

## IMPORTANT NOTICE

**FOR DISTRIBUTION ONLY OUTSIDE THE UNITED STATES TO PERSONS OTHER THAN "U.S. PERSONS" (AS DEFINED IN REGULATION S OF THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE SECURITIES ACT). NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION IN OR INTO, OR TO ANY PERSON LOCATED OR RESIDENT IN, ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO RELEASE, PUBLISH OR DISTRIBUTE THIS DOCUMENT.**

**IMPORTANT:** The Consent Solicitation Memorandum following this page (the **Consent Solicitation Memorandum**), is made available by Elia System Operator SA/NV (the **Existing Issuer** or **Elia Group**) to all holders of the Notes (as defined below), subject to each such holder providing confirmation to the Existing Issuer that, among other things, such holder is not a U.S. person (as defined in Regulation S under the Securities Act) (a **U.S. person**) and is not acting for the account or benefit of any U.S. person, and that such holder is not located or resident in the United States. Only holders who have provided such confirmation are authorised to receive or review the Consent Solicitation Memorandum or to participate in the Consent Solicitation (as defined in the Consent Solicitation Memorandum) made thereby.

**NOTHING IN THE CONSENT SOLICITATION MEMORANDUM OR THE ELECTRONIC TRANSMISSION THEREOF CONSTITUTES OR CONTEMPLATES AN OFFER OF, AN OFFER TO PURCHASE OR THE SOLICITATION OF AN OFFER TO SELL SECURITIES IN THE UNITED STATES OR ANY OTHER JURISDICTION. THE NOTES (AS DEFINED BELOW) HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE SECURITIES ACT, OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES, AND THE NOTES MAY NOT BE OFFERED, SOLD OR DELIVERED, DIRECTLY OR INDIRECTLY, 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 AND APPLICABLE STATE OR LOCAL SECURITIES LAWS.**

**THE CONSENT SOLICITATION MEMORANDUM MAY NOT BE FORWARDED OR DISTRIBUTED, IN WHOLE OR IN PART, TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THE CONSENT SOLICITATION MEMORANDUM, IN WHOLE OR IN PART, IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS. IF YOU HAVE NOT PROVIDED THE EXISTING ISSUER WITH THE CONFIRMATIONS DESCRIBED ABOVE AND IN THE IMMEDIATELY FOLLOWING PARAGRAPH OR HAVE GAINED ACCESS TO THE CONSENT SOLICITATION MEMORANDUM CONTRARY TO ANY OF THE FOREGOING RESTRICTIONS, YOU ARE NOT AUTHORISED TO PARTICIPATE IN THE CONSENT SOLICITATION DESCRIBED IN THE CONSENT SOLICITATION MEMORANDUM.**

**Confirmation of your Representation:** In order to participate in the Consent Solicitation (as defined in the Consent Solicitation Memorandum), you must be (1) a person other than a U.S. person, (2) located and resident outside the United States and (3) otherwise a person to whom the Consent Solicitation can be lawfully made. The Consent Solicitation Memorandum was sent at your request and you have represented to BNP Paribas, Citigroup Global Markets Limited, J.P. Morgan Securities plc and NatWest Markets Plc (together the **Solicitation Agents**), Lucid Issuer Services Limited (the **Tabulation Agent**) and the Existing Issuer that:

- (i) you are a holder or an owner of the notes issued by the Existing Issuer and as more fully described on page 2 of the Consent Solicitation Memorandum (collectively, the **Notes**);
- (ii) you are not a U.S. person, and are not acting for the account or benefit of any U.S. person, and that you are not located or resident in the United States;
- (iii) you are otherwise a person to whom it is lawful to send the Consent Solicitation Memorandum; and
- (iv) you consent to delivery of the Consent Solicitation Memorandum by electronic transmission to you.

The Consent Solicitation Memorandum has been sent or otherwise made available to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of the Existing Issuer, the Solicitation Agents and the Tabulation Agent or any person who controls, or any director, officer, employee, agent or affiliate of, any such person accepts any liability or responsibility whatsoever in respect of any difference between the Consent Solicitation Memorandum distributed to you in electronic format and the hard copy version available to you on request from the Tabulation Agent.

You are otherwise reminded that the Consent Solicitation Memorandum has been delivered to you on the basis that you are a person into whose possession the Consent Solicitation Memorandum may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located or resident and you may not, nor are you authorised to, deliver the Consent Solicitation Memorandum to any other person.

**The distribution of the Consent Solicitation Memorandum in certain jurisdictions may be restricted by law, and persons into whose possession the Consent Solicitation Memorandum comes are required to inform themselves about, and to observe, any such restrictions.**

FOR DISTRIBUTION ONLY OUTSIDE THE UNITED STATES TO PERSONS OTHER THAN "U.S. PERSONS" (AS DEFINED IN REGULATION S OF THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE SECURITIES ACT). NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION IN OR INTO, OR TO ANY PERSON LOCATED OR RESIDENT IN, ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO RELEASE, PUBLISH OR DISTRIBUTE THIS DOCUMENT.

CONSENT SOLICITATION MEMORANDUM dated 8 October 2019

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

Invitations by



**Elia System Operator SA/NV**

*incorporated with limited liability (naamloze vennootschap/société anonyme) in the Kingdom of Belgium*  
*Enterprise number 0476.388.378 – RPR Brussels*  
(the **Existing Issuer** or **Elia Group**)

to certain eligible holders of its outstanding notes described in the table on  
page 2 of this Consent Solicitation Memorandum

(together the **Notes** and each series of the Notes a **Series**)

to consent to (i) the substitution of Elia Transmission Belgium SA/NV (the **New Issuer** or **Elia Transmission Belgium**) in place of the Existing Issuer as issuer and principal debtor in respect of the relevant Series on the Issuer Substitution Date (as defined herein), (ii) the giving of a temporary guarantee by the Existing Issuer in respect of the New Issuer's obligations under the relevant Series upon such substitution until the TSO Designation Date (as defined herein), and (iii) certain consequential changes to, and waivers of, the terms and conditions of, and other documents relating to, the relevant Series, as proposed by the Existing Issuer (each a **Proposal** and together the **Proposals**) for approval by an Extraordinary Resolution at a separate meeting (including any adjourned such meeting) of the holders of each such Series (each a **Meeting** and together the **Meetings**), all as further described and subject to the terms set out in this Consent Solicitation Memorandum

(such separate invitations together the **Consent Solicitation**)

Each Meeting is to be held on 30 October 2019 at the offices of the Existing Issuer at Keizerslaan 20, Brussels 1000, Belgium. The initial Meeting (in respect of the 2024 Notes) will commence at 11.00 a.m. (Brussels time) on 30 October 2019, with subsequent Meetings in respect of each other Series (in the order each Series is listed in the table on page 2 of this Consent Solicitation Memorandum) being held at 5 minute intervals thereafter or after the completion of the preceding Meeting (whichever is later).

The deadline for receipt by the Tabulation Agent of a valid Block Voting Instruction (or, if the relevant Eligible Noteholder wishes to be present or represented at the relevant Meeting other than by way of a Block Voting Instruction, a Meeting Notification together with the relevant Voting Certificate) from any Eligible Noteholder wishing to vote in respect of the relevant Extraordinary Resolution and be eligible to receive the Early Participation Fee (being 0.10 per cent. of the nominal amount of the Notes in respect of which such Eligible Noteholder has voted) is 5.00 p.m. (Brussels time) on 16 October 2019 (such time and date with respect to each relevant Series, as the same may be extended, the **Early Participation Deadline**), all as further described herein.

An Eligible Noteholder will only be eligible to receive the Early Participation Fee if the relevant Extraordinary Resolution is passed, the other Consent Conditions (as described herein) are satisfied, the Payment Condition (as described herein) is satisfied (or waived), and subject to the relevant Block Voting Instruction or Meeting Notification (together with the relevant Voting Certificate), as the case may be, being received by the Tabulation Agent before the Early Participation Deadline and not having been subsequently revoked. In the event that an adjourned Meeting is to be held, such Eligible Noteholder will only be eligible to receive the Early Participation Fee if the relevant Extraordinary Resolution is passed at such adjourned Meeting and the other Consent Conditions are satisfied (including, where applicable, the homologation of such Extraordinary Resolution by the Court of Appeal of Brussels), and the Payment Condition is satisfied (or waived). In the event that any Extraordinary Resolution is passed at an adjourned Meeting by a majority representing less than one-third of the outstanding nominal amount of the relevant Series, such Extraordinary Resolution must be homologated by the Court of Appeal of Brussels.

The Consent Solicitation expires at 5.00 p.m. (Brussels time) on 24 October 2019 (such time and date with respect to each relevant Series, as the same may be extended, the **Expiration Deadline**). Eligible Noteholders may continue to submit **Block Voting Instructions** and/or **Meeting Notifications** (together with the relevant Voting Certificates), as applicable, up to the **Expiration Deadline**, but any Noteholder from whom a valid Block Voting Instruction or Meeting Notification (together with the relevant Voting Certificate), as the case may be, is received by the Tabulation Agent after the **Early Participation Deadline** will not be eligible to receive the **Early Participation Fee**.

The deadlines set by any intermediary or the Clearing System will be earlier than the deadlines set out in this Consent Solicitation Memorandum.

*Solicitation Agents*

**BNP PARIBAS**

**CITIGROUP**

**J.P. MORGAN**

**NATWEST  
MARKETS**

## THE NOTES

Description of the Notes	ISIN / Common Code	Outstanding nominal amount	Minimum Denomination	Early Participation Fee per €100,000 in nominal amount of the relevant Notes
€500,000,000 1.375 per cent. Fixed Rate Notes due 27 May 2024 (the <b>2024 Notes</b> )	BE0002239086 / 1321648905	€500,000,000	€100,000	€100
€500,000,000 1.375 per cent. Fixed Rate Notes due 14 January 2026 (the <b>2026 Notes</b> )	BE0002629104 / 193513832	€500,000,000	€100,000	€100
€250,000,000 1.375 per cent. Fixed Rate Notes due 7 April 2027 (the <b>2027 Notes</b> )	BE0002276450 / 159337642	€250,000,000	€100,000	€100
€550,000,000 3.25 per cent. Fixed Rate Notes due 4 April 2028 (the <b>2028 Notes</b> )	BE0002432079 / 091170175	€550,000,000	€100,000	€100
€350,000,000 3 per cent. Fixed Rate Notes due 7 April 2029 (the <b>2029 Notes</b> )	BE0002466416 / 105416385	€350,000,000	€100,000	€100
€200,000,000 3.5 per cent. Fixed Rate Notes due 4 April 2033 (the <b>2033 Notes</b> )	BE0002433085 / 091205793	€200,000,000	€100,000	€100

**This Consent Solicitation Memorandum contains important information which should be read carefully before any decision is made with respect to the Consent Solicitation. If any Noteholder is in any doubt as to the action it should take or is unsure of the impact of the implementation of any Extraordinary Resolution, it is recommended to seek its own financial and legal advice, including in respect of any tax consequences, immediately from its broker, bank manager, solicitor, accountant or other independent financial, tax or legal adviser. Any individual or company whose Notes are held on its behalf by a broker, dealer, bank, custodian, trust company or other nominee or intermediary must contact such entity if it wishes to participate in the Consent Solicitation or otherwise participate at any Meeting.**

**None of BNP Paribas, Citigroup Global Markets Limited, J.P. Morgan Securities plc and NatWest Markets Plc (together the Solicitation Agents), Lucid Issuer Services Limited (the Tabulation Agent) and the Existing Issuer expresses any opinion about the terms of the Consent Solicitation or the Extraordinary Resolutions or makes any recommendation whether Noteholders should participate in the Consent Solicitation or otherwise participate at the Meeting(s) applicable to them.**

## CONSENT SOLICITATION AND PROPOSALS

The Consent Solicitation is made on the terms and subject to the conditions contained in this Consent Solicitation Memorandum. Capitalised terms used in this Consent Solicitation Memorandum have the meaning given in "Definitions" and any other definitions of such terms are for ease of reference only and shall not affect their interpretation.

*Before making a decision on whether to participate in the Consent Solicitation or otherwise participate at the Meeting(s) applicable to them, Eligible Noteholders should carefully consider all of the information in this Consent Solicitation Memorandum and, in particular, the considerations described in "Certain Considerations Relating to the Consent Solicitation" on pages 39 to 41.*

Further information in relation to the Existing Issuer, the New Issuer and the Consent Solicitation is contained in the presentation entitled "Investor Presentation October 2019" prepared by the Existing Issuer (the **Investor Presentation**). The Investor Presentation is available to Eligible Noteholders at <https://www.netroadshow.com/nrs/home/#!/?show=26eaacf3> and is incorporated by reference into, and shall form part of, this Consent Solicitation Memorandum.

### Key Terms and Conditions of the Consent Solicitation and Proposals

The Existing Issuer is convening separate Meetings in respect of each Series for the holders of Notes of such Series to consider and, if thought fit, approve, by an Extraordinary Resolution:

- (i) the substitution of the New Issuer on the date the Reorganisation occurs (the **Issuer Substitution Date**) in place of the Existing Issuer as issuer and principal debtor in respect of such Series and (save as set out in (ii) below) the release of the Existing Issuer from all its obligations under such Series (the **Issuer Substitution**);
- (ii) if the TSO Designation Date (as defined below) does not occur on or prior to the Issuer Substitution Date, the giving of a temporary guarantee (the **Guarantee**) by the Existing Issuer in respect of the New Issuer's obligations under the Notes of such Series from the Issuer Substitution Date until the TSO Designation Date; and
- (iii) certain consequential amendments to, and waivers of, the Conditions of such Series and the relevant Agency Agreement,

in each case subject to satisfaction of the Eligibility Condition and the other Consent Conditions (each as defined below), and all as further described in this Consent Solicitation Memorandum and as more fully set out in the draft Supplemental Agency Agreement, Amended and Restated Final Terms and Guarantee in respect of each Series, copies of which are available from the Tabulation Agent upon request, the contact details for which are on the last page of this Consent Solicitation Memorandum.

The **TSO Designation Date** (as referred to in the paragraph above) means the date at which, following the New Issuer being designated as the national TSO (as defined below) in Belgium by the federal Energy Minister and as regional or local TSO in each of the three Belgian Regions by the competent regional authorities, the New Issuer delivers to the Agent a written notice signed by an authorised signatory of the New Issuer confirming that:

- (a) the New Issuer has been, and is continuing to be, designated as the national transmission system operator (**TSO**) in Belgium by the federal Energy Minister and as a regional or local TSO in each of the three Belgian Regions by the competent regional authorities;

- (b) the New Issuer has received all other licences, permits, authorisations, consents, approvals, certificates, registrations and orders from all government and regional agencies that are necessary for it to conduct its businesses in accordance with applicable laws and regulations;
- (c) none of the events referred to in Condition 9 (*Events of Default*) has occurred and is continuing; and
- (d) there are no outstanding payments due under the applicable Guarantee.

For the avoidance of doubt, upon the giving of the notice referred to above by the New Issuer to the Agent on the TSO Designation Date the Guarantee in respect of the relevant Series shall automatically be terminated and the Existing Issuer will be released from all obligations under such Guarantee without the need for any further approval from the Agent or the Noteholders of such Series.

In addition, each Noteholder who is (a) located and resident outside the United States and not a U.S. person (as defined in Regulation S under the Securities Act) and (b) otherwise a person to whom the Consent Solicitation can be lawfully made and that may lawfully participate in the Consent Solicitation (each an **Eligible Noteholder** and together the **Eligible Noteholders**), and who participates in the Consent Solicitation by the Early Participation Deadline may be eligible for an Early Participation Fee, as further described herein.

The Consent Solicitation commences on the date of this Consent Solicitation Memorandum.

The deadline for receipt by the Tabulation Agent of a Block Voting Instruction (or, if the relevant Eligible Noteholder wishes to be present or represented at the relevant Meeting other than by way of a Block Voting Instruction, a Meeting Notification together with the relevant Voting Certificate) from any Eligible Noteholder wishing to vote in respect of the relevant Extraordinary Resolution is 5.00 p.m. (Brussels time) on 24 October 2019 (such time and date with respect to each relevant Series, as the same may be extended, the **Expiration Deadline**).

#### *Early Participation Fee*

Each Eligible Noteholder from whom or on behalf of whom a valid Block Voting Instruction (or, if the relevant Eligible Noteholder wishes to be present or represented at the relevant Meeting other than by way of a Block Voting Instruction or a Meeting Notification together with the relevant Voting Certificate) in respect of the relevant Extraordinary Resolution is received by the Tabulation Agent by 5.00 p.m. (Brussels time) on 16 October 2019 (such time and date with respect to each relevant Series, as the same may be extended, the **Early Participation Deadline**) and who has, in the case of a Meeting Notification, effectively voted at the relevant Meeting on the relevant Extraordinary Resolution in person or through its representative will be eligible to receive payment of an amount equal to 0.10 per cent. of the nominal amount of the Notes in respect of which such Eligible Noteholder has so validly voted (the **Early Participation Fee**), subject to the relevant Extraordinary Resolution being passed at the relevant Meeting or the related adjourned Meeting or after having been homologated by the Court of Appeal of Brussels (as applicable), and subject to the Block Voting Instruction or the Meeting Notification (together with the relevant Voting Certificate) not having been revoked.

Eligible Noteholders may continue to submit Block Voting Instructions (or, if applicable, Meeting Notifications together with the relevant Voting Certificates) after the Early Participation Deadline and up to the Expiration Deadline but such Eligible Noteholders will not be eligible to receive the Early Participation Fee.

Payment of the Early Participation Fee in respect of a Series is conditional on the Consent Conditions and the Payment Condition (as defined below) for that Series being satisfied (or, in the case of the Payment Condition, waived), and otherwise as set out under "*Early Participation Fee*" below, and will (if applicable) be paid by, or on behalf of, the Existing Issuer to the relevant Eligible Noteholders by no later than the date (in respect of each Series, the **Payment Date**) which is the third Business Day immediately following (i) the relevant Meeting or, if applicable, adjourned Meeting, or (ii) where the relevant Extraordinary Resolution requires homologation because it was approved at an adjourned Meeting by a majority representing less than one-third of the outstanding nominal amount of the relevant Series, the date of the relevant decision from the Court of Appeal of Brussels (or, where applicable, any later date that the Payment Condition is satisfied (or waived)).

#### *Consent Conditions*

The implementation of each Proposal in respect of a Series and the related Extraordinary Resolution will be conditional on:

- (a) the passing of the relevant Extraordinary Resolution and, if the relevant Extraordinary Resolution is passed at an adjourned Meeting by a majority representing less than one-third of the outstanding nominal amount of the relevant Series, homologation of the relevant Extraordinary Resolution by the Court of Appeal of Brussels;

- (b) the Consent Solicitation not having been terminated in accordance with the provisions for such termination set out under "*Amendment and Termination*"; and
- (c) the quorum required for, and the requisite majority of votes cast at, the relevant Meeting being satisfied by Eligible Noteholders, irrespective of any participation at the relevant Meeting by Ineligible Noteholders (and would also have been so satisfied if any Ineligible Noteholders who provide confirmation only of their status as Ineligible Noteholders and waive their right to attend and vote (or be represented) at the relevant Meeting had actually participated at such Meeting), including the satisfaction of such condition at an adjourned Meeting as described in "*Meetings*" below (the **Eligibility Condition**),

(together, the **Consent Conditions**).

#### *Payment Condition and inter-conditionality between Extraordinary Resolutions*

In addition to the Consent Conditions, payment of the Early Participation Fee in respect of any Series (if applicable) will also be conditional on (i) the Extraordinary Resolution in respect of each other Series and (ii) the extraordinary resolution in respect of the EUR 300 million 1.50 per cent. senior bonds due 5 September 2028 of the Existing Issuer (the **senior bonds**) allocated to unregulated activities and regulated activities carried out abroad which are the subject of a separate consent exercise announced by the Existing Issuer on or around the date of this Consent Solicitation Memorandum (see "*Background to the Proposals*") being passed (and, in each case, if applicable, homologated by the Court of Appeal of Brussels) and otherwise becoming unconditional (in respect of each Series, the **Payment Condition**), subject to the right of the Existing Issuer to waive, in its sole and absolute discretion, the Payment Condition in relation to any Series.

Although the Payment Condition contemplates that the Existing Issuer will not implement any Extraordinary Resolution passed at the relevant Meeting (and, if applicable, homologated by the Court of Appeal of Brussels) if (i) the Extraordinary Resolution in respect of each other Series and (ii) the extraordinary resolution in respect of the senior bonds are not also passed (and, if applicable, homologated by the Court of Appeal of Brussels), the Existing Issuer reserves the right, in its sole and absolute discretion, to implement one or more Extraordinary Resolutions and/or the extraordinary resolution in respect of the senior bonds notwithstanding that one or more of the Extraordinary Resolutions in respect of each other Series and/or the extraordinary resolution in respect of the senior bonds, as applicable, are not also passed (and, if applicable, in each case homologated by the Court of Appeal of Brussels) and otherwise become unconditional. The Existing Issuer will however only implement the Extraordinary Resolution in respect of a Series in circumstances in which the Early Participation Fee and the Ineligible Noteholder Payment (as defined in the Convocation Memorandum) will be paid to the relevant Eligible Noteholders or Ineligible Noteholders eligible for such payments, as applicable, of such Series.

The Existing Issuer will announce (i) the results of each Meeting and (ii) if any Extraordinary Resolution is passed, whether the Consent Conditions relating to that Extraordinary Resolution have been satisfied and whether the Payment Condition relating to that Extraordinary Resolution has been satisfied (or waived), as soon as reasonably practicable after the relevant Meeting (and in any event within 14 days of the conclusion of the relevant Meeting or, if applicable, homologation by the Court of Appeal of Brussels) and following such satisfaction. See "*The Proposals and Terms and Conditions - Announcements*".

Further information in relation to the Consent Solicitation and the Proposals is set out under "*Background to the Proposals*" and "*The Proposals and Terms and Conditions*".

#### **Early Participation Fee**

To be eligible to receive the Early Participation Fee, any Eligible Noteholder who submits a Block Voting Instruction must not attend, or seek to attend, the relevant Meeting in person or make any other arrangements to be represented at the relevant Meeting (other than by way of its Block Voting Instruction). Any Eligible Noteholder who wishes to attend and vote at the relevant Meeting in person or to make other arrangements to be represented or to vote at the relevant Meeting may do so by submitting a Meeting Notification (together with the relevant Voting Certificate) and will, if such Meeting Notification (together with the relevant Voting Certificate) is received by the Tabulation Agent by the Early Participation Deadline and provided the relevant Eligible Noteholder has effectively voted at the relevant Meeting on the relevant Extraordinary Resolution in person or through its representative, be eligible to receive the Early Participation Fee.

Eligible Noteholders may also choose (other than by submitting a Block Voting Instruction or a Meeting Notification (together with the relevant Voting Certificate) to the Tabulation Agent by the Expiration Deadline) to attend and vote at the relevant Meeting in person or to make other arrangements to be represented or to vote at the relevant Meeting in accordance with the provisions for meetings of Noteholders set out in Schedule 2 to the relevant Agency Agreement (the **Meeting Provisions**). However, any such Eligible Noteholder will not be eligible to receive the Early Participation Fee.

**Each Block Voting Instruction must include details of the account of the relevant Clearing System Participant to which the Early Participation Fee (if applicable) should be paid for onward payment to the Eligible Noteholder(s) who submitted or instructed the submission of the relevant Block Voting Instruction. Each Meeting Notification must include details of the account of the Eligible Noteholder to which the Early Participation Fee should be paid. Absent such account details being provided in the relevant Block Voting Instruction or Meeting Notification, as applicable, the Early Participation Fee will not be payable to the relevant Clearing System Participant or Noteholder, as applicable.**

## **Meetings**

A convocation (the **Notice**) dated on or around the date of this Consent Solicitation Memorandum convening the Meetings to be held at the offices of the Existing Issuer at Keizerslaan 20, Brussels 1000, Belgium on 30 October 2019 has been given to Noteholders in accordance with the Conditions and the Belgian Company Code on or about the date of this Consent Solicitation Memorandum. In addition, a convocation memorandum (the **Convocation Memorandum**) dated the date of this Consent Solicitation Memorandum has been published on the website of the Existing Issuer in connection with the Notice. The form of the Convocation Memorandum is set out in the Annex 1 to this Consent Solicitation Memorandum.

The initial Meeting (in respect of the 2024 Notes) will commence at 11.00 a.m. (Brussels time), with subsequent Meetings in respect of each other Series (in the order each Series is listed in the table on page 2 of this Consent Solicitation Memorandum) being held at 5 minute intervals thereafter or after the completion of the preceding Meeting (whichever is later).

At each Meeting, Noteholders will be invited to consider and, if thought fit, approve the Extraordinary Resolution relating to the relevant Series, with any implementation of that Extraordinary Resolution being subject to satisfaction of the Eligibility Condition and the other Consent Conditions, all as more fully described below and in the Convocation Memorandum (see "*Annex 1 – Form of Convocation Memorandum of Meetings*").

The quorum required for each initial Meeting to consider the relevant Extraordinary Resolution is one or more persons present being Noteholders, proxies or representatives and holding or representing in aggregate not less than three-quarters of the aggregate nominal amount of the relevant Series for the time being outstanding. To be passed at the relevant Meeting, an Extraordinary Resolution requires a majority in favour consisting of not less than three-quarters of the votes cast at such Meeting. If passed, an Extraordinary Resolution shall be binding on all Noteholders of the relevant Series, whether present or not at the relevant Meeting and whether or not voting.

Both Eligible Noteholders and Ineligible Noteholders attending or otherwise represented and voting at the relevant Meeting will be taken into consideration for the purposes of determining whether the relevant quorum has been satisfied at that Meeting (and any adjourned such Meeting) and/or requisite majority of votes cast in favour of the relevant Extraordinary Resolution. In the event an Extraordinary Resolution is passed but the Eligibility Condition is not satisfied, it is a term of each Extraordinary Resolution that the relevant Meeting shall be adjourned on the same basis as for a Meeting where the necessary quorum is not obtained. In such event, the relevant Extraordinary Resolution shall be proposed again to Noteholders of the relevant Series at such adjourned Meeting for the purposes of determining whether it can be passed irrespective of participation by Ineligible Noteholders at such adjourned Meeting (and would also have been so passed if any Ineligible Noteholders who provide confirmation only of their status as Ineligible Noteholders and waive their right to attend and vote (or be represented) at the relevant Meeting had actually participated at such Meeting) and, if so, the Eligibility Condition will be satisfied on such subsequent passing of such Extraordinary Resolution. The quorum at any such adjourned Meeting will be one or more persons present being Noteholders, proxies or representatives and holding or representing in aggregate not less than one-quarter of the aggregate nominal amount of the relevant Series for the time being outstanding. To be passed at the relevant adjourned Meeting, an Extraordinary Resolution requires a majority in favour consisting of not less than three-quarters of the votes cast at such Meeting.

In addition, in the case of an adjourned Meeting, the relevant Extraordinary Resolution will have to be homologated by the Court of Appeal of Brussels in accordance with the procedure set out in article 574 of the Belgian Company Code if the Extraordinary Resolution is passed by a majority representing less than one-third of the aggregate nominal amount of the outstanding Notes of the relevant Series.

In accordance with the procedures for participating in the Consent Solicitation and at the Meetings (see "*Procedures for Participating in the Consent Solicitation*" and the Convocation Memorandum, as set out in "*Annex 1 – Form of Convocation Memorandum of Meetings*"), each Noteholder must confirm whether or not it is an Eligible Noteholder in order to participate in the Consent Solicitation.

Noteholders should refer to the Convocation Memorandum for full details of the procedures in relation to the Meetings. See "*Annex 1 – Form of Convocation Memorandum of Meetings*" below.

## **Adjourned Meetings**

In the event any Meeting is required to be adjourned (see "*The Proposals and Terms and Conditions - Adjourned Meetings*") the Existing Issuer may, in its sole discretion (but subject to applicable law), extend the Expiration Deadline in respect of the relevant Series, and if the relevant Extraordinary Resolution is passed at the relevant adjourned Meeting and the Consent Conditions and Payment Condition relating to such Extraordinary Resolution satisfied (or, in the case of the Payment Condition, waived), the Payment Date will be no later than the third Business Day immediately following (i) the relevant adjourned Meeting or (ii) where the relevant Extraordinary Resolution required and receives homologation because it was approved at such adjourned Meeting by a majority representing less than one-third of the outstanding nominal amount of the relevant Series, the date of the relevant decision from the Court of Appeal of Brussels (or, where applicable, any later date that the Payment Condition is satisfied (or waived)).

## **Block Voting Instructions**

By submitting a Block Voting Instruction which is received by the Tabulation Agent by the Expiration Deadline, a Noteholder will instruct the Agent to appoint one or more representatives of the Tabulation Agent to attend the relevant Meeting (and any adjourned such Meeting) and vote on the relevant Extraordinary Resolution in respect of the Notes which are the subject of such Block Voting Instruction in the manner specified or identified in such Block Voting Instruction.

It will not be possible to submit a Block Voting Instruction without at the same time giving such instructions to the Agent. In order for an Eligible Noteholder to be eligible to receive the Early Participation Fee, the relevant Block Voting Instruction must be validly submitted in respect of the relevant Extraordinary Resolution so that it is received by the Tabulation Agent prior to the Early Participation Deadline (and is not subsequently revoked).

## **General**

The above provisions relating to Block Voting Instructions and Meeting Notifications do not affect the rights of Noteholders to attend and vote at the relevant Meeting in person or to make other arrangements to be represented or to vote at the relevant Meeting in accordance with the relevant Meeting Provisions. However, such Noteholders will not be eligible to receive the Early Participation Fee.

The Existing Issuer may, at its option and in its sole discretion, extend, or waive any condition of, the Consent Solicitation or any Proposal at any time (other than the Consent Conditions) and may, if the Consent Conditions in respect of the Consent Solicitation are not satisfied, amend or terminate the Consent Solicitation as it applies to any Series (subject in each case to applicable law and the relevant Meeting Provisions and as provided in this Consent Solicitation Memorandum, and provided that no amendment may be made to the terms of the relevant Extraordinary Resolution). Details of any such extension, waiver, amendment or termination will be announced as provided in this Consent Solicitation Memorandum as promptly as practicable after the relevant decision is made. See "*Amendment and Termination*".

*Noteholders are advised to check with any bank, securities broker or other intermediary through which they hold their Notes when such intermediary would need to receive instructions from a Noteholder in order for such Noteholder to participate in, or validly revoke their instruction to participate in, the Consent Solicitation by the deadlines specified in this Consent Solicitation Memorandum. **The deadlines set by any such intermediary and the Clearing System for the submission of, instruction to submit, revocation of and instruction to revoke Block Voting Instructions or to obtain any Voting Certificate will be earlier than the relevant deadlines specified in this Consent Solicitation Memorandum. See "Procedures for Participating in the Consent Solicitation".***

Questions and requests for assistance in connection with (i) the Consent Solicitation may be directed to the Solicitation Agents and (ii) the delivery of Block Voting Instructions or Meeting Notifications may be directed to the Tabulation Agent, the contact details for each of which are on the last page of this Consent Solicitation Memorandum.

**None of the Existing Issuer, the New Issuer, the Solicitation Agents, the Tabulation Agent or the Agent expresses any view on the terms of the Consent Solicitation or any of the Extraordinary Resolutions, and nothing in this Consent Solicitation Memorandum should be construed as a recommendation to Noteholders from the Existing Issuer, the New Issuer, the Solicitation Agents, the Tabulation Agent or the Agent to vote in favour of, or against, the relevant Extraordinary Resolution. By participating in the Consent Solicitation, a Noteholder agrees that (i) none of the Existing Issuer, the New Issuer, the Solicitation Agents, the Tabulation Agent or the Agent expresses any opinion on the merits (or otherwise) of the Consent Solicitation or any Extraordinary Resolution and (ii) none of the Solicitation Agents, the Tabulation Agent or the Agent are responsible for the accuracy, completeness, validity or correctness of the statements made and documents referred to in this Consent Solicitation Memorandum or any omissions from this Consent Solicitation Memorandum.**

## CONTENTS

	<b>Page</b>
THE NOTES.....	2
CONSENT SOLICITATION AND PROPOSALS .....	3
SOLICITATION AND DISTRIBUTION RESTRICTIONS .....	9
GENERAL .....	10
INDICATIVE TIMETABLE .....	12
DEFINITIONS .....	15
BACKGROUND TO THE PROPOSALS .....	21
UNAUDITED PRO FORMA FINANCIAL INFORMATION .....	30
THE PROPOSALS AND TERMS AND CONDITIONS .....	35
CERTAIN CONSIDERATIONS RELATING TO THE CONSENT SOLICITATION.....	39
TAX CONSEQUENCES .....	42
PROCEDURES FOR PARTICIPATING IN THE CONSENT SOLICITATION.....	43
AMENDMENT AND TERMINATION .....	49
SOLICITATION AGENTS AND TABULATION AGENT .....	51
ANNEX 1 FORM OF CONVOCATION MEMORANDUM.....	52
ANNEX 2 FORM OF BLOCK VOTING INSTRUCTION .....	76
ANNEX 3 FORM OF MEETING NOTIFICATION.....	83

## SOLICITATION AND DISTRIBUTION RESTRICTIONS

*This Consent Solicitation Memorandum does not constitute an invitation to participate in the Consent Solicitation in any jurisdiction in which, or to any person to whom, it is unlawful to make such invitation or for there to be such participation under applicable securities laws. The distribution of this Consent Solicitation Memorandum in certain jurisdictions may be restricted by law.*

*Persons into whose possession this Consent Solicitation Memorandum comes are required by each of the Existing Issuer, the Solicitation Agents and the Tabulation Agent to inform themselves about, and to observe, any such restrictions.*

### **United States**

The Consent Solicitation is only being made outside the United States, to persons other than "U.S. persons" (as defined in Regulation S under the Securities Act). Any purported participation in the Consent Solicitation resulting directly or indirectly from a violation of these restrictions will be invalid and any participation in the Consent Solicitation by a person that is located or resident in the United States or that is a U.S. person or by any agent, fiduciary or other intermediary acting on a non-discretionary basis for a owner that is giving instructions from within the United States or that is any U.S. person will not be accepted.

This Consent Solicitation Memorandum is not an offer of securities for sale in the United States or to any U.S. person. Securities may not be offered or sold in the United States absent registration or an exemption from registration. The Notes have not been, and will not be, registered under the Securities Act, or the securities laws of any state or other jurisdiction of the United States, and may not be offered, sold or delivered in the United States or to, or for the account or benefit of, U.S. persons, unless an exemption from the registration requirements of the Securities Act is available.

Each Noteholder participating in the Consent Solicitation will be required to represent that it is not a U.S. person (as defined in Regulation S under the Securities Act), and is not acting for the account or benefit of any U.S. person, and that it is not located or resident in the United States.

For the purpose of this Consent Solicitation Memorandum, **United States** means the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia.

### **General**

Nothing in this Consent Solicitation Memorandum constitutes or contemplates an offer of, an offer to purchase or the solicitation of an offer to sell any security in any jurisdiction and participation in the Consent Solicitation by a Noteholder in any circumstances in which such participation is unlawful will not be accepted.

Without prejudice to the rights of a Noteholder to attend and vote at the relevant Meeting in person or to make other arrangements to be represented or to vote in accordance with the relevant Meeting Provisions (other than by submitting a Block Voting Instruction or a Meeting Notification (together with the relevant Voting Certificate)), each Noteholder participating in the Consent Solicitation will be required to represent that it is an Eligible Noteholder as set out in "*Procedures for Participating in the Consent Solicitation*". Any Block Voting Instruction or Meeting Notification (together with the relevant Voting Certificate), as applicable, from a Noteholder that is unable to make these representations will not be accepted. Each of the Existing Issuer, the Solicitation Agents and the Tabulation Agent reserves the right, in its absolute discretion, to investigate, in relation to any submission of a Block Voting Instruction or Meeting Notification (together with the relevant Voting Certificate), whether any such representation given by a Noteholder is correct and, if such investigation is undertaken and as a result the Existing Issuer determines (for any reason) that such representation is not correct, such Block Voting Instruction or Meeting Notification (together with the relevant Voting Certificate), as applicable, may be rejected at the Existing Issuer's sole discretion.

