

PHILIPPE OPSOMER, JOËL DUYSAN, MAXIME D'HONDT

BeeBonds. Private equ



Philippe Opsomer

- ▶ Ingest 1987
- ▶ CFO at Banimmo
- ▶ Real Estate Advisor at BeeBonds

Joël Duysan

- ▶ Ingest 1987
- ▶ Managing Partner at Opportunité
- ▶ Cofounder and Managing Partner at BeeBonds

Maxime D'Hondt

- ▶ Ingest 2013
- ▶ Head of Asset Management at Opportunité Luxembourg
- ▶ Cofounder and Managing Partner at BeeBond

This is the story of a seasoned stockbroker, a property sector expert and a young wealth management go-getter. The combined know-how of these three Solvay graduates has brought us BeeBonds – the 'newbee' causing a buzz in the crowdlending world...

▶ Within a short time of its launch, your crowdfunding platform raised 1.5 million Euros for the BlackReit property firm. That's a record in Belgium... How do you explain this success?

▷ **Joël Duysan:** Crowdfunding is the future! So it's hardly surprising to see crowdlending platforms like BeeBonds generating so much interest...

▷ **Maxime D'Hondt:** Some investors are a bit tired of the opacity and volatility of the financial markets... algorithms, passive management, dematerialisation, etc. They are keener to understand and give some meaning to their investment...

▷ **J.D.:** With BeeBonds, we're offering a return to primary funding... Our role is simple: to put a company that needs funding in touch with

investors ready to advance these funds in exchange for a return that reflects the risk taken.

▷ **Philippe Opsomer:** Going back to our first project – BlackReit – all the investors know exactly what the money raised is being used for. Their need for meaning is being met by offering tangible investments with an immediate and genuine impact on the economy. Some of these investors are so impressed that they're already thinking of pledging 100,000 euros (ed. note: the entry level investment for property projects) for each future project!

Text: Nelson Garcia Sequeira
Pictures: Frédéric Raevens

ity's missing link



We have Mrs Duysan to thank!

▶ Let's go back to the birth of BeeBonds. How did this adventure start?

▷ J.D.: To be honest, the idea really came from my wife (he laughs)! She often used to ask me why the markets didn't offer investments that were closer to people, more human and collaborative – positive investments that helped to support tangible projects. Ethical and participatory funding, for the people, by the people... I was just doing what she wanted...!

▷ M.D.H.: You need to be aware that when you buy shares on the stock exchange, it's not the company that you're helping! You're speculating on the market price of the asset and only the seller really benefits from this...

▷ J.D.: ... unlike crowdlending where the investor is banking directly on the growth of the company. Hence its 'participatory' nature!

▶ There are already other actors out there – what's original about your approach?

▷ J.D.: We have a double requirement: to select good projects and provide secure financial products to investors. Quality rather than quantity! And that's also why we've created bonds. It's more efficient and more transparent as we're not gambling on a future valuation of the company but only on the issuer's ability to pay the coupon and to repay at maturity.

▷ M.D.H.: Our approach is based on the security of the bond. And that's why, in our process, the banks continue to play their subscriber role. Once a project is offered on the platform, we are 'only' the intermediary...

▷ J.D.: The interested investor then receives a traditional allotment letter with an ISIN code (ed. note: International Securities Identification Number), which he must complete and send to his bank. When fundraising has ended, the bank takes back the bond and places it in the client's securities account.

▷ M.D.H.: And, as with any other bond, the investor can, if he wishes, ask his bank to sell... And, even if the security's liquidity isn't as high as on the financial markets, BeeBonds will take care of energising the market to find a buyer by making good use of its networks.

INSIDE BeeBonds

July 2015

The idea takes off and Joël Duysan produces a first draft of BeeBonds.

July 2016

Official launch of the platform with the support of Maxime D'Hondt and the partner company LevelApp.

March 2016

Philippe Opsomer, CFO in the property sector, becomes part of the adventure.

12 April 2017

BeeBonds initial fundraising produces a record 1.5 million euros for the property company BlackReit.

A 'private hive'

▶ Another original feature – anonymity!

▷ M.D.H.: The aim is to allow institutional investors to position themselves on a crowdlending platform. This isn't usually the case. We've constructed a private 'hive' that both guarantees them anonymity and offers sufficiently high amounts to draw them in...

▶ BeeBonds is active in several segments. The first one was the property sector...

