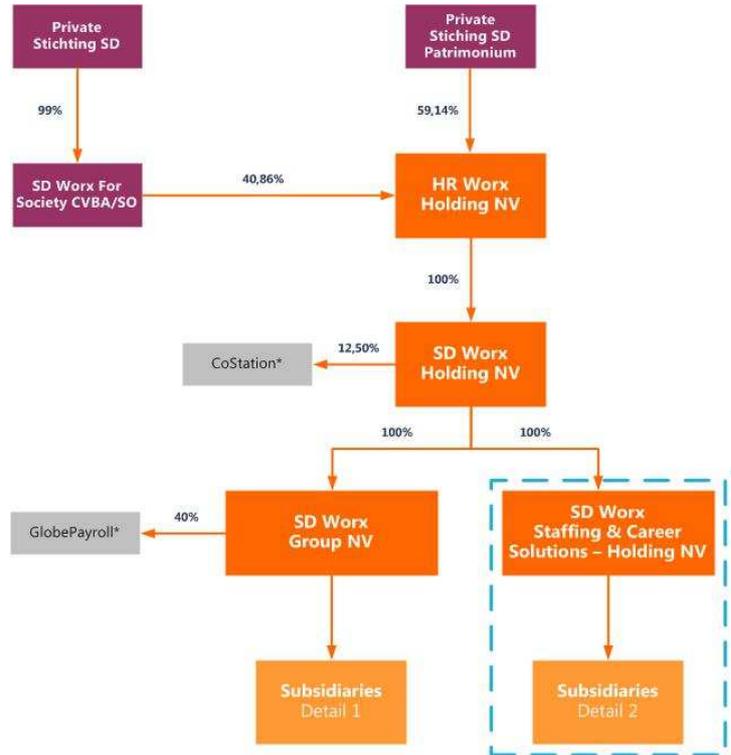
The reason for this exchange was that, in February 2018, the Issuer had acquired the Vio Group, which marked the Group’s entrance in the staffing market. As a result of such acquisition, the shares in SD Worx Group no longer represented the entire value of the Group. In order to give the beneficiaries of the Group’s incentive schemes the opportunity to be exposed to the entire Group, the exchange was implemented.

In July and August 2018, certain employees, managers and directors of the Group were given the opportunity to purchase additional Certificates, at a discount and subject to certain terms and conditions (including a three-year lock-up period). At the same time, the Issuer awarded certain employees, managers and directors of the Group the right to acquire Certificates for free three years after the award subject to them remaining employed or otherwise providing services to the Group at such time.

The Issuer may decide to set up further share purchase plans, share allocation plans or other incentive schemes as part of its remuneration and incentive package for senior employees, managers and directors of the Group.

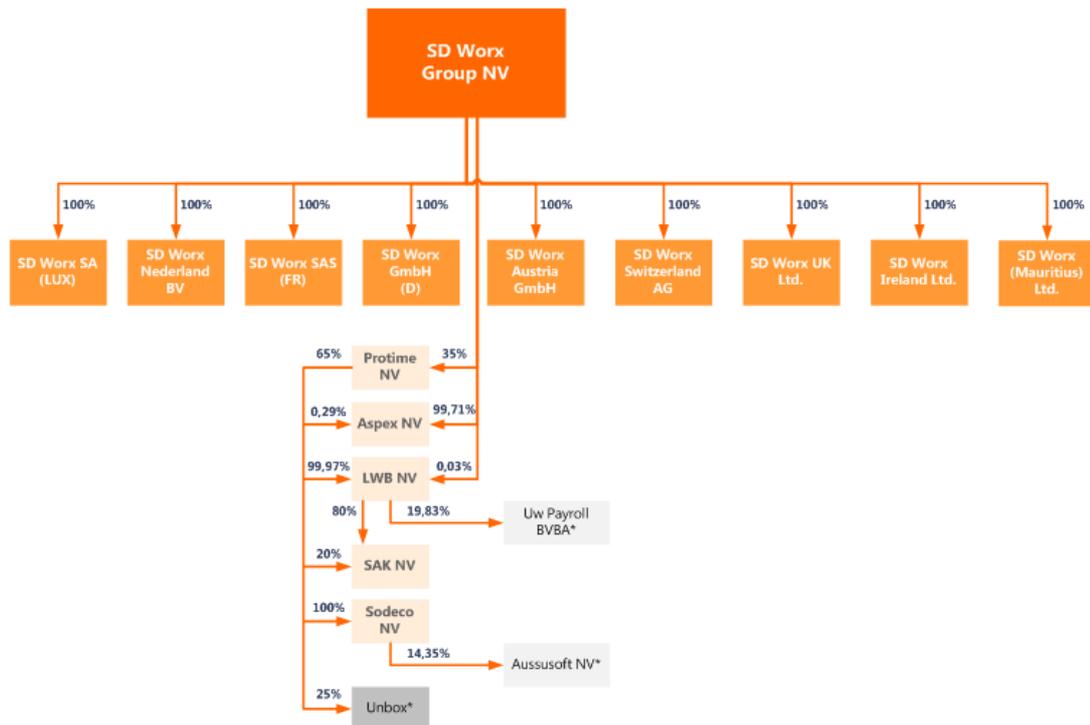
E. Organisational structure

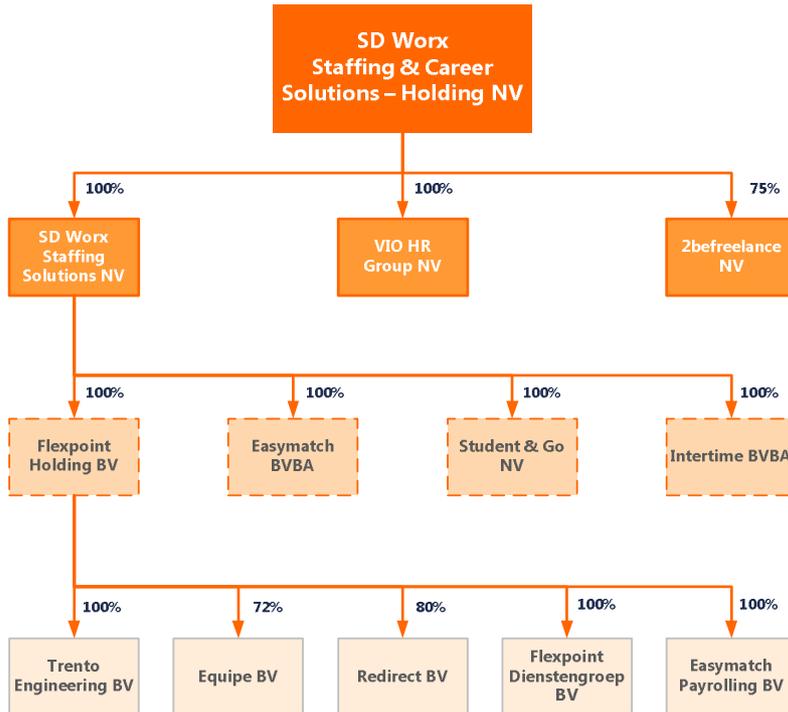
The following structure charts provide an overview of the Group as at the date hereof:



(*) Unrestricted Subsidiaries under the Issuer’s Senior Facilities Agreement.

Detail 1





The Issuer has two direct Subsidiaries: SD Worx Group and SD Worx Staffing & Career Solutions – Holding NV. SD Worx Group is the Group’s sub-holding for legal entities in both Belgium and abroad providing services in the areas of payroll, HR (including HR administration), capacity management, legal support, training, automation, consultancy and outsourcing. SD Worx Staffing & Career Solutions – Holding NV is the sub-holding above the Vio Group and the Flexpoint Group, which are active in the areas of flexible work, temp work, secondment, recruitment & selection, career guidance, outplacement, specific payroll for temps and HR consultancy.

Except for the companies listed hereafter, all Subsidiaries are 100% owned, directly or indirectly, by the Issuer. The Issuer is, directly or indirectly, a majority shareholder in Equipe B.V. (the Netherlands) and Redirect B.V. (the Netherlands). The Issuer is, directly or indirectly, a minority shareholder in UwPayroll NV (Belgium), Assusoft NV (Belgium), Unbox NV (Belgium), CoStation NV (Belgium) and GlobePayroll SA (France).

The Group is active, through separate legal entities, in the following countries: Belgium, Austria, France, Germany, Ireland, Luxembourg, Mauritius, the Netherlands, Switzerland and the United Kingdom.

F. *Principal activities and markets*

The Issuer is the direct holding company of the Group, which is organised in two divisions. SD Worx Group provides services in the areas of payroll, HR (including HR administration), capacity management, legal support, training, automation, consultancy and outsourcing. SD Worx Staffing & Career Solutions is active in the areas of flexible work, temp work, secondment, recruitment & selection, career guidance, outplacement, specific payroll for temps and HR consultancy.

1. *SD Worx Holding*

The Issuer acts as the holding company for the two divisions of the Group and, moreover, provides strategic, corporate and treasury services to both divisions. The Issuer aims to further develop the existing entrepreneurial spirit within the Group and to safeguard the decentralised management principles, while maintaining appropriate levels of coordination and collaboration between both divisions of the Group. The Issuer promotes the development of a professional, lean and effective organisation. The Issuer also ensures the effective integration and financial control for any acquisitions that the Group may undertake.

2. SD Worx Group

With more than 4,150 employees (full-time equivalents), SD Worx Group operates in ten different countries: Belgium (HQ), Germany, France, Ireland, Luxembourg, Mauritius, the Netherlands, Austria, the United Kingdom and Switzerland. Offering a full-service package in the areas of payroll calculations and administration, tax and social-legal support and support for businesses' HR processes, SD Worx Group achieved a turnover of EUR 466.7 million in 2018, a growth of 4.7% compared to 2017.

SD Worx Group is a co-founding member of the Payroll Services Alliance, an organisation that aims to pool the strengths, experience and expertise of certain key players in the field of payroll calculation: SD Worx (Western Europe), Ascender (Asia and the Pacific), Elanor (Central and Eastern Europe), F2A (Italy) and Seresco (Southern Europe). The aim is to offer international corporate groups with one single provider for its payroll and HR requirements. At the end of 2018, the combined revenues of the members of the Payroll Services Alliance amounted to approximately EUR 1.6 billion, and the members together employed more than 13,000 employees, served more than 130,000 customers and processed a total of more than 32 million payslips per month (in total, of which part through joint projects as part of the Payroll Services Alliance).

SD Worx Group processes approximately 4.6 million payslips per month, supporting 65,000 clients, 97% of which are businesses with less than 500 employees. Today, the majority of its clients are located in Belgium. In addition, it has more than 7,000 clients located outside of Belgium for which it processes a total of approximately 3.4 million payslips per month.

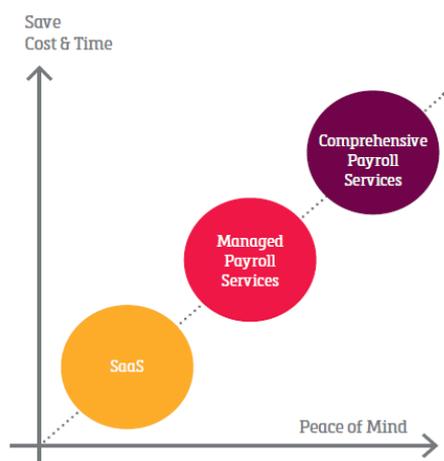
countries	clients	employees
Belgium	59,000	1,200,000
Austria	150	15,000
France	200	180,000
Germany & Switzerland	1,250	1,200,000
Luxembourg	450	15,000
The Netherlands	2,250	135,000
UK and Ireland	2,400	1,800,000
Other countries	450	90,000
total		4,635,000

situation in January 2019

Key products and services

SD Worx Group is the largest payroll and HR services provider in Belgium and the third largest in Europe. It is among the five largest payroll outsourcing businesses globally (based on the 2019 Next Generation Payroll Services market study of Nelson Hall). It provides global payroll and HR services, thereby supporting 91 countries.

Its HR services offering includes payroll services, time and attendance, tax services, benefits and compensation administration, recruiting services, and workforce administration. SD Worx Group offers its (multi-country) payroll services through three primary service levels (Software as a Service, Managed Payroll Services and Comprehensive Payroll Services):



SD Worx Group also offers a number of proprietary cloud HR and payroll technologies across the countries it supports as well as supporting SAP payrolls on premise through its SAP teams in Belgium and Germany. It offers interfaces to the main HCM systems including SAP Successfactors, through a standard integration link, Workday, Cornerstone, Oracle, PeopleSoft, Talentsoft and Microsoft Dynamics and offers cloud consulting and implementation services for its proprietary solutions as well as for SAP Successfactors. In Belgium, SD Worx Group also has an extensive consultancy and learning business, offering tax and legal consultancy, data consultancy and HR advisory.

With respect to its core HR services, SD Worx Group also offers GlobePayroll, as a multi-country core HR solution. With respect to workforce management, SD Worx Group offers Prottime™ and OnlineWerkrooster™ as a workforce management tool for multi-local companies. The offering comprises time and attendance solutions, access control, team and job planning solutions and social and collaboration software.

Key functional domains

Through its proprietary solutions and partner solutions, SD Worx Group covers all HR functional domains across all countries it supports. Most technology solutions include core HR and payroll (including expenses, compensation and benefits, employee and manager self-service, document management, analytics and reporting), talent management (including recruiting and on-boarding, performance and goal management, career and succession planning and learning and development) and workforce management (including labour scheduling, time and attendance, absence management and activity management).

Compensation and benefits, expenses, learning and development, career and succession planning and activity management are the only functional domains which are not covered in all of SD Worx Group's local solutions. All technology solutions provided directly by SD Worx Group include ESS (Employee Self Services) and MSS (Manager Self Services) capability.

Multi-country services

SD Worx Group has a specific multi-country offering. It provides customers with a single governance model, comprising one contract with one vendor, a single system of record and unified management of strategic service delivery. Execution of payroll services may be provided or (i) solely by the SD Worx Group, or (ii) by local payroll processing partners, or (iii) in conjunction with its partners in the Payroll Services Alliance, with the SD Worx Group acting as the aggregator. SD Worx Group covers 91 countries in the Americas, Europe, the Middle East, Africa, and Asia-Pacific. All local languages are supported and coordination is provided in English, French, German, and Dutch, as required. SD Worx Group combines managed, coordinated and comprehensive service models to mirror the client's organisation.

Customer sizes for multi-country services range from one to 50,000 employees, with the average customer having 500 to 5,000 employees. The average customer deploys the SD Worx Group across three countries.

Figures	Clients	Employees	Market share 2018	Position 2018
UK/Ireland (**)	2,400	1,800,000	5.0%	Nr. 5
Germany & Switzerland (**)	1,250	1,200,000	11.3%	Nr. 4
France (**)	200	180,000	1.0%	Nr. 7
Benelux (**)	61,700	1,350,000	33.8%	Nr. 1
Austria	150	15,000	<1%	n.a.
Other countries	450	90,000	<1%	n.a.
Total EMEA		4,635,000	8.6%	Nr. 3
Total Global		4,635,000	2.2%	Nr. 5

(*) Nelson Hall estimates (Table: market share payroll services SD Worx, Next Generation Payroll Service, 2019).

(**) Nelson Hall estimates. They do not provide detailed revenues per country. UK/Ireland has been underestimated and Benelux has been overestimated.

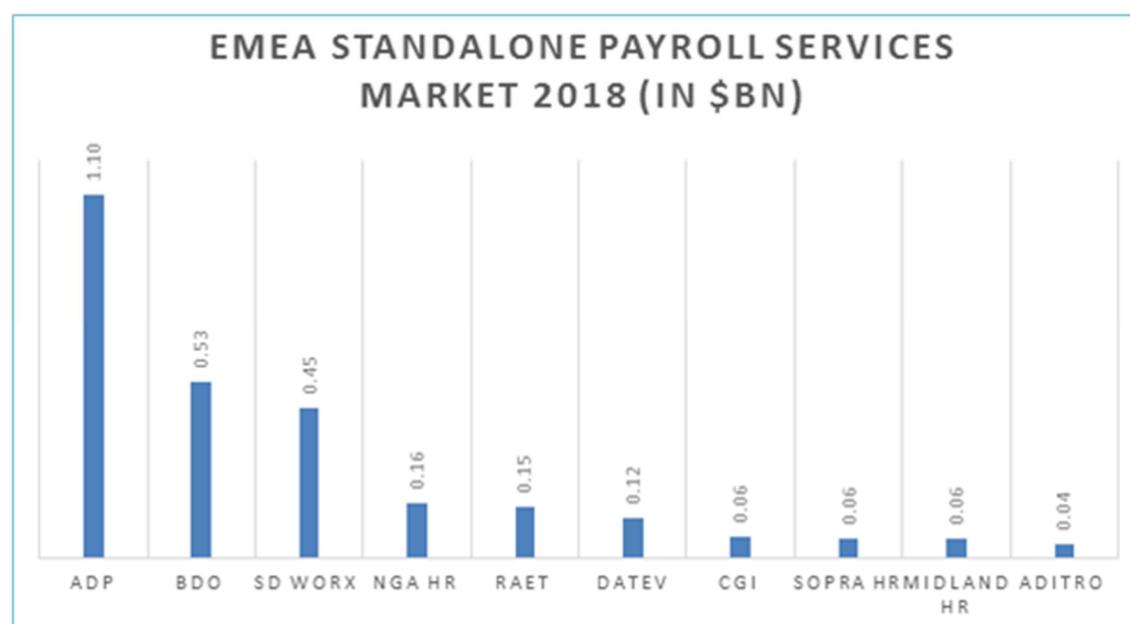


Table: EMEA payroll services market per payroll service provider (source: NelsonHall, Next Generation Payroll Service, 2019)

3. SD Worx Staffing & Career Solutions Group

The SD Worx Staffing & Career Solutions Group was created as a result of the acquisition of the Vio Group in February 2018 and the acquisition of the Flexpoint Group in September 2018. It is active in the areas of flexible work, temporary work, secondment, recruitment & selection, career guidance, outplacement, specific payroll for temporary workers and HR consultancy. With more than 450 employees (full-time equivalents), SD Worx Staffing & Career Solutions operates in Belgium and the Netherlands. It operates from 105 offices, has

approximately 3,000 customers and places more than 5,500 temp workers on average per day. It achieved a turnover of EUR 276.6 million in 2018 on a like-for-like basis³.

countries	Clients	Temp workers/day	Market share 2018	Position 2018
Belgium	2,400	3,380	3,15%	Nr. 10
The Netherlands	600	2,120	1,0%	Top 20
Total BENELUX		5,500	1.31%	Top 15

(*) Based on own research

The European staffing market is still largely fragmented. A few global players dominate the industry and are complemented by a number of mid-tier companies and thousands of smaller, often local entities. Consolidation in the industry has started a few years ago, driven by the investments required in digital innovation and transformation.

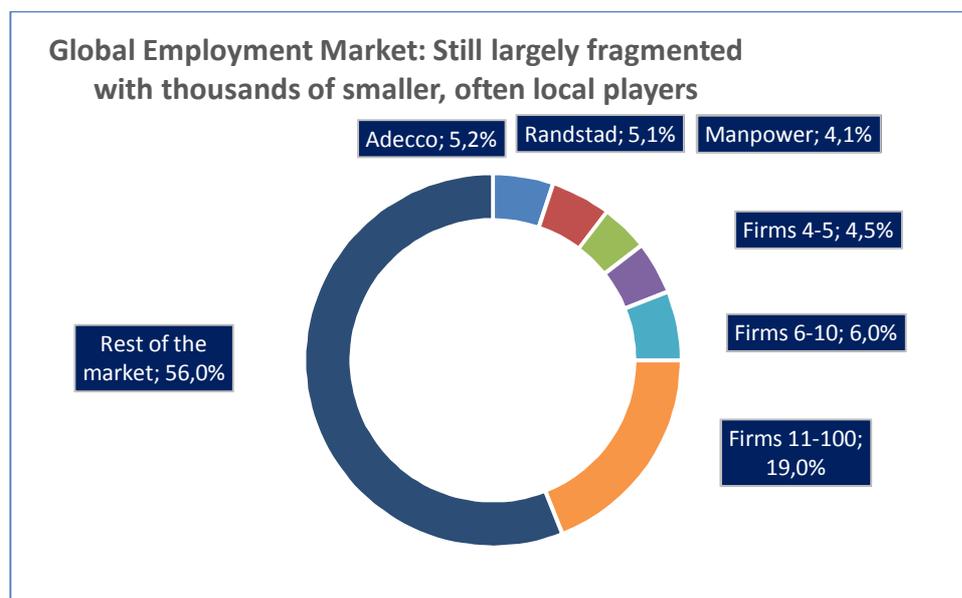


Table: Overview global employment market (sources: Factset 2017 and World Employment Confederation, 2017)

Belgian staffing market

From 2013 to 2017, the Belgian staffing market grew to approximately EUR 5.89 billion at the end of 2017. It grew at a much faster rate than the Belgian GDP, thereby demonstrating a higher level of trust in the Belgian economy from the economic agents.

According to the Federgon market update of December 2018, the Belgian staffing market for 2019 should remain stable as compared to 2018. This stabilisation can be explained by the conversion of temporary contracts into fixed contracts and a decrease in the offer of available temporary workers and the skilled workers shortage.

The number of active companies in the industry also increased over the past few years. Small players gained market share from the large and traditional players dominating the industry. The market is more fragmented than before because of a large variety in HR tech start-ups and a tendency towards an increased amount of players on the market, all however specialised in a specific industry niche.

³ Revenues of the Vio Group and Flexpoint Group, both acquired during the course of 2018, consolidated on a 12-month basis.

Dutch staffing market

The Dutch staffing market followed the same trend as the Belgian market. The Dutch market is bigger than the Belgian market in reason of its size and its higher ratio fixed-to-flex, being approximately 30%. The Dutch labour market is therefore more flexible than the Belgian market.

Both markets however face a structural lack of skilled workers. Nevertheless, the Dutch temping market grew during the course of 2018. The industry expects to be impacted by an upcoming new labour law which aims to reduce the differences between the rules governing temporary work on the one hand and fixed work on the other. The final outcome of the new labour law is still uncertain.

Vio Group and Flexpoint Group

In the context set out above, SD Worx purchased the Vio Group and the Flexpoint Group, two groups which have demonstrated strong growth over the past few years, to enter into the staffing market.

The Flexpoint Group owns different brands: Flexpoint (staffing), Trace (staffing), Easymatch (payrolling), Emploqo (online matching platform for IT profiles), Trento Engineering (sourcing and secondment of engineers), Young Professionals by SD Worx Staffing Solutions (sourcing and secondment of and digital specialists), Equipe (recruitment and headhunting services for both fixed and temporary employment) and Re-Direct (personal development coaching, individual and collective outplacement, and career mobility). More importantly, both Vio's and Flexpoints' markets are geographically complementary. Their offices are well spread out over Belgium and the Netherlands. Flexpoint on the one hand is primarily active in the Netherlands and in Flanders, more specifically Limburg. Vio on the other hand is only active in Flanders, mainly East-Flanders, Antwerp and Flemish Brabant. Finally, Trace is only active in Wallonia and Brussels. During the course of 2019, the Group intends to rationalise its brand portfolio, rebranding Flexpoint, Vio and Trace into SD Worx Staffing Solutions. Vio HR Group will be renamed SD Worx Career Solutions.

The Vio Group currently has an estimated market share in the Belgian temping market of approximately 1.70%. The market share of Flexpoint is estimated at approximately 1.44%. As a result, the combined business has an approximate market share of 3.15% in Belgium. In the Netherlands, Flexpoint achieved estimated sales of EUR 87 million. Its market share can be estimated at approximately 1%.

G. Strategy of the Group

1. Group-wide – Strategic development

The Group's aim is to offer its customers solutions for its "human capital" management processes. These processes evolve rapidly with the increasing globalised and flexible workforces of the Group's customers. The Group continuously aims to adapt and anticipate these evolutions. This process of strategic development of the Group is managed along three axes:

Geographical axis

The workforces of the Group's customers are increasingly international. Workforce regulation is however bound to local markets. This creates additional complexity for the Group's customers. The Group aims to resolve this by offering seamless integration of international human capital management with local staffing requirements. The Group's global footprint is extended either by own offices and payroll engines, or by partnerships with selected local experts.

Solutions axis

The Group's customers increasingly work with more agile, flexible groups of employees. This creates additional complexity in recruitment processes, managing labour costs, managing different contract types and labour relations. The Group aims to anticipate and adapt to this evolution by continuously developing its solutions portfolio. The Group's original core business is the payroll process. This core is extended with services for other

essential HR processes, such as employee data management and expense management. The Group also generated significant growth in workforce management solutions such as time and attendance. More recently the Group took a next step by building a staffing business, creating the opportunity to also service its clients' flexible workforce requirements.

Digital axis

Human capital related processes are increasingly optimised based on the opportunities that digital technology offers. Organisations implement systems to manage all aspects of their workforce. The ability to integrate with these systems is key to enable the Group to service its customers. The Group's strategy is aimed at extending its existing solutions with new integrated digital services that offer simplification, data-based insights and added value for her customers, both employers and employees.

2. Group-wide – Acquisitive growth

The Group's strategic aim is to develop further through both organic growth and acquisitions, and the Bond Offering frames in the expected funding requirements for such acquisitive growth.

The European payroll services market, in which SD Worx Group is active, is to date still very much a fragmented market. The Group expects consolidation in this market in the coming years, with digital transformation, 'zero-marginal cost' platforms, cloud technology and multi-country payroll services as key drivers for such consolidation, as these benefit from economies of scale and require significant investments. Additionally, rapidly evolving technology is changing competitive dynamics. HR software providers are entering the services market (for example, the recent acquisition of Raet by Visma), HR tech players are disrupting the market with new and innovative solutions and incumbents of other markets (such as Intuit, Accenture and Rabobank) are entering the payroll/HR market while leveraging their existing data and customer base. The Group has the ambition to strengthen its current position on the payroll services market and to play an active role in the further consolidation in this market.

The European staffing market, in which the Group is active through SD Worx Staffing & Career Solutions, is still largely fragmented with a few global players dominating the industry, complemented by a limited number of mid-tier companies and a large number of smaller, often local, entities. Consolidation in the industry has already begun, as evidenced by a large number of M&A transactions over the past few years, and the Group intends to play an active role in this consolidation wave as well, principally by continuing its buy-and-build strategy in the staffing market. By investing in a flexible work offering, SD Worx Staffing & Career Solutions can moreover offer its customers a wider set of HR services and respond to the rise of flexible work and the gig economy.

For these reasons, the Group is frequently (including on the date hereof) assessing potential growth opportunities and acquisition targets of different sizes (including of significant size), business and financial profiles, which may be active in jurisdictions where the Group is already operating and/or in other jurisdictions (including other parts of the world). Such businesses may operate in different product markets or niches (e.g. focusing on large multi-country customers, which is not currently the Group's main focus), may have different business models, profitability or leverage profiles. On the date hereof, the Group is assessing several such growth opportunities, each of varying size and each in different stages of their sale process, but with no binding acquisition agreements entered into yet.

On the date hereof, the Group is considering a potential sizeable acquisition of a business that is active inside and outside of Europe, including in certain jurisdictions where the Group is currently not active. The potential acquisition of such business is within the scope of the Group's scope of activities, ambitions and strategy. It is currently uncertain whether the Group will enter into a binding agreement for such acquisition. If this would be the case, then it is currently expected that the Group's Adjusted Leverage would increase from -1.13 (as at the end of 2018) to approx. +0.30 (based on current estimations).

Please also refer to Section II.A.2.12 (*Risks related to acquisitions*).

3. *SD Worx Group – Three pillars*

Aside from the strategic development of the Group along the three axes described above, SD Worx Group focuses its strategy on three strategic pillars:

Customer centricity

SD Worx Group aims to offer one predictable and consistent customer experience, with a view to ensuring that its customers recognise the “SD Worx team” wherever they do business with SD Worx Group. Feedback from clients is key. Central in this approach is therefore the use of the “net promoter score” or “NPS” to understand how customers experience working with SD Worx Group. On the basis of the most recent survey, SD Worx Group’s net promoter score is +34. Focus areas for continued improvement are around proactivity, communication with customers, technical support and continuity when customer contacts change. An added upside of this customer-centric approach is that the investment in the customer, and in particular the development and offering of new products and services, aids SD Worx Group in establishing direct contact with its customers’ employees (the so-called “*business-to-business-to-customer*” approach).

Digital leadership

The HR business-to-business market is shifting rapidly: competitors are expanding and new players are entering the market (as described above under “*Group-wide - Acquisitive growth*”). In line with the digital focus of the wider Group, SD Worx Group intends to lead its customers through the digital transformation by bringing HR services to a new level of innovation, all while preserving the balance between automated and human service. It is for this reason that SD Worx Group, and the wider Group, invests heavily in developing new integrated digital services to extend its existing solutions, with a view to offering simplification, data-based insights and added value for its customers while generating additional revenues for the Group.

International growth

Most international customers prefer to do business with payroll providers that can offer a multi-country solution. Customers expect SD Worx Group to have in-depth local knowledge, all while being at their service anywhere that they conduct business in the world. In line with the wider Group’s geographical axis, SD Worx Group sees the largest potential for new clients coming from international opportunities. The Payroll Services Alliance of which SD Worx Group is a founding member fits well in this strategy and is used to leverage the growth of SD Worx Group’s international business.

4. *SD Worx Staffing & Career Solutions – Four pillars*

Aside from the strategic development of the Group along the three axes described above, SD Worx Staffing & Career Solutions focuses its strategy on four strategic pillars:

Acquisitions

Currently, SD Worx Staffing & Career Solutions is focusing on the integration of the acquired Vio, Flexpoint and Trace groups, with a view to creating one international staffing organisation with the same mission, vision, strategy and values. Later this year, this will result in the launch of the new combined brand SD Worx Staffing Solutions. Vio HR Group will be renamed SD Worx Career Solutions. At the same time, SD Worx Staffing & Career Solutions continues to seek out potential acquisition opportunities.

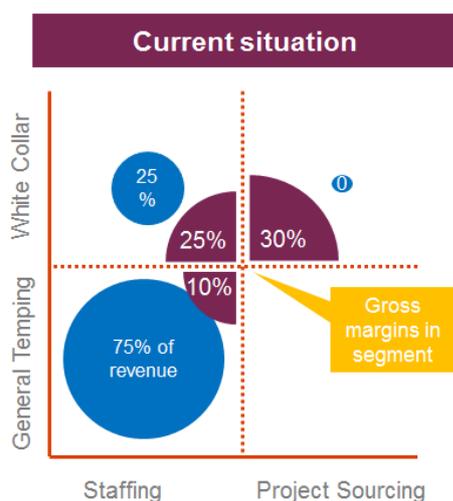
Strong organic growth

Through the integration of the Vio, Flexpoint and Trace groups into one organisation, by harnessing resulting synergies, implementing strong common values and further professionalising the services rendered, SD Worx Staffing & Career Solutions aims to build a strong basis for continuing growth. It also intends to open new local

staffing agencies in selected areas so as to allow SD Worx Staffing & Career Solutions to better service its customers and expand its business. Finally, further investing in the personal development of the employees, offering them new and professional tools and techniques, is a key priority.

Segmentation & new products

SD Worx Staffing & Career Solutions realises about 75% of its revenues in the general temping, or blue-collar, market segment. The general temping segment is driven by high volumes, low-end gross margins and strong competition.



With 20 years of expertise, SD Worx Staffing & Career Solutions intends to continue building on its existing expertise to further specialise and expand in other market segments and products by focusing on four strategic initiatives:

- reinforcing the white collar staffing offering and investing in specialised segments, such as recruitment of medical personnel, senior white-collar employees and engineers;
- strengthening its separate solution, Easymatch, for payrolling for temporary workers;
- introducing new products to diversify its product offering by investing in its project sourcing department, introducing Digital Young Professionals by SD Worx Staffing Solutions (project sourcing); and
- developing a specific on-site solution for large accounts, which unburdens large enterprises from the entire workforce management of its temporary personnel.

To support the development of new segments, SD Worx Staffing & Career Solutions invests intensively in labour market knowledge, trend-watching expertise and data analytics.

Digital strategy

As part of its digital strategy, SD Worx Staffing & Career Solutions intends to further use digital tools for the automation and professionalisation of its internal processes, with a view to increasing its internal efficiency and thereby improving its operational excellence. Through the integration of effective online communication, community building and information exchange tooling, SD Worx Staffing & Career Solutions aims to improve customer intimacy, both with employers and employees. Finally, by leveraging its internal data intelligence, SD Worx Staffing & Career Solutions is able to assist its customers in making the correct HR and staffing decisions and supporting them in the implementation thereof.

H. Investments

As per 1 February 2019, the Issuer has acquired the remaining shares in SD Worx Staffing & Career Solutions – Holding NV held by certain founders and certain managers.

As at the date hereof, the Issuer's Board (or other management bodies for that same matter) has not made any firm commitments with respect to principal future investments.

I. Recent developments

There are no recent events particular to the Issuer which are to a material extent relevant to the evaluation of the Issuer's solvency.

J. Material contracts

Except as set out in this Prospectus, the Issuer has not entered into any material contracts outside the ordinary course of its business which could result in the Issuer or any Group member being under an obligation or entitlement that is material to the Issuer's ability to meet its obligations to holders of the Bonds in respect of the Bonds.

1. Senior Facilities Agreement

On 28 June 2018, the Issuer, as original borrower and original guarantor, certain of the Issuer's Subsidiaries, as original guarantors, and BNP Paribas Fortis SA/NV and Belfius Bank SA/NV, as the original lenders and mandated lead arrangers, entered into the Senior Facilities Agreement, for an aggregate amount in principal of EUR 150 million in senior term and revolving facilities.

The Senior Facilities Agreement can be used, among others, for general corporate purposes, including working capital, the funding of permitted acquisitions, permitted one-off distributions, capital expenditure, and to repay the financial indebtedness under the Group's previous EUR 35,000,000 facilities agreement originally entered into on 28 June 2016 between SD Worx Group as borrower and BNP Paribas Fortis SA/NV as lender.

The Issuer and the following Group members have granted an irrevocable and unconditional independent guarantee for an amount equal to all sums payable by any borrower or guarantor under the Senior Facilities Agreement and the ancillary finance documents, subject to certain customary guarantee limitations: SD Worx Group, SD Worx Belgium NV, Protime NV, SD Worx GmbH and SD Worx UK Limited. Under the Senior Facilities Agreement, the Issuer must at all times ensure that the aggregate EBITDA, gross assets and turnover of the guarantors represents not less than 75% of EBITDA, consolidated gross assets and consolidated turnover of the Group excluding SD Worx Staffing & Career Solutions – Holding NV (formerly named Vio Worx NV) and its Subsidiaries.

The principal amount drawn and outstanding under the Senior Facilities Agreement as at the date hereof is EUR 22.4 million. The term loan under the Senior Facilities Agreement is to be repaid in instalments falling six months after the date of the Senior Facilities Agreement until 29 June 2023. Each facility under the revolving facility is to be repaid on the last day of its interest period. EUR 2.5 million has already been reimbursed under the Senior Facilities Agreement. The Senior Facilities Agreement may be voluntarily prepaid, in whole or in part, by the Issuer upon ten business days' prior written notice. No compensation is due for such voluntary prepayment.

The Senior Facilities Agreement is subject to mandatory prepayment in the following circumstances: (i) if it becomes illegal for a lender to perform any of its obligations relating to the Senior Facilities Agreement (in which case that lender must be prepaid); (ii) upon the occurrence of any flotation of any member of the Group, a change of control over the Issuer (which is defined as Stichting SD and Stichting SD Patrimonium together ceasing to directly or indirectly control the Issuer) or upon the sale of all or substantially all Group's assets; or (iii) upon certain disposals by any member of the Group.

