

IMPORTANT NOTICE

THIS OFFERING IS AVAILABLE ONLY TO INVESTORS WHO ARE NON-U.S. PERSONS (AS DEFINED BELOW) LOCATED OUTSIDE THE UNITED STATES.

IMPORTANT: You must read the following before continuing. The following applies to the prospectus following this page (the “Prospectus”) and you are therefore advised to read this page carefully before reading, accessing or making any other use of the Prospectus. In accessing the Prospectus, you agree to be bound by the following terms and conditions, including any modifications to them any time you receive any information from the Globalworth Real Estate Investments Limited (the “Company”), any of Deutsche Bank AG, London Branch, J.P. Morgan Securities plc or UBS Limited (together, the “Joint Lead Managers”), BT Capital Partners S.A. or Rand Merchant Bank, a division of FirstRand Bank Limited (London Branch) (together, the “Co-managers” and, together with the Joint Lead Managers, the “Managers”) or Cairn Capital Limited (the “Adviser”) as a result of such access.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE NOTES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION, AND THE NOTES MAY NOT BE OFFERED OR SOLD, DIRECTLY OR INDIRECTLY, WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATIONS UNDER THE SECURITIES ACT (“REGULATION S”)) 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 PROSPECTUS MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER AND, IN PARTICULAR, MAY NOT BE FORWARDED TO ANY U.S. PERSON OR U.S. ADDRESS. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THE PROSPECTUS 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 GAINED ACCESS TO THIS TRANSMISSION CONTRARY TO ANY OF THE FOREGOING RESTRICTIONS, YOU ARE NOT AUTHORISED AND WILL NOT BE ABLE TO PURCHASE ANY OF THE NOTES DESCRIBED IN THE PROSPECTUS.

The Prospectus may not be forwarded or distributed to any other person and may not be reproduced in any manner whatsoever. Any forwarding, distribution or reproduction of the attached Prospectus in whole or in part is unauthorised. Failure to comply may result in a violation of the Securities Act or the applicable laws of other jurisdictions. If you have gained access to this transmission contrary to any of the foregoing restrictions, you are not authorised to view the Prospectus and will not be able to purchase any of the securities described therein.

Confirmation of your representation: In order to be eligible to view the Prospectus or make an investment decision with respect to the securities being offered, prospective investors must be non-U.S. persons (as defined in Regulation S under the Securities Act (“Regulation S”)) located outside the United States. The Prospectus is being sent to you at your request, and by accessing the Prospectus you shall be deemed to have represented to the Company and the Managers that (1) you are purchasing the securities being offered in an offshore transaction (within the meaning of Regulation S) and the electronic mail address that you gave us and to which this e-mail has been delivered is not located in the United States, its territories and possessions, any State of the United States or the District of Columbia and (2) you consent to delivery of the Prospectus by electronic transmission.

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

The materials relating to this offering do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that the offering be made by a licensed broker or dealer, and the Managers or any affiliate of the Managers is a licensed broker or dealer in the relevant jurisdiction, the offering shall be deemed to be made by the Managers or such affiliate on behalf of the Company in such jurisdiction.

The Prospectus may only be distributed to, and is directed at persons who have professional experience in matters relating to investments falling within article 19(1) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “Order”) or (b) high net worth entities falling within article 49(2)(a) to (d) of the Order, and other persons to whom it may be lawfully communicated, falling within article 49(1) of the Order (all such persons together being referred to as “relevant persons”). Any person who is not a relevant person should not act or rely on the Prospectus or any of its contents.

The Prospectus has been sent to you in 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 Company, the Managers or the Adviser, any person who controls them or any director, officer, employee or agent of them or affiliate of any such person accepts any liability or responsibility whatsoever in respect of any difference between the Prospectus distributed to you in electronic format and the hard copy version available to you on request from the Managers.



Globalworth Real Estate Investments Limited

(incorporated as a limited liability company under the laws of Guernsey, registration number 56250)

€550,000,000 2.875 per cent. Notes 2022

The €550,000,000 2.875 per cent. Notes due 2022 (the “Notes”) of Globalworth Real Estate Investments Limited (the “Company”) will bear interest from 19 June 2017 at the rate of 2.875 per cent. per annum payable annually in arrear on 20 June in each year.

The Notes will be general unsecured senior obligations of the Company and will rank equally in right of payment with all the Company’s existing and future indebtedness that is not subordinated in right of payment to the Notes. The Notes will also be effectively subordinated to all of the Company’s existing and future secured debt to the extent of the value of the assets securing such debt and to all existing and future debt of all the Company’s subsidiaries. This Prospectus includes information on the terms of the Notes, including redemption and repurchase prices, covenants, events of default and transfer restrictions. Payments on the Notes will be made in euro without deduction for or on account of taxes imposed or levied by Guernsey or any other Relevant Taxing Jurisdiction as defined in and to the extent described under “*Terms and Conditions of the Notes—Taxation*”.

Unless previously redeemed or cancelled, the Notes will be redeemed at their principal amount on 20 June 2022. The Notes are subject to redemption in whole at their principal amount at the option of the Company at any time in the event of certain changes affecting taxation in Guernsey or any Relevant Taxing Jurisdiction. The Notes are also subject to redemption at the option of the Company at a redemption price equal to the greater of the principal amount of the Notes or the Optional Redemption Price. In addition, the holder of a Note may, by the exercise of the relevant option, require the Company to redeem such Note at 100 per cent. of its principal amount on the occurrence of a Change of Control Put Event. See “*Terms and Conditions of the Notes—Redemption and Purchase*”. In the event the Issuer fails to comply with certain of its obligations under the financial covenants, the Issuer will have the right to cure any such breach by applying net amounts received in respect of any new equity issued or subordinated shareholder debt as further set forth in “*Terms and Conditions of the Notes—Covenants—Equity Cure*”.

This prospectus (the “Prospectus”) has been approved by the Central Bank of Ireland, as competent authority under Directive 2003/71/EC (which includes the amendments made by Directive 2010/73/EU) (the “Prospectus Directive”). Such approval relates only to Notes which are to be admitted to trading on a regulated market for the purposes of Directive 2004/39/EC and/or which are to be offered to the public in any Member State of the European Economic Area. The Central Bank of Ireland only approves this Prospectus as meeting the requirements imposed under Irish and European Union (“EU”) law pursuant to the Prospectus Directive. Application has been made to the Irish Stock Exchange plc (the “Irish Stock Exchange”) for the Notes to be admitted to the Official List (the “Official List”) and to trading on its regulated market (the “Market”). This Prospectus constitutes a prospectus for the purposes of the Prospectus (Directive 2003/71/EC) Regulations 2005 (the “Prospectus Regulations”) (which implement the Prospectus Directive in Ireland). Reference in this Prospectus to being listed (and all date references) shall mean that such Notes have been admitted to trading on the regulated market of the Irish Stock Exchange.

In addition, following the issue date of the Notes, the Company may apply to S.C. Bucharest Stock Exchange S.A. (the “Bucharest Stock Exchange”) for admission of the Notes to trading on the regulated market of the Bucharest Stock Exchange. There is no assurance that, if made, such application for admission of the Notes to trading on the regulated market of the Bucharest Stock Exchange will be accepted.

The Notes have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the “Securities Act”). The Notes are being offered outside the United States by the Managers named under “*Subscription and Sale*” (the “Managers”) in accordance with Regulation S under the Securities Act (“**Regulation S**”), and may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

The Notes will be issued in registered form in denominations of €100,000 and integral multiples of €1,000 in excess thereof. It is expected that delivery of the Notes will be made to investors in book-entry form under the New Safekeeping Structure (the “NSS”) with a common safekeeper (the “Common Safekeeper”) for Euroclear Bank S.A./N.V. (“Euroclear”) and Clearstream Banking, S.A. (“Clearstream”), on or about 19 June 2017. The Notes will be represented on issue by a global certificate in registered form (the “Global Certificate”). Interests in the Global Certificate will be exchangeable for definitive certificates (the “Definitive Certificates”) only in certain limited circumstances described in “*Summary of Provisions relating to the Notes in Global Form*”.

The Notes are expected to be rated Ba2 by Moody’s Investors Service Ltd (“Moody’s”) and BB+ by Standard & Poor’s Ratings Services (“S&P”). Moody’s and S&P are established in the EEA and registered under Regulation (EU) No 1060/2009, as amended (the “CRA Regulation”), and appear on the latest update of the list of registered credit rating agencies (as of 27 October 2015) on the ESMA website <http://www.esma.europa.eu>. The ESMA website is not incorporated by reference into, nor does it form part of, this Prospectus. **A security 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 assigning rating agency.**

Issue Price: 99.427%

Investing in the Notes involves risks. Please refer to the risk factors beginning on page 4.

Joint Lead Managers and Bookrunners

Deutsche Bank

J.P. Morgan

UBS Investment Bank

Co-Managers

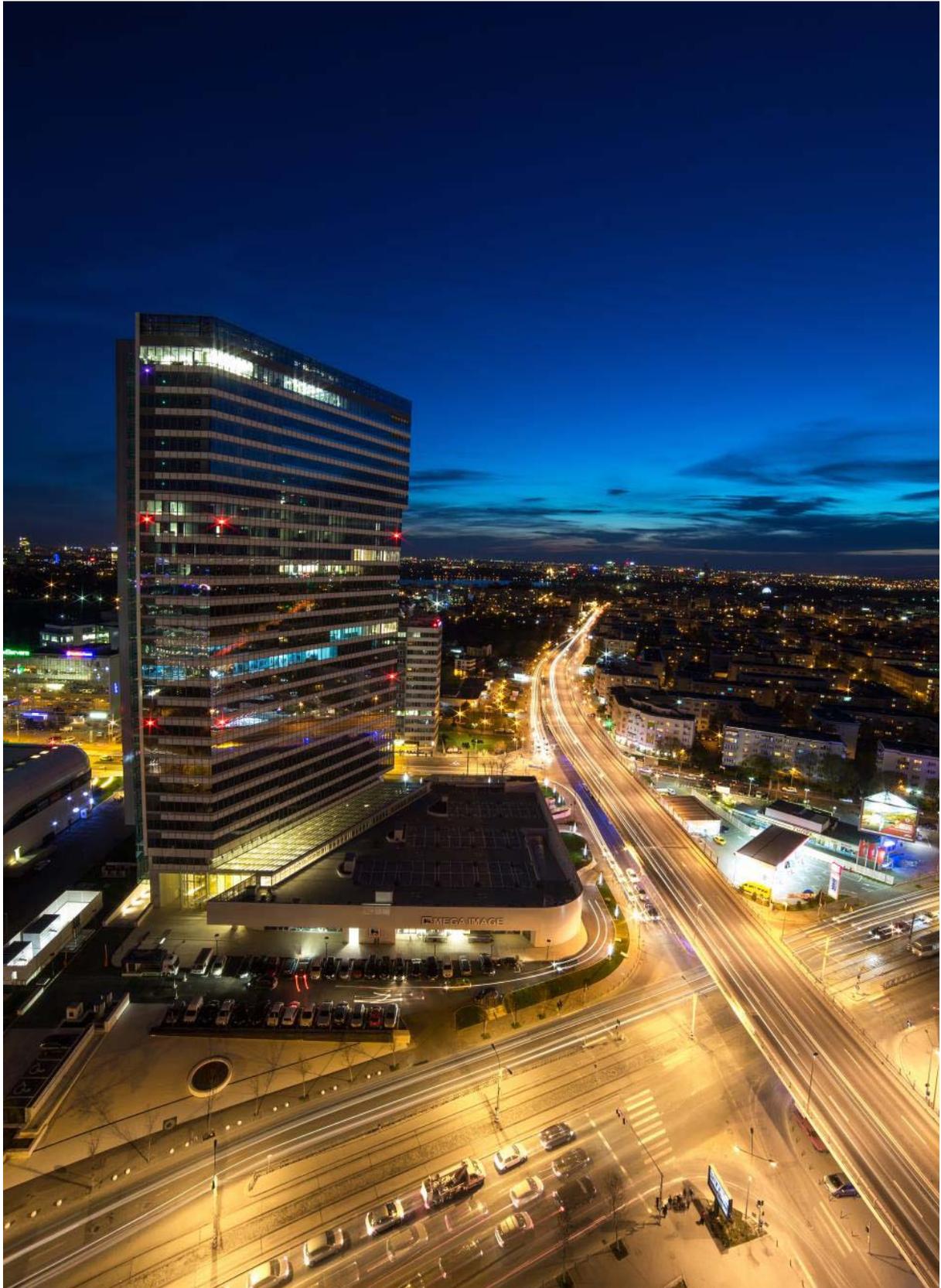
BT Capital Partners

Rand Merchant Bank

Sole Structuring Adviser

Cairn Capital Limited

The date of this Prospectus is 14 June 2017.



Important Notice

This Prospectus comprises a prospectus for the purposes of Article 5 of the Prospectus Directive and for the purposes of giving information with regard to the Company, the Company and its subsidiaries taken as a whole (the “Group”) and the Notes, which, according to the particular nature of the Company, the Group and the Notes, is necessary to enable investors to make an informed assessment of the prospects of the Company, the Group and the Notes.

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

The Company has confirmed to the Managers and Cairn Capital Limited (the “Adviser”) that this Prospectus contains all information regarding the Company, the Group and the Notes which is (in the context of the issue of the Notes) material; such information is true and accurate in all material respects and is not misleading in any material respect; any opinions, predictions or intentions expressed in this Prospectus on the part of the Company are honestly held or made and are not misleading in any material respect; this Prospectus does not omit to state any material fact necessary to make such information, opinions, predictions or intentions (in such context) not misleading in any material respect; and all proper enquiries have been made to ascertain and to verify the foregoing.

The Company has not authorised the making or provision of any representation or information regarding the Company, the Group or the Notes other than as contained in this Prospectus or as approved for such purpose by the Company. Any such representation or information should not be relied upon as having been authorised by the Company, the Managers or the Adviser.

This Prospectus is to be read in conjunction with all information which is deemed to be incorporated herein by reference (see “*Information Incorporated by Reference*”). This Prospectus should be read and construed on the basis that such information is incorporated in and forms part of the Prospectus.

Neither the Managers nor the Adviser nor Deutsche Trustee Company Limited (the “Trustee”) nor any of their respective affiliates has authorised the whole or any part of this Prospectus and none of them makes any representation or warranty or accepts any responsibility as to the accuracy or completeness of the information contained in this Prospectus. Neither the delivery of this Prospectus nor the offering, sale or delivery of any Note shall in any circumstances create any implication that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the condition (financial or otherwise) of the Company or the Group since the date of this Prospectus. The Managers, the Adviser and the Trustee expressly do not undertake to review the financial condition or affairs of the Company or the Group during the life of the Notes or to advise any investor in the Notes of any information coming to their attention.

Neither this Prospectus nor any other information supplied in connection with the offering of the Notes (a) is intended to provide the basis of any credit or other evaluation or (b) should be considered as a recommendation by the Company, any of the Managers, the Adviser or the Trustee that any recipient of this Prospectus or any other information supplied in connection with the offering of the Notes should purchase any Notes. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Company. Neither this Prospectus nor any other information supplied in connection with the offering of the Notes constitutes an offer or invitation by or on behalf of the Company, any of the Managers, the Adviser or the Trustee to any person to subscribe for or to purchase any Notes.

The distribution of this Prospectus and the offering, sale and delivery of Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are required by the Company, the Managers and the Adviser to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers, sales and deliveries of Notes and on distribution of this Prospectus and other offering material relating to the Notes, see “*Subscription and Sale*”.

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

In particular, the Notes have not been and will not be registered under the Securities Act. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to U.S. persons.

The Notes have not been approved or disapproved by the United States Securities and Exchange Commission or any other securities commission or other regulatory authority in the United States, nor have the foregoing authorities reviewed or passed upon the accuracy or adequacy of this Prospectus. Any representation to the contrary is a criminal offence. Each purchaser or holder of interests in the Notes will be deemed, by its acceptance or purchase of any such Notes, to have made certain representations and agreements as set out in “*Subscription and Sale*”.

In this Prospectus, unless otherwise specified, references to a “Member State” are references to a Member State of the European Economic Area, references to “EUR”, “€” or “euro” are to the single currency introduced at the start of the third stage of the European Economic and Monetary Union pursuant to the Treaty establishing the European Community, as amended and references to “USD”, “\$” and “US\$” are to the lawful currency of the United States.

The language of this Prospectus is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

Certain figures included in this Prospectus have been subject to rounding adjustments; accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as total in certain tables may not be an arithmetic aggregation of the figures which precede them.

The Notes are complex financial instruments and such instruments may be purchased by investors as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (a) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained in this Prospectus or any applicable supplement;
- (b) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- (c) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including where the currency for principal and interest payments is different from the potential investor’s currency;

- (d) understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant financial markets; and
- (e) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

In connection with the issue of the Notes, J.P. Morgan Securities plc (the “Stabilising Manager”) (or persons acting on behalf of the Stabilising Manager) may over allot Notes or effect transactions with a view to supporting the price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager (or persons acting on behalf of a Stabilising Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the Issue Date of the Notes and 60 days after the date of the allotment of the Notes. Any stabilisation action or over-allotment must be conducted by the Stabilising Manager (or persons acting on behalf of the Stabilising Manager) in accordance with all applicable laws and rules.

Forward-Looking Statement

This Prospectus contains forward-looking statements. Forward-looking statements provide the Company’s current expectations or forecasts of future events. Forward-looking statements include statements about the Company’s expectations, beliefs, plans, objectives, intentions, assumptions and other statements that are not historical facts. Words or phrases such as “anticipate,” “believe,” “continue,” “estimate,” “expect,” “intend,” “may,” “on-going,” “plan,” “potential,” “predict,” “project,” “will” or similar words or phrases, or the negatives of those words or phrases, may identify forward-looking statements, but the absence of these words does not necessarily mean that a statement is not forward-looking. Examples of forward-looking statements in this Prospectus include, but are not limited to, statements regarding the Company’s disclosure concerning its operations, cash flows, capital expenditure and financial position.

Forward-looking statements appear in a number of places in this Prospectus including, without limitation, in the “*Risk Factors*” and “*Description of the Company*” sections of this Prospectus.

Investors are cautioned that forward-looking statements are not guarantees of future performance. Forward-looking statements may, and often do, differ materially from actual results. Any forward-looking statements in this Prospectus speak only as of the date of this Prospectus, reflect the Company’s current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Company’s operations, results of operations, growth strategy and liquidity. Investors should specifically consider the factors identified in this Prospectus which could cause actual results to differ before making an investment decision. All of the forward-looking statements made in this Prospectus are qualified by these cautionary statements. Neither the Company undertake any obligation to update or review any forward-looking statement, whether as a result of new information, future developments or otherwise. All subsequent written and oral forward-looking statements attributable to the Company or individuals acting on behalf of the Company are expressly qualified in their entirety by this paragraph.

TABLE OF CONTENTS

Overview	1
Risk Factors	4
Documents Incorporated by Reference.....	30
Financial Statements and Other Information	33
Market and Industry Data	35
Selected Historical Consolidated Financial Information	36
Introduction to the Company and the Group	38
Description of our Operational Activities.....	40
The Directors of the Company and Executive Management	53
Principal Shareholders.....	58
Use of Proceeds	59
Terms and Conditions of The Notes.....	60
Summary of provisions relating to the Notes in Global Form	79
Certain Tax Considerations	82
Subscription and Sale	84
Listing and General Information	87
Index of Defined Terms.....	89

OVERVIEW

The following overview of the offering of the Notes is derived from, and should be read in conjunction with, the full text of the terms and conditions of the Notes (the “Conditions”) and the Trust Deed (as defined herein), which shall prevail to the extent of any inconsistency with this overview. Capitalised terms used but not otherwise defined herein have the respective meanings given to such terms in the relevant Conditions.

Company	Globalworth Real Estate Investments Limited, a limited liability company incorporated under the laws of Guernsey.
Joint Lead Managers	Deutsche Bank AG, London Branch, J.P. Morgan Securities plc and UBS Limited.
Co-Managers	BT Capital Partners S.A. and Rand Merchant Bank, a division of FirstRand Bank Limited (London Branch).
Sole Structuring Adviser	Cairn Capital Limited.
Trustee	Deutsche Trustee Company Limited.
Notes offered	€550.0 million 2.875 per cent. Notes due 2022.
Issue Price	99.427 per cent. of the principal amount of the Notes.
Issue Date	Expected to be on or about 19 June 2017.
Use of Proceeds	The net proceeds of the issue of the Notes will be used for the refinancing of our existing debt and for general corporate purposes including acquisitions, as and when identified. See “ <i>Use of Proceeds</i> ”.
Interest	The Notes will bear interest from 19 June 2017 at a rate of 2.875 per cent. per annum payable annually in arrear on 20 June in each year; the first payment of interest shall be made on 20 June 2018 in respect of the period from (and including) 19 June 2017 to (but excluding) 20 June 2018. If interest is required to be calculated for the Notes for a period of less than one year, it will be calculated on the basis of the actual number of days elapsed from and including the immediately preceding interest payment date, or 19 June 2017, as the case may be, to but excluding the due date for payment divided by the actual number of days in the period from and including the immediately preceding interest payment date, or 19 June 2017, as the case may be, to but excluding the next payment date.
Status	The Notes are senior, unsubordinated, unconditional and (subject to Condition 4 (<i>Negative Pledge</i>)) unsecured obligations of the Company.
Form and Denomination	<p>The Notes will be issued in registered form in denominations of €100,000 and integral multiples of €1,000 in excess thereof up to and including €199,000.</p> <p>The Notes will be represented on issue by the Global Certificate in registered form, without interest coupons, and will be delivered to the Common Safekeeper. Interests in the Global Certificate will be exchangeable for Definitive Certificates only in certain limited circumstances outlined therein. See “<i>Summary of Provisions Relating to</i>”</p>

the Notes in Global Form".

Maturity Date	20 June 2022
Financial Covenants	<p>The Notes contain financial covenants whereby the Company has undertaken, for so long as any Note remains outstanding, in relation to the Group as a whole that:</p> <ul style="list-style-type: none">(a) the Consolidated Leverage Ratio shall not exceed 0.60 on any Measurement Date;(b) the Consolidated Interest Coverage Ratio shall be at least 1.5:1 on any Measurement Date; and(c) the Consolidated Secured Leverage Ratio shall not exceed 0.30 on any Measurement Date. <p>See <i>"Terms and Conditions of the Notes—Covenants—Financial Covenants"</i>.</p>
Equity Cure	<p>In the event the Issuer fails to comply with certain of its obligations under the financial covenants, the Issuer will have the right to cure any such breach by applying net amounts received in respect of any new equity issued or subordinated shareholder debt as further set forth in <i>"Terms and Conditions of the Notes—Covenants—Equity Cure"</i>.</p>
Make-whole Call	<p>The Notes are subject to redemption at the option of the Company, at any time, at a redemption price equal to the greater of the principal amount and the Optional Redemption Price. See <i>"Terms and Conditions of the Notes—Redemption and Purchase"</i>.</p>
Change of Control	<p>In addition, the holder of a Note may, by the exercise of the relevant option, require the Company to redeem such Note at 100 per cent. of its principal amount on a Change of Control Put Date. See <i>"Terms and Conditions of the Notes—Redemption and Purchase"</i>.</p>
Tax Redemption	<p>The Notes are subject to redemption in whole at their principal amount at the option of the Company at any time in the event of certain changes affecting taxation in Guernsey or any Relevant Taxing Jurisdiction. See <i>"Terms and Conditions of the Notes—Redemption and Purchase"</i>.</p>
Negative Pledge	<p>The Notes will have the benefit of a negative pledge. See <i>"Terms and Conditions of the Notes—Negative Pledge"</i>.</p>
Cross Acceleration	<p>The Notes will have the benefit of a cross acceleration clause. See <i>"Terms and Conditions of the Notes—Events of Default"</i>.</p>
Rating	<p>It is expected that the Notes will be rated Ba2 by Moody's and BB+ by S&P. Moody's and S&P are established in the EU and registered under the CRA Regulation.</p>

In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the EEA and registered under the CRA Regulation unless (1) the rating is provided by a credit rating agency not established in the EEA but is endorsed by a credit rating agency established in the EEA and registered under the CRA Regulation or (2) the rating is provided by a credit rating agency not established in the EEA which is certified under the CRA Regulation. A security 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 assigning rating agency.

Withholding Tax	All payments in respect of the Notes will be made free and clear of withholding taxes imposed by Guernsey or any Relevant Taxing Jurisdiction as provided in “ <i>Terms and Conditions of the Notes—Taxation</i> ” unless the withholding is required by law. In that event, the Company will (subject as provided in “ <i>Terms and Conditions of the Notes—Taxation</i> ”) pay such additional amounts as will result in the Noteholder receiving such amounts as it would have received in respect of such Notes had no such withholding been required.
Meetings of Noteholders	The Conditions contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.
Reorganisation and Substitution .	The Conditions contain provisions for the substitution of the Company as principal debtor under the Trust Deed and the Notes in certain circumstances. See “ <i>Terms and Conditions of the Notes—Reorganisation and Substitution</i> ”.
Governing Law	The Notes, the Trust Deed, the Agency Agreement and the Subscription Agreement, and any non-contractual obligations arising out of or in connection therewith, will be governed by English law.
Listing and Trading	Application has been made to the Irish Stock Exchange for the Notes to be admitted to the Official List and to trading on the Market.
Clearing Systems	Euroclear and Clearstream.
Selling Restrictions	The Notes have not been and will not be registered under the Securities Act and, subject to certain exceptions, may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Notes may be sold in other jurisdictions (including Member States of the European Economic Area) only in compliance with applicable laws and regulations. See “ <i>Subscription and Sale</i> ”.
Risk Factors	Investing in the Notes involves risks. See “ <i>Risk Factors</i> ”.
Financial Information	See “ <i>Selected Financial Information</i> ” and “ <i>Documents Incorporated by Reference</i> ”.

RISK FACTORS

An investment in the Notes involves a high degree of risk. We believe that the following factors may affect our ability to fulfil our obligations under the Notes. All of these factors are contingencies which may or may not occur and we are not in a position to express a view on the likelihood of any such contingency occurring.

Factors which we believe may be material for the purpose of assessing the market risks associated with the Notes are also described below.

We believe that the factors described below represent the principal risks inherent in investing in the Notes, but we may be unable to pay interest, principal or other amounts on or in connection with the Notes for other reasons, and we do not represent that the statements below regarding the risks of holding the Notes are exhaustive. Any of the risks described below could have a material adverse impact on our business, prospects, results of operations and financial condition and could therefore have a negative effect on the trading price of the Notes and our ability to pay all or part of the interest or principal on the Notes. Prospective investors should also read the detailed information set out elsewhere in this Prospectus (including any documents incorporated by reference in, and forming part of, this Prospectus) and reach their own views prior to making any investment decision. Prospective investors should be aware that the value of the Notes and any income from them (if any) may decrease as well as increase and that investors may not be able to realise their initial investment.

FACTORS RELATING TO OUR BUSINESS

Risks related to the markets in which we operate

We depend on economic, demographic and market developments in Romania and the CEE and SEE regions.

The majority of the real estate we own is located in Bucharest. Accordingly, due to the concentration of our portfolio, we depend on the trends in the Bucharest real estate market and, in particular, on the demand for office, commercial and residential space, as well as general economic and demographic conditions and developments in Romania and the broader CEE and SEE regions generally.

CEE and SEE markets are subject to greater risks than more developed markets, including legal, economic and political risks. In addition, adverse political or economic developments in neighbouring countries could have a significant negative impact on, among other things, individual countries' GDP, foreign trade or economy in general. Our performance could be significantly affected by events beyond our control in the CEE and SEE, such as a general downturn in the economy of the region, changes in regulatory requirements and applicable laws (including in relation to taxation and planning), the condition of financial markets in CEE and SEE, and interest and inflation rate fluctuations. Such events could reduce our income from our investments and/or the capital value of our properties.

The deterioration of local economic conditions in Bucharest, Romania or globally could also result in an increase in unemployment, a decline in real income or a general worsening of the business environment which could, in turn, adversely affect the financial condition of our tenants and other counterparties and their ability to meet their contractual obligations to us, and may result in declining rental rates. Furthermore, a global economic downturn could lead to a loss of confidence by international investors and hence adversely affect the real estate markets where our Investing Policy is focused, and reduce our access to capital.

In the current macroeconomic environment, Romania is supportive of foreign direct investment, as a result of substantive EU and national subsidy programs and comparatively low wage levels. If these economic incentives were to change detrimentally, this could result in a fall in foreign direct investment, which would in turn affect the demand for our real estate assets and result in lower rental rates and higher vacancy levels. As our performance depends primarily on the amount of rent generated, any such negative economic trends could have a material adverse effect on our business. Furthermore, although Romania has undergone major economic and societal changes during its recent history, its economy still suffers from a number of structural weaknesses which are reflected in Romania's creditworthiness. In addition, Romania has experienced a series of political conflicts in recent history which have led to protest, such as the recent protests at the beginning of this year, and

general political uncertainty. Any of the above factors may have a material adverse impact on our business, prospects, the results of our current and future operations, our financial condition and on our reputation generally.

In addition, in 2016 and 2017, there has been a noticeable increase in the potential for political instability worldwide and in Europe. The rise of populist political parties and populist sentiment globally and, in particular, in Europe and in the United States, has significantly increased the potential for political tensions worldwide. In combination with a recent rekindling of tensions between the West and Russia, such populist political parties and populist sentiment have the potential to disrupt the economic environment in which we operate. In the United Kingdom, voters elected to leave the European Union and the Prime Minister recently called for early elections in June 2017, events which could have considerable disruptive potential for the economies of Europe in the near term. Additionally, although the populist party running on a nationalist and anti-European Union platform failed to secure a significant number of additional seats in the March 2017 parliamentary election in the Netherlands, other upcoming elections in the main economies of Europe, including Germany, could result in the parties with a strong anti-European agenda either controlling a government or obtaining an increased role of such economies. Such developments could threaten the foundations of the European Union as a whole and could significantly disrupt the positive macroeconomic trend of recent years, which would have a material adverse effect on our business.

Any downgrade of Romania's credit ratings by an international rating agency could have a negative impact on our business.

The long-term foreign and domestic currency debt of Romania is currently rated BBB- by S&P, Baa3 by Moody's and BBB- by Fitch, Inc. Any adverse revisions to Romania's credit ratings for domestic or international debt by such or similar international rating agencies may adversely impact the credit rating of our Notes, our ability to raise additional financing and the interest rates and other commercial terms under which such additional financing is available. This could hamper our ability to obtain financing for capital expenditures and to refinance or service our indebtedness, which would have a material adverse effect on our business, prospects, results of operations and financial condition.

The availability of attractive investment opportunities will depend on the state of the economy and financial markets in Romania and other countries in CEE and SEE.