## GENERAL

The Existing Issuer accepts responsibility for the information contained in this Consent Solicitation Memorandum. To the best of the knowledge and belief of the Existing Issuer (having taken all reasonable care to ensure that such is the case) the information contained in this Consent Solicitation Memorandum is in accordance with the facts and does not omit anything likely to affect the import of such information.

This Consent Solicitation Memorandum is only issued to and directed at Eligible Noteholders for the purposes of the Consent Solicitation. No other person may rely upon its contents, and it should not be relied upon by any Noteholder for any other purpose.

Each Eligible Noteholder is solely responsible for making its own independent appraisal of all matters as such Eligible Noteholder deems appropriate (including those relating to the Consent Solicitation and the relevant Extraordinary Resolution(s)) and each Eligible Noteholder must make its own decision whether to participate in the Consent Solicitation or otherwise participate at the relevant Meeting(s).

The delivery or distribution of this Consent Solicitation Memorandum shall not under any circumstances create any implication that the information contained in this Consent Solicitation Memorandum is correct as of any time subsequent to the date of this Consent Solicitation Memorandum or that there has been no change in the information set out in this Consent Solicitation Memorandum or in the affairs of the Existing Issuer or the New Issuer or that the information in this Consent Solicitation Memorandum has remained accurate and complete. None of the Solicitation Agents, the Tabulation Agent, the Agent or any of their respective agents accepts any responsibility for the information contained in this Consent Solicitation Memorandum.

This Consent Solicitation Memorandum does not constitute a solicitation in any circumstances in which such solicitation is unlawful. No person has been authorised to make any recommendation on behalf of the Existing Issuer, the New Issuer, the Solicitation Agents, the Tabulation Agent or the Agent in respect of this Consent Solicitation Memorandum, the Consent Solicitation or any Extraordinary Resolution. No person has been authorised to give any information, or to make any representation in connection with the Consent Solicitation or any Extraordinary Resolution, other than those contained in this Consent Solicitation Memorandum. If made or given, such recommendation or any such information or representation must not be relied upon as having been authorised by any of the Existing Issuer, the New Issuer, the Solicitation Agents, the Tabulation Agent, the Agent or any of their respective agents.

**None of the Existing Issuer, the New Issuer, the Solicitation Agents, the Tabulation Agent, the Agent or any of their directors, officers, employees or affiliates expresses any opinion on the merits of, or makes any representation or recommendation whatsoever regarding, the Consent Solicitation, any Extraordinary Resolution or this Consent Solicitation Memorandum or makes any recommendation whether Noteholders should participate in the Consent Solicitation or otherwise participate at the relevant Meeting(s). None of the Solicitation Agents, the Tabulation Agent, the Agent or any of their respective directors, officers, employees or affiliates has verified, or assumes any responsibility for the accuracy or completeness of, any of the information concerning the Consent Solicitation, the Extraordinary Resolutions, the Existing Issuer, the New Issuer, the Notes or the factual statements contained in, or the effect or effectiveness of, this Consent Solicitation Memorandum or any other documents referred to in this Consent Solicitation Memorandum or assumes any responsibility for any failure by the Existing Issuer to disclose events that may have occurred and may affect the significance or accuracy of such information or the terms of any amendment (if any) to the Consent Solicitation or the Proposals.**

The Tabulation Agent and the Agent are the agents of the Existing Issuer and owe no duty to any Noteholder.

Unless the context otherwise requires, all references in this Consent Solicitation Memorandum to a **Noteholder** or **holder of Notes** includes:

- (a) each person who is shown in the records of the clearing system operated by the National Bank of Belgium (the **NBB**) or any successor thereto (the **Clearing System**) as a holder of Notes (also referred to as **Clearing System Participants** and each a **Clearing System Participant**), insofar as that person is acting for its own account; and
- (b) each person who is shown as a holder of the Notes in the records of (x) a Clearing System Participant or (y) a recognised accountholder (*teneur de compte agréé/erkende rekeninghouder*) (within the meaning of article 468 of the Belgian Company Code, a **Recognised Accountholder**), insofar as that person is acting for its own account,

except that for the purposes of the payment (where applicable) of the Early Participation Fee to an Eligible Noteholder in connection with a valid Block Voting Instruction, to the extent that the owner of the relevant Notes is not a Clearing System Participant, that Early Participation Fee will only be paid to the relevant Clearing System Participant and the payment of the Early Participation Fee to such Clearing System Participant will satisfy the obligations of the Existing Issuer in respect of that Early Participation Fee.

In this Consent Solicitation Memorandum, references to **euro**, **EUR** and **€** are to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended.

## INDICATIVE TIMETABLE

Set out below is an indicative timetable showing one possible outcome for the timing of the Consent Solicitation, which will depend, among other things, on timely receipt (and non-revocation) of instructions, the rights of the Existing Issuer (where applicable) to extend, waive any condition of, amend and/or terminate the Consent Solicitation (other than the terms of any Extraordinary Resolution) as described in this Consent Solicitation Memorandum and the passing of each Extraordinary Resolution (and satisfaction of the other Consent Conditions) at the initial Meeting for the relevant Series. Accordingly, the actual timetable may differ significantly from the timetable below.

### Event

#### ***Commencement of Consent Solicitation***

Commencement of Consent Solicitation 8 October 2019

Copies of the documents referred to under "General" in the Convocation Memorandum to be available from the Tabulation Agent and for inspection at the specified office of the Agent

#### ***Notice convening each Meeting and Convocation Memorandum***

Notice convening each Meeting (i) published in the Belgian State Gazette, (ii) published in the Belgian newspapers De Tijd and L'Echo, (iii) published on the website of the Existing Issuer and (iv) delivered to the Clearing System for communication to Clearing System Participants On or around 8 October 2019

The Convocation Memorandum (i) published on the website of the Existing Issuer and (ii) delivered to the Clearing System for communication to Clearing System Participants

#### ***Early Participation Deadline***

Deadline for receipt by the Tabulation Agent of (i) valid Block Voting Instructions in respect of the relevant Extraordinary Resolution from Eligible Noteholders and (ii) valid Meeting Notifications (together with the relevant Voting Certificates) from Eligible Noteholders who wish to be present or represented at the relevant Meeting otherwise than by way of a Block Voting Instruction, in each case to be eligible to receive the Early Participation Fee 5.00 p.m. (Brussels time) on 16 October 2019

#### ***Expiration Deadline***

Final deadline for receipt by the Tabulation Agent of (i) valid Block Voting Instructions in respect of the relevant Extraordinary Resolution from Eligible Noteholders and (ii) valid Meeting Notifications (together with the relevant Voting Certificates) from Eligible Noteholders who wish to be present or represented at the relevant Meeting otherwise than by way of a Block Voting Instruction 5.00 p.m. (Brussels time) on 24 October 2019

This will also be the deadline for making any other arrangements to attend or be represented or to vote at any Meeting

However, Eligible Noteholders making such other arrangements, or submitting Block Voting Instructions or Meeting Notifications (together with the relevant Voting Certificates) which are received by the Tabulation Agent, after the Early Participation Deadline will not be eligible to receive the Early Participation Fee

#### ***Meetings***

Meetings to be held at the offices of the Existing Issuer at Keizerslaan 20, Brussels 1000, Belgium. The initial Meeting (in respect of the 2024 Notes) will commence at 11.00 a.m. (Brussels time), with subsequent Meetings in respect of each other Series (in the order each Series is listed in the table on page 2 of this Consent Solicitation Memorandum) being held at 5 minute intervals thereafter or after the From 11.00 a.m. (Brussels time) on 30 October 2019

completion of the preceding Meeting (whichever is later)

***Announcement of results of Meetings, satisfaction of the Consent Conditions and satisfaction (or waiver) of the Payment Condition***

Announcement of the results of the Meetings and, if the Extraordinary Resolutions are passed, whether the other Consent Conditions and Payment Condition for each relevant Series have been satisfied (or, in the case of the Payment Condition, waived) by (i) publication in the Belgian State Gazette, (ii) publication on the website of the Existing Issuer and (iii) delivery to the Clearing System for communication to Clearing System Participants

As soon as reasonably practicable after the Meetings (and in any event within 14 days of the conclusion of the relevant Meetings)

***Execution and, where applicable, delivery of the Supplemental Agency Agreement, the Amended and Restated Final Terms and the Guarantee in respect of the relevant Series***

If an Extraordinary Resolution is passed at the relevant Meeting in respect of any Series and the related Consent Conditions and Payment Condition are satisfied (or, in the case of the Payment Condition, waived), and subject to the Existing Issuer deciding to implement the relevant Proposal, (i) execution of the applicable Supplemental Agency Agreement and the applicable Amended and Restated Final Terms and (ii) execution and delivery by the Existing Issuer of the applicable Guarantee

As soon as reasonably practicable after the relevant Meeting

***Payment Date***

Upon satisfaction (or waiver) of the Payment Condition, payment of any Early Participation Fee to Eligible Noteholders

Upon satisfaction (or waiver) of the Payment Condition, expected to be no later than the third Business Day immediately following the applicable original Meeting at which the Extraordinary Resolution is passed for the relevant Series and the other Consent Conditions relating to such Extraordinary Resolution are satisfied

***Issuer Substitution and, if applicable, the giving of the Guarantee by the Existing Issuer***

Upon the occurrence of the Issuer Substitution Date, (i) the New Issuer will become the issuer and principal debtor in respect of the relevant Series in place of the Existing Issuer, and (ii) provided that the TSO Designation Date has not occurred on or prior to the Issuer Substitution Date, the Existing Issuer will guarantee the obligations of the New Issuer under the relevant Series until the TSO Designation Date

Upon the occurrence of the Issuer Substitution Date

***TSO Designation Date***

Upon the occurrence of the TSO Designation Date (provided that the TSO Designation Date has not occurred on or prior to the Issuer Substitution Date), the Guarantee given by the Existing Issuer in respect of the obligations of the New Issuer under the relevant Series shall automatically be terminated and the Existing Issuer will be released from all obligations under such Guarantee

Upon the occurrence of the TSO Designation Date

***If the necessary quorum for any Extraordinary Resolution is not obtained or the quorum is obtained and the relevant Extraordinary Resolution passed but the Eligibility Condition is not satisfied, the relevant Meeting will be adjourned and the adjourned Meeting held at such time as will be notified to Noteholders of the relevant Series in accordance with the relevant Conditions and Meeting Provisions, and the Belgian Company Code. If the Extraordinary Resolution is passed at the adjourned such Meeting and the Eligibility Condition and other Consent Conditions are satisfied (including, where applicable, the homologation of such Extraordinary***

***Resolution by the Court of Appeal of Brussels), the relevant modifications to the Conditions and the relevant Agency Agreement in respect of such Series described in this Consent Solicitation Memorandum will be implemented, and the applicable Guarantee executed and delivered, as soon as reasonably practicable after such adjourned Meeting.***

***Eligible Noteholders are advised to check with any bank, securities broker or other intermediary through which they hold their Notes when such intermediary would need to receive instructions from a Noteholder in order for such Eligible Noteholder to participate in, or validly revoke their instruction to participate in, the Consent Solicitation and/or the relevant Meeting(s) by the deadlines specified above. The deadlines set by any such intermediary and the Clearing System for the submission of, instruction to submit and revocation of and instruction to revoke Block Voting Instructions or to obtain any Voting Certificate will be earlier than the relevant deadlines above.***

## DEFINITIONS

Capitalised terms used but not defined in this Consent Solicitation Memorandum shall, unless the context otherwise requires, have the meanings set out in the Conditions.

<b>2024 Notes</b>	The €500,000,000 1.375 per cent. Fixed Rate Notes due 27 May 2024 of the Existing Issuer (ISIN: BE0002239086 / Common Code: 1321648905).
<b>2026 Notes</b>	The €500,000,000 1.375 per cent. Fixed Rate Notes due 14 January 2026 of the Existing Issuer (ISIN: BE0002629104 / Common Code: 193513832).
<b>2027 Notes</b>	The €250,000,000 1.375 per cent. Fixed Rate Notes due 7 April 2027 of the Existing Issuer (ISIN: BE0002276450 / Common Code: 159337642).
<b>2028 Notes</b>	The €550,000,000 3.25 per cent. Fixed Rate Notes due 4 April 2028 of the Existing Issuer (ISIN: BE0002432079 / Common Code: 091170175).
<b>2029 Notes</b>	The €350,000,000 3 per cent. Fixed Rate Notes due 7 April 2029 of the Existing Issuer (ISIN: BE0002466416 / Common Code: 105416385).
<b>2033 Notes</b>	The €200,000,000 3.5 per cent. Fixed Rate Notes due 4 April 2033 of the Existing Issuer (ISIN: BE0002433085 / Common Code: 091205793).
<b>Agency Agreement</b>	In respect of (i) the 2024 Notes, the amended and restated agency agreement dated 29 April 2015, (ii) the 2026 Notes, the amended and restated agency agreement dated 18 September 2018, (iii) the 2027 Notes, the amended and restated agency agreement dated 17 May 2016, (iv) the 2028 Notes and the 2033 Notes, the amended and restated agency agreement dated 31 January 2013 and (v) the 2029 Notes, the amended and restated agency agreement dated 14 March 2014, in each case made between the Existing Issuer and the Agent.
<b>Agent</b>	BNP Paribas Securities Services SCA, Brussels Branch.
<b>Amended and Restated Final Terms</b>	In respect of each Series, the amended and restated Final Terms document to be executed by the Existing Issuer and the New Issuer if the relevant Extraordinary Resolution is passed, the other Consent Conditions relating to such Extraordinary Resolution are satisfied and the relevant Proposal is implemented in order to reflect the Issuer Substitution in respect of that Series.
<b>Belgian Company Code</b>	The Belgian companies code of 7 May 1999.
<b>Belgian regulated activities</b>	Has the meaning given in “ <i>Background to the Proposals</i> ”.
<b>Block Voting Instruction</b>	The block voting instruction delivered to the Tabulation Agent by a Clearing System Participant which is substantially in the form provided in “ <i>Annex 2 – Form of Block Voting Instruction</i> ” of this Consent Solicitation Memorandum and pursuant to which the Agent is instructed to appoint one or more representatives of the Tabulation Agent to attend the relevant Meeting (and any adjourned such Meeting) and vote on the relevant Extraordinary Resolution in respect of the Notes the subject of such Block Voting Instruction in the manner specified or identified in such Block Voting Instruction.
<b>Business Day</b>	A day, other than a Saturday or a Sunday, on which banks generally are open for business in Brussels.
<b>Clearing System</b>	The clearing system operated by NBB or any successor thereto.
<b>Clearing System Participant</b>	Each person who is shown in the records of the Clearing System as a holder of Notes.
<b>Clearstream, Luxembourg</b>	Clearstream Banking, S.A.

<b>Conditions</b>	In respect of each Series, the terms and conditions set out in Schedule 1 to the relevant Agency Agreement and as modified or supplemented by the relevant Final Terms applicable to such Series.
<b>Consent Conditions</b>	In respect of each Series, the conditions to the implementation of the Consent Solicitation and the relevant Extraordinary Resolution, being (i) the passing of the relevant Extraordinary Resolution and, if the relevant Extraordinary Resolution is passed at an adjourned Meeting by a majority representing less than one-third of the outstanding nominal amount of the relevant Series, homologation of the relevant Extraordinary Resolution by the Court of Appeal of Brussels, (ii) the Consent Solicitation not having been terminated in accordance with the provisions for such termination set out under " <i>Amendment and Termination</i> ", and (iii) satisfaction of the Eligibility Condition.
<b>Consent Solicitation</b>	The separate invitations by the Existing Issuer to Eligible Noteholders of each Series to consent to the approval of the relevant Extraordinary Resolution on the terms described in this Consent Solicitation Memorandum.
<b>Convocation Memorandum</b>	The convocation memorandum dated on or around the date of this Consent Solicitation Memorandum, which is set out in " <i>Annex 1 – Form of Convocation Memorandum</i> ".
<b>CREG</b>	The Belgian federal energy regulator ( <i>Commission de Régulation de l'Electricité et du Gaz / Commissie voor de Regulering van de Elektriciteit en het Gas</i> ).
<b>Early Participation Deadline</b>	5.00 p.m. (Brussels time) on 16 October 2019 (subject to the right of the Existing Issuer to extend, re-open and/or terminate the Consent Solicitation in respect of any Series).
<b>Early Participation Fee</b>	An amount equal to 0.10 per cent. of the nominal amount of the Notes in respect of which the relevant Eligible Noteholder has validly voted, which will be payable to each Eligible Noteholder from whom a valid Block Voting Instruction (or, if the relevant Eligible Noteholder wishes to be present or represented at the relevant Meeting other than by way of a Block Voting Instruction, a Meeting Notification together with the relevant Voting Certificate) in respect of the relevant Extraordinary Resolution is received by the Tabulation Agent by the Early Participation Deadline and who has, in the case of a Meeting Notification, effectively voted at the relevant Meeting on the relevant Extraordinary Resolution in person or through its representative, as further described in " <i>Consent Solicitation and Proposals – Early Participation Fee</i> ".
<b>Elia Asset</b>	Elia Asset SA/NV.
<b>EGI</b>	Elia Grid International.
<b>Eligibility Condition</b>	In respect of each Series, the condition to the implementation of the relevant Extraordinary Resolution, if passed, that the quorum required for, and the requisite majority of votes cast at, the relevant Meeting are satisfied by Eligible Noteholders, irrespective of any participation at the relevant Meeting by Ineligible Noteholders (and would also have been so satisfied if any Ineligible Noteholders who provide confirmation only of their status as Ineligible Noteholders and waive their right to attend and vote (or be represented) at the relevant Meeting had actually taken part at such Meeting), including the satisfaction of such condition at an adjourned Meeting as described in " <i>Consent Solicitation – Meetings</i> ".
<b>Eligible Noteholder</b>	Each Noteholder who has confirmed it is (a) located and resident outside the United States and not a U.S. person (as defined in Regulation S under the Securities Act) and (b) otherwise a person to whom the Consent Solicitation can be lawfully made and that may lawfully participate in the Consent Solicitation.
<b>Euroclear</b>	Euroclear Bank SA/NV.

<b>Existing Issuer or Elia Group</b>	Elia System Operator SA/NV, a public limited liability company organised under the laws of Belgium, having its registered office at Keizerslaan 20, 1000 Brussels, Belgium and registered with the Crossroads Bank for Enterprises ( <i>Banque-Carrefour des Entreprises/Kruispuntbank van Ondernemingen</i> ) under number 0476.388.378 (RPR Brussels).
<b>Expiration Deadline</b>	In respect of each Series, 5.00 p.m. (Brussels time) on 24 October 2019 (subject to the right of the Existing Issuer to extend, re-open and/or terminate the Consent Solicitation in respect of any Series).
<b>Extraordinary Resolution</b>	In respect of each Series, the Extraordinary Resolution relating to such Series set out in the Convocation Memorandum.
<b>Final Terms</b>	In respect of each Series, the final terms document(s) executed by the Existing Issuer at the time of issue of the relevant Series, which forms part of the relevant Conditions.
<b>Group</b>	The Existing Issuer and its subsidiaries.
<b>Guarantee</b>	In respect of each Series, the temporary guarantee to be entered into by the Existing Issuer, if the TSO Designation Date does not occur on or prior to the Issuer Substitution Date, in respect of the New Issuer's obligations under such Series from the Issuer Substitution Date until the TSO Designation Date such Series following the conclusion of the relevant Meeting (in the event that the relevant Extraordinary Resolution is passed and Consent Conditions are satisfied) or, if applicable, the homologation of the relevant Extraordinary Resolution by the Court of Appeal of Brussels to implement the relevant Proposal.
<b>homologation</b>	The homologation of the decision of the general meeting of any Series of Noteholders by the Court of Appeal of Brussels (if required) being the procedure required by the Belgian Company Code in circumstances where the relevant Extraordinary Resolution was approved at an adjourned Meeting by a majority representing less than one-third of the outstanding nominal amount of the relevant Series in which the Court of Appeal is invited to approve the relevant Extraordinary Resolution as a condition for its effectiveness.
<b>hybrid bonds</b>	Has the meaning given in "Background to the Proposals". The hybrid bonds are not the subject of the Consent Solicitation.
<b>Ineligible Noteholder</b>	A Noteholder who is not an Eligible Noteholder.
<b>Issuer Substitution</b>	In respect of each Series, the substitution of the New Issuer in place of the Existing Issuer as issuer and principal debtor in respect of such Series on the Issuer Substitution Date and (other than pursuant to the relevant Guarantee, if applicable) the release of the Existing Issuer from all its obligations under such Series, as further described in this Consent Solicitation Memorandum.
<b>Issuer Substitution Date</b>	The date on which the Reorganisation occurs.
<b>Meeting</b>	In respect of each Series, the meeting of Noteholders of the relevant Series convened by the Notice, and the subject of the Convocation Memorandum (see " <i>Annex 1 – Form of Convocation Memorandum of Meetings</i> "), to be held at the offices of the Existing Issuer at Keizerslaan 20, Brussels 1000, Belgium on 30 October 2019 at the time specified in the Notice, and to consider and, if thought fit, pass the Extraordinary Resolution in respect of such Series.

<b>Meeting Notification</b>	The meeting notification delivered to the Tabulation Agent by a Noteholder, which is substantially in the form provided in “ <i>Annex 3 – Form of Meeting Notification</i> ” of this Consent Solicitation Memorandum and pursuant to which the relevant Noteholder indicates that it will be present or represented at the relevant Meeting (and any related adjourned Meeting).
<b>Meeting Provisions</b>	In respect of each Series, the provisions for meetings of Noteholders of the relevant Series set out in Schedule 2 to the relevant Agency Agreement.
<b>NBB</b>	National Bank of Belgium.
<b>New Issuer or Elia Transmission Belgium</b>	Elia Transmission Belgium SA/NV, a limited liability company organised under the laws of Belgium, having its registered office at Keizerslaan 20, 1000 Brussels, Belgium and registered with the Crossroads Bank for Enterprises ( <i>Banque-Carrefour des Entreprises/Kruispuntbank van Ondernemingen</i> ) under number 0731.852.231 (RPR Brussels).
<b>Noteholder</b>	A holder of the Notes of any Series, as further defined in “ <i>General</i> ” above.
<b>Notes</b>	The 2024 Notes, the 2026 Notes, the 2027 Notes, the 2028 Notes, the 2029 Notes and the 2033 Notes.
<b>Notice</b>	The convocation notice dated on or around the date of this Consent Solicitation Memorandum convening the Meetings.
<b>Payment Condition</b>	In respect of each Series, the additional condition in relation to payment of the Early Participation Fee (if applicable), being (i) the Extraordinary Resolution in respect of each other Series and (ii) the extraordinary resolution in respect of the senior bonds being passed (and, in each case, if applicable, homologated by the Court of Appeal of Brussels) and otherwise becoming unconditional, subject to the right of the Existing Issuer to waive, in its sole and absolute discretion, the Payment Condition in relation to any Series.
<b>Payment Date</b>	In respect of each Series, if the relevant Extraordinary Resolution is passed and the other Consent Conditions and the Payment Condition relating to that Extraordinary Resolution are satisfied (or, in the case of the Payment Condition, waived), the date for payment of the Early Participation Fee, which will be no later than the date which is the third Business Day immediately following (i) the relevant Meeting or, if applicable, adjourned Meeting, or (ii) where the relevant Extraordinary Resolution requires homologation, the date of the relevant decision from the Court of Appeal of Brussels (or, where applicable, any later date that the Payment Condition is satisfied (or waived)).
<b>Proposal</b>	In respect of each Series, the proposal by the Existing Issuer for Noteholders to approve, by an Extraordinary Resolution at the relevant Meeting, (i) the Issuer Substitution, (ii) if the TSO Designation Date does not occur on or prior to the Issuer Substitution Date, the giving of a temporary guarantee by the Existing Issuer in respect of the New Issuer’s obligations under the Notes of such Series from the Issuer Substitution Date until the TSO Designation Date, and (iii) certain consequential amendments to, and waivers of, the Conditions of such Series and the relevant Agency Agreement, in each case subject to satisfaction of the Consent Conditions and all as further described in “ <i>Background to the Proposals</i> ”, “ <i>The Proposals and Terms and Conditions – The Proposals</i> ” and in the Convocation Memorandum.
<b>Recognised Accountholder</b>	Each person who is shown as a holder of the Notes in the records of (i) a Clearing System Participant or (ii) a recognised accountholder ( <i>teneur de compte agréé/erkende rekeninghouder</i> ) (within the meaning of article 468 of the Belgian Company Code), insofar as that person is acting for its own account.
<b>Reorganisation</b>	The transfer of the regulated activities in Belgium from the Existing Issuer to the New Issuer, which comprises the ownership and operation of the high and very high voltage electricity transmission system in Belgium, including all shares

held by the Existing Issuer in Elia Asset SA/NV and Nemo Link Ltd. and all or part of the indebtedness which was raised for these purposes. As further set out in “*Background to the Proposals*”, the Reorganisation will be implemented by means of the various steps described in section 2.2.2 thereof and is scheduled to take effect on 31 December 2019 just prior to midnight.

**S&P**

S&P Global Ratings Europe Limited.

**Sanctions Authority**

Each of:

- (i) the United States government;
- (ii) the United Nations;
- (iii) the European Union (or any of its member states including, without limitation, the United Kingdom);
- (iv) any other equivalent governmental or regulatory authority, institution or agency of the United States, the European Union, any of its Member States or the United Kingdom which administers economic, financial or trade sanctions; or
- (v) the respective governmental institutions and agencies of any of the foregoing including, without limitation, the Office of Foreign Assets Control of the US Department of the Treasury, the United States Department of State, the United States Department of Commerce and Her Majesty's Treasury.

**Sanctions Restricted Person**

Each person or entity (a **Person**):

- (a) that is organised or resident in a country or territory which is the target of comprehensive country sanctions administered or enforced by any Sanctions Authority;
- (b) that is, or is directly or indirectly owned or controlled by a Person that is, described or designated in (i) the most current "Specially Designated Nationals and Blocked Persons" list (which as of the date hereof can be found at: <https://www.treasury.gov/ofac/downloads/sdnlist.pdf>) or (ii) the Foreign Sanctions Evaders List (which as of the date hereof can be found at: <http://www.treasury.gov/ofac/downloads/fse/fselist.pdf>) or (iii) the most current "Consolidated list of persons, groups and entities subject to EU financial sanctions" (which as of the date hereof can be found at: [https://eeas.europa.eu/headquarters/headquarters-homepage\\_en/8442/Consolidated%20list%20of%20sanctions](https://eeas.europa.eu/headquarters/headquarters-homepage_en/8442/Consolidated%20list%20of%20sanctions)); or
- (c) that is otherwise the subject of any sanctions administered or enforced by any Sanctions Authority, other than solely by virtue of their inclusion in: (i) the most current "Sectoral Sanctions Identifications" list (which as of the date hereof can be found at: <https://www.treasury.gov/ofac/downloads/ssi/ssilist.pdf>) (the **SSI List**), (ii) Annexes 3, 4, 5 and 6 of Council Regulation No. 833/2014, as amended by Council Regulation No. 960/2014 (the **EU Annexes**), or (iii) any other list maintained by a Sanctions Authority, with similar effect to the SSI List or the EU Annexes.

**Securities Act**

The United States Securities Act of 1933, as amended.

**senior bonds**

The EUR 300 million 1.50 per cent. senior bonds due 5 September 2028 of the Existing Issuer allocated to unregulated activities and regulated activities carried out abroad which are the subject of a separate consent exercise announced by the Existing Issuer on or around the date of this Consent Solicitation Memorandum.

<b>Series</b>	Each of the 2024 Notes, the 2026 Notes, the 2027 Notes, the 2028 Notes, the 2029 Notes and/or the 2033 Notes, as applicable.
<b>Solicitation Agents</b>	BNP Paribas, Citigroup Global Markets Limited, J.P. Morgan Securities plc and NatWest Markets Plc.
<b>Supplemental Agency Agreement</b>	In respect of each Series, the supplemental agency agreement to be entered into by the Existing Issuer, the New Issuer and the Agent following the conclusion of the relevant Meeting (in the event that the relevant Extraordinary Resolution is passed and the other Consent Conditions are satisfied) or, if applicable, the homologation of the relevant Extraordinary Resolution by the Court of Appeal of Brussels in either case to implement the relevant Proposal, which will modify the relevant Agency Agreement in so far as it relates to such Series, provided in each case that the Existing Issuer decides to implement the Extraordinary Resolution.
<b>Tabulation Agent</b>	Lucid Issuer Services Limited.
<b>Transitional Period</b>	Has the meaning given in “Background to the Proposals”.
<b>TSO</b>	Transmission system operator in Belgium.
<b>TSO Designation Date</b>	The date at which, following the New Issuer being designated as the national TSO in Belgium by the federal Energy Minister and as regional or local TSO in each of the three Belgian Regions by the competent regional authorities, the New Issuer delivers to the Agent a written notice signed by an authorised signatory of the New Issuer confirming that: <ul style="list-style-type: none"> <li>(a) the New Issuer has been, and is continuing to be, designated as the national TSO in Belgium by the federal Energy Minister and as a regional or local TSO in each of the three Belgian Regions by the competent regional authorities;</li> <li>(b) the New Issuer has received all other licences, permits, authorisations, consents, approvals, certificates, registrations and orders from all government and regional agencies that are necessary for it to conduct its businesses in accordance with applicable laws and regulations;</li> <li>(c) none of the events referred to in Condition 9 (<i>Events of Default</i>) has occurred and is continuing; and</li> <li>(d) there are no outstanding payments due under the applicable Guarantee.</li> </ul>
<b>unregulated activities and regulated activities carried out abroad</b>	Has the meaning given in “Background to the Proposals”.
<b>Voting Certificate</b>	A voting certificate issued by a Recognised Accountholder or the Clearing System certifying that the Notes in respect of which a Meeting Notification is given will be blocked until the later of (i) the conclusion of the relevant Meeting and any related adjourned Meeting or (ii) the earlier surrender of such certificate to such Recognised Accountholder or the Clearing System, as applicable.
<b>Voting Website</b>	The voting website established by the Tabulation Agent in connection with the Consent Solicitation and the Proposals ( <a href="http://www.lucid-is.com/elia">www.lucid-is.com/elia</a> ).

## BACKGROUND TO THE PROPOSALS

### 1 Background information

#### 1.1 Objectives of the internal reorganisation

Elia Group has decided to implement an internal reorganisation aimed at ring-fencing its regulated activities in Belgium, namely the ownership and operation of the high and very high voltage electricity transmission system in Belgium (including its stake in Nemo Link<sup>1</sup>), including the indebtedness raised for this purpose (the **Belgian regulated activities**) from its unregulated activities and its regulated activities carried out outside Belgium (the **unregulated activities and regulated activities carried out abroad**), including the related underlying fund flows and indebtedness (see Section 2.2.2).

The Reorganisation will allow the Group to further implement its investment strategy, in particular following the application of the new tariff methodology as of 2020.

The new tariff methodology for 2020-2023 provides, amongst others things, that the financing of unregulated activities<sup>2</sup> of Elia Group is valued at conditions equivalent to financing that would be fully covered by equity capital. By achieving a ring-fencing of the Belgian regulated activities from the unregulated activities and regulated activities carried out abroad, the Reorganisation will avoid the risk of cross-subsidy between, on the one hand, Belgian regulated activities and, on the other hand, unregulated activities and regulated activities carried out abroad and, as a result, prevent any adverse financial impact of the new tariff methodology on investments in unregulated activities and regulated activities carried out abroad as of 2020.

Hence, the Reorganisation will provide the Group with a suitable framework for future investments in both Belgian regulated activities as well as unregulated activities and regulated activities carried out abroad, in line with its strategy.

As part of its Belgian regulated activities, the Group plans to invest EUR 2.2 billion in the Belgian regulated entity over the next five years. In Belgium, organic growth will come from the development of the 30kV to 380kV transmission systems, with a view mainly to accommodate the growth of renewable energies (e. g. the Modular Offshore Grid project), to increase interconnections and to carry out a renewal of part of the existing infrastructure at the end of its technical life.

The Nemo Link interconnection, linking the Belgian and British transmission systems and the Alegro interconnection, linking Belgium to Germany for the first time, are crucial for the integration of the European power system and the development of the Group.

As part of its regulated activities outside Belgium, the Group plans to invest EUR 3.4 billion in Germany over the next five years. In Germany, the ongoing energy transition (Energiewende), also supported by the increase in the renewable energy production targets (from 55% to 65%) set by the new German government by 2030, will encourage additional investments by 50 Hertz.

These investment plans of the two transmission system operators of the Group will enable the Group to achieve its objective of successfully integrating the national electricity systems in Europe, so as to integrate ever-increasing volumes of renewable energy production and to further develop European interconnections.

The Group's ambition is to become the leader in the energy sector in the countries where it operates and the leading transmission system operator in Europe.

The development of the Group through the possible acquisition of other transmission system operator activities in Europe, if this should occur, will also be facilitated by the implementation of the Reorganisation.

---

<sup>1</sup> Under Article 9bis of the Law of 29 April 1999 on the organisation of the electricity market, the system operator must own, directly or indirectly, at least half of the capital and voting rights attached to the securities issued by a subsidiary responsible for developing, maintaining and owning the infrastructure and equipment forming part of an offshore interconnection (i.e. Nemo Link Ltd.).

<sup>2</sup> The tariff methodology defines unregulated activities as unregulated if they are regulated abroad or if they are not regulated.

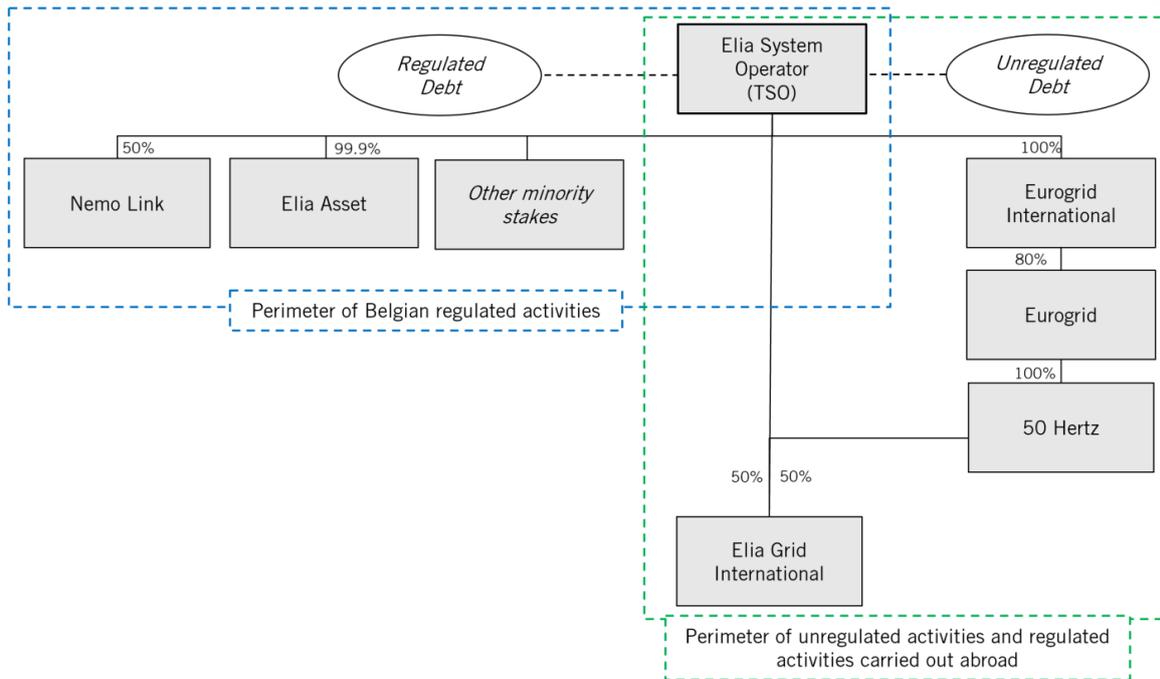
## 1.2 Implications of internal reorganisation

The Reorganisation involves transforming Elia Group, the current transmission system operator (**TSO**), into a holding company listed on the stock exchange. This holding company will hold stakes in various subsidiaries, including a new subsidiary that will take over the Belgian regulated activities, Elia Transmission Belgium, but also in other subsidiaries such as Eurogrid International (comprising the activities of 50Hertz, the German TSO) or Elia Grid International (**EGI**), the Group’s consultancy branch. Elia Transmission Belgium, the entity taking over the Belgian regulated activities, will then be designated as the Belgian TSO at federal and regional level.