The Senior Facilities Agreement is subject to customary representations and warranties, events of default (including cross-default) and covenants. As a rule, most of these covenants do not apply to SD Worx Staffing & Career Solutions – Holding NV and its Subsidiaries (the so-called “Unrestricted Subsidiaries”), as these are subject to separate covenants in the Vio Credit Facilities Agreement (please see further). The Senior Facilities Agreement imposes two financial covenants on the Group: an “Adjusted Leverage” covenant and a “Factoring Adjusted Leverage” covenant. The “Adjusted Leverage” covenant is calculated on the same basis as the Adjusted Leverage covenant in Condition 7.2 (*Adjusted Leverage*) and is also subject to six-monthly testing. The threshold for the covenant in the Senior Facilities Agreement is 2.50:1, while the threshold for the Adjusted Leverage covenant in Condition 7.2 (*Adjusted Leverage*) is 3.25:1 (triggering an increase in the Applicable Interest Rate; and an Event of Default at 4.00:1 if such breach is not remedied within 12 months). The threshold for the “Factoring Adjusted Leverage” covenant in the Senior Facilities Agreement (which is equal to the adjusted leverage calculated on a pro forma basis to add the utilised amount under permitted factoring at the end of the testing period to the calculation of the total net senior debt) is at 3.00:1. The Conditions do not provide for an equivalent concept of such “Factoring Adjusted Leverage” covenant. For both such financial covenants, the Senior Facilities Agreement has a concept of “leverage spike”, which allows the Issuer to give notice once during the life of the facilities as a result of which the thresholds for the “Adjusted Leverage” and “Factoring Adjusted Leverage” covenants are increased to 3.00:1 and 3.50:1 respectively. The “leverage spike” is only available in the framework of a permitted acquisition. The Conditions do not have an equivalent concept of such “leverage spike”. Non-compliance with the financial covenants (subject to the leverage spike) results in an event of default under the Senior Facilities Agreement.

As regards distributions, the Issuer is under the Senior Facilities Agreement only permitted to distribute funds to its shareholders (i.e. to HR Worx Holding) when the Adjusted Leverage (calculated in accordance with the Senior Facilities Agreement) is equal to or lower than 1.50:1. Currently, such Adjusted Leverage is approximately -1.13:1.

The Bond Offering will not lead to a breach of any covenants, limitations of financial indebtedness or negative pledge included in the Senior Facilities Agreement. The payment obligations of the Issuer under the Bonds shall be subordinated to its payment obligations under the Senior Facilities Agreement.

2. Vio Credit Facilities Agreement

On 19 February 2018, SD Worx Staffing & Career Solutions – Holding NV (formerly named Vio Worx NV), as original borrower and original guarantor, and BNP Paribas Fortis SA/NV and ING Belgium NV/SA as mandated lead arrangers and original lenders, entered into the Vio Credit Facilities Agreement, for an aggregate amount in principal of EUR 38 million in senior term and revolving facilities. The total commitment has in the meantime been increased to EUR 43.5 million. Its maturity date is 19 February 2025.

The purpose of the Vio Credit Facilities Agreement was to fund the acquisition by the Issuer of Vio HR Group NV, including the related acquisition costs, and to refinance the then existing financial indebtedness at the level of Vio HR Group NV and its Subsidiaries.

Under the Vio Credit Facilities Agreement, SD Worx Staffing & Career Solutions – Holding NV, Vio HR Group NV, SD Worx Staffing Solutions NV (previously named Vio Interim NV), Easymatch BVBA, Flexpoint Dienstengroep BV and Easymatch Payrolling BV have granted an irrevocable and unconditional independent guarantee for an amount equal to all sums payable under the Vio Credit Facilities Agreement and the ancillary finance documents. Moreover, a guarantor coverage test applies which is at 80% for aggregate EBITDA, gross assets and turnover of the guarantors as compared to SD Worx Staffing & Career Solutions – Holding NV and its Subsidiaries as a whole. In addition, to secure the obligations under the Vio Credit Facilities Agreement, a pledge has been granted over the shares in Vio HR Group NV and SD Worx Staffing Solutions NV. The latter have, together with SD Worx Staffing & Career Solutions – Holding NV, also granted pledges over their bank accounts, business, moveable assets and receivables.

The principal amount drawn and outstanding under the Vio Credit Facilities Agreement as at the date hereof is EUR 32.54 million. The term loan under the Vio Credit Facilities Agreement is to be repaid in instalments falling six months after the date of the Vio Credit Facilities Agreement until 19 February 2024. Each facility under the revolving facility is to be repaid on the last day of its interest period. EUR 3 million has already been reimbursed under the Vio Credit Facilities Agreement. The Vio Credit Facilities Agreement may be voluntarily prepaid, in whole or in part, by SD Worx Staffing & Career Solutions – Holding NV upon ten business days' prior written notice. No compensation is due for such voluntary prepayment.

The Vio Credit Facilities Agreement is subject to mandatory prepayment in the following circumstances: (i) if it becomes illegal for a lender to perform any of its obligations relating to the Vio Credit Facilities Agreement (in which case that lender must be prepaid); (ii) upon the occurrence of any flotation of SD Worx Staffing & Career Solutions – Holding NV or one of its subsidiaries or holding companies (but excluding the Issuer), a change of control over SD Worx Staffing & Career Solutions – Holding NV (which is defined as the Issuer ceasing to directly or indirectly control SD Worx Staffing & Career Solutions – Holding NV) or upon the sale of all or substantially all assets of SD Worx Staffing & Career Solutions – Holding NV and its Subsidiaries; or (iii) upon certain disposals by SD Worx Staffing & Career Solutions – Holding NV or one of its subsidiaries.

The Vio Credit Facilities Agreement is subject to customary representations and warranties, events of default (including cross-default) and covenants. These apply to SD Worx Staffing & Career Solutions – Holding NV and its Subsidiaries, but not to the remainder of the Group. The Vio Credit Facilities Agreement imposes three financial covenants on SD Worx Staffing & Career Solutions – Holding NV and its Subsidiaries: a “Cashflow Cover” covenant, an “Adjusted Leverage” covenant and a “Factoring Adjusted Leverage” covenant. The “Cashflow Cover” covenant, which requires a certain ratio of cashflow to debt service to be respected in respect of any testing period, has a threshold at 1.10:1. The “Adjusted Leverage” covenant is also subject to six-monthly testing. The original threshold for the covenant in the Vio Credit Facilities Agreement was 3.00:1, and is decreasing from time to time. The threshold is currently at 2.75:1 and is set to decrease further to 2.00:1 for the second half of 2020 and later. The threshold for the “Factoring Adjusted Leverage” covenant in the Vio Credit Facilities Agreement (which is equal to the adjusted leverage calculated on a pro forma basis to add the full amount under non-recourse factoring to the calculation of the total net senior debt) was originally at 4.00:1, and is also decreasing from time to time. The threshold is currently at 3.75:1 and is set to decrease further to 3.00:1 for the second half of 2020 and later. The Vio Credit Facilities Agreement provides for an equity cure mechanism in the event of a breach of the “Adjusted Leverage” or “Factoring Adjusted Leverage” covenants, allowing for additional equity funding to remedy the breach. Non-compliance with the financial covenants (subject to the equity cure mechanism) results in an event of default under the Vio Credit Facilities Agreement.

As regards distributions, SD Worx Staffing & Career Solutions – Holding NV is under the VIO Credit Facilities Agreement only permitted to distribute funds to its shareholders (and therefore to the Issuer) when the Adjusted Leverage (calculated in accordance with the VIO Credit Facilities Agreement) is equal to or lower than 2.00:1. Currently, such Adjusted Leverage is approximately 2.41:1 and no such dividends are therefore permitted.

The Bond Offering will not lead to a breach of any covenants, limitations of financial indebtedness or negative pledge included in the Vio Credit Facilities Agreement. The holders of the Bonds shall be structurally subordinated to the creditors of the Vio Credit Facilities Agreement.

3. Agreement with SD Worx VZW

SD Worx Belgium, an indirect Subsidiary of the Issuer and the operating company for the Group's HRO services in Belgium, has entered into an agreement dated 3 July 2017 with SD Worx VZW, a non-for-profit entity that is not affiliated with the Group. Pursuant to this agreement, SD Worx VZW, which is a recognised social secretariat (*social secretariaat / secrétariat social*), provides services in relation to the regulated aspects of social secretariat services to SD Worx Belgium's customers, which allows the latter to offer a wider suite of services to its customers and more effectively compete on the HR solutions-market. Pursuant to Belgian law, only non-for-profit associations (*VZW/ASBL*) can qualify as recognised social secretariats.

The agreement provides for a fixed ten-year term without right of early termination other than in case of material breach, and with automatic extension for subsequent five-year periods except if terminated at the end of the then current term.

K. *Legal and Arbitration Proceedings*

From time to time, the Issuer or other members of the Group are a party to legal proceedings arising in the normal course of business. However, neither the Issuer nor any member of the Group is, nor has been during the twelve months preceding the date of this Prospectus, involved in any governmental, legal or arbitration proceedings (including any such proceedings that are pending or threatened of which the Issuer is aware) that may have or have had in the recent past significant effects on the financial position or profitability of the Issuer of the Group.

VI. SELECTED FINANCIAL INFORMATION

A. Audited financial information

The tables below set out the key financial information extracted from the consolidated audited financial statements of the Issuer for the financial year ended 31 December 2018 (consolidating the Vio Group for a period of ten months and the Flexpoint Group for a period of three months, as these acquisitions were completed during the course of financial year 2018) and comparative consolidated financial information with respect to the Issuer for the financial year ended 31 December 2017, in each case prepared in accordance with BE GAAP. For more information in respect of the key financial information set out below, please refer to Section XIV.

Section XV includes the unconsolidated audited financial statements of the Issuer for the financial year ended 31 December 2017, prepared in accordance with BE GAAP. Section XVI includes the full consolidated audited financial statements of the Issuer for the financial year ended 31 December 2018 (consolidating the Vio Group for a period of ten months and the Flexpoint Group for a period of three months, as these acquisitions were completed during the course of financial year 2018), with comparative consolidated financial information with respect to the Issuer for the financial year ended 31 December 2017, in each case prepared in accordance with BE GAAP.

Income statement

in thousands of EUR	2017	2018
Total net revenues	446,327	594,402
-Raw materials & consumables	28	69
- Services and other goods	(163,111)	(171,789)
- Remuneration, social security costs and pensions	(230,790)	(364,015)
- Amounts written off on inventory and trade receivables & provisions for risks and costs	(6,024)	(753)
- Other operating charges	(5,304)	(6,279)
+ Other operating income and capitalisation of internally generated assets ⁴	10,781	14,068
Normalised EBITDA	51,907	65,702
Normalised EBITDA as a % of total net revenues	11.63%	11.05%
- Restructuring & integration cost	(6,274)	(14,448)
- Acquisition & transaction costs related to third parties	(1,153)	(1,915)
- Business and asset disposal	0	0
- Share-based compensation	0	(470)
+/- Profit/(Loss) from discontinued operations	0	0
EBITDA incl. non-recurring items	44,480	48,871
EBITDA as a % of total net revenues	9.97%	8.22%
- Depreciation and amortization fixed assets	(12,148)	(12,401)
- Amortizations & Impairments on participations and goodwill	(19,068)	(29,338)
- Amortization of Purchase Price Allocation Intangibles	0	0
EBIT	13,265	7,131
EBIT as a % of total net revenues	2.97%	1.20%
- Financial Expenses	(3,386)	(6,870)
+ Financial Income	7,611	3,430
Profit before taxes	17,489	3,691
- Current & Deferred Taxes	(16,429)	(12,032)
Profit/(Loss) for the period	1,060	(8,341)
- Share in the results of enterprises accounted for using the equity method	(41)	(752)
Consolidated profit/(Loss)	1,019	(9,093)
Profit (loss) attributable to non-controlling interests	91	(896)

⁴ "Other operating income and capitalisation of internally generated assets" is included in the calculation of "Net operating expenses" in section B.12 of the Summary.

Profit (loss) of the consolidated companies

928

(8,197)

Balance sheet

Assets (in thousands of EUR)	31.12.17	31.12.18
Fixed assets	230,879	348,322
Formation expenses	0	657
Intangible fixed assets	14,983	18,774
Consolidation differences (pos)	153,272	262,802
Tangible fixed assets	62,012	63,885
Financial fixed assets	612	2,204
Current assets	368,336	330,493
Amounts receivable > 1 year	2,000	200
Pension assets	10,408	9,790
Deferred tax assets	10,775	10,770
Amounts receivable < 1 year & stocks	87,608	145,982
Funds held for clients	3,443	6,106
Current investments & Cash	244,172	143,813
Deferred charges and accrued income	9,929	13,833
Total assets	599,215	678,815
Equity and liabilities (in thousands of EUR)	31.12.17	31.12.18
Equity	419,962	417,222
Capital	594,000	599,738
Consolidation reserves	(163,926)	(171,647)
Cumulative translation differences	(10,112)	(10,869)
Non-controlling interest	1,122	9,412
Pensions, provisions and deferred taxes	40,973	48,988
Pension Liabilities	36,643	37,031
Provisions and deferred taxes	4,330	11,957
Amounts payable	137,159	203,193
Amounts payable > 1 year	17,526	48,437
Financial payables > 1 year	17,526	48,437
Amounts payable < 1 year	119,632	154,756
Financial payables < 1 year	11,044	13,262
Other payables < 1 year	93,775	123,459
Funds held for clients	3,443	6,106
Accruals and deferred income	11,370	11,929
Total equity & liabilities	599,215	678,815

Cash flow statement

Cash Flow Statement (in thousands of EUR)	31.12.17	31.12.18
Net result of the year	1,019	(9,093)
Adjustments for:		
Income tax expense recognised in profit and loss	16,429	12,032
Depreciations and amortizations	31,216	41,968
(Gain)/loss on disposal of intangibles and PPE	(286)	(34)
Impairment loss/(reversal) recognised on trade receivables and inventories	753	(210)
Increase/(decrease) of provisions for other liabilities and charges	(2,885)	6,183

Net financing (income)/cost	(3,088)	1,653
Change in employee benefit obligation	2,928	386
Share of (profit) / loss of associates	41	752
Other adjustments	(889)	(335)
Change working capital	(4,906)	(12,411)
Income tax paid	(20,400)	(19,156)
Cash flow from operating activities	19,932	21,734
Purchases of intangibles and PPE	(11,900)	(14,241)
Proceeds from sale of intangibles and PPE	4,900	451
(Purchases) / sales of financial assets	6,400	-216
Interest received	200	90
Dividends received	0	42
(Payment of)/proceeds from repayment of loans granted	7,200	200
Net cash outflow on acquisition of subsidiaries, associates and JV's	(1,437)	(135,145)
Cash flow from investing activities	5,363	(148,819)
Proceeds from borrowings	3,914	58,690
Repayment of borrowings	(6,600)	(45,756)
Proceeds from capital increase	176,603	15,631
Interest paid	(1,300)	(1,839)
Cash flow from financing activities	172,617	26,726
Total increase/(decrease) in cash	197,912	(100,359)
Total cash and cash equivalents at 1 January	46,260	244,172
Total cash and cash equivalents at 31 December	244,172	143,813

Operating segments

in thousands of EUR

Financial year 2017

	SD Worx Group	SD Worx Staffing & Career Solutions	Corporate & Treasury Services SD Worx Holding	Total
Revenues	446,327	0	0	446,327
Normalised EBITDA	52,225	0	(318)	51,907
<i>Normalised EBITDA as a % of total net revenues</i>	11.7%	0.0%	n.a.	11.6%

in thousands of EUR

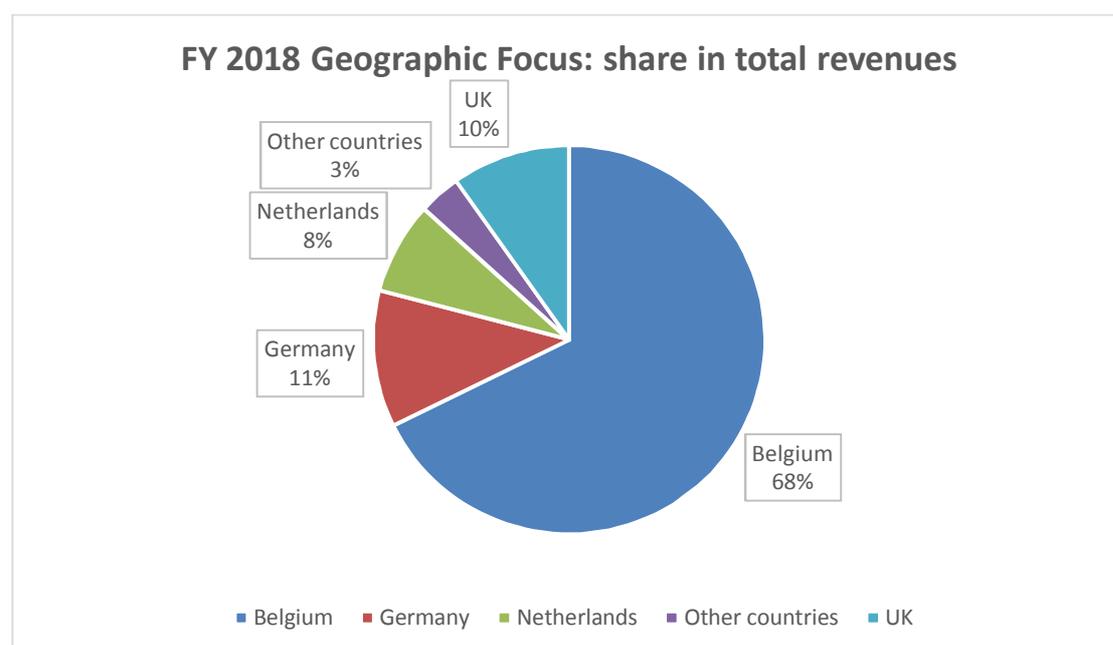
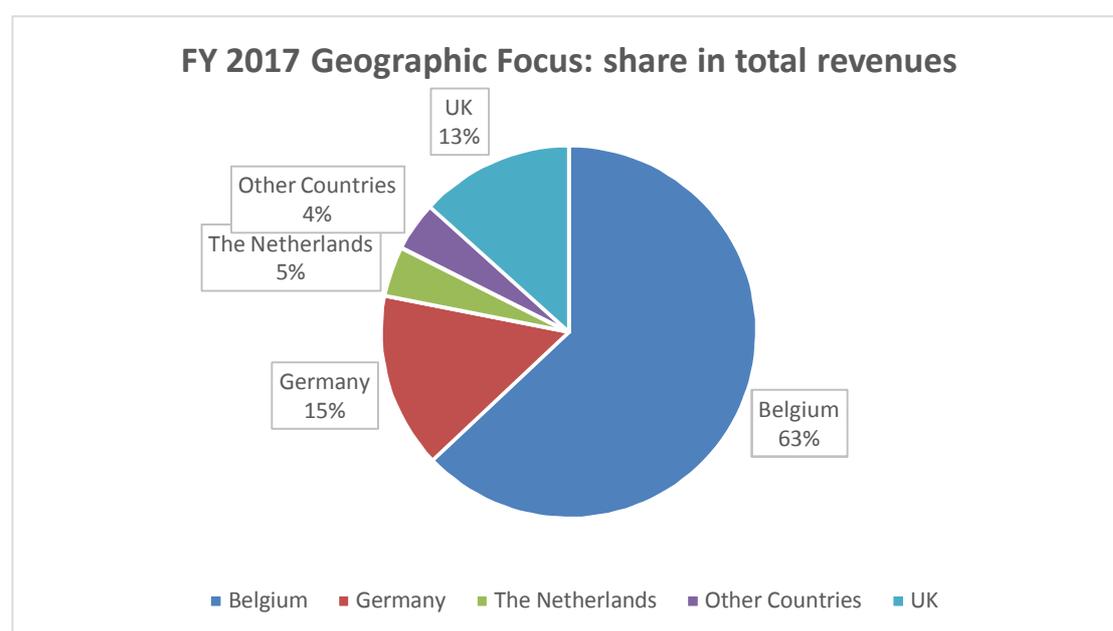
Financial year 2018

	SD Worx Group	SD Worx Staffing & Career Solutions	Corporate & Treasury Services SD Worx Holding	Total
Revenues	466,738	127,664	0	594,402
Normalised EBITDA	61,410	6,013	(1,721)	65,702
<i>Normalised EBITDA as a % of total</i>	13.2%	4.7%	n.a.	11.1%

net revenues

Financial KPIs (in thousands of EUR)					
	2017	2018		2017	2018
Normalised EBITDA	51,907	65,702	Adjusted Leverage	-4.16	-1.13
Normalised EBIT	39,759	53,302	CAPEX	11,900	14,241
Senior Net Financial Debt/(Cash)	(215,602)	(82,114)	Cash EBITDA (Normalised EBITDA-CAPEX)	40,007	51,463

Geographic focus



B. Definitions

The Issuer presents its results in accordance with generally accepted accounting principles in Belgium (“**BE GAAP**”).

Alternative performance measures (“**APMs**”) present useful information which supplements the Issuer’s financial statements and which allow the reader of the financial statements, including the Bondholders, to better understand the financial state of the Issuer and the wider Group. These measures are not defined under BE GAAP and may not be directly comparable with APMs for other companies. The APMs represent important measures for how management monitors the company and its business activity. The APMs are not intended to be a substitute for, or superior to, any BE GAAP measures of performance. Some of the financial information presented in our annual reports contains APMs. These include Normalised EBIT, Normalised EBITDA, Senior Net Financial Debt/(Cash), Adjusted Leverage, and Cash EBITDA. Below we define these APMs and reconcile them with BE GAAP measures.

“**EBITDA**” means Earnings Before Interest, Taxes, Depreciation and Amortisation, or operating result profit (loss) (code 9901 of the BE GAAP consolidated financial statements) before charges for fixed asset depreciation, amortisation and impairment (code 630 of the BE GAAP consolidated financial statements).

(As an explanation for the use of this APM, EBITDA provides an analysis of the operating results, excluding depreciation and amortisation, as they are non-cash variables which can vary substantially from company to company depending on accounting policies and the accounting value of the assets. Additionally, it is an APM which is widely used by investors when evaluating businesses (multiples valuation), as well as by rating agencies and creditors.)

“**EBIT**” means Earnings Before Interest and Taxes, or operating profit (loss), code 9901 of the BE GAAP consolidated financial statements.

(As an explanation for the use of this APM, EBIT provides an analysis of the operating results, excluding interests and taxes, as the funding cost and effective tax rate can vary substantially from company to company depending on the capital structure and the legal jurisdictions in which a company deploys its operations. Additionally, it is an APM which is widely used by investors when evaluating business (multiples valuation), as well as by rating agencies and creditors.)

“**Normalised EBITDA**” means EBITDA after Normalisations.

(As an explanation for the use of this APM, Normalised EBITDA is used to provide insight in the recurring level of operational profitability. Please also refer to the definition of Normalisations below.)

“**Normalised EBIT**” means EBIT after Normalisations.

(As an explanation for the use of this APM, Normalised EBIT is used to provide insight in the recurring level operational profitability. Please also refer to the definition of Normalisations below.)

“**Normalisations**” means the revenues and expenses of which, in case of a change of control, an acquirer has the choice or option (mid- or long-term) to not realise those revenues or incur those expenses. In other words, expenses or revenues which are not part of the recurring business operations of the Issuer and its Subsidiaries, as follows:

- (i) Normalised EBITDA is determined as EBITDA before (a) restructuring & integration costs, (b) business and asset disposals, (c) acquisition & transaction costs related to third parties, (d) profit or loss from discontinued operations, and (e) share-based compensation;
- (ii) Normalised EBIT is determined as Normalised EBITDA after depreciations, amortisations and impairments and before (a) amortisation of goodwill and intangible assets acquired as part of a business

combination (i.e. brand names, customer relations, etc.), and (b) impairment of non-current assets and goodwill.

Overview of Normalisations per financial year and reconciliation with operational profit (in thousands of EUR):

Amounts in €000	FY 2017		FY 2018	
Operational profit (EBIT)	13,265		7,131	
	Amortisation of goodwill and intangible assets acquired as part of a business combination	Impairment of non-current assets and goodwill	Amortisation of goodwill and intangible assets acquired as part of a business combination	Impairment of non-current assets and goodwill
Normalisation of amortisations, impairments and depreciations	19,068		29,338	
Operational profit after normalisation of amortisations and impairments	32,333		36,469	

	FY 2017		FY 2018		
	Restructuring & Integration cost	Acquisition & transaction costs related to 3rd parties	Restructuring & Integration cost	Acquisition & transaction costs related to 3rd parties	Share-based compensation
Legal restructuring Belgium	853				
Integration Costs SD Worx UK & Germany	5,076				
Integration & restructuring cost Vio & Flexpoint Group			633		
Restructuring digital transformation			13,553		
Transaction costs M&A tracks		1,153		1,915	
Share-based compensation					470
Others	346		262		
Total	6,274	1,153	14,448	1,915	470
Normalised EBIT	39,759		53,302		
Depreciations, amortisations and impairments	12,148		12,401		
Normalised EBITDA	51,907		65,702		

“Cash EBITDA” means Normalised EBITDA minus the aggregate amount of all capital expenditures (CAPEX) of the year, calculated as follows:

(in thousands of EUR)	2017	2018
Normalised EBITDA	51,907	65,702
- CAPEX	(11,900)	(14,241)
Cash EBITDA	40,007	51,463

(As an explanation for the use of this APM, Cash EBITDA is used to compare the operational profitability of the Group with that of its competitors because different valuation rules are applied in the Group’s industry with respect to the capitalisation of internally generated assets, mainly software developments.)

“Senior Net Financial Debt/(Cash)” means the net balance of the aggregate amount of Cash and Cash Equivalent Investments (each as defined in the Conditions), minus short-term and long-term senior financial debt (bank debt, financial leasing debt and any unsubordinated bonds from time to time (so excluding the Bonds)).

(As an explanation for the use of this APM, Senior Net Financial Debt/(Cash) is a measurement of the ability to repay all debt with available cash and cash equivalents, under the assumption that all debt would mature on the date of the calculation. It is therefore a measure of the risk related to the Issuer’s capital structure. It is also used for purposes of the calculation of Adjusted Leverage for purposes of the Conditions (and is defined as “Total Net Senior Debt” in such Conditions).)

“Adjusted EBITDA” means, in relation to a Relevant Period (as defined in the Conditions), Normalised EBITDA for that Relevant Period adjusted by:

- (i) including the Normalised EBITDA of a member of the Group (or attributable to a business or assets) acquired during the Relevant Period for that part of the Relevant Period prior to its becoming a member of the Group or (as the case may be) prior to the acquisition of the business or assets; and
- (ii) excluding the Normalised EBITDA attributable to any member of the Group (or to any business or assets) disposed of during the Relevant Period for that part of the Relevant Period.

(As an explanation for the use of this APM, Adjusted EBITDA is also used for purposes of the calculation of Adjusted Leverage for purposes of the Conditions (and the Senior Facilities Agreement).)

“Adjusted Leverage” has the meaning given to it in the Conditions.

Overview of reconciliation of Senior Net Financial Debt/(Cash), Adjusted EBITDA and Adjusted Leverage:

Calculation Adjusted Leverage (in thousands of EUR)	2017	2018
Normalised EBITDA	51,907	65,702
(a) including the operating profit before interest, tax, depreciation, amortisation and impairment charges (calculated on the same basis as EBITDA) of a member of the Group (or attributable to a business or assets) acquired during the Relevant Period for that part of the Relevant Period prior to its becoming a member of the Group or (as the case may be) prior to the acquisition of the business or assets; and	0	6,178
(b) excluding the operating profit before interest, tax, depreciation, amortisation and impairment charges (calculated on the same basis as EBITDA) attributable to any member of the Group (or to any business or	0	0

assets) disposed of during the Relevant Period for that part of the Relevant Period.

(c) deducting the amount of any profit (or adding back the amount of any loss) of any member of the Group which is attributable to minority interests; (91) 896

(d) deducting the amount of any profit of any Non-Group Entity to the extent that the amount of the profit included in the financial statements of the Group exceeds the amount actually received in cash by members of the Group through distributions by the Non-Group Entity; 0 0

Adjusted EBITDA	51,816	72,777
Current investments & Cash	(244,172)	(143,813)
Financial payables > 1 year	17,526	48,437
Financial payables < 1 year	11,044	13,262
Excluding Junior Liabilities	0	0
Senior Net Financial Debt/(Cash)	(215,602)	(82,114)
Adjusted Leverage	-4.16	-1.13

C. Overview of debt financing

The following table provides an overview of the debt financing arrangements that the relevant members of the Group had in place as at 31 December 2018:

Overview Financing Facilities of the Group per 31/12/2018								
Entity	Total facility	Lenders	Breakdown facility	Total outstanding per 31/12/2018	Total undrawn per 31/12/2018	Total repaid per 31/12/2018	Purpose	Maturity date
SD Worx Holding	€150m	- Belfius (50%) - BNPPF (50%)	- €125m Revolving Credit Facility - €25m amortizing loan facility (of which €10m GBP)	€22.34m	€125m RCF	€2.5m	- M&A line - Refinancing acquisition loan UK & GE	28/06/2023
SD Worx S&CS Holding Vio HR Group Vio Interim	€35.5m	- ING (50%) - BNPPF (50%)	- €17,75m amortizing loan facility - €17,75m bullet loan facility	€34.0m	€0m	€1.5m	- Financing Vio acquisition	19/02/2025
SD Worx S&CS	€2.3m	Minority shareholders	- €2,3m subordinated shareholder loans	€2.3m	€0m	€0m	- Financing Vio & Flexpoint acquisition	01/02/2019
SD Worx Group	€8m	- BNPPF	- €8m bank overdraft facility	€0m	€8m	N/A	- Working capital line 1st engine	Renewable annually
Vio Interim*	€8m	- ING (50%) - BNPPF (50%)	- €7,75m bank overdraft facility - €0,25m bank guarantee line	€0m	-€7.75m RCF -€0.2m bank guarantees	N/A	- Working capital line 2nd engine - Financing bank guarantees	19/02/2025
Flexpoint* & Easymatch BVBA	€9m	- BNPPF	- Commercial Financing/Factoring facility	€2.9m	€6.1m	N/A	- Working capital financing	31/03/2019
Trace SA*	€8m	- ING	- Commercial Financing/Factoring facility	€0.1m	€7.9m	N/A	- Working capital financing	31/03/2019
Other Lines	€0.06m	N/A	N/A	€0.06m	€0m	N/A	- various	N/A
	€220.8m			€61.7m	€155.0m	€4.0m		

D. Financial and trading position

There have been no significant changes in the financial or trading position of the Issuer since 31 December 2018.

E. Prospects

There has been no material adverse change in the prospects of the Issuer since 31 December 2018.

F. *Trends, uncertainties, etc.*

There are no known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Issuer's prospects for at least financial year 2019.

VII. MANAGEMENT AND CORPORATE GOVERNANCE

A. Board of Directors

The Issuer aims to appoint a minimum of eight and a maximum of twelve directors. The structure of the Issuer's Board of Directors is defined on the basis of the required diversity and complementarity. Currently, the Board consists of nine members. The members of the Issuer's Board of Directors are listed below. For purpose of this Prospectus, the directors' business address is at Brouwersvliet 2, 2000 Antwerp, Belgium.

	First appointed	Expiry of current term (*)	Audit & Risk Committee	Remuneration & Appointment Committee
Filip Dierckx ⁽¹⁾	22/12/2015	2020	X	X
Dirk Collier ⁽²⁾	22/12/2015 (°)	2022		X (Chairman)
Marc Binnemans ⁽³⁾	22/12/2015 (°)	2022		
Michel Delbaere	22/12/2015	2020		
Koen Van Gerven ⁽⁴⁾	22/12/2015 (°)	2022		
Jan Van Acoleyen ⁽⁵⁾	22/12/2015 (°)	2022		X
Steven Van Hoorebeke	22/12/2015	2020		
Theresa (Tea) Colaiani	1/06/2018	2020		X
Christophe Petit	8/01/2018	2020		

(1) As permanent representative of GINKGO Associates BVBA.

(2) As permanent representative of DCM SEAGULL BVBA.

(3) As permanent representative of PROCEEDING BVBA.

(4) As permanent representative of FUSION Inc BVBA.

(5) As permanent representative of AKELEY BVBA.

(*) Where only years are indicated, the directors' mandates expire at the Issuer's annual shareholders' meeting of the relevant year.

(°) Reappointed on 1 June 2018.

Also member of the Audit & Risk Committee are Mr Frederic van Bladel (Chairman), Mr Patrick De Vos and Ms Riet Docx. Also member of the Remuneration & Appointment Committee is Mr Frederic van Bladel.

The powers of the Board of Directors are described in Book VIII, Title IV, Chapter I, Section I, Subsection II of the Belgian Company Code, as well as Title III of the articles of association of the Issuer.

The Board of Directors meets at least eight times per year.

The following paragraphs set forth biographical information regarding the members of the Issuer's Board of Directors and its committees.

Mr Filip Dierckx, Chairman of the Board of Directors, member of the Audit & Risk Committee, member of the Remuneration & Appointment Committee, Chairman of the Management Committee

Mr Filip Dierckx holds a law degree from the University of Antwerp and a Masters of Law from Harvard Law School. He started his career as a lawyer with De Bandt, van Hecke & Lagae (now Linklaters), after which he performed several functions at the Generale Bank / Générale de Banque (now BNP Paribas Fortis). Next to his mandates at the Issuer, Mr Dierckx is chairman of the board of directors of SD Worx Group and of SD Worx for Society, as well as of the Foundations. He is also vice-chairman of the executive board and Chief Operating Officer of BNP Paribas Fortis. Finally, he is currently member of the board of directors of BNP Paribas Fortis Private Equity Belgium and director and member of Voka.

Mr Dirk Collier, member of the Board of Directors, Chairman of the Remuneration & Appointment Committee, member of the Management Committee

Mr Dirk Collier holds a law degree from the University of Antwerp and an Executive MBA from the University of Antwerp. Next to his mandates at the Issuer, Mr Collier is also a member of the board of directors of SD Worx Group and SD Worx for Society, as well as of the Foundations. He is also chairman of Xerius Group, board member of Voka and member of the *Bureau voor Integriteit Antwerpen*.

Mr Marc Binnemans, member of the Board of Directors

Mr Marc Binnemans holds a degree in applied economic sciences from the University of Antwerp and is a member of the iGMO Academy of the Vlerick Leuven Gent Management School. He started his career as an account executive at international advertising agency Young & Rubicam. Next to his mandates at the Issuer, Mr Binnemans is also member of the board of directors of SD Worx group and SD Worx for Society, as well as of the Foundations. He also serves as a CEO of Akeda Invest, Akeda, Immobilia and Antilope Logistics, managing director of Proceeding and as a member of the board of directors of KMSKA and KvKH-Voka Mechelen-Kempen.

Mr Michel Delbaere, member of the Board of Directors

Mr Michel Delbaere holds a degree in both law from the University of Leuven and economics from the Université Catholique de Louvain. Next to his mandates at the Issuer, Mr Delbaere also serves as a member of the board of directors of SD Worx Group, and as managing director of Crop's, Hesbayefrost, Monliz, MDC Foods, Crop's & Partners and Messen. Mr Delbaere is also a member of the board of directors and honorary president of FEVIA (Belgian Food Industry Association). He is also a member of the regional board of directors of BNP Paribas Fortis, a member of the executive committee of *Verbond van Belgische Ondernemingen (VBO) / Fédération des Entreprises de Belgique (FEB)*, a member of the board of directors of VPK, Bank Delen, Sioen Industries, Voka, Exmar and Queen Elisabeth Music Chapel.