The availability of potential investments that meet our investment criteria will depend on the state of the economy and financial markets in Romania and other countries in CEE and SEE. We can offer no assurance that we will be able to identify and make investments that are consistent with our investment criteria or rate of return targets or that we will be able to invest our available capital fully.

With any investment in a foreign country there exists the risk of adverse political or regulatory developments, including (but not limited to) nationalisation, expropriation without fair compensation, terrorism, war or currency restrictions. The latter may be imposed to prevent capital flight and may make it difficult or impossible to exchange or repatriate foreign currency.

We face business risks stemming from central banks' monetary policy decisions. Any rise in interest rates could have material adverse effects on real estate markets and could materially adversely affect our business, financial condition, prospects and results of operations.

In recent years, central banks around the world have engaged in an unprecedented set of monetary policy measures generally referred to as quantitative easing. Such measures generally consist of central bank purchases of government and other securities held by commercial banks and other private sector entities to stimulate the economy by increasing the amount of liquidity available to banks for onward lending to businesses. By engaging in quantitative easing and pegging interest rates at historically low levels, central banks have created an environment that has affected real estate companies in a variety of ways. Among other things, this has made it easier and cheaper for us to raise new financing and to refinance our existing liabilities. Moreover, by contributing to a rise in asset prices, including real estate, this has supported the valuation of our property portfolio. Some central banks have already reversed course and begun to gradually tighten monetary policy and

others are expected to follow. Any such action is likely to eventually raise interest rates to levels that are more in line with historical averages. When that happens, our business is likely to be affected in a number of ways. The cost at which we are able to raise new financing and refinance our existing liabilities will increase. Moreover, asset prices may decline from their current high levels, which could lead to a reduction in the value of our property portfolio. Moreover, because of the dampening effect that a tighter monetary policy typically has on the general economy, private households on average are likely to have less disposable income, which may impact the performance of our tenants. Therefore, if central banks begin to tighten monetary policy, our business, financial condition, prospects and results of operations could be materially adversely affected in a variety of ways.

Hostilities with neighbouring countries and civil unrest in the CEE region, in particular non-EU countries, may adversely affect the economies of countries in the CEE region, disrupt our operations and cause our business to suffer.

CEE region countries have from time to time experienced instances of hostilities with neighbouring countries. Military activity or terrorist attacks in the future could influence the economies of CEE countries by disrupting communications, making travel more difficult and deterring inwards investment. Such political tensions could create a greater perception that investments in companies in the CEE region involve a higher degree of risk. Events of this nature in the future, as well as social and civil unrest within other countries in Europe, could influence the economies of CEE region countries and could have a material adverse effect on our business, financial condition, prospects and results of operation. Currently, Romania has relatively low trade with Ukraine. However, in the event that unrest in Ukraine has an indirect negative impact on the level of trade across our region or Europe generally, our business, financial condition, prospects and results of operations may be negatively affected.

The legal systems of most of the countries in the CEE region have undergone dramatic changes in recent years. In many cases, the interpretation and procedural safeguards of the new legal and regulatory systems are still being developed, which may result in the promulgation of new laws, changes in existing laws, inconsistent application of existing laws and regulations and uncertainty as to the application and effect of new laws and regulations. Additionally, in some circumstances, it may not be possible to obtain the legal remedies provided for under relevant laws and regulations in a reasonably timely manner or at all. A lack of legal certainty or the inability to obtain effective legal remedies in a reasonably timely manner may have a material adverse effect on our business, financial condition, prospects and results of operations.

The legal systems and legislation of most of the countries in the CEE region, including Romania, continue to develop, which may create an uncertain environment for investments and for business activity in general.

The legal systems of most of the countries in the CEE region have undergone dramatic changes in recent years. In many cases, the interpretation and procedural safeguards of the new legal and regulatory systems are still being developed, which may result in the promulgation of new laws, changes in existing laws, inconsistent application of existing laws and regulations and uncertainty as to the application and effect of new laws and regulations. Additionally, in some circumstances, it may not be possible to obtain the legal remedies provided for under relevant laws and regulations in a reasonably timely manner or at all. A lack of legal certainty or the inability to obtain effective legal remedies in a reasonably timely manner may have a material adverse effect on our business, financial condition, prospects and results of operations.

In Romania, there are uncertainties relating to the Romanian judicial system which could have a negative effect on the economy and thus create an uncertain environment for investment and for business activity. The court system is underfunded compared to more mature jurisdictions.

Some of the most important pieces of legislation (which apply to our business) in Romania are the Civil Code, which entered into force on 1 October 2011, and the Civil Procedure Code, which entered into force on 15 February 2013. These pieces of legislation are still untested, and there is as yet insufficient academic commentary and jurisprudence on their interpretation. As a result there is a risk that the courts and authorities may implement their provisions in a manner that is inconsistent or contradictory. In addition, as Romania is a civil law jurisdiction of French origin, judicial decisions under Romanian law generally have no precedential

effect. For the same reason, courts are generally not bound by earlier court decisions taken in the same or similar circumstances, which can result in the inconsistent application of Romanian legislation to resolve the same or similar disputes. Furthermore, to date, only a relatively small number of judicial decisions have been publicly available and, therefore, the role of judicial decisions as guidelines in interpreting applicable Romanian legislation to the public at large is generally limited. The Romanian judicial system has gone through several reforms meant to modernise and strengthen the independence of the judiciary. However, these reforms have not gone far enough to effectively tackle the problem of non-unified jurisprudence. The new procedure codes introduce a new mechanism for unifying jurisprudence, but effective measures to achieve the envisaged results are still ongoing. Such uncertainties are further fuelled by repeated and frequent changes in the law, ambiguity in the law, and inconsistent interpretation and application of norms.

Although one of the main concepts behind the applicability of legal enactments in Romania is based on the principle that a law cannot apply to former acts or matters concluded, or circumstances which occurred, prior to the entry into force of that law, there may be cases when the new laws/regulations shall apply to acts retroactively. Such a dual applicability of previous and new regulations could affect our ability to conduct our business in relation to our assets. The uncertainties pertaining to the Romanian judicial system could have a negative effect on the economy and thus on our business, financial condition, prospects and results of operations.

Our assets may be subject to expropriation.

Governments may expropriate part or all of a property subject to prior fair compensation having been paid to us. However, there can be no certainty that such fair compensation shall equal the respective property's full market value.

Expropriation of the companies in which we invest, their assets or portions thereof, potentially with inadequate compensation, could have a material adverse effect on our business, financial condition, prospects and results of operations.

There is a general risk of restitution in Romania and we may become involved in other disputes in relation to our property rights.

Under Romanian law, former owners of land and/or buildings that were dispossessed by the Romanian state during the communist regime may recover their ownership rights under certain conditions. If claims of former owners are successful, such claims will result in the loss of property. In view of this, the practice in Romania is to investigate the title historically, going back, if possible, to the initial owner or even prior to any abusive takeover by the Romanian State. A complete set of ownership documentation dating back to the initial owner may not always be identified as most of the time such documents have not been properly kept. Therefore, the majority of real estate transactions in Romania face issues relating to missing documentation. As a result, the legal analysis of title and ownership is typically focused on the risks associated with such issues and the level of defence a purchaser can have against potential claims. Any successful restitution claims may have a material adverse effect on our business, financial condition, prospects and results of operations.

Our assets and employees may become adversely affected by crime and corruption.

Organised crime, including extortion and fraud, may pose a higher risk to businesses in Romania and other CEE and SEE countries compared to certain businesses in Western Europe. Our property and employees may become targets of theft, violence and/or extortion. Threats or incidents of crime may force us to cease or alter certain activities or to liquidate certain investments, which may cause losses or have other negative impacts. Corruption and money laundering may be problems that may be more acute in Romania and in other CEE and SEE countries compared to certain countries in Western Europe.

Official statistics may be unreliable.

Official statistics and other data published by Romania and other CEE and SEE countries may not be as complete or reliable as those of more developed countries. As a result, the data upon which we have based much of our market projections and estimates may not be entirely accurate.

Risks Relating to us, our Business and our Strategy

We are exposed to certain risks relating to real estate investments.

Investing in real estate is generally subject to various risks, including the following:

- adverse changes in national or international economic conditions;
- adverse local market conditions;
- the financial conditions of the commercial sector (including tenants, buyers and sellers of real estate);
- the availability of debt financing;
- changes in interest rates, real estate tax rates and other operating expenses;
- environmental and operational laws and regulations, planning laws and other governmental rules and fiscal policies;
- environmental claims arising in respect of properties acquired with undisclosed or unknown environmental problems or as to which inadequate reserves had been established;
- energy prices;
- ownership restitution risks, property ownership uncertainty and related litigation;
- changes in the relative popularity of real estate types and locations leading to an oversupply of space or a reduction in demand for a particular type of real estate in a given market; and
- risks and operating problems arising out of the presence of certain construction materials.

These factors could cause fluctuations in rental income or operating expenses, which in turn would have a negative effect on the operating returns derived from, and the value of, properties. The value of properties may also be significantly diminished in the event of a downturn in real estate prices or the occurrence of any of the other factors mentioned above. Such a decrease in value or decrease in rental income or the increase in operating expenses would have a material adverse effect on our business, financial condition, prospects and results of operations.

Although we believe that the current economic environment has created acquisition opportunities, we expect there will be significant competition for certain of these opportunities and there can be no assurance that we will identify sufficient suitable acquisition opportunities or that we will be successful in completing acquisitions that will allow us to achieve a return.

Our strategy is dependent, to a significant extent, on our senior management team's ability to identify sufficient suitable acquisition opportunities. If we do not identify suitable acquisitions that correspond with our Investing Policy, we may not be able to invest our cash in a manner which accomplishes our investment objective. If we do not identify suitable acquisition opportunities, there can be no guarantee that we will be able to execute acquisitions at a price or on other terms that are consistent with our investment objectives or at all. In addition, if we fail to complete an acquisition that we have been pursuing for any reason, we may be liable for substantial transaction costs in relation to the due diligence we have performed, fees owed to advisers and other expenses.

We compete with a number of entities for potential acquisitions. We expect that we will face competition primarily from strategic buyers, real estate operating companies, developers, investment funds focusing on real estate or distressed assets and commercial and investment banks. Competition in the property market may lead either to an over-supply of commercial and/or residential premises through over-development or to prices for existing properties or land for development being driven up through competing bids by potential purchasers. Many of our competitors may be subject to less restrictive regulatory requirements, have longer operating histories, pre-existing relationships with current or potential tenants or local regulatory authorities or greater financial, technical and other resources, any or all of which may create competitive disadvantages for us with respect to acquisition opportunities. Some of these competitors may have a lower cost of capital and access to funding sources that are not readily available to us, which could allow them to respond more quickly to new or changing acquisition opportunities. In addition, some of these competitors may have higher risk tolerances or different risk assessments, which could allow them to justify paying a higher purchase price, or otherwise accepting less favourable terms, for a potential acquisition than us. Finally, any increase in liquidity available generally to real estate investors as a result of low interest rates or other macroeconomic factors, could result in higher purchase prices being paid for real estate assets.

Certain of these competitors may also have an advantage over us if, due to increased regulatory oversight arising out of the continuing stress in financial markets and the European economic environment or for other reasons, vendors favour more-established real estate operating companies or other entities over us. Any of the above factors would result in an increase in real estate values which may negatively affect the yields we can obtain on new investment opportunities. We can provide no assurance that the competitive pressures we will face will not have a material adverse effect on our business, financial condition and results of operations or that we will be able to identify suitable and/or sufficient acquisition opportunities or that we will be able to secure satisfactory tenants on satisfactory terms (including rents) or that we will make acquisitions, in each case that are consistent with or as contemplated by the Investing Policy or that will generate future Net Operating Income.

There can be no assurance that we will be successful in implementing our strategy and/or completing the proposed or potential acquisitions in Romania or elsewhere or, if implemented, that this strategy will be effective in increasing the value of any assets acquired, maintaining or increasing their cash flows or otherwise achieving our investment objectives.

No assurance can be given that the implementation of our strategy and/or completing the proposed acquisitions in Romania or elsewhere, and achieving our investment objectives, will be successful under current or future market conditions. Our approach may be modified and altered from time to time, so it is possible that the approach adopted to implement our strategy and achieve our investment objective.

Our results of operations will depend on many factors, including (but not limited to) the availability of opportunities for the acquisition of real estate assets, the availability of finance to achieve leverage and development objectives, management's performance in managing and developing our real estate assets and other operational risks disclosed in this Prospectus and general political and economic conditions in the CEE and SEE region, including specifically our target markets of Romania and Poland. In particular, if property values and prices in the countries in which we plan to invest rise significantly, the potential returns from property investment, may be less than we target. With respect to our strategy to geographically diversify our portfolio, we will rely on the support of our largest individual shareholder, Growthpoint. There can be no assurance that Growthpoint will continue its support and sponsor such strategy or any of our activities in the future.

Factors such as the cost and terms of restructuring, the timing and cost of refurbishment or redevelopment or the timing, or failure to obtain, planning permissions could make our plans to increase the value of real estate assets difficult to implement. Even if implemented, there can be no assurance that our plans will be successful. Any failure to implement these strategies successfully (or outside the planned cost and/or timing), or the failure of these strategies to deliver the anticipated benefits in relation to the acquired assets could have a material adverse effect on our business, financial condition, Net Operating Income and results of operations.

There can be no assurance that our shareholders will continue to support our strategy to pursue potential acquisitions in Romania or CEE.

Although our shareholders have been supportive of our strategy in the past, including through capital increases, there can be no assurance that they will continue to do so at an equivalent level as in prior years or at all. In addition, our largest individual shareholder, Growthpoint, has chosen us as their platform and investment vehicle in the CEE region. There can be no assurances that Growthpoint will continue to support our strategy, continue to use us as an investment vehicle in the future and/or remain our shareholder. The unwinding of our strategic relationship with Growthpoint could have a material adverse effect on our prospects, business, financial condition, Net Operating Income and results of operations.

We may fail to expand successfully outside Romania.

As part of our strategy, we may acquire properties in the CEE region outside Romania where we have historically owned properties. The expansion of our Current Portfolio through acquisitions in new geographic regions may result in challenges, including the successful acquisition and operation of such properties. Acquisitions in new geographic locations in the CEE may require additional or disproportionate management focus and the alignment of new or amended management and operating systems. These integration challenges may arise during a period where the size of our Current Portfolio is expanding rapidly. Other factors that may affect the successful integration of acquisitions include the ability to carry out successful developments or refurbishments (where appropriate in order to maximize returns) and manage differences in lease structures, particularly in relation to leases that are not triple net leases, service charge arrangements and tenant composition. Any delay or inability to integrate acquisitions successfully, particularly of properties that are in different locations, could have a material adverse effect on our prospects, business, financial condition, Net Operating Income and results of operations.

A decreased demand for, or an increased supply of, or a contraction of the market for, properties in the CEE region, could adversely affect the business and our financial condition and commercial developments are susceptible to the risk of competition and fluctuations in the economy.

Changes in supply and demand for real estate, or a contraction of the property market in any of the countries in which we have our operations or assets may negatively influence the occupancy rates of our properties, the rental rates, the level of demand and ultimately the value of such properties. Similarly, the demand for rental space at our existing properties may decrease as a result of poor economic conditions, an increase in available space and heightened competition for stronger and better performing tenants. This could result in lower occupancy rates, higher capital expenditure required to contract or retain tenants, lower rental income owing to lower rental rates, as well as, shorter lease periods. All of these risks if realised could have a negative impact on the business, financial condition, prospects and results of our operations.

Commercial developments are susceptible to competition from newer developments, which may offer lower rents, better facilities or layouts, and lower initial maintenance costs. Such competition could reduce rents in, or reduce the attractiveness of, the existing properties managed by us. The demand for commercial space in the CEE region is in part driven by the interest of the governments of the CEE region in foreign direct investment, including the availability of favourable government policies and/or subsidies. Changes in government policies or subsidies may therefore lead to a reduction in foreign direct investment and/or commercial space demand. The demand for commercial space is also driven by economic conditions both locally and globally (as a result of a large mix of international tenants), and therefore any unfavourable developments in the macroeconomic climate, or any other causes that may lead to a reduction in economic activity, including the withdrawal of international companies from the CEE region, could have a material adverse impact on us.

Our financial performance relies on our ability to attract and retain tenants.

We compete with local real estate developers, private investors, property funds and other property owners for tenants. Some of our competitors may have properties that are newer, better located or in superior condition to our properties which may result in their property offers being more attractive to potential tenants than ours. If we are unable to attract new tenants or retain any of our large tenants or if we were unable to replace them with

other tenants on substantially similar terms, this could have an adverse effect on our business, financial condition, prospects and results of our operations.

We are subject to the counterparty risk of our tenants.

We are subject to the counterparty risk of our tenants as the net revenue generated from our properties depends on the financial stability of our tenants and the commercial relationships with them. The creditworthiness of a tenant can decline over the short or medium term, leading to a risk that the tenant will become insolvent or be otherwise unable to meet its obligations under the lease. Although we receive and hold advance deposits, such deposits may be insufficient and the amounts payable to us under our lease agreements with tenants that are not secured (by deposits, bank guarantees or corporate guarantees) bear the risk that these tenants may be unable to pay such amounts when due. We may suffer from a decline in revenues and profitability in the event that a number of our significant tenants are unable to pay rent owed when due or seek bankruptcy protection. We are not insured against this credit risk. If a tenant seeks insolvency protection, we may be subject to delays in receipt of rental and other contractual payments, if we are able to collect such payments at all. We may not be able to secure vacant possession of the property without the consent of the relevant insolvency official, thus preventing us from re-letting that property to a new tenant. We may not be able to limit our potential loss of revenues from tenants who are unable to make their lease payments. The tenants may have the right to terminate their lease agreements in certain circumstances which are not covered by our business interruption insurance. In some cases, large tenants also have the right to terminate the lease agreements in case their sales decrease under a certain level. If a lease is terminated, we may be unable to re-let the property for the rent previously received, or at all. If any of these risks are realised, this could affect our business, financial condition, prospects and results of operations.

Our financial performance is subject to our ability to secure initial tenants, rent renewals or re-lettings and manage lease expiries.

Our financial performance is subject to our ability to secure initial tenants, rent renewals or re-lettings and manage lease expiries which are reflected in the occupancy rates of our properties. The ability to manage occupancy of our properties depends in large part on the condition of the markets in Romania. A negative change in any of the factors affecting the property market and its occupancy rates, including the economic situation, may adversely affect our business, financial condition, prospects and results of operations. Our ability to manage occupancy rates is also dependent upon the remaining terms of the current lease agreements, the financial position of current tenants and the attractiveness of our properties to current and prospective tenants. As of and for the year ended 31 December 2016, the average occupancy rate of the standing commercial portfolio was approximately 83.1%, while the weighted average lease length (“WALL”) of our commercial leases was approximately 6.5 years as of 31 December 2016. In order to retain current tenants or attract new tenants we may be required to offer lease incentives such as reductions in rent, capital expenditure programmes and other terms in our lease agreements that make such leases less favourable to us. It is possible that some of the tenants may choose to exercise their rights under the respective break clauses and terminate their leases early. We may also not be successful in maintaining or increasing occupancy rates or successfully negotiating favourable terms and conditions in relation to our lease agreements. A failure to do so could have a material adverse effect on our business, financial condition, prospects and results of operations.

Our capital expenditures and other construction, development and maintenance costs may be higher than expected and we may incur additional costs as part of any incentive policy to attract tenants.

Our investment and development program entails significant planned expenditures. In addition, we will continue construction and development work on an ongoing basis with respect to our properties to meet market and legal requirements.

Until such time as we enter into a turn-key construction contract, or in the event of default by our third-party construction counterparties, we are subject to a number of construction, operating and other risks relating to the completion of our investment program and our development properties that are beyond our control, including shortages of and price inflation in respect of materials, equipment and labour, adverse weather conditions,

accidents, unexpected delays and other unforeseen circumstances, any of which could result in costs that are materially higher than initially estimated or delays in the completion of developments.

Any of these circumstances could negatively affect our ability to complete the investment and development program on schedule, or within our estimated budget, and could have a material adverse effect on our business, financial condition and results of operations.

Moreover, in respect to our projects, we have offered and may, in the future, offer various incentives (including assuming the payment obligations of a tenant for its prior-leased premises in order to attract it to our projects) in order to secure attractive tenants, and thus additional costs may be incurred as a result.

We are exposed to risks related to the safety of tenants in our other properties, including acts of terrorism and violence.

Due to high visibility and the presence of large numbers of people, our properties may be targets for terrorism and other forms of violence. Any terror or violent attack on our property or a similar property owned by someone else may harm the condition of its tenants and may, apart from any direct losses, directly or indirectly affect the value of our properties and our development land. Moreover, any of these events could increase volatility and uncertainty in the worldwide financial markets and economy, particularly in the event that there are further terrorist attacks across the globe following similar attacks in Western Europe, including, for example, in Berlin, Brussels, Paris, Nice and Stockholm. Adverse economic conditions resulting from these types of events could reduce demand for space in our properties and thereby reduce the value of these properties and rental income and as a result could have a material adverse effect on our business, financial condition, prospects and results of operations.

Our growth and ability to effect our strategies and achieve our investment objectives are dependent on the members of the senior management.

Our success and ability to execute our strategy and achieve our investment objectives depend, to a significant extent, on the efforts, skill and judgment of the senior management team. The diminution or loss of the senior management's services for any reason, as well as any negative market or industry perception arising from that diminution or loss, could have a material adverse effect on our business. The business environment in Romania (in particular, and in CEE and SEE more generally) is characterised to a significant extent by the use of contacts and business relationships. This is particularly important regarding the senior management, whose contacts and business relationships are integral to our business. The members of the management team, together possess property investment, management, development, marketing, finance and administrative skills and experience that are important to the operation of our business. In addition, we do not maintain any "key man" insurance in relation to the Founder, the CIO, or any other member of the management team. The loss of the services of any of such members from the Company without adequate replacement may have a material adverse effect on our results of operations, financial condition and business prospects.

There can be no assurance that measures to attract and retain suitable employees and executives (including members of the management team) will be successful. Our ability to meet our operational requirements and our future growth and profitability may be adversely affected by a lack of senior management personnel. Subject to any applicable non-compete provisions (including, in the case of resignation or termination for cause, as set forth in their service agreements), members of the senior management team would be free to compete with us if they were to leave their employment, which could have a negative impact on our competitive position and/or our results of operations, financial condition and business prospects.

Due to the potentially illiquid nature of our properties and other factors, if we are unable to generate positive cash flows from our operating activities, we may be unable to sell any portion of our portfolio on favourable terms or at all.

In order to service the Notes, we will rely on cash flows from our operating activities. We will generate cash principally from rental income that we obtain from our tenants. If we are unable to generate positive cash flows from our operating activities in the future, we could be forced to sell some of our properties. During periods of

low demand, low prices or rates, land and properties may become particularly illiquid, which could lead us to experience difficulties in successfully disposing of properties in a timely fashion, without extensive marketing efforts, or without reducing the sale prices of such properties. Furthermore, the location of our assets can contribute to illiquidity and volatility of valuation prices. The valuations indicated in the Valuation Report prepared by Coldwell Banker do not reflect the sale prices that could be realised if disposals were to occur under distressed or otherwise unfavourable conditions. Such unfavourable conditions could have a material adverse effect on our business, financial condition and results of operations.

If we were to attempt to dispose of an investment, there can be no guarantee that real estate market conditions would be favourable, that we could find a purchaser with a similar view of the value of that asset or that we could find any purchaser at all. In particular, the valuation of real estate assets held by us will be inherently subjective and based on a number of assumptions. The value of real estate assets may also be affected by a variety of factors, such as:

- the supply and demand of commercial real estate and the liquidity of the relevant market;
- interest and inflation rate fluctuations;
- general economic trends such as GDP growth, employment levels and investment;
- the availability and the creditworthiness of tenants;
- the attractiveness of real estate relative to other investment choices;
- potentially adverse tax consequences;
- changes in regulatory requirements and applicable laws; and
- the availability of financing to prospective buyers.

If we are unable to dispose of non-performing assets, our cash flows and aggregate yields may be negatively affected and we will be unable to monetise these assets in order to seek new investment opportunities.

We may be subject to liability following the disposal of assets.

We may dispose of assets in certain circumstances and may be required to give representations and warranties about, and/or indemnities in respect of, those investments and to pay damages to the extent that any such representations or warranties turn out to be inaccurate and/or claims are made under such indemnities. We may become involved in disputes or litigation concerning such representations, warranties and indemnities and may be required to make payments to third parties as a result of such disputes or litigation. If we do not have cash available to conduct such litigation or to make such payments, we may be required to borrow funds. If we are unable to borrow funds to make such payments, we may be forced to sell further assets to obtain funds. There can be no assurance that any such sales could be effected on satisfactory terms.

The due diligence that we have undertaken or intend to undertake in connection with each acquisition may not reveal all relevant facts in respect of any such acquisition and may not reveal liabilities that could have a material adverse effect on our business, financial condition, results of operations and prospects.

We intend to oversee due diligence as we deem reasonably practicable and appropriate, based on the facts and circumstances applicable to each potential acquisition, before recommending that acquisition to our Board of Directors. The objective of the due diligence process will be to identify material issues which might affect the Directors' decision to approve an acquisition. We intend to use information provided by the due diligence process as the basis for formulating our business plan in relation to the acquired assets. When conducting or overseeing due diligence and making an assessment regarding an acquisition, we will be required to rely on resources available to us, including public information and information provided by the vendor where such vendor is willing or able to provide such information. In certain circumstances, we may also retain third-party advisers to assist us in our due diligence investigation. There can be no assurance that the due diligence

undertaken with respect to any potential acquisition will reveal or highlight all relevant facts that may be necessary or helpful in evaluating such acquisition or formulating business and restructuring strategies.

Furthermore, there can be no assurance as to the adequacy or accuracy of information provided during any due diligence exercise or that such information will be accurate and/or remain accurate in the period from the conclusion of the due diligence exercise until the making of the acquisition. The due diligence process is inherently subjective. As part of the due diligence process, we will make subjective assumptions, estimates and judgments based on limited information regarding the value, performance and prospects of a potential acquisition opportunity. We cannot assure you that the due diligence process will result in an acquisition being successful. If the due diligence investigation fails to identify correctly material information regarding an acquisition opportunity, we may later be forced to write down or write off certain assets, significantly modify the restructuring or redevelopment plans for an acquired asset or incur impairment or other charges. Similarly, in the event certain risks, which may or may not be identified during due diligence, occur, it may lead to a loss of property, loss of value and, potentially, subsequent contractual and statutory liability to various parties.

Fluctuations in our financial results from period to period may prevent steady earnings growth or affect our ability to raise capital and plan our budget or business activities.

We are likely to experience significant variations in revenues and profits from period to period. These variations can generally be attributed to the fact that, at times, our revenues and profits are earned upon, or over a period following, the completion of the development of our various projects. Our earnings can be adversely affected if any particular project is not completed, either on time or at all. As a result, it may be difficult for us to report steady earnings growth, raise capital and plan our budget and business activities on a period-to-period basis, which could materially adversely affect our business, financial condition and results of operations.

The preparation of our consolidated financial statements requires us to make many estimates and judgments. Changes of assumptions behind these estimates and judgments may cause a material and adverse change in our financial condition or results of operations.

The preparation of our consolidated financial statements requires us to make many estimates and judgments that affect the reported amounts of assets, liabilities, revenues, expenses and disclosures of contingent liabilities. On an ongoing basis, we evaluate our estimates and assumptions, including those related to revenue recognition, investment valuations, intangible assets, bad debts and contingencies. We base our estimates on various assumptions that we believe to be reasonable under the circumstances, which form the basis of our judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Estimates and judgments for a relatively new company, such as the Company, are more difficult to make than those made for a more mature company.

Interest rate risks may reduce our net return.

Changes in interest rates can affect our profitability by affecting the spread between, among other things, the income on our assets and the expense of our interest-bearing liabilities, the value of any interest-earning assets, our ability to make acquisitions and our ability to realise gains from the sale of our assets. In the event of a rising interest rate environment and/or economic downturn, loan defaults may increase and result in credit losses that may be expected to affect our liquidity and operating results adversely. Interest rates are highly sensitive to many factors, including governmental, monetary and tax policies, domestic and international economic and political considerations, fiscal deficits, trade surpluses or deficits, regulatory requirements and other factors beyond our control.

We may finance our future investments with both fixed and floating rate debt. With respect to such floating rate debt, the performance of an investment may be affected adversely if we fail to limit the effects of changes in interest rates on our operations by employing an effective hedging strategy, including engaging in interest rate swaps, caps, floors or other interest rate contracts or buying and selling interest rate futures or options on such futures. There can, however, be no assurance that such arrangements will be entered into or available at all times when we wish to use them or that they will be sufficient to cover the risk. We will be exposed to the credit risk of the relevant counterparty with respect to relevant payments in connection with such arrangements.

Earthquakes, other catastrophic events, terrorist attacks or acts of war can adversely affect our business, financial conditions and results of operations.

Romania is situated in an area of seismic activity and has in the past experienced devastating and deadly earthquakes. While Romania has specific regulations covering seismic risks in respect of the design and execution of construction works, the consequences of an earthquake will vary greatly depending upon the circumstances surrounding the earthquake. Even though we carry “all risk” property insurance for the standing properties in our Current Portfolio, no one can predict with any certainty what the impact of an earthquake might be and how our properties may be affected. A seismic event may adversely affect our assets, disrupt our operations and adversely affect our business, results of operations and financial position.

Other catastrophic events, terrorist attacks or acts of war may lead to an abrupt interruption of business activities and we may be subject to losses resulting from such disruptions. If our business continuity plans are not available or adequate, losses may increase further. In addition, such events and the responses to those events may create economic and political uncertainties which could have an unanticipated adverse impact on the markets in which we operate and on our operations.

The risk of litigation is inherent in our operations.

Legal actions, claims against us and arbitrations involving us may arise in the ordinary course of business. We may be subject to litigation from contractors, suppliers, tenants or third parties, including visitors to properties owned by us.

In addition, under Romanian law, the contractor of a construction benefits from a statutory lien over the construction, as security for payment of the outstanding amounts owed by the beneficiary under the construction contract. To the extent we fail to pay contractors on time, such contractors may enforce the statutory lien which may trigger significant costs and losses to us.

The publicity associated with, and the outcome of, such claims, arbitrations and legal proceedings could have a material adverse effect on our business, financial condition and results of operations.

We may become involved in disputes in relation to our property rights and we may have obtained permits in breach of applicable laws.

Certain acquisitions or sales of property may be rendered void under applicable local law provisions as a result of insolvency, fraud, lack of consideration, gross undervaluation, avoidance of creditors, defrauding of creditors or as a result of other technical requirements in the conveyance of property (for example, flaws in the transacting parties’ contractual will, lack of proper authentication by the notary public, lack of corporate capacity, corporate authority or improper representation of the parties for the transfer, etc.).

Further, there may be a risk of legal disputes with neighbouring land owners, architects, project managers and suppliers, with respect to our refurbishment/construction projects.