Elia Group is working towards carrying out this Reorganisation, including obtaining the effective designations of Elia Transmission Belgium as TSO at federal and regional level, by 31 December 2019. The Reorganisation is scheduled to take effect as from 31 December 2019 just prior to midnight (see Section 2.2.2). If the formal decisions by the competent authorities to designate Elia Transmission Belgium as the national TSO and regional (local) TSO in each of the Regions would not have been obtained and would not have been effective on that date, a temporary contractual framework could be put in place between Elia Group and Elia Transmission Belgium to enable the latter to operate the national and regional (local) transmission systems as a subcontractor<sup>3</sup>, as soon as the regulated activities have been transferred to it (see Sections 2.2.3 and 4.3, pending such designation).

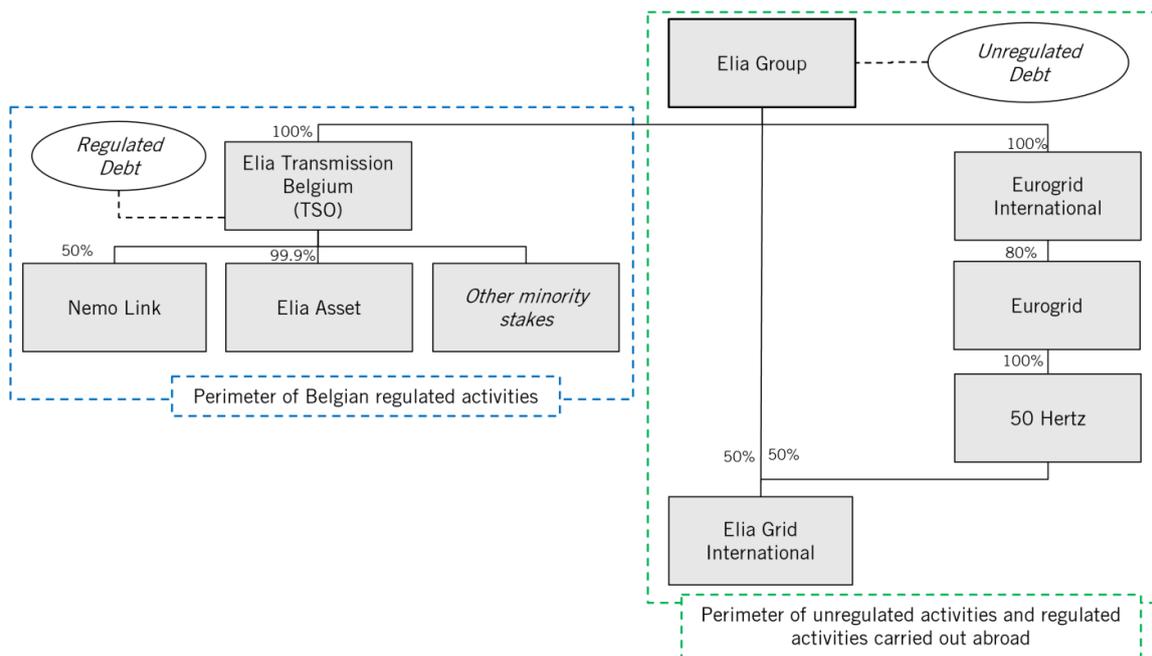
The following organisational charts represent the structure of the Group before and after the Reorganisation:

### - Structure before the Reorganisation



<sup>3</sup> It could be envisaged that such subcontracting, based on Article 9bis, §1, 1st paragraph, 1° of the law of 29 April 1999 on the organisation of the electricity market (the **Electricity Law**), be structured as a “tripartite” silent partnership between ESO, Elia Transmission Belgium and Elia Asset, the three entities acting as one economic unit (as ESO and Elia Asset already do today).

- **Structure after the Reorganisation<sup>4</sup>**



This Consent Solicitation Memorandum contains a general description of the Reorganisation and the conditions for its implementation.

## 2 Description of the Reorganisation

### 2.1 Elia Transmission Belgium

Elia Transmission Belgium, the wholly-owned subsidiary of Elia Group to which all Belgian regulated activities will be transferred as part of the Reorganisation and which will be designated as the new TSO at federal and regional level has been incorporated on 31 July 2019 by Elia Group and Publi-T SCRL, in the form of a limited liability company (*société anonyme / naamloze vennootschap*).

Elia Transmission Belgium's seat is located at Boulevard de l'Empereur 20, 1000 Brussels.

Elia Transmission Belgium will not be listed on the stock exchange, unlike Elia Group.

### 2.2 Legal steps

#### 2.2.1 Elia Group shareholder approval

The approval by the shareholders' meeting of Elia Group of the transfer by Elia Group of its shares in Elia Asset SA/NV (**Elia Asset**) to Elia Transmission Belgium, in accordance with Article 17.2 of Elia Group's articles of association, after receiving the opinion of the CREG on the proposed transfer, in accordance with Article 28.2.3 of Elia Group's articles of association. A shareholders' meeting has been convened to that effect to take place on 8 November 2019.

#### 2.2.2 Reorganisation

- (a) The transfer by Elia Group of all its shares in Elia Asset to Elia Transmission Belgium through:

<sup>4</sup> Assuming that Elia Transmission Belgium has obtained all designations as TSO by 31 December 2019. Otherwise, Elia Group will continue to be the TSO during an interim period (see Section 4.3).

- (i) on the one hand, a sale by Elia Group of part of its shares in Elia Asset to Elia Transmission Belgium for an amount of EUR 2.092 billion against a vendor loan on the part of Elia Group; and
  - (ii) on the other hand, a contribution of the remainder of the shares in Elia Asset to the capital of Elia Transmission Belgium in exchange for shares newly issued by Elia Transmission Belgium for an amount of EUR 1.212 billion.
- (b) The payment by Elia Transmission Belgium of the vendor loan resulting from the purchase of the shares in Elia Asset (step (b)(i)) by taking over the debt related to Elia Group’s Belgian regulated activities for an amount equivalent to the sale price of the Elia Asset shares (i.e. EUR 2.092 billion); and
- (c) The contribution by Elia Group of its business division (*branche d’activité / bedrijfstak*) to Elia Transmission Belgium’s capital, which consists of all the assets and liabilities dedicated to its Belgian regulated activities<sup>5</sup>, excluding the Elia Asset shares which are the subject of a separate transfer (step (b)) and excluding the debt related to the Belgian regulated activities of Elia Group which has been the subject of a separate transfer (see step (b) above). This operation will result in an increase in the capital of Elia Transmission Belgium and the issue of new shares of Elia Transmission Belgium to Elia Group.

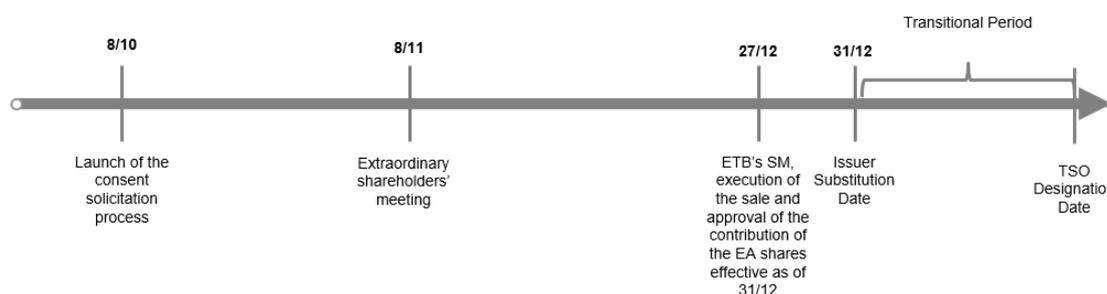
Steps (a) to (c) included constitute the “Reorganisation” and are scheduled to be implemented on or about 27 December 2019 and to take effect as from 31 December 2019 just prior to midnight.

### 2.2.3 TSO designation

The designation of Elia Transmission Belgium as national TSO and regional (local) TSO in each of the Regions, replacing Elia Group.

In the event that one or more of the designations referred to in Section 2.2.3 above would become effective after the Issuer Substitution Date, Elia Group will subcontract the operation of the transmission system to Elia Transmission Belgium as part of a “tripartite” silent partnership with Elia Group and Elia Asset, pursuant to Article 9bis, §1, 1st paragraph, 1° of the Electricity Law, during the period between the Issuer Substitution Date (currently expected to be 31 December 2019 just prior to midnight) and the TSO Designation Date<sup>6</sup> (the **Transitional Period**). Consequently, the regulated activities would, in such case, be carried out by Elia Transmission Belgium as from the Issuer Substitution Date, either as the designated TSO in its own right or as a subcontractor of the designated TSO during the Transitional Period (and as the designated TSO in its own right as soon as all designations are obtained).

The contemplated timeline is as follows:



<sup>5</sup> This contribution includes in particular all employees, commercial contracts relating to access to the electricity system, receivables and debts directly related to the said activity. This contribution is fully remunerated in shares newly issued by Elia Transmission Belgium. This contribution constitutes a contribution of a business division (*branche d’activité/ bedrijfstak*) within the meaning of Article 679 of the Belgian Company Code.

<sup>6</sup> Assuming that the designations as regional (local) TSO in each of the three Regions will be obtained at the latest and will become effective at the time of designation as national TSO.

## 2.3 Conditions to the Reorganisation

The Reorganisation will only be carried out if:

- (a) an advance favourable ruling has been obtained from the Office for Advance Tax Rulings<sup>7</sup>;
- (b) Elia Transmission Belgium may be eligible for the designation as the TSO at federal level;
- (c) the shareholders' meeting of Elia Group approves the transfer of the Elia Asset shares, in accordance with Articles 17.2 and 28.2.3 of Elia Group's articles of association scheduled for 8 November 2019; and
- (d) certain creditors of Elia Group's financing give their consent.

It is currently expected that all these conditions will be met on 31 December 2019. Elia Group may in its sole discretion waive any of these conditions.

However, the completion of the Reorganisation will not be subject to the formal decisions of the competent authorities to designate Elia Transmission Belgium as national TSO and regional (local) TSO in each of the Regions. If, by 31 December 2019, Elia Transmission Belgium has not been formally and effectively designated as national TSO and regional (local) TSO in each of the Regions, the operation of the electricity transmission system could be carried out by Elia Transmission Belgium as a subcontractor within the framework of a "tripartite" silent partnership with Elia Group and Elia Asset, pursuant to Article 9bis, §1,1st paragraph, 1° of the Electricity Law, during the Transitional Period as set out below (see Section 4.3).

## 3 Financial consequences of the Reorganisation

The transfer of Elia Group's Belgian regulated activities to Elia Transmission Belgium is scheduled to become effective as from 31 December 2019 just prior to midnight (see Section 2.2.3).

The section "*Unaudited Pro Forma Financial Information*" in this Consent Solicitation Memorandum gives an unaudited pro forma presentation of the condensed consolidated statement of the financial position of Elia Group and Elia Transmission Belgium as at 30 June 2019, assuming the Reorganisation had been completed on 30 June 2019.

After the Reorganisation, the consolidated financial statements of Elia Group and Elia Transmission Belgium will be prepared in accordance with IFRS accounting standards.

## 4 Regulatory treatment

### 4.1 Absence of certification of Elia Transmission Belgium

The CREG confirmed, after notification of the transaction by Elia, that no formal certification procedure as system operator with respect to Elia Transmission Belgium should be initiated as part of the Reorganisation.

### 4.2 Designation

At federal level, the designation of Elia Transmission Belgium as a TSO will be decided by the Federal Minister of Energy, after consulting with the CREG and deliberating in the Council of Ministers.

---

<sup>7</sup> A ruling request has been submitted by ESO to the Belgian Ruling Commission to obtain certain confirmations concerning the tax treatment of the Reorganisation. A favourable ruling was obtained on 18 June 2019. Certain other aspects of the Reorganisation (i.e. the impact on the qualification as a business division due to ESO remaining designated as the national TSO and regional (local) TSO in each of the Regions during the Transitional Period, if applicable (see above), and the tax effectiveness of the accounting retroactivity) will be covered by a separate ruling request, which was submitted on 9 September 2019 to the Ruling Commission. The decision is expected by 31 December 2019.

At regional level, the designation of Elia Transmission Belgium as regional (local) TSO will automatically be obtained in the Walloon Region following the designation as TSO at federal level<sup>8</sup>; it will be decided by the VREG<sup>9</sup> for the Flemish Region and by the Brussels Government for the Brussels Capital Region.

The request for designation has been made, if necessary, to the competent authorities. Since the law does not provide for any specific time limit for obtaining formal designation decisions neither at federal nor at regional level, the moment at which they will be obtained cannot be determined in advance.

In the event that the designation as national TSO<sup>10</sup> would not become effective by 31 December 2019 at midnight, Elia Transmission Belgium could temporarily operate the transmission system as a subcontractor within the framework of a “tripartite” silent partnership with Elia Group and Elia Asset, pursuant to Article 9bis, §1, 1st paragraph, 1° of the Electricity Law, during the Transitional Period, so that it can start operating the transmission system, acting as one economic unit with Elia Asset and Elia Group, the latter remaining the national TSO and regional (local) TSO in each of the Regions during the Transitional Period as defined above (see Section 2.20).

While the Electricity Law provides an explicit legal basis for subcontracting as described in the previous paragraph, the financial arrangements between the three entities during the Transitional Period will have to be detailed in a “tripartite” silent partnership agreement as set out below (see Section 4.3). The tariff methodology provides for the consolidation of the balance sheets of the entities operating the system (currently Elia Group and Elia Asset) for the purpose of calculating the tariffs. Assuming that the CREG accepts the consolidation of the balance sheets of Elia Group and Elia Transmission Belgium for the calculation of the tariffs as from 1 January 2020, any fund flows between Elia Group, Elia Asset and Elia Transmission Belgium during the Transitional Period, in accordance with the “tripartite” silent partnership agreement, would be neutral from a tariff perspective.

When Elia Transmission Belgium’s designations as national TSO and regional (local) TSO in each of the Regions become effective, Elia Group will lose its existing designations as national TSO and regional (local) TSO respectively<sup>11</sup> and the subcontracting of the system operation will be terminated.

#### **4.3 Subcontracting – “tripartite” silent partnership**

As indicated above, if the formal decision to designate Elia Transmission Belgium as national TSO does not become effective before the Issuer Substitution Date, Elia Transmission Belgium could operate the transmission system as a subcontractor within the framework of a “tripartite” silent partnership with Elia Group and Elia Asset, pursuant to Article 9bis, §1, 1st paragraph, 1° of the Electricity Law, during the Transitional Period. Elia Transmission Belgium would then hold, from the moment of the implementation of the Reorganisation, the Belgian regulated activities excluding the formal designations, until the date at which all decisions of the competent authorities designating Elia Transmission Belgium as national TSO and (local) regional TSO in each of the Regions have been obtained and have become effective.

The notion of “subcontracting” in this context refers to the situation in which Elia Transmission Belgium would carry out its operations as a subsidiary of Elia Group, operating as one single economic unit in coordination with the designated TSO (and the asset owner), on the basis of a temporary contractual framework. To this end, it is envisaged that Elia Group, Elia Transmission Belgium and Elia Asset would enter into a “tripartite” silent partnership agreement detailing the financial and contractual arrangements required among them during the Transitional Period. Amongst other things, this agreement would set out an allocation of resources contributed by each entity to the partnership and a division of tasks and legal representation powers between the three entities<sup>12</sup> (in the same way as the simple silent partnership agreement currently in place between Elia Group and Elia Asset). The purpose of the partnership would be

---

<sup>8</sup> The national TSO will automatically be designated as local TSO in Wallonia, without the need for a formal decision by the CWaPE (the “*Commission wallonne pour l’Energie*”, the official regulatory body for the Walloon electricity and gas markets). However, a notification will have to be made.

<sup>9</sup> The “*Vlaamse Regulator van de Elektriciteits- en Gasmarkt*”, the Flemish regulator of the electricity and gas market.

<sup>10</sup> See footnote 6.

<sup>11</sup> Assuming that each decision to designate Elia Transmission Belgium will also stipulate that the current corresponding designation of ESO will end at the time the designation of Elia Transmission Belgium becomes effective.

<sup>12</sup> Which for Elia Transmission Belgium will include entering into all relevant agreements with network users and invoicing them for the network services provided by it, and for which it will act in its own name and for the account of the partnership.

to allow Elia Transmission Belgium as the company holding (together with Elia Asset) all the regulated assets and resources following completion of the Reorganisation, to utilise those assets and resources in order to perform the operation of the transmission system during the Transitional Period, and to allocate the resulting profits and losses among the partners in a way that reflects the economic reality.

Once Elia Transmission Belgium has obtained the formal decisions of designation as TSO at each level, Elia Group would withdraw from the “tripartite” silent partnership agreement, which would then continue to exist as a simple silent partnership between Elia Transmission Belgium and Elia Asset (see Section 5.3).

## **5 Shareholding and Governance**

### **5.1 Governance of Elia Transmission Belgium**

Elia Transmission Belgium’s governance structure is a replica of the governance currently in place within Elia Group. As a result, the governance structure of Elia Transmission Belgium complies with the requirements of the Electricity Law and all applicable regional legislation.

The Electricity Law provides for specific governance conditions that will apply to Elia Transmission Belgium at the latest as from its designation as national TSO and will cease to apply to Elia Group as from the same date, including:

- only non-executive directors may be appointed;
- at least half of the directors must be independent and must be appointed partly for their financial management knowledge and partly for their useful technical knowledge;
- the CREG must give a uniform opinion on the independence of the independent directors;
- an audit committee, a remuneration committee and a governance committee must be constituted, all of which must consist of a majority of independent directors;
- an executive committee within the meaning of Article 524bis of the Belgian Company Code must be created;
- the board of directors must consist of at least one-third members of the opposite sex; and
- a linguistic balance must be achieved within the members of the board of directors and within the members of the executive committee.

In addition, pursuant to Article 9bis of the Electricity Law, the board of directors and the executive committee of the TSO must consist of the same members as the board of directors and the executive committee of the subsidiary of the TSO that owns the infrastructure and equipment constituting the transmission system (i.e. Elia Asset).

### **5.2 Elia Group Governance**

As a result of the Reorganisation, Elia Group will become a “standard” company, i.e. not subject to the Electricity Law, and will be officially renamed “Elia Group”. Elia Group will remain listed on the stock exchange and therefore subject to the obligations of listed companies, in particular with regard to governance<sup>13</sup>.

New articles of association of Elia Group will enter into force on the TSO Designation Date.

The main principles that are proposed by the board of directors to the shareholders’ meeting of 8 November 2019 are as follows:

---

<sup>13</sup> Elia Group will also have to continue to comply with the requirements relating to the certification of the candidate TSO as a fully ownership unbundled (FOU) TSO, as controlling shareholder of Elia Transmission Belgium in Belgium and 50 Hertz Transmission in Germany.

- the board of directors of Elia Group will consist of a minimum of 10 and a maximum of 14 directors, including (i) seven non-independent directors appointed on the proposal of the holders of A and C shares, insofar as the classes A and C shares of the future holding company represent more than 30% of its capital and (ii) a maximum of seven other directors, including at least three independent directors who will be appointed by the shareholders' meeting on the recommendation of the board of directors, after consulting the nomination committee;
- decisions of the board of directors will be taken by a simple majority;
- Elia Group will opt for a one-tier structure. The board of directors will set up a college in charge of day-to-day management;
- the board of directors will set up three advisory committees, namely the audit committee, the remuneration committee and the nomination committee, and may also set up a strategy committee as an additional advisory committee; the (additional) requirements of the Electricity Law concerning advisory committees will therefore not be included in the articles of association. Notwithstanding the Corporate Governance Code, the nomination committee will consist of a majority of non-independent directors and at least one third of independent directors.

### 5.3 Silent partnership

A silent partnership agreement currently exists between Elia Group and Elia Asset concerning the operation of Belgian regulated activities. As part of the Reorganisation, a new (simple) silent partnership agreement (*stille maatschap / société simple interne*) will be concluded between Elia Transmission Belgium and Elia Asset, to ensure compliance with the certification requirements in terms of the ownership of the transmission system held by the TSO.

In addition, if the designation of Elia Transmission Belgium as the national TSO and/or regional (local) TSO in each of the Regions would not have been obtained and become effective by 31 December 2019 at midnight, a "tripartite" silent partnership agreement will be concluded during the Transitional Period. Once Elia Transmission Belgium has been designated as TSO at each level, Elia Group will withdraw from the "tripartite" silent partnership agreement, which will continue to exist as a simple silent partnership between Elia Transmission Belgium and Elia Asset (see Section 4.3 above).

## 6 Status of funding raised by Elia Group

The indebtedness allocated to the Belgian regulated activities (including the Notes, the regulated bank debt and shareholder loans) for a total nominal amount of EUR 3.155 billion will be transferred to Elia Transmission Belgium, together with the assets related to these activities.

The EUR 300 million 1.50 per cent. senior bonds due 5 September 2028 (the **senior bonds**) and the EUR 700 million hybrid bonds (the **hybrid bonds**) (which were issued to acquire an additional 20% stake in Eurogrid International) constitute a debt allocated to unregulated activities and regulated activities carried out abroad and will therefore remain at Elia Group's level.

For the purposes of the Reorganisation, the terms of the various financial arrangements, both Belgian regulated and unregulated, other than hybrid bonds, will have to be modified. For outstanding bonds, a formal process for the solicitation of the bondholders' consent will be organised, with the holding of bondholders' meetings and the obtaining of certain predefined quorums and majorities. Please refer to "*The Proposals and Terms and Conditions*" for an overview of the proposed amendments and waivers to the Notes. The holders of the senior bonds will be requested to waive any rights they would otherwise have as a result of an event of default under 10(f) (*Winding-up*) and 10(g) (*Transmission System Operator*) of the terms and conditions of the senior bonds in respect of the Reorganisation. For bank loans and shareholder loans, bilateral negotiations will be initiated with the various creditors.

## 7 Ratings

The Existing Issuer expects S&P to affirm the Existing Issuer's issuer credit rating at BBB+ following the implementation of the Reorganisation.

The Existing Issuer expects S&P to affirm the issue ratings on each Series of Notes at BBB+ where the relevant Proposals have been approved and implemented.

The Existing Issuer expects S&P to affirm the current BBB- issue ratings on the hybrid bonds following the implementation of the Reorganisation.

The Existing Issuer does not expect the current BBB+ issuer credit rating assigned by S&P on its subsidiary Eurogrid GmbH to change as a result of the Reorganisation.

There are, however, no assurances that such ratings will remain the same for any given period or that either rating will not be lowered by S&P if, in its judgment, circumstances in the future so warrant. A decision by any rating agency to downgrade or withdraw its rating of the Notes, the Existing Issuer and/or the New Issuer, could impact the Notes. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the rating agency. Similar ratings for different types of issuers and on different types of securities do not necessarily mean the same thing. The significance of each rating should be analysed independently from any other rating.

**8 Separate consent exercise announced by the Existing Issuer on or around the date of this Consent Solicitation Memorandum in respect of the senior bonds**

In connection with the Reorganisation, Elia Group also announced on or about the date of this Consent Solicitation Memorandum a separate consent exercise in relation to its EUR 300 million 1.50 per cent. senior bonds due 5 September 2028 allocated to unregulated activities and regulated activities carried out abroad (being the senior bonds) to consent to, among other things, the waiver of certain potential events of default under the terms and conditions of the senior bonds in connection with the Reorganisation. That consent exercise is not the subject of this Consent Solicitation Memorandum.

## UNAUDITED PRO FORMA FINANCIAL INFORMATION

The unaudited pro forma financial information consisting of the statement of the financial position (pro forma financial information) and accompanying notes has been prepared as if the restructuring had occurred on 30 June 2019 and is based on the “condensed consolidated interim financial statements of Elia Group as at and for the six months ended 30 June 2019”. The pro forma financial information only relates to the statement of the financial position. A profit and loss statement as at 30 June 2019 has not been included in the pro forma financial information, as the pro forma financial information has the goal of reflecting the impact on the balance sheet of the transfer of the assets and liabilities related to the regulated business to the new entity Elia Transmission Belgium.

The pro forma financial information is presented for illustrative purposes only. Because of its nature, the pro forma financial information addresses a hypothetical situation and, therefore, does not represent Elia Group or Elia Transmission Belgium’s actual financial situation.

The pro forma financial information should be read in conjunction with the historical condensed consolidated interim financial statements of the Elia Group (i.e., Elia System Operator SA/NV) as at and for the six months ended 30 June 2019.

The historical condensed consolidated interim financial statements of the Elia Group as at and for the six months ended 30 June 2019 were prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board and as adopted by the European Union.

### **Pro Forma Financial Information – Condensed consolidated statement of financial position**

- (A) Historical condensed consolidated interim financial statements of the Elia Group as at and for the six months ended 30 June 2019.
  - (1) Reversal of segment ‘50Hertz Transmission (Germany)’, as per 30 June 2019
  - (2) Reversal of segment ‘Non-regulated activities (incl. Nemo Link)’ as per 30 June 2019
  - (3) Intercompany eliminations
  - (4) Adjustment related to the Nemo Link activities and the split of working capital items related to the regulated business
- (B) Pro Forma Financial Information

EUR million	Elia Group (consolidated)	50Hertz Transmission (Germany)	Non-regulated activities (incl. Nemo Link)	Elimination of intercompany balances / transactions	Adjustments to include Nemo Link	Elia Transmission Belgium (Consolidated)
	Historical financial information					
	(A)	(1)	(2)	(3)	(4)	(B)
	June 30, 2019	June 30, 2019	June 30, 2019	June 30, 2019		
<b>ASSETS</b>						
<b>NON CURRENT ASSETS</b>	<b>11.708,1</b>	<b>(4.982,7)</b>	<b>(1.585,6)</b>	<b>553,4</b>	<b>327,1</b>	<b>6.020,3</b>
Property, plant and equipment	8.768,9	(4.895,7)	(6,3)	0,0	6,1	3.873,0
Intangible assets and goodwill	2.501,6	(56,3)	(0,0)	(703,3)	0,0	1.742,0
Non-current tax receivables	0,0	0,0	0,0	0,0	0,0	0,0
Trade and other receivables	3,6	(0,0)	(0,0)	0,0	(0,0)	3,6
Investments in subsidiaries	0,0	0,0	(1.256,7)	1.256,7	0,0	0,0
Equity-accounted investees	340,8	0,0	(322,1)	0,0	321,2	339,9
Other financial assets (including derivatives)	86,9	(27,5)	0,0	0,0	(0,0)	59,4
Deferred tax assets	6,3	(3,2)	(0,5)	0,0	(0,1)	2,4
<b>CURRENT ASSETS</b>	<b>2.420,2</b>	<b>(1.695,9)</b>	<b>(153,6)</b>	<b>15,4</b>	<b>(62,9)</b>	<b>523,2</b>
Inventories	19,5	(5,1)	(0,3)	0,0	0,0	14,1
Trade and other receivables	457,3	(171,1)	(16,1)	3,7	1,0	274,7
Current tax assets	3,6	(0,1)	(12,2)	11,8	0,0	3,1
Cash and cash equivalents	1.922,2	(1.512,8)	(124,8)	0,0	(64,1)	220,5
Deferred charges and accrued revenues	17,6	(6,8)	(0,3)	0,0	0,2	10,8
<b>Total assets</b>	<b>14.128,3</b>	<b>(6.678,6)</b>	<b>(1.739,3)</b>	<b>568,9</b>	<b>264,3</b>	<b>6.543,5</b>
<b>EQUITY AND LIABILITIES</b>						
<b>EQUITY</b>	<b>4.183,5</b>	<b>(1.454,1)</b>	<b>(1.184,4)</b>	<b>553,4</b>	<b>52,7</b>	<b>2.151,1</b>
Equity attributable to owners of the Company	3.176,5	(1.454,1)	(494,6)	870,7	52,7	2.151,1
Hybrid securities	715,8	0,0	(715,8)	0,0	0,0	0,0
Non-controlling interest	291,2	0,0	26,0	(317,2)	0,0	0,0
<b>NON CURRENT LIABILITIES</b>	<b>6.883,1</b>	<b>(3.171,6)</b>	<b>(517,0)</b>	<b>0,0</b>	<b>218,6</b>	<b>3.413,1</b>
Loans and borrowings	6.351,4	(2.877,6)	(513,0)	0,0	215,2	3.175,9
Employee benefits	122,6	(21,0)	(0,6)	0,0	0,0	101,1
Derivatives	6,0	0,0	0,0	0,0	0,0	6,0
Provisions	91,3	(74,9)	0,0	0,0	0,0	16,4
Deferred tax liabilities	95,4	(74,0)	(3,4)	0,0	3,4	21,5
Other liabilities	216,3	(124,1)	0,0	0,0	0,0	92,3
<b>CURRENT LIABILITIES</b>	<b>3.061,7</b>	<b>(2.053,0)</b>	<b>(37,8)</b>	<b>15,4</b>	<b>(7,1)</b>	<b>979,3</b>
Loans and borrowings	56,8	(30,8)	(0,3)	0,0	(0,3)	25,4
Provisions	16,7	(13,5)	0,0	0,0	0,0	3,2
Trade and other payables	1.918,6	(1.500,0)	(37,1)	3,7	3,2	388,5
Current tax liabilities	44,0	(34,4)	(0,3)	11,8	(3,5)	17,5
Accruals and deferred income	1.025,4	(474,3)	(0,1)	0,0	(6,5)	544,5
<b>Total equity and liabilities</b>	<b>14.128,3</b>	<b>(6.678,6)</b>	<b>(1.739,3)</b>	<b>568,9</b>	<b>264,3</b>	<b>6.543,5</b>

## Notes to Pro Forma Financial Information

### Note 1. Basis of preparation

#### (a) *General information*

The 30 June 2019 pro forma financial information is based on the assumption that the Reorganisation was completed on 30 June 2019.

The pro forma financial information is presented for illustrative purposes only. Because of its nature, the pro forma financial information addresses a hypothetical situation and, therefore, does not represent Elia Group's or Elia Transmission Belgium's actual financial position.

The pro forma financial information has been prepared by Elia Group in a manner consistent with the accounting policies adopted by Elia Group in its last historical financial statements. The pro forma financial information has not been subject to any audit, review or other procedures by Elia Group's auditors.

#### (b) *Base of the Pro Forma Financial Information*

The historical condensed consolidated interim financial statements of Elia Group as at and for the six months ended 30 June 2019 (approved by the Board of Directors of Elia Group on 25 July 2019) are the basis for the preparation of the pro forma financial information (see column A).

These historical condensed consolidated interim financial statements consist of three segments.

- Segment "Elia Transmission (Belgium)", which comprises the activities based on the Belgian regulatory framework: the regulated activities of Elia Group, Elia Asset NV/SA, Elia Engineering NV/SA, Elia Re SA, HGRT SAS, Coreso NV/SA, Ampacimon SA and Enervalis NV, whose activities are directly linked to the role of Belgian transmission system operator.
- Segment "50Hertz Transmission (Germany)", which comprises the activities based on the German regulatory framework: Eurogrid GmbH, 50Hertz Transmission GmbH and 50Hertz Offshore GmbH, whose activities are directly linked to the role of transmission system operator in Germany
- Segment "Non-regulated activities (incl. Nemo Link)", comprising:
  - o Eurogrid International CVBA;
  - o The non-regulated activities of Elia Group, Elia Asset NV/SA and Elia Engineering NV/SA. 'Non-regulated activities' refers to activities which are not directly related to the role of TSO;
  - o The most substantial of these are:
    - the holding activities in the "50Hertz Transmission (Germany)" segment; and
    - the holding activities in Nemo Link Ltd. This company comprises and manages the Nemo project, which connects the UK and Belgium using high-voltage electricity cables, enabling power to be exchanged between the two countries.
    - EGI (Elia Grid International NV/SA, Elia Grid International GmbH and Elia Grid International LLC), companies supplying specialists in consulting, services, engineering and procurement, creating value by delivering solutions based on international best practice while fully complying with regulated business environments.

Post Reorganisation, the condensed consolidated interim financial statements of Elia Group as at and for the six months ended 30 June 2019 will remain unchanged. Elia Transmission Belgium will set up separate consolidated financial statements taking into account the scope of consolidation set out below.

The table below provides an overview of subsidiaries, joint ventures, associated companies and other shareholdings held across Elia Group as reported in the condensed consolidated interim financial statements of Elia Group as at and for the six months ended 30 June 2019, and the new scope of consolidation for Elia Group and Elia Transmission Belgium post reorganisation.

Name	Country of establishment	As reported 30 June 2019	pro forma post Reorganisation	
		Elia Group Shareholding (%)	Elia Group	Elia transmission Belgium
		2019	2019	2019
Elia Transmission Belgium SA	Belgium	N/A	99,99	N/A
Elia Asset SA	Belgium	99,99	99,99	99,99
Elia Engineering SA	Belgium	100,00	100,00	100,00
Elia Re SA	Luxembourg	100,00	100,00	100,00
Elia Grid International SA	Belgium	90,00	90,00	N/A
Elia Grid International GmbH	Germany	90,00	90,00	N/A
Elia Grid International LLC	Qatar	90,00	90,00	N/A
Elia Grid International PTE. LTD.	Singapore	90,00	90,00	N/A
Eurogrid International SA	Belgium	100,00	100,00	N/A
Eurogrid GmbH	Germany	80,00	80,00	N/A
50Hertz Transmission GmbH	Germany	80,00	80,00	N/A
50Hertz Offshore GmbH	Germany	80,00	80,00	N/A
<b>Joint ventures</b>				
Nemo Link Ltd	United Kingdom	50,00	50,00	50,00
<b>Associated companies accounted for using the equity method</b>				
H.G.R.T S.A.S.	France	17,00	17,00	17,00
Coreso NV/SA	Belgium	22,16	22,16	15,84
Ampacimon SA	Belgium	20,54	20,54	20,54
Enervalis NV	Belgium	12,47	12,47	12,47
<b>Other shareholdings</b>				
JAO SA	Luxembourg	8,28	8,28	4,6

## Note 2. Pro forma adjustments

The Reorganisation contains the contribution of the regulated business in Belgium from Elia Group to Elia Transmission Belgium. Starting from the historical condensed consolidated interim financial statements of Elia Group as at and for the six months ended 30 June 2019, reversing the segments not related to the regulated business in Belgium, and finally adjusting for Nemo Link and some working capital elements, will result in the pro forma financial consolidated statements for Elia Transmission Belgium.

### (a) Detailed pro forma adjustments

The following pro forma adjustments are included in the pro forma financial information:

1. *Reversal of segment “50Hertz Transmission (Germany)”, as per 30 June 2019*

As described above, this segment covers the regulated activity in Germany in which Elia Group stake remains unchanged post reorganisation.

Elia Transmission Belgium will not benefit from the financial performance of this segment post transaction. By excluding this segment from the reported figures contained in the total historical condensed consolidated interim financial statements of Elia Group as at and for the six months ended 30 June 2019 reported figures, this segment will not be transferred to Elia Transmission Belgium.