Mr Koen Van Gerven, member of the Board of Directors

Mr Koen Van Gerven holds a degree in commercial engineering from the University of Leuven and an MBA from Cornell University. He has been the Chief Executive Officer of Bpost since 2014. Prior to joining Bpost, he served as Chief Executive Officer of Acerta Group from 2001 to 2006 and held a number of executive positions at Generale Bank / Générale de Banque (now BNP Paribas Fortis) from 1982 to 2001. He currently sits as a non-executive member in the management committee (*bestuurscomité*) of UZ Leuven and as a non-executive director in the board of directors of the International Post Corporation. He is a member of the board of directors of Voka and *Verbond van Belgische Ondernemingen (VBO) / Fédération des Entreprises de Belgique (FEB)*.

Mr Jan Van Acoleyen, member of the Board of Directors and the Remuneration & Appointment Committee

Mr Jan Van Acoleyen holds a degree in education sciences from the University of Leuven and an executive MBA from the University of Antwerp. Mr Van Acoleyen is currently Chief HR Officer of Proximus NV. Prior to that he served as the Chief Human Resources Officer and Senior Vice President at Barco. Before working at Barco, Mr Van Acoleyen served in senior international HR positions in high-tech companies such as Alcatel and Agfa-Gevaert. Next to his functions at the Issuer, Mr Jan Van Acoleyen is also member of the board of directors of SD Worx Group, Experience@Work and, as member of the executive committee of Proximus, also board member of its subsidiaries Proximus BICS, Proximus Luxemburg and Proximus Foundation. He is also chairman of the VZW Katholieke Scholen Groot Bornem.

Mr Steven Van Hoorebeke, member of the Board of Directors and the Management Committee

Mr Steven Van Hoorebeke holds a degree in both electrical engineering from Ghent University and computer science from the University of Leuven. He served as a Chief Executive Officer of Logica België, managing director of Fujitsu Belgium and Luxembourg and managing director of SD Worx International. Next to his

mandates at the Issuer, Mr Steven Van Hoorebeke is also the Chief Executive Officer of SD Worx Group, a director at SD Worx Group and chairman of the board of directors of Unbox.

Ms Theresa (Tea) Colaianni, member of the Board of Directors, member of the Remuneration & Appointment Committee

Ms Tea Colaianni holds a law degree from the University of Bari Aldo Moro. Next to her mandates at the Issuer, Ms Tea Colaianni is also a member of the board of directors of SD Worx Group, non-executive director and chair of the remuneration committee of Watches of Switzerland Ltd and DWF Group Plc and founder and chair of Women in Hospitality, WiH 2020 Ltd.

Mr Christophe Petit, member of the Board of Directors and the Management Committee, CEO Staffing & Career Solutions

Mr Christophe Petit holds a bachelor history degree from the Université Catholique de Louvain. Next to his mandates at the Issuer, Mr Petit is also member of the board of directors of Co-Station and BFFS and acting member at Federgon.

Mr Frederik Van Bladel, Chairman of the Audit & Risk Committee, member of the Remuneration & Appointment Committee

Mr Frederik Van Bladel holds a law degree from the University of Antwerp and a postgraduate degree in fiscal sciences from the Fiscale Hogeschool (FHS). Next to his mandates at the Issuer, Mr Van Bladel is also member of the board of directors of SD Worx Group, chairman of the board of directors of Van Bladel & partners BVBA, member of the board of directors of Service Station Van Bladel NV and member of the external committee of ING Oost-Vlaanderen.

Ms Riet Docx, member of the Audit & Risk Committee

Ms Riet Docx holds a degree in applied economic sciences from the University of Antwerp. Next to her mandates at the Issuer, Ms Docx is also member of the board of directors of SD Worx Group and acting counsellor at the Court of Appeal in Antwerp.

Mr Patrick De Vos, member of the Audit & Risk Committee

Mr Patrick De Vos holds a law degree and a degree in applied economic sciences from the University of Antwerp. He also holds an Advanced MBA from the Kellogg School of Management. He started his career as an auditor at Deloitte and continued his career in the finance department and ultimately as Chief Financial Officer of Groupe Bruxelles Lambert. Next to his mandates at the Issuer, Mr De Vos is also member of the board of directors of SD Worx Group, Xerius, Vulpia, Antwerpen Cultuurstad VZW and HazelHeartwood. He is also member of the counsel and audit committee of Vlerick Management School and member of the board and the finance and audit committee of ECS European Containers.

B. Management Committee

The Issuer has no CEO but is managed on a daily basis by a Management Committee composed of Board members (on the basis of a delegation of authority from the Issuer's Board of Directors) and members of the Group's senior management. The regular members of the Management Committee are:

Mr Filip Dierckx	Chairman
Mr Dirk Collier	Director
Mr Steven van Hoorebeke	CEO SD Worx Group
Mr Christophe Petit	CEO SD Worx Staffing & Career Solutions
Mr Hector Vermeersch	CFO SD Worx Holding
Mr Guido de Grefte	Chief Strategy Officer
Ms Anne-Marie Cootjans	Chief Corporate Services Officer

Additional participants may be invited to attend a meeting of the Management Committee depending on the subject matter of the meeting.

For purpose of this Prospectus, the members of the Management Committee's business address is at Brouwersvliet 2, 2000 Antwerp, Belgium.

The Management Committee's competences and areas of focus include: (i) the Group's financial investment and portfolio management; (ii) financial control and consolidation; (iii) M&A and overall strategy of the Group; (iv) organisation of the Group control functions with a view to effectively managing risks within the Group; (v) capital structure of the Group; (vi) evaluation of the performance of the operations of the Group; (vii) coordination of the Group's different business operations, and fostering cooperation and synergies between the business operations with as aim to integrate the business operations to a maximum extent; and (viii) corporate housekeeping and governance of the Group.

The Management Committee meets on average two times per month.

The following paragraphs set forth biographical information regarding the members of the Management Committee, whose biography is not provided above:

Mr Hector Vermeersch, member of the Management Committee, CFO SD Worx Holding

Mr Hector Vermeersch holds a degree in applied economic sciences from the University of Antwerp and a master in accounting and fiscal law from Vlerick Business School. Next to his mandates at the Issuer, Mr Hector Vermeersch is also member of the board of directors of LWB, Globe Payroll, Aspex, IgnAS vzw and IgnAS Patrimonium vzw. He is also president and majority shareholder of Financieel Advieskantoor.

Mr Guido de Grefte, member of the Management Committee, Chief Strategy Officer

Mr Guido de Grefte holds a degree in both communication science and sociology from the University of Amsterdam. Next to his function at the Issuer, Mr De Grefte is also managing partner at HazelHeartwood.

Ms Anne-Marie Cootjans, member of the Management Committee, Chief Corporate Services Officer

Ms Anne-Marie Cootjans holds a degree in both law from the University of Antwerp and human resource management from the Antwerp Management School. Next to her functions at the Issuer, Ms Cootjans is also member of the general assembly of Levanto VZW.

C. *Committees of the Board of Directors*

The Board of Directors has established two advisory committees: the Audit & Risk Committee and the Remuneration & Appointment Committee.

1. *Audit & Risk Committee*

<u>Name</u>	<u>Expiry of current term*</u>
Mr Frederik Van Bladel ⁽¹⁾	2022
Mr Filip Dierckx	2020
Mr Patrick De Vos	2020
Ms Riet Docx	2020

⁽¹⁾ Chairman of the Committee

(*) Where only years are indicated, the directors' mandates expire at the Issuer's annual shareholders' meeting of the relevant year.

The powers of the Audit & Risk Committee are as described in the Belgian Company Code.

The Audit & Risk Committee assists the Board of Directors in exercising its auditing role, notably in terms of providing financial information, risk management and compliance, internal audits, internal review systems and external auditing.

More specifically, the Audit & Risk Committee has the following powers which are designed to bring specific problems to the attention of the Board:

- Risk management and internal audit:
 - to oversee the general internal audit systems;
 - to examine the general philosophy regarding identification and analysis of the risks inherent in the activities carried out; and
 - to monitor the processes and procedures for following up risks identified by the management.
- Soundness and integrity of financial reporting:
 - to regularly assess the internal and external financial reporting and the IT systems;
 - to examine key accounting and reporting items, including significant changes in the valuation rules;
 - to examine significant non-core business activities, agreements, undertakings, and other relationships with non-consolidated legal entities or other persons which might have a significant impact on the Issuer, its Subsidiaries and affiliated companies;
 - to inspect the annual financial accounts to ensure that they portray an accurate, honest, and comprehensible impression of the financial state of affairs, including from a consolidated point of view.
- Compliance with statutory and regulatory provisions, internal policies, procedures and the Code of Conduct:
 - to monitor the correct application of the Group's Code of Conduct as well as the manner in which the management ensures compliance with the Code of Conduct; and
 - to examine all cases of non-compliance with the external regulatory principles and/or the internal policies and procedures which are reported to the Audit & Risk Committee by the manager of internal control & compliance, the manager of the internal audit department, the auditor(s), or any other person.

- Appointment, evaluation of the performance, powers and independence of the external auditors:
 - The Audit & Risk Committee is the body responsible for managing relationships with the external auditors, specifically including:
 - to make a proposal to the Board regarding nomination and approval of the remuneration and services to the external auditors (without prejudice to the respective powers of the works councils and the general meeting of the shareholders);
 - to inspect the external auditor’s report to the Board and the management’s response to it;
 - to examine all audit problems or difficulties and the management’s reaction to those problems and difficulties; and
 - to assess the performances, powers, and independence of the external auditors.
- Performance of the internal audit operation:
 - to examine the status reports of the internal audit department and follow-up of outstanding issues and action points with a view to concluding them;
 - to check the effectiveness of the internal audit department; and
 - to approve the (re)appointment of the Issuer’s internal auditor manager.
- Annual meeting. At least one member of the Audit & Risk Committee attends the Issuer’s annual general meetings and is at the disposal of the Chairman to answer any questions from the meeting.
- Investigative powers. In order to perform its task, the Audit & Risk Committee may request information from any director, manager, or employee and from any adviser, agent, or representative of the Issuer. The Audit & Risk Committee is explicitly authorised to investigate any matter that fall within its area of competence and is granted with access to all related information.

The Audit & Risk Committee meets at least 4 times per year.

2. *Remuneration and Appointment Committee*

<u>Name</u>	<u>Expiry of current term*</u>
Dirk Collier ⁽¹⁾	2022
Filip Dierckx	2020
Frederik Van Bladel	2022
Jan Van Acoleyen	2022
Theresa (Tea) Colaianni	2020

⁽¹⁾ Chairman of the Committee

(*) Where only years are indicated, the directors’ mandates expire at the Issuer’s annual shareholders’ meeting of the relevant year.

The Remuneration and Appointment Committee formulates proposals concerning the appointment, remuneration and evaluation of the members of the Board, and the executive management of the Issuer and its Subsidiaries, and monitors the market conformity of remuneration. It also deals with all direct questions concerning remuneration and appointments, and sets out the overall remuneration policy.

More specifically, the Remuneration and Appointment Committee has the following powers:

- With regard to Group HR policies and strategy:
 - to oversee HR policies and practices within the Group, including the establishment and implementation of a diversity policy; and
 - to oversee talent management, succession planning and performance evaluation processes and practices throughout the Group.
- With regard to (re)appointments:
 - to recruit and select senior management of the Group;
 - to oversee succession plans of senior management of the Group; and
 - to recruit and select the members of the Issuer’s Board and its Committees and recommend suitable candidates to the Issuer’s Board.
- With regard to performance review:
 - to assess the performance of senior management of the Group; and
 - to assess the individual performances of the members of the Issuer’s Board and its Committees in the context of their reappointment.
- With regard to remuneration:
 - to establish the general philosophy and principles of the remuneration policy for the Group’s boards of directors and staff members;
 - to review and recommend for approval to the Issuer’s Board the Group’s HR related budgets, including workforce planning and performance management (financial objectives, proposed merit increases, bonuses including share-based incentives, and perquisites);
 - to review and approve the compensation packages (including severance packages and settlements) of the Group’s senior management and their direct reports;
 - to submit proposals to the Board in relation to the remuneration of the members of the Board and its Committees; and
 - to exceptionally authorise the members of the Management Committee to exercise an additional mandate or activity outside the Management Committee, with or without the intention of making gain.

The Remuneration and Nomination Committee meets at least four times per year.

D. Corporate Governance

The Issuer attaches great importance to adequate corporate governance policies and, although its shares are not listed on any exchange or market to date, undertakes its best efforts to apply the governance best practices of the 2009 Belgian Code on Corporate Governance of 12 March 2009.

E. Statutory Auditor

The statutory auditor of the Issuer (the “**Statutory Auditor**”) is Deloitte Bedrijfsrevisoren CVBA, with registered office at Gateway building, Brussels Airport 1/J, 1930 Zaventem, Belgium, represented by Mr Michel Denayer and Mr Maurice Vrolix.

Deloitte Bedrijfsrevisoren CVBA is a member of the Belgian *Instituut van de Bedrijfsrevisoren*.

The financial statements of the Issuer for the financial years ended 2017 and 2018 (including the consolidated financial statements of the Issuer for the financial year ended 2018) have been audited and approved without qualifications by Deloitte Bedrijfsrevisoren CVBA.

F. *Conflicts of Interests*

In accordance with the Belgian Company Code, a member of the Board of Directors must give the other members prior notice of any agenda items in respect of which he or she has a direct or indirect conflict of interests of a financial nature with the Issuer and should refrain from participating in the discussion of and voting on those items.

During financial years 2017 and 2018 and until the date hereof, no member of the Issuer's Board of Directors has given the other members prior notice of any such direct or indirect conflict of interests, with the sole exception of the approvals by the Board in respect of the Issuer's share incentive plans, to which certain Board members participate (as described in the Board report to the Issuer's financial statements for financial year 2018).

The Issuer is not aware of any other potential conflicts of interest between the duties that any member of the administrative, management and supervisory bodies owes to the Issuer and such director's private interests or other duties.

VIII. REASONS FOR THE BOND OFFERING AND USE OF PROCEEDS

The Issuer's reasons to proceed with the Bond Offering are several.

First, the Bond Offering frames in the Issuer's, and the wider Group's, intention to ensure that it has sufficient financial means available to fund its growth strategy, which includes acquisitive growth in the product markets in which it operates (in the widest sense). The Issuer believes that the currently favourable conditions in the financial markets offer a good opportunity to attract additional debt financing to implement such growth strategy. The net proceeds of the Bond Offering are, together with the Issuer's available cash and other debt financing, intended to be primarily used to continue the Group's acquisitive growth strategy, its digital transformation strategy and, to a lesser extent, to strengthen the Issuer's financial basis and for general corporate purposes in the interest of the Group. On the date hereof, the Group is assessing several acquisitive growth opportunities, among which a potential sizeable acquisition of a business that is active inside and outside of Europe, including in certain jurisdictions where the Group is currently not active. The potential acquisition of such business is within the scope of the Group's scope of activities, ambitions and strategy. It is currently uncertain whether the Group will enter into a binding agreement for such acquisition. If this would be the case, then it is currently expected that the Group's Adjusted Leverage would increase from -1.13 (as at the end of 2018) to approx. +0.30 (based on current estimations). For more details on the Group's acquisitive growth strategy, please refer to paragraph 2 (*Group-wide - Acquisitive growth*) of Subsection G (*Strategy of the Group*) in Section V (*Description of the Issuer*).

Second, the Bond Offering allows the Issuer to diversify its external funding, without diluting its existing shareholders, and therefore reduces its reliance on bank financing by achieving an optimal global balance between the Issuer's existing bank financing and financing through the debt capital markets. The Bond Offering also allows the Issuer to extend the average maturity of its debt funding. The Issuer does not intend to repay part of its existing bank financing with the proceeds of the Bond Offering.

The Bond Offering, given its subordinated nature, is moreover permitted under the Senior Facilities Agreement and will therefore not require an amendment to this recently negotiated agreement, which an issuance of senior bonds would.

On the assumption that the Aggregate Nominal Amount for which Bonds are issued is EUR 50 million, the net proceeds of the issue of the Bonds are expected to amount to approx. EUR 49 million. On the assumption that the Aggregate Nominal Amount for which Bonds are issued is EUR 80 million, the net proceeds of the issue of the Bonds are expected to amount to approx. EUR 78.55 million. This is after deduction of the costs and expenses in connection with the Bond Offering, including the costs and fees payable to the Joint Bookrunners and the Agent, which are in aggregate expected to amount to between approx. EUR 1 million (on the assumption that the Aggregate Nominal Amount for which Bonds are issued is EUR 50 million, as the Placement Fee is variable) and approx. EUR 1.45 million (on the assumption that the Aggregate Nominal Amount for which Bonds are issued is EUR 80 million, as the Placement Fee is variable).

IX. TAXATION

The following summaries do not purport to be a comprehensive description of all tax considerations that could be relevant for Bondholders. These summaries are intended as general information only and each prospective Bondholder should consult a professional tax adviser with respect to the tax consequences of an investment in the Bonds. These summaries are based on tax legislation and published case law in force as of the date of this document. They do not take into account any developments or amendments thereof after that date, whether or not such developments or amendments have retroactive effect. Investors should consult their professional advisers on the possible tax consequences of subscribing for, purchasing, holding, selling or converting the Bonds under the laws of their countries of citizenship, residence, ordinary residence or domicile.

A. **Taxation in Belgium**

This section provides a general description of the main Belgian tax issues and consequences of acquiring, holding, redeeming and/or disposing of the Bonds. This summary provides general information only and is restricted to the matters of Belgian taxation stated herein. It is intended neither as tax advice nor as a comprehensive description of all Belgian tax issues and consequences associated with or resulting from any of the above-mentioned transactions. Prospective acquirers are urged to consult their own tax advisors concerning the detailed and overall tax consequences of acquiring, holding, redeeming and/or disposing of the Bonds.

The summary provided below is based on the information provided in this Prospectus and on Belgium's tax laws, regulations, resolutions and other public rules with legal effect, and the interpretation thereof under published case law, all as in effect on the date of this Prospectus and with the exception of subsequent amendments with retroactive effect.

1. **Belgian withholding tax**

1.1 **General rules**

Under current Belgian withholding tax legislation, all interest payments in respect of the Bonds will be subject to Belgian withholding tax, currently at a rate of 30% on the gross amount of the interest, subject to such relief as may be available under applicable domestic law or applicable tax treaties. In this regard, interest includes (i) periodic interest income, (ii) any amount paid by the Issuer in excess of the initial issue price (upon full or partial redemption of the Bonds) (whether or not on the Maturity Date) and (iii) the pro rata of accrued interest corresponding to the detention period in case of a realisation of the Bonds between two interest payment dates.

1.2 **The NBB clearing system of the NBB**

The holding of the Bonds in the NBB Clearing System permits investors to collect interest on their Bonds free of Belgian withholding tax if and as long as at the moment of payment or attribution of interest the Bonds are held by certain investors (the "**Tax Eligible Investors**", see below) in an exempt securities account ("**X-Account**") that has been opened with a financial institution that is a direct or indirect participant (a "**Participant**") in the NBB Clearing System. Euroclear Bank, Euroclear France, SIX SIS, Monte Titoli, Clearstream Banking Frankfurt and INTERBOLSA are directly or indirectly Participants for this purpose.

Holding the Bonds through the NBB Clearing System enables Tax Eligible Investors to receive the gross interest income (i.e., free of withholding tax) on their Bonds and to transfer the Bonds on a gross basis.

Participants in the NBB Clearing System must keep the Bonds they hold for the account of Tax Eligible Investors on X-Accounts, and those they hold for the account of non-Eligible Investors on N-accounts ("**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%, which the NBB deducts from the payment and pays over to the tax authorities. Tax Eligible Investors are those entities referred to in article 4 of the Belgian Royal Decree of 26 May 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 includes, *inter alia*:

1. Belgian resident companies subject to corporate income tax;
2. institutions, associations or companies specified in Article 2, §3 of the law of 9 July 1975 on the control of insurance companies other than those referred to in (i) and (iii) subject to the application of Article 262, 1° and 5° of the Belgian code on income tax of 1992 (*Wetboek van de inkomstenbelastingen 1992/Code des impôts sur les revenus 1992*, the “**Income Tax Code of 1992**”);
3. state regulated institutions (*parastatalen/institutions paraétatiques*) for social security, or institutions which are assimilated therewith, provided for in Article 105, 2° of the royal decree implementing the Income Tax Code 1992 (*Koninklijk Besluit tot invoering van het wetboek inkomstenbelastingen 1992/ Arrêté Royal d’exécution du code des impôts sur les revenus 1992*, the “**Royal Decree implementing the Tax Code 1992**”);
4. non-resident investors provided for in Article 105, 5° of the same decree;
5. investment funds, recognised in the framework of pension savings, provided for in Article 115 of the same decree;
6. taxpayers provided for in Article 227, 2° of the Income Tax Code 1992 which have used the income generating capital for the exercise of their professional activities in Belgium and which are subject to non-resident income tax pursuant to Article 233 of the same code;
7. the Belgian State in respect of investments which are exempt from withholding tax in accordance with Article 265 of the Income Tax Code 1992;
8. investment funds governed by foreign law which are an indivisible estate managed by a management company for the account of the participants, provided the fund units are not offered publicly in Belgium or traded in Belgium; and
9. Belgian resident corporations, not provided for under (a) above, when their activities exclusively or principally consist of the granting of credits and loans.

Tax Eligible Investors do not include, *inter alia*, Belgian resident investors who are individuals or Belgian non-profit organisations, other than those referred to under (b) and (c) above.

The above categories only summarise the detailed definitions contained in Article 4 of the Royal Decree of 26 May 1994, as amended, to which investors should refer for a precise description of the relevant eligibility rules.

Transfers of Bonds between an X-Account and an N-Account may give rise to certain adjustment payments on account of withholding tax:

- A transfer from an N-Account (to an X-Account or N-Account) gives rise to the payment by the transferor non-Eligible Investor to the NBB of withholding tax on the accrued fraction of interest calculated from the last interest payment date up to the transfer date.
- A transfer (from an X-Account or N-Account) to an N-Account gives rise to the refund by the NBB to the transferee non-Eligible Investor of withholding tax on the accrued fraction of interest calculated from 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.

Upon opening an X-Account with the NBB Clearing System or a Participant therein, a Tax Eligible Investor is required to provide a statement of its tax eligible status on a form approved by the Belgian Minister of Finance. There are no ongoing declaration requirements for Tax Eligible Investors save that they need to inform the Participants of any changes to the information contained in the statement of their tax eligible status. However, Participants are required to provide the NBB annually 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 that each Beneficial Owner is a Tax Eligible Investor. In such a 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 a Tax Eligible Investor and (ii) the Beneficial Owners holding their Bonds through it are also Tax Eligible Investors. A Beneficial Owner is also required to deliver a statement of its eligible status to the intermediary.

These identification requirements do not apply to central securities depositories, as defined by Article 2, §1, 1) of Regulation (EU) n° 909/2014 of the European Parliament and of the Council of 23 July 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 Tax Eligible Investors.

Hence, these identification requirements do not apply to Bonds held in Euroclear Bank, Euroclear France, SIX SIS, Monte Titoli, Clearstream Banking Frankfurt and INTERBOLSA, or any other central securities depository as Participants to the NBB Clearing System, provided that (i) Euroclear Bank, Euroclear France, SIX SIS, Monte Titoli, Clearstream Banking Frankfurt and INTERBOLSA 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 include the contractual undertaking that their clients and account owners are all Tax Eligible Investors.

In accordance with the NBB Clearing System, a Bondholder who is withdrawing Bonds from an X-Account will, following the payment of interest on those Bonds, be entitled to claim an indemnity from the Belgian tax authorities of an amount equal to the withholding on the interest payable on the Bonds from the last preceding Interest Payment Date until the date of withdrawal of the Bonds from the NBB Clearing System.

2. Capital gains and Belgian income tax

2.1 Belgian resident individuals

For natural persons who are Belgian residents for tax purposes, i.e., who are subject to the Belgian personal income tax (*personenbelasting/impôt des personnes physiques*) and 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. This means that they do not have to declare the interest obtained on the Bonds in their personal income tax return, provided withholding tax was levied on these interest payments.

Belgian resident individuals may nevertheless elect to declare interest in respect of the Bonds in their personal income tax return. Where the beneficiary opts to declare them, interest payments will normally be taxed at a flat rate of 30% (or at the progressive personal tax rate taking into account the taxpayer’s other declared income, whichever is more beneficial). If the interest payment is declared, the withholding tax retained may be credited against the taxpayer's personal income tax liability.

Capital gains realised on the disposal of the Bonds are in principle tax exempt, except if the capital gains are realised outside the scope of the management of one’s private estate (in which case they are taxed at a rate of

33% plus local municipal surcharges) or except to the extent they qualify as interest (as defined in the section “*Belgian Withholding Tax*”). Capital losses realised upon the disposal of the Bonds held as a non-professional investment are in principle not tax deductible.

Other tax rules apply to Belgian resident individuals who do not hold the Bonds as a private investment.

2.2 Belgian resident companies

Bondholders who are Belgian resident corporations, subject to Belgian corporate income tax (*vennootschapsbelasting/impôt des sociétés*), are liable to corporate income tax on the income of the Bonds and capital gains realised upon the disposal of the Bonds. The standard corporate income tax rate in Belgium is 29%, plus a 2% crisis surcharge, i.e., 29.58%, as of assessment year 2019 linked to a taxable period starting at the earliest on 1 January 2018. Small and medium-sized companies (as defined in the Belgian Company Code) are taxable at the reduced corporate income tax rate of 20.4% for the first EUR 100,000 of their taxable base. As of assessment year 2021 linked to a taxable period starting at the earliest on 1 January 2020, the corporate income tax rate will be reduced to 25%, and the reduced corporate income tax rate to 20%. Subject to certain conditions, the Belgian withholding tax paid, if any, may be credited against the corporate income tax and any excess may be refunded. Capital losses realised upon the disposal of the Bonds are in principle tax deductible. Other tax rules apply to investment companies within the meaning of Article 185bis of the Belgian Income Tax Code.

2.3 Belgian resident legal entities

For a Belgian resident legal entity subject to legal entities income tax (*rechtspersonenbelasting/impôt des personnes morales*), the withholding tax on interest will constitute the final tax in respect of such income.

Belgian resident legal entities holding the Bonds in an N-Account will be subject to a withholding tax of currently 30% on interest payments. They do not have to declare the interest obtained on the Bonds.

Belgian resident legal entities that qualify as Tax Eligible Investors and therefore are eligible to hold their Bonds in an X-Account must declare the interest and pay the applicable withholding tax to the Belgian Treasury, as no withholding tax will be levied on the payment of interest due to the fact that the Belgian legal entities hold the Bonds through an X-Account with the NBB Clearing System.

Belgian legal entities are not liable to income tax on capital gains realised upon the disposal of the Bonds (unless the capital gains qualify as interest as defined above in the Section “*Belgian Withholding Tax*”). Capital losses are in principle not tax deductible.

2.4 Non-residents of Belgium

Non-residents who use the Bonds to exercise a professional activity in Belgium through a permanent establishment are in principle subject to the same tax rules as the Belgian resident companies (see above).

Bondholders who are non-residents of Belgium for Belgian tax purposes and are not holding the Bonds through a Belgian establishment and do not invest the Bonds in the course of their Belgian professional activity will not incur or become liable for any Belgian tax on income or capital gains (save as the case may be, in the form of withholding tax) by reason only 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.

2.5 Tax on stock exchange transactions

A tax on stock exchange transactions (*beurstaks/taxe sur les opérations de bourse*) will be levied on the purchase and sale in Belgium of the Bonds on a secondary market if such transaction is either entered into or carried out in Belgium through a professional intermediary. The rate applicable for secondary sales and purchases in Belgium through a professional intermediary is 0.12% with a maximum amount of EUR 1,300 per transaction and per party and collected by the professional intermediary. The tax is due separately from each

party to any such transaction, i.e. the seller (transferor) and the purchaser (transferee), both collected by the professional intermediary.

The acquisition of Bonds upon their issuance (primary market) is not subject to the tax on stock exchange transactions.

The scope of application of the tax on stock exchange transactions has been extended by the law of 25 December 2016. Consequently, as of 1 January 2017, the tax also applies to secondary market transactions of which the order is directly or indirectly made to a professional intermediary established outside of Belgium by (i) a private individual with habitual residence in Belgium or (ii) a legal entity for the account of its seat or establishment in Belgium (both referred to as a “**Belgian Investor**”). In such a scenario, the tax on stock exchange transactions is due by the Belgian Investor, unless that Belgian Investor can demonstrate that the tax on stock exchange transactions due has already been paid by the professional intermediary established outside of Belgium. In the latter case, the foreign professional intermediary also has to provide each client (which gives such intermediary an order) with an qualifying order statement (*borderel/bordereau*), at the latest on the business day after the day the transaction concerned was realised. The qualifying order statements must be numbered in series and a duplicate must be retained by the professional intermediary. The duplicate can be replaced by a qualifying day-today listing, numbered in series. Alternatively, professional intermediaries established outside of Belgium could appoint a stock exchange tax representative in Belgium, subject to certain conditions and formalities (“**Stock Exchange Tax Representative**”). Such Stock Exchange Tax Representative will then be liable toward the Belgian Treasury for the tax on stock exchange transactions on behalf of clients that fall within one of the aforementioned categories (provided that these clients do not qualify as exemption persons for stock exchange tax purposes – see below) and for complying with the reporting obligations and the obligations relating to the order statement (*borderel/bordereau*) in that respect. If such a Stock Exchange Tax 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.

A tax on a sale combined with a forward purchase (*repotaks/taxe sur les reports*) at the rate of 0.085% (subject to a maximum of EUR 1,300 per party and per transaction) will be due from each party to any such transaction in which a professional intermediary acts for either party.

However, none of the taxes referred to above will be payable by exempt persons acting for their own account, including investors who are not Belgian residents (subject to the delivery of an affidavit to the professional intermediary confirming their non-resident status) and certain Belgian institutional investors as defined in Article 126.1, 2° of the Code of miscellaneous duties and taxes (*Wetboek van diverse rechten en taksen/Code des droits et taxes divers*) for the tax on stock exchange transactions and Article 139, §2 of the same code for the tax on repurchase transactions.

As stated below, the tax on stock exchange transactions and the tax on repurchase transactions should be abolished once the common financial transactions tax (“**FTT**”) enters into force.

2.6 Tax on securities accounts

With effect as from 10 March 2018, a tax of 0.15% will be levied on the share of Belgian resident and non-resident individuals in the average value of the qualifying financial instruments (including but not limited to shares, notes and units of undertakings for collective investment) held on one or more securities accounts during a reference period of twelve consecutive months starting on 1 October and ending on 30 September of the subsequent year (“**Tax on Securities Accounts**”).

No Tax on Securities Accounts will be due provided the holder’s share in the average value of the qualifying financial instruments on those accounts amounts to less than EUR 500,000. If, however, the holder’s share in the average value of the qualifying financial instruments on those accounts amounts to EUR 500,000 or more, the Tax on Securities Accounts will be due on the entire share of the holder in the average value of the qualifying

financial instruments on those accounts (and, hence, not only on the part which exceeds the EUR 500,000 threshold).

Qualifying financial instruments held by non-resident individuals only fall within the scope of the Tax on Securities Accounts provided they are held on securities accounts with a financial intermediary established or located in Belgium. Note that pursuant to certain double tax treaties, Belgium has no right to tax capital. Hence, to the extent the Tax on Securities Accounts is viewed as a tax on capital within the meaning of these double tax treaties, treaty protection may, subject to certain conditions, be claimed.

A financial intermediary is defined as (i) a credit institution or a stockbroking firm as defined by Article 1, §2 and §3 of the Law of 25 April 2014 on the status and supervision of credit institutions and investment companies and (ii) 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 Tax on Securities Accounts is in principle due by the financial intermediary established or located in Belgium if (i) the holder's share in the average value of the qualifying financial instruments held on one or more securities accounts with said intermediary amounts to EUR 500,000 or more or (ii) the holder instructed the financial intermediary to levy the Tax on Securities Accounts due (e.g. in case such holder holds qualifying financial instruments on several securities accounts held with multiple intermediaries of which the average value does not amount to EUR 500,000 or more, but of which the holder's share in the total average value of these accounts amounts to at least EUR 500,000). Otherwise, the Tax on Securities Accounts would have to be declared and would be due by the holder itself unless the holder provides evidence that the Tax on Securities Accounts has already been withheld, declared and paid by an intermediary which is not established or located in Belgium. In that respect, intermediaries located or established outside of Belgium could appoint a Tax on the Securities Accounts representative in Belgium, subject to certain conditions and formalities ("**Tax on the Securities Accounts Representative**"). Such a Tax on the Securities Accounts Representative will then be liable towards the Belgian Treasury for the Tax on the Securities Accounts due and for complying with certain reporting obligations in that respect.

Belgian resident individuals will have to report in their annual income tax return various securities accounts held with one or more financial intermediaries of which they are considered as a holder within the meaning of the Tax on Securities Accounts. Non-resident individuals have to report in their annual Belgian non-resident income tax return various securities accounts held with one or more financial intermediaries established or located in Belgium of which they are considered as a holder within the meaning of the Tax on Securities Accounts.

Prospective investors are urged to consult their own tax advisors as to the tax consequences of the application of this new tax on their investment in Bonds.

B. *The financial transactions tax*

On 14 February 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 (the "**participating Member States**"). In December 2015, Estonia withdrew from the group of states willing to introduce the FTT.

The Commission's 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 28 November 2006 on the common system of value added tax).

The Commission's Proposal has very broad scope and could, if introduced, apply to certain dealings in Bonds (including secondary market transactions) in certain circumstances. The issuance and subscription of Bonds should, however, be exempt.

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 (or a financial institution acting in the name of a party) established in a Member State (or deemed to be so), 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. The Issuer is a financial institution incorporated in Belgium and therefore financial institutions worldwide would be subject to the FTT when dealing in the Bonds.

The rates of the FTT shall be fixed by each Participating Member State but for transactions involving financial instruments other than derivatives they shall amount to at least 0.1% of the taxable amount. The taxable amount for such transactions shall in general be determined by reference to the consideration paid or owed in return for the transfer or the market price (whichever is higher). The FTT shall be payable by each financial institution established (or deemed established) in a Participating Member State which is a party to the financial transaction, which is acting in the name of a party to the transaction or where the transaction has been carried out on its account. Where the FTT due has not been paid within the applicable time limits, each party to the relevant financial transaction, including persons other than financial institutions, shall become jointly and severally liable for the payment of the FTT due.

However, the FTT proposal remains subject to negotiation between the participating Member States. Therefore, it may be altered prior to any implementation, the timing of which also remains unclear. Additional EU Member States may decide to participate and/or other participating Member States may decide to withdraw.

Prospective Bondholders are advised to seek their own professional advice in relation to the FTT.

C. Common Reporting Standard (CRS)

The exchange of information is to be governed by the Common Reporting Standard ("CRS"). On 29 October 2018, 104 jurisdictions 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. More than 50 jurisdictions have committed to a specific and ambitious timetable leading to the first automatic information exchanges in 2017 (early adopters).

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 9 December 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.

On 10 November 2015, the Council of the European Union adopted a Directive which repealed the EU Savings Directive with effect from 1 January 2016 (1 January 2017 in the case of Austria) (in each case subject to transitional arrangements). This is to prevent overlap between the EU Savings Directive and the new automatic exchange of information regime provided under DAC2.

