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**NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION IN OR INTO, OR TO ANY PERSON LOCATED OR RESIDENT IN, ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO RELEASE, PUBLISH OR DISTRIBUTE THIS DOCUMENT.**

**9 June 2017**

**NEW EUROPE PROPERTY INVESTMENTS PLC ANNOUNCES CONSENT SOLICITATION**



## **NEW EUROPE PROPERTY INVESTMENTS PLC**

*(incorporated with limited liability under the laws of the Isle of Man, registration number 001211V)*

New Europe Property Investments PLC (the "**Company**") hereby announces an invitation to eligible holders of the outstanding EUR 400,000,000 3.750 per cent. Guaranteed Notes due 26 February 2021 issued by NE Property Coöperatief U.A. (the "**Issuer**" and together with the Company, the "**Obligors**") and unconditionally and irrevocably guaranteed by the Company with ISIN: XS1325078308 (the "**Notes**") to consider and, if thought fit, approve the Proposals, being certain modifications of the terms and conditions (the "**Conditions**") of the Notes and related documents in connection with the proposed disposal by the Company of all of its assets and liabilities, including 100 per cent. of the issued share capital of its subsidiary undertakings directly held by it (including the Issuer but excluding any NEPI Rockcastle plc (the "**New Guarantor**") shares held by the Company), to the New Guarantor, in consideration for the Company's right to receive such number of new shares in the New Guarantor as is determined based on the Swap Ratio (as defined in the Consent Solicitation Memorandum (as defined below)) by means of an extraordinary resolution of Noteholders (an "**Extraordinary Resolution**") at a meeting (including any adjourned such meeting) of Noteholders, all as further described in the consent solicitation memorandum dated 9 June 2017 prepared by the Obligors (the "**Consent Solicitation Memorandum**", and the invitation to eligible holders of the Notes set out therein, the "**Consent Solicitation**"). Capitalised terms used in this notice and not otherwise defined shall have the meanings given to them in the Consent Solicitation Memorandum.

### **Background to the Consent Solicitation**

Under the framework agreement entered into between the Company and Rockcastle on 13 December 2016 (as further amended on 17 May 2017 and 6 June 2017) (the "**Framework Agreement**"), the Company agreed to merge its business with that of Rockcastle. The merger will entail the transfer by each of the Company and Rockcastle of all their respective assets and liabilities, including 100 per cent. of their ownership interests in all underlying subsidiaries (including, in the case of the Company, the Issuer, but excluding any shares in the New Guarantor held by each of the Company and Rockcastle prior to the merger) (the "**Merger**").

In consideration of the transfer of such assets and liabilities, the New Guarantor will grant to each of the Company and Rockcastle the right to receive such number of new shares in the New Guarantor as is determined in accordance with the Swap Ratio.

In accordance with the terms of the Framework Agreement, the Merger is expected to be implemented three (3) business days following the fulfilment or waiver of certain conditions precedent which include, *inter alia*: (i) the Merger being approved by all relevant competition authorities, either unconditionally or subject to conditions acceptable to both the Company and Rockcastle, or the Merger being deemed to be so approved or deemed not to require approval, such that the Merger may be implemented; (ii) all other necessary regulatory consents in relation to the Merger in any jurisdiction whatsoever having been

obtained; (iii) all shareholder and board approvals of the Merger being obtained, whether in terms of any governing law, the rules of any recognised securities exchange or otherwise; (iv) all necessary consents, waivers and releases pursuant to the Company and Rockcastle funding facilities having been received, as may be required to complete the Merger; (v) no appraisal rights being exercised or other actions taken which could impede the completion of the Merger; (vi) all third party consents in all relevant jurisdictions having been received, as may be required to complete the Merger; (vii) the listing of the New Guarantor shares on the JSE and Euronext Amsterdam having been formally approved by the relevant authorities; and (viii) either the Company or Rockcastle not having given written notice to the other that it does not wish to proceed with the Merger, where any matter, fact or circumstance has arisen which has or is likely to have a material adverse effect on the financial, legal or business condition of the New Guarantor, the Company group or the Rockcastle group (together, the "**Merger Conditions**").