2. *Reversal of segment “Non-regulated activities (incl. Nemo Link)” as per 30 June 2019*

As described above, this segment covers the non-regulated activities related to the holding activities in 50Hertz, EGI and Eurogrid International which remains at the level of Elia Group,

except for the stake in Nemo Link. The segment has been completely reversed, as the Nemo Link stake will be allocated to Elia Transmission Belgium pursuant to adjustment (4) set out below.

Elia Transmission Belgium will not benefit from the financial performance of this segment post transaction (except for Nemo Link). By excluding this segment from the reported figures contained in the total historical condensed consolidated interim financial statements of Elia Group as at and for the six months ended 30 June 2019, this segment will not be transferred to Elia Transmission Belgium. Nemo Link will be adjusted pursuant to adjustment (4) set out below.

3. *Elimination of intercompany balances and transactions (continuing impact)*

Some intragroup balance sheet positions, mainly related to the segment “50Hertz Transmission (Germany)” have been eliminated.

4. *Adjustment related to the Nemo Link activities and the split of working capital items related to the regulated business*

The balance sheet items related to Nemo Link are (i) the participation in Nemo Link – Equity accounted investee (EUR 321.2 million), (ii) Long term Borrowings for (EUR 215.2 million). The other elements are related to the intragroup current account which has been settled in cash, resulting in an adjustment in net working capital of EUR 55.8 million.

**(b) *Overview of Interest-bearing loans and borrowings as reported in the historical condensed consolidated interim financial statements of Elia Group as at and for the six months ended 30 June 2019 compared to the situation post Reorganisation for Elia Group and Elia Transmission Belgium***

(in EUR million)	30 June 2019			Pro forma Post Reorganisation			
	Maturity	Elia Group		Elia Group		Elia Transmission Belgium	
		Amount	Nominal Amount	Amount	Nominal Amount	Amount	Nominal Amount
Eurobond issues 2013/15 years	2028	547.7	550	547.7	550	547.7	550
Eurobond issues 2013/20 years	2033	199.4	200	199.4	200	199.4	200
Eurobond issues 2014/15 years	2029	347.0	350	347.0	350	347.0	350
Eurobond issues 2015/8.5 years	2024	498.8	500	498.8	500	498.8	500
Eurobond issues 2017/10 years	2027	247.8	250	247.8	250	247.8	250
Eurobond issues 2019/7 years	2026	498.7	500	498.7	500	498.7	500
Senior bond 2018/10 years	2028	297.5	300	297.5	300	n/a	n/a
Shareholders' loan	2022	42.1	42.1	42.1	42.1	42.1	42.1
Other loans	2022	453.7	453.7	453.7	453.7	453.7	453.7
Amortized term loan	2033	209.7	210	209.7	210	209.7	210
European Investment Bank	2025	100.0	100	100.0	100	100.0	100
Bond as part of Euro Medium Term Note program 2010 / 10 years	2020	499.4	500	499.4	500	n/a	n/a
Bond as part of Debt Issuance Programme 2015 / 10 years	2025	497.7	500	497.7	500	n/a	n/a
Bond as part of Debt Issuance Programme 2015 / 8 years	2023	748.6	750	748.6	750	n/a	n/a
Bond as part of Debt Issuance Programme 2015 / 15 years	2030	139.1	150	139.1	150	n/a	n/a
Bond as part of Debt Issuance Programme 2016 / 12 years	2028	746.9	750	746.9	750	n/a	n/a
Registered bond 2014 / 30 years	2044	50.0	50	50.0	50	n/a	n/a
Unsecured bank loan	2026	150.0	150	150.0	150	n/a	n/a
<b>Total</b>		<b>6,274.0</b>	<b>6305,8</b>	<b>6,274.0</b>	<b>6305,8</b>	<b>3,144.9</b>	<b>3,155.8</b>

## THE PROPOSALS AND TERMS AND CONDITIONS

### The Proposals

#### Overview

The purpose of the Proposal in respect of each Series is for Noteholders to consider and, if thought fit, approve by an Extraordinary Resolution:

- (i) the substitution of the New Issuer, which is a subsidiary of the Existing Issuer, on the Issuer Substitution Date in place of the Existing Issuer as issuer and principal debtor in respect of such Series and (save as set out in (ii) below) the release of the Existing Issuer from all its obligations under such Series;
- (ii) if the TSO Designation Date does not occur on or prior to the Issuer Substitution Date, the giving of a temporary guarantee by the Existing Issuer of the New Issuer's obligations under the Notes of such Series from the Issuer Substitution Date until the TSO Designation Date;
- (iii) a consequential change to the event of default in Condition 9(g), as described below;
- (iv) the approval of the Reorganisation for the sole purpose of clarifying that the Reorganisation, should it take place, would not constitute an event of default under Condition 9(f) of the relevant Series, and the waiver of any rights Noteholders of the relevant Series may otherwise have in respect of the Reorganisation under Condition 9(f) of the relevant Series, such approval and waiver referred to in this sub-paragraph (iv) to take effect on and from the Issuer Substitution Date; and
- (v) certain other consequential amendments to the relevant Agency Agreement,

in each case with effect from the Issuer Substitution Date.

Set out below for Noteholders' convenience is the wording of Condition 9(f) which the Existing Issuer is inviting Noteholders of each Series to waive, as referred to in paragraph (iv) above:

- “(f) **Winding-up:** an order is made or an effective resolution is passed for the winding-up or dissolution or administration of the Issuer or any of its Material Subsidiaries or the Issuer or any of its Material Subsidiaries ceases to carry on all or substantially all of its business or operations, except in either case for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation (i) in respect of any of its Material Subsidiaries, which is not insolvent (*failliet verklaard/déclaré en faillite*), or (ii) on terms approved by an Extraordinary Resolution of the Noteholders;”

Set out below is the wording of Condition 9(g), marked for Noteholder's convenience\* to show the change that will be made to this provision if the relevant Proposal is approved and implemented:

- “(g) **TSO:** either (i) at any time prior to the TSO Designation Date, Elia System Operator SA/NV ceases to be the Belgian Transmission System Operator (TSO) or the guarantee (the “Guarantee”) from Elia System Operator SA/NV of the Issuer’s obligations in respect of the Notes ceases to be, or is claimed by Elia System Operator SA/NV or the Issuer not to be, in full force and effect, or (ii) at any other time after the TSO Designation Date, the Issuer ceases to be the Belgian TSO (Transmission System Operator); For the purposes of this Condition 9(g), “TSO Designation Date” shall mean the date at which, following the Issuer being designated as the national TSO (as defined below) in Belgium by the federal Energy Minister and as regional or local TSO in each of the three Belgian Regions by the competent regional authorities, the Issuer delivers to the Agent a written notice signed by an authorised signatory of the Issuer confirming that:
- (a) the Issuer has been, and is continuing to be, designated as the national transmission system operator (“TSO”) in Belgium by the federal Energy Minister and as a regional or local TSO in each of the three Belgian Regions by the competent regional authorities;
  - (b) the Issuer has received all other licences, permits, authorisations, consents, approvals, certificates, registrations and orders from all government and regional agencies that are necessary for it to conduct its businesses in accordance with applicable laws and regulations;

---

\* Holders of the 2026 Notes should note that Condition 9(g) for the 2026 Notes states (prior to implementation of the relevant Proposal) “(g) **TSO:** the Issuer ceases to be the Belgian Transmission System Operator”.

(c) none of the events referred to in Condition 9 (*Events of Default*) has occurred and is continuing; and

(d) there are no outstanding payments due under the Guarantee.”

If the Extraordinary Resolution is passed in respect of any Series and the other Consent Conditions are satisfied, the proposed amendments to, and waivers of, the relevant Conditions, Agency Agreement and Final Terms, and, if applicable, the giving of the Guarantee will, if the relevant Proposal is implemented by the Existing Issuer, be binding on all Noteholders of the relevant Series, including those Noteholders of such Series who do not vote in respect of, or vote against, the relevant Proposal.

#### *Implementation of the Proposals*

Although the Payment Condition contemplates that the Existing Issuer will not implement any Extraordinary Resolution passed at the relevant Meeting (and, in each case, if applicable, homologated by the Court of Appeal of Brussels) if (i) the Extraordinary Resolution in respect of each other Series and (ii) the extraordinary resolution in respect of the senior bonds are not also passed (and, if applicable, homologated by the Court of Appeal of Brussels), the Existing Issuer reserves the right, in its sole and absolute discretion, to implement one or more Extraordinary Resolutions and/or the extraordinary resolution in respect of the senior bonds notwithstanding that one or more of the Extraordinary Resolutions in respect of each other Series and/or the extraordinary resolution in respect of the senior bonds, as applicable, are not also passed (and, if applicable, in each case homologated by the Court of Appeal of Brussels) and otherwise become unconditional. The Existing Issuer will however only implement the Extraordinary Resolution in respect of a Series in circumstances in which the Early Participation Fee and the Ineligible Noteholder Payment (as defined in the Convocation Memorandum) will be paid to the relevant Eligible Noteholders or Ineligible Noteholders eligible for such payments, as applicable, of such Series.

If the Extraordinary Resolution relating to any Series is passed and the other Consent Conditions satisfied (including where the relevant Extraordinary Resolution was approved at an adjourned Meeting by a majority representing less than one-third of the outstanding nominal amount of the relevant Series, such Extraordinary Resolution being homologated by the Court of Appeal of Brussels) and provided that the Existing Issuer decides to implement the relevant Proposal, the Existing Issuer intends (subject as set out above) (i) to execute, together with the New Issuer and the Agent, the applicable Supplemental Agency Agreement, (ii) together with the New Issuer, to execute the applicable Amended and Restated Final Terms and (iii) execute and deliver the applicable Guarantee in order to implement the Proposal in respect of each Series. Following such implementation, the modifications to the relevant Conditions and Agency Agreement will take effect from the Issuer Substitution Date.

#### *Release of Existing Issuer from Obligations under each Guarantee*

Upon the TSO Designation Date, the Guarantee given by the Existing Issuer in respect of the obligations of the New Issuer under the relevant Series shall automatically be terminated and the Existing Issuer will be released from all obligations under such Guarantee.

The TSO Designation Date shall be the date at which, following the New Issuer being designated as the national TSO in Belgium by the federal Energy Minister and as regional or local TSO in each of the three Belgian Regions by the competent regional authorities, the New Issuer delivers to the Agent a written notice signed by an authorised signatory of the New Issuer confirming that:

- (a) the New Issuer has been, and is continuing to be, designated as the national TSO in Belgium by the federal Energy Minister and as a regional or local TSO in each of the three Belgian Regions by the competent regional authorities;
- (b) the New Issuer has received all other licences, permits, authorisations, consents, approvals, certificates, registrations and orders from all government and regional agencies that are necessary for it to conduct its businesses in accordance with applicable laws and regulations;
- (c) none of the events referred to in Condition 9 (*Events of Default*) has occurred and is continuing; and
- (d) there are no outstanding payments due under the applicable Guarantee.

#### *General*

Noteholders are advised to review the applicable drafts of the Supplemental Agency Agreement, Amended and Restated Final Terms and Guarantee relating to the relevant Series, which set out the amendments to the relevant Conditions, Agency Agreement and Final Terms, along with the form of the proposed guarantee by the Existing

Issuer in full, and are available from the date of this Consent Solicitation Memorandum to the conclusion of the relevant Meeting (including any relevant adjourned Meeting) (i) on request from the Tabulation Agent and (ii) for inspection during normal business hours at the specified office of the Agent.

### **Payment of Early Participation Fee**

If the Consent Conditions in respect of a Series are satisfied and the Payment Condition in respect of that Series is satisfied (or waived), the aggregate amounts of the Early Participation Fee for the relevant Notes of such Series which were the subject of valid Block Voting Instructions or Meeting Notifications (together with the relevant Voting Certificates) received by the Tabulation Agent prior to the Early Participation Deadline (and not subsequently revoked) and, in the case of any Notes which were the subject of Meeting Notifications, were effectively voted at the relevant Meeting will be paid, in immediately available funds, by no later than the Payment Date to:

- (i) in respect of any relevant Notes which are the subject of a Block Voting Instruction, the account of the relevant Clearing System Participant specified in the relevant Block Voting Instruction; and
- (ii) in respect of any relevant Notes which are the subject of a Meeting Notification (together with a Voting Certificate), the account specified by the relevant Noteholder in the relevant Meeting Notification,

in each case by or on behalf of the Existing Issuer.

Payment of the Early Participation Fee to any Noteholder who is not a Clearing System Participant will be made by or on behalf of the Existing Issuer to the relevant Clearing System Participant for onward payment to such Noteholder. Such payment by or on behalf of the Existing Issuer to the relevant Clearing System Participant will satisfy the obligations of the Existing Issuer in respect of the Early Participation Fee and none of the Existing Issuer, the New Issuer, the Solicitation Agents or the Tabulation Agent shall have any responsibility for the subsequent payment of the Early Participation Fee by relevant Clearing System Participants to Noteholders who have given instructions through them.

For any Noteholder who elected not to submit a Block Voting Instruction but who instead submitted a valid Meeting Notification (together with a Voting Certificate) and attended or was represented at the relevant Meeting (or at any related adjourned Meeting) to, and did, effectively vote on the relevant Extraordinary Resolution, the Existing Issuer shall pay the Early Participation Fee directly to the account specified by that Noteholder in the relevant Meeting Notification.

**Each Block Voting Instruction must include details of the account of the relevant Clearing System Participant to which the Early Participation Fee (if applicable) should be paid for onward payment to the Eligible Noteholder(s) who submitted or instructed the submission of the relevant Block Voting Instruction. Each Meeting Notification must include details of the account of the Eligible Noteholder to which the Early Participation Fee should be paid. Absent such account details being provided in the relevant Block Voting Instruction or Meeting Notification, as applicable, the Early Participation Fee will not be payable to the relevant Clearing System Participant or Noteholder, as applicable.**

See "*Procedures for Participating in the Consent Solicitation*".

### **Adjourned Meetings**

In the event that (i) the necessary quorum for any Extraordinary Resolution is not obtained for any reason (see "*Consent Solicitation and the Proposals - Meetings*") or (ii) the necessary quorum is obtained and the Extraordinary Resolution passed but the Eligibility Condition relating to such Extraordinary Resolution is not satisfied, the relevant Meeting will be adjourned for not less than 14 days nor more than 42 days (and subject to the Existing Issuer giving at least 15 days' notice in respect of such adjourned Meeting, as mentioned below). At any adjourned Meeting, one or more persons present being Noteholders, proxies or representatives and holding or representing in aggregate not less than one-quarter of the aggregate nominal amount of the relevant Series for the time being outstanding will form a quorum. Block Voting Instructions and Meeting Notifications (together with the relevant Voting Certificates) which are submitted in accordance with the procedures set out in this Consent Solicitation Memorandum and which have not been subsequently revoked shall remain valid for such adjourned Meeting. To be passed at the relevant adjourned Meeting, an Extraordinary Resolution requires a majority in favour consisting of not less than three-quarters of the votes cast at such adjourned Meeting.

The holding of any adjourned Meeting will be subject to the Existing Issuer giving at least 15 days' notice in the same manner as for the relevant initial Meeting in accordance with the relevant Conditions and Meeting Provisions, and the Belgian Company Code that such adjourned Meeting is to be held.

## **General conditions of the Consent Solicitation**

The Existing Issuer expressly reserves the right, in its sole discretion, to refuse to accept, or to delay acceptance of, Block Voting Instructions and Meeting Notifications (together with the relevant Voting Certificates) pursuant to the Consent Solicitation in order to comply with applicable laws. In all cases, a Block Voting Instruction or Meeting Notification (together with the relevant Voting Certificate) will only be deemed to have been validly submitted once submitted in accordance with the procedures described in "*Procedures for Participating in the Consent Solicitation*", which include the blocking of the relevant Notes in the relevant account in the Clearing System, as described in "*Certain Considerations Relating to the Consent Solicitation – Blocking of Notes and Restrictions on Transfer*" below.

The Existing Issuer may reject Block Voting Instructions and Meeting Notifications (together with the relevant Voting Certificates) which it considers in its reasonable judgement not to have been validly submitted in the Consent Solicitation. **For example, Block Voting Instructions and Meeting Notifications (together with the relevant Voting Certificates) may be rejected and not accepted and may be treated as not having been validly submitted if any such instruction does not comply with the requirements of a particular jurisdiction.**

The failure of any eligible person to receive a copy of this Consent Solicitation Memorandum, the Notice, the Convocation Memorandum or any other notice issued by the Existing Issuer in connection with the Consent Solicitation and/or the Meetings shall not invalidate any aspect of the Consent Solicitation or any Meeting. No acknowledgement of receipt of any Block Voting Instruction or Meeting Notification (together with the relevant Voting Certificate) and/or any other documents will be given by the Existing Issuer, the New Issuer, the Solicitation Agents, the Tabulation Agent or the Agent.

## **Announcements**

Unless stated otherwise, all announcements in connection with the Consent Solicitation will be (i) made by publication on the website of the Existing Issuer and (ii) delivered to the Clearing System for communication to Clearing System Participants. Such announcements may also be made by publication on the relevant Reuters Insider screen page and/or Bloomberg. The Notice (and the convocation notice in relation to any adjourned Meeting) will also be (i) published in the Belgian State Gazette and (ii) published in the Belgian newspapers De Tijd and L'Echo. Copies of all announcements, notices and press releases can also be obtained from the Tabulation Agent, the contact details for which appear on the last page of this Consent Solicitation Memorandum. Significant delays may be experienced where notices are delivered to the Clearing System and Noteholders are urged to contact the Tabulation Agent for the relevant announcements during the course of the Consent Solicitation. In addition, Noteholders may contact any of the Solicitation Agents for information using the contact details on the last page of this Consent Solicitation Memorandum.

## **Governing law**

The Consent Solicitation and each Proposal, and any non-contractual obligations or matters arising from or connected with any of the foregoing, shall be governed by, and construed in accordance with, English law.

Each Meeting and any adjourned Meeting, each Extraordinary Resolution, each Block Voting Instruction, each Meeting Notification and each Voting Certificate, and any non-contractual obligations or matters arising from or connected with any of the foregoing, shall be governed by, and construed in accordance with, Belgian law.

In connection with the Consent Solicitation and each Proposal, by submitting or instructing to submit a Block Voting Instruction, a Meeting Notification, or a Voting Certificate in relation to the relevant Extraordinary Resolution, the relevant Eligible Noteholder will unconditionally and irrevocably agree for the benefit of the Existing Issuer, the New Issuer, the Solicitation Agents, the Tabulation Agent and the Agent that the courts of England and/or Brussels, Belgium are to have jurisdiction to settle any disputes that may arise out of or in connection with the Consent Solicitation, each Proposal, the relevant Extraordinary Resolution, any Block Voting Instruction, any Meeting Notification or any Voting Certificate, as the case may be, and that accordingly any suit, action or proceedings arising out of or in connection with the foregoing may be brought in such courts.

## CERTAIN CONSIDERATIONS RELATING TO THE CONSENT SOLICITATION

Before making a decision with respect to the Consent Solicitation, Eligible Noteholders should carefully consider, in addition to the other information contained in this Consent Solicitation Memorandum, the following:

### ***Belgian regulated activities***

Following the Reorganisation, Noteholders will become creditors of the New Issuer which will be the Belgian TSO and which, together with its subsidiaries, will comprise the Belgian Regulated Activities. Contrary to Elia Group today, the New Issuer will no longer hold shares in Eurogrid International and will therefore no longer benefit from any dividends or other income generated by 50Hertz, the German TSO. Following the TSO Designation Date, Noteholders will no longer benefit from any guarantee from Elia Group. Accordingly, Noteholders will be entirely dependent on the income and funds generated by the New Issuer (including any dividends from its subsidiaries) from the Belgian regulated activities to meet its financial obligations, including the payment of interest and principal under the Notes.

### ***Ratings***

The Existing Issuer expects S&P to affirm the Existing Issuer's issuer credit rating at BBB+ following the implementation of the Reorganisation.

The Existing Issuer expects S&P to affirm the issue ratings on each Series of Notes at BBB+ where the relevant Proposals have been approved and implemented.

The Existing Issuer expects S&P to affirm the current BBB- issue ratings on the hybrid bonds following the implementation of the Reorganisation.

The Existing Issuer does not expect the current BBB+ issuer credit rating assigned by S&P on its subsidiary Eurogrid GmbH to change as a result of the Reorganisation.

There are, however, no assurances that such ratings will remain the same for any given period or that either rating will not be lowered by S&P if, in its judgment, circumstances in the future so warrant. A decision by any rating agency to downgrade or withdraw its rating of the Notes, the Existing Issuer and/or the New Issuer, could impact the Notes. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the rating agency. Similar ratings for different types of issuers and on different types of securities do not necessarily mean the same thing. The significance of each rating should be analysed independently from any other rating.

### ***Pro forma financial information in this Consent Solicitation Memorandum***

This Consent Solicitation Memorandum contains certain pro forma financial information which has been prepared solely by the Existing Issuer and has not been subject to any audit, review or other procedure by the Existing Issuer's auditors. None of the Solicitation Agents, the Tabulation Agent or the Agent are responsible for the accuracy or completeness of such pro forma financial information, and none of the Solicitation Agents, the Tabulation Agent or the Agent expresses any view as to its accuracy, the basis on which such pro forma financial information was prepared, whether it has been prepared in a manner consistent with the accounting policies adopted by the Existing Issuer in its latest financial statements or whether any adjustments made in such pro forma financial information are appropriate to reflect the proposed Reorganisation.

### ***Procedures for participating in the Consent Solicitation***

Eligible Noteholders are responsible for complying with all of the procedures for participating in the Consent Solicitation. None of the Existing Issuer, the New Issuer, the Solicitation Agents, the Tabulation Agent or the Agent assumes any responsibility for informing Eligible Noteholders of irregularities with respect to compliance with such procedures.

Eligible Noteholders are advised to check with any bank, securities broker or other intermediary through which they hold Notes when such intermediary would need to receive instructions from an Eligible Noteholder in order for that Eligible Noteholder to be able to participate in, or revoke their instruction to participate in, the Consent Solicitation by the deadlines specified in this Consent Solicitation Memorandum.

### ***Early Participation Fee***

Eligible Noteholders should note that the Early Participation Fee is payable only to an Eligible Noteholder who has delivered (and not subsequently revoked) a valid Block Voting Instruction or Meeting Notification (together with the relevant Voting Certificate) by the Early Participation Deadline and, in the case of Meeting Notifications, has effectively voted at the relevant Meeting in person or through its representative(s), all in accordance with the terms of, and subject to the conditions set out in, this Consent Solicitation Memorandum.

Eligible Noteholders who do not deliver or arrange for delivery of a Block Voting Instruction or a Meeting Notification (together with the relevant Voting Certificate) as provided above but who wish to attend and vote at the relevant Meeting in person or make other arrangements to be represented or to vote at the relevant Meeting may do so up to the Expiration Deadline. However, only an Eligible Noteholder who delivers, or arranges to have delivered on its behalf, a valid Block Voting Instruction or Meeting Notification (together with the relevant Voting Certificate) by the Early Participation Deadline and, in the case of a Meeting Notification, has effectively voted at the relevant Meeting in person or through its representative(s) will be eligible to receive the Early Participation Fee.

### ***Blocking of Notes and Restrictions on Transfer***

When considering whether to participate in the Consent Solicitation or the relevant Meeting, Eligible Noteholders should take into account that restrictions on the transfer of the relevant Notes will apply from the time of submission of Block Voting Instructions or Voting Certificates accompanying Meeting Notifications.

An Eligible Noteholder will, when submitting or instructing to submit a Block Voting Instruction or a Meeting Notification (together with the relevant Voting Certificate), agree that its Notes will be blocked until the earlier of (i) the date on which the relevant Block Voting Instruction or Meeting Notification (together with the relevant Voting Certificate) is validly revoked (including their automatic revocation on the termination of the Consent Solicitation), in accordance with the terms of the Consent Solicitation and (ii) the later of the conclusion of the relevant Meeting and any related adjourned Meeting.

### ***Amendment of the Consent Solicitation and/or any Proposal***

The Existing Issuer may, at its option and in its sole discretion, extend, waive any condition of, amend or terminate the Consent Solicitation and/or any Proposal (subject in each case to applicable law and the relevant Meeting Provisions and as provided in this Consent Solicitation Memorandum, and provided that no amendment may be made to the terms of the relevant Extraordinary Resolution).

In the case of any such amendment that, in the opinion of the Existing Issuer, is materially prejudicial to the interests of Eligible Noteholders that have already submitted Block Voting Instructions or Meeting Notifications (together with the relevant Voting Certificates) in respect of an affected Series before the announcement of such amendment (which announcement shall include a statement that, in the opinion of the Existing Issuer, such amendment is materially prejudicial to such Eligible Noteholders), (subject to no such materially prejudicial amendment being permissible at any time after 5.00 p.m. (Brussels time) on the fourth Business Day immediately preceding the Expiration Deadline (or, where there is an adjourned Meeting, the fourth Business Day before the time set for any such adjourned Meeting)) then such Block Voting Instructions or Meeting Notifications (together with the relevant Voting Certificates) may be revoked at any time from the date and time of such announcement until 5.00 p.m. (Brussels time) on the fourth Business Day immediately following such announcement (subject to the earlier deadlines required by the Clearing System and any intermediary through which Eligible Noteholders hold their Notes).

See "*Amendment and Termination*".

### ***No assurance that any Extraordinary Resolution will be implemented***

Even if an Extraordinary Resolution is passed and the other Consent Conditions relating to such Extraordinary Resolution are satisfied and the applicable Supplemental Agency Agreement, Amended and Restated Final Terms and Guarantee are executed and, where applicable, delivered by the relevant parties thereto, no assurance can be given that the Reorganisation will occur or that such Extraordinary Resolution will be implemented. In particular, subject to applicable law, the Existing Issuer may extend, amend or terminate the Consent Solicitation in respect of any Series in certain circumstances, as described in "*Amendment and Termination*" below.

### ***All Noteholders of a Series are bound by the relevant Extraordinary Resolution***

Noteholders should note that if an Extraordinary Resolution is passed and implemented it will be binding on all Noteholders of the relevant Series, whether or not they chose to participate in the Consent Solicitation or otherwise vote at the Meeting.

### ***Inter-conditionality between Extraordinary Resolutions***

Although the Payment Condition contemplates that the Existing Issuer will not implement any Extraordinary Resolution passed at the relevant Meeting (and, if applicable, homologated by the Court of Appeal of Brussels) if (i) the Extraordinary Resolution in respect of each other Series and (ii) the extraordinary resolution in respect of the senior bonds are not also passed (and, if applicable, homologated by the Court of Appeal of Brussels), the Existing Issuer reserves the right, in its sole and absolute discretion, to implement one or more Extraordinary Resolutions and/or the extraordinary resolution in respect of the senior bonds notwithstanding that one or more of the Extraordinary Resolutions in respect of each other Series and/or the extraordinary resolution in respect of the senior bonds, as applicable, are not also passed (and, if applicable, in each case homologated by the Court of Appeal of Brussels) and otherwise become unconditional. The Existing Issuer will however only implement the Extraordinary Resolution in respect of a Series in circumstances in which the Early Participation Fee and the Ineligible Noteholder Payment (as defined in the Convocation Memorandum) will be paid to the relevant Eligible Noteholders or Ineligible Noteholders eligible for such payments, as applicable, of such Series.

### ***The Reorganisation is subject to further conditions***

The Reorganisation is subject to a number of conditions as set out in “*Background to the Proposals*”. No assurances can be given that the Reorganisation will be implemented by the Existing Issuer or, if the Reorganisation is implemented, when this may occur.

### ***Responsibility to consult advisers***

Each Noteholder is solely responsible for making its own independent appraisal of all matters as such Noteholder deems appropriate (including those relating to the Consent Solicitation and the relevant Extraordinary Resolution(s)) and each Noteholder must make its own decision whether to participate in the Consent Solicitation or otherwise participate at the relevant Meeting(s).

Noteholders should consult their own tax, accounting, financial and legal advisers regarding the suitability to themselves of the tax or accounting consequences of participating in the Consent Solicitation and regarding the impact on them of the implementation of the relevant Extraordinary Resolution(s).

None of the Existing Issuer, the New Issuer, the Solicitation Agents, the Tabulation Agent, the Agent or any director, officer, employee, agent or affiliate of any such person is acting for any Noteholder, or will be responsible to any Noteholder for providing any protections which would be afforded to its clients or for providing advice in relation to the Consent Solicitation or Extraordinary Resolution, and accordingly none of the Existing Issuer, the New Issuer, the Solicitation Agents, the Tabulation Agent, the Agent or any director, officer, employee, agent or affiliate of any such person, makes any recommendation as to whether or not or how Noteholders should participate in the Consent Solicitation or otherwise participate at the relevant Meeting(s).

### ***Liquidity of Notes***

Noteholders should note that there can be no assurance that, following implementation of any Extraordinary Resolution, any secondary market currently existing in respect of the Notes will continue to exist or that any further secondary market for the Notes will develop, or, if a secondary market does develop for any of the Notes, that it will provide the holder of the Notes with liquidity, or that any such liquidity will continue for the life of the Notes. Consequently, each Noteholder must be prepared to hold his Notes for an indefinite period until final redemption or maturity of the Notes.

The liquidity and market value of the Notes at any time are affected by, among other things, the market view of the credit risk of such Notes; and will generally fluctuate with interest rate fluctuations, economic conditions, the condition of certain financial markets, international political events, the performance and financial condition of the issuer of the Notes and developments and trends in such issuer's industry generally.

## **TAX CONSEQUENCES**

This Consent Solicitation Memorandum does not discuss the tax consequences for Noteholders arising from the Consent Solicitation or the Extraordinary Resolutions and their implementation or the receipt (where applicable) of the Early Participation Fee or the Ineligible Noteholder Payment. Noteholders are urged to consult their own professional advisers regarding the possible tax consequences of these transactions under the laws of any jurisdictions that apply to them, including (without limitation) Belgium, as well as the possible tax consequences of holding the Notes after they are modified pursuant to the Extraordinary Resolutions (which could differ, potentially materially, from the tax consequences of holding the relevant Notes before they are modified). Noteholders are liable for their own taxes and have no recourse to the Existing Issuer, the New Issuer, the Solicitation Agents, the Tabulation Agent or the Agent with respect to any taxes arising in connection with the Consent Solicitation and/or the implementation of any Extraordinary Resolution.

## PROCEDURES FOR PARTICIPATING IN THE CONSENT SOLICITATION

*Eligible Noteholders who need assistance with respect to the procedures for participating in the Consent Solicitation and the relevant Meeting or related adjourned Meeting may contact the Tabulation Agent, the contact details of which are on the last page of this Consent Solicitation Memorandum, or the financial intermediary with whom the Notes are held.*

### **Summary of actions to be taken**

Eligible Noteholders may only participate in the Consent Solicitation and the relevant Meeting or related adjourned Meeting in accordance with the procedures set out in this section "*Procedures for Participating in the Consent Solicitation*".

To be eligible for the Early Participation Fee, which will be payable in the circumstances described in "*Consent Solicitation and Proposals – Early Participation Fee*", an Eligible Noteholder should either:

- (i) deliver, or if the Eligible Noteholder is not a Clearing System Participant, request the relevant Clearing System Participant to deliver, a valid Block Voting Instruction (as set out in Annex 2 to this Consent Solicitation Memorandum) to the Tabulation Agent through the voting website established by the Tabulation Agent in connection with the Consent Solicitation and the Proposals ([www.lucid-is.com/elia](http://www.lucid-is.com/elia)) (the **Voting Website**) so that it is received by the Tabulation Agent by the Early Participation Deadline; or
- (ii) (a) deliver a Meeting Notification (as set out in Annex 3 to this Consent Solicitation Memorandum), together with the relevant Voting Certificate to the Tabulation Agent through the Voting Website ([www.lucid-is.com/elia](http://www.lucid-is.com/elia)) so that they are received by the Tabulation Agent by the Early Participation Deadline, and (b) effectively vote at the relevant Meeting or, if applicable, the related adjourned Meeting, in person or through its representative.

**The method of delivery for such documents to the Tabulation Agent is at the election and risk of the relevant Clearing System Participant and/or Eligible Noteholder, as applicable. In all cases the relevant Clearing System Participant and/or Eligible Noteholder, as applicable, should allow sufficient time to ensure delivery before any applicable deadlines described in the Convocation Memorandum.**

### ***Block Voting Instructions in respect of the relevant Extraordinary Resolution***

An Eligible Noteholder may deliver, or if the Eligible Noteholder is not a Clearing System Participant, request the relevant Clearing System Participant (in accordance with the requirements and procedures of such Clearing System Participant) to deliver, to the Tabulation Agent through the Voting Website ([www.lucid-is.com/elia](http://www.lucid-is.com/elia)), a valid Block Voting Instruction in respect of the relevant Extraordinary Resolution by the Expiration Deadline or, where there is an adjourned Meeting, 5.00 p.m. (Brussels time) on the fourth Business Day before the time set for any such adjourned Meeting. In order for the relevant Eligible Noteholder to be eligible for the Early Participation Fee, the relevant Block Voting Instruction must be delivered and received by the Tabulation Agent by the Early Participation Deadline. The submission or instruction to submit by an Eligible Noteholder of a Block Voting Instruction will automatically appoint one or more representatives of the Tabulation Agent to attend the relevant Meeting (and any adjourned such Meeting) and vote on the relevant Extraordinary Resolution in respect of the Notes the subject of such Block Voting Instruction in the manner specified or identified in such Block Voting Instruction.

In order to participate in the Consent Solicitation, each Block Voting Instruction should be substantially in the form provided in "*Annex 2 – Form of Block Voting Instruction*" of this Consent Solicitation Memorandum and must, among other things, (i) confirm that the relevant Noteholder(s) is/are Eligible Noteholder(s), (ii) specify the nominal amount of the Notes to which such Block Voting Instruction relates, (iii) confirm whether the relevant votes should be cast in favour of or against the relevant Extraordinary Resolution, and (iv) specify the bank account details of the relevant Clearing System Participant (name of account holder, IBAN and BIC number) to be used for payment of the Early Participation Fee (if applicable). In case of absence of bank account details to be used for the payment of the Early Participation Fee (if applicable) this will not be paid. The form of Block Voting Instruction can be obtained on request from the Tabulation Agent through the Voting Website. The French and Dutch language versions of the Block Voting Instruction can be found on the website of the Existing Issuer.

Upon request, each Clearing System Participant that submits a Block Voting Instruction should provide to the Existing Issuer or the Tabulation Agent, as applicable, the details of every owner of the Notes providing instructions to such Clearing System Participant. Instructions from each owner of the relevant Notes must not be divided into multiple Block Voting Instructions. A Clearing System Participant may submit one Block Voting Instruction which

includes instructions in respect of more than one owner of Notes but must ensure that all such owners are able to confirm they are all Eligible Noteholders.

If a Block Voting Instruction does not provide valid instructions for the appointment of one or more representatives of the Tabulation Agent by the Agent as a proxy to vote in favour of or against or to abstain from voting on the relevant Extraordinary Resolution, it shall be deemed to be an instruction for the appointment of one or more representatives of the Tabulation Agent by the Agent as a proxy to vote in favour the relevant Extraordinary Resolution.

In order to be valid, Clearing System Participants are required to certify in the Block Voting Instruction that the Notes in respect of which a Block Voting Instruction is given will be blocked until the later of the conclusion of the relevant Meeting and any related adjourned Meeting.

**Only Clearing System Participants may submit Block Voting Instructions. Each Eligible Noteholder who is not a Clearing System Participant must arrange for the Clearing System Participant through which such Eligible Noteholder holds its Notes to submit a Block Voting Instruction on its behalf to the Tabulation Agent.**

*Eligible Noteholders are advised to check with any bank, securities broker or other intermediary through which they hold their Notes when such intermediary would need to receive instructions from an Eligible Noteholder in order for such Eligible Noteholder to participate in, or to validly revoke their instruction to participate in, the Consent Solicitation, the relevant Meeting or related adjourned Meeting before the deadlines specified in this Consent Solicitation Memorandum. The deadlines set by any such intermediary and the Clearing System for the submission of, instruction to submit and revocation of and instruction to revoke Block Voting Instructions or to obtain any Voting Certificate will be earlier than the relevant deadlines specified in this Consent Solicitation Memorandum.*

#### ***Meeting Notifications in respect of the relevant Extraordinary Resolution***

Eligible Noteholders who elect not to deliver a Block Voting Instruction may make arrangements to participate in the relevant Meeting and/or related adjourned Meeting in person or to be represented and vote at the relevant Meeting and/or related adjourned Meeting by following the procedures outlined below.