On 27 May 2015, Switzerland signed an agreement with the European Union in order to implement, as from 1 January 2017, an automatic exchange of financial information based on the CRS. This new agreement replaces the agreement on the taxation of savings that entered into force in 2005. If a payment were to be made or collected through a paying agent in certain third countries or dependent associated territories of certain Member States, and an amount of, or in respect of tax were to be withheld from that payment, neither the Issuer nor any Paying Agent nor any other person would be obliged to pay additional amounts with respect to any Bond as a result of the imposition of such withholding tax.

The Belgian government has implemented DAC2, respectively the Common Reporting Standard, pursuant to 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 automatic exchange of information applies in Belgium (i) as of financial year 2016 (first information exchange in 2017) towards the EU Member States (including Austria, irrespective of the fact that the automatic exchange of information by Austria towards other EU Member States is only foreseen as of income year 2017), (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 a date to be further determined by royal decree. In a Royal Decree of 14 June 2017, it was determined that the automatic provision of information has to be provided as from 2017 (for the 2016 financial year) for a first list of eighteen jurisdictions, and as from 2018 (for the 2017 financial year) for a second list of 44 jurisdictions, and as from 2019 (for the 2018 financial year) for another jurisdiction.

Investors who are in any doubt as to their position should consult their professional advisers.

X. THE BOND OFFERING

The Joint Bookrunners have, pursuant to a placement agreement dated 21 May 2019 (the “**Placement Agreement**”), agreed with the Issuer, subject to certain terms and conditions, to use best efforts to place the Bonds, for an aggregate minimum nominal amount of EUR 50 million and an aggregate maximum nominal amount of EUR 80 million, with third parties at the Issue Price and at the conditions specified below.

This section contains the terms and conditions of the Bond Offering by the Managers. Each offer and sale of the Bonds by a Financial Intermediary will be made in accordance with the terms and conditions as agreed between a Financial Intermediary and an 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 Financial Intermediary and an investor. This Prospectus does not contain the terms and conditions of any Financial Intermediary. The terms and conditions in connection with the offer and sale of the Bonds will be provided to any investor by a Financial Intermediary during the Subscription Period. The Issuer nor any Manager can be held responsible or liable for any such information (without prejudice to the fact that the Issuer accepts responsibility for the content of this Prospectus).

Each of the services provided by the Managers may be granted by any Manager acting through any of its branches, affiliates or related companies, and all references to “Managers” herein will be understood as to include such branches and affiliated companies, to the extent that such services are provided by such entities.

A. *Subscription Period*

The Bonds will be offered to the public in Belgium. The Issue Date is 11 June 2019. However, in case a supplement to the Prospectus gives rise to withdrawal rights exercisable on or after the Issue Date of the Bonds in accordance with Article 34 of the Prospectus Law, the Issue Date will be postponed until the first Business Day (as defined in the Conditions) following the last day on which the withdrawal rights may be exercised.

The Bond Offering will start on 24 May 2019 at 9.00 a.m. (Brussels time) and end on 28 May 2019 at 5.30 p.m. (Brussels time), or such earlier date as the Issuer may determine in agreement with the Joint Bookrunners (as specified in Section X.H “*Allocation structure, early termination and reduction, allotment / oversubscription in the Bonds*”) (the “**Subscription Period**”). In this case, such closing date will be announced by or on behalf of the Issuer, on its website (www.sdworx.com/en/investor-relations), and on the website of the Managers, Belfius (www.belfius.be/sdworx2019), BNPPF (www.bnpparibasfortis.be/emissions) and KBC (www.kbc.be/sdworx).

Except in case of oversubscription as set out below in Section X.H “*Allocation structure, early termination and reduction, allotment / oversubscription in the Bonds*”, a prospective subscriber will receive 100 per cent. of the amount of the Bonds validly subscribed to it during the Subscription Period.

Prospective subscribers will be notified of their allocations of Bonds by the Manager or the Financial Intermediary through which they have made their subscription in accordance with the arrangements in place between such Manager or Financial Intermediary and the prospective subscriber.

No dealings in the Bonds on a regulated market or multilateral trading facility for the purposes of MiFID II may take place prior to the Issue Date and before the notification of allotment of the Bonds.

After having read the entire Prospectus, the investors can subscribe to the Bonds via the branches of the Managers appointed by the Issuer (including, in respect of KBC, CBC Banque), using the subscription form provided by the Managers as well as via the digital channels provided by the Managers (including, in respect of KBC, via Bolero).

Investors shall be able to subscribe to the Bonds through the Managers at the Issue Price, without commissions or costs being charged by the Issuer or the Managers (see below under Section C “*Issue Price*”).

The applications can also be submitted via agents or any other Financial Intermediaries in Belgium. In this case, the investors must obtain information concerning the commission fees that the Financial Intermediaries can charge. These commission fees are charged to the investors.

B. *Conditions to which the Bond Offering is subject*

The Bond Offering 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 Clearing Services Agreement and the Agency Agreement having been executed by all parties thereto prior to the Issue Date; (iii) the admission of the Bonds on the multilateral trading facility Euronext Growth 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 Bookrunners, no Material Adverse Change (as defined in the Placement Agreement and as described below); (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 Bookrunners' reasonable opinion and with the agreement of the Issuer; and (vii) at the latest on the Issue Date, the Joint Bookrunners having received customary confirmations as to certain legal and financial matters pertaining to the Issuer and the Group.

A “**Material Adverse Change**” means either of the following events:

- (i) since the last audited consolidated financial statements of the Issuer, any material adverse change in the condition (financial or otherwise), business, prospects, shareholders' equity, results of operations or general affairs of the Issuer and the Group (taken as a whole) that, in the reasonable judgment of the Managers, impairs or is likely to impair materially the investment quality of the Bonds or which materially prejudices or is likely to materially prejudice the success of the Bond Offering and the distribution of the Bonds; or
- (ii) any change in national or international financial, political or economic conditions or currency exchange rates or exchange controls as would, in the reasonable view of the Managers, be likely to prejudice materially the success of the issue, offering, sale or distribution of the Bonds, whether in the primary market or in respect of dealings in the secondary market.

These conditions can be waived (in whole or in part) by the Managers. The Placement Agreement does not entitle the Managers to terminate their obligations prior to payment being made to the Issuer, except in certain limited circumstances.

If the terms of the Bond Offering and the subsequent issuance of the Bonds are not met on the Issue Date (subject to waiver by the Managers of the conditions that could not be fulfilled) or any Manager terminates the Placement Agreement in one of the circumstances mentioned above, the Bonds will not be issued. Termination of the Placement Agreement by one of the Managers does not trigger the termination of the Placement Agreement for the other Managers, but there is no obligation for the non-terminating Managers to place the Bonds assigned to the terminating Manager. In case of cancellation of the Bond Offering, a notice will be published on the website of the Issuer (www.sdworx.com/en/investor-relations) and on the websites of the Managers (for Belfius, www.belfius.be/sdworx2019, for BNPPF, www.bnpparibasfortis.be/emissions, and for KBC, www.kbc.be/sdworx) and the total amount of funds already paid by investors for the Bonds will be reimbursed. For the avoidance of doubt, no interest will accrue on such amount.

C. *Issue Price*

The Issue Price will be equal to (i.e. 100% of) the Specified Denomination.

The net yield of the Bonds is 2.66 per cent. on an annual basis. The yield is calculated on the basis of the Issue Price, the rate of interest of 3.80 per cent. per annum and is based on the assumption that the Bonds will be held until their Maturity Date when they will be repaid at 100% of their Specified Denomination. It is not an

indication of future yield if the Bonds are not held until their Maturity Date. The net yield reflects a deduction of Belgian withholding tax at the rate of 30 per cent. (Investors should consult Section IX “*Taxation*” of this Prospectus for further information about Belgian taxation.)

The pricing of the Bonds has been fixed by the Issuer, taking into account the current level of the swap rate, increased with an additional spread that takes into account the different risks related to these Bonds. These risks are amongst others the credit risk of the Issuer (based on its activities and historical performance), the risk related to the subordination of the bonds and the liquidity risk of the Bonds. The pricing of the Bonds was also benchmarked against the pricing of comparable Bonds in the Belgian market, both in terms of activities of the issuer, tenor and targeted investor base.

The minimum amount of subscription for the Bonds is EUR 10,000. Regardless of this Minimum Subscription Amount, investors should note that an amount of Bonds may be allocated to them that is lower than the Minimum Subscription Amount.

D. *Aggregate Nominal Amount*

The Bond Offering shall have an aggregate minimum nominal amount of EUR 50 million and an aggregate maximum nominal amount of EUR 80 million.

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 the Bonds as observed by the Managers on a daily basis, and (iv) the occurrence or not of certain events during the Subscription Period of the Bonds giving the possibility to the Issuer and/or the Managers to terminate the Subscription Period early or not to proceed with the offer and the issue.

The Issuer has reserved the right not to proceed with the issue of the Bonds if at the end of the Subscription Period, the aggregate principal amount of the Bonds that have been subscribed for is lower than EUR 50 million.

The Aggregate Nominal Amount shall be published as soon as possible after the end of the Subscription Period by the Issuer, on its website (www.sdworx.com/en/investor-relations), and on the websites of the Managers (for Belfius, www.belfius.be/sdworx2019, for BNPPF, www.bnpparibasfortis.be/emissions, and for KBC, www.kbc.be/sdworx)).

E. *Payment date and details*

The payment date is 11 June 2019. The payment for the Bonds can only occur by means of debiting from a current account.

On the date that the subscriptions are settled, the NBB Clearing System will credit the custody account of the Agent according to the details specified in the rules of the NBB Clearing System.

Subsequently, the Agent, at the latest on the payment date, will credit the amounts of the subscribed securities to the account of the participants for onward distribution to the subscribers, in accordance with the usual operating rules of the NBB Clearing System.

F. *Costs and fees*

A coordination fee (the “**Coordination Fee**”) for the performance of the coordination services and an agency fee (the “**Agency Fee**”) for the performance of the agency services will be charged by respectively the Global Coordinator and the Agent to the Issuer.

With respect to the JBR Bonds (as defined further), a placement fee equal to 1.50 per cent. of the Aggregate Nominal Amount of the JBR Bonds effectively placed, issued and subscribed (the “**Retail Fee**”) will be charged to the Issuer, with the Retail Fee payable to each Manager being determined on the basis of the amounts of JBR Bonds effectively placed by such Manager.

With regard to the QI Bonds, a placement fee equal to 1.50 per cent. of the Aggregate Nominal Amount of the QI Bonds effectively placed, issued and subscribed (the “**QI Fee**”) will be charged to the Issuer, to be split among the Managers on an equal basis. In the event of a placement to third distributors (who will place the Bonds with their clients and can accept a retrocession), any commission or discount offered by the Managers in their sole discretion to the third party distributors (the “**QI Commission**”) shall be for the Managers’ sole account without recharge to the Issuer. The QI Commission will be determined on the basis of, among others, (i) the evolution of the credit quality of the Issuer (credit spread), (ii) the evolution of interest rates, (iii) the success (or lack thereof) of the placement of the Bonds, (iv) the amount of Bonds purchased by an investor, and (v) the priority given to Qualified Investors acting as intermediaries for onward placement towards Retail Investors. The QI Commission shall be determined by the Managers in their sole discretion throughout the Subscription Period on a case-by-case basis.

Please refer to Section IX “*Taxation*” for information on taxes that may be due by investors in relation to the Bond Offering.

G. Financial services

The financial services in relation to the Bonds will be provided free of charge by the Managers.

The costs for the custody fee for the Bonds are charged to the subscribers. Investors must inform themselves about the costs that financial institutions might charge them.

In addition, Bondholders should be aware that when they exercise the Change of Control Put via a financial intermediary (other than the Agent) they may have to bear additional costs and expenses that are imposed by such financial intermediary.

H. Allocation structure, early termination and reduction, allotment / oversubscription in the Bonds

Allocation Structure

- (a) The initial allocation structure between the Managers for the placement of the Bonds will be the following for an Aggregate Nominal Amount of the Bonds of no less than EUR 50 million and no more than EUR 80 million (being possibly subject to rounding and reduced proportionally in case the Aggregate Nominal Amount is lower than EUR 80 million):
 - (i) each of the Managers: EUR 22.4 million assuming that the Aggregate Nominal Amount of the Bonds equals the maximum Aggregate Nominal Amount of EUR 80 million (or 28% of the Aggregate Nominal Amount of the Bonds) to be placed on a best efforts basis and allocated exclusively to Retail Investors in its own retail and private banking network, at the Issue Price, in aggregate EUR 67.2 million assuming that the Aggregate Nominal Amount of the Bonds equals the maximum Aggregate Nominal Amount of EUR 80 million (or 84 % of the Aggregate Nominal Amount of the Bonds, the “**JBR Bonds**”); and
 - (ii) the Managers, acting together on a best efforts basis, for the placement towards third-party distributors and/or Qualified Investors as a pot deal at the Issue Price: EUR 12.8 million assuming that the Aggregate Nominal Amount of the Bonds equals the maximum Aggregate Nominal Amount of EUR 80 million (or 16 % of the nominal amount of the Bonds to be issued, the “**QI Bonds**”).

- (b) If the JBR Bonds assigned to a Manager in accordance with paragraph (a) above are not fully placed as observed at 5.30 pm (CET) on the first business day of the Subscription Period, the Managers shall have the right to place the remaining unplaced JBR Bonds with third party distributors and/or Qualified Investors (without the consent of the Issuer). In this respect, no priority is given to Qualified Investors who subscribe for purposes of resale to Retail Investors.
- (c) If, notwithstanding paragraph (b) above, not all Bonds are placed at the end of the first business day of the Subscription Period, then each of the Managers shall have the right to place the unplaced Bonds with Retail Investors in its own network (without the consent of the Issuer). Each Manager shall place such Bonds at its own pace, it being understood that the unplaced Bonds will be allocated to the investors on a “*first come, first served*” principle.
- (d) The Managers will publish a notice on their website as soon as possible upon having jointly placed all such remaining Bonds, and the Subscription Period shall be terminated as soon as possible upon the Managers having placed such assigned Bonds jointly, which termination may occur during a business day. A notice will be published as soon as possible upon termination of the Subscription Period on the websites of the Managers and the Issuer, specifying the date and hour of the early termination. The notice shall mention the aggregate percentage of Bonds jointly placed by the Managers in their respective own retail and private banking network and with Qualified Investors (percentage for the three Managers combined). It should be noted that bonds may or may not be subscribed for by Qualified Investors for purposes of resale to Retail Investors. The Managers will receive fees in respect of these Bonds *pro rata* to the amount of assigned Bonds they have placed.
- (e) This allocation structure can only be amended if agreed between the Issuer and the Managers.

Early termination and reduction, allotment / oversubscription in the Bonds

Early termination of the Subscription Period will intervene at the earliest on 24 May 2019 at 5.30pm (Brussels time) (the minimum Subscription Period is referred to as the “**Minimum Sales Period**”) (this is the third Business Day in Belgium following the day on which the Prospectus has been made available on the websites of the Issuer and the Managers (including the day on which the Prospectus was made available). This means that the Subscription Period will remain open at least one Business Day until 5.30 pm. Thereafter, early termination can take place at any moment (including in the course of a Business Day). In case of early termination of the Subscription Period, a notice will be published as soon as possible on the websites of the Issuer and the Managers. This notice will specify the date and hour of the early termination.

The Subscription Period may be shortened by the Issuer during the Subscription Period with the consent of the Joint Bookrunners (i) as soon as the total amount of the Bonds reaches EUR 50 million, (ii) in the event that a major change in market conditions occurs (among others, 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) and (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 new significant factor (see Section X Subsection M “*Prospectus Supplements*” for further information with respect to the publication of supplements to the Prospectus).

The Issuer may shorten the Subscription Period if the total amount of the Bonds does not reach EUR 50 million, but the Issuer will then have to publish a supplement to the Prospectus (see Section X Subsection M “*Prospectus Supplements*” for further information with respect to the publication of supplements to the Prospectus).

In addition, the offer is subject to specific conditions negotiated between the Managers and the Issuer that are included in the Placement Agreement, and in particular, the obligations of the Managers under the Placement Agreement could terminate, inter alia, as set out above.

All subscriptions that have been validly introduced by the Retail Investors with the Managers before the end of the Minimum Sales Period (as defined above) will be taken into account when the Bonds are allotted, it being understood that in case of oversubscription, a reduction may apply, *i.e.* the subscriptions will be scaled back proportionally per Manager and per Retail Investor who has subscribed for the Bonds, with an allocation of a multiple of EUR 1,000, and to the extent possible, a minimum nominal amount of EUR 1,000, which corresponds to the denomination of the Bonds. Investors should thus note that an amount of Bonds may be allocated to them that is lower than the Minimum Subscription Amount.

Further provisions

No early subscription to the Bonds is possible before the start of the Subscription Period.

At the end of the Minimum Sales Period, each of the Managers may publish a notice on its website to inform its clients that it will stop collecting subscriptions and will then send the same notice to the Issuer that will publish it on its website as soon as practicable. Such process will enable all the potential investors to know where the subscriptions are still open.

Subscribers may have different reduction percentages applied to them depending on the Manager through which they have subscribed.

The Managers shall in no manner whatsoever be responsible for the allotment criteria that will be applied by other financial intermediaries.

In case of early termination of the Subscription Period, the investors will be informed regarding the number of Bonds that have been allotted to them as soon as possible after the date of the early termination of the Subscription Period.

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.

I. *Results of the Bond Offering*

The results of the offer of the Bonds (including its net proceeds and the aggregate percentage of Bonds jointly placed by the Managers in their respective own retail and private banking network and with Qualified Investors (percentage for the three Managers combined) (it being understood that Bonds may or may not be subscribed for by Qualified Investors for purposes of resale to Retail Investors)) shall be published as soon as possible after the end of the Subscription Period and on or before the Issue Date, by the Issuer, on its website (www.sdworx.com/en/investor-relations), and on the websites of the Managers (for Belfius, www.belfius.be/sdworx2019, for BNPPF, www.bnpparibasfortis.be/emissions, and for KBC, www.kbc.be/sdworx)), and shall be communicated to the FSMA pursuant to applicable law. The same method of publication will be used to inform the investors in case of early termination of the Subscription Period.

J. *Expected timetable of the Bond Offering*

The main steps of the timetable of the Bond Offering can be summarised as follows:

1. 22 May 2019: publication of the Prospectus on the website of the Issuer;
2. 24 May 2019, 9.00 a.m. (Brussels time): opening date of the Subscription Period;
3. 28 May 2019, 5.30 p.m. (Brussels time): closing date of the Subscription Period (if not closed earlier);

4. As soon as possible after the end of the subscription period on 28 May 2019 and before or on the Issue Date at the latest: expected publication date of the results of the offer of the Bonds (including its net proceeds), unless published earlier in case of early closing;
5. 11 June 2019: Issue Date and admission to trading of the Bonds on the multilateral trading facility of Euronext Growth Brussels.

The dates and times of the Bond Offering 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 in the financial press. Any material alterations to this Prospectus are to be approved by the FSMA, and will be, in each case as and when required by applicable law, published in a press release, an advertisement in the financial press, or a supplement to this Prospectus.

K. *Transfer of the Bonds*

Subject to compliance with any applicable selling restrictions, the Bonds are freely transferable. See also “*Selling Restrictions*” below.

L. *Selling Restrictions*

1. *Countries in which the Bond Offering is open*

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 Bonds may lawfully be 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.

The distribution of this Prospectus and the subscription for and acquisition of 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, 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, 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.

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 Bonds in any circumstances in which such offer or solicitation is unlawful. Neither the Issuer nor the Managers have authorised, nor do they authorise, the making of any offer of Bonds (other than in the Bond Offering in Belgium) in circumstances in which an obligation arises for the Issuer or the Managers 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.

2. *Selling restriction in the EEA*

The Issuer has not authorised any offer to the public of Bonds in any Member State of the European Economic Area, other than Belgium. In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a “**Relevant Member State**”), an offer to the public of any Bonds may not be made in that Relevant Member State, except that an offer to the public in that Relevant Member State of any Bonds may be made at any time under the following exemptions under the Prospectus Directive, if they have been implemented in that Relevant Member State:

1. to legal entities which are qualified investors as defined under the Prospectus Directive;

2. to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the Issuer for any such offer; or
3. in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of the Bonds shall result in a requirement for the Issuer or the Managers to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of the provisions above, the expression an offer to the public in relation to any Bonds in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the Bond Offering and the Bonds to be offered so as to enable an investor to decide to purchase any Bonds, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State.

3. *United Kingdom*

Each Manager has represented and agreed that:

1. 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 Financial Services and Markets Act 2000 (the Financial Services and Markets Act)) received by it in connection with the issue or sale of any Bonds in circumstances in which Section 21(1) of the Financial Services and Markets Act does not apply to the Issuer; and
2. it has complied and will comply with all applicable provisions of the Financial Services and Markets Act with respect to anything done by it in relation to the Bonds in, from or otherwise involving the United Kingdom.

4. *United States*

The Bonds have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”), or the securities laws of any State or other jurisdiction of 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 pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Bonds are being offered and sold solely outside the United States to non-U.S. persons in reliance on Regulation S under the Securities Act (“**Regulation S**”). Terms used in this paragraph have the meaning given to them in Regulation S.

The Managers have agreed that they will not offer, sell or deliver the Bonds (i) as part of their distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the Bond Offering and the Issue Date within the United States or to, or for the account or benefit of, U.S. persons, and that they will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration (if any) to which they sell 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. Terms used in this paragraph have the meaning given to them in Regulation S.

In addition, until 40 days after the commencement of the Bond Offering, an offer or sale of Bonds within the United States by a dealer (whether or not participating in the Bond Offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the Securities Act.

M. *Prospectus supplements*

Every significant new factor, material mistake or inaccuracy relating to the information included in the Prospectus which is capable of affecting the assessment of the Bonds and which arises or is noted between the time when the Prospectus is approved and the final closing of the Bond Offering shall be mentioned in a supplement to the Prospectus to be prepared by the Issuer in accordance with Article 21, §7, second paragraph, and Article 34 of the Prospectus Law.

This supplement will need to be (i) approved by the FSMA and (ii) published in compliance with at least the same regulations as applicable to the Prospectus and applicable law, and will be published on the websites of the Issuer (www.sdworx.com/en/investor-relations), the Managers (for Belfius, www.belfius.be/sdworx2019, for BNPPF, www.bnpparibasfortis.be/emissions, and for KBC, www.kbc.be/sdworx) and the FSMA (www.fsma.be/en/prospectus-ems).

The Issuer will ensure that any such supplement is published as soon as possible after the occurrence of such new significant factor. Investors who have already agreed to purchase or subscribe for Bonds before the publication of the supplement to the Prospectus, would then have the right to withdraw their agreement during a period of two business days commencing on the day after the publication of the supplement, provided that such new development, material error or inaccuracies arose before the final closing of the Bond Offering and the settlement of the Bonds.

N. *Responsible persons*

The Issuer accepts responsibility for the information contained in this Prospectus, and, as the case may be, any supplement to the Prospectus. The Issuer declares that, having taken all reasonable care to ensure that such is the case, the information contained in the Prospectus is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

O. *Consent to the use of the Prospectus for subsequent resale or final placement of the Bonds by financial intermediaries*

The Issuer consents to the use of this prospectus by any Financial Intermediary in connection with the Bond Offering during the Subscription Period and with respect to any subsequent resale or final placement by such Financial Intermediary during the Subscription Period in Belgium.

P. *Interests of natural and legal persons involved in the Bond Offering*

The Managers as well as their 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 their capacity as dealer or in another capacity. As at the date of this Prospectus, the Managers provide, among other things, payment services, investments of liquidities, credit facilities, hedging, discretionary management, 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 recurring costs which are being paid to the Managers as well as to other banks which offer similar services. As at the date hereof, the principal amount of the existing senior financial indebtedness of the Group outstanding towards Belfius amounts to approximately EUR 11.17 million (under the Senior Facilities Agreement) and towards BNPPF amounts to approximately EUR 27.44 million (under the Senior Facilities Agreement and under the VIO facilities agreement). As at the date hereof, the Group does not have any senior financial indebtedness outstanding towards KBC (no amounts outstanding under the factoring arrangements with KBC). Potential investors should also be aware that the Managers may from time to time hold debt securities, shares and/or other financial instruments of the Issuer. Furthermore, the Managers and the Agent receive customary commissions in relation to the Bond Offering, which constitute a significant part of the aggregate costs and expenses of the Issuer in relation to the Bond Offering (such aggregate costs and expenses are expected to amount to between

approx. EUR 1 million (on the assumption that the Aggregate Nominal Amount for which Bonds are issued is EUR 50 million, as the Placement Fee is variable) and approx. EUR 1.45 million (on the assumption that the Aggregate Nominal Amount for which Bonds are issued is EUR 80 million, as the Placement Fee is variable)). Please also refer to the risk factor ‘*The Issuer and the Managers may engage in transactions adversely affecting the interests of the Bondholders*’ in Section II “*Risk factors*” of this Prospectus.

XI. GENERAL INFORMATION

1. Application has been made for the Bonds to be listed and admitted to trading on the multilateral trading facility of Euronext Growth Brussels as from the Issue Date.
2. The Issuer has obtained all necessary consents, approvals and authorisations in Belgium in connection with the issue and performance of the Bonds. The issue of the Bonds was authorised by a resolution of the Board of Directors of the Issuer passed on 29 April 2019. On that same date, the Issuer's sole shareholder has approved Condition 5.2 (*Redemption at the Option of Bondholders upon a Change of Control*) in accordance with the requirements of the Belgian Company Code.
3. There has been no significant change in the financial or trading position of the Issuer since 31 December 2018 nor a material adverse change in the prospects of the Issuer since 31 December 2018.
4. The Board of Directors of the Issuer assesses that, during a period covering at least the previous 12 months, no governmental, legal or arbitration proceedings are pending or threatened of which the Issuer is aware that may have, or have had in the recent past, significant effects on the financial position or profitability of the Issuer.
5. The Bonds have been accepted for clearance through the clearing system of the National Bank of Belgium with Common Code 199892665. The International Securities Identification Number (ISIN) for the Bonds is BE0002655364. The address of the National Bank of Belgium is 14 Boulevard de Berlaimont, 1000 Brussels, Belgium. A service contract for the issuance of fixed income securities will be entered into by the Issuer with the Agent and the NBB on or about the Issue Date.
6. The Issuer and the Bonds are not rated and the Issuer does not intend to request a rating for the Issuer or the Bonds.
7. Other than the Managers and the finance parties under the Senior Facilities Agreement, no person involved in the Bond Offering has any interest, including conflicting ones, that is material to the issue of the Bonds and the Bond Offering. (Please also refer to the risk factor '*The Issuer and the Managers may engage in transactions adversely affecting the interests of the Bondholders*' in Section II "*Risk factors*" of this Prospectus).

Within the framework of normal business relationship with its banks, the Issuer entered into Financing Transactions with the Managers (via bilateral transactions or/and syndicated loans together with other banks including the Senior Facilities Agreement) and it can enter into additional Financing Transactions in the future, with the Managers or one or more of their respective affiliates (via bilateral transactions and/or syndicated loans together with other banks). Reference is made to the risk factor '*The Issuer and the Managers may engage in transactions adversely affecting the interests of the Bondholders*' in Section II "*Risk factors*" of this Prospectus.

8. Subject to statements in this Prospectus with respect to market and other industry data based on statistics and other information from independent industry publications and reports by research firms or other published independent sources, the Prospectus does not contain any statement or report sourced from third parties, except the audit opinions and review reports of the current and previous Statutory Auditor. The Issuer confirms that (a) the Statutory Auditor has agreed to the incorporation in the Prospectus of their audit opinions for the fiscal years ended 2017 and 2018 and (b) such audit opinions have been accurately reproduced and as far as the Issuer is aware and is able to ascertain, to its reasonable knowledge, from such audit opinions no facts have been omitted that would render them inaccurate or misleading in any material respect. Where information has been sourced from a third party, this information has been accurately reproduced and, as far as the Issuer is aware and is able to ascertain from such sources, no facts have been omitted which would render the reproduced information inaccurate or misleading.

9. The Issuer does not have the intention to furnish any information with respect to the Bonds after the issuance of the Bonds, unless expressly required by law.
10. During the Bond Offering and during the life of the Bonds, copies of the following documents will be available for inspection during usual business hours on any weekday (Saturdays and public holidays excepted), at the registered office of the Issuer:
 - (a) the articles of association (*statuten/statuts*) of the Issuer and the Meeting Provisions;
 - (b) the audited unconsolidated historical financial information of the Issuer and its Subsidiaries for the financial years ended on 31 December 2017 and 31 December 2018;
 - (c) the audited consolidated historical financial information of the Issuer for the financial years ended on 31 December 2017 and 31 December 2018;
 - (d) all reports, letters, and other documents, historical financial information, valuations and statements prepared by any expert at the Issuer's request any part of which is included or referred to in this Prospectus;
 - (e) the Prospectus and any supplement to this Prospectus;
 - (f) a copy of the Clearing Agreement and the Agency Agreement; and
 - (g) the minutes of any meeting of Bondholders.

The documents in paragraphs (a), (b) (but only with respect to the Issuer), (c) and (e) shall also be available free of charge on the website of the Issuer (www.sdworx.com/en/investor-relations).

11. Section XV includes the unconsolidated audited financial statements of the Issuer for the financial year ended 31 December 2017, prepared in accordance with BE GAAP. Section XVI includes the full consolidated audited financial statements of the Issuer for the financial year ended 31 December 2018 (consolidating the Vio Group for a period of ten months and the Flexpoint Group for a period of three months, as these acquisitions were completed during the course of financial year 2018), with comparative consolidated financial information with respect to the Issuer for the financial year ended 31 December 2017, in each case prepared in accordance with BE GAAP.
12. The Statutory Auditor, represented by Mr Michel Denayer and Mr Maurice Vrolix, member of the Belgian *Instituut van de Bedrijfsrevisoren/Institut des Réviseurs d'Entreprises*, with office at Gateway Building, Brussels Airport 1J, B-1930 Zaventem, Belgium, has audited, and rendered unqualified audit reports on, the financial statements of the Issuer for the financial years ended on 31 December 2017 and 31 December 2018 and the consolidated financial statements of the Issuer for the financial year ended 31 December 2018.

XII. GLOSSARY

Capitalised terms used throughout the Prospectus shall have the meaning given to such terms in this Section, unless otherwise defined in specific sections of the Prospectus (including in the Conditions).

Agent	has the meaning given in the introductory Section ‘ <i>General Information</i> ’
Agency Agreement	has the meaning given in the Conditions
Agency Fee	has the meaning given in Section X.F
Aggregate Nominal Amount	has the meaning given in Section X.D
APMs	has the meaning given in Section VI.A
BE GAAP	has the meaning given in Section VI.B
Belfius	has the meaning given in the introductory Section ‘ <i>General Information</i> ’
Belgian Company Code	has the meaning given in the introductory Section ‘ <i>General Information</i> ’
Belgian Investor	has the meaning given in Section IX.A.2.5
BNPPF	has the meaning given in the introductory Section ‘ <i>General Information</i> ’
Bond Offering	has the meaning given in the introductory Section ‘ <i>General Information</i> ’
Bonds	has the meaning given on the cover page of this Prospectus
Cash EBITDA	has the meaning given in Section VI.B
Certificates	has the meaning given in Section V.D
Clearing Services Agreement	has the meaning given in the Conditions
Clearstream Banking Frankfurt	has the meaning given in the introductory Section ‘ <i>General Information</i> ’
Commission’s Proposal	has the meaning given in Section IX.B
Conditions, Conditions of the Bonds	has the meaning given in Section I
Coordination Fee	has the meaning given in Section X.F
CRS	has the meaning given in Section IX.C
DAC2	has the meaning given in Section IX.C
EBIT	has the meaning given in Section VI.B
EBITDA	has the meaning given in Section VI.B
Euroclear Bank	has the meaning given in the introductory Section ‘ <i>General Information</i> ’
Euroclear France	has the meaning given in the introductory Section ‘ <i>General Information</i> ’
Financial Intermediary	has the meaning given in the introductory Section ‘ <i>Public Offer in Belgium</i> ’

Financing Transactions	has the meaning given in Section II.B.24
Foundations	has the meaning given in Section V.E
FSMA	has the meaning given in the introductory Section ‘ <i>Approval of the Prospectus</i> ’
FTT	has the meaning given in Section IX.B
Global Coordinator	has the meaning given in the introductory Section ‘ <i>General Information</i> ’
Group	mean the Issuer and its Subsidiaries, joint venture interests and minority participations from time to time (it being understood that, for purposes of the Conditions only, the term “Group” is limited to the Issuer and its Subsidiaries from time to time)
HR Worx Holding	has the meaning given in Section V.C
Income Tax Code of 1992	has the meaning given in Section IX.A.1.2
Intermediary	has the meaning given in Section IX.A.1
Investor’s Currency	has the meaning given in Section II.B.15
Issue Date	has the meaning given on the cover page of this Prospectus
Issue Price	has the meaning given in Section X.C
Issuer	has the meaning given on the cover page of this Prospectus
JBR Bonds	has the meaning given in Section X.H
Joint Bookrunners	has the meaning given in the introductory Section ‘ <i>General Information</i> ’
Junior Liabilities	has the meaning given in the introductory Section ‘ <i>Subordination of the Bonds</i> ’
KBC	has the meaning given in the introductory Section ‘ <i>General Information</i> ’
Law of 16 December 2016	has the meaning given in Section IX.C
Managers	has the meaning given in the introductory Section ‘ <i>General Information</i> ’
Material Adverse Change	has the meaning given in Section X.B
Maturity Date	has the meaning given on the cover page of this Prospectus
MCAA	has the meaning given in Section IX.C
MiFID II	has the meaning given in the introductory Section ‘ <i>General Information</i> ’
Minimum Sales Period	has the meaning given in Section X.H
Minimum Subscription Amount	has the meaning given on the cover page of this Prospectus
Monte Titoli	has the meaning given in the introductory Section ‘ <i>General Information</i> ’
N Account	has the meaning given in Section II.B.17
NBB	has the meaning given in the introductory Section ‘ <i>General Information</i> ’

NBB Clearing System	has the meaning given in the introductory Section ‘ <i>General Information</i> ’
Net Financial Debt/ (Cash)	has the meaning given in Section VI.B
Normalisations	has the meaning given in Section VI.B
Normalised EBIT	has the meaning given in Section VI.B
Normalised EBITDA	has the meaning given in Section VI.B
Participant	has the meaning given in Section IX.A.1.2
Paying Agent	has the meaning given in Section IV
Permitted Public Offer	has the meaning given in the introductory Section ‘ <i>Public Offer in Belgium</i> ’
Placement Agreement	has the meaning given in Section X
Prospectus	means this Prospectus
Prospectus Directive	has the meaning given in the introductory Section ‘ <i>Public Offer in Belgium</i> ’
Prospectus Law	has the meaning given in the introductory Section ‘ <i>Public Offer in Belgium</i> ’
Prospectus Regulation	has the meaning given in the introductory Section ‘ <i>Public Offer in Belgium</i> ’
Qualified Investor	means a “ <i>gekwalificeerde belegger</i> ” / “ <i>investisseur qualifié</i> ” as defined in the Belgian prospectus law of 16 June 2006 (as amended)
QI Bonds	has the meaning given in Section X.H
QI Commission	has the meaning given in Section X.F
QI Fee	has the meaning given in Section X.F
Regulation S	has the meaning given in Section has the meaning given in the introductory Section ‘ <i>Public Offer in Belgium</i> ’
Relevant Member State	has the meaning given in Section has the meaning given in the introductory Section ‘ <i>Public Offer in Belgium</i> ’
Retail Fee	has the meaning given in Section X.F
Retail Investor	means any investor in the Bonds that is not a Qualified Investor
Royal Decree implementing the Tax Code of 1992	has the meaning given in Section IX.A.1.2
SD Worx Belgium	has the meaning given in Section II.A.2.8
SD Worx Group	has the meaning given in Section V.D
Securities Act	has the meaning given in the introductory Section ‘ <i>Public Offer in Belgium</i> ’
Senior Liabilities	has the meaning given in the introductory Section ‘ <i>Subordination of the Bonds</i> ’
Senior Facilities Agreement	has the meaning given in the introductory Section ‘ <i>Subordination</i>

	<i>of the Bonds</i>
SIX SIS	has the meaning given in the introductory Section ‘ <i>General Information</i> ’
Specified Denomination	has the meaning given on the cover page of this Prospectus
Statutory Auditor	has the meaning given in Section VII.E
Stock Exchange Tax Representative	has the meaning given in Section IX.A.2.5
Subscription Period	has the meaning given in the introductory Section ‘ <i>Public Offer in Belgium</i> ’
Subsidiaries	means subsidiaries (<i>dochtervennootschappen/filiales</i>) within the meaning of the Belgian Company Code
Super Junior Liabilities	has the meaning given in the introductory Section ‘ <i>Subordination of the Bonds</i> ’
Tax Eligible Investors	has the meaning given in Section IX.A.1.2
Tax on Securities Accounts	has the meaning given in Section IX.A.2.6
Tax on the Securities Accounts Representative	has the meaning given in Section IX.A.2.6
Trigger Event	has the meaning given in the introductory Section ‘ <i>Subordination of the Bonds</i> ’
Vio Credit Facilities Agreement	has the meaning given in Section II.A.5.1
X-Account	has the meaning given in Section IX.A.1.2

XIII. 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 Upon a 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.