The Company and Rockcastle may waive any of the Merger Conditions.

Rockcastle and the Company have each convened extraordinary shareholder meetings to take place on 3 July 2017 and 6 July 2017 respectively to approve the Merger and the subsequent steps. If approved, it is intended that: (i) the Merger will be implemented on 11 July 2017, (ii) the shares in the New Guarantor will be admitted to trading on the JSE and Euronext Amsterdam on 12 July 2017, (iii) the repurchase of shares of the Company will be implemented on 17 July 2017, (iv) the distributions *in specie* will be implemented on 17 July 2017 and (v) the shares of the Company are to be delisted from the JSE on 18 July 2017 and from the Bucharest Stock Exchange on the same date (subject to the approval of the Bucharest Stock Exchange and the Romanian Financial Supervisory Authority).

If the Proposals are approved by Noteholders and the Consent Conditions are satisfied (including the approval by shareholders of the Company being obtained at the extraordinary general meeting convened for 6 July 2017), the Obligors intend to implement the amendment to the Conditions, complete the substitution of the Company for the New Guarantor and, together with the New Guarantor, enter into the Supplemental Trust Deed (containing the New Guarantee) and the Supplemental Agency Agreement on the date on which the Consent Conditions are satisfied (the "**Implementation Date**").

Accordingly, from the Implementation Date, Noteholders will hold Notes issued by the Issuer (an indirect subsidiary of the New Guarantor) which are guaranteed by the New Guarantor.

In this scenario, on the Implementation Date, the New Guarantor will hold all of the assets and liabilities previously pertaining to the businesses of the Company and Rockcastle (including the shares of the Issuer but excluding any shares held by the Company and Rockcastle in the New Guarantor prior to the Merger). Noteholders will continue to hold Notes issued by the Issuer, and the Existing Guarantee will terminate and will be replaced by the New Guarantee from the New Guarantor.

Neither the Obligors nor the New Guarantor can give any assurance that the proposal to merge the Company and Rockcastle will be implemented.

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

#### *Proposed Amendments*

The purpose of the Consent Solicitation is to invite Noteholders to consider and, if thought fit, approve certain modifications to the Conditions and the related documents, and to provide that the Noteholders (i) acknowledge and accept the terms of the substitution in place of the Company of the New Guarantor as guarantor of the Notes and agree to release and waive all rights, claims or entitlements against the Company in its capacity as existing guarantor of the Notes; and (ii) acknowledge and accept the terms of the Supplemental Trust Deed that is being entered into between the Issuer, the Company, the New Guarantor and Deutsche Trustee Company Limited as trustee (the "**Trustee**"), the Supplemental Agency Agreement that is being entered into between the Issuer, the Company, the New Guarantor, the Trustee and the Principal Paying Agent and that the Existing Guarantee will terminate on the Implementation Date (together, the "**Proposals**"). The background to the Proposals is more fully described in the section entitled "*Background to the Proposals*" in the Consent Solicitation Memorandum.

If the Proposals are approved, the New Guarantor will assume all of the obligations of the Company as guarantor in respect of the Notes pursuant to the Supplemental Trust Deed from the date of the

substitution of the New Guarantor in place of the Company, such date referred to herein as the "**Implementation Date**".

#### *Consent Fee*

Pursuant to the Consent Solicitation, each Noteholder from whom a valid Consent Instruction in favour of the Extraordinary Resolution is received by the Tabulation Agent by 5.00 p.m. (London Time) on 23 June 2017 (as the same may be extended, the "**Early Instruction Deadline**") will be eligible to receive payment of an amount equal to 0.05 per cent. of the principal amount of the Notes that are the subject of such Consent Instruction (the "**Consent Fee**") provided that the Extraordinary Resolution is passed at the relevant Meeting.

Noteholders may continue to submit Consent Instructions after the Early Instruction Deadline and up to the Expiration Deadline but such Noteholders will not be eligible to receive the Consent Fee in respect of those Consent Instructions.