All Meeting Notifications, together with the relevant Voting Certificates (which are issued to a Noteholder by a Recognised Accountholder or the Clearing System), must be delivered to the Tabulation Agent through the Voting Website ([www.lucid-is.com/elia](http://www.lucid-is.com/elia)) so that they are received by the Tabulation Agent by the Expiration Deadline or, in case of an adjourned Meeting, 5.00 p.m. (Brussels time) on the fourth Business Day before the time set for any adjourned Meeting. For the relevant Eligible Noteholder to be eligible for the Early Participation Fee, the relevant Meeting Notification, together with the relevant Voting Certificate, must be delivered and received by the Tabulation Agent by the Early Participation Deadline, and such Eligible Noteholder must effectively vote at the relevant Meeting or, if applicable, the related adjourned Meeting in person or through its representative(s).

In order to participate in the Consent Solicitation, each Meeting Notification should be substantially in the form provided in “Annex 3 – Form of Meeting Notification” of this Consent Solicitation Memorandum and must, among other things, (i) specify the identity (name, address or registered office and (if applicable) company registration number) of the relevant Eligible Noteholder, (ii) if applicable, specify the identity (name, address) of the representative(s) of the relevant Eligible Noteholder who will be present at the relevant Meeting (and at any related adjourned Meeting), (iii) confirm that the relevant Eligible Noteholder is an Eligible Noteholder, (iv) specify the nominal amount of the Notes held by the relevant Eligible Noteholder and which are the subject of the relevant Meeting Notification, (v) if the relevant Meeting Notification appoints a representative(s) for the relevant Eligible Noteholder who will be present at the relevant Meeting (and at any related adjourned Meeting), confirm whether the relevant Eligible Noteholder wishes such representative(s) to vote in favour of or against the relevant Extraordinary Resolution, and (vi) specify the bank account details (name of accountholder, IBAN and BIC number) to be used for payment of the Early Participation Fee (if applicable). In case of absence of bank account details to be used for the payment of the Early Participation Fee (if applicable) this will not be paid. The form of Meeting Notification can be obtained on request from the Tabulation Agent through the Voting Website. The French and Dutch language versions of the Meeting Notification can be found on the website of the Existing Issuer.

#### **To be valid, a Meeting Notification needs to be accompanied by the relevant Voting Certificate**

An Eligible Noteholder (or representative on behalf of such Eligible Noteholder) wishing to attend and vote at the relevant Meeting in person must produce at such Meeting the relevant Voting Certificate and satisfactory evidence of identity (for example, an identity card or passport).

***Submission and validity of Block Voting Instructions and Meeting Notifications (together with relevant Voting Certificates)***

The submission of a Block Voting Instruction will be deemed to have occurred upon receipt by the Tabulation Agent via the relevant Clearing System Participant of a valid Block Voting Instruction.

The submission of a Meeting Notification will be deemed to have occurred upon receipt by the Tabulation Agent of (i) a valid Meeting Notification and (ii) a valid Voting Certificate.

Unless validly revoked, Block Voting Instructions or Meeting Notifications (together with the relevant Voting Certificates) shall remain valid for any adjourned Meeting.

***Revocation of Block Voting Instructions and Meeting Notifications (together with relevant Voting Certificates)***

A Block Voting Instruction may be revoked by, or on behalf of, the relevant Eligible Noteholder, by submitting a valid withdrawal instruction that is received by the Tabulation Agent by the Expiration Deadline, or, where there is an adjourned Meeting, 5.00 p.m. (Brussels time) on the fourth Business Day before the time set for any such adjourned Meeting, in accordance with the procedures of the relevant Clearing System Participant. A revocation instruction relating to a Block Voting Instruction must specify the name of the Clearing System Participant and the Notes to which the original Block Voting Instruction related.

A Meeting Notification and related Voting Certificate may be revoked by notifying the Tabulation Agent by the Expiration Deadline, or, where there is an adjourned Meeting, 5.00 p.m. (Brussels time) on the fourth Business Day before the time set for any such adjourned Meeting. A revocation instruction relating to a Meeting Notification and related Voting Certificate must specify the details of the Eligible Noteholder and the Notes to which the original Meeting Notification and related Voting Certificate relate.

Unless validly revoked, Block Voting Instructions and Meeting Notifications (together with the relevant Voting Certificates) shall remain valid for any adjourned Meeting.

***Agreements, acknowledgements, representations, warranties and undertakings***

By submitting or instructing to submit a Block Voting Instruction or a Meeting Notification (together with the relevant Voting Certificate), an Eligible Noteholder and, in the case of Block Voting Instructions, any Clearing System Participant submitting such Block Voting Instruction on such Eligible Noteholder's behalf, shall agree, and acknowledge, represent, warrant and undertake, to the Existing Issuer, the New Issuer, the Solicitation Agents and the Tabulation Agent the following at the time of submission of such Block Voting Instruction or Meeting Notification (as applicable), the Expiration Deadline and at the time of the relevant Meeting (and any related adjourned Meeting) (and if an Eligible Noteholder or Clearing System Participant is unable to make any such agreement or acknowledgement or give any such representation, warranty or undertaking, such Eligible Noteholder or Clearing System Participant should contact the Tabulation Agent immediately):

- (a) it has received this Consent Solicitation Memorandum, and has reviewed, agrees to be bound by and accepts the terms, conditions and other considerations of the Consent Solicitation and the relevant Proposal, all as described in this Consent Solicitation Memorandum;
- (b) it is assuming all the risks inherent in participating in the Consent Solicitation and has undertaken all the appropriate analyses of the implications of the Consent Solicitation without reliance on the Existing Issuer, the New Issuer, the Solicitation Agents, the Agent or the Tabulation Agent;
- (c) it has full power and authority to vote in the relevant Meeting (and any related adjourned Meeting);
- (d) the relevant Block Voting Instruction or Meeting Notification (together with the relevant Voting Certificate) is made on the terms and conditions set out in this Consent Solicitation Memorandum;
- (e) in the case of a Block Voting Instruction only, it will be deemed to consent to have the Clearing System Participant provide details concerning its identity to the Tabulation Agent (and for the Tabulation Agent to provide such details to the Existing Issuer, the New Issuer and the Solicitation Agents and their respective legal advisers);
- (f) in the case of a Block Voting Instruction only, it gives instructions for the appointment by the Tabulation Agent of one or more of its representatives as its proxy to vote in respect of the relevant Extraordinary Resolution at the relevant Meeting (including any related adjourned Meeting) in the manner specified in the

Block Voting Instruction in respect of all of the Notes of the relevant Series in its account blocked by the relevant Clearing System Participant;

- (g) all authority conferred or agreed to be conferred pursuant to its acknowledgements, agreements, representations, warranties and undertakings, and all of its obligations, shall be binding upon its successors, assigns, heirs, executors, trustees in bankruptcy and legal representatives, and shall not be affected by, and shall survive, its death or incapacity;
- (h) none of the Existing Issuer, the New Issuer, the Solicitation Agents or the Tabulation Agent has given it any information with respect to the Consent Solicitation or the relevant Proposal save as expressly set out in this Consent Solicitation Memorandum nor has any of them expressed any opinion about the terms of the Consent Solicitation or the relevant Proposal or made any recommendation to it as to whether it should participate in the Consent Solicitation or otherwise participate in the relevant Meeting or any related adjourned Meeting and it has made its own decision with regard to participating in the Consent Solicitation and/or the relevant Meeting and any related adjourned Meeting based on financial, tax or legal advice it has deemed necessary to seek;
- (i) no information has been provided to it by the Existing Issuer, the New Issuer, the Solicitation Agents or the Tabulation Agent, or any of their respective affiliates, directors or employees, with regard to the tax consequences for Noteholders arising from the participation in the Consent Solicitation, the implementation of the relevant Proposal or the receipt by it of the Early Participation Fee (if applicable), and it acknowledges that it is solely liable for any taxes and similar or related payments imposed on it under the laws of any applicable jurisdiction as a result of its participation in the Consent Solicitation or in relation to the relevant Proposal, and agrees that it will not and does not have any right of recourse (whether by way of reimbursement, indemnity or otherwise) against the Existing Issuer, the New Issuer, the Solicitation Agents or the Tabulation Agent, or any of their respective directors or employees, or any other person in respect of such taxes and payments;
- (j) the Notes have not been and will not be registered under the Securities Act, or the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons, unless an exemption from the registration requirements of the Securities Act is available (terms used in this and the following paragraph that are, unless otherwise specified, defined in Regulation S are used as defined in Regulation S);
- (k) it is not a U.S. person (as defined in Regulation S under the Securities Act), and is not acting for the account or benefit of any U.S. person, and it is not located or resident in the United States;
- (l) it is otherwise a person to whom the Consent Solicitation can be lawfully made and that may lawfully participate in the Consent Solicitation, and it has observed all relevant laws and acquired all necessary consents, approvals or authorisations of, or made all registrations, filings or declarations with, any court, regulatory authority, governmental agency or stock exchange or any other person, that are required in connection with submission of the relevant Block Voting Instruction or Meeting Notification (together with the relevant Voting Certificate);
- (m) it is not a Sanctions Restricted Person;
- (n) it agrees to ratify and confirm each and every act or thing that may be done or effected by the Existing Issuer, the New Issuer, the Agent, any of their respective directors, officers, employees, agents or affiliates or any person nominated by the Existing Issuer in the proper exercise of his or her powers and/or authority hereunder;
- (o) it agrees to do all such things as shall be necessary and execute any additional documents deemed by the Existing Issuer to be desirable, in each case, to perfect any of the authorities expressed to be given hereunder and also appoints the Tabulation Agent as its authorised attorney to do so on its behalf;
- (p) it will upon request, execute and deliver any additional documents and/or do such other things deemed by the Existing Issuer to be necessary or desirable to effect delivery of the instructions related to such Notes or to evidence such power and authority; and
- (q) it holds and will hold, until the earlier of (i) the date on which its Block Voting Instruction or Meeting Notification (together with the relevant Voting Certificate) is validly revoked (including the automatic revocation of such Block Voting Instruction or Meeting Notification (together with the relevant Voting Certificate) on the termination of the Consent Solicitation) in accordance with the terms of the Consent

Solicitation and the relevant Proposal and (ii) the later of the conclusion of the relevant Meeting and any related adjourned Meeting, the relevant Notes blocked by the relevant Clearing System Participant and, in accordance with the requirements of, and by the deadline required by, that Clearing System Participant, it has submitted, or has caused to be submitted, a notification to the Clearing System Participant, to authorise the blocking of such Notes with effect on and from the date of such submission so that no transfers of such Notes may be effected until the occurrence of any of the events listed in (i) or (ii) above.

The representation, warranty and undertaking set out at paragraph (m) above shall, other than when such representation, warranty and undertaking is made by an Eligible Noteholder (and, if applicable, the Clearing System Participant submitting the relevant Block Voting Instruction on such Eligible Noteholder's behalf) at the time of submission of the relevant Block Voting Instruction or Meeting Notification (together with the relevant Voting Certificate), not apply if and to the extent that it is or would be a breach of any provision of Council Regulation (EC) No 2271/1996 (the **Blocking Regulation**) and/or any law or regulation implementing the Blocking Regulation in the United Kingdom or any Member State of the European Union.

In addition, by submitting a Block Voting Instruction or Meeting Notification (together with the relevant Voting Certificate) as described above, each Eligible Noteholder shall be deemed to agree, acknowledge, represent, warrant and undertake, that, in the event the relevant Extraordinary Resolution is passed and beginning at the time that the amendments to the Notes of such Series become effective, until the expiry of the period of 40 calendar days after the later of (A) the date on which the relevant Extraordinary Resolution is passed and (B) the date the applicable Supplemental Agency Agreement, Amended and Restated Final Terms and Guarantee are executed, sales may not be made in the United States or to U.S. persons unless made outside the United States pursuant to Rule 903 and 904 of Regulation S, such agreements, acknowledgements, representations, warranties and undertakings in each case being made to the Existing Issuer, the New Issuer, the Tabulation Agent and the Solicitation Agents at (i) the time of submission of such Block Voting Instruction or Meeting Notification (together with the relevant Voting Certificate), (ii) the Expiration Deadline and (iii) the time of the relevant Meeting and the time of any adjourned such Meeting.

## **General**

### ***Block Voting Instructions via Euroclear and Clearstream, Luxembourg***

Noteholders who wish to submit or instruct to submit a Block Voting Instruction and hold their Notes via Euroclear or Clearstream, Luxembourg should provide electronic instructions in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg. Noteholders are advised to check with any bank, securities broker or other intermediary through which they hold Notes when such intermediary would need to receive instructions from a Noteholder in order for that Noteholder to be able to participate in, or revoke their instruction to participate in the relevant Proposal by the deadlines specified in this Consent Solicitation Memorandum. The deadlines set by any such intermediary, Euroclear and Clearstream, Luxembourg for the submission, instruction to submit and withdrawal of instructions will be earlier than the relevant deadlines specified in this Consent Solicitation Memorandum.

### ***Denominations of Block Voting Instructions and Meeting Notifications***

Block Voting Instructions and Meeting Notifications (together with Voting Certificates) must be submitted in respect of no less than the minimum denomination of the relevant Series, as set out in the column headed "Minimum Denomination" in the table of page 2 of this Consent Solicitation Memorandum, and may thereafter be submitted in integral multiples of such minimum denomination.

### ***Block Voting Instructions or Meeting Notifications (together with the relevant Voting Certificates) other than in accordance with the procedures set out in this section will not be accepted***

Eligible Noteholders may only participate in the Consent Solicitation by way of the submission of a valid Block Voting Instruction or Meeting Notification (together with the relevant Voting Certificate) in accordance with the procedures set out in this section "*Procedures for Participating in the Consent Solicitation*". Eligible Noteholders should not send Block Voting Instructions or Meeting Notifications (together with the relevant Voting Certificates) to the Existing Issuer, the New Issuer, the Solicitation Agents or the Agent.

### ***Appointment of Tabulation Agent as proxy***

By submitting a valid Block Voting Instruction, an Eligible Noteholder will give instructions for the appointment of one or more representatives of the Tabulation Agent by the Agent as proxy of that Eligible Noteholder to vote in the manner specified or identified in their Block Voting Instruction in respect of the relevant Extraordinary Resolution at the relevant Meeting and at any adjourned such Meeting.

### ***Irregularities***

All questions as to the validity, form, eligibility and valid revocation (including times of receipt) of any Block Voting Instruction or Meeting Notification (together with the relevant Voting Certificate) will be determined by the Existing Issuer in its sole discretion, which determination shall be final and binding.

The Existing Issuer reserves the absolute right to reject any and all Block Voting Instructions or Meeting Notifications (together with the relevant Voting Certificates) or revocation instructions not in proper form or the acceptance of which would, in the opinion of the Existing Issuer and its legal advisers, be unlawful. The Existing Issuer also reserves the absolute right to waive any defects, irregularities or delay in the submission of any or all Block Voting Instructions or Meeting Notifications (together with the relevant Voting Certificates) or revocation instructions. The Existing Issuer also reserves the absolute right to waive any such defect, irregularity or delay in respect of a particular Block Voting Instruction or Meeting Notification (together with the relevant Voting Certificate) whether or not the Existing Issuer elects to waive similar defects, irregularities or any delay in respect of other Notes.

Any defect, irregularity or delay must be cured within such time as the Existing Issuer determines, unless waived by it. Block Voting Instructions or Meeting Notifications (together with the relevant Voting Certificates) will be deemed not to have been made until such defects, irregularities or delays have been cured or waived. None of the Existing Issuer, the Solicitation Agents and the Tabulation Agent shall be under any duty to give notice to an Eligible Noteholder of any defects, irregularities or delays in any Block Voting Instruction or Meeting Notification (together with the relevant Voting Certificate) or revocation instruction, nor shall any of them incur any liability for failure to give such notice.

## AMENDMENT AND TERMINATION

### Amendment and Termination

Notwithstanding any other provision of the Consent Solicitation, the Existing Issuer may, subject to applicable laws and the relevant Meeting Provisions, at its option and in its sole discretion:

- (a) at any time before the Expiration Deadline (or, where there is an adjourned Meeting, 5.00 p.m. (Brussels time) on the fourth Business Day before the time set for any such adjourned Meeting), amend the Early Participation Fee and/or extend the Early Participation Deadline or Expiration Deadline applicable to any Series (in which case all references to the Early Participation Fee, Early Participation Deadline or Expiration Deadline in this Consent Solicitation Memorandum shall be, for the purposes of the Consent Solicitation in respect of the relevant Series, to the Early Participation Fee, Early Participation Deadline or Expiration Deadline, respectively, as each may be amended or extended), which the Existing Issuer reserves the right to do whether or not the Early Participation Fee, Early Participation Deadline or Expiration Deadline is similarly amended or extended in respect of any other Series;
- (b) at any time before the Payment Date in respect of the relevant Series, terminate the Consent Solicitation in respect of any Series (including with respect to Block Voting Instructions or Meeting Notifications (together with the relevant Voting Certificates) submitted in respect of such Series before the time of such termination) and not implement the Proposal in respect of the relevant Series pursuant to the Consent Solicitation; and
- (c) at any time before the Expiration Deadline (or, where there is an adjourned Meeting, 5.00 p.m. (Brussels time) on the fourth Business Day before the time set for any such adjourned Meeting), otherwise amend or modify the terms of the Consent Solicitation in respect of any or all Series or any Proposal (other than the terms of the relevant Extraordinary Resolution) in any respect (including, but not limited to, by waiving, where possible, any conditions to completion of the Consent Solicitation in respect of any Series, other than the Consent Conditions).

The Existing Issuer will promptly give oral or written notice (with any oral notice to be promptly confirmed in writing) of any extension, amendment, termination or waiver to the Tabulation Agent, followed by an announcement thereof as promptly as practicable, to the extent required by this Consent Solicitation Memorandum or by law. See "*The Proposals and Terms and Conditions - Announcements*".

In the event the Consent Solicitation is terminated in respect of any Series, if not already held, the relevant Meeting will still be held and, as specified in the paragraph below, the relevant Extraordinary Resolution will still be considered and voted on at the relevant Meeting. However, on such termination of the Consent Solicitation in respect of any Series, all Block Voting Instructions or Meeting Notifications (together with the relevant Voting Certificates) relating to Notes of such Series will be deemed to be revoked automatically.

If, following the termination of the Consent Solicitation in respect of any Series, the relevant Extraordinary Resolution is subsequently passed at the relevant Meeting (or any adjourned such Meeting), it will nevertheless be ineffective (as implementation of the relevant Extraordinary Resolution is conditional on the Consent Solicitation not having been terminated in respect of the relevant Series) and the Existing Issuer will not pay any Early Participation Fee in respect of any relevant Notes.

### Revocation Rights

Eligible Noteholders that have already submitted Block Voting Instructions or Meeting Notifications (together with the relevant Voting Certificates) in respect of any Series may revoke any such Block Voting Instruction or Meeting Notification (together with the relevant Voting Certificate) at any time until the Expiration Deadline or (if applicable) 5.00 p.m. (Brussels time) on the fourth Business Day before the time set for any adjourned Meeting. However, such Eligible Noteholder will not be eligible to receive the Early Participation Fee (if applicable).

Eligible Noteholders wishing to exercise any such rights of revocation should do so in accordance with the procedures set out in "*Procedures for Participating in the Consent Solicitation*". Owners of Notes that are held through an intermediary are advised to check with such entity when it would require to receive revocation instructions in order to meet the deadlines specified in this Consent Solicitation Memorandum. For the avoidance of doubt, any Eligible Noteholder who, following any amendment of the Consent Solicitation in respect of the relevant Series, does not exercise any such right of revocation in the circumstances and in the manner specified above shall be deemed to have waived right of revocation and its original Block Voting Instruction or Meeting Notification (together with the relevant Voting Certificate) will remain effective.

The exercise of any right of revocation in respect of a Block Voting Instruction or Meeting Notification (together with the relevant Voting Certificate) will be effective for the purposes of revoking the instruction given by the relevant Eligible Noteholder for the appointment of one or more representatives of the Tabulation Agent by the Agent as a proxy to vote at the relevant Meeting on behalf of such Eligible Noteholders only if a valid revocation instruction is received by the Tabulation Agent no later than the Expiration Deadline or (if applicable) 5.00 p.m. (Brussels time) on the fourth Business Day before the time set for any adjourned Meeting.

## SOLICITATION AGENTS AND TABULATION AGENT

### *Solicitation Agents*

The Existing Issuer has retained BNP Paribas, Citigroup Global Markets Limited, J.P. Morgan Securities plc and NatWest Markets Plc to act as Solicitation Agents for the Consent Solicitation and the Proposals. The Existing Issuer has entered into a solicitation agency agreement with the Solicitation Agents which contains certain provisions regarding payment of fees, expense reimbursement and indemnity arrangements relating to the Consent Solicitation and the Proposals.

Each of the Solicitation Agents may, in the ordinary course of its business, make markets in debt securities of the Existing Issuer, including the Notes, for its own account and for the accounts of its customers. As a result, from time to time, the Solicitation Agents may own certain of the Existing Issuer's debt securities, including the Notes.

Each of the Solicitation Agents may (i) submit Block Voting Instructions or Meeting Notifications (together with the relevant Voting Certificates) for its own account and (ii) submit Block Voting Instructions or Meeting Notifications (together with the relevant Voting Certificates) or make other arrangements to be represented or to vote at the relevant Meeting(s) on behalf of other Noteholders.

### *Tabulation Agent*

The Existing Issuer has retained Lucid Issuer Services Limited as Tabulation Agent for the Consent Solicitation and the Proposals. The Existing Issuer has entered into an engagement letter with the Tabulation Agent which contains certain provisions regarding payment of fees, expense reimbursement and indemnity arrangements relating to the Consent Solicitation and the Proposals.

The Tabulation Agent is an agent of the Existing Issuer and owes no duty to any Noteholders.

### *General*

The Solicitation Agents and the Tabulation Agent, and their respective affiliates, may contact Eligible Noteholders regarding the Consent Solicitation and may request brokerage houses, custodians, nominees, fiduciaries and others to forward this Consent Solicitation Memorandum, the Notice, the Convocation Memorandum and related materials to owners of the Notes.

None of the Solicitation Agents, the Tabulation Agent or any of their respective directors, employees and affiliates assumes any responsibility for the accuracy or completeness of the information concerning the Consent Solicitation, the Proposals, the Extraordinary Resolutions, the Existing Issuer or the Notes in this Consent Solicitation Memorandum or for any failure by the Existing Issuer to disclose events that may have occurred and may affect the significance or accuracy of such information and the terms of any amendment to the Consent Solicitation.

None of the Existing Issuer, the New Issuer, the Solicitation Agents, the Tabulation Agent or any director, officer, employee, agent or affiliate of any such person is acting for any Noteholder, or will be responsible to any Noteholder for providing any protections which would be afforded to its clients or for providing advice in relation to the Consent Solicitation or any Extraordinary Resolution, and accordingly none of the Existing Issuer, the New Issuer, the Solicitation Agents, the Tabulation Agent or any director, officer, employee, agent or affiliate of any such person, makes any recommendation whether Noteholders should participate in the Consent Solicitation or otherwise participate at the relevant Meeting(s).

## ANNEX 1

### FORM OF CONVOCAATION MEMORANDUM

**THIS CONVOCAATION MEMORANDUM IS IMPORTANT AND REQUIRES THE IMMEDIATE ATTENTION OF NOTEHOLDERS. IF NOTEHOLDERS ARE IN ANY DOUBT AS TO THE ACTION THEY SHOULD TAKE, THEY SHOULD SEEK THEIR OWN FINANCIAL AND LEGAL ADVICE, INCLUDING IN RESPECT OF ANY TAX CONSEQUENCES, IMMEDIATELY FROM THEIR BROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT OR OTHER INDEPENDENT FINANCIAL, TAX OR LEGAL ADVISER.**



#### **Elia System Operator SA/NV**

*incorporated with limited liability (naamloze vennootschap/société anonyme) in the Kingdom of Belgium*  
*Enterprise number 0476.388.378 – RPR Brussels*  
(the **Existing Issuer** or **Elia Group**)

### **CONVOCAATION MEMORANDUM TO SEPARATE GENERAL MEETINGS OF NOTEHOLDERS**

The board of directors of the Existing Issuer has the honour to invite the holders of each Series of the Notes listed below (each a **Series** and together the **Notes**) to attend separate general meetings of such Noteholders to be held on 30 October 2019 at the offices of the Existing Issuer at Keizerslaan 20, Brussels 1000, Belgium (each a **Meeting** and together the **Meetings**) in order to deliberate and decide on the resolution (in respect of each Series, the **Extraordinary Resolution**) described in paragraph 3 below in the context of the proposed substitution of Elia Transmission Belgium SA/NV (the **New Issuer** or **Elia Transmission Belgium**) on the Issuer Substitution Date (as defined herein) in place of the Existing Issuer as issuer and principal debtor in respect of the relevant Series (with the Existing Issuer initially becoming a guarantor of the Notes of each relevant Series in the circumstances and on the terms described herein).

The initial Meeting (in respect of the 2024 Notes (as defined below)) will commence at 11.00 a.m. (Central European Time) with subsequent Meetings in respect of each other Series (in the order each Series is listed below) being held at 5 minute intervals thereafter or after the completion of the preceding Meeting (whichever is later). In this Convocation Memorandum, unless a contrary indication appears, terms used in the terms and conditions of the Notes of each Series (in respect of each Series, the **Conditions**) or the relevant Extraordinary Resolution, as applicable, have the same meaning and construction.

<b>Description of the Notes</b>	<b>ISIN / Common Code</b>	<b>Outstanding nominal amount</b>
€500,000,000 1.375 per cent. Fixed Rate Notes due 27 May 2024 (the <b>2024 Notes</b> )	BE0002239086 / 1321648905	€500,000,000
€500,000,000 1.375 per cent. Fixed Rate Notes due 14 January 2026 (the <b>2026 Notes</b> )	BE0002629104 / 193513832	€500,000,000
€250,000,000 1.375 per cent. Fixed Rate Notes due 7 April 2027 (the <b>2027 Notes</b> )	BE0002276450 / 159337642	€250,000,000
€550,000,000 3.25 per cent. Fixed Rate Notes due 4 April 2028 (the <b>2028 Notes</b> )	BE0002432079 / 091170175	€550,000,000
€350,000,000 3 per cent. Fixed Rate Notes due 7 April 2029 (the <b>2029 Notes</b> )	BE0002466416 / 105416385	€350,000,000
€200,000,000 3.5 per cent. Fixed Rate Notes due 4 April 2033 (the <b>2033 Notes</b> )	BE0002433085 / 091205793	€200,000,000

#### **1. BACKGROUND TO THE PROPOSALS**

The Existing Issuer has convened the Meetings for the purpose of Noteholders considering and, if thought fit, passing the relevant Extraordinary Resolution proposed by the Existing Issuer in relation to the Notes of the relevant Series (each a **Proposal** and together the **Proposals**), with any implementation of that Extraordinary Resolution being subject to satisfaction of the conditions (together the **Consent Conditions**) described in paragraph 5 of that Extraordinary Resolution.

## 1 Background information

### 1.1 Objectives of the internal reorganisation

Elia Group has decided to implement an internal reorganisation aimed at ring-fencing its regulated activities in Belgium, namely the ownership and operation of the high and very high voltage electricity transmission system in Belgium (including its stake in Nemo Link<sup>1</sup>), including the indebtedness raised for this purpose (the **Belgian regulated activities**) from its unregulated activities and its regulated activities carried out outside Belgium (the **unregulated activities and regulated activities carried out abroad**), including the related underlying fund flows and indebtedness (see Section 2.2.2).

The Reorganisation will allow the Group to further implement its investment strategy, in particular following the application of the new tariff methodology as of 2020.

The new tariff methodology for 2020-2023 provides, amongst others things, that the financing of unregulated activities<sup>2</sup> of Elia Group is valued at conditions equivalent to financing that would be fully covered by equity capital. By achieving a ring-fencing of the Belgian regulated activities from the unregulated activities and regulated activities carried out abroad, the Reorganisation will avoid the risk of cross-subsidy between, on the one hand, Belgian regulated activities and, on the other hand, unregulated activities and regulated activities carried out abroad and, as a result, prevent any adverse financial impact of the new tariff methodology on investments in unregulated activities and regulated activities carried out abroad as of 2020.

Hence, the Reorganisation will provide the Group with a suitable framework for future investments in both Belgian regulated activities as well as unregulated activities and regulated activities carried out abroad, in line with its strategy.

As part of its Belgian regulated activities, the Group plans to invest EUR 2.2 billion in the Belgian regulated entity over the next five years. In Belgium, organic growth will come from the development of the 30kV to 380kV transmission systems, with a view mainly to accommodate the growth of renewable energies (e. g. the Modular Offshore Grid project), to increase interconnections and to carry out a renewal of part of the existing infrastructure at the end of its technical life.

The Nemo Link interconnection, linking the Belgian and British transmission systems and the Alegro interconnection, linking Belgium to Germany for the first time, are crucial for the integration of the European power system and the development of the Group.

As part of its regulated activities outside Belgium, the Group plans to invest EUR 3.4 billion in Germany over the next five years. In Germany, the ongoing energy transition (Energiewende), also supported by the increase in the renewable energy production targets (from 55% to 65%) set by the new German government by 2030, will encourage additional investments by 50 Hertz.

These investment plans of the two transmission system operators of the Group will enable the Group to achieve its objective of successfully integrating the national electricity systems in Europe, so as to integrate ever-increasing volumes of renewable energy production and to further develop European interconnections.

The Group's ambition is to become the leader in the energy sector in the countries where it operates and the leading transmission system operator in Europe.

The development of the Group through the possible acquisition of other transmission system operator activities in Europe, if this should occur, will also be facilitated by the implementation of the Reorganisation.

### 1.2 Implications of internal reorganisation

The Reorganisation involves transforming Elia Group, the current transmission system operator (**TSO**), into a holding company listed on the stock exchange. This holding company will hold stakes in various subsidiaries, including a new subsidiary that will take over the Belgian regulated activities, Elia

---

<sup>1</sup> Under Article 9bis of the Law of 29 April 1999 on the organisation of the electricity market, the system operator must own, directly or indirectly, at least half of the capital and voting rights attached to the securities issued by a subsidiary responsible for developing, maintaining and owning the infrastructure and equipment forming part of an offshore interconnection (i.e. Nemo Link Ltd.).

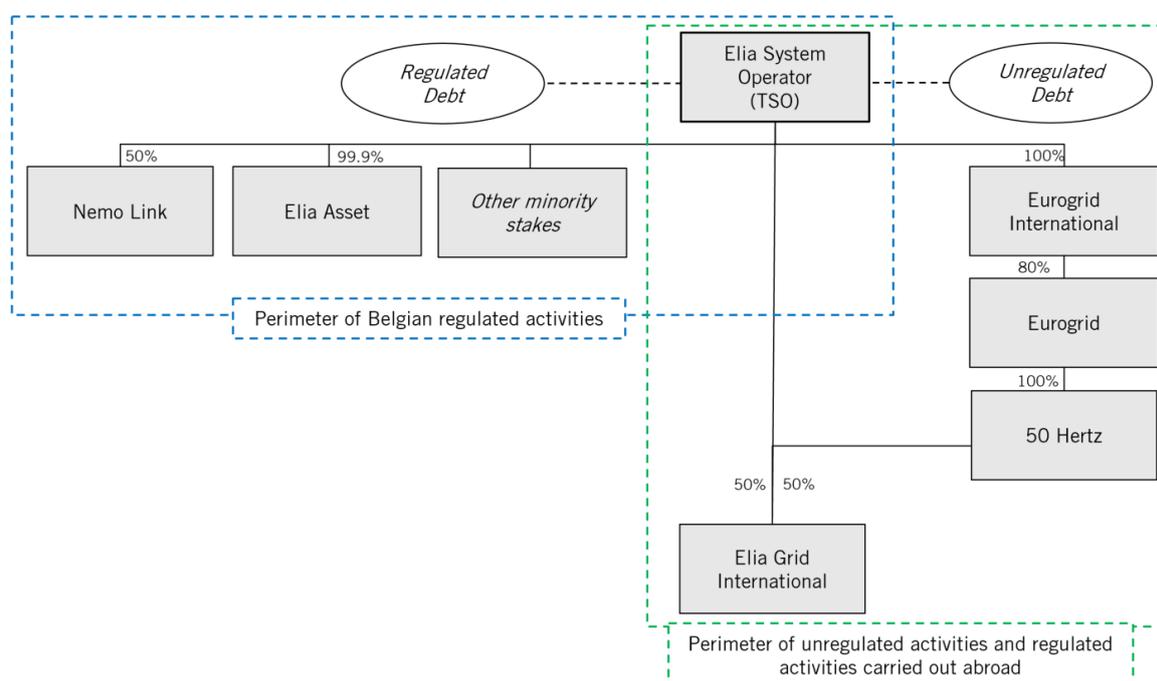
<sup>2</sup> The tariff methodology defines unregulated activities as unregulated if they are regulated abroad or if they are not regulated.

Transmission Belgium, but also in other subsidiaries such as Eurogrid International (comprising the activities of 50Hertz, the German TSO) or Elia Grid International (**EGI**), the Group’s consultancy branch. Elia Transmission Belgium, the entity taking over the Belgian regulated activities, will then be designated as the Belgian TSO at federal and regional level.

Elia Group is working towards carrying out this Reorganisation, including obtaining the effective designations of Elia Transmission Belgium as TSO at federal and regional level, by 31 December 2019. The Reorganisation is scheduled to take effect as from 31 December 2019 just prior to midnight (see Section 2.2.2). If the formal decisions by the competent authorities to designate Elia Transmission Belgium as the national TSO and regional (local) TSO in each of the Regions would not have been obtained and would not have been effective on that date, a temporary contractual framework could be put in place between Elia Group and Elia Transmission Belgium to enable the latter to operate the national and regional (local) transmission systems as a subcontractor<sup>3</sup>, as soon as the regulated activities have been transferred to it (see Sections 2.2.3 and 4.3, pending such designation).