When depositing the Change of Control Put Exercise Notice, the Bondholder requests that such Intermediary (i) delivers the Change of Control Put Exercise Notice to the Agent, (ii) liaises with the Agent to organise the early redemption of the relevant Bonds pursuant to Condition 5.2 and (iii) transfers the relevant Bond(s) to the account of the Agent. Any fees and/or costs charged by the Intermediary in relation to the deposit of the Change of Control Put Exercise Notice or the transfer of the relevant Bonds will be borne by the relevant Bondholder.

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

SD WORX HOLDING NV

(incorporated with limited liability under the laws of Belgium)

3.80% Bonds due 11 June 2026 (issued in the denomination of EUR 1,000, with a Minimum Subscription Amount of EUR 10,000 and as described in the Prospectus dated 21 May 2019)
ISIN: BE0002655364 Common Code: 199892665 (the “**Bonds**”)

CHANGE OF CONTROL PUT EXERCISE NOTICE

By sending this duly completed Change of Control Put Exercise Notice to the bank or other financial intermediary through which the Bondholder holds Bonds, who will in turn deliver it to the Agent, in accordance with Condition 5.2 (*Redemption at the Option of Bondholders upon a Change of Control*) of the Bonds, the undersigned holder of the Bonds specified below exercises its option to have such Bonds redeemed early in accordance with Condition 5.2 on the Change of Control Put Date.

The undersigned holder of such Bonds hereby confirms to the Issuer that (i) he/she/it holds the amount 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.

Nominal amount of Bonds held:

EUR..... (*amount in figures*) Euro)

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 by Euro transfer to the following bank account:

Name of Bank:

Branch Address:

Account Number:

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:.....

N.B. The Agent shall not in any circumstances be liable to any Bondholder or any other person for any loss or damage arising from any act, default or omission of the Agent in relation to the said Bonds or any of them unless such loss or damage was caused by the fraud or negligence of the Agent.

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.

XIV. NOTES TO KEY FINANCIAL INFORMATION

Financial Highlights

Consolidated results including Vio (10 months) and Flexpoint (3 months)

Amounts in € 000	31/12/2017	31/12/2018
Total net revenues	446,327	594,402
-Operating expenses	-168,387	-177,999
- Remuneration, social security costs and pensions	-230,790	-364,015
- Amounts written off & provisions for liabilities	-6,024	-753
+ Other operating income	10,781	14,068
Normalized EBITDA	51,907	65,702
- Restructuring & integration cost	-6,274	-14,448
- Acquisition & transaction costs related to third parties	-1,153	-1,915
- Stock-based compensation	0	-470
EBITDA incl. non-recurring items	44,480	48,871
- Depreciation and amortization fixed assets	-12,148	-12,401
- Amortizations & Impairments on participations and goodwill	-19,068	-29,338
EBIT	13,265	7,131
+ Financial Income/(Expenses)	4,224	-3,440
Profit before taxes	17,489	3,691
- Current & Deferred Taxes	-16,429	-12,032
Profit/(Loss) for the period	1,060	-8,341
- Share in the results of enterprises accounted for using the equity method	-41	-752
Consolidated profit/(Loss)	1,019	-9,093
Profit (loss) of the consolidated companies	928	-8,197

Key Comments

Net revenues

- Increase due to organic growth SD Worx Group (+4,6%) and the acquisition of the Vio and Flexpoint group (+€128mio)

Remuneration, social security cost and pensions

- Steep increase in remuneration and social security cost is explained by the payroll cost of temp workers (SD Worx Staffing & Career Solutions)

Amounts written off & provisions for liabilities

- In FY2017 SD Worx noted a significant increase in IAS19R – post-employment benefits provision on the balance sheet mainly due to changes in actuarial assumptions.

Non-recurring items

- Non-recurring items in FY2018 are impacted by a digital transformation project in 1st Engine and integration costs in 2nd Engine. Non-recurring items in FY2017 mainly relate to integration cost SD Worx Germany & UK and legal restructuring expenses.

Amortization & impairments on participations and goodwill

- Consolidation goodwill is amortized over a 10-year period. Increase in amortizations is mainly due to the Vio and Flexpoint acquisitions.

Financial result

- Increase in financial expenses related to new financing and the loss recorded on the funds in discretionary management in 2018, which was a gain in FY2017.

Current & deferred taxes

- Decrease in effective tax rate largely related to the decreased corporate income tax rate in Belgium and the recently acquired tax ruling in Belgium.

Financial Highlights

Consolidated cash flow statement incl. Vio (10 months) and Flexpoint (3 months)

Amounts in € 000	31/12/2017	31/12/2018
Net result of the year	1,019	-9,093
Adjustments for non-cash items, income tax expenses and net financing (income)/cost:	44,219	62,395
Change working capital	-4,906	-12,411
Income tax paid	-20,400	-19,156
Cash flow from operating activities	19,932	21,734
(Purchases)/Proceeds of intangibles and PPE	-7,000	-13,790
(Purchases) / sales of financial assets	6,400	-216
Interest/dividends received	200	132
(Payment of)/proceeds from repayment of loans granted	7,200	200
Net cash outflow on acquisition of subsidiaries, associates and JV's	-1,437	-135,145
Cash flow from investing activities	5,363	-148,819
Proceeds/(repayment of) from borrowings	3,914	58,690
Repayment of borrowings	-6,600	-45,756
Proceeds from capital increase	176,603	15,631
Interest paid	-1,300	-1,839
Cash flow from financing activities	172,617	26,726
Total increase/(decrease) in cash	197,912	-100,359
Total cash and cash equivalents at the beginning of the period	46,260	244,172
Total cash and cash equivalents at the end of the period	244,172	143,813

Key Comments
<p>Adjustments for non-cash items, income tax expenses and net financing (income)/cost :</p> <ul style="list-style-type: none"> Mainly relates to goodwill amortizations, depreciations, income taxes and increase/(decrease) of provisions for other liabilities and charges.
<p>Change in working capital</p> <ul style="list-style-type: none"> Negative working capital impact in FY2018 mainly resulting from the settlement of outstanding positions with SD Worx VZW.
<p>(Purchases) / sales of financial assets</p> <ul style="list-style-type: none"> In FY2017 a positive cash flow was realised on the SPP (€1,9mio) and the sale & buyback of funds in discretionary management (€+4,5mio gain)
<p>(Payment of)/proceeds from repayment of loans granted</p> <ul style="list-style-type: none"> In FY2017, a positive cash flow was realized on the cessation of the car lease self-funding (+€6mio) and the finalisation of the UK closing accounts (+€1,1mio).
<p>Net cash outflow on acquisition of subsidiaries, associates and JV's</p> <ul style="list-style-type: none"> In FY2017, investments were made in Unbox, Costation, Sodeco and Assusoft. In FY2018, SD Worx acquired interests in Vio, Flexpoint, GlobePayroll, OnlineWerkrooster and CoStation.
<p>Proceeds from borrowings</p> <ul style="list-style-type: none"> Mainly refers to the new Holding and Vio financing facilities, the shareholder loan from NCI.
<p>Repayment of borrowings</p> <ul style="list-style-type: none"> Refers to the repayment of the former Fidelis HR and Ceridian UK acquisition loan, the first repayments on the new Holding and Vio borrowings and the refinancing of existing financial indebtedness upon the Vio and Flexpoint acquisition
<p>Proceeds from capital increases</p> <ul style="list-style-type: none"> FY2017 refers to the cash transferred as a consequence of the restructuring of the Group. FY2018 refers to the reinvesting shareholders of Vio and the capital increase of SD Worx Holding

Financial Highlights

Consolidated balance sheet per 31/12/2018

Assets (in € 000)	31/12/2017	31/12/2018
Fixed assets	230,879	348,322
Formation expenses	0	657
Intangible fixed assets	14,983	18,774
Consolidation differences (pos)	153,272	262,802
Tangible fixed assets	62,012	63,885
Financial fixed assets	612	2,204
Current assets	368,336	330,493
Amounts receivable > 1 year	2,000	200
Pension assets	10,408	9,790
Deferred tax assets	10,775	10,770
Amounts receivable < 1 year & stocks	87,608	145,982
Funds held for clients	3,443	6,106
Current investments & Cash	244,172	143,813
Deferred charges and accrued income	9,929	13,833
Total assets	599,215	678,815

Key Comments
<p>Formation expenses</p> <ul style="list-style-type: none"> Formation expenses are related to the capitalization of transaction costs with respect to the issuance of loans and new borrowings
<p>Intangible assets</p> <ul style="list-style-type: none"> Increase in intangible assets due to new business combinations and internally-generated intangible assets (SD Connect)
<p>Consolidation differences (pos)</p> <ul style="list-style-type: none"> Large amount of consolidation goodwill mainly as a result of the acquisitions of SD Worx UK and Germany in 2016. Increase in 2018 as a consequence of the Vio and Flexpoint business combinations.
<p>Financial fixed assets</p> <ul style="list-style-type: none"> Increase as a consequence of the participation in GlobePayroll and loans to associates.
<p>Pension assets</p> <ul style="list-style-type: none"> Related to defined benefit assets in the UK
<p>Amounts receivable</p> <ul style="list-style-type: none"> Significant increase as a consequence of the Vio and Flexpoint business combination
<p>Current investments & cash</p> <ul style="list-style-type: none"> Decrease in cash related to the acquired businesses (cfr. cash flow statement)

Financial Highlights

Consolidated balance sheet per 31/12/2018

Equity and liabilities (in € 000)	31/12/2017	31/12/2018
Equity	419,962	417,222
Capital	594,000	599,738
Consolidation reserves	-163,926	-171,647
Cumulative translation differences	-10,112	-10,869
Non-controlling interest	1,122	9,412
Pensions, provisions and deferred taxes	40,973	48,988
Pension Liabilities	36,643	37,031
Provisions and deferred taxes	4,330	11,957
Amounts payable	137,159	203,193
Amounts payable > 1 year	17,526	48,437
Financial payables > 1 year	17,526	48,437
Amounts payable < 1 year	119,632	154,756
Financial payables < 1 year	11,044	13,262
Other payables < 1 year	93,775	123,459
Funds held for clients	3,443	6,106
Accruals and deferred income	11,370	11,929
Total equity & liabilities	599,215	678,815

Key Comments

Equity

- Strong equity base and solvency ratio as no external shareholders. Negative consolidation reserves are a consequence of the restructuring of the group per January 1st, 2017

Non-controlling interests

- Non-controlling interests per 31/12/2017 relate to the eligible group of the Share Purchase Program, non-controlling interests per 31/12/2018 mainly relate to the reinvesting shareholders of the Vio Group which have been acquired by SD Worx Holding after balance sheet date per February 1st, 2019

Pension liabilities

- Pension liabilities are mainly related to the defined-benefit obligations in Belgium and Germany

Provisions and deferred taxes

- Mainly relate to provisions for restructuring and integration

Financial payables

- For an overview of outstanding borrowings and loans, please refer to subsection C “Overview of debt financing” in Section VI (“Selected Financial Information”) of the prospectus

Other payables < 1 year

- Other payables mainly relate to payroll-related liabilities (both of temporary workers as own personnel), supplier payables and tax payables

Funds held for clients

- Relates to a small portion of customer funds in Luxembourg, France, the Netherlands and Ireland. Customer funds in Belgium are managed by SD Worx VZW

Financial KPIs

- Negative adjusted senior leverage ratio because cash is higher than financial debt

XV. UNCONSOLIDATED FINANCIAL STATEMENTS OF THE ISSUER FOR FINANCIAL YEAR 2017

40				1	EUR	
NAT.	Filing date	Nr.	P.	U.	D.	F 1

**ANNUAL ACCOUNTS AND OTHER DOCUMENTS TO BE FILED UNDER
BELGIAN COMPANY LAW**

IDENTIFICATION DETAILS

NAME: *SD Worx Holding*

Legal form: *Public limited company*

Address: *Brouwersvliet* Nr.: *2* Box:

Postal code: *2000* Municipality: *Antwerp*

Country: *Belgium*

Register of legal persons – commercial court *Antwerpen, Division Antwerpen*

Website address¹:

Company identification number *BE 0644.841.746*

DATE *25 / 07 / 2017* of filing the memorandum of association OR of the most recent document mentioning the date of publication of the memorandum of association and of the act amending the articles of association.

ANNUAL ACCOUNTS *ANNUAL ACCOUNTS IN EUROS (2 decimals)*
 approved by the general meeting of *01 / 06 / 2018*
 Regarding the financial year from *01 / 01 / 2017* to *31 / 12 / 2017*
 Preceding financial year from *22 / 12 / 2015* to *31 / 12 / 2016*

The amounts for the preceding period ~~are~~ ~~are not~~² identical to the ones previously published.

Total number of pages filed:³¹..... Numbers of sections of the standard form not filed because they serve no useful purpose:*6.1, 6.2.1, 6.2.2, 6.2.3, 6.2.4, 6.2.5, 6.3.2, 6.3.3, 6.3.4, 6.3.5, 6.3.6, 6.4.3, 6.5.2, 6.8, 6.14, 6.17, 6.18.2, 6.19, 6.20, 7, 8, 9, 10*.....

*Signature
(name and position)*

*Signature
(name and position)*

¹ Optional information.
² Strike out what is not applicable.

**LIST OF DIRECTORS, BUSINESS MANAGERS AND AUDITORS
AND DECLARATION REGARDING A COMPLIMENTARY REVIEW
OR CORRECTION ASSIGNMENT****LIST OF THE DIRECTORS, BUSINESS MANAGERS AND AUDITORS**

COMPLETE LIST with surname, first names, profession, place of residence (address, number, postal code and municipality) and position within the company

GINKGO Associates BVBA
Nr.: BE 0831.313.061
Elizabetlaan 142, 8300 Knokke-Heist, Belgium

Chairman of the board of directors
22/12/2015 - 29/05/2020

Represented by:

Filip Dierckx
Elizabetlaan 142, 8300 Knokke-Heist, Belgium

Steven Van Hoorebeke
Geldenaaksestraat 12, 3053 Haasrode, Belgium

Managing director
22/12/2015 - 25/09/2017

Steven Van Hoorebeke
Geldenaaksestraat 12, 3053 Haasrode, Belgium

Director
22/12/2015 - 29/05/2020

Michel Delbaere
Grote Heerweg 187, 8791 Beveren (Leie), Belgium

Director
22/12/2015 - 29/05/2020

DCM Seagull BVBA
Nr.: BE 0642.931.440
Meerminlaan 4 box 5/2, 8300 Knokke-Heist, Belgium

Director
22/12/2015 - 01/06/2018

Represented by:

Dirk Collier
Meerminlaan 4 box 5/2, 8300 Knokke-Heist, Belgium

Proceeding BVBA
Nr.: BE 0887.252.070
Struikenlei 13, 2900 Schoten, Belgium

Director
22/12/2015 - 01/06/2018

Represented by:

Marc Binnemans
Struikenlei 13, 2900 Schoten, Belgium

Akeley BVBA
Nr.: BE 0644.431.673
Reek 21, 2880 Bornem, Belgium

Director
22/12/2015 - 01/06/2018

Represented by:

Jan Van Acoleyen
Reek 21, 2880 Bornem, Belgium

Fusion Inc BVBA
Nr.: BE 0644.675.658
Celestijnenlaan 52, 3001 Heverlee, Belgium

Director
22/12/2015 - 01/06/2018

Represented by:

Koenraad Van Gerven
Celestijnenlaan 52, 3001 Heverlee, Belgium

LIST OF THE DIRECTORS, BUSINESS MANAGERS AND AUDITORS (CONTINUED)

COMPLETE LIST with surname, first names, profession, place of residence (address, number, postal code and municipality) and position within the company

Christophe Petit
Sijsjeslaan 8, 3078 Everberg, Belgium

Director
01/01/2018 - 31/12/2018

Deloitte Bedrijfsrevisoren BV O.V.V.E. CVBA
Nr.: BE 0429.053.863
Gateway building, Luchthaven Nationaal 1 box J, 1930 Zaventem, Belgium
Membership nr.: IBR nr. 025

Auditor
22/12/2015 - 24/05/2019

Represented by:

Michel Denayer
Gateway building, Luchthaven Nationaal 1 box J, 1930 Zaventem, Belgium
Membership nr.: IBR A-01346

Maurice Vrolix
Gateway building, Luchthaven Nationaal 1 box J, 1930 Zaventem, Belgium
Membership nr.: IBR A-01817

DECLARATION REGARDING A COMPLIMENTARY REVIEW OR CORRECTION ASSIGNMENT

The managing board declares that no audit or correction assignment has been given to a person who was not authorised to do so by law, pursuant to art. 34 and 37 of the law of 22th April 1999 concerning accounting and tax professions.

The annual accounts ~~were~~ / **were not*** audited or corrected by an external accountant or by a company auditor who is not the statutory auditor.

If affirmative, mention hereafter: surname, first names, profession and address of each external accountant or company auditor and his membership number with his Institute as well as the nature of his assignment:

- A. Bookkeeping of the enterprise **,
- B. Preparing the annual accounts **,
- C. Auditing the annual accounts and/or
- D. Correcting the annual accounts.

If the tasks mentioned under A. or B. are executed by certified accountants or certified bookkeepers - tax specialists, you can mention hereafter: surname, first names, profession and address of each certified accountant or certified bookkeeper - tax specialist and his/her affiliation number with the Institute of Accounting Professional and Tax Experts and the nature of his/her assignment.

Surname, first names, profession and address	Affiliation number	Nature of the assignment (A, B, C and/or D)

* Strike out what is not applicable.

** Optional information.

ANNUAL ACCOUNTS

BALANCE SHEET AFTER APPROPRIATION

	Discl.	Codes	Period	Preceding period
ASSETS				
Formation expenses	6.1	20	.....	.....
FIXED ASSETS		21/28	391.549.110,92	14.595.890,32
Intangible fixed assets	6.2	21	.....	.....
Tangible fixed assets	6.3	22/27	1.069.490,32	1.095.890,32
Land and buildings		22	1.069.490,32	1.095.890,32
Plant, machinery and equipment		23	.....	.....
Furniture and vehicles		24	.....	.....
Leasing and similar rights		25	.....	.....
Other tangible fixed assets		26	.....	.....
Assets under construction and advance payments		27	.....	.....
Financial fixed assets	6.4/6.5.1	28	390.479.620,60	13.500.000,00
Affiliated enterprises	6.15	280/1	390.479.620,60	13.500.000,00
Participating interests		280	376.979.620,60	.....
Amounts receivable		281	13.500.000,00	13.500.000,00
Enterprises linked by participating interests	6.15	282/3	.....	.....
Participating interests		282	.....	.....
Amounts receivable		283	.....	.....
Other financial assets		284/8	.....	.....
Shares		284	.....	.....
Amounts receivable and cash guarantees		285/8	.....	.....

	Discl.	Codes	Period	Preceding period
CURRENT ASSETS		29/58	206.216.451,30	34.099.815,25
Amounts receivable after more than one year		29	.....	.....
Trade debtors		290	.....	.....
Other amounts receivable		291	.....	.....
Stocks and contracts in progress		3	.....	4.575.000,00
Stocks		30/36	.....	4.575.000,00
Raw materials and consumables		30/31	.....	.....
Work in progress		32	.....	.....
Finished goods		33	.....	.....
Goods purchased for resale		34	.....	.....
Immovable property intended for sale		35	.....	4.575.000,00
Advance payments		36	.....	.....
Contracts in progress		37	.....	.....
Amounts receivable within one year		40/41	223.304,10	29.931,06
Trade debtors		40	25.571,32	14.256,30
Other amounts receivable		41	197.732,78	15.674,76
Current investments 6.5.1/6.6		50/53	169.501.967,50	.....
Own shares		50	.....	.....
Other investments		51/53	169.501.967,50	.....
Cash at bank and in hand		54/58	35.988.929,70	29.477.384,19
Deferred charges and accrued income 6.6		490/1	502.250,00	17.500,00
TOTAL ASSETS		20/58	597.765.562,22	48.695.705,57

	Discl.	Codes	Period	Preceding period
EQUITY AND LIABILITIES				
EQUITY		10/15	595.742.661,08	48.686.589,28
Capital	6.7.1	10	594.000.000,00	50.000.000,00
Issued capital		100	594.000.000,00	50.000.000,00
Uncalled capital		101	.....	.....
Share premium account		11	.....	.....
Revaluation surpluses		12	.....	.....
Reserves		13	128.990,00	.....
Legal reserve		130	128.990,00	.....
Reserves not available		131	.....	.....
In respect of own shares held		1310	.....	.....
Other		1311	.....	.....
Untaxed reserves		132	.....	.....
Available reserves		133	.....	.....
Accumulated profits (losses)(+)/(-)		14	1.613.671,08	-1.313.410,72
Investment grants		15	.....	.....
Advance to associates on the sharing out of the assets		19	.....	.....
PROVISIONS AND DEFERRED TAXES		16	.....	.....
Provisions for liabilities and charges		160/5	.....	.....
Pensions and similar obligations		160	.....	.....
Taxation		161	.....	.....
Major repairs and maintenance		162	.....	.....
Environmental obligations		163	.....	.....
Other liabilities and charges	6.8	164/5	.....	.....
Deferred taxes		168	.....	.....

	Discl.	Codes	Period	Preceding period
AMOUNTS PAYABLE		17/49	2.022.901,14	9.116,29
Amounts payable after more than one year	6.9	17	.....	.....
Financial debts		170/4	.....	.....
Subordinated loans		170	.....	.....
Unsubordinated debentures		171	.....	.....
Leasing and other similar obligations		172	.....	.....
Credit institutions		173	.....	.....
Other loans		174	.....	.....
Trade debts		175	.....	.....
Suppliers		1750	.....	.....
Bills of exchange payable		1751	.....	.....
Advances received on contracts in progress		176	.....	.....
Other amounts payable		178/9	.....	.....
Amounts payable within one year	6.9	42/48	2.022.901,14	9.116,29
Current portion of amounts payable after more than one year falling due within one year		42	.....	.....
Financial debts		43	.....	.....
Credit institutions		430/8	.....	.....
Other loans		439	.....	.....
Trade debts		44	644.901,14	9.116,29
Suppliers		440/4	644.901,14	9.116,29
Bills of exchange payable		441	.....	.....
Advances received on contracts in progress		46	.....	.....
Taxes, remuneration and social security	6.9	45	1.378.000,00	.....
Taxes		450/3	1.378.000,00	.....
Remuneration and social security		454/9	.....	.....
Other amounts payable		47/48	.....	.....
Accruals and deferred income	6.9	492/3	.....	.....
TOTAL LIABILITIES		10/49	597.765.562,22	48.695.705,57

INCOME STATEMENT

	Discl.	Codes	Period	Preceding period
Operating income		70/76A	522.488,20	172.405,56
Turnover	6.10	70	33.333,34	.....
Stocks of finished goods and work and contracts in progress: increase (decrease)		71	.....	.....
.....(+)/(-)		72	.....	.....
Own work capitalised		74	64.154,86	172.405,56
Other operating income	6.10	76A	425.000,00	.....
Non-recurring operating income	6.12			
Operating charges		60/66A	1.520.965,18	1.713.815,63
Raw materials, consumables		60	.....	.....
Purchases		600/8	.....	.....
Stocks: decrease (increase)		609	.....	.....
.....(+)/(-)		61	602.590,83	239.894,67
Services and other goods		62	.....	.....
Remuneration, social security costs and pensions	6.10			
.....(+)/(-)		630	26.400,00	27.109,68
Depreciation of and other amounts written off formation expenses, intangible and tangible fixed assets		631/4	.....	.....
Amounts written off stocks, contracts in progress and trade debtors: Appropriations (write-backs)	6.10	635/8	.....	.....
.....(+)/(-)		640/8	57.302,40	109.526,75
Provisions for liabilities and charges: Appropriations (uses and write-backs)	6.10	649	.....	.....
.....(+)/(-)		66A	834.671,95	1.337.284,53
Other operating charges	6.10			
Operating charges carried to assets as restructuring costs (-)				
Non-recurring operating charges	6.12	9901	-998.476,98	-1.541.410,07
Operating profit (loss)				
.....(+)/(-)				

	Discl.	Codes	Period	Preceding period
Financial income		75/76B	5.103.297,90	228.159,17
Recurring financial income		75	5.002.811,75	228.159,17
Income from financial fixed assets		750	472.500,00	166.604,17
Income from current assets		751	5.594,25	44.055,00
Other financial income	6.11	752/9	4.524.717,50	17.500,00
Non-recurring financial income	6.12	76B	100.486,15	.....
Financial charges		65/66B	147.025,36	159,82
Recurring financial charges	6.11	65	22.025,36	159,82
Debt charges		650	18.640,75	5,04
Amounts written off current assets except stocks, contracts in progress and trade debtors: appropriations (write-backs)(+)/(-)		651	3.000,00	.....
Other financial charges		652/9	384,61	154,78
Non-recurring financial charges	6.12	66B	125.000,00	.....
Gain (loss) for the period before taxes		9903	3.957.795,56	-1.313.410,72
Transfer from deferred taxes		780	.....	.....
Transfer to deferred taxes		680	.....	.....
Income taxes		67/77	1.378.000,00	.....
Taxes	6.13	670/3	1.378.000,00	.....
Adjustment of income taxes and write-back of tax provisions		77	.....	.....
Gain (loss) of the period		9904	2.579.795,56	-1.313.410,72
Transfer from untaxed reserves		789	.....	.....
Transfer to untaxed reserves		689	.....	.....
Gain (loss) of the period available for appropriation ..(+)/(-)		9905	2.579.795,56	-1.313.410,72

APPROPRIATION ACCOUNT

	Codes	Period	Preceding period
Profit (loss) to be appropriated(+)/(-)	9906	1.266.384,84	-1.313.410,72
Gain (loss) of the period available for appropriation(+)/(-)	(9905)	2.579.795,56	-1.313.410,72
Profit (loss) brought forward(+)/(-)	14P	-1.313.410,72	.....
Withdrawals from capital and reserves	791/2	476.276,24	.....
from capital and share premium account	791	476.276,24	.....
from reserves	792	.....	.....
Transfer to capital and reserves	691/2	128.990,00	.....
to capital and share premium account	691	.....	.....
to legal reserve	6920	128.990,00	.....
to other reserves	6921	.....	.....
Accumulated profits (losses)(+)/(-)	(14)	1.613.671,08	-1.313.410,72
Owners' contribution in respect of losses	794	.....	.....
Profit to be distributed	694/7	.....	.....
Dividends	694	.....	.....
Directors' or managers' entitlements	695	.....	.....
Employees	696	.....	.....
Other beneficiaries	697	.....	.....

STATEMENT OF TANGIBLE FIXED ASSETS

	Codes	Period	Preceding period
LAND AND BUILDINGS			
Acquisition value at the end of the period	8191P	xxxxxxxxxxxxxxxx	1.123.000,00
Movements during the period			
Acquisitions, including produced fixed assets	8161	.....
Sales and disposals	8171	.....
Transfers from one heading to another(+)/(-)	8181	.....
Acquisition value at the end of the period	8191	1.123.000,00	
Revaluation surpluses at the end of the period	8251P	xxxxxxxxxxxxxxxx	.....
Movements during the period			
Recorded	8211	.....
Acquisitions from third parties	8221	.....
Cancelled	8231	.....
Transferred from one heading to another(+)/(-)	8241	.....
Revaluation surpluses at the end of the period	8251	.....
Depreciations and amounts written down at the end of the period	8321P	xxxxxxxxxxxxxxxx	27.109,68
Movements during the period			
Recorded	8271	26.400,00	
Written back	8281	.....
Acquisitions from third parties	8291	.....
Cancelled owing to sales and disposals	8301	.....
Transferred from one heading to another(+)/(-)	8311	.....
Depreciations and amounts written down at the end of the period	8321	53.509,68	
NET BOOK VALUE AT THE END OF THE PERIOD	(22)	1.069.490,32	

STATEMENT OF FINANCIAL FIXED ASSETS

	Codes	Period	Preceding period
AFFILIATED ENTERPRISES - PARTICIPATING INTERESTS AND SHARES			
Acquisition value at the end of the period	8391P	XXXXXXXXXXXXXXXXXX	.....
Movements during the period			
Acquisitions	8361	378.770.638,45	
Sales and disposals	8371	1.791.017,85	
Transfers from one heading to another(+)/(-)	8381	.....
Acquisition value at the end of the period	8391	376.979.620,60	
Revaluation surpluses at the end of the period	8451P	XXXXXXXXXXXXXXXXXX	.....
Movements during the period			
Recorded	8411	.....
Acquisitions from third parties	8421	.....
Cancelled	8431	.....
Transferred from one heading to another(+)/(-)	8441	.....
Revaluation surpluses at the end of the period	8451	.....
Amounts written down at the end of the period	8521P	XXXXXXXXXXXXXXXXXX	.....
Movements during the period			
Recorded	8471	.....
Written back	8481	.....
Acquisitions from third parties	8491	.....
Cancelled owing to sales and disposals	8501	.....
Transferred from one heading to another(+)/(-)	8511	.....
Amounts written down at the end of the period	8521	.....
Uncalled amounts at the end of the period	8551P	XXXXXXXXXXXXXXXXXX	.....
Movements during the period(+)/(-)			
Uncalled amounts at the end of the period	8551	.....
NET BOOK VALUE AT THE END OF THE PERIOD	(280)	376.979.620,60	
AFFILIATED ENTERPRISES - AMOUNTS RECEIVABLE			
NET BOOK VALUE AT THE END OF THE PERIOD	281P	XXXXXXXXXXXXXXXXXX	13.500.000,00
Movements during the period			
Additions	8581	.....
Repayments	8591	.....
Amounts written down	8601	.....
Amounts written back	8611	.....
Exchange differences(+)/(-)	8621	.....
Other movements(+)/(-)	8631	.....
NET BOOK VALUE AT THE END OF THE PERIOD	(281)	13.500.000,00	
ACCUMULATED AMOUNTS WRITTEN OFF AMOUNTS RECEIVABLE AT END OF THE PERIOD	8651	.....

	Codes	Period	Preceding period
ENTERPRISES LINKED BY A PARTICIPATING INTEREST - PARTICIPATING INTERESTS AND SHARES			
Acquisition value at the end of the period	8392P	XXXXXXXXXXXXXXXXXX	.....
Movements during the period			
Acquisitions	8362	125.000,00	
Sales and disposals	8372	.....
Transfers from one heading to another(+)/(-)	8382	.....
Acquisition value at the end of the period	8392	125.000,00	
Revaluation surpluses at the end of the period	8452P	XXXXXXXXXXXXXXXXXX	.....
Movements during the period			
Recorded	8412	.....
Acquisitions from third parties	8422	.....
Cancelled	8432	.....
Transferred from one heading to another(+)/(-)	8442	.....
Revaluation surpluses at the end of the period	8452	.....
Amounts written down at the end of the period	8522P	XXXXXXXXXXXXXXXXXX	.....
Movements during the period			
Recorded	8472	125.000,00	
Written back	8482	.....
Acquisitions from third parties	8492	.....
Cancelled owing to sales and disposals	8502	.....
Transferred from one heading to another(+)/(-)	8512	.....
Amounts written down at the end of the period	8522	125.000,00	
Uncalled amounts at the end of the period	8552P	XXXXXXXXXXXXXXXXXX	.....
Movements during the period(+)/(-)			
Uncalled amounts at the end of the period	8552	.....
NET BOOK VALUE AT THE END OF THE PERIOD	(282)	.....
ENTERPRISES LINKED BY A PARTICIPATING INTEREST - AMOUNTS RECEIVABLE			
NET BOOK VALUE AT THE END OF THE PERIOD	283P	XXXXXXXXXXXXXXXXXX	.....
Movements during the period			
Additions	8582	.....
Repayments	8592	.....
Amounts written down	8602	.....
Amounts written back	8612	.....
Exchange differences(+)/(-)	8622	.....
Other movements(+)/(-)	8632	.....
NET BOOK VALUE AT THE END OF THE PERIOD	(283)	.....
ACCUMULATED AMOUNTS WRITTEN OFF AMOUNTS RECEIVABLE AT END OF THE PERIOD	8652	.....

PARTICIPATING INTERESTS INFORMATION

PARTICIPATING INTERESTS AND SHARES IN OTHER ENTERPRISES

List of the enterprises in which the enterprise holds a participating interest, (recorded in heading 280 and 282 of assets) and the other enterprises in which the enterprise holds rights (recorded in headings 284 and 51/53 of assets) for an amount of at least 10 % of the capital issued.

NAME, full address of the REGISTERED OFFICE and for an enterprise governed by Belgian law, the COMPANY IDENTIFICATION NUMBER	Rights held			Data extracted from the most recent annual accounts				
	Nature	directly		subsidiaries	Annual accounts as per	Currency code	Capita land reserves	Net result
		Number	%	%			(+) or (-) (in units)	
<i>SD Worx Group</i> <i>BE 0422.211.801</i> <i>Public limited company</i> <i>Brouwersvliet 2</i> <i>2000 Antwerp</i> <i>Belgium</i>		24.881.780	99,53	0,0	31/12/2017	EUR	234.616.809,07	-5.272.674,55
<i>Co Station Belgium</i> <i>BE 0599.786.434</i> <i>Public limited company</i> <i>Sint-Goedelevoorplein 5</i> <i>1000 Brussels</i> <i>Belgium</i>		2.500	12,5	0,0	31/12/2016	EUR	365.791,00	-7.963,00

OTHER INVESTMENTS AND DEPOSITS, ALLOCATION DEFERRED CHARGES AND ACCRUED INCOME

	Codes	Period	Preceding period
INVESTMENTS: OTHER INVESTMENTS AND DEPOSITS			
Shares and current investments other than fixed income investments	51	59.501.967,50	.....
Shares - Book value increased with the uncalled amount	8681	59.501.967,50	.....
Shares - Uncalled amount	8682	.....	.....
Precious metals and works of art	8683	.....	.....
Fixed income securities	52	.....	.....
Fixed income securities issued by credit institutions	8684	.....	.....
Fixed term accounts with credit institutions	53	110.000.000,00	.....
With residual term or notice of withdrawal			
up to one month	8686	.....	.....
between one month and one year	8687	110.000.000,00	.....
over one year	8688	.....	.....
Other investments not mentioned above	8689	.....	.....

