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THE ATTACHED DOCUMENT MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER. ANY FORWARDING, REDISTRIBUTION OR REPRODUCTION OF THE ATTACHED DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE U.S. SECURITIES ACT OF 1933 (THE "SECURITIES ACT") OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF NOTES (AS DEFINED IN THE ATTACHED DOCUMENT) FOR SALE IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE NOTES AND THE GUARANTEE OF THE NOTES (THE "GUARANTEE") 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 THE NOTES AND THE GUARANTEE MAY NOT BE OFFERED, SOLD OR DELIVERED EXCEPT IN AN OFFSHORE TRANSACTION TO PERSONS OTHER THAN U.S. PERSONS IN ACCORDANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR 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.

Confirmation of your representation: In order to be eligible to view the attached document or make an investment decision with respect to the Notes, prospective investors must be located outside the United States. The attached document is being sent to you at your request and, by accessing the attached document, you shall be deemed to have represented to the Issuer, the Guarantor and the Managers named in the attached document that (i) you have understood and agree to the terms set out herein; (ii) you are outside the United States (within the meaning of Regulation S under the Securities Act); (iii) you are not a U.S. person (within the meaning of Regulation S under the Securities Act); (iv) the electronic mail address that you gave us and to which this transmission 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; (v) you consent to delivery of the attached document by electronic transmission; (vi) you will make your own assessment regarding any legal, taxation or other economic considerations with respect to your decision to subscribe for or purchase any Notes; (vii) you are outside the United Kingdom ("**UK**") or, if in the UK, you are a relevant person (as defined below).

In addition, in the UK, the attached document is being distributed only to and is directed only at: (a) persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Order**"); (b) high net worth entities falling within Article 49 of the Order; and (c) other persons to whom it may otherwise lawfully be communicated under the Order (all such persons together referred to as "**relevant persons**"). Any investment or investment activity to which the document relates is available only in the UK to relevant persons and will be engaged in only with such persons. Any person who is not a relevant person should not act or rely on the attached document or any of its contents.

You are reminded that the attached document has been delivered to you on the basis that you are a person into whose possession the attached document 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 attached document, electronically or otherwise, to any other person and in particular to any U.S. address. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions.

MIFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPs ONLY TARGET MARKET – Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments, as amended ("**MiFID II**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or both) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; and (ii) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the UK. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the "**FSMA**") and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA. Consequently, no key information document required by the PRIIPs Regulation as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

Neither this electronic transmission nor the attached document constitutes or contains any offer to sell or invitation to subscribe or make commitments for or in respect of any securities in any jurisdiction where such an offer or invitation would be unlawful.

The attached document has been sent to you in an 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 Issuer, the Guarantor, the Managers, nor any person who controls any of them, nor any director, officer, employee or agent of any of them, nor any affiliate of any such person, accepts any liability or responsibility whatsoever in respect of any difference between the attached document distributed to you in electronic format and the hard copy version available to you on request from the Managers.



GTC Aurora Luxembourg S.A.

(incorporated in the Grand Duchy of Luxembourg with limited liability)

**€500,000,000 2.250 per cent. Guaranteed Green Notes due 2026
guaranteed by
Globe Trade Centre S. A.**

(incorporated in the Republic of Poland with limited liability)

Issue Price: 99.417 per cent.

The €500,000,000 2.250 per cent. Guaranteed Green Notes due 2026 (the "**Notes**") will be issued by GTC Aurora Luxembourg S.A. (the "**Issuer**") and fully guaranteed by Globe Trade Centre S.A. ("**GTC S.A.**", the "**Guarantor**" or the "**Company**" and, together with its subsidiaries, the "**Group**"). Interest on the Notes will be payable annually in arrear on 23 June in each year. The first payment of interest shall be payable on 23 June 2022 in respect of the period from (and including) 23 June 2021 (the "**Issue Date**") to (but excluding) 23 June 2022. Payments on the Notes will be made in euro without deduction for or on account of taxes imposed by the Grand Duchy of Luxembourg ("**Luxembourg**") or the Republic of Poland ("**Poland**") to the extent described under Condition 8 (*Taxation*).