#### *Consent Conditions*

The implementation of the Proposals will be conditional on:

- (a) the passing of the Extraordinary Resolution;
- (b) the satisfaction and/or waiver of the Merger Conditions; and
- (c) the agreement of the New Guarantor to assume all of the obligations of the Company as guarantor in respect of the Notes pursuant to the Supplemental Trust Deed from the Implementation Date,

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

The Obligors will announce (i) the results of the Meeting and (ii) if the Extraordinary Resolution is passed, the satisfaction (or otherwise) of the other Consent Conditions relating to the Extraordinary Resolution, as soon as reasonably practicable after the Meeting and following such satisfaction (or otherwise), as the case may be.

#### **Meetings**

A notice (the "**Notice**") convening the Meeting to be held at the offices of Clifford Chance LLP, 10 Upper Bank Street, London E14 5JJ at 10.30 a.m. (Central European Time) on 3 July 2017 has been given to Noteholders in accordance with the Conditions on the date of the Consent Solicitation Memorandum.

#### **General**

The Company may, at its option and in its sole discretion, extend, or waive the condition of, the Consent Solicitation at any time and may amend or terminate the Consent Solicitation at any time (subject in each case to applicable law and the Meeting Provisions and as provided in the Consent Solicitation Memorandum, and provided that no amendment may be made to the terms of the Extraordinary Resolution). Details of any such extension, waiver, amendment or termination will be announced as provided in the Consent Solicitation Memorandum as promptly as practicable after the relevant decision is made.

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

## **Event**

### ***Announcement of Consent Solicitation***

Announcement of Consent Solicitation and the Notice delivered to the Clearing Systems for communication to Direct Participants and published on the website of the Irish Stock Exchange 9 June 2017

The Consent Solicitation Memorandum and documents referred to under "General" in the Notice made available in electronic format from the Tabulation Agent and from the specified office of each of the Company, the Issuer and the Tabulation Agent

### ***Early Instruction Deadline***

Deadline for receipt by the Tabulation Agent of valid Consent Instructions from Noteholders for such Noteholders to be eligible to receive the Consent Fee. Such Consent Instructions must be in favour of the Extraordinary Resolution in order for the relevant Noteholder to be so eligible for the Consent Fee 5.00 p.m. (London Time) on 23 June 2017

### ***Expiration Deadline***

Final deadline for receipt by the Tabulation Agent of valid Consent Instructions from Noteholders for such Noteholders to be represented at the Meeting 10.30 a.m. (London Time) on 28 June 2017

This will also be the deadline for making any other arrangements to attend or be represented or to vote at the Meeting, however, Noteholders making such other arrangements or submitting Consent Instructions which are received by the Tabulation Agent after the Early Instruction Deadline will not be eligible to receive the Consent Fee

### ***Meeting***

Meeting to be held at the offices of Clifford Chance LLP, 10 Upper Bank Street, London E14 5JJ 10.30 a.m. (London Time) on 3 July 2017

### ***Announcement of results of Meeting***

Announcement of the results of the Meeting and whether the Extraordinary Resolution has been passed As soon as reasonably practicable after the Meeting

### ***Payment Date***

Where payable, payment of the Consent Fee to relevant Noteholders No later than the second Business Day immediately following the Meeting

### ***Implementation Date***

The date on which the Supplemental Trust Deed, Supplemental Agency Agreement and related documentation will be executed if the Proposals are approved by Noteholders and the date on which the assets and liabilities of the Company, including 100 per cent. of the issued share capital of its subsidiary undertakings directly and indirectly held by it (including the Issuer but excluding any NEPI Rockcastle plc shares held by the Company) are transferred to NEPI Rockcastle plc, in consideration for the Company's right to receive such number of new NEPI Rockcastle plc shares as is determined based on the Swap Ratio (defined below), following the execution of the contribution agreement to be concluded between the Company, Rockcastle and the New Guarantor on the Implementation Date, in order to complete and implement the Merger (the "**Contribution Agreement**")

Expected to be 11 July 2017

### ***Announcement of Satisfaction of the Consent Conditions and Implementation of the Proposals***

If the Extraordinary Resolution is passed, announcement of satisfaction (or otherwise) of the other Consent Conditions relating to the Extraordinary Resolution and implementation of the Proposals delivered to the Clearing Systems for communication to Direct Participants and published on the website of the Irish Stock Exchange

As soon as reasonably practicable on or after the Implementation Date

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

### **Further Information**

A complete description of the terms and conditions of the Consent Solicitation is set out in the Consent Solicitation Memorandum. A copy of the Consent Solicitation Memorandum is available to eligible persons upon request from the Tabulation Agent.