	Period
DEFERRED CHARGES AND ACCRUED INCOME	
Allocation of heading 490/1 of assets if the amount is significant	
.....	472.500,00
.....	29.750,00
.....
.....

STATEMENT OF CAPITAL AND SHAREHOLDING STRUCTURE

STATEMENT OF CAPITAL

Social capital

Issued capital at the end of the period
 Issued capital at the end of the period

Codes	Period	Preceding period
100P	xxxxxxxxxxxxxxxx	50.000.000,00
(100)	594.000.000,00	

Changes during the period

Codes	Value	Number of shares
	310.317.537,00	637.202
	234.158.739,24	479.083
	-476.276,24	0

	594.000.000,00	1.216.285

8702	xxxxxxxxxxxxxxxx	1.216.285
8703	xxxxxxxxxxxxxxxx	.....

Structure of the capital
 Different categories of shares

 Registered shares
 Shares dematerialized

Capital not paid

Uncalled capital
 Called up capital, unpaid
 Shareholders having yet to pay up in full

Codes	Uncalled amount	Capital called but not paid
(101)	xxxxxxxxxxxxxxxx
8712	xxxxxxxxxxxxxxxx	.....

Own shares

Held by the company itself
 Amount of capital held
 Corresponding number of shares
 Held by the subsidiaries
 Amount of capital held
 Corresponding number of shares

Codes	Period
8721
8722
8731
8732
8740
8741
8742
8745
8746
8747
8751

Commitments to issue shares

Owing to the exercise of conversion rights
 Amount of outstanding convertible loans
 Amount of capital to be subscribed
 Corresponding maximum number of shares to be issued
 Owing to the exercise of subscription rights
 Number of outstanding subscription rights
 Amount of capital to be subscribed
 Corresponding maximum number of shares to be issued

Authorized capital not issued

Shares issued, non representing capital

Distribution

Number of shares
 Number of voting rights attached thereto

Allocation by shareholder

Number of shares held by the company itself
 Number of shares held by its subsidiaries

Codes	Period
8761
8762
8771
8781

SHAREHOLDER STRUCTURE OF THE ENTERPRISE AT THE DATE OF END-OF-YEAR PROCEDURE

according to the notifications that the enterprise has received pursuant to art. 631 §2, last subsection and art. 632 §2 last subsection of the Belgian company law; art. 14 fourth subsection of the law of 2nd May 2007 on the disclosure of major shareholdings; and article 5 of the royal decree of 21st August 2008 laying down further rules on certain multilateral trading facilities.

NAME of the persons who hold the rights of the enterprise, specifying the ADDRESS (of the registered office, when it involves a legal person) and the COMPANY IDENTIFICATION NUMBER, when it involves an enterprise under Belgian law	Rights held			%
	Nature	Number of voting rights		
		Linked to securities	Not linked to securities	
<p><i>SD Patrimonium Private Stichting</i> <i>BE 0642.947.474</i> <i>Brouwersvliet 2</i> <i>2000 Antwerp</i> <i>Belgium</i></p>		719.363	0	59,14
<p><i>SD Worx For Society CVBA met sociaal oogmerk</i> <i>BE 0418.027.042</i> <i>Brouwersvliet 2</i> <i>2000 Antwerp</i> <i>Belgium</i></p>		496.921	0	40,85
<p><i>SD Private Stichting</i> <i>BE 0896.186.463</i> <i>Brouwersvliet 2</i> <i>2000 Antwerp</i> <i>Belgium</i></p>		1	0	0,01

STATEMENT OF AMOUNTS PAYABLE, ACCRUED CHARGES AND DEFERRED INCOME

	Codes	Period
BREAKDOWN OF AMOUNTS PAYABLE WITH AN ORIGINAL PERIOD TO MATURITY OF MORE THAN ONE YEAR, ACCORDING TO THEIR RESIDUAL TERM		
Current portion of amounts payable after more than one year falling due within one year		
Financial debts	8801	.....
Subordinated loans	8811	.....
Unsubordinated debentures	8821	.....
Leasing and other similar obligations	8831	.....
Credit institutions	8841	.....
Other loans	8851	.....
Trade debts	8861	.....
Suppliers	8871	.....
Bills of exchange payable	8881	.....
Advance payments received on contract in progress	8891	.....
Other amounts payable	8901	.....
Total current portion of amounts payable after more than one year falling due within one year ..	(42)	.....
Amounts payable with a remaining term of more than one but not more than five years		
Financial debts	8802	.....
Subordinated loans	8812	.....
Unsubordinated debentures	8822	.....
Leasing and other similar obligations	8832	.....
Credit institutions	8842	.....
Other loans	8852	.....
Trade debts	8862	.....
Suppliers	8872	.....
Bills of exchange payable	8882	.....
Advance payments received on contracts in progress	8892	.....
Other amounts payable	8902	.....
Total amounts payable with a remaining term of more than one but not more than five years	8912	.....
Amounts payable with a remaining term of more than five years		
Financial debts	8803	.....
Subordinated loans	8813	.....
Unsubordinated debentures	8823	.....
Leasing and other similar obligations	8833	.....
Credit institutions	8843	.....
Other loans	8853	.....
Trade debts	8863	.....
Suppliers	8873	.....
Bills of exchange payable	8883	.....
Advance payments received on contracts in progress	8893	.....
Other amounts payable	8903	.....
Total amounts payable with a remaining term of more than five years	8913	.....

GUARANTEED AMOUNTS PAYABLE (included in headings 17 and 42/48 of the liabilities)

Amounts payable guaranteed by Belgian public authorities

	Codes	Period
Financial debts	8921	.....
Subordinated loans	8931	.....
Unsubordinated debentures	8941	.....
Leasing and similar obligations	8951	.....
Credit institutions	8961	.....
Other loans	8971	.....
Trade debts	8981	.....
Suppliers	8991	.....
Bills of exchange payable	9001	.....
Advance payments received on contracts in progress	9011	.....
Remuneration and social security	9021	.....
Other amounts payable	9051	.....

Total amounts payable guaranteed by Belgian public authorities

9061

Amounts payable guaranteed by real securities or irrevocably promised by the enterprise on its own assets

Financial debts	8922	.....
Subordinated loans	8932	.....
Unsubordinated debentures	8942	.....
Leasing and similar obligations	8952	.....
Credit institutions	8962	.....
Other loans	8972	.....
Trade debts	8982	.....
Suppliers	8992	.....
Bills of exchange payable	9002	.....
Advance payments received on contracts in progress	9012	.....
Taxes, remuneration and social security	9022	.....
Taxes	9032	.....
Remuneration and social security	9042	.....
Other amounts payable	9052	.....

Total amounts payable guaranteed by real securities or irrevocably promised by the enterprise on its own assets

9062

TAXES, REMUNERATION AND SOCIAL SECURITY

Taxes (heading 450/3 of the liabilities)

Outstanding tax debts	9072	.....
Accruing taxes payable	9073	.....
Estimated taxes payable	450	1.378.000,00

Remuneration and social security (heading 454/9 of the liabilities)

Amounts due to the National Social Security Office	9076	.....
Other amounts payable in respect of remuneration and social security	9077	.....

ACCRUALS AND DEFERRED INCOME

Allocation of heading 492/3 of liabilities if the amount is significant

.....
.....
.....
.....

Period
.....
.....
.....
.....

OPERATING RESULTS

	Codes	Period	Preceding period
OPERATING INCOME			
Net turnover			
Allocation by categories of activity			
.....			
.....			
.....			
Allocation into geographical markets			
.....			
.....			
.....			
Other operating income			
Operating subsidies and compensatory amounts received from public authorities	740		
OPERATING CHARGES			
Employees for whom the enterprise submitted a DIMONA declaration or who are recorded in the general personnel register			
Total number at the closing date	9086		
Average number of employees calculated in full-time equivalents	9087		
Number of actual worked hours	9088		
Personnel costs			
Remuneration and direct social benefits	620		
Employers' contribution for social security	621		
Employers' premiums for extra statutory insurance	622		
Other personnel costs	623		
Retirement and survivors' pensions	624		

	Codes	Period	Preceding period
Provisions for pensions and other similar rights			
Appropriations (uses and write-backs)(+)/(-)	635	.....	.....
Amounts written off			
Stocks and contracts in progress			
Recorded	9110	.....	.....
Written back	9111	.....	.....
Trade debts			
Recorded	9112	.....	.....
Written back	9113	.....	.....
Provisions for liabilities and charges			
Additions	9115	.....	.....
Uses and write-backs	9116	.....	.....
Other operating charges			
Taxes related to operation	640	57.302,40	109.526,75
Other costs	641/8	.....	.....
Hired temporary staff and personnel placed at the enterprise's disposal			
Total number at the closing date	9096	.....	.....
Average number calculated in full-time equivalents	9097	.....	.....
Number of actual worked hours	9098	.....	.....
Costs to the enterprise	617	.....	.....

FINANCIAL RESULTS

	Codes	Period	Preceding period
RECURRING FINANCIAL INCOME			
Other financial income			
Subsidies granted by public authorities and recorded as income for the period			
Capital subsidies	9125	.....	.....
Interest subsidies	9126	.....	.....
Allocation of other financial income			
.....		4.494.967,50	0,00
.....		29.750,00	0,00
.....	
RECURRING FINANCIAL CHARGES			
Depreciation of loan issue expenses	6501	.....	.....
Capitalized Interests	6503	.....	.....
Amounts written off current assets			
Recorded	6510	3.000,00	.....
Written back	6511	.....	.....
Other financial charges			
Amount of the discount borne by the enterprise, as a result of negotiating amounts receivable	653	.....	.....
Provisions of a financial nature			
Appropriations	6560	.....	.....
Uses and write-backs	6561	.....	.....
Allocation of other financial charges			
.....	
.....	
.....	

INCOME AND CHARGE OF EXCEPTIONAL SIZE OR INCIDENCE

	Codes	Period	Preceding period
NON RECURRING INCOME	76	525.486,15	.....
Non-recurring operating income	(76A)	425.000,00	.....
Write-back of depreciation and of amounts written off intangible and tangible fixed assets	760	.....	.....
Write-back of provisions for extraordinary operating liabilities and charges ...	7620	.....	.....
Capital gains on disposal of intangible and tangible fixed asset	7630	425.000,00	.....
Other non-recurring operating income	764/8	.....	.....
Non-recurring financial income	(76B)	100.486,15	.....
Write-back of amounts written down financial fixed assets	761	.....	.....
Write-back of provisions for extraordinary financial liabilities and charges	7621	.....	.....
Capital gains on disposal of financial fixed assets	7631	100.486,15	.....
Other non-recurring financial income	769	.....	.....
NON-RECURRING EXPENSES	66	959.671,95	1.337.284,53
Non-recurring operating charges	(66A)	834.671,95	1.337.284,53
Non-recurring depreciation of and amounts written off formation expenses, intangible and tangible fixed assets	660	.....	.....
Provisions for extraordinary operating liabilities and charges: Appropriations (uses)	6620	.....	.....
Capital losses on disposal of intangible and tangible fixed assets	6630	.....	.....
Other non-recurring operating charges	664/7	834.671,95	1.337.284,53
Non-recurring operating charges carried to assets as restructuring costs .(-)	6690	.....	.....
Non-recurring financial charges	(66B)	125.000,00	.....
Amounts written off financial fixed assets	661	125.000,00	.....
Provisions for extraordinary financial liabilities and charges - Appropriations (uses)	6621	.....	.....
Capital losses on disposal of financial fixed assets	6631	.....	.....
Other non-recurring financial charges	668	.....	.....
Non-recurring financial charges carried to assets as restructuring costs ...(-)	6691	.....	.....

INCOME TAXES AND OTHER TAXES

INCOME TAXES

Income taxes on the result of the period	9134	1.378.000,00
Income taxes paid and withholding taxes due or paid	9135	.....
Excess of income tax prepayments and withholding taxes paid recorded under assets	9136	.....
Estimated additional taxes	9137	1.378.000,00
Income taxes on the result of prior periods	9138	.....
Additional income taxes due or paid	9139	.....
Additional income taxes estimated or provided for	9140	.....
In so far as taxes of the period are materially affected by differences between the profit before taxes as stated in annual accounts and the estimated taxable profit		
.....		125.000,00
.....		-115.387,00
.....	
.....	

Codes	Period
9134	1.378.000,00
9135	.....
9136	.....
9137	1.378.000,00
9138	.....
9139	.....
9140	.....
	125.000,00
	-115.387,00

Impact of non recurring results on the amount of the income taxes relating to the current period

.....
.....
.....
.....

Period
.....
.....
.....
.....

Status of deferred taxes

Deferred taxes representing assets	9141	.....
Accumulated tax losses deductible from future taxable profits	9142	.....
Other deferred taxes representing assets		.....
.....	
.....	
Deferred taxes representing liabilities	9144	.....
Allocation of deferred taxes representing liabilities		.....
.....	
.....	

Codes	Period
9141
9142

9144

VALUE ADDED TAXES AND OTHER TAXES BORNE BY THIRD PARTIES

Value added taxes charged	
To the enterprise (deductible)	9145
By the enterprise	9146
Amounts withheld on behalf of third party	
For payroll withholding taxes	9147
For withholding taxes on investment income	9148

Codes	Period	Preceding period
9145	195.138,53	.....
9146	7.000,00	.....
9147	.....	.....
9148	.....	.....

RELATIONSHIPS WITH AFFILIATED ENTERPRISES, ASSOCIATED ENTERPRISES AND OTHERS ENTERPRISES LINKED BY PARTICIPATING INTERESTS

	Codes	Period	Preceding period
AFFILIATED ENTERPRISES			
Financial fixed assets	(280/1)	390.479.620,60	13.500.000,00
Participating interests	(280)	376.979.620,60	.....
Subordinated amounts receivable	9271	13.500.000,00	13.500.000,00
Other amounts receivable	9281	.....	.....
Amounts receivable	9291	25.760,92	13.774,22
Over one year	9301	.....	.....
Within one year	9311	25.760,92	13.774,22
Current investments	9321	.....	.....
Shares	9331	.....	.....
Amounts receivable	9341	.....	.....
Amounts payable	9351	438.884,92	2.500,00
Over one year	9361	.....	.....
Within one year	9371	438.884,92	2.500,00
Personal and real guarantees			
Provided or irrevocably promised by the enterprise as security for debts or commitments of affiliated enterprises	9381	.....	.....
Provided or irrevocably promised by affiliated enterprises as security for debts or commitments of the enterprise	9391	.....	.....
Other significant financial commitments	9401	.....	.....
Financial results			
Income from financial fixed assets	9421	472.500,00	166.604,17
Income from current assets	9431	5.594,25	44.055,00
Other financial income	9441	29.750,00	17.500,00
Debt charges	9461	.....	.....
Other financial charges	9471	.....	.....
Disposal of fixed assets			
Capital gains obtained	9481	.....	.....
Capital losses suffered	9491	.....	.....

	Codes	Period	Preceding period
ASSOCIATED ENTERPRISES			
Financial fixed assets	9253	.....	.....
Participating interests	9263	.....	.....
Subordinated amounts receivable	9273	.....	.....
Other amounts receivable	9283	.....	.....
Amounts receivable	9293	.....	.....
Over one year	9303	.....	.....
Within one year	9313	.....	.....
Amounts payable	9353	.....	.....
Over one year	9363	.....	.....
Within one year	9373	.....	.....
Personal and real guarantees			
Provided or irrevocably promised by the enterprise as security for debts or commitments of associated enterprises	9383	.....	.....
Provided or irrevocably promised by associated enterprises as security for debts or commitments of the enterprise	9393	.....	.....
Other significant financial commitments	9403	.....	.....
OTHER ENTERPRISES LINKED BY PARTICIPATING INTERESTS			
Financial fixed assets	9252	.....	.....
Participating interests	9262	.....	.....
Subordinated amounts receivable	9272	.....	.....
Other amounts receivable	9282	.....	.....
Amounts receivable	9292	.....	.....
Over one year	9302	.....	.....
Within one year	9312	.....	.....
Amounts payable	9352	.....	.....
Over one year	9362	.....	.....
Within one year	9372	.....	.....

TRANSACTIONS WITH ENTERPRISES LINKED BY PARTICIPATING INTERESTS OUT OF MARKET CONDITIONS
Mention of these transactions if they are significant, including the amount of the transactions, the nature of the link, and all information about the transactions which should be necessary to get a better understanding of the situation of the company

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Period
0,00
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FINANCIAL RELATIONSHIPS WITH

DIRECTORS, MANAGERS, INDIVIDUALS OR BODIES CORPORATE WHO CONTROL THE ENTERPRISE WITHOUT BEING ASSOCIATED THEREWITH OR OTHER ENTERPRISES CONTROLLED BY THESE PERSONS

	Codes	Period
Amounts receivable from these persons	9500	.....
Conditions on amounts receivable, rate, duration, possibly reimbursed amounts, canceled amounts or renounced amounts		
.....		
Guarantees provided in their favour	9501	.....
Other significant commitments undertaken in their favour	9502	.....
Amount of direct and indirect remunerations and pensions, included in the income statement, as long as this disclosure does not concern exclusively or mainly, the situation of a single identifiable person		
To directors and managers	9503	.....
To former directors and former managers	9504	.....

AUDITORS OR PEOPLE THEY ARE LINKED TO

	Codes	Period
Auditor's fees	9505	13.916,00
Fees for exceptional services or special missions executed in the company by the auditor		
Other attestation missions	95061	15.000,00
Tax consultancy	95062	.....
Other missions external to the audit	95063	.....
Fees for exceptional services or special missions executed in the company by people they are linked to		
Other attestation missions	95081	.....
Tax consultancy	95082	.....
Other missions external to the audit	95083	.....

Mentions related to article 133, paragraph 6 from the Companies Code

INFORMATION RELATING TO CONSOLIDATED ACCOUNTS

INFORMATION TO DISCLOSE BY EACH ENTERPRISE THAT IS SUBJECT TO COMPANY LAW ON THE CONSOLIDATED ACCOUNTS OF ENTERPRISES

The enterprise has prepared and published consolidated accounts and a consolidated report

XVI. CONSOLIDATED FINANCIAL STATEMENTS OF THE ISSUER FOR FINANCIAL YEAR 2018 (INCLUDING COMPARATIVE CONSOLIDATED FINANCIAL INFORMATION FOR FINANCIAL YEAR 2017)

				1	EUR	
NAT.	Filing Date	Nr.	P.	U.	D.	CONSO 1

CONSOLIDATED ANNUAL ACCOUNTS AND OTHER DOCUMENTS TO BE FILED UNDER BELGIAN COMPANY LAW

IDENTIFICATION DETAILS

NAME OF THE CONSOLIDATING COMPANY ~~OR THE CONSORTIUM~~^{(1) (2)} :
SD Worx Holding

Legal form: *Public limited company*

Address: *Brouwersvliet* Nr.: *2* Box:

Postal code: *2000* Municipality: *Antwerp*

Country: *Belgium*

Register of Legal persons – commercial court *Antwerpen, Division Antwerpen*

Website ⁽³⁾: http://www.

Company identification number *BE 0644.841.746*

CONSOLIDATED ANNUAL ACCOUNTS ANNUAL ACCOUNTS IN THOUSANDS OF EUROS

Presented tot he general meeting of *07 / 06 / 2019*

Regarding the period from *01 / 01 / 2018* To *31 / 12 / 2018*

Preceding period from *01 / 01 / 2017* to *31 / 12 / 2017*

The amounts for the preceding period are identical tot he ones previously published: ~~yes~~ **no** ⁽¹⁾

- Included with these consolidated accounts are:
- the consolidated annual report
 - the auditors report on the consolidated annual accounts

IN CASE THE CONSOLIDATED ACCOUNTS OF A FOREIGN COMPANY ARE SUBMITTED BY A BELGIAN SUBSIDIARY

Name of the Belgian subsidiary which deposits the accounts (article 113, § 2, 4^a of the Company Law)

.....

.....

Company identification number of the belgian subsidiary which deposits the accounts

Total number of pages deposited:*57*..... Number of sections of the standard form not deposited because they serve no useful purpose: *5.2, 5.3, 5.4, 5.8.2, 5.8.5, 7, 8*

Filip Dierickx
(name and position)

Steven Van Hoorebeke
(name and position)

(1) Strike out what is not applicable.
(2) A consortium has to fill in disclosure IV (page CONSO 5.4).
(3) Optional information.

**LIST OF DIRECTORS AND MANAGERS OF THE
CONSOLIDATING COMPANY AND OF THE AUDITORS
REGARDING A COMPLIMENTARY REVIEW OR CORRECTION
ASSIGNMENT OF THE CONSOLIDATED ANNUAL ACCOUNT**

LIST OF THE DIRECTORS, MANAGERS AND AUDITORS

COMPLETE LIST with surname, first names, profession, place of residence (address, number, postal code and municipality) and position within the company

Ginkgo Associates BVBA
Nr.: BE 0831.313.061
Elisabetlaan 142, 8300 Knokke-Heist, Belgium

Chairman of the board of directors
22/12/2015 - 05/06/2020

Represented by:

Filip Dierckx
Elisabetlaan 142, 8300 Knokke-Heist, Belgium

Steven Van Hoorebeke
Geldenaaksestraat 12, 3050 Oud-Heverlee, Belgium

Director
22/12/2015 - 05/06/2020

Michel Delbaere
Grote Meerweg 187, 8791 Beveren (Leie), Belgium

Director
22/12/2015 - 05/06/2020

Christophe Petit
Sijsjeslaan 8, 3078 Everberg, Belgium

Director
01/01/2018 - 05/06/2020

Teresa Colaianni
Lakeside Road 5, , United Kingdom

Director
01/06/2018 - 05/06/2020

DCM Seagull
Nr.: BE 0642.931.440
Meerminlaan 4 box 5.2, 8300 Knokke-Heist, Belgium

Director
01/06/2018 - 03/06/2022

Represented by:

Dirk Collier
Meerminlaan 4 box 5.2, 8300 Knokke-Heist, Belgium

Proceeding BVBA
Nr.: BE 0887.252.070
Struikenlei 13, 2900 Schoten, Belgium

Director
01/06/2018 - 03/06/2022

Represented by:

Marc Binnemans
Struikenlei 13, 2900 Schoten, Belgium

Akeley bvba
Nr.: BE 0644.431.673
Reek 21, 2880 Bornem, Belgium

Director
01/06/2018 - 03/06/2022

Represented by:

Jan Van Acoleyen
Reek 21, 2880 Bornem, Belgium

Fusion Inc bvba
Nr.: BE 0644.675.658
Celestijnenlaan 52, 3001 Heverlee, Belgium

Director
01/06/2018 - 03/06/2022

Represented by:

LIST OF THE DIRECTORS, MANAGERS AND AUDITORS (CONTINUED)

COMPLETE LIST with surname, first names, profession, place of residence (address, number, postal code and municipality) and position within the company

*Koenraad Van Gerven
Celstijnenlaan 52, 3001 Heverlee, Belgium*

*Deloitte Bedrijfsrevisoren cvba
Nr.: BE 0429.053.863
Gateway Building Luchthaven Nationaal 1 box J, 1930 Zaventem, Belgium*

*Auditor
22/12/2015 - 07/06/2019*

Represented by:

*Michel Denayer
(Certified auditor)
Gateway Building, Luchthaven Nationaal 1 box J, 1930 Zaventem, Belgium*

*Maurice Vrolix
(Certified auditor)
Gateway building, Luchthaven Nationaal 1 box bus J, 1930 Zaventem, Belgium*

CONSOLIDATED ACCOUNTS

CONSOLIDATED BALANCE SHEET AFTER APPROPRIATION*

	Discl.	Codes	Period	Preceding period
ASSETS				
FORMATION EXPENSES	5.7	20	657	.....
FIXED ASSETS		21/28	347.664	230.879
Intangible fixed assets	5.8	21	18.774	14.983
Positive consolidation differences	5.12	9920	262.802	153.272
Tangible fixed assets	5.9	22/27	63.884	62.012
Land and buildings		22	45.880	47.726
Plant, machinery and equipment		23	710	618
Furniture and vehicles		24	8.665	6.821
Leasing and similar rights		25	151	.....
Other tangible fixed assets		26	8.455	6.847
Assets under construction and advance payments		27	23	.....
Financial fixed assets	5.1 - 5.4/5.10	28	2.204	612
Companies accounted for using the equity method	5.10	9921	1.267	612
Participating interests		99211	-333	612
Amounts receivable		99212	1.600	.....
Other enterprises	5.10	284/8	937	.....
Participating interests and shares		284	12	.....
Amounts receivable		285/8	925	.....

* Article 124 of the Royal decree of 30 January 2001 concerning the execution of the Company Law.

	Discl.	Codes	Period	Preceding period
CURRENT ASSETS		29/58	330.494	368.336
Amounts receivable after more than one year		29	20.760	23.183
Trade debtors		290	200	2.000
Other amounts receivable		291	9.790	10.408
Deferred taxes representing assets		292	10.770	10.775
Stocks and contracts in progress		3	560	260
Stocks		30/36	560	260
Raw materials and consumables		30/31	.....	.....
Work in progress		32	.....	.....
Finished goods		33	.....	.....
Goods purchased for resale		34	560	260
Immovable property intended for sale		35	.....	.....
Advance payments		36	.....	.....
Contracts in progress		37	.....	.....
Amounts receivable within one year		40/41	145.422	87.349
Trade debtors		40	132.901	79.606
Other amounts receivable		41	12.521	7.743
Current investments		50/53	59.950	172.310
Own shares		50	.....	.....
Other investments		51/53	59.950	172.310
Cash at bank and in hand		54/58	89.969	75.305
Deferred charges and accrued income		490/1	13.833	9.929
TOTAL ASSETS		20/58	678.815	599.215

	Discl.	Codes	Period	Preceding period
EQUITY AND LIABILITIES				
EQUITY		10/15	417.222	419.962
Capital		10	599.738	594.000
Issued capital		100	599.738	594.000
Uncalled capital		101	.....	.....
Share premium account		11	.....	.....
Revaluation surpluses		12	.....	.....
Consolidated reserves(+)/(-)	5.11	9910	-171.647	-163.926
Negative consolidation differences	5.12	9911	.....	.....
Translation differences(+)/(-)		9912	-10.869	-10.112
Investment grants		15	.....	.....
MINORITY INTERESTS				
Minority interests		9913	9.412	1.122
PROVISIONS AND DEFERRED TAXES				
Provisions for liabilities and charges		160/5	48.515	40.973
Pensions and similar obligations		160	37.031	36.643
Taxation		161	.....	.....
Major repairs and maintenance		162	.....	.....
Environmental obligations		163	.....	.....
Other liabilities and charges		164/5	11.484	4.330
Deferred taxes	5.6	168	473	.....

	Discl.	Codes	Period	Preceding period
AMOUNTS PAYABLE		17/49	203.193	137.158
Amounts payable after more than one year	5.13	17	48.437	17.526
Financial debts		170/4	48.437	17.526
Subordinated loans		170	.....	.....
Unsubordinated debentures		171	.....	.....
Leasing and other similar obligations		172	.....	.....
Credit institutions		173	48.437	17.526
Other loans		174	.....	.....
Trade debts		175	.....	.....
Suppliers		1750	.....	.....
Bills of exchange payable		1751	.....	.....
Advances received on contracts in progress		176	.....	.....
Other amounts payable		178/9	.....	.....
Amounts payable within one year	5.13	42/48	142.827	108.262
Current portion of amounts payable after more than one year falling due within one year		42	13.262	7.132
Financial debts		43	.....	3.912
Credit institutions		430/8	.....	3.912
Other loans		439	.....	.....
Trade debts		44	44.142	41.552
Suppliers		440/4	44.142	41.552
Bills of exchange payable		441	.....	.....
Advances received on contracts in progress		46	.....	608
Taxes, remuneration and social security		45	77.752	49.944
Taxes		450/3	18.664	10.372
Remuneration and social security		454/9	59.088	39.572
Other amounts payable		47/48	7.671	5.114
Accruals and deferred income		492/3	11.929	11.370
TOTAL LIABILITIES		10/49	678.815	599.215

INCOME STATEMENT

(breakdown of results by nature)*

	Discl.	Codes	Period	Preceding period
Operating income		70/76A	608.776	457.109
Turnover	5.14	70	594.402	446.327
Stocks of finished goods and work and contracts in progress: increase (decrease)(+)/(-)		71	.....	.....
Own work capitalised		72	5.598	4.910
Other operating income		74	8.470	5.872
Non-recurring operating income	5.14	76A	306	.....
Operating charges		60/66A	601.645	443.844
Raw materials, consumables		60	-69	-28
Purchases		600/8	.....	.....
Stocks: decrease (increase)(+)/(-)		609	-69	-28
Services and other goods		61	171.789	163.111
Remuneration, social security costs and pensions	5.14	62	364.015	230.790
Depreciation of and other amounts written off formation expenses, intangible and tangible fixed assets		630	12.401	12.148
Amounts written off stocks, contracts in progress and trade debtors: Appropriations (write-backs)(+)/(-)		631/4	861	927
Provisions for liabilities and charges: Appropriations (uses and write-backs)(+)/(-)		635/8	-108	5.097
Other operating charges		640/8	6.279	5.304
Operating charges carried to assets as restructuring costs (-)		649	.....	.....
Amounts written off on positive consolidation differences		9960	29.338	19.068
Non-recurring operating charges	5.14	66A	17.139	7.427
Operating profit (loss)(+)/(-)		9901	7.131	13.265

* The results can be ordered along their destination (applying article 158, paragraph 2 of the Royal decree of 30 January 2001 concerning the execution of the Company Law.)

	Discl.	Codes	Period	Preceding period
Financial income		75/76B	3.430	7.611
Recurring financial income		75	3.430	7.611
Income from financial fixed assets		750	82	66
Income from current assets		751	.....	132
Other financial income		752/9	3.348	7.413
Non-recurring financial income	5.14	76B	.....	.....
Financial charges		65/66B	6.870	3.387
Recurring financial charges		65	6.870	3.387
Debt charges		650	1.425	1.146
Amounts written off positive consolidation differences		9961	.....	.....
Amounts written off current assets except stocks, contracts in progress and trade debtors: appropriations (write-backs)		651	1.778	3
Other financial charges		652/9	3.667	2.238
Non-recurring financial charges	5.14	66B	.....	.....
Gain (loss) for the period before taxes		9903	3.691	17.489
Transfer from deferred taxes and latent taxation liabilities ..		780	20	.....
Transfer to deferred taxes and latent taxation liabilities		680	245	.....
Income taxes		67/77	11.807	16.429
Taxes	5.14	670/3	13.407	16.429
Adjustment of income taxes and write-back of tax provisions		77	1.600	.....
Gain (loss) of the period		9904	-8.341	1.060
Share in the result of the companies accounted for using the equity method		9975	-752	-41
Profits		99751	.....	.....
Losses		99651	752	41
Consolidated result		9976	-9.093	1.019
Share of third parties		99761	-896	91
Share of the group		99762	-8.197	929

EXPLANATORY DISCLOSURES

LIST OF THE CONSOLIDATED SUBSIDIARY COMPANIES AND COMPANIES INCLUDED USING THE EQUITY METHOD

NAME, full address of the REGISTERED OFFICE and for an enterprise governed by Belgian law, the COMPANY IDENTIFICATION NUMBER	The equity method (I/E/V1/V2/V3/V4) ^{1 2}	Proportion of capital held (in %) ³	Change of percentage of capital held (as compared to the previous period) ⁴
<i>SD Worx Group nv</i> <i>BE 0422.211.801</i> <i>Public limited company</i> <i>Brouwersvliet 5, 2000 Antwerp, Belgium</i>	F	100,0	0,0
<i>SD Worx Belgium nv</i> <i>BE 0450.864.215</i> <i>Public limited company</i> <i>Brouwersvliet 5, 2000 Antwerp, Belgium</i>	F	100,0	0,0
<i>Protime nv</i> <i>BE 0454.218.138</i> <i>Public limited company</i> <i>Kontichsesteenweg 46, 2630 Aartselaar, Belgium</i>	F	100,0	0,0
<i>Aspex nv</i> <i>BE 0439.999.720</i> <i>Public limited company</i> <i>Brouwersvliet 2, 2000 Antwerp, Belgium</i>	F	100,0	0,0
<i>LWB nv</i> <i>BE 0451.832.235</i> <i>Public limited company</i> <i>Doelvoetstraat 7, 3580 Beringen, Belgium</i>	F	100,0	0,0
<i>UwPayroll bvba</i> <i>BE 0461.554.902</i> <i>Private company with limited liability</i> <i>Mechelsesteenweg 120 box 1, 2860 Sint-Katelijne-Waver, Belgium</i>	E1	19,83	0,0
<i>SAK nv</i> <i>BE 0435.726.077</i> <i>Public limited company</i> <i>Kerkstraat 2, 9200 Dendermonde, Belgium</i>	F	100,0	0,0
<i>Sodeco nv</i> <i>BE 0460.642.805</i> <i>Public limited company</i> <i>Hof Ter Weze 36, 8800 Roeselaere, Belgium</i>	F	100,0	0,0

1 F. Full consolidation

P. Proportional consolidation (in the first column disclose data proving joint control).

E1. Equity method used in an associated company (article 134, 1st al., 3° of the Royal Decree of 30 January 2001 in implementation of Company Law).

E2. Equity method used in a subsidiary company over which the consolidating company has a de facto control of which the inclusion in the consolidated accounts would be incompatible with the principle of a true and fair view (article 108, § 1 of the aforementioned Royal Decree).

E3. Equity method used in a subsidiary company which is in liquidation, which has decided to cease activities or which can no longer be considered as carrying on the business (article 109 and 110 of the aforementioned Royal Decree).

E4. Equity method used in a joint subsidiary company where its activities cannot be closely integrated into the activities of the enterprise having the joint control (article 134, second al. of the aforementioned Royal Decree).

2 If a change in the percentage of the proportion of capital held entails a change in the accounting method for the inclusion in the consolidated accounts, the new method will be followed by an asterisk.

3 Proportion of the capital of those enterprises being held by the enterprises included in the consolidated accounts and persons acting in their own names but on on these enterprises.

4 If the composition of the consolidated aggregate is characterised by a significant change of this percentage during this period, additional information is provided in statement V (article 112 of the aforementioned Royal Decree).