The Notes will mature on 23 June 2026 (the "**Maturity Date**"). The Notes will be subject to redemption in whole, but not in part, at their principal amount, together with interest accrued to (but excluding) the date fixed for redemption, at the option of the Issuer at any time in the event of certain changes affecting taxation in Luxembourg or Poland. The Notes will also be subject to redemption in whole, but not in part, (i) at any time prior to (and excluding) 23 March 2026 at the Make Whole Redemption Price (as defined herein) and (ii) on or after 23 March 2026 at their principal amount, in each case together with interest accrued to (but excluding) the date fixed for redemption, at the option of the Issuer. In addition, upon the occurrence of a Change of Control Put Event (as defined herein), the Notes may be redeemed at the option of the relevant holder at a price equal to 100 per cent. of their principal amount together with interest accrued to (but excluding) the Change of Control Put Date (as defined herein). See Condition 6 (*Redemption and Purchase*).

This Prospectus has been approved by the Central Bank of Ireland (the "**Central Bank**"), as competent authority under Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"). This Prospectus constitutes a prospectus for the purposes of the Prospectus Regulation. The Central Bank only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval relates only to the Notes which are to be admitted to trading on the regulated market of the Irish Stock Exchange plc trading as Euronext Dublin (the "**Euronext Dublin**"). Such approval should not be considered as an endorsement of the Issuer or the Guarantor that are the subject of this Prospectus nor as an endorsement of the quality of the Notes. Investors should make their own assessment as to the suitability of investing in the Notes. Application has been made to Euronext Dublin for the Notes to be admitted to its official list (the "**Official List**") and trading on its regulated market (the "**Market**"). The Market is a regulated market for the purposes of Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments (as amended, "**MiFID II**"). It is expected that admission of the Notes to the Official List and to trading on the Market will be granted on or about 23 June 2021, subject only to the issue of the Notes. This Prospectus is valid for the admission to trading of the Notes on the regulated market of Euronext Dublin until the time when trading on such regulated market begins. The obligation to supplement this Prospectus in the event of a significant new factor, material mistake or material inaccuracy does not apply, once the Notes are admitted to trading on the regulated market of Euronext Dublin.

The Notes will be in registered form and issued in minimum denominations of €100,000 and higher integral multiples of €1,000.

The Notes will initially be represented by a global certificate (the "**Global Certificate**"), which will be deposited with, and registered in the name of a nominee for, a common safekeeper (the "**Common Safekeeper**") on behalf of Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking S.A. ("**Clearstream, Luxembourg**") on or prior to 23 June 2021. Individual certificates evidencing holdings of Notes ("**Certificates**") will only be available in certain limited circumstances. See "*Summary of Provisions relating to the Notes while in Global Form*".

The Notes and the guarantee of the Notes (the "**Guarantee**") 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 (as defined in "*Subscription and Sale*" below) in accordance with Regulation S under the Securities Act ("**Regulation S**") and may not be offered or sold or delivered within the United States except pursuant to an exemption from the registration requirements of the Securities Act.

The Notes are expected to be rated BBB- by Fitch Ratings Limited ("**Fitch**") and Ba1 by Moody's Investors Service Limited ("**Moody's**"). Each of Fitch and Moody's is established in the European Union ("**EU**") and registered under Regulation (EC) No. 1060/2009 (as amended) (the "**CRA Regulation**"). As such, each of Fitch and Moody's is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA Regulation. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction, revision or withdrawal at any time by the assigning rating agency.

Prospective investors should have regard to the factors described under the section headed "*Risk Factors*" in this Prospectus.

Global Coordinator, Sole Green Structuring Agent and Joint Bookrunner
J.P. Morgan

Global Coordinator and Joint Bookrunner
Morgan Stanley

Joint Bookrunners

Erste Group

Raiffeisen Bank International

Co-Manager
Banco Santander, S.A.

Prospectus dated 21 June 2021

IMPORTANT NOTICES

This Prospectus comprises a prospectus for the purposes of the Prospectus Regulation. The Issuer and the Guarantor accept responsibility for the information contained in this Prospectus. To the best of the knowledge of each of the Issuer and the Guarantor, the information contained in this Prospectus is in accordance with the facts and this Prospectus makes no omission likely to affect the import of such information.