We may acquire investments where we have only a leasehold interest in the land (but ownership of any building on it). Where there are no structures owned by us on the land, the land lease may be terminated early in various circumstances; ordinarily this would be in the event of breach of the land lease provisions, but there may be other circumstances provided for in the relevant lease. In addition, the land lease may not contain renewal rights. Even if ultimately settled or decided in our favour, we may not be able to recover our costs incurred in relation to the dispute. Any termination of a lease, challenges to ownership, delays to or cancellations of the development of projects or any other dispute could have a material adverse effect on our business, financial condition and results of operations.

In addition, there can be no assurance that all permits necessary to legally own, develop or operate the properties have been obtained in compliance with all applicable laws. While we conduct detailed due diligence to identify any issues related to such permits and take all steps necessary to remedy any defects, there can be no assurance

that this can be achieved on time and that regulators will not impose the suspension of the relevant properties' operation.

If our ownership interests over our property or permits are successfully challenged, this could have a material adverse effect on our business, financial condition, prospects and results of operations.

We may be exposed to potential claims relating to our leasing, selling, refurbishment or development of real estate.

We may be subject to claims due to defects in quality relating to the leasing, selling, refurbishment or repositioning of our properties. This liability may apply to defects that arise from the actions or omissions of third parties, and are unknown to us but could have, or should have, been discovered. Although we may have rights against the building contractor/professional team in connection with such defects and/or recourse to insurance in place for the project in question, there can be no assurance that we will be able to enforce our rights and fully recover the costs arising from any claim against us. In addition, we may be exposed to substantial undisclosed or unascertained liabilities embedded in real estate assets that were incurred or which arose prior to the completion of the acquisition of such real estate assets.

These liabilities could include, but are not limited to:

- where we have acquired the entity which owned the real estate assets, liabilities (including tax liabilities and other liabilities, to state entities) to existing tenants, to creditors or to other persons involved with the real estate assets prior to the acquisition;
- indemnity claims by parties claiming to be entitled to be indemnified by the former owners of the real estate assets; and
- an obligation to pay deferred consideration for the real estate assets if certain events occur (for example, the grant of planning permission or completion of the construction works).

Although we may have obtained contractual protection against such claims and liabilities from the seller, there can be no assurance that such contractual protection will always be successfully obtained, or that it would be enforceable or effective if obtained under contract. Such potential liabilities, if realised, could have a material adverse effect on the returns realised on the real estate assets.

Any claims for recourse which we may have against parties from which we have purchased such real estate assets may fail due to the expiry of warranty periods, the statute of limitation, lack of proof that the previous seller knew or should have known of the defect, the insolvency of the previous seller, or for other reasons. We may also be subject to claims by purchasers of our real estate assets as a result of representations and warranties about those real estate assets provided by us at the time of disposal. Our representations and warranties could pertain to, among other things, title to the real estate assets, environmental liabilities, and liabilities for the payment of tax. We may become party to claims, disputes or litigation concerning such representations and warranties and may be required to make payments to third parties as a result. In addition, following the disposal of any real estate assets, we are obliged by law, and may be obliged by contract, to retain certain liabilities or potential liabilities that exist in respect of such assets. The costs of any such claims, disputes or litigation (to the extent that they materialise) would reduce our available cash flow and could have an adverse effect on our returns on investments.

With respect to refurbishment or development of real estate assets by us, claims may be brought against us by (among others) tenants or buyers as a result of delays, construction defects or other factors. We may not perform the refurbishment or development itself but rather may use the services of design and construction companies. Any claim for recourse against such design and construction companies could fail due to the expiry of the statute of limitation, the claim being uncollectible, or for other reasons.

We may incur significant costs complying with property laws and regulations.

We and our real estate assets will be required to comply with a variety of laws and regulations of local, regional, national and European Union authorities, including planning, zoning, environmental, health and safety, tax and other laws and regulations. If we or any of our real estate assets fail to comply with these laws and regulations, we may have to pay penalties or private damages awards. In addition, changes in existing laws or regulations, or their interpretation or enforcement, could require us to incur additional costs in complying with those laws or regulations, altering the investing strategy, operations or accounting and reporting systems, leading to additional costs or loss of revenue. Our properties must have the requisite planning consent and permits for commercial activities of the type intended for their development. In instances where the existing planning is not suitable or in which the planning is yet to be determined, we will need to apply for the required classifications. This procedure may be protracted, particularly where the bureaucracy is cumbersome and inefficient. We cannot be certain that the process of obtaining proper planning will be completed with sufficient speed and cost to enable the property to be developed ahead of competing businesses without delays, or at all. Opposition by local residents and/or non-governmental organisations to building planning applications and permits may also cause considerable delays. In addition, arbitrary changes to applicable planning may jeopardise projects which have already commenced. Therefore, if we do not receive planning approvals or if the procedures for the receipt of such planning approvals and/or building consents are delayed, our costs will increase which may have an adverse effect on our business, financial condition and results of operations.

We may incur environmental liabilities or costs.

The environmental laws of Romania impose actual and potential obligations to conduct remedial action on sites contaminated with hazardous or toxic substances. In such circumstances, the owner's liability is generally not limited under such laws and the costs of any required removal, investigation or remediation can be substantial. The presence of such hazardous or toxic substances on, or in, any of our properties, or the liability for failure to remedy property contamination from such substances, could adversely affect our ability to let or sell such property or to borrow funds using such property as collateral, which could have an effect on its generation of rental income or return on investment. Furthermore, we may be required to comply with stricter environmental, health and safety laws or enforcement policies or become involved in claims and lawsuits relating to environmental matters. Meeting stricter compliance standards or defending potential actions may have a significant negative impact on our results of operations. If the relevant authorities in Romania discover violations of applicable environmental laws, we may be subject to fines and other penalties. Any of these matters could have a material adverse effect on our business, financial condition, prospects and results of operations.

Changes in laws could adversely affect our properties.

Various laws and regulations, including fire and safety requirements, environmental regulations, land disposal, rental laws, urban planning, construction codes, use restrictions and taxes affect our properties. The implementation of laws or regulations in Romania or in countries in which we may operate in the future, and in particular any laws or regulations promulgated by the European Union, or the interpretation or enforcement of, or change in, existing laws or regulations, may require us to incur additional costs or otherwise adversely affect the management of our real estate portfolio, which could have a material adverse effect on our business, financial condition and results of operations. Even if our business is conducted in accordance with our interpretation of the current laws and regulations, there can be no assurance that our interpretation of such laws and regulations is correct, or that that interpretation will not change in the future.

For example, further to the events of 30 October 2015, when a significant number of people were killed or injured in a fire that broke out in a club in Bucharest and to the social turmoil triggered by this incident, significant changes in Romanian legislation and authorities' practice are expected in relation to fire and safety requirements. Some changes have already been implemented by the Romanian government through government decisions and emergency ordinances in the aftermath of the incident, providing for stringent property operation requirements and broader powers for the Romanian Emergency Situations Inspectorate to impose sanctions where breaches of fire and safety rules are identified, including suspension of operations and in severe cases,

closing down of premises. Fire authorisation certificates require renewal from time to time in the ordinary course of business, including when tenants are replaced.

Our future activities may not be in full compliance with all applicable rules and regulations at all times, with new rules and regulations that may be enacted or with existing rules that may be amended or more stringently applied, and any of these risks could limit or curtail our future development. In particular, we may become subject to EU standards regarding property specifications in our portfolio that would potentially require us to upgrade certain of the buildings in our real estate portfolio, and we may not be able to meet these standards.

If our properties do not comply with any of these requirements, we may incur governmental fines, private damage awards or may even face suspension or the closing of certain properties, which in turn could lead to loss of revenue. New or amended laws, rules, regulations or ordinances could require significant unanticipated expenditures or impose restrictions on the development, construction or sale of properties. Such laws, rules, regulations or ordinances may also adversely affect our ability to operate or resell properties.

The valuation of investments in real estate and related assets for which market quotations may not be readily available and which will require us and/or Coldwell Banker to make assumptions, estimates and judgments regarding a number of factors. Property valuation is inherently subjective and uncertain and based on assumptions that may prove to be inaccurate or affected by factors outside of our control, and we may not be able to realise such values upon a disposal.

We anticipate that substantially all of the investments that we will make will be in the form of investments for which market quotations are not readily available. The valuation of real estate properties is inherently subjective due to, among other factors, the individual nature of each property, its location, the expected future rental revenues from that particular property and, in the case of development land, the expectations as to the cost and timing of that development and its ability to attract tenants. As a result, the valuations of real estate assets, which account for the vast majority of our assets, will be subject to a degree of uncertainty and will be made on the basis of assumptions such as that: (i) all documents, information, opinions and estimates provided by us or our representatives in relation to the valued property are correct; (ii) the property is in good condition; (iii) there are no adverse or unidentified soil or ground conditions and the load-bearing qualities of the sites of each property are sufficient to support the building constructed or to be constructed; and (iv) any comparable sales data relied upon in the reports are believed to be from reliable sources but may not have been examined. Incorrect estimates and assumptions may negatively affect the expected Net Operating Income (and expected associated yield), and/or the value, of the assets in the Current Portfolio and thereby have a material adverse effect on our financial condition and prospects. In addition, a change in the factors considered and assumptions used may cause valuation results to differ significantly. The valuation of our properties may not reflect the actual market value of our property, or the estimated yield and annual rent of any such property.

We may also be required to make good faith determinations as to the fair value of these investments on an annual basis in connection with the preparation of our financial statements and gross asset value determinations. These determinations will often be based on information provided by Coldwell Banker which, in turn, may be based on estimates or assumptions made by it in relation to the value of the underlying real estate assets or unlisted real estate operating companies for which there may not be a liquid market.

In determining the fair market value of a real estate asset, Coldwell Banker is required to make certain assumptions. These assumptions include, but are not limited to, matters such as the existence of willing buyers and willing sellers in uncertain market conditions, title, the condition of structures and services, deleterious materials, plant and machinery and goodwill, environmental matters, areas, statutory requirements and planning, leasing and other information. Such assumptions may prove to be inaccurate. Incorrect assumptions could negatively affect the value imputed to real estate assets and thereby have a material adverse effect on our returns on investments. This is particularly so in periods of volatility or when there is limited real estate transactional data against which property valuations can be benchmarked, as has been the case during recent years. In addition, these valuations speak only as of their valuation date, and market volatility since that date may cause significant declines in the value of real estate assets. Moreover, a change in the factors or assumptions underlying the appraisal and/or assumptions, including any deterioration in prevailing market or economic conditions, could also cause the fair value determined for the respective valuation date to result in a fair value

loss. Under these circumstances, we would be required to recognise the negative change in value as a loss resulting from the fair value adjustments of investment properties for the relevant accounting period. If such losses are significant, they could have a material adverse effect on our financial condition and results of operations.

There is no single standard for determining fair value in good faith and, in many cases, fair value is best expressed as a range of fair values from which a single estimate may be derived. Fair values may be established using various approaches, such as discounted cash flow, a market comparable approach that is based on a specific financial measure (such as rental income, Net Operating Income, value per square meter or other metrics) or, in some cases, a cost basis or liquidation analysis. Because valuations, and particularly valuations of real estate opportunistic investments for which market quotations are not readily available, are inherently uncertain, may fluctuate over short periods of time and may be based on estimates, determinations of fair value by Coldwell Banker may differ materially from the values that would have resulted if a liquid market had existed. Even if market quotations are available for our investments, such quotations may not reflect the value that we would actually be able to realise because of various factors, including the illiquidity of the underlying assets, the speculative nature of real estate investments, future market price volatility or the potential for a future loss in market value based on poor real estate market conditions. There can also be no assurance that these valuations will be reflected in the actual transaction prices, even where any such transactions occur shortly after the relevant valuation date, or that the estimated yield and annual rental income will prove to be attainable. For all of these reasons, it may be difficult to rely on the valuation reports for complete, accurate information regarding the value and potential future value of our portfolio.

Our consolidated balance sheet and income statement may be significantly affected by fluctuations in the fair market value of our properties as a result of revaluations.

Our real estate assets will be independently re-valued semi-annually in accordance with the applicable valuation standards as required by IFRS (save to the extent that our Board of Directors determines to rely on an existing independent valuation that is not older than six months) and any increase or decrease in the value of these assets will be recorded as a revaluation gain or loss in our consolidated income statement for the period during which the revaluation occurs. As a result, we may have significant non-cash revenue gains and losses from period to period depending on the change in fair market value of our real estate assets, whether or not such assets are sold. For example, in the event market conditions and the prices of comparable commercial real estate properties continue to be unfavourable or in the event unforeseen capital expenditures are required or in the event lease incentives above the market value are granted, revaluation losses from real estate assets may occur and continue in the future. Over the longer term, such revaluation losses could lead to noncompliance with covenants under the Notes or other debt obligations we may incur. A substantial decrease in the fair market value of the real estate assets, over the longer term, could have a material adverse effect on our business, financial condition and results of operations.

Moreover, our use of borrowings or other leverage may increase the volatility of such financial performance, and amplify the effect of any change in the valuation of the real estate assets on our financial position and results of operations.

We may be subject to tenant concentration risk.

Although we lease the majority of our properties based on multi-tenant basis, we may face tenant concentration risk. As of 31 December 2016, our largest individual tenant less than 10% of our leased GLA. As a result, our revenues may be in part dependent on the financial conditions of our largest tenants and the trends affecting their respective industries. Any deterioration in the business environments of our largest tenants could, in turn, adversely affect their ability to meet their financial obligations towards us. Our largest individual tenants may also seek to renegotiate or terminate their leases. The renegotiation or termination of leases with our largest tenants could have a material adverse effect on our business, financial condition and results of operations. If our largest individual tenants terminate their leases, there can be no assurance we would be able to locate suitable replacement tenants on a timely basis on reasonable commercial terms.

We may hold certain of our real estate assets through co-investments, which are subject to certain risks of shared ownership and control of real estate assets.

We may decide to acquire an interest in real estate assets through co-investment. In these cases, the real estate assets in which we invest would be partially owned by third parties. It is possible that we may hold minority economic and voting interests in the vehicle holding the real estate asset. Due to the nature of some of these co-investment arrangements, we may not retain complete control over all decisions regarding the real estate assets in which we invest, including decisions to sell or retain assets, and as a result the co-investment vehicles may take actions that are in the interests of the other co-investors but not in ours. Accordingly, we may not be able to resolve all the issues that arise with respect to such decisions, or we may have to provide financial or other inducements to our partners to obtain a resolution in our favour. In the absence of dispute resolution and expert determination mechanisms provided for in the co-investment arrangements, major conflict with other co-investors may lead to deadlock and result in our inability to pursue our desired strategy or exit the joint venture or co-ownership arrangement other than on disadvantageous terms. For co-investment arrangements we do not manage, or where we do not have control over the co-investment vehicle, we will not be able to make sole decisions as to internal controls over financial and accounting systems of the co-investment vehicle, the selection and application of accounting policies, the restructuring of operations or liabilities, the refurbishment or development of properties, a reduction of inefficiencies, the maintenance of records, the authorisation of disbursements and the safeguarding of assets. In circumstances in which we do not have access to financial and accounting reports of a co-investment vehicle on a regular basis, we are exposed to an increased risk that controls may not be designed or operate effectively, which could ultimately affect the accuracy of financial information related to these vehicles as prepared by the controlling co-investors.

Various restrictive provisions and rights may govern sales or transfers of interests in co-investment arrangements. These may affect our ability to dispose of a real estate asset at a time that we believe to be most advantageous, for example by giving the co-investors a pre-emptive right and/or requiring the approval of the co-investors for disposal to a particular purchaser. In addition, in certain circumstances, if we do not, when requested to do so, provide further funding to a co-investment vehicle, our interest in the ownership of and revenues from the co-investment vehicle may be diluted.

Co-investment arrangements may exist for so long as the particular vehicle has an interest in the real estate assets or they may exist for a specified term of years, which may be extended upon agreement by the investors. The bankruptcy, insolvency or severe financial distress of one of our co-investors could materially and adversely affect the assets held by the co-investment vehicle. If a co-investment vehicle has incurred recourse obligations, the insolvency of a co-investor may, in certain circumstances, result in us assuming a liability for a greater portion of those obligations than we would otherwise bear, or result in the winding up or sale of the co-investment vehicle.

In addition, there is a risk of disputes between with third parties who have an interest in the asset or entity in question. Any litigation or arbitration resulting from any such disputes may increase our expenses and distract our management from focusing their time to fulfil our strategy. We may also, in certain circumstances, be liable for the actions of such third parties.

We may not be successful in completing refurbishment or development projects as planned, or on commercially favourable terms.

The planning phase for a refurbishment or development property may extend over several years and the time to obtain anchor commitments from tenants, planning and regulatory approvals and financing can vary significantly from project to project. For large refurbishment or development projects, planning costs in securing the property, obtaining planning, demolition and/or construction or other permission and dealing with other third parties and/or third-party claims, and regulatory approvals, can be significant. We may also face other issues that might prevent the growth or consolidation at any level of the ongoing development projects. We may abandon refurbishment or development opportunities that we have begun pursuing and consequently fail to recover expenses already incurred. During any period of prolonged delay, construction and other project costs may exceed our original estimates, potentially making the project unprofitable. Although we generally enter into

“turn-key” contracts with builders to protect ourselves from cost overruns, there can be no assurance that our projects will be delivered on time or that we will always be able to recoup such costs in all instances.

We are subject to general construction and development risks.

Our construction and development activities may involve the following risks:

- the inability to proceed with the development of properties as a result of failing to obtain favourable contract terms;
- additional construction costs for a development project being incurred in excess of original estimates;
- due to increased material, labour or other costs, which may make completion of the project uneconomical;
- the inability to obtain, or delays in obtaining, required planning, land use, demolition, building, occupancy, and other governmental permits, certificates and authorisations (including for operational, technical procedures such as land mergers, registration formalities, issuances of postal addresses, etc.), which could result in increased costs and could require us to abandon a project entirely. There is also a risk that planning or permitted use consents are not obtained or are delayed, are granted subject to uneconomic or unfavourable conditions or might be challenged. Laws may be introduced that may be retrospective and affect existing building consents which restrict development in our target geographies. This could have an adverse effect on our business;
- acts of nature, such as earthquakes and floods, which may damage or delay construction of properties as well as the discovery of historical elements such as fossils, coins, articles of value or antiquity and structures and/or other remains of geological or archaeological interest that may impede or delay construction of properties;
- the inability to complete the construction and leasing of a property on schedule, resulting in increased debt service expense and construction or renovation costs which may result in the termination of existing investment agreements and further result in claims by third parties for damages and termination of respective land leases; and
- building methods or materials used in our developments may prove defective and where a construction company or subcontractor used on a development becomes insolvent it may prove impossible to recover compensation for such defective work or materials. In addition, we may incur losses as a result of repairing the defective work or paying damages to persons who have suffered loss as a result of such defective work. Furthermore, these losses and costs may not be covered by our professional liability insurance of the Company, the construction company or the subcontractor.

Any negative change in one or more of the above factors may adversely affect our business, financial condition and results of operations.

We depend on contractors and subcontractors to refurbish or construct our projects.

We rely on contractors and subcontractors for all of our refurbishment and construction activities. If we cannot enter into construction agreements and/or subcontracting arrangements on acceptable terms (or at all) or if we enter into a dispute with a contractor or subcontractor we will incur additional costs which may have an adverse effect on our business.

The competition for the services of quality contractors and subcontractors may cause delays in construction, exposing us to a loss of competitive advantage. Contracting and/or subcontracting arrangements may be on less favourable terms than would otherwise be available, which may result in increased development and construction costs. By relying on contractors and/or subcontractors, we become subject to a number of risks relating to these entities, such as quality of performance, varied work ethics, performance delays, construction defects and the financial stability (including potential insolvency) of the contractors and/or subcontractors. A

shortage of workers would also have a detrimental effect on our contractors and/or subcontractors and, as a result, on our ability to conclude the construction phase on time and within budget.

We may be affected by shortages in raw materials and employees.

The building industry may from time to time experience fluctuating prices and shortages in the supply of raw materials as well as shortages of labour and other materials. The inability to obtain sufficient amounts of raw materials and to retain efficient employees on terms acceptable to us may result in delaying the construction of a project and costs exceeding the project's budget and, consequently, may have a material adverse effect on our results of operations.

We may incur unexpected expenses as a result of tax liabilities imposed by audits or re-qualification of certain of our operations.

We may be subject to audits by tax authorities, which may impose tax obligations in addition to those already declared by us, plus late payment and noncompliance penalties. Our lease agreements include incentives to attract tenants. These incentives include rent-free periods and contributions to fit-out costs or inducement fees (including undertaking the payment of obligations of a tenant for its prior-leased premises). Although we believe that we have treated these incentives appropriately from a tax perspective, they may be scrutinised by the Romanian tax authorities as part of any future audit and, as a result of uncertainty in Romanian tax law, the authorities may determine that we have treated them inappropriately and may assess additional tax liability.

Furthermore, as part of an audit, fiscal authorities may re-qualify the tax regime under which certain of our real estate assets have been acquired, and we may be requested to pay additional amounts to third parties, including late payments, noncompliance penalties and contractual penalties. Any additional payments as a result of any audit may have a material adverse effect on our business, financial condition and results of operations.

We may be insufficiently insured against all losses, damage and limitations of use of our properties.

Although we have insurance policies in place, including for loss of rent, physical damage to one of our properties may result in losses (including any loss of rent) which may not be compensated fully, or at all, by insurance. Certain types of losses, generally of a catastrophic nature (such as earthquakes, floods, hurricanes, terrorism or acts of war), may be uninsurable or may not be economically insurable. Furthermore, our insurance policies may be subject to exclusions of liability and limitations of liability both in amount and with respect to the insured loss events. Inflation, changes in building codes and ordinances, environmental considerations and other factors, including terrorism or acts of war, might also result in insurance proceeds, if any, being insufficient to repair or replace a property if it is damaged or destroyed.

In the event such a loss occurs, there can be no assurance that the insurance proceeds will fully cover our loss with respect to the affected properties. The occurrence of an uninsured loss or a loss in excess of insured limits could result in the loss of our capital invested in the affected property as well as anticipated future revenue from that property. In addition, we could be liable to repair damage caused by uninsured risks as well as remain liable for any debt or other financial obligation related to that property and/or to third parties having been implicitly affected by the risks not covered by insurance. There can be no assurance that we will be sufficiently and effectively insured against all contingencies. If we suffer an uninsured loss or have to pay damages, this could have a material adverse effect on our business, financial condition and results of operations.

The real estate sector is susceptible to fraud.

Certain activities in the real estate sector have, from time to time, been subject to allegations of embezzlement of cash in connection with arranging large scale real estate transactions. Although we are currently not aware of any such fraud taking place within our business and have taken precautionary measures to reduce the risk as much as possible, we may become the target of fraud or other illicit behaviour in any of the markets in which we operate. This may have a material adverse effect on our reputation and may affect our business, financial condition, prospects and results of operations.

Failure to comply with anti-corruption laws could have an adverse effect on our reputation and business.

Although we have an anti-corruption policy in place and we are committed to doing business in accordance with applicable anti-corruption laws, we face the risk that our members or their respective officers, directors, employees, agents or business partners may take actions or have interactions with persons that violate such anti-corruption laws, and may face allegations that they have violated such laws. If any violations of anti-corruption, bribery or similar regulations take place, we may be liable for civil penalties, including fines, injunctions, the termination of existing contracts, revocations or restrictions of licenses, criminal fines or imprisonment. In addition, such violations could negatively impact our reputation and, consequently, our ability to attract lessees or invest in new properties. On the other hand, any such violation by our competitors, if undetected, could give them an unfair advantage when tendering for lessees or bidding for properties. The consequences that we may suffer due to the foregoing could have a material adverse effect on our business, financial condition and results of operations.

Changes in effective tax rates, tax legislation or changes in the interpretation of such legislation may have an adverse effect on our results.

Our future effective tax rates may be adversely affected by a number of factors, including changes in the valuation of our deferred tax assets and liabilities, increases in expenses not deductible for tax purposes, changes in share based compensation expenses, the outcome of any potential discussions with relevant tax authorities, changes in relation to taxation laws or tax rates or the interpretation of such taxation laws and changes in generally accepted accounting principles. Any significant increase in our future effective tax rates, including following the ongoing initiatives in relation to changes in the fiscal legislation at international level, such as the Action Plan on Base Erosion and Profit Shifting of the Organisation for Economic Co-operation and Development, could adversely impact the net results for such future periods and, as a result, could adversely affect our business, financial condition, prospects and results of operations.

There are uncertainties in the Romanian taxation system.

Our operations are affected by the tax rules in force from time to time in the jurisdictions where we conduct operations or have assets. These rules include corporate tax, real estate tax, value added tax, rules regarding tax-free disposals of shares, other governmental or municipal taxes and interest deductions and subsidies. Our tax situation is also affected by transactions conducted intra-Group and by transactions between us and residential co-operatives that are considered to be priced on market terms. Although our business is conducted in accordance with its interpretation of applicable tax laws and regulations, and in accordance with advice we have received from our tax advisors, the possibility that our interpretation is incorrect, or that such laws and regulations change, possibly with retroactive effect, cannot be excluded. Furthermore, future changes in applicable laws and regulations may affect the conditions of our business. In particular, starting with 1 January 2016 a New Fiscal Code and a New Fiscal Procedural Code has entered into force. Although the changes they bring are generally beneficial, there may initially be issues in interpreting and applying the new codes. The taxation system in Romania is not as well-established, compared to those in more developed economies and is under constant change as referenced above. The lack of established jurisprudence and case law may result in unclear or non-existent regulations, decrees and explanations of the taxation laws and/or views on interpretations thereof. Taxation laws (including case law) in Romania may, as a result, be in particular subject to changes, which can result in unusual complexities and more significant tax risks for our relevant companies and our business generally and these could adversely affect our business, financial condition, prospects and results of operations.

Risks related to our financial condition

We may not be able to finance our future investments or may fail to meet the obligations and requirements under our loan agreements.

Although we intend to refinance part of our existing borrowings from the proceeds of the Notes, we may finance our future investments with equity, debt or a combination of both. However, there can be no assurance that we will be able to generate or raise sufficient funds to meet future capital expenditure requirements in the

longer term, or be able to do so at a reasonable cost. The terms and conditions on which future funding or financing may be made available may not be acceptable or funding or financing may not be available at all. Moreover, if debt is raised in the longer term, we may become more leveraged and subject to additional restrictive financial covenants and ratios. Our inability in the longer term to procure sufficient financing for these purposes could adversely affect our ability to expand our business and meet our performance targets and may result in our facing unexpected costs and delays in relation to the implementation of our project developments.

In addition, there can be no assurance that, in the event of unforeseen changes, our cash flows will be sufficient for repayment of our future indebtedness. A failure to make principal and/or interest payments due under the Notes or our future loan agreements or breach of any of the covenants contained in our loan agreements could result in the forfeiture of our mortgaged assets or the acceleration of our payment obligations or could make future borrowing difficult or impossible. In these circumstances, we could also be forced in the long term to sell some of our assets to meet our debt obligations. Any of the events described above could have a material adverse effect on our business, financial condition, prospects and results of operations. See “Our consolidated statement of financial position and statement of income may be significantly affected by fluctuations in the fair market value of our properties”.

We must observe financial ratios and covenants under the terms of our indebtedness.

The Notes and all our major credit facilities contain restrictive covenants that require compliance with certain financial ratios and covenants. While we believe that the financial ratios and covenants contained in our credit facilities allow sufficient flexibility for us to continue to conduct our business in the normal course and to meet our debt servicing obligations, the need to observe these financial ratios and covenants nevertheless could hinder our ability to incur additional debt and grow our business.

Any deterioration in our operating performance, including due to any worsening of prevailing economic conditions, or any financial, business or other factors, many of which are beyond our control, may materially adversely affect our cash flow and hinder our ability to service our indebtedness and result in covenant breaches under the Notes and our credit facilities. While we are currently in compliance with all our credit facilities, if, in the future, we do not generate sufficient cash flow from operations in order to meet our debt service obligations or if we breach covenants which are not waived by our lenders, we may have to refinance or restructure our debt, reduce or delay our planned development activities or sell some of our properties in order to avoid default and acceleration of our debt by lenders. Waivers by our lenders may trigger higher interest rates or waiver fees. Some of the ratios and financial covenants in our borrowings are calculated on the basis of the fair value of our properties. Therefore, fluctuations in the fair value of our properties could have an adverse impact on our compliance with relevant financial ratios and covenants. We cannot guarantee that any refinancing or additional financing would be available at all or on acceptable terms in such a situation. If we default under one or more of our credit facilities and our lenders accelerate the debt, we may forfeit the property securing the indebtedness and our income may be substantially reduced. Any failure to meet our debt service obligations, to obtain waivers of covenant breaches or to refinance our debt on commercially acceptable terms in such a situation could lead to serious consequences for us, including the sale of properties to repay lenders and substantial retrenchment of our business.

We may be unable to raise the financing that it requires or refinance existing debt at maturity.

We primarily use, and have used in the past, debt and equity issuances, together with cash flows from operations, to finance our acquisition of property.

Any delay in obtaining, or a failure to obtain, suitable or adequate debt financing from time to time (including suitable terms on which the banks or other lenders may agree to lend) may impair our ability to invest in suitable property investments (including developments). Any delay in refinancing, or the inability to refinance on commercially acceptable terms, debt falling due in accordance with the maturity schedule of our indebtedness may result in an acceleration of such debt, and enforcement of any pledged assets in support of such debt, against the relevant entity. The factors that affect the availability of financing and financing costs, could have a material adverse effect on our business, financial condition, prospects and results of operations.

Interest rate risks may reduce our net return.

Changes in interest rates can affect our profitability by affecting the spread between, among other things, the income on our assets and the expense of our interest-bearing liabilities, the value of any interest-earning assets, our ability to make acquisitions and our ability to realise gains from the sale of our assets. In the event of a rising interest rate environment and/or economic downturn, loan defaults may increase and result in credit losses that may be expected to affect our liquidity and operating results adversely. Interest rates are highly sensitive to many factors, including the expected inflation rate, governmental, monetary and tax policies, domestic and international economic and political considerations, fiscal deficits, trade surpluses or deficits, regulatory requirements and other factors beyond our control.

We may finance our investments with both fixed and floating rate debt. The performance of an investment may be affected adversely if we fail to limit the effects of changes in interest rates on our operations by employing an effective hedging strategy, including engaging in interest rate swaps, caps, floors or other interest rate contracts or buying and selling interest rate futures or options on such futures. There can, however, be no assurance that such arrangements will be entered into or available at all times when we wish to use them or that they will be sufficient to cover the risk.

We will also be exposed to the credit risk of the relevant counterparty with respect to relevant payments in connection with such arrangements.

A substantial increase in interest rates may increase our interest expense and ability to refinance at the same rates. In addition, an increase in interest rates may also affect private consumption or the ability of our tenants to pay rents or may lead to a decrease in occupancy rates.