LIST OF THE CONSOLIDATED SUBSIDIARY COMPANIES AND COMPANIES INCLUDED USING THE EQUITY METHOD
(continued)

NAME, full address of the REGISTERED OFFICE and for an enterprise governed by Belgian law, the COMPANY IDENTIFICATION NUMBER	The equity method (I/E/V1/V2/V3/V4) ^{1 2}	Proportion of capital held (in %) ³	Change of percentage of capital held (as compared to the previous period) ⁴
<i>Assusoft nv</i> BE 0428.305.577 Public limited company Nijverheidsstraat 24, 2570 Duffel, Belgium	E1	14,35	0,0
<i>Unbox nv</i> BE 0661.879.005 Public limited company Sinter-Goedeleplein 5, 1000 Brussels, Belgium	E1	25,0	0,0
<i>SD Worx SA</i> Foreign company Pafebruch 89 box 11, , Luxembourg	F	100,0	0,0
<i>SD Worx Nederland BV</i> Foreign company Teteringsedijk 184, , Netherlands	F	100,0	0,0
<i>SD Worx France SAS</i> Foreign company Rue du chevaleret 169 box BIS, , France	F	100,0	0,0
<i>SD Worx Gmbh</i> Foreign company Im Gefierth 13 box c, , Germany	F	100,0	0,0
<i>SD Worx Austria GmbH</i> Foreign company Jochen Rindt Strasse 25, , Austria	F	100,0	0,0
<i>SD Worx Switzerland AG</i> Foreign company Althardstrasse 80, , Switzerland	F	100,0	0,0
<i>SD Worx UK Limited</i> Foreign company Longwater Avenue Green Park 100, , United Kingdom	F	100,0	0,0
<i>SD Worx Mauritius Limited</i> Foreign company Cyber Tower, Cybercity 1, , Mauritius	F	100,0	0,0
<i>Globe Payroll Société</i> Foreign company Rue Godefroy Cavaignac 28, , France	E1	40,0	0,0
<i>SD Worx Staffing & Career Solutions - Holding nv</i> Public limited company Brouwersvliet 2, 2000 Antwerp, Belgium	F	83,47	83,47
<i>VIO HR Group</i> BE 0634.642.888 Public limited company Brouwersvliet 2, 2000 Antwerp, Belgium	F	100,0	100,0
<i>2BEFreelance nv</i> BE 0695.844.742 Public limited company Sinter-Goedeleplein 5, 1000 Brussels, Belgium	F	100,0	100,0
<i>VIO Interim nv</i> BE 0807.281.213 Public limited company Brouwersvliet 2, 2000 Antwerp, Belgium	F	100,0	100,0
<i>Flexpoint Holding BV</i> Foreign company Roda JC Ring 101, , Netherlands	F	100,0	100,0

NAME, full address of the REGISTERED OFFICE and for an enterprise governed by Belgian law, the COMPANY IDENTIFICATION NUMBER	The equity method (I/E/V1/V2/V3/V4) ^{1,2}	Proportion of capital held (in %) ³	Change of percentage of capital held (as compared to the previous period) ⁴
<i>Re-Direct BV</i> <i>Foreign company</i> <i>Roda JC Ring 101, , Netherlands</i>	F	80,0	80,0
<i>Flexpoint Diensten Groep bv</i> <i>Foreign company</i> <i>Roda JC Ring 101, , Netherlands</i>	F	100,0	100,0
<i>Easymatch Payrolling BV</i> <i>Foreign company</i> <i>Roda JC Ring 101, , Netherlands</i>	F	100,0	100,0
<i>Trento Engineering BV</i> <i>Foreign company</i> <i>Roda JC Ring 101, , Netherlands</i>	F	100,0	100,0
<i>Equipe BV</i> <i>Foreign company</i> <i>Sint-Hubertuslaan 2, , Netherlands</i>	F	72,0	72,0
<i>Flexpoint bvba</i> <i>BE 0473.534.697</i> <i>Private company with limited liability</i> <i>Herkenrodesingel 8D box 2.01, 3500 Hasselt, Belgium</i>	F	72,0	72,0
<i>Easymatch bvba</i> <i>BE 0645.905.182</i> <i>Private company with limited liability</i> <i>Herkenrodesingel 8D box 2.01, 3500 Hasselt, Belgium</i>	F	100,0	100,0
<i>Intertime bvba</i> <i>BE 0861.022.775</i> <i>Private company with limited liability</i> <i>Herkenrodesingel 8D box 2.01, 3500 Hasselt, Belgium</i>	F	100,0	100,0
<i>Trace sa</i> <i>BE 0479.885.526</i> <i>Public limited company</i> <i>Avenue General Michel 1E 15, 6000 Charleroi, Belgium</i>	F	100,0	100,0
<i>Trace Construction SA</i> <i>BE 0860.836.594</i> <i>Public limited company</i> <i>Avenue General Michel 1E 15, 6000 Charleroi, Belgium</i>	F	100,0	100,0
<i>Student & Go sa</i> <i>BE 0518.992.659</i> <i>Public limited company</i> <i>Avenue General Michel 1E 15, 6000 Charleroi, Belgium</i>	F	100,0	100,0
<i>Innovate-IT</i> <i>BE 0652.764.468</i> <i>Private company with limited liability</i> <i>Rosselaar 33, 2490 Balen, Belgium</i>	F	100,0	100,0

CONSOLIDATION CRITERIA AND CHANGES IN THE CONSOLIDATION SCOPE

If of any importacne, Information and criteria governing the application of full consolidation, proportional consolidation and the equity method as well as those cases in which these criteria are departed from, and justification for such departures (*Pursuant to Article 165, I. of the Royal Decree of 3 january 2001 in implementation of Company Law*).

The consolidated financial statements encloses the financial statements of the Company and entities directly or indirectly controlled by the Company.

Control is the power de jure or de facto to exercise decisive influence on the appointment of the majority of the board of directors or general management, or on the orientation of its management policy.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated income statement from the date the Company gains control until the date when the Company ceases to control the subsidiary.

All companies are fully consolidated - with the exception of UwPayroll BVBA, Assusoft NV, Unbox NV and Globe Payroll. The equity method was applied here. Profit or loss is attributed to the owners of the Company and to the non-controlling interests.

All intragroup assets and liabilities, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Information which makes a comparaison meaningfull with the consolidated annual accounts of the previous financial period in case the composition of the consolidation aggregate in the course of the current financial period has changed significantly (*Pursuant to Article 112 of aforementioned Royal Decree*).

The consortium between SD Worx Holding NV and SD Worx for Society / VSO was broken in 2018 because both entities are no longer under central management.

The 2017 figures have been adjusted and prepared in a similar way:

- Exclusive SD Worx for Society / VSO and the membership which SDWfS holds in Hazel Heartwood CVBA
- Long-term employee benefit liabilities in the Belgian entities have been computed using the "projected unit credit" method.
- Deferred tax assets are recognised for all deductible temporary differences and tax losses carried forward to the extent that it is probable that taxable profits will be available against which those deductible temporary differences and tax losses carried forward can be utilised.

VALUATION RULES

Specification of the criteria of significant importance for valuation of the various items in the consolidated financial statements, in particular:

- the application and adjustments of depreciation, amounts written down and provisions for liabilities and charges, and revaluations (pursuant to Article 165, VI.a. of the Royal Decree of 30 January 2001 (implementation of the Company Law)).

- the bases of translation applied to express in the consolidated accounts items which are, or originally were, expressed in a currency other than the currency in which the consolidated accounts are stated, and the translation in the consolidated accounts of the accounting statements of subsidiaries and associated enterprises governed by foreign law (pursuant to Article 165, VI.b. of the aforementioned Royal Decree).

1. Summary of significant accounting policies

The principal accounting policies applied in the preparation of the financial statements are set out below.

1.1. Basis of preparation

The Group's consolidated financial statements for the year ended 31 December 2018 have been prepared in accordance with Belgian General Accepted Accounting Principles ("BeGAAP").

1.2. Foreign currency transactions

Functional and presentation currency

Items included in the consolidated financial statements are measured using the currency of the primary economic environment in which the entity operates (functional currency). The euro, pound sterling and Suisse franc are the Company's functional currencies. The euro is the presentation currency.

Transactions and balances

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date. Foreign exchange differences arising on translation are recognised in the income statement. Non-monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction.

Foreign operations

For the purposes of presenting these consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into euro using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised and accumulated in equity (and attributed to non-controlling interests as appropriate). Goodwill and fair value adjustments to identifiable assets acquired and liabilities assumed through acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in equity.

1.3. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities directly or indirectly controlled by the Company.

Control is the power de jure or de facto to exercise decisive influence on the appointment of the majority of the board of directors or general management, or on the orientation of its management policy.

Control de jure is presumed to be non-rebuttable in case the company (and all conditions have to be

fulfilled):

- a) is holding, directly or indirectly a majority of voting rights
- b) has the right to appoint or remove a majority of directors or management
- c) has control by virtue of the articles of association or agreement
- d) has joint control

Control is de facto (rebuttable presumption) when it results from other factors than those mentioned above. A shareholder is assumed to have de facto control if he exercised, at the last two general shareholders meetings, voting rights representing the majority of the voting rights attached to the shares present at these general shareholders meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated income statement from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss is attributed to the owners of the Company and to the non-controlling interests.

All intragroup assets and liabilities, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

1.4. Investment in associates

An associate is an entity over which the Group has significant influence and that is not a subsidiary. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

In its consolidated financial statements, the Group uses the equity method of accounting for investments in associates. Under the equity method, the investment is initially recognised at cost in the consolidated statement of financial position and adjusted thereafter to recognise the Group's share of the profit or loss of the associate.

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included in the carrying amount of the investment.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate.

1.5. Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated amortisations and impairment losses, if any.

As the M&A activities are focused on the long term realisation of synergies, advantages of scale or other competitive advantages, goodwill is amortised over 10 years as from acquisition date. For additional notes we refer to Conso 9.

On disposal of the relevant entity, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

1.6. Intangible assets

Intangible assets acquired separately or in the context of a business combination

Intangible assets are recognised if and only if it is probable that future economic benefits associated with the asset will flow to the Group and the cost of that asset can be measured reliably. Intangible assets that are acquired separately are measured at cost less accumulated amortisation and accumulated impairment losses. The cost of a separately acquired intangible asset comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates. Any directly attributable cost of preparing the asset for its intended use is also included in the cost of the intangible asset. Amortisation is recognised

on a straight-line basis over the estimated useful lives for a period of 3 to 5 years. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Recognition of costs in the carrying amount of an intangible asset ceases when the asset is in the condition necessary for it to be capable of operating in the manner intended by the Group.

Intangible assets acquired in a business combination are measured at cost at the date of acquisition. Subsequent to initial recognition, intangible assets acquired in a business combination are subject to amortisation and impairment test, on the same basis as intangible assets that are acquired separately.

Intangible assets acquired separately or in the context of a business combination mainly concern Software and the expected useful lives range from 3 to 5 years.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Internally-generated intangible assets

To assess whether an internally generated intangible asset meets the criteria for recognition, the Group classifies the internal generation of assets into a research phase and a development phase. No intangible asset arising from research is recognised. Expenditure on research is recognised as an expense when it is incurred.

An intangible asset arising from development is recognised if, and only if, the Group can demonstrate all of the following:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Management uses its judgement to assess whether the above conditions are met.

The cost of an internally-generated intangible asset is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria. The cost of an internally-generated intangible asset comprises all directly attributable costs necessary to create, produce and prepare the asset to be capable of operating in the manner intended by management.

After initial recognition, intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses. Intangible assets are amortised on a straight-line basis over their estimated useful life. Amortisation begins when the asset is capable of operating in the manner intended by management.

1.7. Property, plant and equipment

Property, plant and equipment are recognised as assets at acquisition or production cost if and only if it is probable that future economic benefits associated with the asset will flow to the Group and the cost of the asset can be measured reliably. The cost of an item of property, plant and equipment comprises its purchase or production price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, together with the initial estimation of the costs of dismantling and removing the asset and restoring the site on which it is located, if applicable.

After initial recognition at historical cost, property, plant and equipment owned by the Group are depreciated using the straight-line method and are carried on the balance sheet at cost less accumulated depreciation and impairment. Depreciation begins when the asset is capable of operating in the manner intended by management and is charged to profit or loss, unless it is included in the carrying amount of another asset. The components of an item of property, plant and equipment with a significant cost and different useful lives are recognised separately. Land is not depreciated. The residual value and the useful life of property, plant and equipment are reviewed at least at the end of each reporting period. The depreciation method is also reviewed annually.

The expected useful lives for the main items of property, plant and equipment are as follows:

- Buildings: 20-33 years
- Leasehold improvements: over the period of the lease agreement (or the expected useful lives if lower)
- Plants, machinery & equipment: 3-5 years
- Office equipment & furniture: 3-10 years
- IT equipment: 3 to 5 years

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

1.8. Impairment of goodwill, tangible and intangible assets

At the end of each reporting period, the Group assesses whether there is any indication that an asset may be impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any.

Recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. The value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

An impairment loss is recognised whenever recoverable amount is below carrying amount. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

1.9. Financial assets and liabilities

Financial assets (excl. entities accounted for using the equity method), cash investments and cash of the Group mainly include cash, trade and other receivables and loans.

Financial liabilities of the Group comprise financial debt ("loans") and other financial liabilities, trade and other payables.

Financial assets and liabilities are presented in the statement of financial position as current if they mature within one year and non-current if they mature after one year.

Financial debt and receivables

Financial debt and financial receivables (trade and other receivables) are initially recognised at their fair value, plus transaction costs (if any), at the transaction date.

After their initial recognition, these financial assets are measured at cost, less any impairment loss (see below).

Impairment of financial assets

At the year-end and at each interim reporting date, the Group assesses whether there is any objective evidence that an asset could have been impaired. If so, the Group estimates the asset's recoverable amount and records any necessary impairment as appropriate for the financial asset concerned.

If there is objective evidence that an impairment loss on loans and receivables has been incurred, the impairment is measured as the difference between the asset's carrying amount and the discounted value of expected future cash flows. The impairment is recognised in the income statement. If the impairment loss decreases in a subsequent period, the amount of the decrease is reversed and transferred to the income statement.

For trade receivables, impairment is recognised based on the probability of recovery assessed according to the type of receivable individually or by experience-based statistical methods.

Financial liabilities

Initially, financial liabilities (including loans and other financial liabilities, trade and other payables) are measured at fair value. Other financial liabilities are subsequently measured at cost (nominal value). Transaction costs are capitalized as "Formation expenses" and amortized over the duration of the related loan.

Financial instruments

The results of financial instruments (interest rate swaps, interest rate caps, interest rate floors, ...) used to hedge a borrowing or investment with a variable return are recognized in the same period as the interest settlement of the relevant hedged borrowing or investment. The fair value of these financial instruments at balance sheet date is disclosed off balance sheet.

1.10. Shareholder's equity

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received.

Where the Group purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes) is recognised as assets until the shares are cancelled, reissued or disposed of.

1.11. Income tax

The tax currently payable is based on taxable profit for the year, which differs from profit as reported in the statement of profit and loss because of temporary or permanent tax differences (items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible). Income tax for the current and prior periods is recognised as a liability to the extent that it has not yet been settled, and as an asset to the extent that the amounts already paid, exceed the amount due. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred taxes are recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences and tax losses carried-forward to the extent that it is probable that taxable profits will be available against which those deductible temporary differences and tax losses carried-forward can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates/laws that have been enacted or substantively enacted by the end of the reporting period. The measurement reflects the Group's expectations, at the end of the reporting period, as to the manner in which the carrying amount of its assets and liabilities will be recovered or settled.

Although deferred tax assets and liabilities are separately recognised and measured, they are offset in the statement of financial position subject to criteria. An entity will normally have a legally enforceable right to set off a current tax asset against a current tax liability when they relate to income taxes levied by the same taxation authority and the taxation authority permits the entity to make or receive a single net payment.

1.12. Share-based payments

A share-based payment is a transaction in which the Group receives goods or services either as consideration for its equity instruments or by incurring liabilities for amounts based on the price of the Group's shares or other equity instruments of the Group. The accounting for share-based

payment transactions depends on how the transaction will be settled, that is, by the issuance of equity, cash, or both equity or cash.

For transactions settled with shares, the accounting also depends on whether existing shares are used or new shares are issued to settle the transaction. For equity-settled share-based payments by the issuance of new shares, no expense is recognized. When the transaction is settled using existing shares, a cost is recognized on a pro-rata basis for the difference between the exercise price at grant date and the estimated fair value at the exercise date.

For cash-settled share-based payments, a provision is build up through the recognition of an expense at each period-end, for the difference between the exercise price and the fair value at that period-end.

1.13. Provisions

A provision is recognised when the Group has a present obligation (legal or constructive), at the end of the reporting period, as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period.

A restructuring provision is recognised when the Group has developed a detailed formal plan for the restructuring which has been approved by the board of directors. The measurement of a restructuring provision includes only the direct expenditures arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with the ongoing activities of the entity.

1.14. Employee benefits

The Group grants its employees post-employment benefits (pension plans, retirement indemnities, etc.) and other long-term benefits (e.g. long-service awards).

For post-employment benefits, a distinction is made between defined benefit plans and defined contribution plans.

Post-employment benefits - Defined benefit plans

The obligations under defined-benefit plans are calculated by the projected unit credit method, which determines the present value of entitlements earned by employees at year-end under all types of plan, taking into consideration estimated future salary increases.

Such post-employment benefit obligations are measured using the following methods and main assumptions:

- retirement age, determined on the basis of the applicable rules for each plan, and the requirements to qualify for a full pension;
- career-end salary levels, with reference to employee seniority, projected salary levels at the time of retirement based on the expected effects of career advancement, and estimated trends in pension levels;
- forecast numbers of pensioners, determined based on employee turnover rates and applicable mortality tables;
- a discount rate that depends on the duration of the obligations, determined at the year-end date by reference to the market yield on high-quality corporate bonds or the rate on government bonds whose duration is coherent with the Group's commitments to employees.

The amount of the provision corresponds to the value of obligations less the fair value of the plan assets that cover those obligations.

The net expense recognised during the year for employee benefit obligations includes:

- in the income statement:
 - o the current service cost, corresponding to additional benefit entitlements earned during the year;
 - o the net interest on the net defined benefit liability or asset, determined using the discount rate at the beginning of the period*;
 - o the past service cost, including the income or expense related to amendments or settlements of benefit plans or introduction of new plans;

- o the remeasurement gains and losses relating to long-term benefits;
- o the remeasurement gains and losses relating to post-employment benefits;
- o the effect of the limitation to the asset ceiling if any.

Post-employment benefits - Defined contribution plans

With respect to defined contribution plans, the contributions payable are recognised when employees have rendered the related services.

According to legal requirements applicable in Belgium, defined contribution pension plans are subject to minimum guaranteed rates of return. As a result of the minimum guaranteed return, these plans qualify as defined benefit plans and are accounted for accordingly.

Termination benefits

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

1.15. Revenue Recognition

Revenue represents the amounts excluding value added tax from the sale of services to customers and comprise consulting services, human resource and payroll services and provision of software licenses.

Revenue from contracts with multiple deliverables are recognised for each deliverable when:

- Services have been rendered, delivery has occurred, and the fee is fixed or determinable;
- For the implementation element, the revenue is recognised based on the percentage of completion as the outcome can be estimated reliably and the stage of completion can be determined with reference to costs incurred up to reporting period date.

* The net interest on the net defined benefit liability or asset is determined by multiplying the net defined benefit liability or asset by the discount rate, both as determined at the start of the annual reporting period, taking account of any changes in the net defined benefit liability or asset during the period as a result of contribution and benefit payments. The net interest on the net defined benefit liability or asset can be viewed as comprising interest income on plan assets, interest cost on the defined benefit obligation and interest on the effect of the asset ceiling. Net interest on the net defined benefit liability or asset is the change during the period in the net defined benefit liability or asset that arises from the passage of time.

METHODS OF CALCULATING OF DEFERRED TAXES

Detailed explanation on the methods applied in determining deferred taxes

For the methods for calculating deferred tax liabilities, we refer to the valuation rules and the additional notes under conso 9

Future taxation and deferred taxes

Analysis of Heading 168 of the liabilities
 Future taxation (Pursuant to article 76 of the Royal Decree of 30 January 2001 in implementation of Company Law)
 Deferred taxes (Pursuant to article 129 of aforementioned Royal Decree)

Codes	Period
(168)	473
1681	.....
1682	473

STATEMENT OF FORMATION EXPENSES

	Codes	Period	Preceding period
Net book value at the end of the period	20P	XXXXXXXXXXXXXXXXXX	.....
Movements during the period			
New expenses incurred	8002	1.310	
Depreciation	8003	39	
Translation differences(+)/(-)	9980	.....
Other(+)/(-)	8004	-614	
Net book value at the end of the period	(20)	657	
Of which			
Formation or capital increase expenses, loan issue expenses and other formation expenses	200/2	432	
Restructuring costs	204	.....

STATEMENT OF INTANGIBLE FIXED ASSETS

	Codes	Period	Preceding period
DEVELOPMENT COSTS			
Acquisition value at the end of the period	8051P	XXXXXXXXXXXXXXXX	36.933
Movements during the period			
Acquisitions, including produced fixed assets	8021	6.431	
Sales and disposals	8031	.....
Transfers from one heading to another(+)/(-)	8041	.....
Translation differences(+)/(-)	99811	.....
Other movements(+)/(-)	99821	.....
Acquisition value at the end of the period	8051	43.364	
Depreciations and amounts written down at the end of the period	8121P	XXXXXXXXXXXXXXXX	28.573
Movements during the period			
Recorded	8071	3.024	
Written back because superfluous	8081	.....
Acquisitions from third parties	8091	.....
Cancelled	8101	.....
Transferred from one heading to another(+)/(-)	8111	.....
Translation differences(+)/(-)	99831	.....
Other movements(+)/(-)	99841	16	
Depreciations and amounts written down at the end of the period	8121	31.613	
NET BOOK VALUE AT THE END OF THE PERIOD	81311	11.751	

	Codes	Period	Preceding period
CONCESSIONS, PATENTS, LICENCES, KNOW-HOW, BRANDS AND SIMILAR RIGHTS			
Acquisition value at the end of the period	8052P	XXXXXXXXXXXXXXXXXX	43.218
Movements during the period			
Acquisitions, including produced fixed assets	8022	5.209	
Sales and disposals	8032	2.110	
Transfers from one heading to another(+)/(-)	8042	.....
Translation differences(+)/(-)	99812	.....
Other movements(+)/(-)	99822	17	
Acquisition value at the end of the period	8052	46.334	
Depreciations and amounts written down at the end of the period	8122P	XXXXXXXXXXXXXXXXXX	38.034
Movements during the period			
Recorded	8072	2.102	
Written back because superfluous	8082	.....
Acquisitions from third parties	8092	1.711	
Cancelled	8102	1.818	
Transferred from one heading to another(+)/(-)	8112	.....
Translation differences(+)/(-)	99832	.....
Other movements(+)/(-)	99842	.....
Depreciations and amounts written down at the end of the period	8122	40.029	
NET BOOK VALUE AT THE END OF THE PERIOD	211	6.305	

	Codes	Period	Preceding period
GOODWILL			
Acquisition value at the end of the period	8053P	XXXXXXXXXXXXXXXXXX	11.092
Movements during the period			
Acquisitions, including produced fixed assets	8023	.....
Sales and disposals	8033	.....
Transfers from one heading to another(+)/(-)	8043	.....
Translation differences(+)/(-)	99813	.....
Other movements(+)/(-)	99823	.....
Acquisition value at the end of the period	8053	11.092	
Depreciations and amounts written down at the end of the period	8123P	XXXXXXXXXXXXXXXXXX	9.653
Movements during the period			
Recorded	8073	720	
Written back because superfluous	8083	.....
Acquisitions from third parties	8093	.....
Cancelled	8103	.....
Transferred from one heading to another(+)/(-)	8113	.....
Translation differences(+)/(-)	99833	.....
Other movements(+)/(-)	99843	.....
Depreciations and amounts written down at the end of the period	8123	10.373	
NET BOOK VALUE AT THE END OF THE PERIOD	212	719	

STATEMENT OF TANGIBLE FIXED ASSETS

	Codes	Period	Preceding period
LAND AND BUILDINGS			
Acquisition value at the end of the period	8191P	XXXXXXXXXXXXXXXX	101.390
Movements during the period			
Acquisitions, including produced fixed assets	8161	593	
Sales and disposals	8171	.....
Transfers from one heading to another(+)/(-)	8181	.....
Translation differences(+)/(-)	99851	.....
Other movements(+)/(-)	99861	.....
Acquisition value at the end of the period	8191	101.983	
Revaluation surpluses at the end of the period	8251P	XXXXXXXXXXXXXXXX	.....
Movements during the period			
Recorded	8211	.....
Acquisitions from third parties	8221	.....
Cancelled	8231	.....
Transferred from one heading to another(+)/(-)	8241	.....
Translation differences(+)/(-)	99871	.....
Other movements(+)/(-)	99881	.....
Revaluation surpluses at the end of the period	8251	.....
Depreciations and amounts written down at the end of the period	8321P	XXXXXXXXXXXXXXXX	53.664
Movements during the period			
Recorded	8271	2.439	
Written back because superfluous	8281	.....
Acquisitions from third parties	8291	.....
Cancelled	8301	.....
Transferred from one heading to another(+)/(-)	8311	.....
Translation differences(+)/(-)	99891	.....
Other movements(+)/(-)	99901	.....
Depreciations and amounts written down at the end of the period	8321	56.103	
NET BOOK VALUE AT THE END OF THE PERIOD	(22)	45.880	

	Codes	Period	Preceding period
PLANT, MACHINERY AND EQUIPMENT			
Acquisition value at the end of the period	8192P	XXXXXXXXXXXXXXXXXX	7.248
Movements during the period			
Acquisitions, including produced fixed assets	8162	775	
Sales and disposals	8172	558	
Transfers from one heading to another(+)/(-)	8182	.....
Translation differences(+)/(-)	99852	.....
Other movements(+)/(-)	99862	.....
Acquisition value at the end of the period	8192	7.465	
Revaluation surpluses at the end of the period	8252P	XXXXXXXXXXXXXXXXXX	.....
Movements during the period			
Recorded	8212	.....
Acquisitions from third parties	8222	.....
Cancelled	8232	.....
Transferred from one heading to another(+)/(-)	8242	.....
Translation differences(+)/(-)	99872	.....
Other movements(+)/(-)	99882	.....
Revaluation surpluses at the end of the period	8252	.....
Depreciations and amounts written down at the end of the period	8322P	XXXXXXXXXXXXXXXXXX	6.630
Movements during the period			
Recorded	8272	383	
Written back because superfluous	8282	.....
Acquisitions from third parties	8292	235	
Cancelled	8302	493	
Transferred from one heading to another(+)/(-)	8312	.....
Translation differences(+)/(-)	99892	.....
Other movements(+)/(-)	99902	.....
Depreciations and amounts written down at the end of the period	8322	6.755	
NET BOOK VALUE AT THE END OF THE PERIOD	(23)	710	

	Codes	Period	Preceding period
FURNITURE AND VEHICLES			
Acquisition value at the end of the period	8193P	XXXXXXXXXXXXXXXX	32.910
Movements during the period			
Acquisitions, including produced fixed assets	8163	6.248	
Sales and disposals	8173	3.411	
Transfers from one heading to another(+)/(-)	8183	.....
Translation differences(+)/(-)	99853	.....
Other movements(+)/(-)	99863	.....
Acquisition value at the end of the period	8193	35.747	
Revaluation surpluses at the end of the period	8253P	XXXXXXXXXXXXXXXX	.....
Movements during the period			
Recorded	8213	.....
Acquisitions from third parties	8223	.....
Cancelled	8233	.....
Transferred from one heading to another(+)/(-)	8243	.....
Translation differences(+)/(-)	99873	.....
Other movements(+)/(-)	99883	.....
Revaluation surpluses at the end of the period	8253	.....
Depreciations and amounts written down at the end of the period	8323P	XXXXXXXXXXXXXXXX	26.089
Movements during the period			
Recorded	8273	2.755	
Written back because superfluous	8283	.....
Acquisitions from third parties	8293	1.592	
Cancelled	8303	3.355	
Transferred from one heading to another(+)/(-)	8313	.....
Translation differences(+)/(-)	99893	.....
Other movements(+)/(-)	99903	.....
Depreciations and amounts written down at the end of the period	8323	27.081	
NET BOOK VALUE AT THE END OF THE PERIOD	(24)	8.666	

	Codes	Period	Preceding period
LEASING AND SIMILAR RIGHTS			
Acquisition value at the end of the period	8194P	XXXXXXXXXXXXXXXX	.....
Movements during the period			
Acquisitions, including produced fixed assets	8164	.....
Sales and disposals	8174	.....
Transfers from one heading to another(+)/(-)	8184	908	
Translation differences(+)/(-)	99854	.....
Other movements(+)/(-)	99864	.....
Acquisition value at the end of the period	8194	908	
Revaluation surpluses at the end of the period	8254P	XXXXXXXXXXXXXXXX	.....
Movements during the period			
Recorded	8214	.....
Acquisitions from third parties	8224	.....
Cancelled	8234	.....
Transferred from one heading to another(+)/(-)	8244	.....
Translation differences(+)/(-)	99874	.....
Other movements(+)/(-)	99884	.....
Revaluation surpluses at the end of the period	8254	.....
Depreciations and amounts written down at the end of the period	8324P	XXXXXXXXXXXXXXXX	.....
Movements during the period			
Recorded	8274	38	
Written back because superfluous	8284	.....
Acquisitions from third parties	8294	.....
Cancelled	8304	.....
Transferred from one heading to another(+)/(-)	8314	719	
Translation differences(+)/(-)	99894	.....
Other movements(+)/(-)	99904	.....
Depreciations and amounts written down at the end of the period	8324	757	
NET BOOK VALUE AT THE END OF THE PERIOD	(25)	151	
OF WHICH			
Land and buildings	250	151	
Plant, machinery and equipment	251	.....
Furniture and vehicles	252	.....

	Codes	Period	Preceding period
OTHER TANGIBLE FIXED ASSETS			
Acquisition value at the end of the period	8195P	XXXXXXXXXXXXXXXXXX	13.390
Movements during the period			
Acquisitions, including produced fixed assets	8165	4.146	
Sales and disposals	8175	140	
Transfers from one heading to another(+)/(-)	8185	-908	
Translation differences(+)/(-)	99855	.....
Other movements(+)/(-)	99865	.....
Acquisition value at the end of the period	8195	16.488	
Revaluation surpluses at the end of the period	8255P	XXXXXXXXXXXXXXXXXX	.....
Movements during the period			
Recorded	8215	.....
Acquisitions from third parties	8225	.....
Cancelled	8235	.....
Transferred from one heading to another(+)/(-)	8245	.....
Translation differences(+)/(-)	99875	.....
Other movements(+)/(-)	99885	33	
Revaluation surpluses at the end of the period	8255	33	
Depreciations and amounts written down at the end of the period	8325P	XXXXXXXXXXXXXXXXXX	6.543
Movements during the period			
Recorded	8275	902	
Written back because superfluous	8285	.....
Acquisitions from third parties	8295	1.347	
Cancelled	8305	7	
Transferred from one heading to another(+)/(-)	8315	-719	
Translation differences(+)/(-)	99895	.....
Other movements(+)/(-)	99905	.....
Depreciations and amounts written down at the end of the period	8325	8.066	
NET BOOK VALUE AT THE END OF THE PERIOD	(26)	8.455	

	Codes	Period	Preceding period
ASSETS UNDER CONSTRUCTION AND ADVANCE PAYMENTS			
Acquisition value at the end of the period	8196P	XXXXXXXXXXXXXXXXXX	.....
Movements during the period			
Acquisitions, including produced fixed assets	8166	.....
Sales and disposals	8176	.....
Transfers from one heading to another(+)/(-)	8186	.....
Translation differences(+)/(-)	99856	.....
Other movements(+)/(-)	99866	.....
Acquisition value at the end of the period	8196	.....
Revaluation surpluses at the end of the period	8256P	XXXXXXXXXXXXXXXXXX	.....
Movements during the period			
Recorded	8216	23	
Acquisitions from third parties	8226	.....
Cancelled	8236	.....
Transferred from one heading to another(+)/(-)	8246	.....
Translation differences(+)/(-)	99876	.....
Other movements(+)/(-)	99886	.....
Revaluation surpluses at the end of the period	8256	23	
Depreciations and amounts written down at the end of the period	8326P	XXXXXXXXXXXXXXXXXX	.....
Movements during the period			
Recorded	8276	.....
Written back because superfluous	8286	.....
Acquisitions from third parties	8296	.....
Cancelled	8306	.....
Transferred from one heading to another(+)/(-)	8316	.....
Translation differences(+)/(-)	99896	.....
Other movements(+)/(-)	99906	.....
Depreciations and amounts written down at the end of the period	8326	.....
NET BOOK VALUE AT THE END OF THE PERIOD	(27)	23	

STATEMENT OF FINANCIAL FIXED ASSETS

	Codes	Period	Preceding period
COMPANIES USING THE EQUITY METHOD- PARTICIPATIONS			
Acquisition value at the end of the period	8391P	XXXXXXXXXXXXXXXXXX	612
Movements during the period			
Acquisitions	8361	.....
Sales and disposals	8371	.....
Transfers from one heading to another	8381	.....
Translation differences	99911	.....
Acquisition value at the end of the period	8391	612	
Revaluation surpluses at the end of the period	8451P	XXXXXXXXXXXXXXXXXX	.....
Movements during the period			
Recorded	8411	311	
Acquisitions from third parties	8421	.....
Cancelled	8431	.....
Translation differences	99921	.....
Transferred from one heading to another	8441	-468	
Revaluation surpluses at the end of the period	8451	-157	
Amounts written down at the end of the period	8521P	XXXXXXXXXXXXXXXXXX	.....
Movements during the period			
Recorded	8471	.....
Reversals because superfluous	8481	.....
Acquisitions from third parties	8491	.....
Cancelled	8501	.....
Translation differences	99931	.....
Transferred from one heading to another	8511	.....
Amounts written down at the end of the period	8521	.....
Uncalled amounts at the end of the period	8551P	XXXXXXXXXXXXXXXXXX	.....
Movements during the period			
Uncalled amounts at the end of the period	8551	.....
Movements in the capital and reserves of the enterprises accounted for using the equity method at the end of the period			
	99941P	XXXXXXXXXXXXXXXXXX	.....
Movements during the period			
Share in the result for the financial period	999411	-752	
Elimination of dividends regarding those participating interests	999421	.....
Other movements in the capital and reserves	999431	-36	
Movements in the capital and reserves of the enterprises accounted for using the equity method at the end of the period	99941	-788	
NET BOOK VALUE AT THE END OF THE PERIOD	(99211)	-333	

	Codes	Period	Preceding period
AFFILIATED ENTITIES - AMOUNTS RECEIVABLE			
Net book value at the end of the period	99212P	XXXXXXXXXXXXXXXX	.....
Movements during the period			
Additions	8581	1.600	
Repayments	8591	.....
Amounts written down	8601	.....
Amounts written back	8611	.....
Translation differences(+)/(-)	99951	.....
Other(+)/(-)	8631	.....
Net book value at the end of the period	(99212)	1.600	
ACCUMULATED AMOUNTS WRITTEN OFF AMOUNTS RECEIVABLE AT END OF THE PERIOD			
	8651	.....

	Codes	Period	Preceding period
OTHER ENTERPRISES - PARTICIPATING INTERESTS			
Acquisition value at the end of the period	8392P	XXXXXXXXXXXXXXXX	.....
Movements during the period			
Acquisitions	8362	.....
Sales and disposals	8372	.....
Transfers from one heading to another(+)/(-)	8382	.....
Translation differences(+)/(-)	99912	.....
Acquisition value at the end of the period	8392	.....
Revaluation surpluses at the end of the period	8452P	XXXXXXXXXXXXXXXX	.....
Movements during the period			
Recorded	8412	12	
Acquisitions from third parties	8422	.....
Cancelled	8432	.....
Translation differences(+)/(-)	99922	.....
Transferred from one heading to another(+)/(-)	8442	.....
Revaluation surpluses at the end of the period	8452	12	
Amounts written down at the end of the period	8522P	XXXXXXXXXXXXXXXX	.....
Movements during the period			
Recorded	8472	.....
Reversals because superfluous	8482	.....
Acquisitions from third parties	8492	.....
Cancelled	8502	.....
Translation differences(+)/(-)	99932	.....
Transferred from one heading to another(+)/(-)	8512	.....
Amounts written down at the end of the period	8522	.....
Uncalled amounts at the end of the period	8552P	XXXXXXXXXXXXXXXX	.....
Movements during the period(+)/(-)			
Uncalled amounts at the end of the period	8542	.....
Uncalled amounts at the end of the period	8552	.....
NET BOOK VALUE AT THE END OF THE PERIOD	(284)	12	
OTHERS ENTERPRISES - AMOUNTS RECEIVABLE			
NET BOOK VALUE AT THE END OF THE PERIOD	285/8P	XXXXXXXXXXXXXXXX	.....
Movements during the period			
Additions	8582	925	
Repayments	8592	.....
Amounts written down	8602	.....
Amounts written back	8612	.....
Translation differences(+)/(-)	99952	.....
Other(+)/(-)	8632	.....
NET BOOK VALUE AT THE END OF THE PERIOD	(285/8)	925	
ACCUMULATED AMOUNTS WRITTEN OFF AMOUNTS RECEIVABLE AT END OF THE PERIOD	8652	.....