To the fullest extent permitted by law, Bank of New York Mellon, London Branch (the "**Trustee**", the "**Principal Paying Agent**" and the "**Transfer Agent**"), The Bank of New York Mellon SA/NV (the "**Registrar**", and together with the Principal Paying Agent and the Transfer Agent, the "**Agents**") and the Managers (as defined in "*Subscription and Sale*" below) accept no responsibility whatsoever for the contents of this Prospectus or for any other statement made or purported to be made by a Manager, the Trustee or any Agent or on behalf of any of them in connection with the Issuer, the Guarantor or the issue and offering of the Notes. Each Manager, the Trustee and each Agent accordingly disclaims all and any liability whether arising in tort or contract or which it might otherwise have in respect of this Prospectus or any such statement.

No person is or has been authorised to give any information or to make any representation not contained in this Prospectus and any information or representation not so contained must not be relied upon as having been authorised by or on behalf of the Issuer, the Guarantor, the Managers, the Trustee or the Agents. Neither the delivery of this Prospectus nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer or the Guarantor since the date hereof or the date upon which this Prospectus has been most recently amended or supplemented or that there has been no adverse change in the financial position of the Issuer or the Guarantor since the date hereof or the date upon which this Prospectus has been most recently amended or supplemented or that the information contained in it or any other information supplied in connection with the Notes is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

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 Issuer, the Guarantor, any Manager, the Trustee or any Agent 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 Issuer and the Guarantor. 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 Issuer, the Guarantor, any Manager, the Trustee or any Agent to any person to subscribe for or to purchase any Notes.

The Notes may not be a suitable investment for all investors. Each potential investor in the Notes must determine the suitability of the investment in light of its own circumstances. In particular, each potential investor should:

- (i) 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;
- (ii) 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 such investment will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including where the currency for principal or interest payments is different from the potential investor's currency;
- (iv) understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- (v) 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.

Pursuant to the recommendation in the voluntary process guidelines for issuing "green" bonds published by the International Capital Market Association (the "**Green Bond Principles**") that external assurance is obtained to confirm alignment with the key features of the Green Bond Principles, at the request of the Issuer, Sustainalytics UK Limited ("**Sustainalytics**") has issued a second party opinion dated 7 June 2021 (the "**Second Party Opinion**") in relation to the Issuer's Green Finance Framework (as further described in the section of this Prospectus headed "*Use of Proceeds*"). The Second Party Opinion is not incorporated into, and does not form part of, this Prospectus. The Managers do not accept any responsibility for any environmental assessment of the Notes and makes no representation or warranty or assurance as to whether the Notes will meet any investor expectations or requirements regarding such "ESG", "green" or similar labels. The Managers are not responsible for the use of proceeds for the Notes, the impact or monitoring of such use of proceeds nor the suitability or content of the Green Finance Framework. None of the Issuer, the Guarantor, the Managers or the Trustee makes any representation as to the suitability of the Second Party Opinion. The Second Party Opinion is not a recommendation to buy, sell or hold securities and is only current as of the date it was initially issued. Furthermore, the Second Party Opinion is for information purposes only and Sustainalytics does not accept any form of liability for its content and/or any liability for loss arising from the use of the Second Party Opinion and/or the information provided therein. See also the risk factor in this Prospectus headed, "*The Notes may not meet investor expectations or requirements for all investors seeking exposure to green assets*". In the event that the Notes are listed, included on or admitted to a dedicated "green" or other equivalently-labelled segment of the Official List, Euronext Dublin or any other stock exchange or securities market, no representation or assurance is given by the Managers that such listing, inclusion or admission will be obtained or maintained for the lifetime of the Notes.

Credit Ratings

Each of Fitch and Moody's has assigned a credit rating to the Notes. Such credit ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

In general, European regulated investors are restricted under the CRA Regulation from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EU and registered under the CRA Regulation (and such registration has not been withdrawn or suspended), subject to transitional provisions that apply in certain circumstances. Such general restriction will also apply in the case of credit ratings issued by non-EU credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered credit rating agency or the relevant non-EU rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended, subject to transitional provisions that apply in certain circumstances).

Certain information with respect to the credit rating agencies and ratings is set out on the cover of this Prospectus.

