



Press statement

**CFE right of reply to articles appeared in
De Standaard and *Le Soir* on 14th May 2024**

Brussels, 14 May 2024 – CFE wishes to address the recent articles published on 14th May 2024, which contain an amalgam of public information and unfounded allegations concerning the contract for the Grand Hôtel in Chad which dates back to 2011 and has caused CFE to suffer a financial loss of more than 50 million euros.

CFE always aims to operate with integrity and accountability and, after careful review, is compelled to correct the public record.

- CFE SA registered its subsidiary CFE Tchad SA on June 6, 2010 with the aim of responding to public calls for tender in Chad. In the years following, CFE Chad has successfully completed multiple high-quality constructions.

- In 2011, CFE Chad was awarded a contract with the Chadian State for the construction of the Grand Hôtel in N'Djamena for a total price of 57.4 billion CFA francs including tax (or 87.5 million euros). Another contract, much later than the construction contract, concerned the supply of furniture for a total of 17.7 billion CFA francs (27 million euros), of which 11.3 million euros were covered by Credendo.

- Works started in June 2012. Until 2014, CFE Chad was paid regularly but always very late. The situation deteriorated sharply at the end of 2014, following the sudden fall in the oil price, the main source of financing for the Chadian state, preventing the latter from honoring its commitments to its creditors, including CFE Chad.

- Nevertheless, construction of the Grand Hôtel, which was already well advanced, continued. However, CFE Chad had to call on its parent company CFE to finance its current expenses and its working capital requirements, consisting mainly of overdue receivables owed by the Chadian State.

- Despite the outstanding overdue receivables, the Grand Hôtel was completed and definitively accepted on December 8, 2016 to the satisfaction of the client who confirmed in the acceptance report that “the work was carried out according to the state of the art and in accordance with the contractual clauses”. The hotel is

currently operated by the Radisson Blu group and is among the most luxurious hotels in the country's capital.

- Since 2014, CFE Chad has undertaken everything reasonably within its power to try to recover unpaid receivables amounting to more than 60 million euros from the Chadian State, including a possible refinancing by Afrexim Bank which was, against all expectations, refused by the Chadian authorities at the end of 2020. The political and economic situation in Chad has further deteriorated since the assassination of the Chadian President Idriss Déby Itno in 2021, followed by national and international instability. This further diminished the chances of recovering debts.
- Over the years, CFE Chad has had to regularly make calls for funds from CFE to cover its operating expenses (including local taxes) as well as the costs incurred as part of its efforts to recover overdue debts. Faced with this untenable situation, CFE had to progressively fully amortize its shareholder loans on CFE Chad, which amounted to more than 70 million euros, and sold its stake in CFE Tchad for a symbolic euro to Mr. Renaud Bentégeat, motivated by the desire to continue trying to recover CFE Tchad's receivables.

As mentioned, CFE has always aimed to operate with integrity and accountability, delivering a high-quality project that is a flagship building in the country, despite the very challenging circumstances and the inability of the Chadian State to honor its financial commitments.

Over the past years, CFE has withdrawn its activities from Chad, consistent with the company's new strategy to focus on Belgium, Luxemburg and Poland.

About CFE

CFE is an integrated multidisciplinary group with an attractive growth market position in Belgium, Luxembourg and Poland. Thanks to leading companies and innovative projects, the Group focuses on four segments: real estate development, multitechnics, construction & renovation and investments. From acquisition to maintenance: with complementary expertise, CFE offers complete solutions to its customers. The Group is developing the world of tomorrow through its pioneering role in sustainable development, its capacity for innovation and its desire to have an impact on society. CFE makes this ambition a reality thanks to passionate employees and strong partnerships.

CFE is listed on Euronext Brussels and is 62.12% owned by Ackermans & van Haaren, 12.11% by VINCI.

This press release is available on our website at www.cfe.be.

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