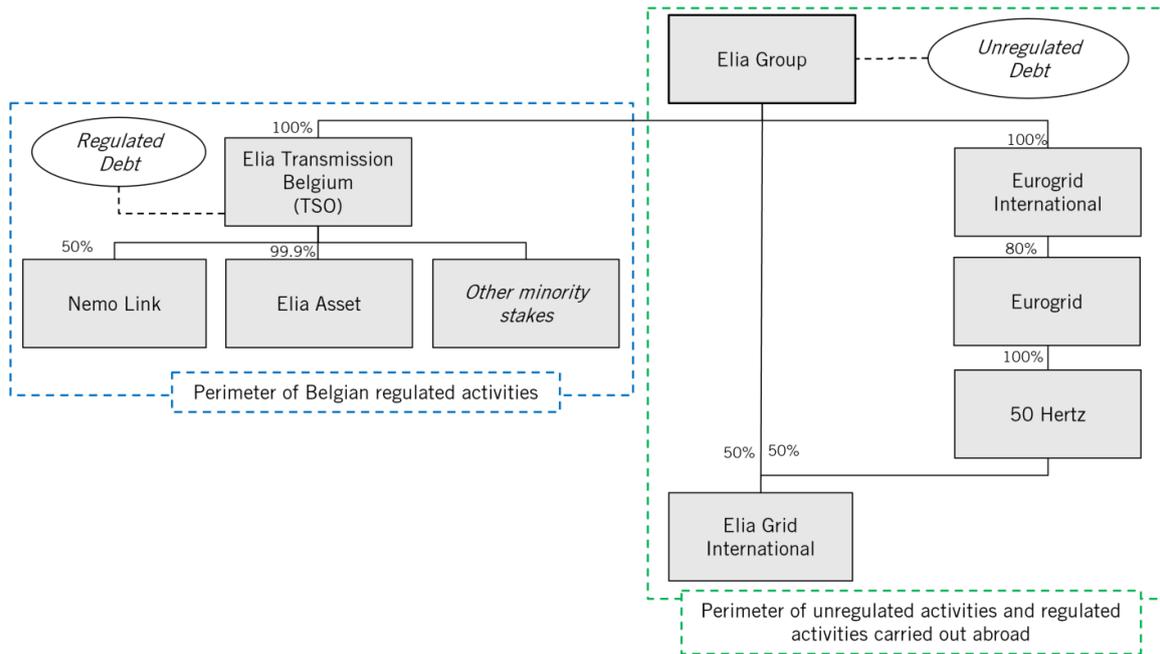
The following organisational charts represent the structure of the Group before and after the Reorganisation:

- **Structure before the Reorganisation**



<sup>3</sup> It could be envisaged that such subcontracting, based on Article 9bis, §1, 1st paragraph, 1° of the law of 29 April 1999 on the organisation of the electricity market (the **Electricity Law**), be structured as a “tripartite” silent partnership between ESO, Elia Transmission Belgium and Elia Asset, the three entities acting as one economic unit (as ESO and Elia Asset already do today).

- **Structure after the Reorganisation<sup>4</sup>**



This Convocation Memorandum contains a general description of the Reorganisation and the conditions for its implementation.

## 2 Description of the Reorganisation

### 2.1 Elia Transmission Belgium

Elia Transmission Belgium, the wholly-owned subsidiary of Elia Group to which all Belgian regulated activities will be transferred as part of the Reorganisation and which will be designated as the new TSO at federal and regional level has been incorporated on 31 July 2019 by Elia Group and Publi-T SCRL, in the form of a limited liability company (*société anonyme / naamloze vennootschap*).

Elia Transmission Belgium's seat is located at Boulevard de l'Empereur 20, 1000 Brussels.

Elia Transmission Belgium will not be listed on the stock exchange, unlike Elia Group.

### 2.2 Legal steps

#### 2.2.1 Elia Group shareholder approval

The approval by the shareholders' meeting of Elia Group of the transfer by Elia Group of its shares in Elia Asset SA/NV (**Elia Asset**) to Elia Transmission Belgium, in accordance with Article 17.2 of Elia Group's articles of association, after receiving the opinion of the CREG on the proposed transfer, in accordance with Article 28.2.3 of Elia Group's articles of association. A shareholders' meeting has been convened to that effect to take place on 8 November 2019.

#### 2.2.2 Reorganisation

(a) The transfer by Elia Group of all its shares in Elia Asset to Elia Transmission Belgium through:

<sup>4</sup> Assuming that Elia Transmission Belgium has obtained all designations as TSO by 31 December 2019. Otherwise, Elia Group will continue to be the TSO during an interim period (see Section 4.3).

- (i) on the one hand, a sale by Elia Group of part of its shares in Elia Asset to Elia Transmission Belgium for an amount of EUR 2.092 billion against a vendor loan on the part of Elia Group; and
  - (ii) on the other hand, a contribution of the remainder of the shares in Elia Asset to the capital of Elia Transmission Belgium in exchange for shares newly issued by Elia Transmission Belgium for an amount of EUR 1.212 billion.
- (b) The payment by Elia Transmission Belgium of the vendor loan resulting from the purchase of the shares in Elia Asset (step (b)(i)) by taking over the debt related to Elia Group's Belgian regulated activities for an amount equivalent to the sale price of the Elia Asset shares (i.e. EUR 2.092 billion); and
- (c) The contribution by Elia Group of its business division (*branche d'activité / bedrijfstak*) to Elia Transmission Belgium's capital, which consists of all the assets and liabilities dedicated to its Belgian regulated activities<sup>5</sup>, excluding the Elia Asset shares which are the subject of a separate transfer (step (b)) and excluding the debt related to the Belgian regulated activities of Elia Group which has been the subject of a separate transfer (see step (b) above). This operation will result in an increase in the capital of Elia Transmission Belgium and the issue of new shares of Elia Transmission Belgium to Elia Group.

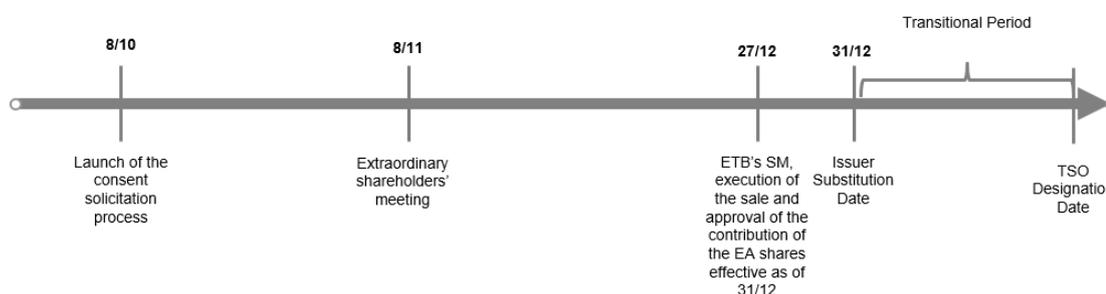
Steps (a) to (c) included constitute the "Reorganisation" and are scheduled to be implemented on or about 27 December 2019 and to take effect as from 31 December 2019 just prior to midnight.

### 2.2.3 TSO designation

The designation of Elia Transmission Belgium as national TSO and regional (local) TSO in each of the Regions, replacing Elia Group.

In the event that one or more of the designations referred to in Section 2.2.3 above would become effective after the Issuer Substitution Date, Elia Group will subcontract the operation of the transmission system to Elia Transmission Belgium as part of a "tripartite" silent partnership with Elia Group and Elia Asset, pursuant to Article 9bis, §1, 1st paragraph, 1° of the Electricity Law, during the period between the Issuer Substitution Date (currently expected to be 31 December 2019, just prior to midnight) and the TSO Designation Date<sup>6</sup> (the **Transitional Period**). Consequently, the regulated activities would, in such case, be carried out by Elia Transmission Belgium as from the Issuer Substitution Date, either as the designated TSO in its own right or as a subcontractor of the designated TSO during the Transitional Period (and as the designated TSO in its own right as soon as all designations are obtained).

The contemplated timeline is as follows:



<sup>5</sup> This contribution includes in particular all employees, commercial contracts relating to access to the electricity system, receivables and debts directly related to the said activity. This contribution is fully remunerated in shares newly issued by Elia Transmission Belgium. This contribution constitutes a contribution of a business division (*branche d'activité/ bedrijfstak*) within the meaning of Article 679 of the Belgian Company Code.

<sup>6</sup> Assuming that the designations as regional (local) TSO in each of the three Regions will be obtained at the latest and will become effective at the time of designation as national TSO.

## 2.3 Conditions to the Reorganisation

The Reorganisation will only be carried out if:

- (a) an advance favourable ruling has been obtained from the Office for Advance Tax Rulings<sup>7</sup>;
- (b) Elia Transmission Belgium may be eligible for the designation as the TSO at federal level;
- (c) the shareholders' meeting of Elia Group approves the transfer of the Elia Asset shares, in accordance with Articles 17.2 and 28.2.3 of Elia Group's articles of association scheduled for 8 November 2019; and
- (d) certain creditors of Elia Group's financing give their consent.

It is currently expected that all these conditions will be met on 31 December 2019. Elia Group may in its sole discretion waive any of these conditions.

However, the completion of the Reorganisation will not be subject to the formal decisions of the competent authorities to designate Elia Transmission Belgium as national TSO and regional (local) TSO in each of the Regions. If, by 31 December 2019, Elia Transmission Belgium has not been formally and effectively designated as national TSO and regional (local) TSO in each of the Regions, the operation of the electricity transmission system could be carried out by Elia Transmission Belgium as a subcontractor within the framework of a "tripartite" silent partnership with Elia Group and Elia Asset, pursuant to Article 9bis, §1, 1st paragraph, 1° of the Electricity Law, during the Transitional Period as set out below (see Section 4.3).

## 3 Financial consequences of the Reorganisation

The transfer of Elia Group's Belgian regulated activities to Elia Transmission Belgium is scheduled to become effective on 31 December 2019 just prior to midnight (see Section 2.2.3).

The section "*Unaudited Pro Forma Financial Information*" in this Convocation Memorandum gives an unaudited pro forma presentation of the condensed consolidated statement of the financial position of Elia Group and Elia Transmission Belgium as at 30 June 2019, assuming the Reorganisation had been completed on 30 June 2019.

After the Reorganisation, the consolidated financial statements of Elia Group and Elia Transmission Belgium will be prepared in accordance with IFRS accounting standards.

## 4 Regulatory treatment

### 4.1 Absence of certification of Elia Transmission Belgium

The CREG confirmed, after notification of the transaction by Elia, that no formal certification procedure as system operator with respect to Elia Transmission Belgium should be initiated as part of the Reorganisation.

### 4.2 Designation

At federal level, the designation of Elia Transmission Belgium as a TSO will be decided by the Federal Minister of Energy, after consulting with the CREG and deliberating in the Council of Ministers.

---

<sup>7</sup> A ruling request has been submitted by ESO to the Belgian Ruling Commission to obtain certain confirmations concerning the tax treatment of the Reorganisation. A favourable ruling was obtained on 18 June 2019. Certain other aspects of the Reorganisation (i.e. the impact on the qualification as a business division due to ESO remaining designated as the national TSO and regional (local) TSO in each of the Regions during the Transitional Period, if applicable (see above), and the tax effectiveness of the accounting retroactivity) will be covered by a separate ruling request, which was submitted on 9 September 2019 to the Ruling Commission. The decision is expected by 31 December 2019.

At regional level, the designation of Elia Transmission Belgium as regional (local) TSO will automatically be obtained in the Walloon Region following the designation as TSO at federal level<sup>8</sup>; it will be decided by the VREG<sup>9</sup> for the Flemish Region and by the Brussels Government for the Brussels Capital Region.

The request for designation has been made, if necessary, to the competent authorities. Since the law does not provide for any specific time limit for obtaining formal designation decisions neither at federal nor at regional level, the moment at which they will be obtained cannot be determined in advance.

In the event that the designation as national TSO<sup>10</sup> would not become effective by 31 December 2019 at midnight, Elia Transmission Belgium could temporarily operate the transmission system as a subcontractor within the framework of a “tripartite” silent partnership with Elia Group and Elia Asset, pursuant to Article 9bis, §1, 1st paragraph, 1° of the Electricity Law, during the Transitional Period, so that it can start operating the transmission system, acting as one economic unit with Elia Asset and Elia Group, the latter remaining the national TSO and regional (local) TSO in each of the Regions during the Transitional Period as defined above (see Section 2.20).

While the Electricity Law provides an explicit legal basis for subcontracting as described in the previous paragraph, the financial arrangements between the three entities during the Transitional Period will have to be detailed in a “tripartite” silent partnership agreement as set out below (see Section 4.3). The tariff methodology provides for the consolidation of the balance sheets of the entities operating the system (currently Elia Group and Elia Asset) for the purpose of calculating the tariffs. Assuming that the CREG accepts the consolidation of the balance sheets of Elia Group and Elia Transmission Belgium for the calculation of the tariffs as from 1 January 2020, any fund flows between Elia Group, Elia Asset and Elia Transmission Belgium during the Transitional Period, in accordance with the “tripartite” silent partnership agreement, would be neutral from a tariff perspective.

When Elia Transmission Belgium’s designations as national TSO and regional (local) TSO in each of the Regions become effective, Elia Group will lose its existing designations as national TSO and regional (local) TSO respectively<sup>11</sup> and the subcontracting of the system operation will be terminated.

#### **4.3 Subcontracting – “tripartite” silent partnership**

As indicated above, if the formal decision to designate Elia Transmission Belgium as national TSO does not become effective before the Issuer Substitution Date, Elia Transmission Belgium could operate the transmission system as a subcontractor within the framework of a “tripartite” silent partnership with Elia Group and Elia Asset, pursuant to Article 9bis, §1, 1st paragraph, 1° of the Electricity Law, during the Transitional Period. Elia Transmission Belgium would then hold, from the moment of the implementation of the Reorganisation, the Belgian regulated activities excluding the formal designations, until the date at which all decisions of the competent authorities designating Elia Transmission Belgium as national TSO and (local) regional TSO in each of the Regions have been obtained and have become effective.

The notion of “subcontracting” in this context refers to the situation in which Elia Transmission Belgium would carry out its operations as a subsidiary of Elia Group, operating as one single economic unit in coordination with the designated TSO (and the asset owner), on the basis of a temporary contractual framework. To this end, it is envisaged that Elia Group, Elia Transmission Belgium and Elia Asset would enter into a “tripartite” silent partnership agreement detailing the financial and contractual arrangements required among them during the Transitional Period. Amongst other things, this agreement would set out an allocation of resources contributed by each entity to the partnership and a division of tasks and legal representation powers between the three entities<sup>12</sup> (in the same way as the simple silent partnership agreement currently in place between Elia Group and Elia Asset). The purpose of the partnership would be

---

<sup>8</sup> The national TSO will automatically be designated as local TSO in Wallonia, without the need for a formal decision by the CWaPE (the “*Commission wallonne pour l’Energie*”, the official regulatory body for the Walloon electricity and gas markets). However, a notification will have to be made.

<sup>9</sup> The “*Vlaamse Regulator van de Elektriciteits- en Gasmarkt*”, the Flemish regulator of the electricity and gas market.

<sup>10</sup> See footnote 6.

<sup>11</sup> Assuming that each decision to designate Elia Transmission Belgium will also stipulate that the current corresponding designation of ESO will end at the time the designation of Elia Transmission Belgium becomes effective.

<sup>12</sup> Which for Elia Transmission Belgium will include entering into all relevant agreements with network users and invoicing them for the network services provided by it, and for which it will act in its own name and for the account of the partnership.

to allow Elia Transmission Belgium as the company holding (together with Elia Asset) all the regulated assets and resources following completion of the Reorganisation, to utilise those assets and resources in order to perform the operation of the transmission system during the Transitional Period, and to allocate the resulting profits and losses among the partners in a way that reflects the economic reality.

Once Elia Transmission Belgium has obtained the formal decisions of designation as TSO at each level, Elia Group would withdraw from the “tripartite” silent partnership agreement, which would then continue to exist as a simple silent partnership between Elia Transmission Belgium and Elia Asset (see Section 5.3).

## **5 Shareholding and Governance**

### **5.1 Governance of Elia Transmission Belgium**

Elia Transmission Belgium’s governance structure is a replica of the governance currently in place within Elia Group. As a result, the governance structure of Elia Transmission Belgium complies with the requirements of the Electricity Law and all applicable regional legislation.

The Electricity Law provides for specific governance conditions that will apply to Elia Transmission Belgium at the latest as from its designation as national TSO and will cease to apply to Elia Group as from the same date, including:

- only non-executive directors may be appointed;
- at least half of the directors must be independent and must be appointed partly for their financial management knowledge and partly for their useful technical knowledge;
- the CREG must give a uniform opinion on the independence of the independent directors;
- an audit committee, a remuneration committee and a governance committee must be constituted, all of which must consist of a majority of independent directors;
- an executive committee within the meaning of Article 524bis of the Belgian Company Code must be created;
- the board of directors must consist of at least one-third members of the opposite sex; and
- a linguistic balance must be achieved within the members of the board of directors and within the members of the executive committee.

In addition, pursuant to Article 9bis of the Electricity Law, the board of directors and the executive committee of the TSO must consist of the same members as the board of directors and the executive committee of the subsidiary of the TSO that owns the infrastructure and equipment constituting the transmission system (i.e. Elia Asset).

### **5.2 Elia Group Governance**

As a result of the Reorganisation, Elia Group will become a “standard” company, i.e. not subject to the Electricity Law, and will be officially renamed “Elia Group”. Elia Group will remain listed on the stock exchange and therefore subject to the obligations of listed companies, in particular with regard to governance<sup>13</sup>.

New articles of association of Elia Group will enter into force on the TSO Designation Date.

The main principles that are proposed by the board of directors to the shareholders’ meeting of 8 November 2019 are as follows:

---

<sup>13</sup> Elia Group will also have to continue to comply with the requirements relating to the certification of the candidate TSO as a fully ownership unbundled (FOU) TSO, as controlling shareholder of Elia Transmission Belgium in Belgium and 50 Hertz Transmission in Germany.

- the board of directors of Elia Group will consist of a minimum of 10 and a maximum of 14 directors, including (i) seven non-independent directors appointed on the proposal of the holders of A and C shares, insofar as the classes A and C shares of the future holding company represent more than 30% of its capital and (ii) a maximum of seven other directors, including at least three independent directors who will be appointed by the shareholders' meeting on the recommendation of the board of directors, after consulting the nomination committee;
- decisions of the board of directors will be taken by a simple majority;
- Elia Group will opt for a one-tier structure. The board of directors will set up a college in charge of day-to-day management;
- the board of directors will set up three advisory committees, namely the audit committee, the remuneration committee and the nomination committee, and may also set up a strategy committee as an additional advisory committee; the (additional) requirements of the Electricity Law concerning advisory committees will therefore not be included in the articles of association. Notwithstanding the Corporate Governance Code, the nomination committee will consist of a majority of non-independent directors and at least one third of independent directors.

### 5.3 Silent partnership

A silent partnership agreement currently exists between Elia Group and Elia Asset concerning the operation of Belgian regulated activities. As part of the Reorganisation, a new (simple) silent partnership agreement (*stille maatschap / société simple interne*) will be concluded between Elia Transmission Belgium and Elia Asset, to ensure compliance with the certification requirements in terms of the ownership of the transmission system held by the TSO.

In addition, if the designation of Elia Transmission Belgium as the national TSO and/or regional (local) TSO in each of the Regions would not have been obtained and become effective by 31 December 2019 at midnight, a "tripartite" silent partnership agreement will be concluded during the Transitional Period. Once Elia Transmission Belgium has been designated as TSO at each level, Elia Group will withdraw from the "tripartite" silent partnership agreement, which will continue to exist as a simple silent partnership between Elia Transmission Belgium and Elia Asset (see Section 4.3 above).

## 6 Status of funding raised by Elia Group

The indebtedness allocated to the Belgian regulated activities (including the Notes, the regulated bank debt and shareholder loans) for a total nominal amount of EUR 3.155 billion will be transferred to Elia Transmission Belgium, together with the assets related to these activities.

The EUR 300 million 1.50 per cent. senior bonds due 5 September 2028 (the **senior bonds**) and the EUR 700 million hybrid bonds (the **hybrid bonds**) (which were issued to acquire an additional 20% stake in Eurogrid International) constitute a debt allocated to unregulated activities and regulated activities carried out abroad and will therefore remain at Elia Group's level.

For the purposes of the Reorganisation, the terms of the various financial arrangements, both Belgian regulated and unregulated, other than hybrid bonds, will have to be modified. For outstanding bonds, a formal process for the solicitation of the bondholders' consent will be organised, with the holding of bondholders' meetings and the obtaining of certain predefined quorums and majorities. Please refer to the relevant Extraordinary Resolution below for an overview of the proposed amendments and waivers to the Notes. The holders of the senior bonds will be requested to waive any rights they would otherwise have as a result of an event of default under 10(f) (*Winding-up*) and 10(g) (*Transmission System Operator*) of the terms and conditions of the senior bonds in respect of the Reorganisation. For bank loans and shareholder loans, bilateral negotiations will be initiated with the various creditors.

## 7 Separate consent exercise announced by the Existing Issuer on or around the date of this Convocation Memorandum in respect of the senior bonds

In connection with the Reorganisation, Elia Group also announced on or about the date of this Convocation Memorandum a separate consent exercise in relation to the senior bonds (as described above) to consent to, among other things, the waiver of certain potential events of default under the terms and conditions of the

senior bonds in connection with the Reorganisation. That consent exercise is not the subject of this Convocation Memorandum.

## 8 Rating

The Existing Issuer expects S&P to affirm the Existing Issuer's issuer credit rating at BBB+ following the implementation of the Reorganisation.

The Existing Issuer expects S&P to affirm the issue ratings on each Series of Notes at BBB+ where the relevant Proposals have been approved and implemented.

The Existing Issuer expects S&P to affirm the current BBB- issue ratings on the hybrid bonds following the implementation of the Reorganisation.

The Existing Issuer does not expect the current BBB+ issuer credit rating assigned by S&P on its subsidiary Eurogrid GmbH to change as a result of the Reorganisation.

There are, however, no assurances that such ratings will remain the same for any given period or that either rating will not be lowered by S&P if, in its judgment, circumstances in the future so warrant. A decision by any rating agency to downgrade or withdraw its rating of the Notes, the Existing Issuer and/or the New Issuer, could impact the Notes. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the rating agency. Similar ratings for different types of issuers and on different types of securities do not necessarily mean the same thing. The significance of each rating should be analysed independently from any other rating.

## 9 Unaudited Pro Forma Financial Information

The unaudited pro forma financial information consisting of the statement of the financial position (pro forma financial information) and accompanying notes has been prepared as if the restructuring had occurred on 30 June 2019 and is based on the "condensed consolidated interim financial statements of Elia Group as at and for the six months ended 30 June 2019". The pro forma financial information only relates to the statement of the financial position. A profit and loss statement as at 30 June 2019 has not been included in the pro forma financial information, as the pro forma financial information has the goal of reflecting the impact on the balance sheet of the transfer of the assets and liabilities related to the regulated business to the new entity Elia Transmission Belgium.

The pro forma financial information is presented for illustrative purposes only. Because of its nature, the pro forma financial information addresses a hypothetical situation and, therefore, does not represent Elia Group or Elia Transmission Belgium's actual financial situation.

The pro forma financial information should be read in conjunction with the historical condensed consolidated interim financial statements of the Elia Group (i.e. Elia System Operator SA/NV) as at and for the six months ended 30 June 2019.

The historical condensed consolidated interim financial statements of the Elia Group as at and for the six months ended 30 June 2019 were prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board and as adopted by the European Union.

### Pro Forma Financial Information – Condensed consolidated statement of financial position

(A) Historical condensed consolidated interim financial statements of the Elia Group as at and for the six months ended 30 June 2019.

- (1) Reversal of segment '50Hertz Transmission (Germany)', as per 30 June 2019
- (2) Reversal of segment 'Non-regulated activities (incl. Nemo Link)' as per 30 June 2019
- (3) Intercompany eliminations
- (4) Adjustment related to the Nemo Link activities and the split of working capital items related to the regulated business

(B) Pro Forma Financial Information

EUR million	Elia Group (consolidated)	50Hertz Transmission (Germany)	Non-regulated activities (incl. Nemo Link)	Elimination of intercompany balances / transactions	Adjustments to include Nemo Link	Elia Transmission Belgium (Consolidated)
	Historical financial information					
	(A)	(1)	(2)	(3)	(4)	(B)
	June 30, 2019	June 30, 2019	June 30, 2019	June 30, 2019		
<b>ASSETS</b>						
<b>NON CURRENT ASSETS</b>	<b>11.708,1</b>	<b>(4.982,7)</b>	<b>(1.585,6)</b>	<b>553,4</b>	<b>327,1</b>	<b>6.020,3</b>
Property, plant and equipment	8.768,9	(4.895,7)	(6,3)	0,0	6,1	3.873,0
Intangible assets and goodwill	2.501,6	(56,3)	(0,0)	(703,3)	0,0	1.742,0
Non-current tax receivables	0,0	0,0	0,0	0,0	0,0	0,0
Trade and other receivables	3,6	(0,0)	(0,0)	0,0	(0,0)	3,6
Investments in subsidiaries	0,0	0,0	(1.256,7)	1.256,7	0,0	0,0
Equity-accounted investees	340,8	0,0	(322,1)	0,0	321,2	339,9
Other financial assets (including derivatives)	86,9	(27,5)	0,0	0,0	(0,0)	59,4
Deferred tax assets	6,3	(3,2)	(0,5)	0,0	(0,1)	2,4
<b>CURRENT ASSETS</b>	<b>2.420,2</b>	<b>(1.695,9)</b>	<b>(153,6)</b>	<b>15,4</b>	<b>(62,9)</b>	<b>523,2</b>
Inventories	19,5	(5,1)	(0,3)	0,0	0,0	14,1
Trade and other receivables	457,3	(171,1)	(16,1)	3,7	1,0	274,7
Current tax assets	3,6	(0,1)	(12,2)	11,8	0,0	3,1
Cash and cash equivalents	1.922,2	(1.512,8)	(124,8)	0,0	(64,1)	220,5
Deferred charges and accrued revenues	17,6	(6,8)	(0,3)	0,0	0,2	10,8
<b>Total assets</b>	<b>14.128,3</b>	<b>(6.678,6)</b>	<b>(1.739,3)</b>	<b>568,9</b>	<b>264,3</b>	<b>6.543,5</b>
<b>EQUITY AND LIABILITIES</b>						
<b>EQUITY</b>	<b>4.183,5</b>	<b>(1.454,1)</b>	<b>(1.184,4)</b>	<b>553,4</b>	<b>52,7</b>	<b>2.151,1</b>
Equity attributable to owners of the Company	3.176,5	(1.454,1)	(494,6)	870,7	52,7	2.151,1
Hybrid securities	715,8	0,0	(715,8)	0,0	0,0	0,0
Non-controlling interest	291,2	0,0	26,0	(317,2)	0,0	0,0
<b>NON CURRENT LIABILITIES</b>	<b>6.883,1</b>	<b>(3.171,6)</b>	<b>(517,0)</b>	<b>0,0</b>	<b>218,6</b>	<b>3.413,1</b>
Loans and borrowings	6.351,4	(2.877,6)	(513,0)	0,0	215,2	3.175,9
Employee benefits	122,6	(21,0)	(0,6)	0,0	0,0	101,1
Derivatives	6,0	0,0	0,0	0,0	0,0	6,0
Provisions	91,3	(74,9)	0,0	0,0	0,0	16,4
Deferred tax liabilities	95,4	(74,0)	(3,4)	0,0	3,4	21,5
Other liabilities	216,3	(124,1)	0,0	0,0	0,0	92,3
<b>CURRENT LIABILITIES</b>	<b>3.061,7</b>	<b>(2.053,0)</b>	<b>(37,8)</b>	<b>15,4</b>	<b>(7,1)</b>	<b>979,3</b>
Loans and borrowings	56,8	(30,8)	(0,3)	0,0	(0,3)	25,4
Provisions	16,7	(13,5)	0,0	0,0	0,0	3,2
Trade and other payables	1.918,6	(1.500,0)	(37,1)	3,7	3,2	388,5
Current tax liabilities	44,0	(34,4)	(0,3)	11,8	(3,5)	17,5
Accruals and deferred income	1.025,4	(474,3)	(0,1)	0,0	(6,5)	544,5
<b>Total equity and liabilities</b>	<b>14.128,3</b>	<b>(6.678,6)</b>	<b>(1.739,3)</b>	<b>568,9</b>	<b>264,3</b>	<b>6.543,5</b>

## Notes to Pro Forma Financial Information

### Note 1. Basis of preparation

#### (a) *General information*

The 30 June 2019 pro forma financial information is based on the assumption that the Reorganisation was completed on 30 June 2019.

The pro forma financial information is presented for illustrative purposes only. Because of its nature, the pro forma financial information addresses a hypothetical situation and, therefore, does not represent Elia Group's or Elia Transmission Belgium's actual financial position.

The pro forma financial information has been prepared by Elia Group in a manner consistent with the accounting policies adopted by Elia Group in its last historical financial statements. The pro forma financial information has not been subject to any audit, review or other procedures by Elia Group's auditors.

#### (b) *Base of the Pro Forma Financial Information*

The historical condensed consolidated interim financial statements of Elia Group as at and for the six months ended 30 June 2019 (approved by the Board of Directors of Elia Group on 25 July 2019) are the basis for the preparation of the pro forma financial information (see column A).

These historical condensed consolidated interim financial statements consist of three segments.

- Segment "Elia Transmission (Belgium)", which comprises the activities based on the Belgian regulatory framework: the regulated activities of Elia Group, Elia Asset NV/SA, Elia Engineering NV/SA, Elia Re SA, HGRT SAS, Coreso NV/SA, Ampacimon SA and Enervalis NV, whose activities are directly linked to the role of Belgian transmission system operator.
- Segment "50Hertz Transmission (Germany)", which comprises the activities based on the German regulatory framework: Eurogrid GmbH, 50Hertz Transmission GmbH and 50Hertz Offshore GmbH, whose activities are directly linked to the role of transmission system operator in Germany
- Segment "Non-regulated activities (incl. Nemo Link)", comprising:
  - o Eurogrid International CVBA;
  - o The non-regulated activities of Elia Group, Elia Asset NV/SA and Elia Engineering NV/SA. 'Non-regulated activities' refers to activities which are not directly related to the role of TSO;
  - o The most substantial of these are:
    - the holding activities in the "50Hertz Transmission (Germany)" segment; and
    - the holding activities in Nemo Link Ltd. This company comprises and manages the Nemo project, which connects the UK and Belgium using high-voltage electricity cables, enabling power to be exchanged between the two countries.
    - EGI (Elia Grid International NV/SA, Elia Grid International GmbH and Elia Grid International LLC), companies supplying specialists in consulting, services, engineering and procurement, creating value by delivering solutions based on international best practice while fully complying with regulated business environments.

Post Reorganisation, the condensed consolidated interim financial statements of Elia Group as at and for the six months ended 30 June 2019 will remain unchanged. Elia Transmission Belgium will set up separate consolidated financial statements taking into account the scope of consolidation set out below.

The table below provides an overview of subsidiaries, joint ventures, associated companies and other shareholdings held across Elia Group as reported in the condensed consolidated interim financial statements of Elia Group as at and for the six months ended 30 June 2019, and the new scope of consolidation for Elia Group and Elia Transmission Belgium post reorganisation.

Name	Country of establishment	As reported 30 June 2019	pro forma post Reorganisation	
		Elia Group Shareholding (%)	Elia Group	Elia transmission Belgium
		2019	2019	2019
Elia Transmission Belgium SA	Belgium	N/A	99.99	N/A
Elia Asset SA	Belgium	99.99	99.99	99.99
Elia Engineering SA	Belgium	100.00	100.00	100.00
Elia Re SA	Luxembourg	100.00	100.00	100.00
Elia Grid International SA	Belgium	90.00	90.00	N/A
Elia Grid International GmbH	Germany	90.00	90.00	N/A
Elia Grid International LLC	Qatar	90.00	90.00	N/A
Elia Grid International PTE. LTD.	Singapore	90.00	90.00	N/A
Eurogrid International SA	Belgium	100.00	100.00	N/A
Eurogrid GmbH	Germany	80.00	80.00	N/A
50Hertz Transmission GmbH	Germany	80.00	80.00	N/A
50Hertz Offshore GmbH	Germany	80.00	80.00	N/A
<b>Joint ventures</b>				
Nemo Link Ltd	United Kingdom	50.00	50.00	50.00
<b>Associated companies accounted for using the equity method</b>				
H.G.R.T S.A.S.	France	17.00	17.00	17.00
Coreso NV/SA	Belgium	22.16	22.16	15.84
Ampacimon SA	Belgium	20.54	20.54	20.54
Enervalis NV	Belgium	12.47	12.47	12.47
<b>Other shareholdings</b>				
JAO SA	Luxembourg	8.28	8.28	4.6

## Note 2. Pro forma adjustments

The Reorganisation contains the contribution of the regulated business in Belgium from Elia Group to Elia Transmission Belgium. Starting from the historical condensed consolidated interim financial statements of Elia Group as at and for the six months ended 30 June 2019, reversing the segments not related to the regulated business in Belgium, and finally adjusting for Nemo Link and some working capital elements, will result in the pro forma financial consolidated statements for Elia Transmission Belgium.

### (a) Detailed pro forma adjustments

The following pro forma adjustments are included in the pro forma financial information:

1. *Reversal of segment “50Hertz Transmission (Germany)”, as per 30 June 2019*

As described above, this segment covers the regulated activity in Germany in which Elia Group stake remains unchanged post reorganisation.

Elia Transmission Belgium will not benefit from the financial performance of this segment post transaction. By excluding this segment from the reported figures contained in the total historical condensed consolidated interim financial statements of Elia Group as at and for the six months ended 30 June 2019 reported figures, this segment will not be transferred to Elia Transmission Belgium.

2. *Reversal of segment “Non-regulated activities (incl. Nemo Link)” as per 30 June 2019*

As described above, this segment covers the non-regulated activities related to the holding activities in 50Hertz, EGI and Eurogrid International which remains at the level of Elia Group,

except for the stake in Nemo Link. The segment has been completely reversed, as the Nemo Link stake will be allocated to Elia Transmission Belgium pursuant to adjustment (4) set out below.

Elia Transmission Belgium will not benefit from the financial performance of this segment post transaction (except for Nemo Link). By excluding this segment from the reported figures contained in the total historical condensed consolidated interim financial statements of Elia Group as at and for the six months ended 30 June 2019, this segment will not be transferred to Elia Transmission Belgium. Nemo Link will be adjusted pursuant to adjustment (4) set out below.

3. *Elimination of intercompany balances and transactions (continuing impact)*

Some intragroup balance sheet positions, mainly related to the segment “50Hertz Transmission (Germany)” have been eliminated.

4. *Adjustment related to the Nemo Link activities and the split of working capital items related to the regulated business*

The balance sheet items related to Nemo Link are (i) the participation in Nemo Link – Equity accounted investee (EUR 321.2 million), (ii) Long term Borrowings for (EUR 215.2 million). The other elements are related to the intragroup current account which has been settled in cash, resulting in an adjustment in net working capital of EUR 55.8 million.

**(b) Overview of Interest-bearing loans and borrowings as reported in the historical condensed consolidated interim financial statements of Elia Group as at and for the six months ended 30 June 2019 compared to the situation post Reorganisation for Elia Group and Elia Transmission Belgium**

(in EUR million)	30 June 2019			Pro forma Post Reorganisation			
	Maturity	Elia Group		Elia Group		Elia Transmission Belgium	
		Amount	Nominal Amount	Amount	Nominal Amount	Amount	Nominal Amount
Eurobond issues 2013/15 years	2028	547.7	550	547.7	550	547.7	550
Eurobond issues 2013/20 years	2033	199.4	200	199.4	200	199.4	200
Eurobond issues 2014/15 years	2029	347.0	350	347.0	350	347.0	350
Eurobond issues 2015/8.5 years	2024	498.8	500	498.8	500	498.8	500
Eurobond issues 2017/10 years	2027	247.8	250	247.8	250	247.8	250
Eurobond issues 2019/7 years	2026	498.7	500	498.7	500	498.7	500
Senior bond 2018/10 years	2028	297.5	300	297.5	300	n/a	n/a
Shareholders' loan	2022	42.1	42.1	42.1	42.1	42.1	42.1
Other loans	2022	453.7	453.7	453.7	453.7	453.7	453.7
Amortized term loan	2033	209.7	210	209.7	210	209.7	210
European Investment Bank	2025	100.0	100	100.0	100	100.0	100
Bond as part of Euro Medium Term Note program 2010 / 10 years	2020	499.4	500	499.4	500	n/a	n/a
Bond as part of Debt Issuance Programme 2015 / 10 years	2025	497.7	500	497.7	500	n/a	n/a
Bond as part of Debt Issuance Programme 2015 / 8 years	2023	748.6	750	748.6	750	n/a	n/a
Bond as part of Debt Issuance Programme 2015 / 15 years	2030	139.1	150	139.1	150	n/a	n/a
Bond as part of Debt Issuance Programme 2016 / 12 years	2028	746.9	750	746.9	750	n/a	n/a
Registered bond 2014 / 30 years	2044	50.0	50	50.0	50	n/a	n/a
Unsecured bank loan	2026	150.0	150	150.0	150	n/a	n/a
<b>Total</b>		<b>6,274.0</b>	<b>6305,8</b>	<b>6,274.0</b>	<b>6305,8</b>	<b>3,144.9</b>	<b>3,155.8</b>

**2. AGENDA**

The Existing Issuer requests that holders of each Series consent, by a separate Extraordinary Resolution in respect of that Series only, to:

- (i) the substitution of the New Issuer on the Issuer Substitution Date (as defined below) in place of the Existing Issuer as issuer and principal debtor in respect of such Series and (save as set out at (ii) below) the release of the Existing Issuer from all its obligations under such Series;
- (ii) if the TSO Designation Date (as defined below) does not occur on or prior to the Issuer Substitution Date, the giving of a temporary guarantee by the Existing Issuer in respect of the New Issuer's obligations under the Notes of such Series from the Issuer Substitution Date until the TSO Designation Date;
- (iii) a consequential change to the event of default in Condition 9(g);
- (iv) the approval of the Reorganisation (as defined below) for the sole purpose of clarifying that the Reorganisation, should it take place, would not constitute an event of default under Condition 9(f) of such Series, and the waiver of any rights Noteholders of such Series may otherwise have in respect of the Reorganisation under Condition 9(f) of such Series, such approval and waiver pursuant to this sub-paragraph (iii) to take effect on the Issuer Substitution Date; and
- (v) certain consequential amendments to the relevant Agency Agreement (as defined below),

in each case subject to satisfaction of the conditions set out in paragraph 5 of such Extraordinary Resolution, and all as further described in this Convocation Memorandum.