Offer Restrictions

This Prospectus does not constitute an offer of, or an invitation by or on behalf of the Issuer, the Guarantor or the Managers to subscribe or purchase, any of the Notes. The distribution of this Prospectus and the offering of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are required by the Issuer, the Guarantor and the Managers to inform themselves about and to observe any such restrictions.

For a description of further restrictions on offers and sales of Notes and distribution of this Prospectus, see "*Subscription and Sale*" below.

MiFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPs ONLY TARGET MARKET – Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturers' target

market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

PROHIBITION OF SALES TO UK RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"); or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the "**FSMA**") and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA. Consequently, no key information document required by the PRIIPs Regulation as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

SINGAPORE SFA PRODUCT CLASSIFICATION – In connection with Section 309B of the Securities and Futures Act (Chapter 289) of Singapore (the "**SFA**") and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "**CMP Regulations 2018**"), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are 'prescribed capital markets products' (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

NOTICE TO INVESTORS IN CANADA – The Notes may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the Notes must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Prospectus (including any amendment thereto) contains a misrepresentation, **provided that** the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal adviser.

Pursuant to section 3A.3 of National Instrument 33-105 Underwriting Conflicts (NI 33-105), the Managers are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

Stabilisation

In connection with the issue of the Notes, J.P. Morgan AG (the "**Stabilisation Manager**") (or any person acting on behalf of the Stabilisation Manager) may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilisation may not necessarily occur. 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 cease 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 Stabilisation Manager (or any person acting on behalf of the Stabilisation Manager) in accordance with all applicable laws and rules.

General

Unless otherwise specified or the context requires, references to "euro", "EUR" and "€" are to the currency introduced at the start of the third stage of the European economic and monetary union pursuant to the Treaty establishing the European Community.

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.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Financial Statements

Unless otherwise indicated, the financial information presented in this Prospectus is derived from (i) the unaudited interim condensed consolidated financial statements of the Group, with independent auditors' review, as at and for the three month period ended 31 March 2021 (the "**Interim Financial Statements**"), (ii) the audited consolidated financial statements of the Group as at and for the year ended 31 December 2020 (the "**2020 Financial Statements**") and the independent auditors' report thereto, and (iii) the audited consolidated financial statements of the Group as at and for the year ended 31 December 2019 (the "**2019 Financial Statements**" and, together with the 2020 Financial Statements, the "**Annual Financial Statements**") and the independent auditors' reports thereto. The Annual Financial Statements have been prepared in accordance with the International Financial Reporting Standards as adopted by the European Union ("**IFRS**").

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

The Annual Financial Statements and the Interim Financial Statements have been prepared based in Euro and presented in thousands rounded to the nearest thousand unless otherwise indicated.

Non-IFRS Measures

This Prospectus includes certain non-IFRS measures that are unaudited supplementary measures of the performance of the Group that are not required by, or presented in accordance with IFRS. The non-IFRS measures described below are alternative performance measures ("**APMs**") as defined in the European Securities and Market Authority Guidelines on Alternative Performance Measures dated 5 October 2015 (the "**ESMA Guidelines**"). Where used, the relevant metrics are identified as APMs and accompanied by an explanation of each such metric's components and calculation method.

Although the APMs disclosed in this Prospectus are not measures of operating income, operating performance or liquidity derived in accordance with IFRS, the Group has presented these measures in this Prospectus because it understands that similarly titled measures may be used by some investors and analysts. In particular, the APMs used by the Group are commonly referred to and analysed by professionals participating in the real estate sector to reflect the underlying business performance and to enhance comparability both between different companies in the sector and between different financial periods. The use of APMs in the real estate sector is considered advantageous by various participants, including banks, analysts, noteholders and other users of financial information for the following reasons: APMs provide additional helpful and useful information in a concise and practical manner; APMs are commonly used by the Supervisory Board and the Management Board for their decision making and setting the mid- and long-term strategy of the Group and assist in discussion with outside parties; and APMs in some cases might better reflect key trends in the Group's performance which are specific to that sector, that is, APMs are a way for management to highlight the key value drivers within the business that may not be obvious in the consolidated financial statements.