STATEMENT OF CONSOLIDATED RESERVES

	Codes	Period	Preceding period
Consolidated reserves at the end of the period(+)/(-)	9910P	xxxxxxxxxxxxxxxx	-163.926
Movements during the period			
Shares of the group in consolidated income(+)/(-)	99002	-8.197	
Other movements(+)/(-)	99003	476	
(breakdown of the meaningful amounts not apportioned to the share of the group in the consolidated result)			
.....		
.....		
.....		
.....		
Consolidated reserves at the end of the period(+)/(-)	(9910)	-171.647	

STATEMENT OF CONSOLIDATION DIFFERENCES AND DIFFERENCES RESULTING FROM THE APPLICATION OF THE EQUITY METHOD

	Codes	Period	Preceding period
CONSOLIDATION - POSITIVE DIFFERENCES			
Net book value at the end of the period	99201P	XXXXXXXXXXXXXXXXXX	151.726
Movements during the period			
Arising from an increase of the percentage held	99021	138.296	
Arising from a decrease of the percentage held	99031	.....
Depreciations	99041	-28.295	
Differences transferred to the income statement	99051	.....
Other modifications	99061	-397	
Net book value at the end of the period	99201	261.330	
CONSOLIDATION - NEGATIVE DIFFERENCES			
Net book value at the end of the period	99111P	XXXXXXXXXXXXXXXXXX	.....
Movements during the period			
Arising from an increase of the percentage held	99022	.....
Arising from a decrease of the percentage held	99032	.....
Depreciations	99042	.....
Differences transferred to the income statement	99052	.....
Other modifications	99062	.....
Net book value at the end of the period	99111	.....
EQUITY METHOD - POSITIVE DIFFERENCES			
Net book value at the end of the period	99202P	XXXXXXXXXXXXXXXXXX	1.547
Movements during the period			
Arising from an increase of the percentage held	99023	969	
Arising from a decrease of the percentage held	99033	.....
Depreciations	99043	-1.044	
Differences transferred to the income statement	99053	.....
Other modifications	99063	.....
Net book value at the end of the period	99202	1.472	
EQUITY METHOD - NEGATIVE DIFFERENCES			
Net book value at the end of the period	99112P	XXXXXXXXXXXXXXXXXX	.....
Movements during the period			
Arising from an increase of the percentage held	99024	.....
Arising from a decrease of the percentage held	99034	.....
Depreciations	99044	.....
Differences transferred to the income statement	99054	.....
Other modifications	99064	.....
Net book value at the end of the period	99112	.....

STATEMENT OF AMOUNTS PAYABLE

	Codes	Period
BREAKDOWN OF AMOUNTS PAYABLE WITH AN ORIGINAL PERIOD TO MATURITY OF MORE THAN ONE YEAR, ACCORDING TO THEIR RESIDUAL TERM		
Current portion of amounts payable after more than one year falling due within one year		
Financial debts	8801	13.262
Subordinated loans	8811	2.296
Unsubordinated debentures	8821	.....
Leasing and other similar obligations	8831	.....
Credit institutions	8841	10.966
Other loans	8851	.....
Trade debts	8861	.....
Suppliers	8871	.....
Bills of exchange payable	8881	.....
Advance payments received on contract in progress	8891	.....
Other amounts payable	8901	.....
Total current portion of amounts payable after more than one year falling due within one year ..	(42)	13.262
Amounts payable with a remaining term of more than one but not more than five years		
Financial debts	8802	29.217
Subordinated loans	8812	.....
Unsubordinated debentures	8822	.....
Leasing and other similar obligations	8832	.....
Credit institutions	8842	29.217
Other loans	8852	.....
Trade debts	8862	.....
Suppliers	8872	.....
Bills of exchange payable	8882	.....
Advance payments received on contracts in progress	8892	.....
Other amounts payable	8902	.....
Total amounts payable with a remaining term of more than one but not more than five years	8912	29.217
Amounts payable with a remaining term of more than five years		
Financial debts	8803	19.220
Subordinated loans	8813	.....
Unsubordinated debentures	8823	.....
Leasing and other similar obligations	8833	.....
Credit institutions	8843	19.220
Other loans	8853	.....
Trade debts	8863	.....
Suppliers	8873	.....
Bills of exchange payable	8883	.....
Advance payments received on contracts in progress	8893	.....
Other amounts payable	8903	.....
Total amounts payable with a remaining term of more than five years	8913	19.220

AMOUNTS PAYABLE (OR PART OF AMOUNTS PAYABLE) GUARANTEED BY REAL SECURITIES OR IRREVOCABLY PROMISED ON THE ASSETS OF THE ENTERPRISES INCLUDED IN THE CONSOLIDATION

	Codes	Period
Financial debts	8922	34.020
Subordinated loans	8932	.....
Unsubordinated debentures	8942	.....
Leasing and similar obligations	8952	.....
Credit institutions	8962	34.020
Other loans	8972	.....
Trade debts	8982	.....
Suppliers	8992	.....
Bills of exchange payable	9002	.....
Advance payments received on contracts in progress	9012	.....
Taxes, remuneration and social security	9022	.....
Taxes	9032	.....
Remuneration and social security	9042	.....
Other amounts payable	9052	.....
Total amounts payable guaranteed by real securities or irrevocably promised by the enterprises of the consolidation on its own assets	9062	34.020

NET TURNOVER

	Codes	Period	Preceding period
NET TURNOVER			
Allocation by categories of activity			
Payroll & HR services		466.738	446.327
Staffing & Career solutions		127.664	0
.....	
.....	
Allocation into geographical markets			
Belgium		402.487	280.959
Germany		67.580	67.636
The Netherlands		45.427	20.805
UK		58.119	59.266
Other countries		20.789	19.029
Aggregate turnover of the group in Belgium	99083	402.487	280.959
AVERAGE NUMBER OF PERSONS EMPLOYED (IN UNITS) AND PERSONNEL CHARGES			
Fully consolidated enterprises			
Average number of persons employed	90901	6.314	3.128
Workers	90911	.....	.....
Employees	90921	6.275	3.103
Management personnel	90931	39	25
Others persons	90941	.....	.....
Personnel charges			
Remuneration and social charges	99621	351.969	240.583
Pensions	99622	12.516	.....
Average number of persons employed in Belgium by the enterprises concerned	99081	3.800	1.309
Proportionally consolidated enterprises			
Average number of persons employed	90902	.....	.....
Workers	90912	.....	.....
Employees	90922	.....	.....
Management personnel	90932	.....	.....
Others persons	90942	.....	.....
Personnel charges			
Remuneration and social charges	99623	.....	.....
Pensions	99624	.....	.....
Average number of persons employed in Belgium by the enterprises concerned	99082	.....	.....

	Codes	Period	Preceding period
NON RECURRING INCOME	76	306	.....
Non-recurring operating income	76A	306	.....
Write-back of depreciation and of amounts written off intangible and tangible fixed assets	760	.....	.....
Adjustments to amounts written off consolidation differences	9970	.....	.....
Write-back of provisions for extraordinary operating liabilities and charges ...	7620	.....	.....
Capital gains on disposal of intangible and tangible fixed asset	7630	.....	.....
Other non-recurring operating income	764/8	306	.....
Of which:			
.....			
.....			
.....			
Non-recurring financial income	76B	.....	.....
Write-back of amounts written down financial fixed assets	761	.....	.....
Write-back of provisions for extraordinary financial liabilities and charges	7621	.....	.....
Capital gains on disposal of financial fixed assets	7631	.....	.....
Other non-recurring financial income	769	.....	.....
Of which:			
.....			
.....			
.....			

	Codes	Period	Preceding period
NON-RECURRING EXPENSES	66	17.139	7.427
Non-recurring operating charges	66A	17.139	7.427
Non-recurring depreciation of and amounts written off formation expenses, intangible and tangible fixed assets	660	.....	.....
Amounts written on positive consolidation differences	9962	.....	.....
Provisions for extraordinary operating liabilities and charges: Appropriations (uses)	6620	.....	.....
Capital losses on disposal of intangible and tangible fixed assets	6630	.....	.....
Other non-recurring operating charges	664/7	17.139	7.427
Of which:			
<i>Restructuring and integration cost</i>		14.448	6.274
<i>Acquisition and transaction cost related to third parties</i>		2.221	1.153
<i>Stock-based compensation</i>		470	0
.....			
Non-recurring operating charges carried to assets as restructuring costs .(-)	6690	.....	.....

Non-recurring financial charges

Amounts written off financial fixed assets

Provisions for extraordinary financial liabilities and charges - Appropriations (uses)(+)/(-)

Capital losses on disposal of financial fixed assets

Other non-recurring financial charges

Of which:

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.....

Non-recurring financial charges carried to assets as restructuring costs ...(-)

Negative consolidation differences(-)

Codes	Period	Preceding period
66B
661
6621
6631
668

6691
9963

INCOME TAXES

Difference between the tax charged in the consolidated income statement for the period and the preceding periods and the amount of the tax paid or payable in respect of those periods, in as far as this difference is significant in respect of future taxation

Effect of non-recurring results on the amount of income taxes on the current period

Codes	Period	Preceding period
99084	.....	.....
99085	4.966	.....

RIGHTS AND COMMITMENTS NOT REFLECTED IN THE BALANCE SHEET

	Codes	Period
AMOUNT OF PERSONAL GARANTEES, given or irrevocably promised by the enterprises included in the consolidation, as security for third parties' debts or commitments	9149	.....
Real guarantees provided or irrevocably promised by the enterprise on its own assets as security of debts and commitments of the enterprise		
of enterprises included in the consolidation	99086	58.874
of third parties	99087	.....
GOODS AND VALUES, NOT DISCLOSED IN THE BALANCE SHEET, HELD BY THIRD PARTIES IN THEIR OWN NAME BUT AT RISK TO AND FOR THE BENEFIT OF THE ENTERPRISES IN THE CONSOLIDATION	9217	1.795
SUBSTANTIAL COMMITMENTS TO ACQUIRE FIXED ASSETS	9218	.....
SUBSTANTIAL COMMITMENTS TO DISPOSE OF FIXED ASSETS	9219	.....
RIGHTS :		
to interest rates	99088	.....
to exchange rates	99089	.....
to prices of raw materials or goods purchased for resale	99090	.....
to other similar transactions	99091	.....
COMMITMENTS :		
to interest rates	99092	.....
to exchange rates	99093	.....
to prices of raw materials or goods purchased for resale	99094	.....
to other similar transactions	99095	.....

	Period
COMMITMENTS RELATING TO TECHNICAL GUARANTEES IN RESPECT OF SALES OR SERVICES	
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.....

AMOUNT, NATURE AND FORM CONCERNING LITIGATION AND OTHER IMPORTANT COMMITMENTS

Maximum additional variable purchase price on the participation in Assusoft based on future results to be achieved by Assusoft

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Period
150
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COMMITMENTS WITH RESPECT TO RETIREMENT AND SURVIVORS PENSIONS IN FAVOUR OF THEIR PERSONNEL OR EXECUTIVES, AT THE EXPENSE OF THE ENTERPRISES INCLUDED IN THE CONSOLIDATION

The group has defined benefit pension plans in Belgium, which are funded through group insurance plans. As at 31 December 2018, a provision was set up for the underprovisioning of the guaranteed returns.

The group also has defined contribution pension plans in Belgium, financed through the use of group insurance plans. These plans are subject to a minimum return guarantee by the employer as specified by the law of 28 April 2003, amended by the law of 18 December 2015. As at 31 December 2018, the applicable minimum return guarantee did not result in a material deficit of the accumulated obligations in comparison to the accumulated reserves for these plans, based on an analysis of the discrepancy between the legal minimum return and the actual guaranteed return by the insurers.

In Germany and the UK, the group has also type defined benefit pension plans, for which the necessary provisions (under IAS 19) are recognised in the balance sheet as being the present value of the defined benefit obligation minus the fair value of the plan assets.

For additional note with respect to post employment benefits accounted for using the "projected unit credit"- method, we refer to Conso 9.

NATURE AND FINANCIAL IMPACT OF SIGNIFICANT EVENTS AFTER THE CLOSING DATE

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Period
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NATURE, COMMERCIAL OBJECTIVE AND FINANCIAL CONSEQUENCES OF TRANSACTIONS NOT REFLECTED IN THE BALANCE SHEET

Nature and commercial objective of transactions not reflected in the balance sheet
Provided that the risks or advantages coming from these transactions are significant and if the disclosure of the risks or advantages is necessary to appreciate the financial situation of the companies that are included in the consolidation as a whole, the financial consequences of these transactions for the companies that are included in the consolidation as a whole have to be mentioned as well.

Period

Period

SD Holding NV has entered into bank financing, for which the following entities also act as guarantor:

- SD Worx Holding NV
- SD Worx Group NV
- SD Worx Belgium NV
- Protime NV
- SD Worx Germany GmbH
- SD Worx UK Ltd
- SD Worx Staffing & Career Solutions - Holding NV
- Vio HR Group NV
- Vio Interim NV
- Flexpoint BVBA
- Trace SA
- Easymatch BVBA
- Flexpoint Dienstengroep BV
- Easymatch Payrolling BV

For the bank financing at the level of SD Worx Staffing & Career Solutions Holding, securities have been provided on the bank accounts, trade fund, current assets and receivables of the following entities:

- Vio Worx NV
- Vio HR Group NV
- Vio Interim NV

The bank financing mentioned above is subject to financial covenants linked to financial ratios.

The bank financing at the level of SD Worx Staffing & Career Solutions Holding is subject to an Adjusted Leverage ratio covenant of maximum 2,75 and a Cash Flow Cover ratio covenant of minimum 1,1

The bank financing at the level of SD Worx Holding is subject to an Adjusted Leverage ratio covenant of maximum 2,50.

As per 31/12/2018 no breach of the financial covenants was noted.

With the acquisition of Innovate-IT BVBA, an earn-out payment was contractually agreed, depending on whether or not the predetermined targets were met.

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RELATIONSHIPS WITH AFFILIATED ENTERPRISES AND ENTERPRISES LINKED BY PARTICIPATING INTERESTS WHICH ARE NOT INCLUDED IN THE CONSOLIDATION

	Codes	Period	Preceding period
AFFILIATED ENTERPRISES			
Financial fixed assets			
Participating interests	9261	.....	.....
Amounts receivable			
Over one year	9291	.....	.....
Within one year	9301	.....	.....
.....	9311	.....	.....
Current investments			
Shares	9321	.....	.....
Amounts receivable	9331	.....	.....
.....	9341	.....	.....
Amounts payable			
Over one year	9351	.....	.....
Within one year	9361	.....	.....
.....	9371	.....	.....
Personal and real guarantees given or irrevocably promised, as security of debts or promised, as security of debts or commitments of affiliated enterprises			
.....	9381	.....	.....
Other significant financial commitments			
.....	9401	.....	.....
Financial results			
Income from financial fixed assets	9421	.....	.....
Income from current assets	9431	.....	.....
Other financial income	9441	.....	.....
Debt charges	9461	.....	.....
Other financial charges	9471	.....	.....
ENTERPRISES LINKED BY PARTICIPATING INTERESTS			
Financial fixed assets			
Participating interests	9262	-333	612
Amounts receivable			
Over one year	9292	1.600	.....
Within one year	9302	1.600	.....
.....	9312	.....	.....
Amounts payable			
Over one year	9352	.....	.....
Within one year	9362	.....	.....
.....	9372	.....	.....

TRANSACTIONS WITH ENTERPRISES LINKED BY PARTICIPATING INTERESTS OUT OF MARKET CONDITIONS

Transactions with enterprises linked by participating interests out of market conditions Mention of these transactions, with exception of transactions within the group, if they are significant, including the amount of the transactions, the nature of the link, and all information about the transactions which should be necessary to get better understanding of the situation of the companies included in the consolidation as a whole.

NIL

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.....
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Period
0
.....
.....
.....

FINANCIAL RELATIONSHIPS WITH

FINANCIAL RELATIONSHIPS WITH DIRECTORS, INDIVIDUALS OR BODIES CORPORATE FROM THE CONSOLIDATED ENTERPRISES

Total amount of remuneration granted in respect of their responsibilities in the consolidation enterprise, its subsidiaries and its affiliated companies, including the amounts in respect of retirement pensions granted to former directors or manage

Total amount of advances and credits granted by the consolidating enterprise, by a subsidiary company or by an associated company

Codes	Period
99097	1.746
99098	.....

AUDITORS OR PEOPLE THEY ARE LINKED TO

Auditor's fees according to a mandate at the group level led by the company publishing the information

Fees for exceptional services or special missions executed in the company and its brqnces by the auditor

Other attestation missions

Tax consultancy

Other missions external to the audit

Fees to people auditors are linked to according to the mandate at the group level led by the company publishing the information

Fees for exceptional services or special missions executed in the company and its branches by people they are linked to

Other attestation missions

Tax consultancy

Other missions external to the audit

Codes	Period
9507	215
95071	5
95072	.....
95073	273
9509	355
95091	.....
95092	2
95093	387

Mentions related to article 134 from the Companies Code

DERIVATIVES NOT MEASURED AT FAIR VALUE

DERIVATIVES NOT MEASURED AT FAIR VALUE

Category derivative financial instruments	Hedged risk	Speculation / hedging	Scope	Period: Booked value	Period: Real value	Preceding period: Booked value	Preceding period: Real value
<i>Interest rate swap</i>	<i>Interest risk</i>	<i>Hedging</i>	<i>16270</i>	<i>0</i>	<i>-39</i>	<i>0</i>	<i>0</i>
<i>Interest rate Cap</i>	<i>Interest risk</i>	<i>Hedging</i>	<i>17750</i>	<i>273</i>	<i>250</i>	<i>0</i>	<i>0</i>
.....
.....

FINANCIAL FIXED ASSETS CARRIED AT AN AMOUNT IN EXCESS OF FAIR VALUE

Amount of individual assets or appropriate groupings of those assets

.....

Booked value	Real value
.....
.....
.....
.....

Reasons for not reducing the book value

Informations that suggest than the book value will be recovered

**OTHER DOCUMENTS TO BE FILED UNDER BELGIAN
COMPANY LAW**

See next page.

CONSOLIDATED ANNUAL REPORT
SD Worx Holding NV

**REPORT OF THE BOARD OF DIRECTORS TO THE GENERAL ASSEMBLY OF SHAREHOLDERS
OF 7 JUNE 2019.**

In accordance with Article 119 of the Belgian Company Code, we have the honour of presenting a report on the activities of our consolidated company, SD Worx Holding NV ('the Group'), as of 31 December 2018.

1. Overview of activities and impact on the annual account.

a. Accomplishments during the previous financial year.

As a result of the acquisition of VIO Interim and Flexpoint Group, the Group has been active in the growing market of flexible labour. In addition to payroll and HR consultancy, the organisation now provides services relating to temporary work, secondment, recruitment & selection, career guidance, outplacement and specific payroll for temps.

A 40% minority interest was acquired in the French start-up company GlobePayroll SAS through subsidiary SD Worx Group NV. Prottime NV acquired Innovate-IT BVBA (Onlinewerkrooster) in August 2018.

Turnover amounted to EUR 594.4 million in 2018, representing an increase of EUR 148.1 million. The EBITDA (earnings before interest, taxes, depreciation and amortisation) came to EUR 65.7 million. The financial year ended with a loss of EUR -9.1 million, with the Group's share amounting to EUR -8.2 million.

b. Financial statements at the end of the previous financial year.

We have prepared the consolidated financial statements based on the full consolidation method and included it as an annex. According to this method, all balance sheet and income statement items of subsidiaries are consolidated with those of the parent company after eliminating intercompany transactions. Minority interests are listed in a separate code. The equity method is used to account for UwPayroll BVBA, Assusoft NV, Unbox NV and GlobePayroll SAS.

c. Risk factors.

In view of the participations held by SD Worx Holding NV, the risks are not limited solely to its own activities. The risks are concentrated primarily in software, consultancy, HR activities, payroll and interim within an international setting. Key risk factors include the economic climate in the various countries, losses or loss of turnover among key customers, and competition caused by the entry of new players into the market.

In addition to the risks associated with the payroll & HR and staffing market, the Group's performance is subject to the following risks:

Market and strategic risks:

- Risks related to macro-economic trends and more specifically those that have an impact on employment within the domestic markets of SD Worx
- Risks related to Brexit, given that the Group operates in the United Kingdom and manages multiple international contracts that encompass the United Kingdom
- Risks related to the services of third parties, such as the management of our data centres and the processing of our payment traffic and customer funds
- Risks related to cooperation with the Group's main suppliers and the members of the Payroll Services Alliance network
- Risks related to the concentration and distribution of the Group's customer base
- Risks related to the availability of suitable temporary staff in the markets and the Group's ability to attract and retain them
- Risks related to other key contracts, such as the collaboration agreement with SD Worx VZW
- Risks related to the Group's ability to respond to innovation and its ability to commercialise new products, services and features
- Risks related to the Group's strategy, as is outlined by the Board of Directors and the executive management
- Risks related to recent Group takeovers and the Group's ability to integrate these newly acquired assets into the Group

Operational risks:

- Risks related to the Group's ability to attract and retain skilled personnel and skilled senior management
- Risks related to potential interruptions to or faults in the Group's information technology systems
- Risks related to both physical and digital security breaches
- Risks related to the processing of personal and sensitive information and the GDPR guidelines as adopted by the European Union
- Risks associated with Group insurance contracts
- Risks related to operating within an international environment and in different countries
- Risks related to retaining and receiving the correct approvals, labels, licences, permits and certificates. By way of example, we refer to the Group's staffing licences and the requisite ISAE and ISO certificates
- Risks related to the Group's perception in the market

Legal risks:

- Risks related to amendments to legislation
- Risks related to the protection of brand names, patents, domain names and other intellectual properties
- Risks related to claims and costs associated with employment both of our own employees and of temporary workers
- Risks related to claims regarding compliance with legal or contractual obligations
- Risks related to current and future lawsuits and other litigations
- Risks related to taxes in terms of legislative amendments and risks related to tax audits in various jurisdictions

Financial risks:

- Risks related to the Group's financial performances and its ability to pay back its debts
- Risks related to the credit risk of counterparties, and primarily the credit risk of customers and suppliers
- Risks related to working with foreign currencies; for example, the Group has subsidiaries in the United Kingdom and Mauritius and is therefore exposed to an exchange rate risk on the GBP and MUR currencies. The Group is also exposed to exchange rate risks within the scope of its international contracts and cooperation with the Payroll Services Alliance network
- Risks related to the interest risk on the Group's financial debts
- Risks related to the Group's pension obligations and, more specifically, the defined benefit pension plans that exist within the Group. Moreover, there is a legally guaranteed minimum on defined contribution pension plans in Belgium, the Group's primary domestic market
- Risks related to the Group's financial reporting, such as the ability of its financial and operational systems to process and provide adequate information, and the embedding of satisfactory internal controls

SD Worx Holding strives to manage the above risks as well as possible by incorporating supervisory bodies, a robust corporate governance structure and internal controls. As far as possible, the Group concludes insurance policies, develops adequate financing structures and acquires interest coverage where necessary. Legal, contractual, credit and insurance risks are assessed by means of the requisite risk analyses as much as possible.

2. Events after the end of the financial year.

VIO Interim and Flexpoint Group will be integrated in the first half of the year and subsequently operate under the name SD Worx Staffing & Career Solutions. As of 1 February 2019, the minority shareholders in SD Worx Staffing & Career Solutions – Holding NV have been acquired, as a result SD Worx Holding has 100% control over these shares as from this date.

No other important events occurred after the balance sheet date.

3. Circumstances that could have a significant impact on the development of the consolidated company.

We hereby refer to the points set out in the risk factors.

4. Research and development activities.

Research and development activities are ongoing at the various companies belonging to SD Worx Holding. The primary activities include: developments relating to payroll software at SD Worx Belgium NV, Innovation Lab and the development of an international platform (SD Connect) that connects various national payroll engines used within SD Worx Group NV.

The Group is also continuing to invest in the development of its payroll engines in its various domestic markets, as well as in the development of an Online Talent Platform.

5. Conflicts of interest on the part of the directors.

With reference to the minutes of the Board of Directors' meeting on 4 June 2018 and in accordance with Article 523 of the Belgian Company Code, each director has declared to the other directors in their own name that they may have a proprietary interest that is in conflict with the decisions made by the Board of Directors regarding the following potential conflict of interest:

- (i) the proposed exchange offer that the Company will address to the beneficiaries of the 2017 share purchase scheme, and
- (ii) the new plan for the purchase of certificates from 2018 and the plan to allocate certificates.

Following the 2017 share purchase scheme, a number of beneficiaries are currently direct shareholders of SD Worx Group NV. The proposed exchange offer to the beneficiaries would enable the beneficiaries to exchange their shares in SD Worx Group NV for certificates that represent the economic rights linked to newly issued company shares (in a one-to-one exchange ratio). These certificates would be issued by HR Worx Holding NV in the course of formation (the future parent company of the Company) without the participation of the Company. The directors are also beneficiaries of the 2017 share purchase scheme, meaning that the exchange offer would also be put to them. It is also proposed that the Company should issue a new purchase plan for certificates and an allocation plan for 2018. The directors would also be beneficiaries under this heading.

The directors are of the opinion that this potential conflict of interest is justified by the fact that it is in the interest of the Company and its subsidiaries (the SDW Group) that

- (i) the beneficiaries of the 2017 share purchase scheme, including the directors, would exchange their shares in SD Worx Group NV for certificates representing shares in the Company, for all the reasons stated in the formal exchange offer, and
- (ii) the members of senior management and the Board of Directors are encouraged properly by enabling them to become indirect shareholders of SDW Holding/Group, which should benefit their involvement and therefore the SDW Group on the whole.

6. Use of financial instruments.

The assets are held in discretionary portfolios.

The Group uses financial instruments to hedge its interest rate risk on its bank debts.

25 March 2019,

On behalf of the directors,

BVBA GINKGO Associates with permanent representative
Filip Dierckx, Chairman of the Board of Directors:

Steven Van Hoorebeke, director:

Additional note to Conso 5.6 concerning deferred taxes representing assets (code 292)

On temporary differences	6.950
On tax credits and tax losses carried forward	<u>3.821</u>
	10.770

Additional note to Conso 5.12 concerning consolidation differences

SD Worx acquires businesses to create long term synergies, advantages of scale or other competitive advantages, which are, amongst others:

- The possibility to offer both fixed as permanent employment to customers, which means a broadening of the SD Worx service offering;
- the integration of backoffice functions (HR, finance, marketing, legal, internal audit, operational management and IT);
- centralizing procurement functions to benefit from a stronger negotiation position and higher volume discounts;
- The possibility to offer services in multiple countries, which means that SD Worx can offer its customers an international service package;
- The possibility to offer services in multiple regions within a country, which means SD Worx can service its customers in different regions and provinces;
- Centralizing IT services and IT platforms across multiple countries;
- The integration of overlapping branches to decrease rent and other operating expenses;
- Attracting and acquiring qualified personnel, management and directors.

In principle, these synergies and advantages of scale have an indefinite useful life.

Additionally, consolidation goodwill expresses the value of:

- Acquired customer relations and service contracts: of which the useful life in the payroll & HR sector (SD Worx Group) is on average longer than 10 years and of which the useful life in the staffing sector (SD Worx Staffing & Career Solutions) amounts to an average between 4 and 7 years, depending on the size of the customer.
- Intellectual property rights on brand names (e.g. Prottime or Easymatch) and software, such as payroll engines, planning & workforce management systems, core HR platforms and websites/platforms that support the recruitment of temporary workforces. The useful life of these intellectual property rights is between 3 and 5 years.

Positive consolidation differences are amortized in their entirety over a period of 10 years, as from the acquisition date.

SD Worx Holding is the parent entity of the SD Worx group, which consists of 2 sub-groups: SD Worx Group and SD Worx Staffing & Career Solutions Group:

- SD Worx Group provides payroll and HR services
- SD Worx Staffing & Career Solutions was created as a result of the Vio and Flexpoint acquisitions and provides services in the areas of flexible and temporary employment

Below, you will find the movement schedule of the positive consolidation differences:

	Total			Full consolidation method			Equity method		
	SD Group	SDW S&CS	SD Holding conso	SD Group	SDW S&CS	SD Holding conso	SD Group	SDW S&CS	SD Holding conso
OBS 01/01/2017	174.234	0	174.234	172.313	0	172.313	1.921	0	1.921
Acquisitions 2017	0	0	0	0	0	0	0	0	0
Amortizations 2017	-19.068	0	-19.068	-18.693	0	-18.693	-374	0	-374
CTA	-1.894	0	-1.894	-1.894	0	-1.894	0	0	0
CBS 31/12/2017	153.272	0	153.272	151.726	0	151.726	1.547	0	1.547
Acquisitions 2018	3.525	135.740	139.265	2.556	135.740	138.296	969	0	969
Amortizations 2018	-18.994	-9.343	-28.336	-18.952	-9.343	-28.295	-42	0	-42
Impairment 2018	-1.002	0	-1.002	0	0	0	-1.002	0	-1.002
CTA	-397	0	-397	-397	0	-397	0	0	0
CBS 31/12/2018	136.405	126.397	262.802	134.933	126.397	261.330	1.472	0	1.472

The consolidation goodwill per 1 January 2017 of the SD Worx Group mainly relates to the acquisitions of SD Worx Germany (FidelisHR), SD Worx UK (Ceridian UK) in 2016 and the consolidation goodwill realized upon the legal restructuring of the SD Worx Group, retroactively per 1 January 2017. As a consequence of the legal restructuring, Private Stichting SD Patrimonium contributed additional assets into the SD Worx Group, including certain branches of activities, which Private Stichting SD Patrimonium had itself acquired from SD Worx VZW. To a lesser extent, the consolidation goodwill per 1 January 2017 relates to the acquisitions of Prottime (in 2010 and 2016) and SD Worx the Netherlands (in 2015 and 2016).

In 2018, the additional consolidation goodwill is a result of the acquisition of the Vio group per February 2018 and the Flexpoint group in September 2018 by SD Worx Staffing & Career Solutions.

De consolidation goodwill on entities accounted for using the equity method per 1 January 2017 are also a consequence of the legal restructuring described above. The additional consolidation goodwill in 2018 is a result of the minority interest acquired in the French startup GlobePayroll.

Additional note to Conso 5.12 regarding impairment losses of tangible and intangible assets**Discount rate**

The discount rate is estimated based on an extensive benchmarking with peers, so as to reflect the return investors would require if they were to choose an investment in the underlying assets.

The weighted average cost of capital (WACC) used to discount future cash flows was set at:

- 9,68% for SD Worx Group NV (9,89% in 2017)

- 10,10% for SD Worx Staffing & Career Solutions (n/a in 2017, was acquired during 2018)

Long term growth rate

In 2018 the long-term growth rate was set at 1,99%. In 2017 at 1,98%.

The growth rates are consistent with the long-term average market growth rates in which SD Worx operates.

Impairment losses

In 2018 and 2017, no impairments were recorded on fully consolidated assets, as the impairment tests showed that the estimated recoverable amount of the consolidated assets were higher or equal to their carrying amounts.

The headroom on the impairment tests is sensitive to changes in the discount rate and long term growth rate. In the overview below you will find a sensitivity analysis with regard to both parameters.

	SD Worx Group		SD Worx Staffing & Career Solutions	
	Assumptions:			
	Discount rate	9,68%	10,10%	
	Long term growth rate	1,99%	1,99%	
Amounts in € 000 000		Impact on operating value	Impact on operating value	New headroom
Sensitivity analysis: discount rate -0,5%		43,6	448,3	10,6
Sensitivity analysis: discount rate +0,5%		-38,2	366,5	-9,4
Sensitivity analysis: long term growth rate -1,0%		-55,9	348,9	-12,9
Sensitivity analysis: long term growth rate +1,0%		72,6	477,3	16,4
				23,2
				3,2
				-0,2
				29,0

Additional note to Conso 5.13 concerning transferred receivables

The carrying amounts of the trade receivables include receivables which are subject to a factoring arrangement. Under this arrangement, the Group has transferred the relevant receivables to the factor in exchange for cash. The transferred receivables are therefore prevented from selling or pledging. However, the Group has retained late payment and credit risk (recourse factoring). The Group therefore continues to recognise the transferred assets in their entirety in its balance sheet. The amount repayable under the factoring agreement is presented as secured borrowing. The Group remains measuring the transferred receivables at nominal value.

Overview transferred receivables	2018	2017
Transferred receivables	2.971	0
Repayable debts that relate to transferred receivables	-2.971	0

Additional note to Conso 5.15 regarding pension obligations according to the "projected unit credit"-method
(in Keur)

	Plan with net defined asset	Plan with net defined liability
Defined benefit obligation at end of year	47.633	141.959
Fair value of plan assets at end of year	57.423	107.770
Funded status	(9.791)	34.189
Net Defined Benefit Liability (Asset) at end of prior year	(10.431)	33.633
Service cost	49	6.274
Interest expense	1.374	2.413
Interest income	(1.646)	(1.921)
Experience adjustments	784	(965)
- Experience adjustments in the DBO reconciliation	(2.220)	(613)
- Experience adjustments in the assets' reconciliation	3.004	(352)
Total employers' contributions	0	(5.304)
Other	79	59
Net Defined Benefit Liability (Asset) at end of year	(9.790)	34.189

Overview main IAS 19 assumptions	Belgium	Germany	UK
- Discount rate	1,80%	1,90%	2,90%
- Salary increase (including inflation)	3,30%	3,00%	3,20%

* The DC plans in Belgium are not included in the table above, since no material underfunding was noted.

Reconciliation with code 160

- Net Defined Benefit Liability of pension obligations at the end of the period	(34.189)
- Other employee benefits	(2.842)
	(37.031)

Reconciliation with code 291

- Net Defined Benefit Asset of pension obligations at the end of the period	(9.790)
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Additional note to Conso 5.18 regarding the fair value of financial assets, liabilities and instruments valued at cost

	2018		2017	
	Book value	Fair value	Book value	Fair value
Financial fixed assets				
Companies accounted for using the equity method				
Amounts receivable	1.600	1.600	0	0
Other enterprises				
Participating interests and shares	12	12	0	0
Amounts receivable	925	925	0	0
Amounts receivable after more than one year				
Trade debtors	200	200	2.000	2.000
Other amounts receivable	9.790	9.790	10.408	10.408
Interest rate cap	331	250	0	0
Amounts receivable within one year				
Trade debtors and other amounts receivable	144.443	144.443	87.349	87.349
Current investments and cash at bank and in hand				
Current investments	59.950	60.798	172.310	174.388
Own cash at the bank and in hand	83.863	83.863	71.862	71.862
Customer funds	6.106	6.106	3.443	3.443
Total financial assets and financial instruments	307.220	307.986	347.372	349.450
Amounts payable after more than one year				
Credit institutions	48.437	48.437	17.526	17.526
Interest Rate Swap - Vio acquisition financing	0	39	0	0
Amounts payable within one year				
Subordinated loans	2.296	2.296	0	0
Credit institutions	7.995	7.995	11.044	11.044
Factoring	2.971	2.971	0	0
Trade debts and other amounts payable within one year	124.321	124.321	93.775	93.775
Customer funds payables	6.106	6.106	3.443	3.443
Total financial liabilities and financial instruments	649.265	650.918	720.775	724.930

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