Tightening regulation of the banking and insurance sector may contribute to higher costs of financing for the banks, which may again result in an increase in the price of our new debt financing and our average interest rate level. Furthermore, over the next few years, we will have to refinance loan agreements and bonds. The cost of refinancing such loans and bonds, or the cost of related derivatives, may increase. Such a rise in loan margins is likely to push our average interest rate upwards in the future, even if market interest rates remained largely unchanged.

Any increase in interest rates, our interest expense or credit margins could have a material adverse effect on our business, financial condition, prospects and results of operations.

RISKS RELATED TO THE NOTES GENERALLY

The Company is a holding, financing, licensing and an advisory and support company and its ability to pay interest and/or principal depends upon the ability of its subsidiaries to advance funds.

The Company is a holding, financing, licensing and an advisory and support company and its ability to pay interest and/or principal depends upon the ability of its subsidiaries to pay dividends, interest, royalties and advisory and support fees and advance funds to it.

All real estate assets are owned by and the large majority of revenues are generated by the Company's subsidiaries. Because the Company conducts its business through its subsidiaries, its ability to pay interest and/or principal under the Notes, and on any other of its borrowings, depends on the earnings and cash flow of our subsidiaries and their ability to pay the Company dividends, interest, royalties and advisory and support fees and to advance funds to it. The Company's subsidiaries are legally separated from the Company and have no obligation to make payments to the Company of any surpluses generated from their business. Other contractual and legal restrictions applicable to our subsidiaries could also limit the Company's ability to obtain cash from them. Furthermore, the Company's right to participate in any distribution of its subsidiaries' assets upon their liquidation, reorganisation or insolvency would generally be subject to prior claims of the subsidiaries' creditors, including lenders and trade creditors, to contractual provisions under its loan agreements limiting its ability to recover claims in favour of its creditors and to obligations that may be preferred by provisions of law that are mandatory and of general application.

Thus, the Notes are structurally subordinated to the claims of all holders of debt securities and other creditors, including trade creditors, of the Company's subsidiaries and structurally and/or effectively subordinated to the extent of the value of collateral to all the Company's and the Company's subsidiaries' secured creditors. There can be no assurance that we and our assets would be protected from any actions by the creditors of any subsidiary, whether under bankruptcy law, by contract or otherwise. In addition, defaults by, or the insolvency of, certain subsidiaries could result in the obligation of the Company to make payments under parent company financial or performance guarantees in respect of such subsidiaries' obligations or the occurrence of cross defaults on our certain borrowings.

The Notes will be effectively subordinated to any of the Company's existing secured and future secured indebtedness.

The Notes are (subject to Condition 4 (*Negative Pledge*)) unsecured obligations of the Company. The Notes are effectively subordinated to the Company's existing secured indebtedness and future secured indebtedness. Accordingly, holders of the Company's secured indebtedness will have claims that are superior to the claims of Noteholders to the extent of the value of the assets securing such other indebtedness. In the event of a bankruptcy, liquidation or dissolution of the Company, the assets that serve as collateral for any secured indebtedness of the Company would be available to satisfy the obligations under the secured indebtedness before any payments are made on the Notes. Other than as set out in Condition 4 (*Negative Pledge*) and Condition 5 (*Covenants*), the Conditions do not prohibit the Company from incurring and securing future indebtedness.

To the extent that the Company were to secure any of its future indebtedness, to the extent not required to secure the Notes in accordance with the terms of the Trust Deed governing the Notes, the Company's obligations, in respect of the Notes, would be effectively subordinated to such secured indebtedness to the extent of the value of the security securing such indebtedness.

The Notes will constitute unsecured obligations of the Company.

The Company's obligations under the Notes will be unsecured. Accordingly, any claims against the Company under the Notes would be unsecured claims. The Company's ability to pay such claims will depend upon, among other factors, its liquidity, overall financial strength and ability to generate cash flows, which could be affected by (inter alia) the circumstances described in these risk factors. Any such factors could affect the Company's ability to make payment of interest and principal under the Notes.

The Company may redeem the Notes prior to maturity.

The Conditions provide that the Company may redeem the Notes prior to maturity. Such redemption may take place at times when prevailing interest rates may be relatively low. In such circumstances an investor may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the Notes and/or may forego a capital gain in respect of the Notes that would have otherwise arisen but for such redemption.

The Conditions contain provisions which may permit their modification without the consent of all investors.

The Conditions contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

The Conditions also provide that the Trustee may, without the consent of Noteholders, amend the Conditions insofar as they apply to the Notes to correct a manifest error or where the amendments are of a formal, minor or technical nature.

The value of the Notes could be adversely affected by a change in English law or administrative practice.

The Conditions are governed by the laws of England in effect as of the date of this Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to such law or administrative practice after the date of this Prospectus and any such change could materially adversely impact the value of the Notes.

Investors who purchase Notes in denominations that are not an integral multiple of €100,000 may be adversely affected if definitive certificates are subsequently required to be issued.

The denomination of the Notes is €100,000 and integral multiples of €1,000 in excess thereof. Therefore, it is possible that the Notes may be traded in amounts in excess of €100,000 that are not integral multiples of €100,000. In such a case, a Noteholder who, as a result of trading such amounts, holds a principal amount of less than €100,000 will not receive a definitive certificate in respect of such holding (should Definitive Certificates be printed) and would need to purchase a principal amount of Notes such that it holds an amount equal to one or more denominations.

If definitive Notes are issued, holders should be aware that Definitive Certificates, which have a denomination that is not an integral multiple of €100,000 or its equivalent, may be illiquid and difficult to trade.

Eligibility of the Notes for Eurosystem Monetary Policy.

The Notes are intended to be held in a manner which will allow Eurosystem eligibility. This means that the Notes are upon issue deposited with the Common Safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem (“Eurosystem Eligible Collateral”) either upon issue, or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria and other obligations (including the provision of further information) as specified by the European Central Bank from time to time. At the Issue Date, the Notes will not be Eurosystem Eligible Collateral as, among other conditions, the Notes will not have an investment grade rating. The Company does not give any representation, warranty, confirmation or guarantee to any investor in the Notes that the Notes will, either upon issue, or at any or all times during their life, satisfy all or any requirements for Eurosystem eligibility and be recognised as Eurosystem Eligible Collateral. Any potential investor in the Notes should make their own conclusions and seek their own advice with respect to whether or not the Notes constitute Eurosystem Eligible Collateral.

RISKS RELATING TO THE MARKET GENERALLY

An active secondary market in respect of the Notes may never be established or may be illiquid and this would adversely affect the value at which an investor could sell its Notes.

The Notes are new securities which may not be widely distributed and for which there is currently no active trading market. In particular, the Company expects that a single investor may purchase a significant portion of the Notes, thereby reducing the liquidity of the Notes. If the Notes are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the Company’s results of operations. Although application has been made to the Irish Stock Exchange for the Notes to be admitted to the Official List and to trading on the Market, there is no assurance that such application will be accepted or that an active trading market will develop. Accordingly, there is no assurance as to the development or liquidity of any trading market for the Notes. Investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. Illiquidity may have a material adverse effect on the market value of the Notes.

In addition, although the Company may seek to apply for listing of the Notes on the regulated market of the Bucharest Stock Exchange following the issue date, there is no assurance that, if made, such application will be accepted or that an active trading market will develop on the Bucharest Stock Exchange.

Because the Global Certificate is held by or on behalf of Clearstream and Euroclear investors will have to rely on their procedures for transfer, payment and communication with the Company.

The Notes will be represented by the Global Certificate deposited with the Common Safekeeper. Except in certain limited circumstances described in the Global Certificate, investors will not be entitled to receive Definitive Certificates. Euroclear and Clearstream will maintain records of the beneficial interests in the Global Certificate. While the Notes are represented by the Global Certificate, investors will be able to trade their beneficial interests only through Euroclear and Clearstream.

The Company will discharge its payment obligations under the Notes by making payments to or to the order of the common safekeeper for Euroclear and Clearstream for distribution to their account holders. A holder of a beneficial interest in the Global Certificate must rely on the procedures of Euroclear and Clearstream to receive payments under the Notes. The Company has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Certificate. In addition, the Company has no responsibility for the proper performance by Euroclear and Clearstream or their participants of their obligations under their respective rules and operating procedures.

Further, holders of beneficial interests in the Global Certificate will not have a direct right to vote in respect of the Notes. Instead, such holders will be permitted to act only to the extent that they are enabled by Euroclear and Clearstream to appoint appropriate proxies.

If an investor holds Notes which are not denominated in the investor's home currency, that investor will be exposed to movements in exchange rates adversely affecting the value of his holding. In addition, the imposition of exchange controls in relation to any Notes could result in an investor not receiving payments on those Notes

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

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

The value of the Notes may be adversely affected by movements in market interest rates.

An investment in the Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the Notes.

Credit ratings may not reflect all risks.

In addition to the ratings on the Notes to be provided by Moody's and S&P, one or more other independent credit rating agencies may assign credit ratings to the Notes. The credit ratings assigned to the Notes may not reflect the potential impact of all risks related to the structure, market, additional factors discussed above and other factors that may affect the value of the Notes. Credit ratings assigned to the Notes do not necessarily mean that they are a suitable investment. A credit rating is not a recommendation to buy, sell or hold Notes and may be revised, suspended or withdrawn by the rating agency at any time. Similar ratings on different types of notes do not necessarily mean the same thing. The initial ratings by Moody's and S&P will not address the likelihood that the principal on the Notes will be prepaid or paid on the scheduled maturity date. Such ratings will also not address the marketability of investments in the Notes or any market price. Any change in the credit ratings of the Notes or the Company could adversely affect the price that a subsequent

purchaser will be willing to pay for investments in the Notes. The significance of each rating should be analysed independently from any other rating.

Inflation may reduce the value of future payments of interest and principal.

The value of future payments of interest and principal may be reduced as a result of inflation as the real rate of interest on an investment in the Notes will be reduced at rising inflation rates and may be negative if the inflation rate rises above the nominal rate of interest on the Notes.

Legal investment considerations may restrict certain investments.

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (i) the Notes are legal investments for it, (ii) the Notes can be used as collateral for various types of borrowing and (iii) other restrictions apply to its purchase or pledge of the Notes.

Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of the Notes under any applicable risk-based capital or similar rules.

DOCUMENTS INCORPORATED BY REFERENCE

This Prospectus shall be read and construed in conjunction with the sections identified in the cross-reference list below (the “Cross-Reference List”) of the following documents:

- the audited consolidated financial statements of Globalworth Real Estate Investments Limited as of and for the year ended 31 December 2014 (the “2014 Annual Audited Consolidated Financial Statements”);
- the audited consolidated financial statements of Globalworth Real Estate Investments Limited as of and for the year ended 31 December 2015 (the “2015 Annual Audited Consolidated Financial Statements”);
- the audited consolidated financial statements of Globalworth Real Estate Investments Limited as of and for the year ended 31 December 2016 (the “2016 Annual Audited Consolidated Financial Statements”, and together with the 2014 Annual Audited Consolidated Financial Statements and the 2015 Annual Audited Consolidated Financial Statements, the “Audited Consolidated Financial Statements”); and
- the portfolio review included in the Annual Report as of and for the year ended 31 December 2016 (the “Portfolio Review”).

The Audited Consolidated Financial Statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as adopted by the European Union and in compliance with the Companies (Guernsey) Law, 2008, as amended. The Audited Consolidated Financial Statements together with the related independent auditor’s report have been previously published and filed with the Alternative Investment Market of the London Stock Exchange (“AIM”). Such documents are incorporated in, and form part of, this Prospectus as set out below, save that any statement contained in a document which is incorporated by reference herein shall be modified or superseded for the purpose of this Prospectus to the extent that a statement contained herein modified or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Prospectus. The documents incorporated by reference have been filed with the Central Bank of Ireland.

Copies of documents incorporated by reference in, and forming part of, this Prospectus may be obtained from the registered offices of the Company, as set out in “Listing and General Information” and the website of the Company (<http://www.globalworth.com/investor-relations/financial-reports-and-presentations/2016.aspx>).

The Cross-Reference List below sets out the sections of the Group’s annual reports for 2014, 2015 and 2016 which contain the Audited Consolidated Financial Statements and the Portfolio Review which are incorporated by reference in and form part of this Prospectus. Any information incorporated by reference that is not included in the Cross-Reference List below is considered to be additional information that is not relevant to investors pursuant to Article 28(4) of Commission Regulation (EC) No 809/2004 (the “Prospectus Regulation”).

Cross-Reference List

The following table shows where the information incorporated by reference in this Prospectus can be found in the above-mentioned documents.

2014 Annual Audited Consolidated Financial Statements

<http://www.globalworth.com/~media/Files/G/Globalworth/reports-and-presentations/gwi-ar-fs-2014.pdf>

Section	Pages
Consolidated Statement of Comprehensive Income	75
Consolidated Statement of Financial Position	76
Consolidated Statement of changes in Equity	77

Section	Pages
Consolidated Statement of Cash Flows	78
Notes to the Financial Statements.....	79-107
Independent Auditor’s Report to the Members of Globalworth Real Estate Investments Limited	108-109
Schedule of Properties	110-111

2015 Annual Audited Consolidated Financial Statements

<http://www.globalworth.com/~media/Files/G/Globalworth/reports-and-presentations/gwi-ar-fs-2015.pdf>

Section	Pages
Consolidated Statement of Comprehensive Income	113
Consolidated Statement of Financial Position	114
Consolidated Statement of changes in Equity	115
Consolidated Statement of Cash Flows	116
Notes to the Financial Statements.....	117-145
Independent Auditor’s Report to the Members of Globalworth Real Estate Investments Limited	146-152
Schedule of Properties	154-155

2016 Annual Audited Consolidated Financial Statements

<http://www.globalworth.com/~media/Files/G/Globalworth/reports-and-presentations/gwi-ar-fs-2016.pdf>

Section	Pages
Consolidated Statement of Comprehensive Income	114
Consolidated Statement of Financial Position	115
Consolidated Statement of changes in Equity	116
Consolidated Statement of Cash Flows	117
Notes to the Financial Statements.....	118-142
Independent Auditor’s Report to the Members of Globalworth Real Estate Investments Limited	143-148
Schedule of Properties	150-151

2016 Annual Report

<http://www.globalworth.com/~media/Files/G/Globalworth/reports-and-presentations/gwi-ar-fs-2016.pdf>

Section	Pages
Portfolio Review.....	64-99

FINANCIAL STATEMENTS AND OTHER INFORMATION

The Company

In this Prospectus, unless expressed otherwise, references to “we”, “us”, “our”, the “Group” are to the Company and its consolidated subsidiaries.

Financial Statements

Unless otherwise indicated, the financial information presented in this Prospectus is derived from the historical consolidated audited financial statements of the Company as of and for the years ended 31 December 2014, 2015 and 2016. The Audited Consolidated Financial Statements have been prepared in accordance with the IFRS and in compliance with the Companies (Guernsey), Law 2008, as amended. In making an investment decision, you must rely upon your own examination of the terms of the offering of the Notes and the financial information contained in this Prospectus.

The preparation of financial statements in conformity with IFRS requires the Company to use certain critical accounting estimates. It also requires the Board of Directors to exercise its judgement in the process of applying the Company’s accounting policies.

The Audited Consolidated Financial Statements have been prepared based on the calendar year in Euros rounded to the nearest thousand unless otherwise indicated.

Real estate data

In this Prospectus, references to Gross Lettable Area (“GLA”) are references to the total area of a property used and occupied by tenants or currently vacant, including all common areas. References to occupancy by GLA are references to the total GLA that is used and occupied by the tenants compared to the total GLA of the given property (including GLA that is currently vacant) expressed as a percentage. References to WALL are to weighted average lease length.

The property data and the GLA included in this Prospectus, as well as the square metre figures used as a basis for the calculation of property data, originate from us. They are not included in the Audited Consolidated Financial Statements, which are incorporated by reference in, and form part of, this Prospectus (see “Documents Incorporated by Reference”).

Valuation Reports

CBAR Research & Valuation Advisors SRL, a member of Coldwell Banker Affiliates of Romania (“Coldwell Banker”) has prepared a valuation of each of the assets in our Current Portfolio (the “Valuation Reports”). Coldwell Banker has prepared its report in accordance with Romanian Appraisers National Association (ANEVAR) Standards – 2016 Edition (the “ANEVAR Standards”) as of 31 December 2016 at the request of the Company. According to the ANEVAR standards, “market value” is defined as the estimated amount for which an asset or a liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s-length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently, and without compulsion.

Coldwell Banker Valuation has no material interest in the Company.

The information sourced from the Valuation Reports for inclusion in this Prospectus has been accurately reproduced, and as far as the Company is aware and is able to ascertain from information published by Coldwell Banker in the Valuation Reports, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Coldwell Banker’s address is: Bucharest, 65-67 Marasti Blvd., G5 Pavilion, Room 1, District 1.

Coldwell Banker consents to the inclusion of the information sourced from the Valuation Reports in this Prospectus in the form and context in which it has been used.

Coldwell Banker Valuation has authorised and accepts responsibility for the Valuations.

Market value and investment value as determined by Coldwell Banker are based on certain qualifications and assumptions (including as to any costs or fees in relation to a disposal, any liabilities for taxes, any mortgages, liens or other encumbrances, and the condition and repair of buildings and sites, including environmental matters), estimates and projections. We cannot assure you that the projections or assumptions used, estimates made or procedures followed in the valuation of our portfolio are correct, accurate or complete. Any opinions or conclusions reached in the Valuation Reports depend upon these assumptions, estimates and projections that may or may not occur. In addition, the methodologies and assumptions used in the Valuation Report may differ from those underlying our projections and estimates contained elsewhere in this Prospectus. The Valuation Report also present its results as of 31 December 2016, while our historical financial and other data contained in this Prospectus present figures as of different dates and therefore may not be directly comparable.

Data based on the Valuation Report that is included in this Prospectus involves risks and uncertainties and are subject to change based on a variety of external factors, including those discussed in “Risk Factors”. The valuation of investments in real estate and related assets for which market quotations may not be readily available will require us and/or Coldwell Banker to make assumptions, estimates and judgments regarding a number of factors. Property valuation is inherently subjective and uncertain and based on assumptions that may prove to be inaccurate or affected by factors outside our control, and we may not be able to realise such values upon a disposal.

MARKET AND INDUSTRY DATA

Unless otherwise expressly indicated or noted below, all information regarding markets, market size, market share, market position, growth rates and other industry data pertaining to the Company's business contained in this Prospectus is based on estimates prepared by the Company. These estimates are based on certain assumptions and the Company's knowledge of the industry in which it operates as well as data from various primary and secondary sources, including publicly available information, market research and industry publications. These publications generally state that the information they contain has been obtained from sources believed to be reliable, but that the accuracy and completeness of such information is not guaranteed. The Company has not independently verified such data. Any information sourced from third parties contained in this Prospectus has been accurately reproduced and, as far as the Issuer is aware and are able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading

In many cases, there is no readily available external information (whether from trade associations, government bodies or other organisations) to validate market-related analyses and estimates, requiring the Company to rely on its own internally developed estimates regarding the industry in which it operates, the Company's position in the industry, the Company's market share and the market shares of various industry participants based on experience, the Company's own investigation of market conditions and the Company's review of industry publications, including information made available to the public by the Company's competitors. While the Company has examined and relied upon certain market or other industry data from external sources as the basis of its estimates, neither the Company nor the Managers nor the Adviser make any representation or warranty as to the accuracy or completeness of the market or other industry data set forth in this Prospectus, and neither the Company nor the Managers nor the Adviser have verified that data independently. The Company cannot assure you of the accuracy and completeness of, and take no responsibility for, such data. Similarly, while the Company believes its internal estimates to be reasonable, these estimates have not been verified by any independent sources and the Company cannot assure you that any of these assumptions are accurate or correctly reflect the Company's position in the industry. The Company's estimates involve risks and uncertainties and are subject to change based on various factors.

SELECTED HISTORICAL CONSOLIDATED FINANCIAL INFORMATION

The following tables contain selected historical consolidated financial information for the Group as of the dates and the periods indicated. The selected consolidated statement of comprehensive income data, the selected consolidated statement of cash flows for the years ended 31 December 2014, 2015 and 2016, and the selected consolidated statement of financial position data as of 31 December 2014, 2015 and 2016 have been derived from the 2014, 2015 and 2016 Audited Consolidated Financial Statements. The Audited Consolidated Financial Statements are incorporated by reference in, and form part of, this Prospectus (see “*Documents Incorporated by Reference*”).

Prospective investors should read the following selected consolidated financial information in conjunction with the information contained in “*Financial Statements and Other Information*”, “*Risk Factors*” and the Audited Consolidated Financial Statements, which are incorporated by reference in, and form part of, this Prospectus (see “*Documents Incorporated by Reference*”).

Consolidated Statement of Comprehensive Income

	For the year ended 31 December		
	2014	2015	2016
	audited		
	(€in thousands)		
Revenue	22,158	44,776	68,231
Operating expenses.....	(9,265)	(16,406)	(24,678)
Net Operating Income	12,893	28,370	43,553
Administrative expenses.....	(11,654)	(10,201)	(7,707)
Acquisition costs	(2,476)	(811)	(105)
Fair value movement	25,003	49,422	6,710
Bargain purchase gain on acquisition of subsidiaries	80,249	17,227	–
Gain on sale of subsidiary	198	–	272
Share-based payment expense	(136)	(125)	(14)
Depreciation on other long-term assets	–	(174)	(183)
Other expenses.....	–	–	(1,857)
Other income	–	–	3,111
Foreign exchange loss	(355)	(249)	(119)
	90,829	55,089	108
Profit before net financing cost	103,722	83,459	43,661
Net financing cost			
Finance cost	(8,322)	(21,472)	(32,222)
Finance income.....	327	526	749
	(7,995)	(20,946)	(31,473)
Profit before tax	95,727	62,513	12,188
Income tax expense	(5,100)	(11,092)	(873)
Profit for the year	90,627	51,421	11,315
Other comprehensive income	–	–	–
Total comprehensive income for the year	90,627	51,421	11,315
Attributable to:			
Equity holders of the parent.....	91,124	51,421	11,315
Non-controlling interests	(497)	–	–
	90,627	51,421	11,315

Consolidated Statement of Financial Position

	As of 31 December		
	2014	2015	2016
	audited		
	(€in thousands)		
Non-current assets			
Investment property	599,257	937,119	980,892
Goodwill	12,349	12,349	12,349
Advances for investment property	14,454	3,993	2,454
Other long-term assets	657	661	722
Other receivables	–	2,193	1,183
Prepayments	956	1,020	1,022
Total non-current assets	627,673	957,335	998,622
Current Assets			
Trade and other receivables	17,029	13,114	10,807
Guarantees retained by tenants	–	79	277
Income tax receivable	299	583	411
Prepayments	1,738	1,638	348
Cash and cash equivalents	21,957	37,036	221,337
Investment property held for sale	–	10,353	–
Total current assets	41,023	62,803	233,180
Total Assets	668,696	1,020,138	1,231,802
Non-current liabilities			
Interest-bearing loans and borrowings	143,814	261,287	375,570
Deferred tax liability	47,111	70,413	70,575
Guarantees retained from contractors	1,052	957	33
Finance lease liabilities	23	5	–
Deposits from tenants	983	1,485	2,261
Trade and other payables	–	3,278	2,188
Total non-current liabilities	192,983	337,425	450,627
Current liabilities			
Interest-bearing loans and borrowings	61,187	143,024	38,665
Guarantees retained from contractors	–	3,277	2,394
Trade and other payables	21,309	32,275	20,726
Other current financial lease liabilities	–	3,935	3,574
Finance lease liabilities	20	18	4
Deposits from tenants	433	428	374
Income tax payable	23	75	44
Total current liabilities	82,972	183,032	65,781
Equity attributable to ordinary equity holders of the parent	392,735	499,681	715,394
Non-controlling interests	6	–	–
Total equity and liabilities	668,696	1,020,138	1,231,802

Consolidated Statement of Cash Flows

	For the year ended 31 December		
	2014	2015	2016
	audited		
	(€in thousands)		
Cash flows from/(used in) operating activities	(32,327)	3,018	19,912
Cash flows used in investing activities	(92,976)	(184,297)	(39,499)
Cash flows from financing activities	137,754	190,358	206,917
Cash and cash equivalents at the end of the year	21,957	31,036	218,366

INTRODUCTION TO THE COMPANY AND THE GROUP

We are a fully integrated real estate company operating in the CEE and SEE regions with a primary focus on Romania, where we directly manage, acquire and develop primarily high-quality office and logistics/light-industrial real estate assets in prime locations. We aim to generate our income from multinational corporate groups and financial institution tenants on long-term, triple-net (i.e., tenants pay property taxes, insurance and maintenance costs in addition to rent), annually indexed, euro-denominated leases. We are listed on the AIM of the London Stock Exchange.

Our business strategy entails:

- Investing in high-quality commercial real estate assets, consisting of either standing or low-risk development properties with excellent marketability and long term/stable cash flow potential at attractive yields, in prime locations with a focus on Class A office space and premium logistics/light-industrial properties in the CEE and SEE regions;
- Active asset management of our portfolio, focused on:
 - building successful long term relationships with multinational corporate groups and financial institutions as tenants, focusing on long dated, sustainable, stable cash flows and targeting a reduction of vacancy levels to less than 5%;
 - the careful management of scale and scope of our development portfolio, in particular in relation to construction and letting risk;
 - investing in “Green” properties to maintain the attractiveness of space and benefit all stakeholders
- Leveraging our position as a leading institutional investor in Romania benefitting from a fully integrated real estate platform with exceptional track record in delivering and leasing out real estate space in Romania whilst at the same time diversifying to new markets;
- Successful track record of raising substantial long term institutional debt and equity capital on the basis of a solid balance sheet and conservative financial policy;
- Reduction of funding costs due to an increase in scale and reduction of credit risk;
- Leveraging our strong and supportive shareholder base as a basis for further growth.

We benefit from an experienced management team, led by the Founder and Chief Executive Officer, Ioannis Papalekas, and our Deputy Chief Executive Officer and Chief Investment Officer, Dimitris Raptis.

Mr Papalekas has 18 years of real estate investment and development experience across real estate acquisition, master planning, development, reconstruction, refurbishment, operation and asset management of land and buildings across all major asset classes.

Mr Raptis has 20 years of real estate finance and investment management experience, spending 16 years as a senior member of Deutsche Bank’s Asset & Wealth Management division (“RREEF”) where he managed a portfolio of 40 investments with a gross asset value in excess of €6.0 billion. He joined the Company in November 2012 as Deputy CEO and CIO.

Mr Papalekas and Mr Raptis are immediately supported by two Deputy CIOs, Stan Andre and Stamatis Sapkas, who have in aggregate of approximately 25 years of experience in real estate investment, advisory and finance. The history of our asset management team dates back to 2002, starting with the inception of PG Group Romania by the Founder.

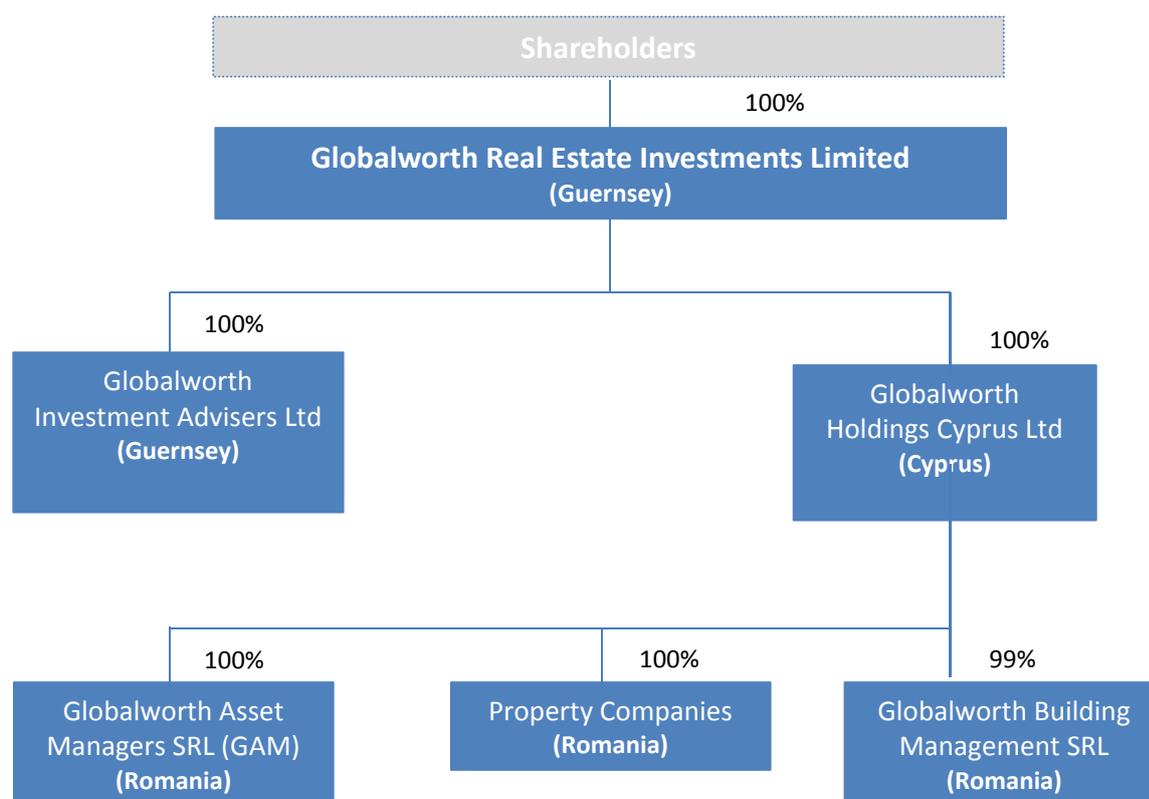
Our senior management team is supported by a fully integrated local asset management team which has significant knowledge and experience in the management of real estate property in Romania. Our teams are

arranged into key competency areas to ensure that they can scalably enhance the value of each project. The key competency areas are investments and capital markets; leasing and marketing; construction and development; asset management; property compliance and commercial sales. We have a full suite of professional administrative functions, including legal, compliance, finance, accounting, administrative and human resources. As of 31 December 2016, we had 67 employees across those fields.

We are further supported by our largest individual shareholder, Growthpoint, South Africa’s largest REIT and real estate specialist whose strategic investment in a 26.9% equity stake (with a planned increase to a 27.7% equity stake by the end of 2017) as part of a €200 million equity capital raise in December 2016.

Growthpoint Properties has a strong track record of value creation in its investments with regional partners, such as Growthpoint Properties Australia, and has chosen Globalworth as its exclusive platform to pursue its investment strategy in CEE.

Our summarised holding structure is set forth below:



History and Development of the Company

The Company was incorporated on 14 February 2013 as a limited liability company under the laws of Guernsey and is registered with the Guernsey Registry under number 56250. The Company’s registered office is at Ground Floor, Dorey Court, Admiral Park, St Peter Port, Guernsey GY1 2HT with telephone number +44 (0) 372 800 000.