The APMs disclosed in this Prospectus should not, however, be considered as an alternative to, in isolation from or as substitutes for financial information reported under IFRS. The APMs disclosed in this Prospectus are not measures specifically defined by IFRS and the Group's use of these measures may vary from other companies in its industry due to differences in accounting policies or differences in the calculation methodology of similar measures by other companies in its industry.

The Group calculates the APMs it uses as follows:

- "*Adjusted EBITDA*" means the consolidated profit/(loss) of the Group before taxes, depreciation, amortisation and impairments, non-controlling interest and share of profit/(loss) of joint ventures, excluding any fair value adjustments, the net result on sale of financial investments, financial income and/or expenses, foreign exchange gains and/or losses, share-based payment expenses, acquisition fees, net result on acquisitions and disposals and any other exceptional or non-recurring item, as determined

by reference to the most recent consolidated statement of comprehensive income set out in the audited annual or unaudited semi-annual financial statements of the Group prepared in accordance with IFRS or IAS 34, as applicable.

- "Average cost of debt" is calculated as a weighted average interest rate of total debt, as adjusted to reflect the impact of contracted interest rate swaps and cross-currency swaps by the Group.
- "Consolidated Coverage Ratio" means, in respect of any Measurement Date (as defined in the "Conditions of the Notes" (the "**Conditions**")), (i) the aggregate amount of Adjusted EBITDA for the two most recent consecutive semi-annual periods ending on such Measurement Date divided by (ii) the Consolidated Interest Expense for such two semi-annual periods;
- "Consolidated Secured Leverage Ratio" means in respect of any Measurement Date, the Secured Consolidated Total Indebtedness divided by Consolidated Total Assets;
- "EBITDA margin" as the ratio of Adjusted EBITDA to gross rental income.
- "EPRA Net Asset Value" is a measure representing the IFRS net assets and is calculated as total equity less non-controlling interest, excluding the derivatives at fair value as well as deferred taxation on property.
- "Funds From Operations (FFO)" as profit before tax less tax paid, after adjusting for non-cash transactions (such as fair value or real estate remeasurement, depreciation and amortisation, share base payment provision and unpaid financial expenses), share of profit/(loss) of associates and joint ventures and one off items (such as FX differences, residential activity and other non-recurring items).
- "Gross leasable area" as the amount of office or retail space available to be rented in completed assets multiplied by an add on factor. Gross leasable area is the area for which tenants pay rent, and thus the area that produces income for the property owner.
- "Net loan to value (LTV)" as net debt divided by Gross Asset Value. Net debt is calculated as total financial debt net of cash and cash equivalents and deposits and excluding loans from non-controlling interest and deferred debt issuance costs. "Gross Asset Value" is investment properties (excluding right of use under land leases), residential landbank, assets held for sale, building for own use and share on equity investments. Net loan to value provides a general assessment of financial risk undertaken.
- "Occupancy rate" as average occupancy of the completed assets based on square meters ("**sqm**") of gross leasable area.
- "Weighted average lease term (WALT)" is calculated as a weighted average of lease term of office and retail space for the duration of each lease contract until its expiry.

Selected additional information (in thousands of Euro unless otherwise indicated)

	As at and for the three months ended 31 March 2021	As at and for the three months ended 31 March 2020	As at and for the year ended 31 December 2020	As at and for the year ended 31 December 2019
Adjusted EBITDA	24,492	26,893	104,914	108,260
EBITDA margin	88%	87%	87%	85%
EPRA Net asset value (EPR NAV).....	1,122,786	1,208,282	1,112,111	1,199,969
Funds from operations (FFO)	13,901	18,273	66,382	69,503
Gross Asset Value (GAV)	2,108,948	2,230,820	2,099,300	2,220,994
Gross leasable area (GLA).....	751,000 sqm	745,839 sqm	752,500 sqm	747,100 sqm
Consolidated Coverage Ratio (CCR).....	3.3x	3.5x	3.3x	3.5x
Consolidated Secured Leverage Ratio (CSLR).....	42%	44%	44%	43%
Net loan-to-value (net LTV)	45.5%	44.3%	45.2%	44.2%
Occupancy rate	91%	95%	91%	95%
Average cost of debt	2.3%	2.6%	2.3%	2.6%

FORWARD LOOKING STATEMENTS

This Prospectus includes statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements may be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "plans", "projects", "anticipates", "expects", "intends", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this Prospectus and include, but are not limited to, statements regarding the intentions of the Issuer and/or the Guarantor, and beliefs or current expectations concerning, among other things, the business, results of operations, financial position and/or prospects of the Issuer and/or the Guarantor.