**Before making a decision with respect to the Consent Solicitation, Noteholders should carefully consider all of the information in the Consent Solicitation Memorandum and, in particular, the risk factors described in the section entitled "*Certain Risk Factors and Other Considerations relating to the Consent Solicitation*".**

Further details about the transaction can be obtained from:

*The Solicitation Agent*

**J.P. Morgan Securities plc**

25 Bank Street  
Canary Wharf  
London E14 5JP  
United Kingdom

Attention: Liability Management

Tel: +44 207 134 2468

Email: [em\\_europe\\_lm@jpmorgan.com](mailto:em_europe_lm@jpmorgan.com)

*Tabulation Agent*

**Lucid Issuer Services Limited**

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Attention: Arlind Bytyqi

Tel: + 44 20 7704 0880

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

*The Issuer*

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*The Company*

**New Europe Property Investments PLC**

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This announcement is published by NE Property Coöperatief U.A. and New Europe Property Investments PLC and contains information that qualified or may have qualified as insider information for the purposes of Article 7 of Market Abuse Regulation (EU) 596/2014 (MAR), encompassing information relating to the Offer described above. For the purpose of MAR and Article 2 of Commission Implementing Regulation (EU) 2016/1055, this announcement is published by Mirela Covasa, Director of New Europe Property Investments PLC.

None of the Solicitation Agent, the Tabulation Agent or the Trustee take responsibility for the contents of this announcement and none of the Obligors, the New Guarantor, the Solicitation Agent, the Tabulation Agent, the Trustee, or any of their respective directors, employees or affiliates makes any representation or recommendation whatsoever regarding the Consent Solicitation. This announcement must be read in

conjunction with the Consent Solicitation Memorandum. No offer to acquire any Notes is being made pursuant to this notice. This announcement and the Consent Solicitation Memorandum contain important information, which should be read carefully before any decision is made with respect to the Consent Solicitation. If any holder of the Notes is in any doubt as to the action it should take, it is recommended to seek its own advice, including as to any tax consequences, from its stockbroker, bank manager, solicitor, accountant or other independent adviser.

### **Distribution Restrictions**

This announcement and the Consent Solicitation Memorandum do not constitute an offer or an invitation to participate in the Consent Solicitation in any jurisdiction in or from which, or to or from any person to or from whom, it is unlawful to make such offer or invitation under applicable securities laws. The distribution of the Consent Solicitation Memorandum in certain jurisdictions may be restricted by law. Persons into whose possession the Consent Solicitation Memorandum comes are required by each of the Obligors, the New Guarantor, the Solicitation Agent the Tabulation Agent and the Trustee to inform themselves about, and to observe, any such restrictions.

No action has been or will be taken in any jurisdiction by the Obligors, the New Guarantor, the Solicitation Agent, the Tabulation Agent or the Trustee in relation to the Consent Solicitation that would permit a public offering of securities.

Any materials relating to the Consent Solicitation do not constitute, and may not be used in connection with, any form of offer or solicitation in any place where such offer or solicitation is not permitted by law. If a jurisdiction requires that the Consent Solicitation be made by a licensed broker or dealer and the Solicitation Agent or its affiliates are such licensed brokers or dealers in that jurisdiction, the Consent Solicitation shall be deemed to be made by the Solicitation Agent or such affiliates (as the case may be) on behalf of the Obligors and the New Guarantor in such jurisdiction.

### **United States**

Neither this announcement nor the Consent Solicitation Memorandum is an offer of securities for sale in the United States or to any U.S. person. Securities may not be offered or sold in the United States absent registration or an exemption from registration. The Notes have not been, and will not be, registered under the Securities Act, or the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons, unless an exemption from the registration requirements of the Securities Act is available.

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