The Company is the holding company of the Group as set out in the Group’s summarised holding structure presented in “*Introduction to the Company and the Group*”. The Company is the indirect parent of all property-owning companies of the group in Romania and is expected to continue to remain so for all its future investments in the future.

DESCRIPTION OF OUR OPERATIONAL ACTIVITIES

Business Model

We are a leading fully integrated real estate company investing in high-quality commercial real estate assets in prime locations. We focus on Class A office space and premium logistics/light-industrial properties in the CEE and SEE regions, either standing or through low-risk developments. We offer turnkey real estate solutions and our team of 67 professionals manages a standing portfolio of approximately 452 thousand sqm of GLA. Our Investment Policy targets a diversified portfolio of properties located primarily in Romania, where all of our assets are currently located, but also in the broader CEE and SEE regions. Our standing properties generate stable cash flows at attractive yields through triple-net annually indexed euro-denominated leases, while our limited development activity leverages on our experience and focuses on delivering strategic Green accredited assets (for offices) at the best cost possible, thus providing attractive capital appreciation and yields.

We have built a leading portfolio in Romania and are considering a number of growth opportunities in the CEE and SEE regions, predominantly in Poland. We are pursuing only material investment opportunities outside of Romania by targeting the acquisition or creation of a local asset management platform with the potential to leverage off the local information flow and best read and serve tenants' needs.

Asset management & leasing policy

Our asset management policy focuses on maintaining or transforming our assets as "best in class", marketable assets that are attractive to high-quality tenants. We also strive to build successful long term relationships with multinational corporate groups and financial institutions as tenants, supporting long-term, sustainable, stable cash flows.

Green portfolio & active property management

We keep our properties in line with the highest modern standards and our tenants' needs, with all properties having been either completed or refurbished since 2008. Green accredited buildings are environmentally friendly as a result of their low carbon emissions and benefit tenants because of their lower energy costs and by creating a better work environment which results in a sustainable value creation for our portfolio.

We received various energy efficiency awards and certifications, including LEED silver, gold and platinum awards and BREEAM certifications. Our portfolio currently comprises eight Green accredited properties, with four others currently in the process of Green certification. Globalworth Tower was officially awarded LEED Platinum in January 2017, becoming the first building in Romania and the broader SEE region to have received this accreditation, which is the highest LEED accreditation available, and Gara Herastrau was awarded BREEAM Excellent accreditation in November 2016. Globalworth Campus is expected to receive BREEAM Very Good / Excellent accreditation following its completion. We developed all of these three properties.

Following the closing of an acquisition, asset management initiatives may include the following (as appropriate): asset repositioning (including refurbishment and reletting), corporate restructuring and reorganisation; portfolio break-ups; and optimising capital structure.

Tenant relationships & leasing policy

We focus on generating long-standing relationships with our tenants to achieve long-term growth, recurring income, deep client relationships and a positive 'word-of-mouth' reputation that makes us an attractive landlord to both existing and new tenants.

Limited tenant incentives, either in the form of rent free periods or fit-out contributions, are often provided to tenants. While the market standard for an office lease is around five years, we prefer agreeing longer durations to de-risk our portfolio, for which we are willing to grant certain additional incentives to tenants. In multiple instances, we also found that office tenants committing to a ten-year lease term will be willing to invest substantial resources in the leased space, thereby further protecting the value of our assets.

The vast majority of our current and expected rental income is derived from multinational corporate groups and financial institutions and supported by bank guarantees, cash deposits and, in some cases, parent company guarantees. Substantially all of our leases are euro-denominated, triple-net (i.e., tenants pay property taxes, insurance and maintenance costs in addition to rent) and annually indexed.

In 2016, we created Globalworth Building Management S.R.L. (the “Building Manager”), which is gradually taking direct control over the day to day property management of all assets. As the portfolio reaches critical mass, property management becomes a profitable activity, and, importantly, enables us to best serve tenants’ needs and be more competitive. Economies of scale also allow optimising service levels to our tenants, reflected in lower service charges and better levels of service.

In leasing terms, 2016 was a record year for us with a total of approximately 98,000 sqm of commercial GLA leased or extended. In terms of GLA, new leases signed during 2016 (approximately 69,200 sqm GLA) increased of approximately 145% compared to the new leases signed in 2015, and such new leases were agreed at a WALL of approximately 7.0 years.

Investment strategy & development process

Our high-quality asset base includes mainly Class A office real estate assets and logistics/light industrial assets in strategic locations which comprised 81% and 5% of our total portfolio as of 31 December 2016, respectively. We aim to increase the share of our portfolio in logistics real estate assets, let to tenants in need of core logistical assets for their operations. Our long term objective is to have a portfolio mix of 75% office, 20% logistics and 5% of other assets (including land for further development). The balance of our portfolio consists of a residential complex and other small auxiliary assets.

We expect the development of e-commerce and the growing importance of supply chains supporting consumer demand to be a key growth driver in the demand for logistics (warehouse space, distribution networks) as well as office space for business process outsourcing (customer service, IT and general business processes), and to provide structural support for these two asset classes in the coming years.

We believe that superior returns can be obtained from investment in certain development activities. We focus on opportunities on a selective basis and with a target of no more than 10% of development exposure in the portfolio (as of 31 December 2016, 90% of our portfolio consisted of standing assets). We pursue development activities in the office real estate sector and aim to pre-let at least 50% of the GLA and the logistics/light-industrial real estate sector where we aim to pre-let at least 80% of the GLA. The construction contracts related to our development activities are denominated in euro.

Investing Policy

The investments made pursuant to our Investing Policy may take the form of, but shall not be limited to, investments in single assets, real estate portfolios and companies, joint ventures, loan portfolios and equity and debt instruments with a focus on offices and logistics.

Origination Channels, Screening, Due Diligence, Investment Decision & Closing

Our management team devotes substantial resources to sourcing investment opportunities, which are subject to preliminary analysis, including the assessment of risk and return characteristics and suitability for our Investing Policy. Once management has determined that a particular opportunity falls within the Investing Policy, the opportunity is presented to the Investment Committee. Subject to a preliminary approval, a detailed due diligence process will take place. Approval of the Board of Directors is required if the investments does not fall within the decision thresholds of the Investment Committee. Once the due diligence process is substantially completed, a detailed investment case is presented to the Investment Committee or the Board of Directors, as appropriate, with a recommendation to proceed with the investment, as appropriate. Following approval by the Investment Committee or Board of Directors, as applicable, the relevant transaction enters the closing phase.

Structuring of Investments

In pursuing investment opportunities, we typically establish companies in such jurisdictions as may be appropriate or economical or acquire some or all of the share capital of such companies. We may also enter into joint ventures with operating or financial partners, particularly where they have specialised expertise or local knowledge.

We fund our investments through an appropriate mix of equity and debt. Debt financing is an important component of the structuring and execution of our investments, but is subject to our financial policy and conservative approach to leverage.

Risk Management

Risk management is an integral part of the management of our investments. Among others, the relevant processes include: valuation and auditing; scale, scope, construction and letting risk within the development portfolio; interest rate and currency hedging (target interest rate hedge of at least 75%); investment tracking; the monitoring of leverage (compliance with covenants, debt maturities, etc.); insurance; and liquidity and cash flow.

Tenant overview

As of 31 December 2016, the occupancy rate of our standing portfolio was 83.1%, with 307,700 sqm leased to corporate and international business tenants. As of 31 December 2016, nine out of 15 of our commercial properties had an occupancy rate in excess of 90% and we were in active discussions with a number of tenants for the remaining vacant space in our portfolio. Furthermore, leases currently in advanced negotiations are expected to result in visible and near-term occupancy uplift. The WALL of our contracted commercial leases as of 31 December 2016 was 6.5 years as compared to 6.9 years as of 31 December 2015. Our strategic target is to reduce vacancy levels to less than 5% by focussing on long term relationships with tenants.

As of the date of this Prospectus, we have over 90 tenants from 19 countries and 27 sectors consisting of companies diversified both by country of origin and business sector. As of 31 December 2016, only 15% of our tenants were of Romanian origin of which 39% are state-backed entities such as the Ministry of European Funds (“MEF”) and Hidroelectrica. Our top 15 tenants represented 68% of the total rental income (by commercial annualised rental income) with the underlying leases having an average WALL of 7.3 years as of 31 December 2016 with the biggest tenant accounting for 9% of total rental income. Such tenants are primarily multinational blue-chip companies, as follows: Vodafone, UniCredit, Honeywell, Orange, Huawei, Deutsche Bank, Valeo Lighting, Hewlett Packard Enterprises, Continental, Carrefour and EY.

The below table provides a breakdown of our tenant profile as of 31 December 2016.

Tenant Origin	% Of Contracted Revenue	Selected Tenants of Commercial Portfolio
Multinational	86%	Abbott Laboratories, Adecco, ADP, Anritsu Solutions, Bayer, Billa, BRD, Bunge, Carrefour, Cegeka, Clearanswer, Colgate-Palmolive, Continental, Credit Agricole Bank, Delhaize Group, Deutsche Bank, Deutsche Telekom, EADS, Elster Rometrics, Ericsson, EY, Ferrero, GfK, Honeywell, Hewlett Packard Enterprises, Huawei, Intel, Litens Automotive, Mood Media, NBG Group, Nestle, Orange, Piraeus Bank, ProCredit Bank, Saipem, Sanofi, Schneider Electric, Skanska, Starbucks, Stefanini, Subway, Telekom, Tripsta, UniCredit, Valeo, Vodafone, Wipro, Worldclass
National	8%	CITR, Creative Media, GlobalVision, NNDKP, NX Data, RINF
State Owned Entities	6%	Hidroelectrica, Ministry of European Funds

We derive our revenue primarily from rental income. In addition, we derive certain revenue also from fit-out works commissioned by our tenants for an additional fee and from day-to-day property management.

Our Current Portfolio

As of 31 December 2016, our Current Portfolio consisted of 15 properties, comprising eleven Class A office properties and a residential complex located in Bucharest, a light-industrial park comprising four facilities in Timisoara and two land parcels in Bucharest. In terms of gross asset value, as of 31 December 2016, 90% of our portfolio consisted of standing properties, while the remaining 10% comprised development properties and land.

As of 31 December 2016, the fair value of the investment property as determined by external, independent appraisers based on international valuation standards was €977.5 million and €1.1 billion upon completion of our properties under development. See “Financial Statements and Other Information—Valuation Reports”.

Portfolio Summary

The following table sets out our Current Portfolio as of 31 December 2016 (unless otherwise indicated):

Asset name	Status	Year of completion	Year of Acquisition	Location	Current valuation ⁽¹⁾	Valuation upon completion ⁽¹⁾	Contracted rent	Contracted occupancy rate ⁽³⁾	GLA
					€in millions			%	sqm
BOB.....	Standing	2008	Mar-2014	Bucharest / New CBD	50.3	n/a	3.6	97.3	22,391
BOC.....	Standing	2009	Mar-2014	Bucharest / New CBD	143.7	n/a	9.6	97.3	56,962
TCL.....	Standing	2012	Feb-2014	Bucharest / Historical CBD	76.7	n/a	5.0	99.7	22,453
City Offices	Standing	2014	Sep-2013	Bucharest / South	62.0	n/a	1.5	25.3	35,968
Upground Towers.....	Standing	2010	Mar-2014	Bucharest / New CBD	101.2	n/a	2.4	99.3/49.6 ⁽⁴⁾	56,662
Unicredit HQ	Standing	2012	Mar-2015	Bucharest North	52.5	n/a	3.8	100.0	15,500
Globalworth Plaza	Standing	2010	Mar-2015	Bucharest /New CBD	56.5	n/a	1.9	42.6	24,020
Green Court “A”.....	Standing	2014	Jun-2015	Bucharest / New CBD	51.3	n/a	3.4	100.0	19,589
Green Court “B”.....	Standing	2015	Dec-2015	Bucharest /New CBD	53.2	n/a	3.5	100.0	18,369
Globalworth Tower	Standing	2016	Dec-2013	Bucharest / New CBD	162.5	n/a	10.7	93.6	54,686
Gara Herastrau.....	Standing	2016	Dec-2014	Bucharest / New CBD	28.8	n/a	1.6	75.4	12,037
TAP.....	Standing/Develop.	2011 - 2017E	Jul-2014	Timisoara	50.4	64.8	4.4 ⁽²⁾	97.3	81,349 ⁽⁶⁾
Globalworth Campus.....	Develop.	2017E – 2019E	Dec-2013	Bucharest / New CBD	70.4	170.9	—	0	88,648

<u>Asset name</u>	<u>Status</u>	<u>Year of completion</u>	<u>Year of Acquisition</u>	<u>Location</u>	<u>Current valuation⁽¹⁾</u>	<u>Valuation upon completion⁽¹⁾</u>	<u>Contracted rent</u>	<u>Contracted occupancy rate⁽³⁾</u>	<u>GLA</u>
					€in millions			%	sqm
Herastrau One.....	Land		Sep-2013	Bucharest / New CBD	5.8	n/a	n/a	n/a	n/a
Luterana Site.....	Land		Dec-2014	Historical CBD	12.3	n/a	n/a	n/a	n/a
Total real estate					977.5	1,092.5			

(1) Based on the appraisal performed by Coldwell Banker as of 31 December 2016. See “Financial Statements and Other Information—Valuation Reports”.

(2) Includes pre-lettings under construction.

(3) Includes space contracted as of 31 December 2016 except for City Offices, Globalworth Plaza, Globalworth Tower, Gara Herastrau for which space contracted is as of 31 March 2017.

(4) 99.3% represents the occupancy rate of the retail units and 47.8% represents the occupancy rate of the residential units of Upground Towers as of 31 December 2016.

(6) Upon completion, TAP will offer a total GLA of 123,380 sqm.

The total value of our Current Portfolio as of 31 December 2016 was €977.5 million with a valuation upon completion of €1.1 billion according to Coldwell Banker. The valuation as of 31 December 2016 excludes Dacia Warehouse which was acquired in May 2017.

GLA

The below table provides total GLA for the standing properties in our Current Portfolio (commercial and cumulative) and cumulative leased GLA for the commercial properties in our Current Portfolio.

	As of 31 December		
	2014	2015	2016
Cumulative standing properties GLA (ksqm)⁽¹⁾	224.5	355.5	420.0
Commercial standing properties GLA (ksqm)	171.3	303.2	370.0
Cumulative leased commercial properties GLA (since active management and including GLA under option) (ksqm)	175.2	203.4	301.5

(1) Standing GLA includes Upground Towers which is a residential property.

Location

Approximately 70% of our Current Portfolio is located in the New Central Business District (North) (“New CBD”) in Bucharest. The New CBD attracts high quality tenants, including as a result of its proximity to the airport, new metro line and new infrastructure. The tenants in the New CBD consist of a combination of head office space tenants and back office space tenants. TCI is located in the Historical Central Business District (Centre) (“Historical CBD”) in Bucharest which is characterized by the presence of central government buildings and ministries. The area benefits from restrictions on new building permits. City Offices is located in the South District (“South”) in Bucharest which is primarily a residential area with scarce Class A office stock.

TAP is located in Timisoara, which is in close proximity to the border of Romania with Hungary with easy access to the pan-European corridor IV and is expected to benefit from the construction of a motorway connecting Bucharest to Hungary.

Standing properties

Our portfolio of standing properties increased in the year ended 31 December 2016 with the addition of Globalworth Tower and the smaller Gara Herastrau office property, which were delivered in the first and second quarter of 2016, respectively. At 120m in height, Globalworth Tower is the second tallest office building in Romania located in the New CBD area, close to public transport and three major road arteries. Globalworth Tower was completed in February 2016, 23 months after the acquisition of the site. The tenants of Globalworth Tower include Vodafone, Huawei and Wipro. With those two properties, our standing portfolio increased to 15 properties, comprising ten Class A office properties and a residential complex located in Bucharest and a light-industrial park comprising three facilities in Timisoara as of 31 December 2016.

Our total standing GLA as of 31 December 2016 increased by 18.1% to 420,000 sqm as compared to the previous year, of which 370,000 sqm was commercial space, while the appraised value of our standing investment properties rose to €881.5 million as of 31 December 2016, representing a 26.8% increase on the previous year.

The average occupancy rate for our commercial space was 83.1 % as of 31 December 2016. In addition to our commercial portfolio, we own 421 apartments in Upground Towers (Upground), a modern two-tower residential complex ideally situated in the new CBD, with a total of 571 apartments.

Land for future development

We own land parcels in two prime locations in Bucharest (Herastrau Lake and the historical CBD) for future development. These parcels represent further opportunities for office or mixed-use developments, which we intend to take advantage of in the future in order to further grow our real estate portfolio. The total land size for future development in these two locations is approximately 9,800 sqm, with an appraised value of €18.1 million as of 31 December 2016.

Key Lease Agreement Terms

Leases are generally entered into for a fixed term (generally for five to ten years, and occasionally longer), in euro, and in most cases do not contain a break clause. We do however negotiate break clauses on a case-by-case basis. In other instances, we may provide the tenant with an option to extend the term.

Payment of rent is generally due in advance monthly or quarterly. The rent level is increased on the basis of a specific index provided for in the lease agreement, such as HICP, on an annual basis.

Leases are triple net, so service charges are paid by the tenant and include the following: property taxes; common areas' utilities (electricity, water and heating); insurance to be maintained by the landlord (billed to the tenant pro rata the leased area); preventive and routine repairs; cleaning and maintenance of common areas; security expenses; property management fees; and any other reasonable expenses.

Our leases are governed by Romanian law.

Lease expiry schedule as of 31 March 2017

	Percentage of total annualised rental income as of 31 March 2017
Year ended 31 December 2017.....	4%
Year ended 31 December 2018.....	1%
Year ended 31 December 2019.....	1%
Year ended 31 December 2020.....	14%
Year ended 31 December 2021.....	7%
Year ended 31 December 2022.....	15%
After 31 December 2022	57%

Overall average occupancy rate

The following table sets out our overall average occupancy rate:

	As of 31 December		
	2014	2015	2016
Average occupancy rate (commercial properties)	77.2%	85.1%	83.1%

At 83.1% as of 31 December 2016, occupancy of the commercial space in our standing portfolio remains high, with 307,700 sqm leased to top-quality tenants. Seven out of 11 of our commercial standing properties had an occupancy rate in excess of 95% as of 31 December 2016 and we were in active discussions with a number of tenants for the remaining vacant space in our portfolio.

Recent developments

Dacia Warehouse

In February 2017, we announced the acquisition of Dacia Warehouse, a modern warehouse located in Pitesti in central Romania, 100 km west of Bucharest. The property offers a GLA of 68,412 sqm and is entirely leased to Automobile Dacia, a subsidiary of the French car manufacturer Renault. Dacia is a leading automobile company in Romania by turnover. The transaction closed in May 2017. Pitesti is located 100 km from Bucharest and 28 km from Dacia's main plant in Mioveni. In addition, Pitesti is approximately 350 km from the Black Sea ports which can be accessed through motorways.

Built-to-suit office development

We have entered into a joint venture agreement for a development project with a planned GLA of 40,000 sqm entirely pre-let to a major multinational on a long-term basis. As of the date of this Prospectus, the commencement of the development is still subject to certain customary conditions precedent related to the acquisition and development of the related land parcel. We expect to begin the construction within the second quarter of 2017 with works planned to be completed by March 2019.

Warehouse expansion

In March 2017, we completed the expansion of the Valeo Lighting warehouse in our TAP complex in Timisoara which increased the GLA of the TAP complex by 13,528 sqm. According to the valuation as of 31 December 2016, the value of the property upon completion of the expansion increased by €0.8 million.

Current Trading

Based on unaudited preliminary internal information related to operations for the months of January to March 2017, net operating income during the three months ended 31 March 2017 was above the net operating income during the same corresponding period in 2016 and above the net operating income during the three months ended 31 December 2016 as a result of the entry into new lease agreements. No material lease agreements have expired since 31 December 2016. Our occupancy rate has been increasing since 31 December 2016. Since the beginning of 2017, as a result of the ongoing efforts of our leasing team (representing additional leases of 11,544 sqm GLA at market rent levels), the acquisition of the 100% let Dacia Warehouse (representing 68,412 sqm GLA) and the expansion of the Valeo Lighting warehouse in our TAP complex (representing 13,528 sqm GLA), the total commercial space leased in our standing portfolio has increased to 451,973 sqm as of 31 March 2017 from 370,033 as of 31 December 2016. As of 31 December 2016, including Dacia Warehouse, the completion of the Valeo Lighting warehouse and the new leases of approximately 11 thousand sqm GLA entered into in 2017, our occupancy rate on standing commercial properties would have been approximately 89%.

This information is based solely on preliminary internal information used by management. Our consolidated financial results may differ from our preliminary estimates and remain subject to normal end of period closing procedures and review procedures, including the adjustments required to reconcile such information with IFRS. Those procedures have not been completed. Accordingly, this information may change and those changes may be material. We caution that the foregoing information has not been audited or reviewed by our independent auditors and should not be regarded as an indication, forecast or representation by us or any other person regarding our performance for the abovementioned period.

Subsidiaries comprising the Group

A list of subsidiaries comprising our Group as of 31 December 2016, including our ownership percentage (direct or indirect) in each subsidiary is set out below:

<u>Subsidiary</u>	<u>Incorporation/date became subsidiary</u>	<u>Country of incorporation</u>	<u>Principal activity</u>	<u>Effective interest (%)</u>
-------------------	---	---------------------------------	---------------------------	-------------------------------

Subsidiary	Incorporation/date became subsidiary	Country of incorporation	Principal activity	Effective interest (%)
GW Finance BV	23 September 2013	Netherlands	Finance	100
GW Real Estate Finance BV	8 July 2014	Netherlands	Finance (dormant)	100
Globalworth Holding BV	9 September 2014	Netherlands	Holding (dormant)	100
Globalworth Finance Guernsey Limited	6 September 2013	Guernsey	Finance	100
Globalworth Investment Advisers Limited	14 February 2013	Guernsey	Services	100
Globalworth Holdings Cyprus Ltd	14 August 2013	Cyprus	Holding	100
Kusanda Holdings Ltd	17 October 2014	Cyprus	Holding	100
Saniovo Holdings Ltd	12 June 2015	Cyprus	Holding	100
Globalworth Building Management SRL	30 March 2015	Romania	Services	100
Ramoro Ltd	11 November 2013	Cyprus	Holding, Finance	100
Pieranu Enterprises Ltd	21 January 2013	Cyprus	Holding, Finance	100
Oystermouth Holding Ltd	20 March 2014	Cyprus	Holding, Finance	100
Dunvant Holding Ltd	20 March 2014	Cyprus	Holding	100
Vaniasa Holdings Ltd	2 June 2014	Cyprus	Holding, Finance	100
Serana Holdings Ltd	5 May 2014	Cyprus	Holding, Finance	100
Kifeni Investments Ltd	2 May 2014	Cyprus	Holding, Finance	100
Kinolta Investments Ltd	31 October 2016	Cyprus	Holding, Finance	100
Minory Investments Ltd	21 October 2016	Cyprus	Holding, Finance	100
Zaggatti Holdings Ltd	4 December 2013	Cyprus	Holding, Finance	100
Casalia Holdings Ltd	4 May 2014	Cyprus	Holding, Finance	100
Tisarra Holdings Ltd	11 November 2013	Cyprus	Holding, Finance	100
Tower Center International SRL	18 February 2014	Romania	Property-owning Property-owning, Holding and Services	100
Globalworth Asset Managers SRL	27 September 2013	Romania	Property-owning Holding and Services	100
SEE Exclusive Development SRL	29 July 2014	Romania	Property-owning	100

Subsidiary	Incorporation/date became subsidiary	Country of incorporation	Principal activity	Effective interest (%)
BOB Development SRL	21 March 2014	Romania	Property-owning	100
BOC Real Property SRL	21 March 2014	Romania	Property-owning	100
Netron Investment SRL	21 March 2014	Romania	Property-owning	100
Aserat Properties SRL	23 December 2014	Romania	Property-owning	100
Bog' Art Offices SRL	31 March 2015	Romania	Property-owning	100
Corinthian Tower SRL	31 March 2015	Romania	Property-owning	100
Upground Estates SRL	20 March 2014	Romania	Property-owning	100
SPC Beta Property Dev. Co. SRL	30 June 2015	Romania	Property-owning	100
SPC Gamma Property Dev. Co. SRL	22 December 2015	Romania	Property-owning	100
Conrinthian Five SRL	24 December 2013	Romania	Property-owning	100

Finance

We have raised the following amounts of equity since 2013 up to the date of this Prospectus:

	Equity Raise (€in million)
Year ended 31 December 2013.....	54
Year ended 31 December 2014.....	145
Year ended 31 December 2015.....	54
Year ended 31 December 2016.....	200

In 2013, the equity raised was related to our IPO on the AIM market of the London Stock Exchange. In 2014 and 2015, the equity raises included acquisitions of significant stakes by York and Oak Hill. In 2016, the equity raise included the acquisition of €186.0 million stake by Growthpoint and a further increase in Oak Hill's stake. See "*Principal Shareholders*."

As per our current dividend policy, we target a dividend pay-out of 90% of EPRA earnings, subject to compliance with financial covenants. We continue to monitor the market and, if opportunities are identified, may raise further equity from time to time, including to broaden our shareholder base.

Note 15 to the 2016 Annual Audited Consolidated Financial Statements provides a description of the loans and borrowings outstanding as of 31 December 2016. The 2016 Annual Audited Consolidated Financial Statements are incorporated by reference in, and form part of, this Prospectus (see "*Documents Incorporated by Reference*"). Following the use of proceeds for the offering of the Notes, the indebtedness of the Company is expected to consist of the Notes and €20.2 million related to the UniCredit HQ property. As per our policy, we target a loan maturity at signing of at least 5 years while addressing near-term maturities proactively and we target an LTV of 35% (while not exceeding 60%).

Insurance

General Insurance

We carry “all risk” property damage and loss of rent, third-party liability, property terrorism, loss of rent caused by terrorist acts and professional risk insurance policies for the relevant completed properties in our portfolio and we expect to carry similar insurances for Herastrau 1 and Globalworth Campus once completed.

“All risk” policies apply to all assets and cover damage caused to buildings including riots, strikes and other civil commotions, equipment failure, breakable goods, inundation of pipes breakage including pipes added to tenant spaces like fire sprinklers, vandalism, minor works including maintenance, errors and omissions, capital additions, lawns, trees and plants, valuable papers and documents, service interruption, lightning, explosion, landslide/stone fall, avalanche, earthquake, theft, vehicle collision or escaping water. All policies cover the risks associated with business interruption and loss of rent for up to 36 months. Generally, these types of policies exclude nuclear attack or other extraordinary events (including civil unrest and errors and omissions).

“Third-party liability” policies cover public liability (including sudden and accidental pollution and financial loss that is a direct result of personal injury or property damage) and legal liability for claimants’ costs and expenses, while excluding workers’ compensation, automobile, marine and aviation liability, pollution, etc.

“Property terrorism” policies cover the building and its contents belonging to the insured or for which the insured was legally responsible against direct physical loss or physical damage and, loss of income resulting from business interruption up to 36 months. Such policies usually exclude acts of terrorism derived from the emission and/or discharge of chemical or biological agents and loss of income caused by strikes or due to ongoing repairs.

“Professional risk” policies cover property management services from breach of privacy, intellectual property infringement, defamation and internet liability, while excluding anti-competitive conduct, bodily injury, property, insolvency, war, terrorism, etc.

For the Upground apartments, we also concluded and have in place insurance policies in accordance with Romanian law covering damages resulting from natural disasters.

Title Insurance

All properties in our portfolio have the benefit of English law governed title insurance (except for the Globalworth Campus-related land (due to its recent acquisition, the title insurance policy is under negotiation), the Upground Towers (due to the type of project), the UniCredit HQ and the Luterana 11-13 plot of land). Subject to certain exceptions and exclusions specific to each project, title insurance covers (among other things) the following risks: title being vested in another person; any defect in or lien or encumbrance on the title; a defect in the title caused by forgery, fraud, or the failure to have authorised a transfer or conveyance; defective judicial or administrative proceedings; public record errors; any binding contractual restrictive covenants on the title; defective judicial or administrative proceedings; and a defect in the title caused by an erroneous, inadequate or inaccurate legal description of the property.

The principal examples of project-specific exclusions to title insurance concern losses arising from: any laws (including those relating to building and zoning) restricting, regulating or prohibiting the use or occupancy of the property, or the character or dimensions of the property; rights of compulsory purchase or expropriation; defects, liens, encumbrances or adverse claims created, assumed, agreed or otherwise known by the insured company, or known by the insured company and not disclosed in writing to the title insurer; and any claim by reason of the operation of bankruptcy, insolvency or similar creditors’ rights laws which arises out of the transaction vesting the title in the relevant insured company. There may be further exclusions on a case-by-case basis.

Peers

We believe we are one of the largest office focused real estate investor in Romania and one of the largest real estate companies in the CEE and SEE in general. Our main regional peers are Immofinanz, NEPI, CA Immo and GTC.

Our Current Portfolio included approximately EUR 808 million of office real estate as of 31 December 2016. Based on publicly available data, our closest peers had as of the same date approximately EUR 180 – 330 million (per competitor) of office real estate in Romania. In the CEE region, we believe that certain of our main peers are Atrium, Griffin Premium, Immofinanz, GTC, S Immo, PHN and Capital Park.

THE DIRECTORS OF THE COMPANY AND EXECUTIVE MANAGEMENT

Corporate Governance

We are committed to high standards of corporate governance and have put in place a framework for corporate governance which we believe is appropriate considering our type of activities and size.

We voluntarily comply with the main principles of good governance set out in the UK Corporate Governance Code (the “UK Code”).

We have committees of the Board of Directors (the “Board”) comprising the following:

- an investment committee whose main role is to assess and approve (within pre-agreed limits) investment related activities such as acquisitions and disposals, real estate developments, capex, loans and other debt-related instruments and lease agreements (the “Investment Committee”);
- an audit and risk committee whose main role is to consider the integrity of the financial statements, the effectiveness of the internal controls and risk management systems, the auditors’ reports and the terms of appointment and remuneration of the auditors; and
- a remuneration committee whose main role is to determine and reviews the remuneration of the executive directors, terms of the Investment Manager fee plan, its allocation across the management team, the shares and cash mix and the setting of any vesting periods.

The Board provides oversight and acts as a final decision making body in appropriate areas.

We apply best practices with respect to our code of ethics and compliance and have regular, consistent and transparent communication with shareholders and debt holders.

We also maintain a track record of covenant compliance as well as compliance with the LSE AIM requirements as monitored by a Nomad (currently Panmure Gordon) and a dedicated in-house Compliance Officer whose responsibilities include providing guidance and advice on regulatory and compliance matters.