### 3. PROPOSED EXTRAORDINARY RESOLUTIONS

Proposed separate Extraordinary Resolution of the holders of each Series:

"THAT this Meeting of the holders of the Notes:

1. (subject to paragraph 5 of this Extraordinary Resolution) assents and agrees to:
  - (a) the modification of the terms and conditions of the Notes (the **Conditions**), as set out in Schedule 1 to the relevant Agency Agreement (as defined in the Notice) and as completed by the relevant Final Terms (as defined in the Notice), to provide for the substitution of Elia Transmission Belgium SA/NV (the **New Issuer**) in place of the Existing Issuer as issuer and principal debtor in respect of the Notes and (save as set out at sub-paragraph (b) below) the release of the Existing Issuer from all its obligations under the Notes, all as more fully set out in the Supplemental Agency Agreement and the Amended and Restated Final Terms (each as defined in paragraph 2 below);
  - (b) if the TSO Designation Date (as defined in the Notice) does not occur on or prior to the Issuer Substitution Date (as defined in the Notice), the giving of a temporary guarantee by the Existing Issuer in respect of the New Issuer's obligations under the Notes from the Issuer Substitution Date until the TSO Designation Date;
  - (c) the (i) approval of the Reorganisation (as defined in the Notice) for the sole purpose of clarifying that the Reorganisation, should it take place, would not constitute an event of default under Condition 9(f), and (ii) waiver of any rights holders of the Notes may otherwise have under Condition 9(f) in respect of the Reorganisation, such approval and waiver pursuant to this sub-paragraph (c) to take effect on and from the Issuer Substitution Date; and
  - (d) the consequential modification of the relevant Agency Agreement and the event of default in Condition 9(g),

in each case to take effect on and from the Issuer Substitution Date and all as more fully set out in the relevant Supplemental Agency Agreement, Amended and Restated Final Terms and Guarantee;
2. (subject to paragraph 5 of this Extraordinary Resolution) assents to and authorises, directs, requests and empowers:
  - (a) the execution and (where applicable) delivery of
    - (i) an amended and restated final terms in respect of the Notes (the **Amended and Restated Final Terms**) by the Existing Issuer and the New Issuer;
    - (ii) a supplemental agency agreement (the **Supplemental Agency Agreement**) to supplement the relevant Agency Agreement by the Existing Issuer, the New Issuer and the Agent; and

(iii) a guarantee (the **Guarantee**) by the Existing Issuer,

in each case to effect the modifications and other matters referred to in paragraph 1 of this Extraordinary Resolution, in the form or substantially in the form of the drafts produced to this Meeting and for the purpose of identification signed by the chairman thereof; and

- (b) the Existing Issuer, the New Issuer and the Agent to execute and to do all such other deeds, instruments, acts and things as may be necessary, desirable or expedient to carry out and to give effect to this Extraordinary Resolution and the implementation of the modifications referred to in paragraph 1 of this Extraordinary Resolution;
3. discharges and exonerates the Agent from all liability for which it may have become or may become responsible under the relevant Agency Agreement or the Notes in respect of any act or omission in connection with this Extraordinary Resolution or its implementation, the modifications referred to in paragraph 1 of this Extraordinary Resolution or the implementation of those modifications;
4. (subject to paragraph 5 of this Extraordinary Resolution) sanctions and assents to every abrogation, modification, compromise or arrangement in respect of the rights of the Noteholders appertaining to the Notes against the Existing Issuer, whether or not such rights arise under the Conditions, involved in, resulting from or to be effected by the amendments referred to in paragraph 1 of this Extraordinary Resolution and their implementation;
5. declares that the implementation of this Extraordinary Resolution shall be conditional on:
- (a) the passing of this Extraordinary Resolution and, if the relevant Extraordinary Resolution is passed at an adjourned Meeting by a majority representing less than one-third of the outstanding nominal amount of the relevant Series, homologation of the relevant Extraordinary Resolution by the Court of Appeal of Brussels;
- (b) the Consent Solicitation not having been terminated in accordance with the provisions for such termination set in the Consent Solicitation Memorandum; and
- (c) the quorum required for, and the requisite majority of votes cast at, the Meeting being satisfied by Eligible Noteholders, irrespective of any participation at the Meeting by Ineligible Noteholders (and would also have been so satisfied if any Ineligible Noteholders who provide confirmation of their status as Ineligible Noteholders and waive their right to attend and vote (or be represented) at the Meeting had actually participated at the Meeting) and further resolves that, in the event the Extraordinary Resolution is passed at the Meeting but this condition is not satisfied, the chairman of the Meeting is hereby authorised, directed, requested and empowered to adjourn this Meeting on the same basis (including quorum) as for an adjournment of the Meeting where the necessary quorum is not obtained, for the purpose of reconsidering resolutions 1 to 7 of this Extraordinary Resolution (with the exception of resolution 5(c) of this Extraordinary Resolution) at the adjourned Meeting, and in place of the foregoing provisions of resolution 5(c) the relevant condition will be satisfied if the quorum required for, and the requisite majority of votes cast at, the adjourned Meeting are satisfied by Eligible Noteholders irrespective of any participation at the adjourned Meeting by Ineligible Noteholders (and would also have been so satisfied if any Ineligible Noteholders who provide confirmation of their status as Ineligible Noteholders and waive their right to attend and vote (or be represented) at the Meeting had actually participated at the adjourned Meeting);
6. irrevocably waives any claim that Noteholders may have against the Agent arising as a result of any loss or damage which Noteholders may suffer as a result of the Agent acting upon this Extraordinary Resolution and/or its entry into and performance under the Supplemental Agency Agreement and confirms that Noteholders further confirm that they will not seek to hold the Agent liable for such loss or damage; and
7. acknowledges that the following terms, as used in this Extraordinary Resolution, shall have the meanings given below:

**Agent** means BNP Paribas Securities Services SCA, Brussels Branch;

**Consent Solicitation in respect of the Notes** means the invitation by the Existing Issuer to all Eligible Noteholders to consent to the modifications referred to in this Extraordinary Resolution, as described in the Consent Solicitation Memorandum and as the same may be amended in accordance with its terms;

**Consent Solicitation Memorandum** means the consent solicitation memorandum dated 8 October 2019 prepared by the Existing Issuer in relation to the Consent Solicitation in respect of the Notes;

**Existing Issuer** means Elia System Operator SA/NV;

**Eligible Noteholder** means each Noteholder who has confirmed it is (a) located and resident outside the United States and not a U.S. person (as defined in Regulation S under the Securities Act) and (b) otherwise a person to whom the Consent Solicitation in respect of the Notes can be lawfully made and that may lawfully participate in the Consent Solicitation in respect of the Notes;

**Ineligible Noteholder** means each Noteholder who is not an Eligible Noteholder;

**New Issuer** means Elia Transmission Belgium SA/NV; and

**Notice** means the convocation convening this Meeting, among others, dated on or around 8 October 2019.”

In respect of each Series, references to “the Notes” are to the Notes of such Series only.

#### **4. IMPLEMENTATION OF PROPOSALS AND EFFECTIVE DATE OF THE MODIFICATIONS AND WAIVER**

Although the Payment Condition (as defined below) contemplates that the Existing Issuer will not implement any Extraordinary Resolution passed at the relevant Meeting (and, in each case, if applicable, homologated by the Court of Appeal of Brussels) if (i) the Extraordinary Resolution in respect of each other Series and (ii) the extraordinary resolution in respect of the senior bonds are not also passed (and, if applicable, homologated by the Court of Appeal of Brussels), the Existing Issuer reserves the right, in its sole and absolute discretion, to implement one or more Extraordinary Resolutions and/or the extraordinary resolution in respect of the senior bonds notwithstanding that one or more of the Extraordinary Resolutions in respect of each other Series and/or the extraordinary resolution in respect of the senior bonds, as applicable, are not also passed (and, if applicable, in each case homologated by the Court of Appeal of Brussels) and otherwise become unconditional. The Existing Issuer will however only implement the Extraordinary Resolution in respect of a Series in circumstances in which the Early Participation Fee (as defined below) and the Ineligible Noteholder Payment (as defined below) will be paid to the relevant Eligible Noteholders or Ineligible Noteholders eligible for such payments, as applicable, of such Series.

In respect of each Series, the modifications to the relevant Conditions and Agency Agreement described in the relevant Extraordinary Resolution will take effect on the Issuer Substitution Date, subject to (i) passing of the relevant Extraordinary Resolution and satisfaction of the other Consent Conditions, and (ii) the execution and (where applicable) delivery of the relevant Supplemental Agency Agreement, Amended and Restated Final Terms and (if applicable) Guarantee by the relevant parties thereto and the Existing Issuer deciding to implement the Extraordinary Resolution.

#### **5. CONSENT SOLICITATION**

Noteholders are further given notice that the Existing Issuer has also invited Eligible Noteholders (as defined in the relevant Extraordinary Resolution set out above) of each Series (such invitations together the **Consent Solicitation**) to consent to the approval of the relevant Extraordinary Resolution at the relevant Meeting as further described in the Consent Solicitation Memorandum (as defined in paragraph 7 of the Extraordinary Resolution set out above).

The Consent Solicitation is only being made, and the Consent Solicitation Memorandum and any other documents or materials relating to the Consent Solicitation are only for distribution or to be made available to, Eligible Noteholders.

Eligible Noteholders may obtain, from the date of this Convocation Memorandum, a copy of the Consent Solicitation Memorandum from the Tabulation Agent, the contact details for which are set out below. In order to receive a copy of the Consent Solicitation Memorandum, a Noteholder will be required to provide confirmation as to his or her status as an Eligible Noteholder.

Pursuant to the Consent Solicitation, each Eligible Noteholder from whom a valid Block Voting Instruction or Meeting Notification (together with the relevant Voting Certificate) (each as defined below) is received by the Tabulation Agent by the deadline specified in the Consent Solicitation Memorandum will, subject to the conditions set out in the Consent Solicitation Memorandum, be eligible to receive payment of an amount equal to 0.10 per cent. of the nominal amount of the Notes that are validly voted at the relevant Meeting (the **Early Participation Fee**), all as more fully described in the Consent Solicitation Memorandum.

## 6. INELIGIBLE NOTEHOLDER PAYMENT

### *Ineligible Noteholder Payment*

Any Noteholder who is not an Eligible Noteholder, on the basis that such Noteholder is either (i) a U.S. person and/or located or resident in the United States and/or (ii) a person to whom the Consent Solicitation cannot otherwise be lawfully made (each an **Ineligible Noteholder**) may be eligible, to the extent permitted by applicable laws and regulations, to receive an equivalent amount to any applicable Early Participation Fee (which is an amount equal to 0.10 per cent. of the nominal amount of the Notes that are the subject of the relevant Ineligible Noteholder Confirmation (as defined below)) (the **Ineligible Noteholder Payment**).

To be eligible for the Ineligible Noteholder Payment, an Ineligible Noteholder must deliver, or arrange to have delivered on its behalf, a valid Ineligible Noteholder Confirmation that is received by the Tabulation Agent by 5.00 p.m. (Brussels time) on 16 October 2019 (the **Ineligible Instruction Deadline**) and is not subsequently revoked.

Only Ineligible Noteholders may submit Ineligible Noteholder Confirmations and be eligible to receive the Ineligible Noteholder Payment. By delivering, or arranging for the delivery on its behalf, of an Ineligible Noteholder Confirmation in accordance with the procedures described below, an Ineligible Noteholder shall be deemed to agree, acknowledge and represent to the Existing Issuer, the New Issuer, the Tabulation Agent and the Solicitation Agents that it is an Ineligible Noteholder. Eligibility for the Ineligible Noteholder Payment is subject in each case to the relevant Extraordinary Resolution being passed at the relevant Meeting (or any adjourned such Meeting), and the other satisfaction of the other Consent Conditions set out in paragraph 5 of the relevant Extraordinary Resolution having been satisfied.

In addition to the Consent Conditions, payment of the Ineligible Noteholder Payment in respect of any Series (if applicable) will also be conditional on (i) the Extraordinary Resolution in respect of each other Series and (ii) the extraordinary resolution in respect of the senior bonds (as referred to above) being passed (and, if applicable, homologated by the Court of Appeal of Brussels) and otherwise becoming unconditional (in respect of each Series, the **Payment Condition**), subject to the right of the Existing Issuer to waive, in its sole and absolute discretion, the Payment Condition in relation to any Series.

Although the Payment Condition contemplates that the Existing Issuer will not implement any Extraordinary Resolution passed at the relevant Meeting (and, in each case, if applicable, homologated by the Court of Appeal of Brussels) if (i) the Extraordinary Resolution in respect of each other Series and (ii) the extraordinary resolution in respect of the senior bonds are not also passed (and, if applicable, homologated by the Court of Appeal of Brussels), the Existing Issuer reserves the right, in its sole and absolute discretion, to implement one or more Extraordinary Resolutions and/or the extraordinary resolution in respect of the senior bonds notwithstanding that one or more of the Extraordinary Resolutions in respect of each other Series and/or the extraordinary resolution in respect of the senior bonds, as applicable, are not also passed (and, if applicable, in each case homologated by the Court of Appeal of Brussels) and otherwise become unconditional. The Existing Issuer will however only implement the Extraordinary Resolution in respect of a Series in circumstances in which the Early Participation Fee and the Ineligible Noteholder Payment (as defined in the Convocation Memorandum) will be paid to the relevant Eligible Noteholders or Ineligible Noteholders eligible for such payments, as applicable, of such Series.

Where payable, Ineligible Noteholder Payments are expected to be paid by the Existing Issuer to the relevant Ineligible Noteholders by no later than the date which is the third Business Day immediately following (i) the relevant Meeting or, if applicable, adjourned Meeting, or (ii) where the relevant Extraordinary Resolution requires homologation because it was approved at an adjourned Meeting by a majority representing less than one-third of the outstanding nominal amount of the relevant Series, the date of the relevant decision from the Court of Appeal of Brussels (or, where applicable, any later date that the Payment Condition is satisfied (or waived)).

By submitting an Ineligible Noteholder Confirmation by the Ineligible Instruction Deadline, an Ineligible Noteholder shall:

- (A) waive its right to attend and vote (or be represented) at the relevant Meeting (as the consequence of the eligibility condition set out in paragraph 5(c) of the relevant Extraordinary Resolution is that such Extraordinary Resolution will only be implemented where it is passed irrespective of any participation at the relevant Meeting by Ineligible Noteholders, such that the attendance and voting at the relevant Meeting by an Ineligible Noteholder will be of no consequence for such implementation); and
- (B) agree, acknowledge, represent, warrant to the Existing Issuer, the New Issuer, the Solicitation Agents and the Tabulation Agent that:

- (i) it is an Ineligible Noteholder;
- (ii) it is not a Sanctions Restricted Person (as defined below);
- (iii) no information has been provided to it by the Existing Issuer, the New Issuer, the Solicitation Agents or the Tabulation Agent, or any of their respective directors or employees, with regard to the tax consequences for Noteholders arising from the implementation of any Extraordinary Resolution or the receipt by it of the Ineligible Noteholder Payment (if applicable), and it acknowledges that it is solely liable for any taxes and similar or related payments imposed on it under the laws of any applicable jurisdiction as a result of its receipt of any Ineligible Noteholder Payment, and agrees that it will not and does not have any right of recourse (whether by way of reimbursement, indemnity or otherwise) against the Existing Issuer, the New Issuer, the Solicitation Agents or the Tabulation Agent, or any of their respective directors or employees, or any other person in respect of such taxes and payments;
- (iv) none of the Existing Issuer, the New Issuer, the Solicitation Agents or the Tabulation Agent has given it any information with respect to the relevant Proposal save (in the case of the Existing Issuer) as expressly set out in this Convocation Memorandum nor has any of them expressed any opinion about the terms of the relevant Proposal or made any recommendation to it as to whether it should participate in the relevant Meeting or any related adjourned Meeting and it has made its own decision with regard to participating in the relevant Meeting and any related adjourned Meeting based on financial, tax or legal advice it has deemed necessary to seek; and
- (v) it holds and will hold, until the earlier of (i) the date on which its Ineligible Noteholder Confirmation is validly revoked (including the automatic revocation of such Ineligible Noteholder Confirmation on the termination of the Consent Solicitation) in accordance with the terms of the relevant Proposal and (ii) the later of the conclusion of the relevant Meeting and any related adjourned Meeting, the relevant Notes blocked by the relevant Clearing System Participant and, in accordance with the requirements of, and by the deadline required by, that Clearing System Participant, it has submitted, or has caused to be submitted, a notification to the Clearing System Participant, to authorise the blocking of such Notes with effect on and from the date of such submission so that no transfers of such Notes may be effected until the occurrence of any of the events listed in (i) or (ii) above.

To be eligible to receive the Ineligible Noteholder Payment, each Noteholder who submits an Ineligible Noteholder Confirmation must not attend, or seek to attend, the relevant Meeting in person or make any other arrangements to be represented at such Meeting (including by way of submitting a Block Voting Instruction or Meeting Notification together with the relevant Voting Certificate). Ineligible Noteholders may choose to attend and vote at the relevant Meeting in person or to make other arrangements to be represented or to vote at such Meeting in accordance with the applicable provisions for meetings of Noteholders, as further described in this Convocation Memorandum. However, any such Noteholder will not be eligible to receive the Ineligible Noteholder Payment, irrespective of whether such Ineligible Noteholder has delivered an Ineligible Noteholder Confirmation.

For the purposes of this Convocation Memorandum:

- (i) **Sanctions Authority** means:
  - (a) the United States government;
  - (b) the United Nations;
  - (c) the European Union (or any of its member states including, without limitation, the United Kingdom);
  - (d) any other equivalent governmental or regulatory authority, institution or agency of the United States, the European Union, any of its Member States or the United Kingdom which administers economic, financial or trade sanctions; or
  - (e) the respective governmental institutions and agencies of any of the foregoing including, without limitation, the Office of Foreign Assets Control of the US Department of the Treasury, the United States Department of State, the United States Department of Commerce and Her Majesty's Treasury.
- (ii) **Sanctions Restricted Person** means each person or entity (a **Person**):

- (a) that is organised or resident in a country or territory which is the target of comprehensive country sanctions administered or enforced by any Sanctions Authority;
- (b) that is, or is directly or indirectly owned or controlled by a Person that is, described or designated in (i) the most current "Specially Designated Nationals and Blocked Persons" list (which as of the date hereof can be found at: <https://www.treasury.gov/ofac/downloads/sdnlist.pdf>) or (ii) the Foreign Sanctions Evaders List (which as of the date hereof can be found at: <http://www.treasury.gov/ofac/downloads/fse/fselist.pdf>) or (iii) the most current "Consolidated list of persons, groups and entities subject to EU financial sanctions" (which as of the date hereof can be found at: [https://eeas.europa.eu/headquarters/headquarters-homepage\\_en/8442/Consolidated%20list%20of%20sanctions](https://eeas.europa.eu/headquarters/headquarters-homepage_en/8442/Consolidated%20list%20of%20sanctions)); or
- (c) that is otherwise the subject of any sanctions administered or enforced by any Sanctions Authority, other than solely by virtue of their inclusion in: (i) the most current "Sectoral Sanctions Identifications" list (which as of the date hereof can be found at: <https://www.treasury.gov/ofac/downloads/ssi/ssilist.pdf>) (the **SSI List**), (ii) Annexes 3, 4, 5 and 6 of Council Regulation No. 833/2014, as amended by Council Regulation No. 960/2014 (the **EU Annexes**), or (iii) any other list maintained by a Sanctions Authority, with similar effect to the SSI List or the EU Annexes.

### ***Submission of Ineligible Noteholder Confirmation***

The submission of Ineligible Noteholder Confirmations (as defined below) will be deemed to have occurred upon receipt by the Tabulation Agent from the relevant Clearing System Participant of a duly completed, signed confirmation (an **Ineligible Noteholder Confirmation**) in the form available from the Tabulation Agent, the contact details for which are at the end of this Convocation Memorandum, that (i) confirms the relevant Noteholder(s) is/are Ineligible Noteholder(s), (ii) specifies the nominal amount of the Notes to which such confirmation relates, and (iii) specifies the bank account details (name of accountholder, IBAN and BIC number) to be used for payment of the Ineligible Noteholder Payment (if applicable).

Ineligible Noteholder Confirmations can be delivered to the Tabulation Agent through the website established by the Tabulation Agent in connection with the Proposals ([www.lucid-is.com/elia](http://www.lucid-is.com/elia)).

**The method of delivery of the Ineligible Noteholder Confirmations to the Tabulation Agent is at the election and risk of the relevant Clearing System Participant. In all cases, the relevant Ineligible Noteholders should allow sufficient time to ensure delivery before any applicable deadlines.**

### ***General***

Noteholders are advised to check with any bank, securities broker or other intermediary through which they hold their Notes when such intermediary would need to receive instructions from a Noteholder in order for such Noteholder to submit an Ineligible Noteholder Confirmation by the deadline specified above. The deadlines set by any such intermediary and the Clearing System for the submission and revocation of Ineligible Noteholder Confirmations will be earlier than the deadline specified above.

## **7. SELLING RESTRICTIONS**

If an Extraordinary Resolution is passed and implemented in respect of any Series, the Amended and Restated Final Terms relating to the relevant Series will contain a statement that, until the expiry of the period of 40 calendar days after the date of the Amended and Restated Final Terms, sales of the relevant Notes may not be made in the United States or to U.S. persons unless made outside the United States pursuant to Rule 903 and 904 of Regulation S.

## **8. GENERAL**

Copies of (i) each Agency Agreement; and (ii) the current drafts of each of the Amended and Restated Final Terms, the Supplemental Agency Agreement and Guarantee referred to in each Extraordinary Resolution set out above are also available (a) for inspection by Noteholders on and from the date of this Convocation Memorandum up to and including the date of the Meetings, at the specified office of the Agent during normal business hours on any week day (Saturdays, Sundays and public holidays excepted) up to and including the date of the Meetings and (b) on request from the Tabulation Agent, the contact details for which are set out below. Any revised version of any draft Amended and Restated Final Terms, any draft Supplemental Agency Agreement and/or any draft Guarantee made available as described above and marked to indicate changes to the draft made available on the date of this

Convocation Memorandum will supersede the previous draft of the relevant document and Noteholders will be deemed to have notice of any such changes.

**For further information on the requirements to participate in the Meetings and on the procedures for voting, quorum and other requirements for the passing of the Extraordinary Resolutions at the Meetings or any meeting held following any adjournment of any Meeting, see "Voting and Quorum" below. Having regard to such requirements, Noteholders are strongly urged either to attend the relevant Meeting or to take steps to be represented at the relevant Meeting (including by way of submitting Block Voting Instructions or Meeting Notifications (together with the relevant Voting Certificates)), or (if applicable) to submit Ineligible Noteholder Confirmations, as soon as possible.**

## 9. VOTING AND QUORUM

*Noteholders who have submitted and not revoked valid Block Voting Instructions or Meeting Notifications (together with the relevant Voting Certificates) or Ineligible Noteholder Confirmations in respect of the relevant Extraordinary Resolution by 5.00 p.m. (Brussels time) on 24 October 2019 (the **Expiration Deadline**) by which they will have given instructions for the appointment of one or more representatives of the Tabulation Agent by the relevant Agent as a proxy to vote in favour of or against or abstain from voting on (as specified in the relevant Block Voting Instruction or Meeting Notification) the relevant Extraordinary Resolution at the relevant Meeting (or any adjourned such Meeting) or confirmed their status only as Ineligible Noteholders (as applicable), need take no further action to be represented at the relevant Meeting (or any such adjourned such Meeting or otherwise in respect of such Meeting).*

1. Noteholders who have not submitted or have submitted and subsequently revoked a Block Voting Instruction, Meeting Notification (together with the relevant Voting Certificate) or Ineligible Noteholder Confirmation in respect of the relevant Extraordinary Resolution should take note of the provisions set out below detailing how such Noteholders can attend or take steps to be represented at the relevant Meeting (references to which, for the purpose of such provisions, include, unless the context otherwise requires, any adjourned such Meeting).
2. Subject as set out below, the provisions governing the convening and holding of each Meeting are set out in schedule 2 to the relevant Agency Agreement, copies of which are available from the date of this Convocation Memorandum to the conclusion of the Meetings (or any adjourned Meetings) as referred to above.
3. A Noteholder not wishing to attend and vote at the relevant Meeting in person should deliver, or if the Noteholder is not a Clearing System Participant, request the relevant Clearing System Participant to deliver, to the Tabulation Agent through the website established by the Tabulation Agent in connection with the Proposals ([www.lucid-is.com/elia](http://www.lucid-is.com/elia)) a signed, duly completed block voting instruction (a **Block Voting Instruction**) in the form available from the Tabulation Agent, the contact details for which are at the end of this Convocation Memorandum, that (i) confirms the relevant Noteholder(s) is/are either Eligible Noteholder(s) or Ineligible Noteholder(s), (ii) specifies the nominal amount of the Notes to which such Block Voting Instruction relates and (iii) confirms whether the relevant Noteholder is voting in favour of or against the relevant Extraordinary Resolution, or abstaining from voting, in respect of the relevant Notes. By submitting a valid Block Voting Instruction, an Eligible Noteholder will give instructions for the appointment of one or more representatives of the Tabulation Agent by the Agent as proxy of that Eligible Noteholder to abstain from voting or vote in the manner specified or identified in their Block Voting Instruction in respect of the relevant Extraordinary Resolution at the relevant Meeting and at any adjourned such Meeting. If a Block Voting Instruction does not provide valid instructions for the appointment of one or more representatives of the Tabulation Agent by the Agent as a proxy to vote in favour of or against or to abstain from voting on the relevant Extraordinary Resolution, it shall be deemed to be an instruction for the appointment of one or more representatives of the Tabulation Agent by the Agent as a proxy to vote in favour the relevant Extraordinary Resolution.
4. A Noteholder that does wish to attend and vote at the relevant Meeting in person should deliver to the Tabulation Agent through the website established by the Tabulation Agent in connection with the Proposals ([www.lucid-is.com/elia](http://www.lucid-is.com/elia)), a signed, duly completed meeting notification (a **Meeting Notification**) in the form available from the Tabulation Agent together with the relevant Voting Certificate so that they are received by the Tabulation Agent by the Expiration Deadline.

*A Noteholder (or representative on behalf of such Noteholder) wishing to attend and vote at the relevant Meeting in person must produce at such Meeting satisfactory evidence of identity (for example, an identity card or passport).*

5. On submitting any such Block Voting Instruction or Meeting Notification (together with the relevant Voting Certificate), a Noteholder is deemed to agree, acknowledge, represent, warrant and undertake that it holds, and that it will hold (until the earlier of (i) the date on which its Block Voting Instruction or Meeting Notification (together with the relevant Voting Certificate) is validly revoked (including their automatic revocation on the termination of the Consent Solicitation in respect of the relevant Series) and (ii) the conclusion of the relevant Meeting) the relevant Notes which are the subject of such voting instruction.
6. The quorum required at any initial Meeting is one or more persons present being Noteholders, proxies or representatives and holding or representing in aggregate not less than three-quarters of the aggregate nominal amount of the relevant Series for the time being outstanding. If a quorum is not present within 15 minutes from the time initially fixed for the relevant Meeting, such Meeting will be adjourned for a period being not less than 14 days nor more than 42 days and at a place appointed by the Chairman and the relevant Extraordinary Resolution will be considered at such adjourned Meeting. The quorum at any such adjourned Meeting will be one or more one or more persons present being Noteholders, proxies or representatives and holding or representing in aggregate not less than one-quarter of the aggregate nominal amount of the relevant Series for the time being outstanding. The holding of any adjourned Meeting will be subject to the Existing Issuer giving at least 15 days' notice that such adjourned Meeting is to be held.
7. Every question submitted to a Meeting shall be decided in the first instance by a show of hands.

Unless a poll is (before or at the time that the result is declared) validly demanded by the Chairman, the Existing Issuer or one or more persons present representing 2 per cent. of the aggregate nominal amount of the relevant Series for the time being outstanding, a declaration by the Chairman that a resolution has or has not 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.

At each Meeting on a show of hands or on a poll every person who is so present shall have one vote in respect of each €100,000 in nominal amount of the outstanding Notes of the relevant Series so represented by the Voting Certificate or in respect of which that person is a proxy or representative.

8. To be passed at the relevant Meeting, an Extraordinary Resolution requires a majority in favour consisting of not less than three-quarters of the votes cast. In addition, in the case of an adjourned Meeting, the relevant Extraordinary Resolution will have to be homologated by the Court of Appeal of Brussels in accordance with the procedure set out in article 574 of the Belgian Company Code if the relevant Extraordinary Resolution is taken by a majority representing less than one-third of the aggregate nominal amount of the outstanding Notes of the relevant Series. If passed (and, if applicable, homologated by the Court of Appeal of Brussels), an Extraordinary Resolution will be binding on all Notes of the relevant Series, whether or not present at the relevant Meeting and whether or not voting.
9. Noteholders should note that (unless validly revoked) given voting instructions and Voting Certificates obtained in respect of a Meeting shall remain valid for any adjourned such Meeting.
10. For the purposes of this Convocation Memorandum:

**Business Day** means a day, other than a Saturday or a Sunday, on which banks generally are open for business in Brussels;

**Clearing System** means the clearing system operated by the National Bank of Belgium or any successor thereto;

**Clearing System Participant** means each person who is shown in the records of the Clearing System as a holder of Notes;

**Issuer Substitution Date** means the date the Reorganisation occurs;

**Noteholder** or **holder of Notes**, unless the context otherwise requires, includes (a) each Clearing System Participant and (b) each person who is shown as a holder of the relevant Notes in the records of (x) a Clearing System Participant or (y) a Recognised Accountholder, in each case (a) or (b) insofar as that person is acting for its own account;

**Recognised Accountholder** means each person who is shown as a holder of the Notes in the records of (x) a Clearing System Participant or (y) a recognised accountholder (*teneur de compte agréé/erkende rekeninghouder*) (within the meaning of article 468 of the Belgian Company Code), insofar as that person is acting for its own account;

**relevant Agency Agreement** means, in respect of (i) the 2024 Notes, the amended and restated agency agreement dated 29 April 2015, (ii) the 2026 Notes, the amended and restated agency agreement dated 18 September 2018, (iii) the 2027 Notes, the amended and restated agency agreement dated 17 May 2016, (iv) the 2028 Notes and the 2033 Notes, the amended and restated agency agreement dated 31 January 2013 and (v) the 2029 Notes, the amended and restated agency agreement dated 14 March 2014, in each case relating made between the Existing Issuer and the Agent;

**relevant Final Terms** means, in respect of each Series, the final terms document(s) executed by the Existing Issuer at the time of issue of the relevant Series, which modifies or supplements the relevant Conditions;

**Reorganisation** means the transfer of the regulated activities in Belgium from the Existing Issuer to the New Issuer, which comprises the ownership and operation of the high and very high voltage electricity transmission system in Belgium, including all shares held by the Existing Issuer in Elia Asset SA/NV and Nemo Link Ltd. and all or part of the indebtedness which was raised for these purposes.

**S&P** means S&P Global Ratings Europe Limited;

**TSO Designation Date** (as referred to in above) means the date on which, following the New Issuer being designated as the national transmission system operator (**TSO**) in Belgium by the federal Energy Minister and as regional or local TSO in each of the three Belgian Regions by the competent regional authorities, the New Issuer delivers to the Agent a written notice signed by an authorised signatory of the New Issuer confirming that:

- (a) the New Issuer has been, and is continuing to be, designated as the national transmission system operator (**TSO**) in Belgium by the federal Energy Minister and as a regional or local TSO in each of the three Belgian Regions by the competent regional authorities;
- (b) the New Issuer has received all other licences, permits, authorisations, consents, approvals, certificates, registrations and orders from all government and regional agencies that are necessary for it to conduct its businesses in accordance with applicable laws and regulations;
- (c) none of the events referred to in Condition 9 (*Events of Default*) has occurred and is continuing; and
- (d) there are no outstanding payments due under the applicable Guarantee;

**Tabulation Agent** means Lucid Issuer Services Limited; and

**Voting Certificate** means the voting certificate issued by a Recognised Accountholder or the Clearing System certifying that the Notes in respect of which a Meeting Notification is given, will be blocked until the later of (i) the conclusion of the relevant Meeting and any related adjourned Meeting or (ii) the earlier surrender of such certificate to such Recognised Accountholder or the Clearing System, as applicable.

This Convocation Memorandum is issued by Elia System Operator SA/NV.

Noteholders should contact the following for further information:

**Solicitation Agents**

BNP Paribas (Telephone: +44 20 7595 8668 / Email: [liability.management@bnpparibas.com](mailto:liability.management@bnpparibas.com) / Attention: Liability Management)

Citigroup Global Markets Limited (Telephone: +44 20 7986 8969 / Email: [liabilitymanagement.europe@citi.com](mailto:liabilitymanagement.europe@citi.com) / Attention: Liability Management Group)

J.P. Morgan Securities plc (Telephone: +44 20 7134 2468 / Email: [EMEA\\_LM@jpmorgan.com](mailto:EMEA_LM@jpmorgan.com) / Attention: Liability Management Group)

NatWest Markets Plc (Telephone: +44 20 7678 5282 / Email: [liabilitymanagement@natwestmarkets.com](mailto:liabilitymanagement@natwestmarkets.com) / Attention: Liability Management)

***Tabulation Agent***

Lucid Issuer Services Limited (Telephone: +44 20 7704 0880 / Fax: + 44 20 3004 1590 / Email: [elia@lucid-is.com](mailto:elia@lucid-is.com) / Attention: Thomas Choquet / Voting Website: [www.lucid-is.com/elia](http://www.lucid-is.com/elia))

***The Agent***

BNP Paribas Securities Services SCA, Brussels Branch

Dated: 8 October 2019

## ANNEX 2

### FORM OF BLOCK VOTING INSTRUCTION



#### **Elia System Operator SA/NV**

*incorporated with limited liability (naamloze vennootschap/société anonyme) in the Kingdom of Belgium*  
Enterprise number 0476.388.378 – RPR Brussels  
(the **Existing Issuer**)

#### **BLOCK VOTING INSTRUCTION**

For a separate general meeting of the holders (the **Noteholders**) of each of the series of the outstanding notes of the Existing Issuer listed below (each a **Series** and together the **Notes**) (such meeting in respect of each Series, including any adjourned such meeting, the **Meeting**) to be held at the offices of Existing Issuer at Keizerslaan 20, Brussels 1000, Belgium on 30 October 2019 or as notified in respect of any adjourned Meeting. Capitalised terms used in this Block Voting Instruction shall, unless the context otherwise requires, have the meanings given to them in the convocation (the **Notice**) convening the Meetings dated on or around 8 October 2019.

