

01 mars 2021

TO THE OFFERING CIRCULAR DATED 20 MAY 2020



Wallonie

Région wallonne

€ 20,000,000,000

Euro Medium Term Note Programme

For the issuance of Euro Medium Term Notes

01 mars 2021 (the “**Supplement**”) is supplemental to, forms part of, and must be read in conjunction with, the Offering Circular dated 20 May 2020 (the “**Offering Circular**”) prepared in connection with the € 12,000,000,000 Euro Medium Term Notes Programme (the “**Programme**”) established by the Région wallonne, with Legal Entity Identifier (LEI) code: 529900HPQFHMCG25MZ72 (the “**Issuer**”).

The Offering Circular constitutes an alleviated base prospectus for the purposes of Chapter 2 of Part III of the Luxembourg Act dated 16 July 2019 on prospectuses for securities (as amended from time to time) (the “**Luxembourg Act**”). It does not constitute a prospectus pursuant to Part II of the Luxembourg Act executing Regulation (EU) 2017/1129 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market (the “**Prospectus Regulation**”) into Luxembourg law and does not constitute a prospectus for purposes of the Prospectus Regulation and the Law of 11 July 2018 on the offer of investment instrument to the public and the admission of investment instruments to trading on a regulated market (the “**Law of 11 July 2018**”). Accordingly, neither the Offering Circular nor this Supplement does meet the format and disclosure requirements of the Prospectus Regulation nor of the Law of 11 July 2018, and they have not been, and will not be, submitted for approval to any competent authority within the meaning of the Prospectus Regulation.

The Issuer accepts responsibility for the information contained in this Supplement. The Issuer declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Supplement is, to the best of its knowledge, in accordance with the facts and does not omit anything likely to affect the import of such information.

Unless the context otherwise requires, terms defined in the Offering Circular shall have the same meaning when used in this Supplement.

1. Increase of the maximum aggregate nominal amount of the Programme

The aggregate nominal amount of the Notes outstanding under the Programme will not at any time exceed € 20,000,000,000. All references in the Offering Circular to a Euro Medium Term Note Programme of a certain nominal amount shall be deemed to be references to a Euro Medium Term Note Programme of a nominal amount of € 20,000,000,000.

2. Information included in the Offering Circular

There has been no significant new factor, material mistake or inaccuracy relating to the information included in the Offering Circular since 20 May 2020, the date of publication of the Offering Circular, except as set out in this Supplement.

A. Amendment to the section “Taxation in Belgium” – Tax on Securities Accounts

The following sub-section is added at the end of the section “Taxation in Belgium” on page 61 of the Offering Circular.

“Tax on Securities Accounts

The Law of 17 February 2021 introducing an annual tax on securities accounts has been published in the Belgian Official Gazette on February 25, 2021. The law introduces an indirect tax on securities accounts (the “Tax on Securities Accounts”) which applies to securities accounts held by resident individuals, companies and legal entities, irrespective as to whether these accounts are held, with a financial intermediary which is established or located in Belgium or abroad. The tax also applies to securities accounts held by non-resident individuals, companies and legal entities with a financial intermediary established or located in Belgium, and to non-residents which hold one or more securities accounts through a Belgian establishment.

Belgian resident and non-resident individuals, companies and legal entities will be taxed at a rate of 0.15% on the average value of qualifying financial instruments held on one or more securities accounts during a reference period of twelve consecutive months (in principle) starting on 1 October and ending on 30 September of the subsequent year. No Tax on Securities Accounts will be due provided that the average value of the qualifying financial instruments on those accounts amounts to less than € 1,000,000 during the specific reference period. If, however, the average value of the qualifying financial instruments on those accounts amounts to € 1,000,000 or more, the Tax on Securities Accounts will be due on the entire average value of the qualifying financial instruments on those accounts during the specific reference period (and, hence, not only on the part which exceeds the € 1,000,000 threshold). However, the amount of the Tax on Securities Accounts is limited to 10% of the difference between the average value of the qualifying financial instruments on those accounts and € 1,000,000.

The law on the Tax on Securities Accounts entered into force on February 26, 2021. The first reference period will start on the day of the entry into force and will end on 30 September 2021. The law also provides for certain anti-abuse provisions, retroactively applying as from 30 October 2020: a rebuttable general anti-abuse provision and two irrebuttable specific anti-abuse provisions. The latter covers the

splitting of a securities account into multiple securities accounts held with the same intermediary and the conversion of taxable financial instruments held on a securities account, into registered financial instruments.

There are various exemptions, such as securities accounts held by specific types of regulated entities for their own account.

It is expected that the value of the Notes will have to be taken into account in determining the value of a securities account.

Prospective investors are strongly advised to seek their own professional advice in relation to the law on the Tax on Securities Accounts and the possible impact of the new annual Tax on Securities Accounts on their own personal tax position.”

B. Amendment to the section “Risk Factors” – Covid-19 impact

In the sub-section “Risks relating to the Issuer” of the section “Risk Factors” on page 4 of the Offering Circular, the following excerpt is added at the end of the part “*Vulnerability of Région wallonne’s economy to the Covid-19 sanitary crisis*”.

“Since the outbreak of the Covid-19 crisis, the government of the Issuer had to take several measures to protect citizens, health services and the economic fabric.

The current impact of the crisis on the public finances of the Issuer to date is currently being valued in the order of € 2.4 to 2.5 billion. This amount is broken down as follows:

- a decrease in revenues of around € 717 million following the sharp downward revision of macroeconomic parameters; and*
- an increase in expenditure of over € 1.7 billion for all measures taken.*

Revenues

The macroeconomic parameters were reviewed several times during 2020.

Based on data formulated by the Federal Planning Bureau during the preparation of the 2020 and 2021 budgets, the current estimation of the total impact of the Covid-19 crisis on revenues of the Issuer to date is of € 717 million.

Expenditures

Different packages of measures have been adopted by the Issuer to deal with the consequences of the crisis.

During the first lockdown period of 2020, the Issuer approved additional expenditure for a total amount of € 1,119 million, including:

- € 641 million for economic policies (in particular allowance granted for the self-employed);*
- € 122 million for health policies;*
- € 80 million for social action policies;*

- € 60 million for the transversal provision; and
- € 53 million for employment policy.

A second package of measures was approved by the Issuer during the second lockdown period in October 2020 for a total amount of € 257 million, including:

- € 154 million for support measures for self-employed;
- € 67 million for health policies; and
- € 17.1 million for employment policies.

A third package of measures was adopted by the Issuer at the end of November 2020 for a total amount of € 314 million, including:

- € 202 million for additional support measures for self-employed; and
- € 75 million for social action.

In view of the additional impacts of the pandemic which are now planned to extend in 2021 and onwards, the Issuer has already decided to include new financial measures in its budget projection for the 2021 fiscal year.

Further consequences of the Covid-19 crisis on the Issuer cannot be precisely determined at this date. If the pandemic lasts longer than expected, or if further diseases emerge that give rise to similar effects, the adverse impact on the global economy could be deepened and result in further declines in financial markets and impact many Sovereign, Supranational and Agencies issuers (“SSA issuers”), including the Issuer”.

This Supplement will be available in an electronic form on the website of the Luxembourg Stock Exchange (<http://www.bourse.lu>), and on the Issuer's website (<https://www.wallonie.be/en/finance>).

[Signature page follows]

Signed on behalf of the Issuer:



2021

01 MARS 2021

Name: Mr. Jean-Luc Crucke

Title: Ministre wallon du Budget, des Finances, des Aéroports et des Infrastructures sportives