▷ J.D.: Our idea was also to harness 'family and friends' investments. People don't always realise the amounts raised in this way, particularly in property projects where the banks require substantial equity. →

▷ P.O.: Also, in getting to know the property market, we soon identified a keen interest in BeeBonds, particularly among the small but very dynamic actors who make up the core of Belgium's residents.

RAISING FUNDS to support bees!

In partnership with the Made In Abeilles association, BeeBonds has agreed to purchase a beehive after each successful fundraising. This Bee to B commitment will enable the issuing company to provide a home for 50,000 bees in a hive personalised with its logo. First on the list – the BlackReit hive...

It's no coincidence that BeeBonds has adopted the bee as its emblem. "First, it's a way of making a positive commitment to the environment, explains Joël Duysan, but our identification with the bee goes further. Bees make honey – a pure and natural product. And each of these insects also plays an active and anonymous role in the functioning of the hive!" An analogy that's really as simple as can 'bee'!



www.madeinabeilles.be

“OUR INTENTION IS TO REACH A YOUNGER GROUP OF PEOPLE OF MORE LIMITED MEANS”

5 PIECES OF ADVICE for budding entrepreneurs

1 Take your time

"Starting a business is a process. Among other things it requires patience and mastery of your idea in order to bring it to maturity." (P.O.)

2 Don't fall in love with the basic idea

"This is a trap to avoid at all cost! Every project evolves and you must be ready to accept this. Bring a good dose of flexibility, reactivity and the ability to adapt." (M.D.H.)

3 Put yourself in other people's shoes

"This really is essential ... What must drive you first is the initial concept but it will only be relevant and appropriate if you manage to understand other people's expectations." (J.O.)

4 Never give up!

"Give up? That's a term that has no place in an entrepreneur's vocabulary!"

5 Do an internship with BeeBonds

"A unique experience for getting a foothold in the world of entrepreneurship. BeeBonds is opening its doors to Master's students from the SBS-EM who would like to do a work placement with us."

▷ J.D.: In family and friends investments, the lenders don't have any real guarantee. Everything happens on trust and at best by private deed. There's also the question of liquidity, which is rarely guaranteed! So the added value we provide is to offer projects validated by experts, like Philippe...

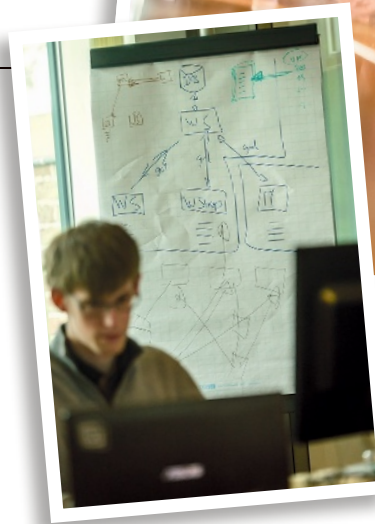
▶ What made you choose the BlackReit project for this first trial run?

▷ P.O.: We had several projects on the table. All were analysed on the basis of quality, experience, etc. The 'human' aspect was also crucial... There had to be some chemistry with the promoter! Before formalising the project, we also tested the appetite of potential investors. We approached informed investors as the investment was 100,000 euros for sums of 1 to 2 million. The lights were all



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If you'd like to suggest an alumnus or alumna or present your project in this section, write to us at sbs-em@elixis.be.



on green, so we took the plunge with BlackReit! The challenge was then to give potential investors the right information. This means no sitting on the fence but providing a clear-cut opinion. We also did a lot of work on a very detailed, standardised prospectus, which was accompanied by a briefing note about the issuer and use of the funds. I like to think that we rose to the challenge...

New opportunities for Belgian savers

▶ What are the next projects in the pipeline?

▷ J.D.: We are going to focus on the collaborative economy, the internationalisation of companies and on projects of a social nature. Within this framework, the accent will be on the purpose of the project. And our intention is to reach a younger group of people of more limited means.

▷ M.D.H.: With this in mind, our ultimate aim is to offer genuine safe securities from 1,000 euros, while meeting the requirements of the FSMA (ed. note: Financial Services and Markets Authority). This is a regulatory challenge as it means having the FSMA validate the prospectus and complying with public offering rules.

▷ P.O.: In 2017, we have four more property projects in the pipeline that may be launched...

▷ M.D.H.: ... and two collaborative economy projects.

▷ J.D.: And, in the long term, I don't see why we shouldn't reach 100 million euros per year on the platform. It's ambitious, I know, but let's not forget that there are 256 billion euros lying dormant in Belgian savings accounts! ■