Board of Directors of the Company

The Board consists of twelve directors, the majority of which is independent. At the date of this Prospectus, the Board consists of the following:

Name	Position	Position held since
Geoff Miller	Non-Executive Director, Chairman of the Board	2013
Ioannis Papalekas	Founder and Chief Executive Officer	2013
Dimitris Raptis	Deputy Chief Executive Officer, Chief Investment Officer	2013
Eli Alroy	Non-Executive Director, Senior Independent Director	2013
John Whittle	Non-Executive Director	2013
Akbar Rafiq	Non-Executive Director	2014
Alexis Atteslis	Non-Executive Director	2014
Andreea Peteanu	Non-Executive Director	2014
Norbert Sasse	Non-Executive Director	2016
Peter Fechter	Non-Executive Director	2016
George Muchanya	Non-Executive Director	2016
Richard van Vliet	Non-Executive Director	2016

The business address of the members of our Board is our office address at Ground Floor, Dorey Court, Admiral Park, St Peter Port, Guernsey GY1 2HT.

The following are short profiles of the members of our Board:

Geoff Miller. Geoff Miller has over 20 years' experience in research and fund management in the United Kingdom, specialising in the finance sector, focused on the specialty finance, insurance and investment company sub sectors. Formerly, he was a number one rated U.K. mid and small cap financials analyst covering investment banks, hedge funds and hedge fund managers, structured products, insurance vehicles, investment companies and real estate companies. He is based in Guernsey having worked in Moscow and Singapore in recent years. Geoff Miller is the Chief Executive Officer of GLI Finance Limited (admitted to AIM and CISX), Non-Executive Director and Chairman of the Risk Committee of Hastings Insurance Group Limited (the holding company for a U.K. insurance broker and Gibraltar based insurance underwriter), as well as acting as a Director for a number of private companies.

Ioannis Papalekas. Ioannis Papalekas founded Globalworth Real Estate Investments Limited in February 2013. He has been acting as our Chief Executive Officer since our inception. Mr. Papalekas has over 18 years of experience in the real estate investment and development market. He has 14 consecutive years of experience with acquisitions, master planning, development, reconstruction, refurbishment, operation and asset management of land and buildings across all major asset classes in Romania. Mr. Papalekas has been responsible for the development of more than 400,000 sqm of commercial (office, retail and logistics) space and 1,000 residential units in Romania. He holds a B.Eng. in Management and Engineering from the University of Wolverhampton, an M.Sc. in Engineering from City University, London, and an M.A. in Real Estate Investment and Development from Middlesex University. Mr. Papalekas is fluent in English, Romanian, Greek and French.

Dimitris Raptis. Dimitris Raptis joined Globalworth in November 2012 having worked for 16 years in the financial services and real estate investment industries group at Deutsche Bank, the last twelve years of which as a senior member of the Real Estate Investment Management Group of the Asset and Wealth Management division ("RREEF"). From 2008 to 2012, Mr. Raptis was European Head of Portfolio Management for RREEF Opportunistic Investments ("ROI"). In this role he was responsible for overseeing ROI's acquisitions across Europe as well as managing ROI's pan European real estate investment portfolio consisting of 40 investments with a gross asset value in excess of €6 billion. From 2000 to 2008, Mr. Raptis was a senior member of the team responsible for originating, structuring and executing real estate investments, focused mainly on the French, Italian and South Eastern European markets with an enterprise value in excess of €5.5 billion across all major asset classes. Mr. Raptis holds a B.Sc. (Hons) in Banking and International Finance from City University's Cass Business School, London. He is fluent in English and Greek and proficient in French.

Eli Alroy. Eli Alroy has extensive international experience in real estate investment and project management. From 1994 to 2012 Mr. Alroy was Chairman of the Supervisory Board of Globe Trade Centre S.A. (GTC), traded on the Warsaw stock exchange. From 1994 to 1997 he served as the CEO of Kardan Real Estate, Enterprise and Development Limited, prior to which between 1991 and 1994 he worked as the CEO of the development company A.M.T. In 2007, Mr. Alroy was awarded the title of CEE Real Estate Industry Professional of the Year and in 2010, he was honoured with the prestigious CEEQA Real Estate Lifetime Achievement award, sponsored by the Financial Times, for his commitment to the real estate industry in Central and Eastern Europe. Mr. Alroy holds a B.Sc. in Civil Engineering from the Israel Institute of Technology and a M.Sc. from Stanford University.

John Whittle. John Whittle has a background in large third party fund administration, having worked extensively in high technology service industries, and has in depth experience of strategic development and mergers & acquisitions. He has worked on the boards of listed companies as well as within private equity, property and the fund of funds sectors. He is currently a director of FTSE 250 listed International Public Partnerships Ltd and LSE main board listed Starwood European Real Estate Financing Limited, as well as India Capital Growth Fund Ltd and Advance Frontier Markets Fund Ltd, both of which are admitted to trading on the AIM.

Akbar Rafiq. Akbar Rafiq serves as a Partner, Portfolio Manager and Head of Europe Credit at York Capital Management, one of our shareholders. He joined York Capital Management in June 2011 and is a Partner of York Capital Management Europe (UK) Advisors LLP. Akbar is a Co-Portfolio Manager of the York European Distressed Credit funds. From 2007 to 2011, he worked as a Vice President and Senior Distressed Debt Analyst at Deutsche Bank AG, London. Previously, he held various positions in the investment banking division at Bear,

Stearns and Co. Inc. From 2000 to 2003, he worked as an Associate for a private equity firm, Alta Communications.

Alexis Atteslis. Alexis Atteslis serves as a Managing Director at Oak Hill Advisors with senior responsibility for European investments. He has more than 12 years of experience in the finance industry, having previously worked at Deutsche Bank and PricewaterhouseCoopers. He received an MA from the University of Cambridge and has earned a Chartered Accountant qualification with the Institute of Chartered Accountants in England and Wales.

Andreea Peteanu. Andreea Peteanu is currently Head of Credit Risk Management at Mizuho International in London. Over the past 16 years, Andreea has had various risk management roles with global investment banks such as Morgan Stanley, HSBC, Merrill Lynch, Bank of America and VTB Capital. Her educational background includes an Executive MBA from the University of Cambridge, Judge Business School and an MSc in Insurance and Risk Management from City University, CASS Business School. She is also an Associate of the Chartered Insurance Institute in London.

Norbert Sasse. Norbert Sasse is Chief Executive Officer of Growthpoint. He has 10 years' experience in corporate finance with Ernst & Young Corporate Advisory (in South Africa and London) and Investec Corporate Finance (in South Africa). He was instrumental in growing Growthpoint from a listed property fund having assets of ZAR 100 million and a market capitalisation of ZAR 30 million in 2001 to being South Africa's largest listed property company with assets of over ZAR 112 billion and a market capitalisation of ZAR 73 billion as at January 2017. He led Growthpoint's first offshore investment in Australia in 2009 by investing AUD 200 million in Orchard Industrial Fund, and subsequently renamed Growthpoint Properties Australia, ("GOZ") a property company that was facing foreclosure. With a market capitalisation of AUD 250 million following the recapitalisation of the company by Growthpoint, GOZ has now grown to a market capitalisation of AUD 2 billion. He was involved in establishing the Association of Property Loan Stock Companies (PLS Association) which has subsequently been renamed SAREIT (South African Real Estate Association). He holds a BCom and Honours degree in Accounting from Rand Afrikaans University and is a Chartered Accountant.

Peter Fechter. Peter Fechter has deeply embedded entrepreneurial experiences of all aspects of the property space. After graduating as civil engineer in 1968, he worked in South Africa as a site agent and tendering estimator, becoming CEO of large private construction company in 1978. He formed his own business in 1980 which successfully engaged in general contracting and doing its own property developments for sale and selective own investment. After 20 years, his business was voluntarily closed, with the property portfolio being sold to an IPO company. When this company merged with Growthpoint Properties in 2003, he was appointed as Non-Executive Director of Growthpoint, serving on the Audit and Risk Committees and as Chairman of the Property Investment Committee, all resulting in regular and close involvement in merger, acquisition and investment deals in South Africa and Australia.

George Muchanya. George Muchanya is responsible for Corporate Strategy at Growthpoint and is a member of the Executive Committee. After spending his initial career years as an engineer, George made a career change into banking in 2000 where he worked in retail product development, treasury and investment banking both in South Africa and the UK. This was followed by a brief period at a global management consulting firm. George joined Growthpoint in 2005, where he focuses largely on mergers and acquisitions. The period since he joined saw Growthpoint concluding transformational transactions including the expansion of Growthpoint into Australia, the acquisition of the iconic V&A in Cape Town, single and large property portfolio acquisitions, and the consolidation, through mergers and acquisitions, by Growthpoint of the South African listed property sector. George played an integral part in this transformation and was part of the frontline deal negotiation and execution team. George holds a BSc in Engineering from the University of Natal, MBA from Wales University, a certificate in Corporate Finance from the London Business School as well as a leadership certificate from Harvard Business School.

Richard van Vliet. Richard van Vliet is qualified as a Chartered Accountant in South Africa and England and Wales. On leaving PricewaterhouseCoopers in South Africa he became the sole proprietor of an audit practice in Johannesburg, with work biased towards international mergers and acquisitions, taxation and financial structures. From 1995 until mid-1997 he also represented the Jersey General Group, an offshore investment

group of companies, in Johannesburg. He relocated to Guernsey in August 1997 as a founding member of Cannon Asset Management Limited and is now the Managing Director. He currently holds the chairmanship of The Cubic Property Fund, a Channel Islands Securities Exchange listed fund, and a number of Board positions on companies and investment funds exposed to property, equity and alternative investments. He also held the position of a main board member of Thames River Capital Holdings Limited, a fund management company with USD 9 billion prior to its disposal.

Senior Management Team

The following table sets out the names of our senior management team followed by a short profile for each of them.

The business address of the members of our senior management team is our office address at Globalworth Tower, 26th floor, 201 Barbu Vacarescu Boulevard, 2nd district, Bucharest 020276, Romania.

Name	Position	Position held since
Andreas Papadopoulos.....	Chief Financial Officer	2014
Adrian Danoiu	Chief Operating Officer	2013
Stan Andre	Deputy Chief Investment Officer	2014
Stamatis Sapkas	Deputy Chief Investment Officer	2013

The business address of the members of our senior management team is our office address at Globalworth Tower, 26th floor, 201 Barbu Vacarescu Boulevard, 2nd district, Bucharest 020276, Romania.

Andreas Papadopoulos. Andreas Papadopoulos has 24 years of professional experience. From 1999 to 2012, he worked for Ernst & Young in several Central and Southeast European countries, including Romania and Slovenia, as a Partner responsible for a large number of engagements, mostly involving audits not only of subsidiaries of multinational groups, but also of local companies and groups. In Romania, he was involved in the provision of audit and transaction advisory services for some of the most significant real estate transactions during that time. After leaving Ernst & Young, he worked as the Chief Financial Officer of a company in the Leptos Group, one of the largest Cypriot real estate development and hotel groups in Cyprus and Greece. He holds a B.Sc. (Hons) in Economics and Accounting from the University of Bristol and is a Fellow of the Institute of Chartered Accountants in England and Wales.

Adrian Danoiu. Adrian Danoiu has over 20 years of professional experience in accounting, finance and business administration. He has been working with the Founder since 2002 and has held several positions in accounting, finance and the technical department, as well as serving as a board member in a number of companies owned and/or controlled by the Founder. He holds a B.Sc. in Precision Mechanics from the Technical University of Timisoara. He is fluent in Romanian and English.

Stan Andre. Stan Andre has seven years of experience in real estate advisory and investment. Prior to his engagement with Globalworth, he was working with the leveraged capital markets team, the special situations group and the emerging markets lending team at UBS Investment Bank in London for six years. Previously, he worked at Bank of America Merrill Lynch and Crédit Agricole Investment Bank in their Debt Capital Markets divisions. During his engagements, he was involved in the origination, structuring and syndication of multiple debt transactions across the credit spectrum. He holds an M.Sc. (*Diplôme des Grandes Ecoles*) from Grenoble Ecole de Management. He is fluent in English and French and proficient in Spanish.

Stamatis Sapkas. Stamatis Sapkas has ten years of experience in real estate advisory and investment. Prior to his current position, for approximately seven years, he was a member of Citigroup's Real Estate and Lodging investment banking team based in London (most recently as Vice President) and prior to that he spent approximately three years with EFG Eurobank Ergasias (and Eurobank Properties). He has been involved in transactions exceeding a total of €12 billion in M&A, Equity Offering, Debt Financing and NPL in the Real Estate and Lodging sectors and has worked in a number of jurisdictions in Europe, the Middle East and Africa. He holds a B.Sc. in Management Science with Computing from the University of Kent and an M.Sc. in Banking & International Finance from Cass Business School.

Potential Conflicts of Interest

There are no potential conflicts of interest between the duties of our senior management team towards the Company and their private interests or other duties.

PRINCIPAL SHAREHOLDERS

As of 31 December 2016, the Company had an issued and outstanding share capital of €538.1 million, comprised of 90,396,948 ordinary shares without par value.

The following table sets forth information regarding the ownership of our shares in excess of 3% of the issued ordinary shares as of 31 December 2016.

Owner	As of 31 December 2016	
	Number of Shares held	%
Growthpoint Properties Ltd	24,300,000	26.9
Ioannis Papalekas	23,277,101	25.7
York Capital	17,020,326	18.8
Oak Hill Advisors	10,169,574	11.2
Gordel Holdings Limited	3,835,141	4.2

USE OF PROCEEDS

The net proceeds of the issue of the Notes will be used for the refinancing of our debt of €404.9 million and the balance for general corporate purposes including acquisitions, as and when identified.

Note 15 to the 2016 Annual Audited Consolidated Financial Statements provides a description of the loans and borrowings outstanding as of 31 December 2016. The 2016 Annual Audited Consolidated Financial Statements are incorporated by reference in, and form part of, this Prospectus (see “*Documents Incorporated by Reference*”). Following for the use of proceeds for the offering of the Notes, the indebtedness of the Company is expected to consist of the Notes and a facility related to the UniCredit HQ property.

TERMS AND CONDITIONS OF THE NOTES

The following is the text of the terms and conditions of the Notes (the “Conditions”) which (subject to completion and amendment) will be endorsed on each Note in definitive form:

The €550,000,000 2.875 per cent. Notes due 2022 (the “Notes”, which expression includes any further notes issued pursuant to Condition 17 (*Further Issues*) and forming a single series therewith) of Globalworth Real Estate Investments Limited (the “Issuer”) are subject to, and have the benefit of, a trust deed dated 19 June 2017 (as amended, restated and/or supplemented from time to time, the “Trust Deed”) between the Issuer and Deutsche Trustee Company Limited as trustee (the “Trustee”, which expression includes all Persons from time to time appointed as trustee or trustees under the Trust Deed) and are the subject of an agency agreement dated 19 June 2017 (as amended, restated and/or supplemented from time to time, the “Agency Agreement”) between the Issuer, Deutsche Bank AG, London Branch as principal paying agent (the “Principal Paying Agent”, which expression includes any successor principal paying agent appointed from time to time under the Agency Agreement) and the paying agents named therein (together with the Principal Paying Agent, the “Paying Agents”, which expression includes any successor or additional paying agents appointed from time to time under the Agency Agreement), the transfer agents named therein (the “Transfer Agents”, which expression includes any successor transfer agent appointed from time to time under the Agency Agreement), Deutsche Bank Luxembourg S.A. as registrar (the “Registrar”, which expression includes any successor registrar appointed from time to time under the Agency Agreement) and the Trustee. Certain provisions of these Conditions are summaries of the Trust Deed and the Agency Agreement and subject to their detailed provisions. The holders of the Notes (the “Noteholders”) are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and the Agency Agreement applicable to them. Copies of the Trust Deed and the Agency Agreement are available for inspection by Noteholders during normal business hours at the registered office for the time being of the Trustee, being at the date hereof Winchester House, 1 Great Winchester Street, London EC2N 2DB, United Kingdom and at the Specified Offices (as defined in the Agency Agreement) of each of the Paying Agents, the initial Specified Offices of which are set out below.

Terms used herein shall have the meanings set out in Condition 20 (*Definitions*).

1. Form, Denomination and Title

(a) *Form and denomination*

The Notes are serially numbered and in registered form in the denomination of €100,000 and integral multiples of €1,000 in excess thereof up to and including €199,000. Unless the Notes are in global registered form, a Definitive Certificate will be issued to each Noteholder in respect of its registered holding. Notes of one denomination will not be exchangeable for Notes of another denomination.

(b) *Title*

Title to the Notes will pass by transfer and registration as described in Condition 2 (*Transfers of Notes and issue of Definitive Certificates*). The holder of any Note will (except as otherwise required by law or as ordered by a court of competent jurisdiction) be treated as its absolute owner for all purposes whether or not such Note is overdue and regardless of any notice of ownership, trust or any other interest in such Note, any writing thereon by any Person (other than a duly executed transfer thereof in the form endorsed thereon) or any notice of any previous theft or loss thereof, and no Person will be liable for so treating the Noteholder. No Person shall have any right to enforce any of the Conditions or the Trust Deed under the Contracts (Rights of Third Parties) Act 1999.

2. Transfers of Notes and issue of Definitive Certificates

(a) *Transfers*

To the extent Notes are issued in the form of Definitive Certificates, a Note may be transferred by depositing the Definitive Certificate issued in respect of that Note, with the form of transfer on the back duly completed and signed, at the Specified Office of the Registrar or any of the Agents.

(b) ***Delivery of new Definitive Certificates***

To the extent Notes are issued in the form of Definitive Certificates, each new Definitive Certificate to be issued upon a transfer of Notes will, within five Business Days of receipt by the Registrar or the relevant Agent of the duly completed form of transfer endorsed on the relevant Definitive Certificate, be mailed by uninsured mail at the risk of the Noteholder entitled to the Note to the address specified in the form of transfer.

Except in the limited circumstances described herein, owners of an interest in the Notes will not be entitled to receive physical delivery of Definitive Certificates. Issues of Definitive Certificates upon a transfer of Notes are subject to compliance by the transferor and the transferee with the certification procedures described above and in the Agency Agreement.

Where some but not all of the Notes in respect of which a Definitive Certificate is issued are to be transferred, a new Definitive Certificate in respect of the Notes not so transferred will, within five Business Days of receipt by the Registrar or the relevant Agent of the original Definitive Certificate, be mailed by uninsured mail at the risk of the holder of the Notes not so transferred to the address of such Noteholder appearing on the Register or as specified in the form of transfer. Neither the part transferred nor the balance not transferred may be less than €100,000.

(c) ***Formalities free of charge***

Registration of a transfer of Notes will be effected without charge by or on behalf of the Issuer or any Agent subject to (i) the Person making such application for transfer paying or procuring the payment of any taxes, duties and other governmental charges in connection therewith, (ii) the Registrar being satisfied with the documents of title and/or identity of the Person making the application, and (iii) such regulations as the Issuer may from time to time agree with the Registrar and the Trustee.

(d) ***Closed periods***

Neither the Issuer nor the Registrar will be required to register the transfer of any Note (or part thereof) during the period of 15 days immediately prior to the due date for any payment of principal or interest in respect of the Notes or after all such Notes have been called for redemption or during the period of seven days ending on (and including) any Record Date.

(e) ***Regulations***

All transfers of Notes and entries on the Register will be made subject to the detailed regulations concerning transfers of Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer to (i) reflect changes in legal requirements, or (ii) in any other manner which is not prejudicial to the interests of Noteholders with the prior approval of the Registrar and the Trustee (such approval not to be unreasonably withheld or delayed). A copy of the current regulations will be mailed (free of charge) by the Registrar to any Noteholder who requests in writing a copy of the regulations.

3. Status of the Notes

The Notes constitute direct, general and unconditional obligations of the Issuer which will at all times rank pari passu among themselves and at least pari passu with all other present and future unsecured obligations of the Issuer, save for such obligations which may be preferred by provisions of law that are both mandatory and of general application.

4. Negative Pledge

So long as any Note remains outstanding (as defined in the Trust Deed), the Issuer shall not and shall procure that none of its Subsidiaries will, create or permit to subsist any Security Interest, other than Permitted Security Interests, upon the whole or any part of its present or future undertaking, assets or revenues (including uncalled capital) to secure any Relevant Indebtedness of the Issuer or a Subsidiary of the Issuer or any guarantee given by the Issuer or a Subsidiary of the Issuer in respect of Relevant

Indebtedness, without (a) at the same time or prior thereto securing the Notes equally and rateably therewith to the satisfaction of the Trustee as may be approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders or (b) providing such other security for the Notes as the Trustee may in its absolute discretion consider to be not materially less beneficial to the interests of the Noteholders or as may be approved by an Extraordinary Resolution of the Noteholders.

5. Covenants

(a) *Financial Covenants*

So long as any Note remains outstanding, the Issuer undertakes that in relation to the Group as a whole:

- (i) the Consolidated Leverage Ratio shall not exceed 0.60 on any Measurement Date;
- (ii) the Consolidated Coverage Ratio shall be at least 1.5:1 on the first and second Measurement Dates and shall be at least 2.0:1 on each subsequent Measurement Date; and
- (iii) the Consolidated Secured Leverage Ratio shall not exceed 0.30 on any Measurement Date.

The Issuer shall engage an external independent international valuation company and real estate consultant, having an appropriately recognised professional qualification and recent experience in the respective locations and categories of real estate assets being valued, to value at least 90 per cent. (by market valuation) of the Group's standing investments and land at least once per calendar year.

The Issuer will promptly notify the Trustee in accordance with the Trust Deed in the event that any of the ratios or levels in this Condition 5(a) are breached at any time.

For so long as the Notes remain outstanding, the Issuer will deliver a certificate to the Trustee on each Reporting Date signed by two duly authorised signatories of the Issuer, certifying that the Issuer is and has been in compliance with the covenants set out in this Condition 5 at all times during the relevant period. Such certificate may be relied on by the Trustee without further enquiry or evidence and, if relied upon by the Trustee, shall, in the absence of manifest error, be conclusive and binding on all parties.

(b) *Equity Cure*

- (i) Subject to the provisions of this Condition 5(b), in the event that the Issuer fails to comply, or would otherwise fail to comply, with any of its obligations under sub-paragraph (i) or sub-paragraph (iii) of Condition 5(a) (*Financial Covenants*), the Issuer shall have the right, and may elect by written notice to the Trustee (in accordance with paragraph (ii) below), to cure an actual or anticipated breach of the Consolidated Leverage Ratio and/or the Consolidated Secured Leverage Ratio in Condition 5(a) (*Financial Covenants*) by applying net amounts received in respect of any new equity issued by the Issuer and/or Subordinated Shareholder Debt received by the Issuer to remedy any actual or anticipated non-compliance and by having such amounts included in the calculation or recalculation of one of or both of the financial covenants contained in Condition 5(a) (*Financial Covenants*) sub-paragraph (i) or (iii).
- (ii) A notice to the Trustee under paragraph (i) above will not be regarded as having been delivered unless:
 - (A) it is signed by two authorised signatories of the Issuer and delivered before the date which is 30 Business Days after the applicable Reporting Date on which the compliance certificate for the calendar year to which the non-compliance relates would have been required to be delivered pursuant to Condition 5(a) (*Financial Covenants*);

- (B) it certifies the aggregate amounts received by the Issuer in respect of any equity issued by the Issuer and/or Subordinated Shareholder Debt;
 - (C) it specifies the calendar year to which the non-compliance relates and in relation to which the equity issued by the Issuer and/or Subordinated Shareholder Debt is to be applied; and
 - (D) if the Issuer makes an election under paragraph (i) above during the period of 30 Business Days after the Reporting Date on which the compliance certificate for the calendar year to which the non-compliance relates would have been required to be delivered pursuant to Condition 5(a) (*Financial Covenants*), it is accompanied by a revised compliance certificate indicating compliance with the ratios in Condition 5(a) (*Financial Covenants*) after taking into account the amounts used to remedy the non-compliance.
- (iii) For the purposes of this Condition 5(b), the net amounts received in cash in respect of any equity issued by the Issuer and/or Subordinated Shareholder Debt shall be deemed to be received on the Measurement Date in respect of which they are to be taken into account to remedy the non-compliance with any ratios set out in Condition 5(a) (*Financial Covenants*).
 - (iv) If, after giving effect to the recalculation referred to in the paragraphs above, the financial covenants are complied with, the Issuer shall be deemed to have satisfied the requirements of Condition 5(a) (*Financial Covenants*) as at the relevant Measurement Date as though there had been no failure to comply with such obligations, and the applicable breach shall be deemed to have been cured for the purposes hereof.

(c) ***Payment of dividends***

The Issuer and its Subsidiaries may pay dividends at any time provided that, in the case of dividends paid by the Issuer, no Event of Default or Potential Event of Default has occurred and is continuing at the time of, or would result following, the payment of such dividend by the Issuer.

(d) ***Financial reporting***

So long as any Note remains outstanding, the Issuer shall deliver to the Trustee:

- (i) not later than six months after the end of the Issuer's financial year, copies or the electronic versions of the audited consolidated financial statements of the Group for such financial year, prepared in accordance with IFRS and applicable Guernsey law, consistently applied, and accompanied by the report of the independent auditors of the Issuer thereon;
- (ii) not later than 120 days after the end of the semi-annual period, copies or the electronic versions of the unaudited condensed consolidated financial statements of the Group for such semi-annual period, prepared in accordance with IAS 34 consistently applied; and
- (iii) in the case of every other item referred to below, not later than 20 days after their initial distribution to any of the Persons referred to below, three copies in English of every statement of financial position, statement of income and, to the extent permitted by applicable law, every report or other notice, statement or circular issued, or which legally should be issued, to the members or holders of securities (generally) of the Issuer or any holding company thereof generally in their capacity as such; provided that, in case of this subclause (iii), if such other item is published on the Issuer's website, no such delivery is required.

6. Interest

(a) *Accrual of interest*

The Notes bear interest from, and including, 19 June 2017, at the rate of 2.875 per cent. per annum payable in arrear on 20 June in each year, commencing on 20 June 2018, subject as provided in Condition 8 (*Payments*). The first payment of interest shall be made on 20 June 2018 in respect of the period from (and including) 19 June 2017 to (but excluding) 20 June 2018. If interest is required to be calculated for the Notes for a period of less than one year, it will be calculated on the basis of the actual number of days elapsed from and including the immediately preceding interest payment date, or 19 June 2017, as the case may be, to but excluding the due date for payment divided by the actual number of days in the period from and including the immediately preceding interest payment date, or 19 June 2017, as the case may be, to but excluding the next payment date.

(b) *Cessation of interest*

Each Note will cease to bear interest from the due date for final redemption unless, upon due surrender of the relevant Note, payment of principal is improperly withheld or refused. In such case it will continue to bear interest at such rate (after as well as before judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day after the Principal Paying Agent or the Trustee has notified the Noteholders that it has received all sums due in respect of the Notes up to that day (except to the extent that there is any subsequent default in payment) in accordance with Condition 18 (*Notices*).

7. Redemption and Purchase

(a) *Scheduled redemption*

Unless previously redeemed, or purchased and cancelled, the Notes will be redeemed at their principal amount on 20 June 2022, subject as provided in Condition 8 (*Payments*).

(b) *Redemption for tax reasons*

The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' prior notice to the Noteholders (which notice shall be irrevocable), at their principal amount, together with interest accrued to (but excluding) the date fixed for redemption if, immediately before giving such notice, the Issuer satisfies the Trustee that:

- (i) as a result of any change in, or amendment to, the laws or regulations of any Relevant Taxing Jurisdiction, or any change in the application or official interpretation of such laws or regulations (including any holding by a court of competent jurisdiction), which change or amendment becomes effective on or after 14 June 2017, the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 9 (*Taxation*); and
- (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it;

provided, however, that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts if a payment in respect of the Notes were then due.

Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Trustee:

- (i) a certificate signed by two authorised signatories of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred; and

- (ii) an opinion in form and substance satisfactory to the Trustee of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment.

The Trustee shall be entitled to accept such certificate and opinion as sufficient evidence of the satisfaction of the circumstances set out in paragraphs (i) and (ii) immediately above, in which event they shall be conclusive and binding on the Noteholders.

Upon the expiry of any such notice as is referred to in this Condition 7(b), the Issuer shall be bound to redeem the Notes in accordance with this Condition 7(b).

(c) ***Make-whole call***

The Notes will be redeemable, as a whole or in part, at the option of the Issuer, at any time, on giving not less than 30 nor more than 60 days' prior notice (which notice shall be irrevocable) to the Noteholders in accordance with Condition 18 (*Notices*), at a redemption price equal to the greater of:

- (ii) 100 per cent. of the principal amount of the Notes to be redeemed; and
- (iii) the Optional Redemption Price,

together, in each case, with accrued and unpaid interest on the Notes to, but excluding, the date fixed for redemption.

Notwithstanding the foregoing, amounts of interest on the Notes that are due and payable on interest payment dates falling on or prior to a date fixed for redemption will be payable to the Noteholders on such interest payment date.

In the case of a partial redemption of the Notes, the Notes to be redeemed will be selected, in such place as the Trustee may approve and in such manner as the Trustee may deem appropriate and fair, not more than 30 days before the date fixed for redemption. Notice of any such selection will be given not less than 15 days before the date fixed for redemption. Each notice will specify the date fixed for redemption and the aggregate principal amount of the Notes to be redeemed, the serial numbers of the Notes called for redemption, the serial numbers of Notes previously called for redemption and not presented for payment and the aggregate principal amount of the Notes which will be outstanding after the partial redemption.

(d) ***Redemption at the Option of Noteholders upon a Change of Control***

If a Change of Control Put Event occurs, Noteholders will have the option (a "**Change of Control Put Option**") (unless prior to the giving of the relevant Change of Control Put Notice the Issuer has given a notice of redemption under Condition 7(b) (*Redemption for tax reasons*) or Condition 7(c) (*Make-whole call*) above) to require the Issuer to redeem or, at the Issuer's option, purchase (or procure the purchase of) that Note on the Change of Control Put Date at 100 per cent. of its principal amount together, in each case, with accrued and unpaid interest on the Note to, but excluding, the Change of Control Put Date.

Promptly upon but in any case no later than five Business Days after the Issuer becoming aware that a Change of Control Put Event has occurred the Issuer shall give a Change of Control Put Notice to the Noteholders in accordance with Condition 18 (*Notices*) specifying the nature of the Change of Control Put Event and the procedure for exercising the Change of Control Put Option.

To exercise the Change of Control Put Option, the holder of a Note must deliver such Note to the Specified Office of any Paying Agent at any time during normal business hours of such Paying Agent falling within the period (the "**Change of Control Put Period**") of 30 days after a Change of Control Put Notice is given, accompanied by a duly signed and completed Change of Control Put Exercise Notice.