Description of the Notes	ISIN / Common Code
€500,000,000 1.375 per cent. Fixed Rate Notes due 27 May 2024 (the <b>2024 Notes</b> )	BE0002239086 / 1321648905
€500,000,000 1.375 per cent. Fixed Rate Notes due 14 January 2026 (the <b>2026 Notes</b> )	BE0002629104 / 193513832
€250,000,000 1.375 per cent. Fixed Rate Notes due 7 April 2027 (the <b>2027 Notes</b> )	BE0002276450 / 159337642
€550,000,000 3.25 per cent. Fixed Rate Notes due 4 April 2028 (the <b>2028 Notes</b> )	BE0002432079 / 091170175
€350,000,000 3 per cent. Fixed Rate Notes due 7 April 2029 (the <b>2029 Notes</b> )	BE0002466416 / 105416385
€200,000,000 3.5 per cent. Fixed Rate Notes due 4 April 2033 (the <b>2033 Notes</b> )	BE0002433085 / 091205793

This form must be completed and signed by the relevant Clearing System Participant and the signed form then returned to the Tabulation Agent through the voting website ([www.lucid-is.com/elia](http://www.lucid-is.com/elia)) so that it is received by the Tabulation Agent by 5.00 p.m. (Brussels time) on 24 October 2019 (or, in order for the relevant Noteholder(s) to be eligible for the Early Participation Fee, by 5.00 p.m. (Brussels time) on 16 October 2019).

Questions and requests for assistance in connection with this Block Voting Instruction may be directed to the Tabulation Agent using the contact details set out below.

#### **Lucid Issuer Services Limited**

Tankerton Works  
12 Argyle Walk  
London WC1H 8HA  
United Kingdom

Telephone: +44 20 7704 0880

Fax: + 44 20 3004 1590

Email: [elia@lucid-is.com](mailto:elia@lucid-is.com)

Attention: Thomas Choquet

Voting Website: [www.lucid-is.com/elia](http://www.lucid-is.com/elia)

We/I hereby certify that:

1. Notes with the aggregate nominal amount specified below are held to my/our order or under my/our control and blocked in the Clearing System as at the date of this Block Voting Instruction and will remain so blocked until the earlier of (i) the date on which this Block Voting Instruction, or relevant part thereof, is validly revoked or cease to be held by me/us or under my/our control, and (ii) the conclusion of the Meeting (or any adjourned such Meeting).

2. We/I appoint one or more representatives of the Tabulation Agent or any nominee(s) nominated by it to act as my/our proxy (the **Proxyholder**), to attend the Meeting on my/our behalf and to cast the votes in respect of the Extraordinary Resolution, all as specified below and acknowledge that our below instructions cannot be revoked or amended during the period commencing three Business Days prior to the time of the Meeting or any such adjourned Meeting and ending at the conclusion or adjournment thereof:
- (a) on the following agenda approving the Extraordinary Resolution set out in paragraph (b) below:
- (i) the substitution of the New Issuer on the Issuer Substitution Date (as defined below) in place of the Existing Issuer as issuer and principal debtor in respect of such Series and (save as set out at (ii) below) the release of the Existing Issuer from all its obligations under such Series;
  - (ii) if the TSO Designation Date (as defined below) does not occur on or prior to the Issuer Substitution Date, the giving of a temporary guarantee by the Existing Issuer in respect of the New Issuer's obligations under the Notes of such Series from the Issuer Substitution Date until the TSO Designation Date;
  - (iii) a consequential change to the event of default in Condition 9(g);
  - (iii) the approval of the Reorganisation (as defined below) for the sole purpose of clarifying that the Reorganisation, should it take place, would not constitute an event of default under Condition 9(f) of such Series, and the waiver of any rights Noteholders of such Series may otherwise have in respect of the Reorganisation under Condition 9(f) of such Series, such approval and waiver pursuant to this sub-paragraph (iii) to take effect on the Issuer Substitution Date; and
  - (iv) certain consequential amendments to the relevant Agency Agreement (as defined below),
- in each case subject to satisfaction of the conditions set out in sub-paragraph (5) in paragraph (b) below;
- (b) "THAT this Meeting of the holders of the Notes:
- 1. (subject to paragraph 5 of this Extraordinary Resolution) assents and agrees to:
    - (a) the modification of the terms and conditions of the Notes (the **Conditions**), as set out in Schedule 1 to the relevant Agency Agreement (as defined in the Notice) and as completed by the relevant Final Terms (as defined in the Notice), to provide for the substitution of Elia Transmission Belgium SA/NV (the **New Issuer**) in place of the Existing Issuer as issuer and principal debtor in respect of the Notes and (save as set out at sub-paragraph (b) below) the release of the Existing Issuer from all its obligations under the Notes, all as more fully set out in the Supplemental Agency Agreement and the Amended and Restated Final Terms (each as defined in paragraph 2 below);
    - (b) if the TSO Designation Date (as defined in the Notice) does not occur on or prior to the Issuer Substitution Date (as defined in the Notice), the giving of a temporary guarantee by the Existing Issuer in respect of the New Issuer's obligations under the Notes from the Issuer Substitution Date until the TSO Designation Date;
    - (c) the (i) approval of the Reorganisation (as defined in the Notice) for the sole purpose of clarifying that the Reorganisation, should it take place, would not constitute an event of default under Condition 9(f), and (ii) waiver of any rights holders of the Notes may otherwise have under Condition 9(f) in respect of the Reorganisation, such approval and waiver pursuant to this sub-paragraph (c) to take effect on and from the Issuer Substitution Date; and
    - (d) the consequential modification of the relevant Agency Agreement and the event of default in Condition 9(g),

in each case to take effect on and from the Issuer Substitution Date and all as more fully set out in the relevant Supplemental Agency Agreement, Amended and Restated Final Terms and Guarantee;

2. (subject to paragraph 5 of this Extraordinary Resolution) assents to and authorises, directs, requests and empowers:

(a) the execution and (where applicable) delivery of

(i) an amended and restated final terms in respect of the Notes (the **Amended and Restated Final Terms**) by the Existing Issuer and the New Issuer;

(ii) a supplemental agency agreement (the **Supplemental Agency Agreement**) to supplement the relevant Agency Agreement by the Existing Issuer, the New Issuer and the Agent; and

(iii) a guarantee (the **Guarantee**) by the Existing Issuer,

in each case to effect the modifications and other matters referred to in paragraph 1 of this Extraordinary Resolution, in the form or substantially in the form of the drafts produced to this Meeting and for the purpose of identification signed by the chairman thereof; and

(b) the Existing Issuer, the New Issuer and the Agent to execute and to do all such other deeds, instruments, acts and things as may be necessary, desirable or expedient to carry out and to give effect to this Extraordinary Resolution and the implementation of the modifications referred to in paragraph 1 of this Extraordinary Resolution;

3. discharges and exonerates the Agent from all liability for which it may have become or may become responsible under the relevant Agency Agreement or the Notes in respect of any act or omission in connection with this Extraordinary Resolution or its implementation, the modifications referred to in paragraph 1 of this Extraordinary Resolution or the implementation of those modifications;

4. (subject to paragraph 5 of this Extraordinary Resolution) sanctions and assents to every abrogation, modification, compromise or arrangement in respect of the rights of the Noteholders appertaining to the Notes against the Existing Issuer, whether or not such rights arise under the Conditions, involved in, resulting from or to be effected by the amendments referred to in paragraph 1 of this Extraordinary Resolution and their implementation;

5. declares that the implementation of this Extraordinary Resolution shall be conditional on:

(a) the passing of this Extraordinary Resolution and, if the relevant Extraordinary Resolution is passed at an adjourned Meeting by a majority representing less than one-third of the outstanding nominal amount of the relevant Series, homologation of the relevant Extraordinary Resolution by the Court of Appeal of Brussels;

(b) the Consent Solicitation not having been terminated in accordance with the provisions for such termination set in the Consent Solicitation Memorandum; and

(c) the quorum required for, and the requisite majority of votes cast at, the Meeting being satisfied by Eligible Noteholders, irrespective of any participation at the Meeting by Ineligible Noteholders (and would also have been so satisfied if any Ineligible Noteholders who provide confirmation of their status as Ineligible Noteholders and waive their right to attend and vote (or be represented) at the Meeting had actually participated at the Meeting) and further resolves that, in the event the Extraordinary Resolution is passed at the Meeting but this condition is not satisfied, the chairman of the Meeting is hereby authorised, directed, requested and empowered to adjourn this Meeting on the same basis (including

quorum) as for an adjournment of the Meeting where the necessary quorum is not obtained, for the purpose of reconsidering resolutions 1 to 7 of this Extraordinary Resolution (with the exception of resolution 5(c) of this Extraordinary Resolution) at the adjourned Meeting, and in place of the foregoing provisions of resolution 5(c) the relevant condition will be satisfied if the quorum required for, and the requisite majority of votes cast at, the adjourned Meeting are satisfied by Eligible Noteholders irrespective of any participation at the adjourned Meeting by Ineligible Noteholders (and would also have been so satisfied if any Ineligible Noteholders who provide confirmation of their status as Ineligible Noteholders and waive their right to attend and vote (or be represented) at the Meeting had actually participated at the adjourned Meeting);

6. irrevocably waives any claim that Noteholders may have against the Agent arising as a result of any loss or damage which Noteholders may suffer as a result of the Agent acting upon this Extraordinary Resolution and/or its entry into and performance under the Supplemental Agency Agreement and confirms that Noteholders further confirm that they will not seek to hold the Agent liable for such loss or damage; and
7. acknowledges that the following terms, as used in this Extraordinary Resolution, shall have the meanings given below:

**Agent** means BNP Paribas Securities Services SCA, Brussels Branch;

**Consent Solicitation in respect of the Notes** means the invitation by the Existing Issuer to all Eligible Noteholders to consent to the modifications referred to in this Extraordinary Resolution, as described in the Consent Solicitation Memorandum and as the same may be amended in accordance with its terms;

**Consent Solicitation Memorandum** means the consent solicitation memorandum dated 8 October 2019 prepared by the Existing Issuer in relation to the Consent Solicitation in respect of the Notes;

**Existing Issuer** means Elia System Operator SA/NV;

**Eligible Noteholder** means each Noteholder who has confirmed it is (a) located and resident outside the United States and not a U.S. person (as defined in Regulation S under the Securities Act) and (b) otherwise a person to whom the Consent Solicitation in respect of the Notes can be lawfully made and that may lawfully participate in the Consent Solicitation in respect of the Notes;

**Ineligible Noteholder** means each Noteholder who is not an Eligible Noteholder;

**New Issuer** means Elia Transmission Belgium SA/NV; and

**Notice** means the convocation convening this Meeting, among others, dated on or around 8 October 2019.”

3. The Proxyholder is authorised to:
  - (i) participate in all deliberations and vote on behalf of the Noteholders on the Extraordinary Resolution in respect of the relevant Series in accordance with the instructions set out herein;
  - (ii) sign the attendance list, the minutes of the relevant Meeting and all annexes attached thereto; and
  - (iii) anything necessary or useful (in the sole determination of the Existing Issuer) to execute this proxy, with a promise of ratification.

Each Noteholder whose Notes are the subject of this Block Voting Instruction shall ratify and approve all acts carried out by the Proxyholder. The Proxyholder will vote on behalf of each Noteholder whose Notes are the subject of this Block Voting Instruction in accordance with the voting instructions given below.

In case of absence of voting instructions given to the Proxyholder in respect of an Extraordinary Resolution, or if, for whatever reason, there is a lack of clarity with regard to the voting instructions given, the Proxyholder will always vote in favour of the Extraordinary Resolution in respect of the relevant Series.

4. Each holder of the Notes which are the subject of this Block Voting Instruction is an Eligible Noteholder or an Ineligible Noteholder, as specified below (tick as applicable).

Each holder of the Notes which are the subject of this Block Voting Instruction is an Eligible Noteholder; or

Each holder of the Notes which are the subject of this Block Voting Instruction is an Ineligible Noteholder.

where:

- (i) an **Eligible Noteholder** means a Noteholder who has confirmed it is (a) located and resident outside the United States and not a U.S. person (as defined in Regulation S under the Securities Act) and (b) otherwise a person to whom the Consent Solicitation in respect of the Notes can be lawfully made and that may lawfully participate in the Consent Solicitation in respect of the Notes; and
- (ii) an **Ineligible Noteholder** means a Noteholder who is not an Eligible Noteholder.

**A separate Block Voting Instruction must be completed in respect of Eligible Noteholders and Ineligible Noteholders. The same Block Voting Instruction cannot be submitted in respect of both Eligible Noteholders and Ineligible Noteholders.**

5. The details of the Notes\* which are the subject of this Block Voting Instruction are as follows:

Description of the Notes	ISIN / Common Code	Aggregate nominal amount of the relevant Notes voting FOR the relevant Extraordinary Resolution**	Aggregate nominal amount of the relevant Notes voting AGAINST the relevant Extraordinary Resolution**	Aggregate nominal amount of the relevant Notes for which the relevant Noteholder abstains from voting**
€500,000,000 1.375 per cent. Fixed Rate Notes due 27 May 2024	BE0002239086 / 1321648905	€.....	€.....	€.....
€500,000,000 1.375 per cent. Fixed Rate Notes due 14 January 2026	BE0002629104 / 193513832	€.....	€.....	€.....
€250,000,000 1.375 per cent. Fixed Rate Notes due 7 April 2027	BE0002276450 / 159337642	€.....	€.....	€.....
€550,000,000 3.25 per cent. Fixed Rate Notes due 4 April 2028	BE0002432079 / 091170175	€.....	€.....	€.....
€350,000,000 3 per cent. Fixed Rate Notes due 7 April 2029	BE0002466416 / 105416385	€.....	€.....	€.....

Description of the Notes	ISIN / Common Code	Aggregate nominal amount of the relevant Notes voting FOR the relevant Extraordinary Resolution**	Aggregate nominal amount of the relevant Notes voting AGAINST the relevant Extraordinary Resolution**	Aggregate nominal amount of the relevant Notes for which the relevant Noteholder abstains from voting**
€200,000,000 3.5 per cent. Fixed Rate Notes due 4 April 2033	BE0002433085 / 091205793	€.....	€.....	€.....

\* A Clearing System Participant may submit one Block Voting Instruction which includes instructions in respect of more than one owner of Notes and in relation to multiple Series of Notes provided such beneficial owners are either all Eligible Noteholders or all Ineligible Noteholders, not a combination of both. The names of the relevant Noteholder(s) may be requested at a future date and must be made available to the Tabulation Agent upon request.

\*\* Complete as appropriate and cross out what is not applicable.

7. The following bank account details should be used for payment of the Early Participation Fee to the Clearing System Participant for onward payment to the relevant Noteholders (if applicable):

**Account:** IBAN: ..... BIC: .....

**Accountholder:** .....

Pursuant to the Consent Solicitation, each Eligible Noteholder (or, if such Eligible Noteholder is not a Clearing System Participant, the relevant Clearing System Participant on its behalf) from whom a valid Block Voting Instruction is received by the Tabulation Agent by the Early Participation Deadline will, subject to the conditions set out in the Consent Solicitation Memorandum, be eligible to receive the Early Participation Fee, all as more fully described in the Consent Solicitation Memorandum. **Please note that failure to specify the requested account details will mean that the Early Participation Fee will not be payable to the relevant Clearing System Participant.**

**Each Block Voting Instruction shall, unless validly revoked, remain valid for the adjourned Meeting.**

### SIGNING OF THIS BLOCK VOTING INSTRUCTION

Done at ....., \* on .....

Signature(s): ..... \*\*\*

Please date and sign.

\* Insert location for place of signing.

\*\* Insert date of signing.

\*\*\* Clearing System Participants must specify the name, first name and title of the natural person(s) who sign on their behalf.

Name of Clearing System Participant: .....

Name of contact person at Clearing System Participant: .....

Telephone number of contact person at Clearing System Participant: .....

Email address of contact person at Clearing System Participant: .....

ANNEX 3

FORM OF MEETING NOTIFICATION



**Elia System Operator SA/NV**

*incorporated with limited liability (naamloze vennootschap/société anonyme) in the Kingdom of Belgium  
Enterprise number 0476.388.378 – RPR Brussels  
(the Existing Issuer)*

**MEETING NOTIFICATION**

For a separate general meeting of the holders (the **Noteholders**) of each of the series of the outstanding notes of the Existing Issuer listed below (each a **Series** and together the **Notes**) (such meeting in respect of each Series, including any adjourned such meeting, the **Meeting**) to be held at the offices of Existing Issuer at Keizerslaan 20, Brussels 1000, Belgium on 30 October 2019 or as notified in respect of any adjourned Meeting. Capitalised terms used in this Meeting Notification shall, unless the context otherwise requires, have the meanings given to them in the convocation (the **Notice**) convening the Meetings dated on or around 8 October 2019.

Description of the Notes	ISIN / Common Code
€500,000,000 1.375 per cent. Fixed Rate Notes due 27 May 2024 (the <b>2024 Notes</b> )	BE0002239086 / 1321648905
€500,000,000 1.375 per cent. Fixed Rate Notes due 14 January 2026 (the <b>2026 Notes</b> )	BE0002629104 / 193513832
€250,000,000 1.375 per cent. Fixed Rate Notes due 7 April 2027 (the <b>2027 Notes</b> )	BE0002276450 / 159337642
€550,000,000 3.25 per cent. Fixed Rate Notes due 4 April 2028 (the <b>2028 Notes</b> )	BE0002432079 / 091170175
€350,000,000 3 per cent. Fixed Rate Notes due 7 April 2029 (the <b>2029 Notes</b> )	BE0002466416 / 105416385
€200,000,000 3.5 per cent. Fixed Rate Notes due 4 April 2033 (the <b>2033 Notes</b> )	BE0002433085 / 091205793

This form must be completed and signed by the relevant Noteholder and the signed form then returned to the Tabulation Agent (together with the relevant Voting Certificate) through the voting website ([www.lucid-is.com/elia](http://www.lucid-is.com/elia)) so that it is received by the Tabulation Agent by 5.00 p.m. (Brussels time) on 24 October 2019 (or, in order for the relevant Noteholder(s) to be eligible for the Early Participation Fee, by 5.00 p.m. (Brussels time) on 16 October 2019).

Questions and requests for assistance in connection with this Meeting Notification may be directed to the Tabulation Agent using the contact details set out below.

**Lucid Issuer Services Limited**

Tankerton Works  
12 Argyle Walk  
London WC1H 8HA  
United Kingdom

Telephone: +44 20 7704 0880

Fax: + 44 20 3004 1590

Email: [elia@lucid-is.com](mailto:elia@lucid-is.com)

Attention: Thomas Choquet

Voting Website: [www.lucid-is.com/elia](http://www.lucid-is.com/elia)

1. Noteholder/Proxyholder details

The undersigned Noteholder (name and first name / name of the company): .....

Domicile / registered seat: .....

Passport/ID number: .....

hereby confirms:

(a) that Notes with the aggregate nominal amount specified below are held to my/our order or under my/our control and blocked in the Clearing System as at the date of this Meeting Notification and will remain so blocked until the earlier of (i) the date on which this Meeting Notification, or relevant part thereof, is validly revoked or cease to be held by me/us or under my/our control, and (ii) the conclusion of the relevant Meeting (or any adjourned such Meeting); and

(b) that it\*:

(i) is an Eligible Noteholder and (ii) intends to participate in the relevant Meeting in person.\*\*

(i) is an Eligible Noteholder and (ii) appoints as proxyholder the following person (the **Proxyholder**) in order to represent it at the relevant Meeting and to vote in respect of the relevant Extraordinary Resolution:

Name and first name of Proxyholder: .....

Domicile of Proxyholder: .....

Passport/ID Number of Proxyholder \*\*: .....

(i) is an Ineligible Noteholder and (ii) intends to participate in the relevant Meeting in person.\*\*

(i) is an Ineligible Noteholder and (ii) appoints as proxyholder the following person (the **Proxyholder**) in order to represent it at the relevant Meeting and to vote in respect of the relevant Extraordinary Resolution:

Name and first name of Proxyholder: .....

Domicile of Proxyholder: .....

Passport/ID Number of Proxyholder \*\*: .....

where:

- (i) an **Eligible Noteholder** means a Noteholder who has confirmed it is (a) located and resident outside the United States and not a U.S. person (as defined in Regulation S under the Securities Act) and (b) otherwise a person to whom the Consent Solicitation in respect of the Notes can be lawfully made and that may lawfully participate in the Consent Solicitation in respect of the Notes; and
- (ii) an **Ineligible Noteholder** means a Noteholder who is not an Eligible Noteholder.

\* Please tick one of the boxes of your choice and complete as necessary.

*\*\* Any Noteholder or Proxyholder intending to attend and vote at the relevant Meeting in person must produce at such Meeting the relevant Voting Certificate and satisfactory evidence of identity (for example, an identity card or passport).*

The Proxyholder (if applicable) is authorised by the undersigned to:

- (i) participate in all deliberations and vote on behalf of the undersigned on the relevant Extraordinary Resolution(s) in respect of the relevant Series in accordance with the instructions set out herein;
- (ii) sign the attendance list, the minutes of the relevant Meeting and all annexes attached thereto; and
- (iii) in general, to do anything necessary or useful (in the sole determination of the Existing Issuer) to execute this proxy, with a promise of ratification.

The undersigned hereby ratifies and approves all acts carried out by the Proxyholder. The Proxyholder will vote on behalf of the undersigned in respect of the relevant Extraordinary Resolution(s) in accordance with the voting instructions given below:

- (a) on the following agenda approving the Extraordinary Resolution set out in paragraph (b) below:
  - (i) the substitution of the New Issuer on the Issuer Substitution Date (as defined below) in place of the Existing Issuer as issuer and principal debtor in respect of such Series and (save as set out at (ii) below) the release of the Existing Issuer from all its obligations under such Series;
  - (ii) if the TSO Designation Date (as defined below) does not occur on or prior to the Issuer Substitution Date, the giving of a temporary guarantee by the Existing Issuer in respect of the New Issuer's obligations under the Notes of such Series from the Issuer Substitution Date until the TSO Designation Date;
  - (iii) a consequential change to the event of default in Condition 9(g);
  - (iii) the approval of the Reorganisation (as defined in the below) for the sole purpose of clarifying that the Reorganisation, should it take place, would not constitute an event of default under Condition 9(f) of such Series, and the waiver of any rights Noteholders of such Series may otherwise have in respect of the Reorganisation under Condition 9(f) of such Series, such approval and waiver pursuant to this sub-paragraph (iii) to take effect on the Issuer Substitution Date; and
  - (iv) certain consequential amendments to the relevant Agency Agreement (as defined below),in each case subject to satisfaction of the conditions set out in sub-paragraph (5) in paragraph (b) below;
- (b) "THAT this Meeting of the holders of the Notes:
  - 1. (subject to paragraph 5 of this Extraordinary Resolution) assents and agrees to:
    - (a) the modification of the terms and conditions of the Notes (the **Conditions**), as set out in Schedule 1 to the relevant Agency Agreement (as defined in the Notice) and as completed by the relevant Final Terms (as defined in the Notice), to provide for the substitution of Elia Transmission Belgium SA/NV (the **New Issuer**) in place of the Existing Issuer as issuer and principal debtor in respect of the Notes and (save as set out at sub-paragraph (b) below) the release of the Existing Issuer from all its obligations under the Notes, all as more fully set out in the Supplemental Agency Agreement and the Amended and Restated Final Terms (each as defined in paragraph 2 below);
    - (b) if the TSO Designation Date (as defined in the Notice) does not occur on or prior to the Issuer Substitution Date (as defined in the Notice), the giving of a temporary guarantee by the Existing Issuer in respect of the New Issuer's obligations under the Notes from the Issuer Substitution Date until the TSO Designation Date;

- (c) the (i) approval of the Reorganisation (as defined in the Notice) for the sole purpose of clarifying that the Reorganisation, should it take place, would not constitute an event of default under Condition 9(f), and (ii) waiver of any rights holders of the Notes may otherwise have under Condition 9(f) in respect of the Reorganisation, such approval and waiver pursuant to this sub-paragraph (c) to take effect on and from the Issuer Substitution Date; and
- (d) the consequential modification of the relevant Agency Agreement and the event of default in Condition 9(g),

in each case to take effect on and from the Issuer Substitution Date and all as more fully set out in the relevant Supplemental Agency Agreement, Amended and Restated Final Terms and Guarantee;

2. (subject to paragraph 5 of this Extraordinary Resolution) assents to and authorises, directs, requests and empowers:

- (a) the execution and (where applicable) delivery of
  - (i) an amended and restated final terms in respect of the Notes (the **Amended and Restated Final Terms**) by the Existing Issuer and the New Issuer;
  - (ii) a supplemental agency agreement (the **Supplemental Agency Agreement**) to supplement the relevant Agency Agreement by the Existing Issuer, the New Issuer and the Agent; and
  - (iii) a guarantee (the **Guarantee**) by the Existing Issuer,

in each case to effect the modifications and other matters referred to in paragraph 1 of this Extraordinary Resolution, in the form or substantially in the form of the drafts produced to this Meeting and for the purpose of identification signed by the chairman thereof; and

- (b) the Existing Issuer, the New Issuer and the Agent to execute and to do all such other deeds, instruments, acts and things as may be necessary, desirable or expedient to carry out and to give effect to this Extraordinary Resolution and the implementation of the modifications referred to in paragraph 1 of this Extraordinary Resolution;

3. discharges and exonerates the Agent from all liability for which it may have become or may become responsible under the relevant Agency Agreement or the Notes in respect of any act or omission in connection with this Extraordinary Resolution or its implementation, the modifications referred to in paragraph 1 of this Extraordinary Resolution or the implementation of those modifications;

4. (subject to paragraph 5 of this Extraordinary Resolution) sanctions and assents to every abrogation, modification, compromise or arrangement in respect of the rights of the Noteholders appertaining to the Notes against the Existing Issuer, whether or not such rights arise under the Conditions, involved in, resulting from or to be effected by the amendments referred to in paragraph 1 of this Extraordinary Resolution and their implementation;

5. declares that the implementation of this Extraordinary Resolution shall be conditional on:

- (a) the passing of this Extraordinary Resolution and, if the relevant Extraordinary Resolution is passed at an adjourned Meeting by a majority representing less than one-third of the outstanding nominal amount of the relevant Series, homologation of the relevant Extraordinary Resolution by the Court of Appeal of Brussels;
- (b) the Consent Solicitation not having been terminated in accordance with the provisions for such termination set in the Consent Solicitation Memorandum; and

- (c) the quorum required for, and the requisite majority of votes cast at, the Meeting being satisfied by Eligible Noteholders, irrespective of any participation at the Meeting by Ineligible Noteholders (and would also have been so satisfied if any Ineligible Noteholders who provide confirmation of their status as Ineligible Noteholders and waive their right to attend and vote (or be represented) at the Meeting had actually participated at the Meeting) and further resolves that, in the event the Extraordinary Resolution is passed at the Meeting but this condition is not satisfied, the chairman of the Meeting is hereby authorised, directed, requested and empowered to adjourn this Meeting on the same basis (including quorum) as for an adjournment of the Meeting where the necessary quorum is not obtained, for the purpose of reconsidering resolutions 1 to 7 of this Extraordinary Resolution (with the exception of resolution 5(c) of this Extraordinary Resolution) at the adjourned Meeting, and in place of the foregoing provisions of resolution 5(c) the relevant condition will be satisfied if the quorum required for, and the requisite majority of votes cast at, the adjourned Meeting are satisfied by Eligible Noteholders irrespective of any participation at the adjourned Meeting by Ineligible Noteholders (and would also have been so satisfied if any Ineligible Noteholders who provide confirmation of their status as Ineligible Noteholders and waive their right to attend and vote (or be represented) at the Meeting had actually participated at the adjourned Meeting);
6. irrevocably waives any claim that Noteholders may have against the Agent arising as a result of any loss or damage which Noteholders may suffer as a result of the Agent acting upon this Extraordinary Resolution and/or its entry into and performance under the Supplemental Agency Agreement and confirms that Noteholders further confirm that they will not seek to hold the Agent liable for such loss or damage; and
7. acknowledges that the following terms, as used in this Extraordinary Resolution, shall have the meanings given below:

**Agent** means BNP Paribas Securities Services SCA, Brussels Branch;

**Consent Solicitation in respect of the Notes** means the invitation by the Existing Issuer to all Eligible Noteholders to consent to the modifications referred to in this Extraordinary Resolution, as described in the Consent Solicitation Memorandum and as the same may be amended in accordance with its terms;

**Consent Solicitation Memorandum** means the consent solicitation memorandum dated 8 October 2019 prepared by the Existing Issuer in relation to the Consent Solicitation in respect of the Notes;

**Existing Issuer** means Elia System Operator SA/NV;

**Eligible Noteholder** means each Noteholder who has confirmed it is (a) located and resident outside the United States and not a U.S. person (as defined in Regulation S under the Securities Act) and (b) otherwise a person to whom the Consent Solicitation in respect of the Notes can be lawfully made and that may lawfully participate in the Consent Solicitation in respect of the Notes;

**Ineligible Noteholder** means each Noteholder who is not an Eligible Noteholder;

**New Issuer** means Elia Transmission Belgium SA/NV; and

**Notice** means the convocation convening this Meeting, among others, dated on or around 8 October 2019.”

2. The details of the Notes which are the subject of this Meeting Notification are as follows:

Description of the Notes	ISIN / Common Code	Aggregate nominal amount of the relevant Notes voting FOR the relevant Extraordinary Resolution*	Aggregate nominal amount of the relevant Notes voting AGAINST the relevant Extraordinary Resolution*	Aggregate nominal amount of the relevant Notes for which the relevant Noteholder abstains from voting*
€500,000,000 1.375 per cent. Fixed Rate Notes due 27 May 2024	BE0002239086 / 1321648905	€.....	€.....	€.....
€500,000,000 1.375 per cent. Fixed Rate Notes due 14 January 2026	BE0002629104 / 193513832	€.....	€.....	€.....
€250,000,000 1.375 per cent. Fixed Rate Notes due 7 April 2027	BE0002276450 / 159337642	€.....	€.....	€.....
€550,000,000 3.25 per cent. Fixed Rate Notes due 4 April 2028	BE0002432079 / 091170175	€.....	€.....	€.....
€350,000,000 3 per cent. Fixed Rate Notes due 7 April 2029	BE0002466416 / 105416385	€.....	€.....	€.....
€200,000,000 3.5 per cent. Fixed Rate Notes due 4 April 2033	BE0002433085 / 091205793	€.....	€.....	€.....

\* Complete as appropriate and cross out what is not applicable.

3. The following bank account details should be used for payment of the Early Participation Fee (if applicable):

**Account:** IBAN: ..... BIC: .....

**Accountholder:** .....

Each Eligible Noteholder from whom a valid Block Voting Instruction or Meeting Notification (together with the relevant Voting Certificate) is received by the Tabulation Agent by the Early Participation Deadline will, subject to the conditions set out in the Consent Solicitation Memorandum, be eligible to receive the Early Participation Fee, all as more fully described in the Consent Solicitation Memorandum. **Please note that failure to specify the requested account details will mean that the Early Participation Fee will not be payable to the relevant Eligible Noteholder.**

4. Voting Certificate

By signing this Meeting Notification, the Noteholder confirms that the relevant Notes which are the subject of this Meeting Notification have been blocked in accordance with article 571 of the Belgian Company

Code. The Noteholder shall enclose with this form a Voting Certificate issued by a recognised accountholder (*teneur de compte agréé/erkende rekeninghouder*) within the meaning of article 468 of the Belgian Companies Code through which the Noteholder is holding the Notes (the **Recognised Accountholder**) or the Clearing System certifying that the Notes in respect of which a Meeting Notification is given will be blocked until the first to occur of (i) the conclusion of the relevant Meeting (or any adjourned such Meeting) or (ii) the surrender of the relevant Voting Certificate to the Recognised Accountholder or the Clearing System who issued the same and that until the release of the Notes in respect of which that Voting Certificate is given, the bearer of such Voting Certificate is entitled to attend and vote at the Meeting or the adjourned Meeting in respect of the Notes represented by such Voting Certificate.

5. Revocability / continued validity for adjourned Meeting

This Meeting Notification may be revoked by the undersigned by giving a revocation notice to the Tabulation Agent that is duly received by the Tabulation Agent by no later than 5.00 p.m. (Brussels time) on 24 October 2019 (such time and date with respect to each relevant Series, as the same may be extended, the **Expiration Deadline**) or (if applicable) 5.00 p.m. (Brussels time) on the fourth Business Day before the time set for any adjourned Meeting.

**Each Meeting Notification shall, unless validly revoked, remain valid for the adjourned Meeting.**

**SIGNING OF THIS MEETING NOTIFICATION**

Done at .....\*\*, on .....\*\*\*

Signature(s): .....\*

*Please date and sign.*

\* *Legal entities must specify the name, first name and title of the natural person(s) who sign on their behalf.*

\*\* *Insert location for place of signing.*

\*\*\* *Insert date of signing.*

Name of Noteholder: .....

Contact telephone number: .....

Email address: .....

## EXISTING ISSUER

**Elia System Operator SA/NV**  
Keizerslaan 20  
1000 Brussels  
Belgium

## SOLICITATION AGENTS

**BNP Paribas**  
10 Harewood Avenue  
London NW1 6AA  
United Kingdom

Telephone: +44 20 7595 8668  
Email: [liability.management@bnpparibas.com](mailto:liability.management@bnpparibas.com)  
Attention: Liability Management

**J.P. Morgan Securities plc**  
25 Bank Street  
Canary Wharf  
London E14 5JP  
United Kingdom

Telephone: +44 20 7134 2468  
Email: [EMEA\\_LM@jpmorgan.com](mailto:EMEA_LM@jpmorgan.com)  
Attention: Liability Management Group

**Citigroup Global Markets Limited**  
Citigroup Centre  
Canada Square  
Canary Wharf  
London E14 5LB  
United Kingdom

Telephone: +44 20 7986 8969  
Email: [liabilitymanagement.europe@citi.com](mailto:liabilitymanagement.europe@citi.com)  
Attention: Liability Management Group

**NatWest Markets Plc**  
250 Bishopsgate  
London EC2M 4AA  
United Kingdom

Telephone: +44 20 7678 5282  
Email: [liabilitymanagement@natwestmarkets.com](mailto:liabilitymanagement@natwestmarkets.com)  
Attention: Liability Management

## TABULATION AGENT

**Lucid Issuer Services Limited**  
Tankerton Works  
12 Argyle Walk  
London WC1H 8HA  
United Kingdom

Telephone: +44 20 7704 0880  
Fax: + 44 20 3004 1590  
Email: [elia@lucid-is.com](mailto:elia@lucid-is.com)  
Attention: Thomas Choquet  
Voting Website: [www.lucid-is.com/elia](http://www.lucid-is.com/elia)

## AGENT

**BNP Paribas Securities Services SCA, Brussels Branch**  
Boulevard Louis Schmidt 2  
1040 Brussels  
Belgium

## LEGAL ADVISERS

*To the Existing Issuer  
as to English law*

**Linklaters LLP**  
One Silk Street  
London EC2Y 8HQ  
United Kingdom

*To the Solicitation Agents  
as to English law*

**Allen & Overy LLP**  
One Bishops Square  
London E1 6AD  
United Kingdom

*To the Existing Issuer  
as to Belgian law*

**Linklaters LLP**  
Rue Brederode 13  
Brussels 1000  
Belgium

*To the Solicitation Agents  
as to Belgian law*

**Allen & Overy (Belgium) LLP**  
Tervurenlaan 268A avenue de Tervueren  
1150 Brussels  
Belgium