The Paying Agent to which such Note and Change of Control Put Exercise Notice is delivered will issue to the Noteholder concerned a non-transferable receipt in respect of the Note so delivered. Payment in respect of any Note so delivered will be made to any bank account specified by the Noteholder in the Change of Control Put Exercise Notice, on the Change of Control Put Date and, in every other case, on or after the Change of Control Put Date against presentation and surrender or (as the case may be) endorsement of such receipt at the Specified Office of any Paying Agent. A Change of Control Put Exercise Notice, once given, shall be irrevocable.

The Issuer shall redeem or purchase (or procure the purchase of) the relevant Notes on the Change of Control Put Date unless previously redeemed (or purchased) and cancelled.

The Trustee shall be entitled to assume that no Change of Control Put Event has occurred until it has received from the Issuer written notice of the same, and shall incur no liability to any Person for so doing.

(e) ***No other redemption***

The Issuer shall not be entitled to redeem the Notes otherwise than as provided in paragraphs (a) (*Scheduled Redemption*) to (d) (*Redemption at the Option of Noteholders upon a Change of Control*) above.

(f) ***Purchase***

The Issuer or any of its Subsidiaries may at any time purchase Notes in the open market or otherwise and at any price.

(g) ***Cancellation***

All Notes so redeemed or purchased by the Issuer or any of its Subsidiaries may be cancelled or may be reissued or resold.

8. Payments

(a) ***Principal and interest***

Payments of principal and interest in respect of each Note will be made to the Person shown in the Register at the close of business on the Record Date and subject to the surrender (or, in the case of part payment only, endorsement) of the relevant Definitive Certificate at the Specified Office of any Paying Agent.

(b) ***Method of payments***

Each payment in respect of the Notes pursuant to Condition 8(a) (*Principal and interest*) will be made by transfer to the registered account of the Noteholder.

Payment instructions (for value the due date, or, if the due date is not a TARGET2 Settlement Day, for value the next succeeding TARGET2 Settlement Day) will be initiated by the Paying Agents, in the case of principal, on the later of the due date for payment and the day on which the relevant Definitive Certificate is surrendered (or, in the case of part payment only, endorsed) at the Specified Office of any of the Paying Agents and, in the case of interest and other amounts, on the due date for payment.

For the purposes of these Conditions, a Noteholder's "registered account" means the euro account maintained by or on behalf of it, details of which appear in the Register on the Record Date.

(c) ***Delay in payment***

Noteholders will not be entitled to any interest or other payment in respect of any delay in payment resulting from (i) the due date for payment not being a TARGET2 Settlement Day, or

(ii) the Noteholder being late in surrendering its Definitive Certificate (if required pursuant to these Conditions).

(d) ***Payments subject to fiscal laws***

All payments in respect of the Notes are subject in all cases to any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 9 (*Taxation*), and any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the United States Internal Revenue Code of 1986 (the “**Code**”) or otherwise imposed pursuant to Section 1471 to 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 9 (*Taxation*)) any law implementing an intergovernmental approach thereto.

(e) ***Payments on business days***

If the due date for payment of any amount in respect of any Note is not a business day in the place of presentation, the holder shall not be entitled to payment in such place of the amount due until the next succeeding business day in such place and shall not be entitled to any further interest or other payment in respect of any such delay. In this paragraph, “**business day**” means, in respect of any place of presentation, any day on which banks are open for presentation and payment of bearer debt securities and for dealings in foreign currencies in such place of presentation and, in the case of payment by transfer to a euro account as referred to above, on which the TARGET System is open.

(f) ***Partial payments***

If a Paying Agent makes a partial payment in respect of any Note presented to it for payment, such Paying Agent will endorse thereon a statement indicating the amount and date of such payment.

9. Taxation

All payments of principal and interest in respect of the Notes by or on behalf of the Issuer to Noteholders shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of a Relevant Taxing Jurisdiction, unless the withholding or deduction of such taxes, duties, assessments or governmental charges is required by law. In that event the Issuer shall pay such additional amounts as will result in receipt by the Noteholders after such withholding or deduction of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable in respect of any Note:

- (a) where such additional amounts are payable by reason of any present or former connection between the relevant Noteholder (or the relevant beneficial owner) and the Relevant Taxing Jurisdiction, other than the mere holding of the Note; or
- (b) presented (or in respect of which the Definitive Certificate representing it is presented) for payment by or on behalf of the relevant Noteholder (or the relevant beneficial owner) which would have been able to avoid such withholding or deduction by complying with any statutory requirement or by making a declaration of non-residence or any other claim for exemption or any filing, but fails to do so; or
- (c) presented (or in respect of which the Definitive Certificate representing it is presented) for payment more than 30 days after the Relevant Date except to the extent that the holder of such Note would have been entitled to such additional amounts on presenting such Note for payment on the last day of such period of 30 days assuming that day to have been a business day as (defined in Condition 8(e) (*Payments on business days*)).

In these Conditions, “**Relevant Date**” means whichever is the later of (1) the date on which the payment in question first becomes due and (2) if the full amount payable has not been received in a city

in which banks have access to the TARGET System by the Principal Paying Agent or the Trustee on or prior to such due date, the date on which (the full amount having been so received) notice to that effect has been given to the Noteholders.

Any reference in these Conditions to principal or interest shall be deemed to include any additional amounts in respect of principal or interest (as the case may be) which may be payable under this Condition 9 or any undertaking given in addition to or in substitution of this Condition 9 pursuant to the Trust Deed.

10. Reorganisation and Substitution

The Trust Deed contains provisions under which a legal entity:

- (a) formed by any consolidation or merger of the Issuer with or into any other corporation or corporations (whether or not affiliated with the Issuer), or successive consolidations or mergers into which the Issuer or its successor or successors shall have been merged or consolidated; or
- (b) to which the Issuer has sold, conveyed or leased all or substantially all of the property of the Issuer (whether or not affiliated with the Issuer),

(any such legal entity, a “**Substituted Obligor**”) may, without the consent of the Noteholders assume the obligations of the Issuer as principal debtor under the Trust Deed and the Notes *provided that*:

- (iv) the Substituted Obligor takes direct or indirect ownership of at least 80 per cent., of Consolidated Total Assets;
- (v) the Substituted Obligor is a legal entity incorporated in a Member State of the European Economic Area, Guernsey, the United Kingdom, Liechtenstein, the Channel Islands or the Isle of Man;
- (vi) the Trustee is satisfied that the relevant transaction is not materially prejudicial to the interests of the Noteholders; and
- (vii) certain further conditions specified in the Trust Deed are fulfilled.

No Noteholder shall, in connection with any substitution, be entitled to claim any indemnification or payment in respect of any tax consequence thereof for such Noteholder, except to the extent provided for in Condition 9 (*Taxation*) (or any undertaking given in addition to or substitution for it pursuant to the provisions of the Trust Deed).

11. Events of Default

If any of the following events occurs (each, an “**Event of Default**”) and is continuing then the Trustee at its discretion may and, if so requested in writing by holders of at least one quarter of the aggregate principal amount of the outstanding Notes or if so directed by an Extraordinary Resolution, shall (subject, in each case of the happening of any of the events mentioned in paragraphs (b) (*Breach of other obligations*) below and, in relation only to a Material Subsidiary, paragraphs (c) (*Cross acceleration*), (d) (*Enforcement proceedings*), (e) (*Security enforced*), (f) (*Insolvency*), (g) (*Winding-up*) or (k) (*Analogous events*) to the Trustee having certified in writing that the happening of such event is in its opinion materially prejudicial to the interests of the Noteholders and, in all cases, to the Trustee having been indemnified and/or secured and/or prefunded to its satisfaction) give written notice to the Issuer declaring the Notes to be immediately due and payable, whereupon they shall become immediately due and payable at their principal amount together with accrued interest without any further action or formality:

- (a) **Non-payment**: the Issuer fails to pay any amount of principal in respect of the Notes within seven days of the due date for payment thereof or fails to pay any amount of interest in respect of the Notes within 14 days of the due date for payment thereof; or

- (b) **Breach of other obligations:** the Issuer defaults in the performance or observance of (A) its obligations under Condition 5(a) (*Financial Covenants*) and such default has not been cured within the cure period set out in Condition 5(b) (*Equity Cure*) and (B) any of its other obligations under or in respect of the Notes or the Trust Deed and such default (i) is, in the opinion of the Trustee, incapable of remedy or (ii) being a default which is, in the opinion of the Trustee, capable of remedy and remains unremedied for 30 days after the Trustee has given written notice thereof to the Issuer; or
- (c) **Cross acceleration:** a default under any Indebtedness of the Issuer or any Material Subsidiary, if that default (i) is caused by a failure to make any payment in respect of such Indebtedness and any originally applicable grace period has expired or (ii) results in the acceleration of such Indebtedness prior to its stated maturity; provided that the amount of Indebtedness referred to in sub-paragraph (i) and/or sub-paragraph (ii) above individually or in the aggregate exceeds €30,000,000 (or its equivalent in any other currency or currencies); or
- (d) **Enforcement proceedings:** a distress, attachment, execution or other legal process, the award or decision in respect of which, in each case, is final and not subject to further appeal, is levied, enforced or sued out on or against any part of the property, assets or revenues of the Issuer or any of its Material Subsidiaries in an amount which exceeds 10 per cent. of the Consolidated Total Assets of the Group and is not discharged or stayed within 90 days; or
- (e) **Security enforced:** any mortgage, charge, pledge, lien or other encumbrance, present or future, created or assumed by the Issuer or any of its Material Subsidiaries in respect of an amount which exceeds 15 per cent. of the Consolidated Total Assets of the Group becomes enforceable and any step is taken to enforce it (including the taking of possession or the appointment of a receiver, administrative receiver, administrator manager or other similar Person); or
- (f) **Insolvency:** (i) the Issuer or any of its Material Subsidiaries is insolvent or (ii) any of the Issuer or any of its Material Subsidiaries is unable to pay its debts, stops, suspends or threatens to stop or suspend payment of all or a substantial part of (or of a particular type of) its debts, proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any of such debts or a moratorium is agreed or declared or comes into effect in respect of or affecting all or any part of (or of a particular type of) the debts of the Issuer or any of its Material Subsidiaries except for the purposes of and pursuant to a reconstruction, amalgamation, reorganisation, merger or consolidation (x) pursuant to Condition 10 (*Reorganisation and Substitution*), (y) on terms approved by an Extraordinary Resolution of the Noteholders or (z) in the case of a Material Subsidiary, whereby the undertaking and assets of the Material Subsidiary are transferred to or otherwise vested in the Issuer or another Material Subsidiary (or a Subsidiary of the Issuer which, upon such transfer or vesting, will become a Material Subsidiary); or
- (g) **Winding-up:** (A) an administrator, liquidator, receiver or any other similar officer is appointed through an irrevocable resolution for the opening of insolvency proceedings; (B) an irrevocable resolution is passed for the winding-up or dissolution or administration of the Issuer or any of its Material Subsidiaries; or (C) the Issuer or any of its Material Subsidiaries shall apply or petition for a winding-up or administration order in respect of itself, in each of the cases (A), (B) or (C) above except for the purposes of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation (i) pursuant to Condition 10 (*Reorganisation and Substitution*), (ii) on terms approved by an Extraordinary Resolution of the Noteholders or (iii) in the case of a Material Subsidiary, whereby the undertaking and assets of the Material Subsidiary are transferred to or otherwise vested in the Issuer or another Material Subsidiary (or a Subsidiary of the Issuer which, upon such transfer or vesting, will become a Material Subsidiary); or
- (h) **Nationalisation:** the assets of the Group in an amount which exceeds 15 per cent., of the Consolidated Total Assets of the Group are expropriated, seized or nationalised by any Person; or

- (i) **Authorisation and Consents:** any action, condition or thing (including the obtaining or effecting of any necessary consent, approval, authorisation, exemption, filing, licence, order, recording or registration) at any time required to be taken, fulfilled or done in order (i) to ensure that those obligations are legally binding and enforceable, or (ii) to make the Notes, the Trust Deed and the Agency Agreement admissible in evidence in the courts of Guernsey is not taken, fulfilled or done; or
- (j) **Illegality:** it is unlawful for the Issuer to perform or comply with any one or more of its obligations under any of the Notes, the Trust Deed or the Agency Agreement; or
- (k) **Analogous events:** any event occurs that under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in any of the foregoing paragraphs.

12. Prescription

Claims in respect of principal and interest will become void unless the relevant Definitive Certificate is surrendered for payment as required by Condition 8 (*Payments*) within a period of ten years in the case of principal and five years in the case of interest from the relevant date for payment thereof.

13. Replacement of Notes

If any Definitive Certificate is lost, stolen, mutilated, defaced or destroyed it may be replaced at the Specified Office of the Registrar or any Transfer Agent subject to all applicable laws and stock exchange or other relevant authority requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer, the Registrar or the Transfer Agent may require (provided that the requirement is reasonable in the light of prevailing market practice). Mutilated or defaced Definitive Certificates must be surrendered before replacements will be issued.

14. Trustee and Paying Agents

(a) *Trustee*

Under the Trust Deed, the Trustee is entitled to be indemnified and relieved from responsibility and liability towards the Issuer and the Noteholders, including (i) provisions relieving it from taking action unless indemnified and/or secured and/or pre-funded to its satisfaction and (ii) provisions limiting or excluding its liability in certain circumstances and to be paid its costs and expenses in priority to the claims of the Noteholders. The Trust Deed provides that, when determining whether an indemnity or any security or prefunding is satisfactory to it, the Trustee shall be entitled (i) to evaluate its risk in any given circumstance by considering the worst-case scenario and (ii) to require that any indemnity or security given to it by the Noteholders or any of them be given on a joint and several basis and be supported by evidence satisfactory to it as to the financial standing and creditworthiness of each counterparty and/or as to the value of the security and an opinion as to the capacity, power and authority of each counterparty and/or the validity and effectiveness of the security. In addition, the Trustee is entitled, *inter alia*, (a) to enter into business transactions with and/or to act as trustee for the holders of any other securities issued or guaranteed by, or relating to, the Issuer and any entity relating to the Issuer and (b) to exercise and enforce its rights comply with its obligations and perform its duties under or in relation to any such transactions or, as the case may be, any such trusteeship without regard to the interests of, or consequences for, the Noteholders, and (c) to retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith.

In the exercise of its powers and discretions under these Conditions and the Trust Deed, the Trustee will have regard to the interests of the Noteholders as a class and will not be responsible for any consequence to individual holders of Notes as a result of such holders being connected in any way with a particular territory or taxing jurisdiction.

(b) ***Agents***

In acting under the Agency Agreement and in connection with the Notes, the Paying Agents act solely as agents of the Issuer and (to the extent provided therein) the Trustee and do not assume any obligations towards or relationship of agency or trust for or with any of the Noteholders.

The initial Paying Agents and their initial Specified Offices are listed below. The Issuer reserves the right (with the prior approval of the Trustee) at any time to vary or terminate the appointment of any Paying Agent and to appoint a successor principal paying agent and additional or successor paying agents; *provided, however, that* the Issuer shall at all times maintain a principal paying agent and a registrar.

Notice of any change in any of the Agents or in their Specified Offices shall promptly be given to the Noteholders.

15. Meetings of Noteholders; Modification and Waiver

(a) ***Meetings of Noteholders***

The Trust Deed contains provisions for convening meetings of Noteholders to consider matters relating to the Notes, including the modification of any provision of these Conditions or the Trust Deed. Any such modification may be made if sanctioned by an Extraordinary Resolution. Such a meeting may be convened by the Issuer or the Trustee and shall be convened by the Trustee upon the request in writing of Noteholders holding not less than one-tenth of the aggregate principal amount of the outstanding Notes. The quorum at any meeting convened to vote on an Extraordinary Resolution will be one or more Persons holding or representing more than half of the aggregate principal amount of the outstanding Notes or, at any adjourned meeting, one or more Persons being or representing Noteholders whatever the principal amount of the Notes held or represented; *provided, however, that* any proposal to change any date fixed for payment of principal or interest in respect of the Notes, to reduce the amount of principal or interest payable on any date in respect of the Notes, to alter the method of calculating the amount of any payment in respect of the Notes or the date for any such payment, to change the currency of payments under the Notes, or to change the quorum requirements relating to meetings or the majority required to pass an Extraordinary Resolution (each, a “**Reserved Matter**”) may only be sanctioned by an Extraordinary Resolution passed at a meeting of Noteholders at which one or more Persons holding or representing not less than three-quarters or, at any adjourned meeting, one quarter of the aggregate principal amount of the outstanding Notes form a quorum. Any Extraordinary Resolution duly passed at any such meeting shall be binding on all the Noteholders, whether present or not.

(b) ***Written resolution***

In addition, a resolution in writing signed by or on behalf of Noteholders holding or representing not less than three-quarters of the aggregate principal amount of the outstanding Notes who for the time being are entitled to receive notice of a meeting of Noteholders under the Trust Deed will take effect as if it was an Extraordinary Resolution. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

(c) ***Modification and waiver***

The Trustee may, without the consent of the Noteholders, agree to any modification of these Conditions or the Trust Deed if, in the opinion of the Trustee, such modification will not be materially prejudicial to the interests of Noteholders and to any modification of the Notes or the Trust Deed which is of a formal, minor or technical nature or is to correct a manifest error.

In addition, the Trustee may, without the consent of the Noteholders authorise or waive any proposed breach or breach of the Notes or the Trust Deed, or determine, without any such consent as aforesaid, that any Event of Default or Potential Event of Default (as defined in the

Trust Deed) shall not be treated as such if in any such case in the opinion of the Trustee, the interests of the Noteholders will not be materially prejudiced thereby.

Unless the Trustee agrees otherwise, any such authorisation, waiver, determination or modification shall be notified to the Noteholders as soon as practicable thereafter.

16. Enforcement

The Trustee may at any time, at its discretion and without notice, institute such proceedings and/or steps or action (including lodging an appeal in any proceedings) as it thinks fit to enforce its rights under the Trust Deed in respect of the Notes or otherwise, but it shall not be bound to do so or take any other action under the Trust Deed unless:

- (a) it has been so requested in writing by the holders of at least one quarter of the aggregate principal amount of the outstanding Notes or has been so directed by an Extraordinary Resolution; and
- (b) it has been indemnified and/or secured and/or prefunded to its satisfaction.

No Noteholder may proceed directly against the Issuer unless the Trustee, having become bound to do so, fails to do so within a reasonable time and such failure is continuing.

The Trustee may refrain from taking any action in any jurisdiction if the taking of such action in that jurisdiction would, in its reasonable opinion based upon legal advice in the relevant jurisdiction, be contrary to any law of that jurisdiction applicable to it. Furthermore, the Trustee may also refrain from taking such action if it would otherwise render it liable to any Person in that jurisdiction or if, in its opinion based upon such legal advice, it would not have the power to do the relevant thing in that jurisdiction by virtue of any applicable law in that jurisdiction or if it is determined by any court or other competent authority in that jurisdiction that it does not have such power.

17. Further Issues

The Issuer may from time to time, without the consent of the Noteholders and in accordance with the Trust Deed, create and issue further notes (a) having the same terms and conditions as the Notes in all respects so as to form a single series with the Notes or (b) upon such terms as to ranking, interest, conversion, redemption and otherwise as the Issuer may determine at the time of the issue. Any further notes which are to form a single series with the Notes shall be constituted by a deed supplemental to the Trust Deed. Any further notes or bonds under subparagraph (b) shall be constituted by a separate trust deed.

18. Notices

Notices to the Noteholders shall be valid if published on the website of the Irish Stock Exchange (www.ise.ie) or, if such publication is not practicable, in a leading English language daily newspaper having general circulation in Europe. Any such notice shall be deemed to have been given on the date of first publication.

19. Governing Law and Jurisdiction

(a) *Governing law*

The Notes and the Trust Deed and any non-contractual obligations arising out of or in connection with the Notes and the Trust Deed are governed by English law.

(b) *English courts*

The Issuer has in the Trust Deed (i) agreed for the benefit of the Trustee and the Noteholders that the courts of England shall have exclusive jurisdiction to settle any dispute (a “**Dispute**”) arising out of or in connection with the Notes (including any non-contractual obligation arising out of or in connection with the Notes); (ii) agreed that the courts of England are the most appropriate and convenient courts to settle any Dispute and, accordingly, that it will not argue

to the contrary; and (iii) agreed that the documents which start any proceedings relating to a Dispute (“**Proceedings**”) and any other documents required to be served in relation to those Proceedings may be served on it by being delivered to Law Debenture Corporate Services Limited whose registered address is at Fifth Floor, 100 Wood Street London EC2V 7EX, United Kingdom, or to such other Person with an address in England or Wales and/or at such other address in England or Wales as the Issuer may specify by notice in writing to the Noteholders.

(c) ***Rights of the Noteholders to take proceedings outside England***

The Trust Deed also states that nothing contained in the Trust Deed prevents the Trustee or any Noteholder from taking Proceedings in any other courts with jurisdiction. To the extent allowed by law, the Trustee or any of the Noteholders may take concurrent Proceedings in any number of jurisdictions.

20. **Definitions**

For purposes of these Conditions:

“**Adjusted EBITDA**” means the consolidated profit/(loss) of the Group before taxes, Consolidated interest Expense, depreciation, amortisation and impairments and non-controlling interest and share of profit/(loss) of joint ventures, excluding any fair value differences, the net result on sale of financial investments, share-based payment expenses, acquisition, disposal and business reorganisation related fees and expenses, net result on acquisitions, disposals and business reorganisations, any other exceptional or non-recurring item and the mark-to-market effect of financial instruments and derivative transactions, as determined by reference to the most recent consolidated statement of comprehensive income of the audited annual or unaudited semiannual condensed (as the case may be) financial statements of the Group, prepared in accordance with IFRS, as applicable.

“**Agents**” means the Principal Paying Agent, the Paying Agents, the Transfer Agent and the Registrar from time to time and “**Agent**” means any one of them.

“**Change of Control Put Date**” means the date specified in a Change of Control Notice on which the Issuer will redeem or purchase Notes pursuant to an exercise of a Change of Control Put Option.

A “**Change of Control Put Event**” will be deemed to occur if:

- (i) any Person or any Persons acting in concert shall acquire a controlling interest in (A) more than 50 per cent., of the issued or allotted ordinary share capital of the Issuer or (B) shares in the issued or allotted ordinary share capital of the Issuer carrying more than 50 per cent. of the voting rights normally exercisable at a general meeting of the Issuer, except, in either case, if such controlling interest is acquired by either (i) Mr. Ioannis Papalekas and/or (ii) Growthpoint Properties Limited and/or (iii) any Related Person of any Person specified in (i) and (ii) (each such event being, a “**Change of Control**”); and
- (ii) (1) a Change of Control that is accompanied or followed by a downgrade of the Notes within the Ratings Decline Period for such Change of Control by each of Moody’s and S&P (or, in the event Moody’s or S&P or both shall cease rating the Notes (for reasons outside the control of the Issuer), the Issuer shall select any other internationally recognised rating agency, the equivalent of such ratings by such other internationally recognised rating agency) and (2) the rating of the Notes on any day during such Ratings Decline Period is below the lower of the rating by such nationally recognized rating agency in effect (a) immediately preceding the first public announcement of the Change of Control (or occurrence thereof if such Change of Control occurs prior to public announcement) and (b) on the Issue Date; provided that a Change of Control Put Event will not be deemed to have occurred in respect of a particular Change of Control if such nationally recognized rating agency making the reduction in rating does not publicly announce or confirm or inform the Trustee at the Issuer’s request that the reduction was the result, in whole or in part, of any event or circumstance comprised of or arising as a result of, or in respect of or in connection with the Change of Control. For the avoidance of doubt, no Change of Control Put Event will be deemed to have occurred in

connection with any particular Change of Control unless and until such Change of Control has actually been consummated.

“**Change of Control Put Exercise Notice**” means an exercise notice in the form (for the time being current and which may, if this Note is held through Euroclear and Clearstream, be in any form acceptable to Euroclear and Clearstream delivered in a manner acceptable to Euroclear and Clearstream) obtainable from the Specified Office of any Paying Agent specifying the nature of the Change of Control Put Event and the procedure for exercising the Change of Control Put Option.

“**Change of Control Put Notice**” means the notice given by the Issuer to Noteholders upon the occurrence of a Change of Control Put Event in accordance with Condition 7(d) (*Redemption at the Option of Noteholders upon a Change of Control*) and Condition 18 (*Notices*).

“**Change of Control Put Option**” has the meaning set out in Condition 7(d) (*Redemption at the Option of Noteholders upon a Change of Control*).

“**Change of Control Put Period**” has the meaning set out in Condition 7(d) (*Redemption at the Option of Noteholders upon a Change of Control*).

“**Clearstream**” means Clearstream Banking, S.A.

“**Consolidated Coverage Ratio**” means, in respect of any Measurement Date, (i) the aggregate amount of Adjusted EBITDA for the period of the most recent two consecutive semi-annual periods ending on such Measurement Date divided by (ii) the Consolidated Interest Expense for such two semi-annual periods.

“**Consolidated Interest Expense**” means, for any period, all charges, interest, commission, fees, discounts, premiums and other finance costs in respect of Indebtedness (but excluding such interest on Subordinated Shareholder Debt) incurred by the Group as shown in the most recent consolidated statement of comprehensive income of the audited annual or unaudited semi-annual condensed (as the case may be) financial statements of the Group, prepared in accordance with IFRS; provided, however, that Consolidated Interest Expense shall not include, for any Measurement Date, close-out costs related to repayments of Indebtedness occurring prior to 31 December 2017.

“**Consolidated Leverage Ratio**” means, in relation to the Group and its Subsidiaries and in respect of any Measurement Date, the Consolidated Total Indebtedness divided by Consolidated Total Assets.

“**Consolidated Secured Leverage Ratio**” means, in relation to the Issuer and its Subsidiaries and in respect of any Measurement Date, the Secured Consolidated Total Indebtedness divided by Consolidated Total Assets.

“**Consolidated Total Assets**” means the total assets (excluding intangible assets) of the Group as shown in the most recent consolidated statement of financial position of the audited annual or unaudited semi-annual condensed (as the case may be) financial statements of the Group, prepared in accordance with IFRS.

“**Consolidated Total Indebtedness**” means the total Indebtedness of the Group (excluding deferred tax liabilities and income and deposits from tenants) as determined by reference to the most recent consolidated statement of financial position of the audited annual or unaudited semi-annual condensed (as the case may be) financial statements of the Group, prepared in accordance with IFRS.

“**Definitive Certificate**” means a Note in definitive form.

“**Determination Agent**” means an investment bank or financial institution of international standing selected by the Issuer and approved by the Trustee (in accordance with the Trust Deed).

“**Dispute**” has the meaning set out in Condition 19(b) (*English courts*).

“**Euroclear**” means Euroclear Bank SA/NV.

“**Event of Default**” has the meaning set out in Condition 11 (*Events of Default*).

“**Extraordinary Resolution**” has the meaning set out in the Trust Deed.

“**Gross Revenues**” means the sum of: contractual rental income, expense recoveries and other operating income.

“**Group**” means the Issuer and its Subsidiaries taken as a whole.

“**guarantee**” means, in relation to any Relevant Indebtedness of any Person, any obligation of another Person to pay such Relevant Indebtedness including (without limitation).

- (a) any obligation to purchase such Relevant Indebtedness;
- (b) any obligation to lend money, to purchase or subscribe shares or other securities or to purchase assets or services for the express purpose of providing funds for the payment of such Relevant Indebtedness;
- (c) any indemnity against the consequences of a default in the payment of such Relevant Indebtedness; and
- (d) any other agreement to be responsible for such Relevant Indebtedness.

“**IFRS**” means International Financial Reporting Standards as adopted by the European Union, including International Accounting Standards and Interpretations, issued by the International Accounting Standards Board (as amended, supplemented or re-issued from time to time).

“**IAS 34**” means the International Accounting Standard 34, Interim Financial Reporting issued by the International Accounting Standards Board, as amended, supplemented, or re-issued from time to time.

“**Indebtedness**” means, with respect to any Person at any date of determination (without duplication) any debt of such Person (excluding Subordinated Shareholder Debt), including:

- (a) all indebtedness of such Person for borrowed money in whatever form;
- (b) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments;
- (c) all obligations of such Person in respect of letters of credit or other similar instruments (including reimbursement obligations with respect thereto, except to the extent any such reimbursement obligations relate to trade payables);
- (d) all obligations of such Person to pay the deferred and unpaid purchase price of property, assets or services which purchase price is due more than 90 days after the earlier of the date of placing such property in service or taking delivery and title thereof or the completion of such services excluding:
 - (i) any trade payables or other liability to trade creditors; and
 - (ii) any post-closing payment adjustments in connection with the purchase by the Issuer or any Subsidiary of the Issuer of any business to which the seller may become entitled, to the extent such payment is determined by a final closing balance sheet or such payment depends on the performance of such business after the closing and **provided that** (x) the amount of any such payment is not determinable at the time of closing and, (y) to the extent such payment thereafter becomes fixed and determined, the amount is paid within 90 days thereafter;
- (e) all capitalised lease obligations of such Person, to the extent treated as indebtedness in the financial statements of such Person under IFRS;
- (f) all obligations of the type referred to in paragraphs (a) to (e) of other Persons guaranteed by such Person to the extent such obligation is guaranteed by such Person; and
- (g) any obligations of the type referred to in paragraphs (a) to (f), where a Security Interest has been granted over any asset of such Person (including where the underlying obligation has

been assumed by a third party). The amount of such obligation shall be deemed to be the lesser of: (i) the book value of such asset as shown in the most recent audited annual or unaudited semi-annual financial statements of such Person and (ii) the amount of the obligation so secured.

For the purpose of determining the euro-equivalent of Indebtedness denominated in a foreign currency, the euro-equivalent principal amount of such Indebtedness pursuant thereto shall be calculated based on the relevant official central bank currency exchange rate in effect on the date of determination thereof.

The amount of Indebtedness of any Person at any date shall be the outstanding balance at such date of all unconditional obligations as described above provided that (i) with respect to contingent obligations as described above, the amount of Indebtedness will be the value of the contingency, if any, giving rise to the obligation as reported in that Person's financial statements and (ii) in the case of Indebtedness sold at a discount, the amount of such Indebtedness at any time will be the accreted value thereof at such time;

“Material Subsidiary” means any Subsidiary of the Issuer whose total assets (excluding intangible assets) or Gross Revenues ((i) each as determined by reference to the relevant Subsidiary's most recent audited annual, or unaudited semi-annual (as the case may be) financial statements prepared in accordance with IFRS or IAS 34, as applicable, and (ii) excluding any intra-Group Indebtedness and related receivables eliminated in the consolidated financial statements of the Issuer) exceed 7.5 per cent., of the Consolidated Total Assets or Gross Revenues of the Group, as the case may be (each as determined by reference to the Issuer's most recent audited annual, or unaudited semi-annual (as the case may be) consolidated financial statements). The Issuer will deliver on each Reporting Date a certificate addressed to the Trustee and signed by two authorised signatories confirming, in their opinion, which Subsidiaries of the Issuer are Material Subsidiaries of the Issuer as at each Measurement Date and such certificate may be relied on by the Trustee without further enquiry or evidence and, if relied upon by the Trustee, shall, in the absence of manifest error, be conclusive and binding on all parties.

“Measurement Date” means each day which is (i) the last day of the Group's financial year in any year, with the first such date being 31 December 2017 (the **“Annual Measurement Date”**) or (ii) the last day of the first half of the Group's financial year in any year, with the first such date being 30 June 2018 (the **“Semi-Annual Measurement Date”**).

“Moody's” means Moody's Investors Service, Inc. or any of its successors or assigns that is an internationally recognised rating agency.

“Optional Redemption Price” means the price, expressed as a percentage (rounded to three decimal places, 0.0005 being rounded upwards), at which the yield (as calculated by the Determination Agent) on the Notes to be redeemed, if they were to be purchased at such price on the third dealing day prior to the date fixed for redemption, would be equal to the yield on such dealing day of the Reference Bond, plus 50 basis points, on the basis of the average of four quotations of the average midmarket annual yield to maturity of the Reference Bond prevailing at 11:00 a.m. (Central European time) on such dealing day as determined by the Determination Agent.

“outstanding” has the meaning set out in the Trust Deed.

“Permitted Security Interest” means any Security Interest existing on the Issue Date.

“Person” means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other entity, whether or not having separate legal personality.

“Potential Event of Default” has the meaning set out in the Trust Deed.

“Proceedings” has the meaning set out in Condition 19(b) (*English courts*).

“Ratings Decline Period” means, with respect to any Change of Control, the period that (1) begins on the earlier of (a) the date of the first public announcement of the occurrence of such Change of Control or of the intention by the Issuer or a shareholder of the Issuer, as applicable, to effect such Change of Control or (b) the occurrence of such Change of Control and (2) ends on the 60th day following

consummation of such Change of Control; provided, however, that such period shall be extended for so long as the rating of the Notes, as noted by the applicable rating agency, is under publicly announced consideration for downgrade by the applicable rating agency.

“**Record Date**” means the Business Day falling before the due date for the relevant payment.

“**Reference Bond**” means, in relation to any Optional Redemption Price calculation, OBL 0.0% 2022 (DE0001141752) or if such bond is no longer in issue, such other European government bond as the Determination Agent may, with the advice of three brokers of, and/or market makers in, European government bonds selected by the Determination Agent, determine to be appropriate for determining the Optional Redemption Price.

“**Related Person**” means:

- (i) in case of an individual, any spouse, family member or relative of such individual, any trust or partnership for the benefit of one or more of such individual and any such spouse, family member or relative, or the estate, executor, administrator, committee or beneficiaries of any thereof; or
- (ii) any trust, corporation, partnership or other Person for which either Mr. Ioannis Papalekas and/or Growthpoint Properties Limited and other Related Persons of any thereof constitute the beneficiaries, stockholders, partners or owners thereof, or Persons holding in the aggregate the majority (or more) controlling interest therein.

“**Relevant Date**” has the meaning set out in Condition 9 (*Taxation*).

“**Relevant Indebtedness**” means any Indebtedness which is in the form of or represented by any marketable debt securities (either through a public offering or a private placement), including any bond, note, debenture, debenture stock, certificate or other similar instrument which is initially held by three or more Persons and which is for the time being, or is ordinarily capable of being, listed, quoted or traded on any stock exchange or on any securities market (including, without limitation, any over-the-counter market).

“**Relevant Taxing Jurisdiction**” means Guernsey or any jurisdiction from or through which payment is made and (if different) any jurisdiction in which the Issuer is resident for tax purposes at the time of payment, and any political subdivision or taxing authority thereof or therein having power to tax.

“**Reporting Date**” means the date that is 30 days after (i) the publication of the Group’s audited annual consolidated financial statements, prepared in accordance with IFRS, with respect to an Annual Measurement Date, or (ii) the publication of the Group’s unaudited condensed semi-annual consolidated financial statements, prepared in accordance with IAS 34, with respect to a Semi-Annual Measurement Date.

“**Reserved Matter**” has the meaning set out in Condition 15(a) (*Meetings of Noteholders*).

“**S&P**” means Standard & Poor’s Investors Ratings Services or any of its successors or assigns that is an internationally recognised rating agency.

“**Secured Consolidated Total Indebtedness**” means such amount of Consolidated Total Indebtedness that is secured by a Security Interest granted by the Issuer or a Subsidiary of the Issuer.

“**Security Interest**” means any mortgage, charge, pledge, lien or other security interest including, without limitation, anything analogous to any of the foregoing under the laws of any jurisdiction.

“**Specified Office**” has the meaning set out in the Agency Agreement.

“**Subordinated Shareholder Debt**” means Indebtedness of the Issuer directly or indirectly held by one or more of its shareholders; provided that such Indebtedness (and any security into which such Indebtedness is convertible or for which it is exchangeable at the option of the holder) (i) does not mature or require any amortisation, redemption or other repayment of principal or any sinking fund payment prior to the first anniversary of the stated maturity of the Notes, (ii) does not pay cash interest, (iii) contains no change of control provisions and has no right to declare a default or event of default or

take any enforcement action prior to the first anniversary of the stated maturity of the Notes, (iv) is unsecured and (v) is fully subordinated and junior in right of payment to the Note.

“**Subsidiary**” means, in relation to any Person (the “**first Person**”) at any particular time, any other Person (the “**second Person**”):

- (a) whose affairs and policies the first Person controls or has the power to control, whether by ownership of share capital, contract, the power to appoint or remove members of the governing body of the second Person or otherwise; or
- (b) whose financial statements are, in accordance with applicable law and generally accepted accounting principles, consolidated with those of the first Person.

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

“**TARGET Settlement Day**” means any day on which TARGET2 is open for the settlement of payments in euro.

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

SUMMARY OF PROVISIONS RELATING TO THE NOTES IN GLOBAL FORM

The following is a summary of the provisions to be contained in the Global Certificate which will apply to, and in some cases modify, the Conditions as they apply to the Notes evidenced by the Global Certificate.

The Notes will be represented by a Global Certificate, which will be held under the NSS with the Common Safekeeper.

Exchange

The Global Certificate will only become exchangeable in whole, but not in part, for Definitive Certificates if (i) Euroclear or Clearstream is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business or does in fact do so and no alternative clearing system satisfactory to the Trustee is available or (ii) any of the circumstances described in Condition 11 (*Events of Default*) occurs.

Whenever the Global Certificate is to be exchanged for Definitive Certificates, such Definitive Certificates will be issued in an aggregate principal amount equal to the principal amount of the Global Certificate within five business days of the delivery, by or on behalf of the registered holder of the Global Certificate, Euroclear and/or Clearstream, to the Registrar of such information as is required to complete and deliver such Definitive Certificates (including, without limitation, the names and addresses of the persons in whose names the Definitive Certificates are to be registered and the principal amount of each such person's holding) against the surrender of the Global Certificate at the specified office of the Registrar.

Such exchange will be effected in accordance with the provisions of the Agency Agreement and the regulations concerning the transfer and registration of Notes scheduled thereto and, in particular, shall be effected without charge to any holder or the Trustee, but against such indemnity as the Registrar may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such exchange.

In addition, the Global Certificate will contain provisions that modify the Conditions as they apply to the Notes evidenced by the Global Certificate. The following is a summary of those provisions:

Notices

Notwithstanding Condition 18 (*Notices*), for so long as the Global Certificate is held on behalf of Euroclear, Clearstream or any other clearing system (an "Alternative Clearing System"), notices to holders of Notes represented by the Global Certificate may be given by delivery of the relevant notice to Euroclear, Clearstream or such Alternative Clearing System. Any such notice shall be deemed to be given to the holders of the Notes on the day on which such notice is delivered to Euroclear, Clearstream or the Alternative Clearing System.

Payments

Payments of principal and premium, if any, in respect of, and interest on, the Notes represented by the Global Certificate will be made against presentation for endorsement and, if no further payment falls to be made on or in respect of the Notes, surrender of the Global Certificate to or to the order of the Principal Paying Agent or such other Paying Agent as shall have been notified to the holders of the Notes for such purpose. The Company shall procure that details of each such payment shall be entered pro rata in the records of the relevant clearing system and in the case of payments of principal, the nominal amount of the Notes recorded in the records of the relevant clearing system and represented by the Global Certificate will be reduced accordingly. Each payment so made will discharge the Company's obligations in respect thereof. Any failure to make the entries in the records of the relevant clearing system shall not affect such discharge.

Prescription

Claims against the Company in respect of principal or premium and interest on the Notes while the Notes are represented by the Global Certificate will be prescribed after ten years (in the case of principal and premium) and five years (in the case of interest) from the appropriate due date.

Meetings

The holder of the Global Certificate will be treated as being two persons for the purposes of any quorum requirements of, or the right to demand a poll at, a meeting of Noteholders and, at any such meeting, as having one vote in respect of each €1,000 in principal amount of Notes for which the Global Certificate may be exchanged.

Trustee's Powers

In considering the interests of Noteholders while the Global Certificate is held on behalf of a clearing system, the Trustee may have regard to any information provided to it by such clearing system or its operator as to the identity (either individually or by category) of its accountholders with entitlements to the Global Certificate and may consider such interests as if such accountholders were the holder of the Global Certificate.

Authentication and Effectuation

The Global Certificate shall not become valid or enforceable for any purpose unless and until they have been authenticated by or on behalf of the Principal Paying Agent and effectuated by the Common Safekeeper.

Information Concerning Euroclear and Clearstream

All book-entry interests will be subject to the operations and procedures of Euroclear and Clearstream, as applicable. The Company provides the following summaries of those operations and procedures solely for the convenience of investors. The operations and procedures of each settlement system are controlled by that settlement system and may be discontinued or changed at any time. None of the Company or the Managers is responsible for those operations or procedures.

Euroclear and Clearstream hold securities for participant organisations and facilitate the clearance and settlement of securities transactions between their respective participants through electronic book-entry charges in accounts of such participants. Euroclear and Clearstream provide to their participants, among other things, services for safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream interface with domestic securities markets.

Euroclear and Clearstream participants are financial institutions such as underwriters, securities brokers and dealers, banks, trust companies and certain other organisations. Indirect access to Euroclear or Clearstream is also available to others such as banks, brokers, dealers and trust companies that clear through or maintain a custodian relationship with a Euroclear or Clearstream participant, either directly or indirectly.

Because Euroclear and Clearstream can only act on behalf of participants, who in turn act on behalf of indirect participants and certain banks, the ability of an owner of a beneficial interest to pledge such interest to persons or entities that do not participate in the Euroclear and/or Clearstream systems, or otherwise take actions in respect of such interest, may be limited by the lack of a definite certificate for that interest. The laws of some jurisdictions require that certain persons take physical delivery of securities in definitive form. Consequently, the ability to transfer beneficial interests to such person may be limited.

Initial Settlement

The initial settlement for the Notes will be made in euro. The book-entry interests owned through Euroclear or Clearstream accounts will follow the settlement procedures applicable to conventional Eurobonds in registered form. The book-entry interests will be credited to the securities custody accounts of Euroclear and Clearstream holders on the business day following the settlement date against payment for value on the settlement date.

Secondary Market Trading

The book-entry interests will trade through participants of Euroclear or Clearstream and will settle in same-day funds. Since the purchaser determines the place of delivery, it is important to establish at the time of trading of any book-entry interests where both the purchaser's and the seller's accounts are located to ensure that settlement can be made on the desired value date.

Eurosystem Eligibility

The Notes are intended to be held in a manner which would allow Eurosystem eligibility, which simply means that the Notes are intended upon issue to be deposited with one of the International Central Securities Depositories ("ICSDs") as common safekeeper, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper, and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the European Central Bank being satisfied that Eurosystem eligibility criteria have been met.

CERTAIN TAX CONSIDERATIONS

The following summaries do not purport to be a comprehensive description of all tax considerations that could be relevant for Noteholders. These summaries are intended as general information only and each prospective Noteholder should consult a professional tax adviser with respect to the tax consequences of an investment in the Notes. These summaries are based on tax legislation and published case law in force as of the date of this Prospectus. They do not take into account any developments or amendments thereof after that date, whether or not such developments or amendments have retroactive effect.

Guernsey Tax Considerations

Noteholders who are resident outside Guernsey (which includes Alderney and Herm) for Guernsey Tax purposes will not be subject to any tax in Guernsey on the receipt of payments in respect of their holding of the Notes provided such payments are not to be taken into account in computing the profits of any permanent establishment situate in Guernsey through which such holder carries on a business in Guernsey.

Noteholders who are resident in Guernsey (which includes Alderney and Herm) for Guernsey tax purposes will incur Guernsey income tax at the applicable rate on income arising from their holding of Notes. However, any tax payable in respect of such income will not be collected by way of deduction of withholding from any payments made to them of such income.

Guernsey currently does not levy taxes upon capital inheritances, capital gains, gifts, sales or turnover (unless the varying of investments and the turning of such investments to account is a business or part of a business), nor are there any estate duties (save for registration fees and ad valorem duty payable upon an application for a Guernsey Grant of Representation where the deceased dies leaving assets in Guernsey, which require presentation of such a Grant). No duty is chargeable in Guernsey on the issue, transfer or redemption of the Notes.

US-Guernsey Intergovernmental Agreement

On 13 December 2013, the Chief Minister of Guernsey signed an intergovernmental agreement with the U.S. (the "U.S.-Guernsey IGA") regarding the implementation of U.S. rules formerly referred to as "FATCA", under which certain disclosure requirements will be imposed in respect of certain investors in the Notes who are, or are entities that are controlled by one or more natural persons who are, residents or citizens of the U.S., unless an exemption applies. Certain due diligence obligations will also be imposed. Where applicable, information that will need to be disclosed will include certain information about investors in the Notes, their ultimate beneficial owners and/or controllers, and their investment in and returns from the Notes.

Under the terms of the U.S.-Guernsey IGA, Guernsey resident financial institutions that comply with the due diligence and reporting requirements of Guernsey's domestic legislation will be treated as compliant with FATCA and, as a result, should not be subject to FATCA withholding on payments they receive and should not be required to withhold under FATCA on payments they make under the Notes. If the Issuer does not comply with these obligations, it may be subject to a FATCA deduction on certain payments to it of US source income (including interest and dividends) (from 1 July 2014) and proceeds from the sale of property that could give rise to US source interest or dividends or on "foreign pass thru payments" (from 1 January 2019). The U.S.-Guernsey IGA is implemented through Guernsey's domestic legislation, in accordance with guidance which is currently published in draft form.

Common Reporting Standard

On 13 February 2014, the Organization for Economic Co-operation and Development released the Common Reporting Standard ("CRS") designed to create a global standard for the automatic exchange of financial account information, similar to the information to be reported under FATCA. On 29 October 2014, 51 jurisdictions signed the multilateral competent authority agreement (the "Multilateral Agreement") that activates this automatic exchange of FATCA-like information in line with the CRS. Since then, further jurisdictions have signed the Multilateral Agreement and in total 100 jurisdictions have committed to adopting the CRS.

Early adopters who signed the Multilateral Agreement (including Guernsey) have pledged to work towards the first information exchanges, regarding the 2016 period, taking place by September 2017. Others (including Switzerland) are expected to follow with information exchange starting in 2018.

Under the CRS and legislation enacted in Guernsey to implement the CRS with effect from 1 January 2016, certain disclosure requirements will be imposed in respect of certain investors in the Notes who are, or are entities that are controlled by one or more natural persons who are, residents of any of the jurisdictions who have adopted the CRS, unless a relevant exemption applies. Where applicable, information that would need to be disclosed will include certain information about investors in the Notes, their ultimate beneficial owners and/or controllers, and their investment in and returns from the Notes.

The CRS is implemented through Guernsey's domestic legislation in accordance with guidance that is published in draft form that is supplemented by guidance issued by the Organization for Economic Co-operation and Development.

All prospective investors should consult with their own tax advisers regarding the possible implications of FATCA, the CRS and any other similar legislation and/or regulations on their investment in the Exchange Note.

SUBSCRIPTION AND SALE

Deutsche Bank AG, London Branch, J.P. Morgan Securities plc and UBS Limited (together the “Joint Lead Managers”) and BT Capital Partners S.A. and Rand Merchant Bank, a division of FirstRand Bank Limited (London Branch) (together, the “Co-Managers” and, together with the Joint Lead Managers, the “Managers”) have, in a subscription agreement dated 14 June 2017 (the “Subscription Agreement”) entered into between the Company and the Managers upon the terms and subject to the conditions contained therein agreed to subscribe for the Notes on a several (and not a joint and several) basis at their issue price of 99.427 per cent. of their principal amount plus any accrued interest in respect thereof and less a combined management and underwriting commission. The Subscription Agreement provides that the obligations of the Managers to purchase the Notes are subject to approval of legal matters by counsel and to other conditions. The Company has also agreed to reimburse the Managers for certain of their expenses incurred in connection with the management of the issue of the Notes. The Managers are entitled in certain circumstances to be released and discharged from their obligations under the Subscription Agreement prior to the closing of the issue of the Notes.

United States

The Notes have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States. The Notes are being offered and sold outside the United States by the Lead Managers in accordance with Regulation S, and may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. Persons, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S.

Each Manager has, severally and not jointly, agreed that, except as permitted by the Subscription Agreement, it will not offer, sell or deliver the Notes (a) as part of their distribution at any time or (b) otherwise until 40 days after the later of the commencement of the offering and the Issue Date of the Notes within the United States or to, or for the account or benefit of, U.S. persons and that it will have sent to each dealer to which it sells any Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

In addition, until 40 days after the commencement of the offering, an offer or sale of Notes within the United States (by any dealer that is not participating in the offering of the Note) may violate the registration requirements of the Securities Act.

United Kingdom

Each Manager has, severally and not jointly, represented and agreed that:

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the “FSMA”)) received by it in connection with the issue or sale of the Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Company; and
- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

Romania

This Prospectus and any document or advertisement in connection with the Notes may not be distributed or published in Romania, except in circumstances which (i) do not constitute a public offering of securities which requires the approval of a prospectus or any other document in Romania or by Romanian authorities and (ii) comply with all applicable laws and regulations, including, Law No. 24/2017 on issuers of financial instruments and market operations, Regulation No. 1/2006 on issuers and operations with securities (as amended),

implementing norms issued or approved by the Romanian National Securities Commission, the Romanian Financial Supervisory Authority or any other competent Romanian authority and applicable EU legislation. The Notes can be acquired by investors only in such a manner that no approval from the Romanian Financial Supervisory Authority or any other competent Romanian authority is needed. The Notes may be offered in Romania on the basis of the exemptions from the obligation to prepare and publish a prospectus provided by paragraph (3)(a) of article 16 of Law No. 24/2017 on issuers of financial instruments and market operations.

Guernsey

The offer of the Notes described in this Prospectus does not constitute an offer to the public in the Bailiwick of Guernsey for the purposes of the Prospectus Rules, 2008. The offering of the Notes is not authorised, registered or regulated by the Guernsey Financial Services Commission.

The Notes may not be offered or sold to or held by any person resident for the purposes of the Income Tax (Guernsey) Law 1975 in the Islands of Guernsey, Alderney or Herm, Channel Islands.

Switzerland

The Notes may not be publicly offered, distributed, or advertised, directly or indirectly, in or from Switzerland. Neither this Prospectus nor any other offering or marketing material relating to the Notes may be distributed or otherwise made available in Switzerland in any way that could constitute a public offering within the meaning of Articles 652a or 1156 of the Swiss Code of Obligations (the “Code”) or a distribution within the meaning of Article 3 of the Swiss Federal Act on Collective Investment Schemes (“CISA”). This Prospectus and any other offering or marketing material relating to the Notes may only be made available in or from Switzerland to regulated financial intermediaries as defined in Article 10(3)(a) or (b) of the CISA, i.e. banks, securities dealers, fund management companies, asset managers of collective investment schemes, central banks and insurance companies. This Prospectus and any other offering or marketing material relating to the Notes may not be copied, reproduced, distributed or passed on to third parties without the prior written consent of the Managers.

The Notes will not be listed on the SIX Swiss Exchange (“SIX”) or any other stock exchange or regulated trading facility in Switzerland and this Prospectus does not constitute a prospectus within the meaning of Articles 652a and 1156 of the Code or a listing prospectus within the meaning of Article 27 of the Listing Rules of the SIX, or the listing rules of any other stock exchange or regulated trading facility in Switzerland, and may not comply with the information standards required thereunder. The Notes have not been approved by the Swiss Financial Market Supervisory Authority FINMA (“FINMA”) and investors in the Notes will not benefit from protection under the CISA or supervision by FINMA.

General

Each Manager has, severally and not jointly, undertaken that it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Notes or has in its possession or distributes this Prospectus or any supplement hereto.

Neither the Company nor any Manager represents that the Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

No action has been or will be taken in any jurisdiction by the Company or any Manager that would, or is intended to, permit a public offering of the Notes, or possession or distribution of this Prospectus or any other offering material, in any country or jurisdiction where action for that purpose is required. Persons into whose hands this Prospectus comes are required by the Company and the Managers to comply with all applicable laws and regulations in each country or jurisdiction in which they purchase, offer, sell or deliver Notes or have in their possession, distribute or publish this Prospectus or any other offering material relating to the Notes, in all cases at their own expense.

OTHER RELATIONSHIPS

The Managers and their respective affiliates may have engaged in transactions with the Company in the ordinary course of their banking business and the Managers may have performed various investment banking, financial advisory and other services for the Company, for which they receive customary fees, and the Managers and their respective affiliates may provide such services in the future.

LISTING AND GENERAL INFORMATION

- (1) The Company was incorporated and is registered in Guernsey. The Company has obtained all necessary consents, approvals and authorisations in Guernsey in connection with the issue and execution of the Notes. The issue of the Notes was authorised by a resolution of the Board of Directors of the Company passed on 24 May 2017.
- (2) There has been no significant change in the financial or trading position of the Group since 31 December 2016.
- (3) There has been no material adverse change in the financial position or prospects of the Company or the Group since 31 December 2016.
- (4) Neither the Company nor any other member of the Group is involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) during the 12 months preceding the date of this Prospectus which may have or have had in the recent past significant effects on the financial position or profitability of the Company or the Group.
- (5) The Notes have been accepted for clearance through the Euroclear and Clearstream systems (which are the entities in charge of keeping the records) with a Common Code of 157795783. The International Securities Identification Number (ISIN) for the Notes is XS1577957837. The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream is 42 Avenue JF Kennedy L-1855 Luxembourg, Grand Duchy of Luxembourg.
- (6) There are no material contracts entered into other than in the ordinary course of the Company's business, which could result in any Group company being under an obligation or entitlement that is material to the Company's ability to meet its obligations to Noteholders in respect of the Notes.
- (7) For the life of the Prospectus, physical copies (and English translations where the documents in question are not in English) of the following documents will be available, during usual business hours on any weekday (Saturdays and public holidays excepted), for inspection at the registered offices of each of the Company (Ground Floor, Dorey Court, Admiral Park, 81 Peter Port, Guernsey GY1 2HT):
 - the Trust Deed (which includes the form of the Global Certificate);
 - the articles of incorporation of the Company;
 - a copy of this Prospectus together with any Supplement to this Prospectus or further Prospectus; and
 - any documents incorporated herein by reference.
- (8) The rights of the shareholders in the Company are contained in the articles of incorporation of the Company and the Company is managed in accordance with those articles and applicable Guernsey law.
- (9) This Prospectus will be published on the website of the Group (<http://www.globalworth.com>) and the website of the Irish Stock Exchange (www.ise.ie).
- (10) The Annual Audited Consolidated Financial Statements have been audited by Ernst & Young LLP, independent auditor, as stated in their report, which is, together with the Annual Audited Consolidated Financial Statements, incorporated by reference in, and which forms part of, this Prospectus (see "*Documents Incorporated by Reference*"). Ernst & Young LLP, Royal Chambers St. Julians Avenue St Peter Port Guernsey GY1 4AF is a member of the Institute of Chartered Accountants in England and Wales.

- (11) An application has been made to the Irish Stock Exchange to admit the Notes to listing on the Official List and to have the Notes admitted to trading on the Market. However, no assurance can be given that such application will be accepted. It is expected that admission of the Notes to the Official List and to trading on the Market will be granted on or after the Issue Date, subject only to the issue of the Notes. The expenses in connection with the admission of the Notes to the Official List and to trading on the Market are expected to amount to approximately EUR 6,790.
- (12) On the basis of the issue price of the Notes of 99.427 per cent. of their principal amount, the gross yield of the Notes is 3.00 per cent. on an annual basis. The yield to maturity is calculated as at the pricing date on the basis of the Issue Price, the interest rate of the Notes, the redemption amount of the Notes and the tenor of the Notes. It is not an indication of future yield.
- (13) Arthur Cox Listing Services Limited is acting solely in its capacity as listing agent for the Company in relation to the Notes and is not itself seeking admission of the Notes to the Official List of the Irish Stock Exchange or to trading on the Market of the Irish Stock Exchange.
- (14) The language of the Prospectus is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

INDEX OF DEFINED TERMS

Unless indicated otherwise in this Prospectus or the context requires otherwise:

- “AIM” means the Alternative Investment Market of the London Stock Exchange;
- “Asset Manager” means Globalworth Asset Managers SRL, a company incorporated in Romania which is indirectly owned by the Company and is responsible for the facility management activities for our Current Portfolio;
- “BOB” means BOB Development SRL, a limited liability company headquartered at 201 Barbu Vacarescu Street, 26th floor, Room 26, 2nd District, Bucharest, Romania, registered with the Trade Registry of Bucharest under no. J40/11010/2006, bearing Sole Identification Code 18825949;
- “BOC” means BOC Real Property SRL, a limited liability company headquartered at 201 Barbu Vacarescu Street, 26th floor, Room 25, 2nd District, Bucharest, Romania, registered with the Trade Registry of Bucharest under no. J40/9884/2009, bearing Sole Identification Code 26063762;
- “BREEAM” is an environmental assessment method and rating system for buildings;
- “Building Manager” means Globalworth Building Management S.R.L., a company incorporated in Romania which is responsible for the operations of the assets in our Current Portfolio;
- “CEE” means Central and Eastern Europe, being Poland, Czech Republic, Slovakia, Estonia, Latvia, Lithuania, Hungary, Slovenia, Croatia, Serbia, Macedonia, Montenegro, Bosnia and Herzegovina, Kosovo, Romania, Bulgaria and Albania;
- “commercial” refers to office, industrial and/or retail spaces and “commercial rent” refers to rent from office, industrial and/or retail spaces and the related rent from associated parking, storage and advertising spaces.
- “Company” means Globalworth Real Estate Investments Limited;
- “Current Portfolio” means our current portfolio of real estate assets as described in more detail in “*Description of Our Operational Activities—Our Current Portfolio*”;
- “Development Projects” means the development of Globalworth Campus and TAP;
- “EPRA” means the European Public Real Estate Association;
- “Founder” means Ioannis Papalekas;
- “GLA” means gross lettable area (sqm);
- “Globalworth,” the “Group,” “we,” “us” or “our” means Globalworth Real Estate Investments Limited and its consolidated subsidiaries;
- “IFRS” means International Financial Reporting Standards as adopted by the European Union;
- “Investing Policy” means the policy we follow when selecting and executing investments as described in detail in “*Description of Our Operational Activities—Our Investing Policy*”;
- “Issue Date” means the date on which the Notes offered hereby are issued;
- “Moody’s” means Moody’s Investors Service, Inc. or any successor to its ratings business;
- “Net Operating Income” or “NOI” means net operating income, being the rental income and property management fees/asset manager charges minus property operating and asset management expenses;

- “Notes” means the € million in aggregate principal amount of % Notes due of the Company offered hereby;
- “Offering” means the offering of the Notes hereby;
- “pre-let” refers to contracted leases that have a tenancy start date in the future;
- “S&P” means Standard & Poor’s Ratings Services or any successor to its ratings business;
- “SEE” means Southeast Europe, being Romania, Bulgaria, Greece, Slovenia, Croatia, Serbia, Macedonia, Montenegro, Bosnia and Herzegovina, Kosovo, Albania and Moldova;
- “triple-net” means rent which is net of property tax, insurance and maintenance costs, all of which are paid by the tenant;
- “Trustee” means Deutsche Trustee Company Limited in its capacity as trustee under the Terms and Conditions governing the Notes;
- “Upground” means Upground Estates SRL, a limited liability company headquartered at 201 Barbu Vacarescu Street, 26th floor, Room 28, 2nd District, Bucharest, Romania, registered with the Trade Registry of Bucharest under no. J40/7079/2007, bearing Sole Identification Code 21527195; and
- “Valuation Reports” means the Valuation Reports of Coldwell Banker relating to the Current Portfolio.
- “WALL” means weighted average lease length.

In this Prospectus, unless otherwise indicated, all references to the “EU” are to the European Union; all references to “euro” or “€” are to the lawful currency of the European Union; all references to the “United States” or the “U.S.” are to the United States of America; all references to “U.S.\$,” “U.S. dollars,” “dollars” or “\$” are to the lawful currency of the United States of America; and all references to “Romanian leu” or “RON” are to the lawful currency Romania.

TRUSTEE

Deutsche Trustee Company Limited

Winchester House
1 Great Winchester Street
London EC2N 2DB
United Kingdom

PRINCIPAL PAYING AGENT

Deutsche Bank AG, London Branch

Winchester House
1 Great Winchester Street
London EC2N 2DB
United Kingdom

REGISTRAR

Deutsche Bank Luxembourg S.A.

2, boulevard Konrad Adenauer
L-1115 Luxembourg
Luxembourg

LEGAL ADVISERS TO THE COMPANY

As to English law

Shearman & Sterling (London) LLP

9 Appold Street
London EC2A 2AP
United Kingdom

As to Guernsey law

Carey Olsen

Carey House
Les Banques
St Peter Port
Guernsey GY1 4BZ

LEGAL ADVISERS TO THE MANAGERS

As to English law

Latham & Watkins (London) LLP

99 Bishopsgate
London EC2M 3XF
United Kingdom

As to Guernsey law

Ogier

Redwood House
St Julian's Avenue
St Peter Port
Guernsey GY1 1WA

LEGAL ADVISER TO THE TRUSTEE

Allen & Overy LLP

One Bishops Square
London E1 6AD
United Kingdom

INDEPENDENT AUDITORS

Ernst & Young LLP

Royal Chambers
St. Julians Avenue
St Peter Port
Guernsey GY1 4AF

LISTING AGENT

Arthur Cox Listing Services Limited

Ten Earlsfort Terrace
Dublin 2
Ireland



Globalworth Real Estate Investments Limited

€550,000,000

2.875 per cent. Notes due 2022

PROSPECTUS

Joint Lead Managers and Bookrunners

Deutsche Bank

J.P. Morgan

UBS Investment Bank

Co-Managers

BT Capital Partners

Rand Merchant Bank

Sole Structuring Adviser

Cairn Capital Limited

14 June 2017