By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Forward-looking statements are not guarantee of future performance and the financial position and results of operations of the Group, and the development of the markets and the industries in which the Group operates, may differ materially from those described in, or suggested by, the forward-looking statements contained in this Prospectus. In addition, even if the Group's results of operations and financial position, and the development of the markets and the industries in which the Group operates, are consistent with the forward-looking statements contained in this Prospectus, those results or developments may not be indicative of results or developments in subsequent periods. A number of risks, uncertainties and other factors could cause results and developments to differ materially from those expressed or implied by the forward-looking statements. See "*Risk Factors*" below.

These forward-looking statements are made only as at the date of this Prospectus. Except to the extent required by law, neither the Issuer nor the Guarantor is obliged to, and none of them intends to, update or revise any forward-looking statements made in this Prospectus whether as a result of new information, future events or otherwise. All subsequent written or oral forward-looking statements attributable to the Issuer or the Guarantor, or persons acting on the Issuer's or the Guarantor's behalf, are expressly qualified in their entirety by the cautionary statements contained throughout this Prospectus. As a result of these risks, uncertainties and assumptions, a prospective purchaser of the Notes should not place undue reliance on these forward-looking statements.

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OVERVIEW

The overview below describes the principal terms of the Notes and is qualified in its entirety by the more detailed information contained elsewhere in this Prospectus. Capitalised terms used herein and not otherwise defined have the respective meanings given to them in the "*Conditions of the Notes*" (the "**Conditions**").

Issuer	GTC Aurora Luxembourg S.A.
Legal Entity Identifier ("LEI") of the Issuer	549300UAWIR6P1PVC062
Guarantor (and LEI).....	Globe Trade Centre S.A. (25940046GV7I3I2ZN618)
Notes	€500,000,000 2.250 per cent. Guaranteed Green Notes due 2026
Global Coordinators.....	J.P. Morgan AG Morgan Stanley Europe SE
Sole Green Structuring Agent	J.P. Morgan AG
Joint Bookrunners	Erste Group Bank AG J.P. Morgan AG Morgan Stanley Europe SE Raiffeisen Bank International AG
Co-Manager	Banco Santander, S.A.
Trustee.....	The Bank of New York Mellon, London Branch
Principal Paying Agent	The Bank of New York Mellon, London Branch
Registrar.....	The Bank of New York Mellon SA/NV
Transfer Agent.....	The Bank of New York Mellon, London Branch
Issue Price	99.417 per cent.
Issue Date	23 June 2021
Maturity Date	23 June 2026
Interest.....	2.250 per cent. per annum
Interest Payment Dates	Interest in respect of the Notes will be payable annually in arrear on 23 June in each year and ending on the Maturity Date (unless the Notes are previously redeemed or purchased and cancelled).
Form and Denomination	The Notes will be issued in registered form in denominations of €100,000 and higher integral multiples of €1,000. The Notes will initially be represented by a Global Certificate, which will be deposited with, and registered in the name of a nominee for, the Common Safekeeper on behalf of Euroclear and Clearstream, Luxembourg on or prior to the Issue Date. The Notes will be

issued in the new safekeeping structure. Certificates will only be available in certain limited circumstances.

Status of the Notes	The Notes will constitute direct, general and unconditional obligations of the Issuer which shall at all times rank <i>pari passu</i> among themselves and at least <i>pari passu</i> with all other present and future unsecured and unsubordinated obligations of the Issuer, save for certain obligations preferred by law and subject to Condition 4(a) (<i>Negative pledge</i>).
Status of the Guarantee.....	The guarantee of the Notes constitutes direct, general and unconditional obligations of the Guarantor which will at all times rank at least <i>pari passu</i> with all other present and future unsecured and unsubordinated obligations of the Guarantor, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application and subject to Condition 4(a) (<i>Negative pledge</i>).
Redemption	Unless previously redeemed, or purchased and cancelled, the Notes will be redeemed at their principal amount on the Maturity Date.
Redemption for Taxation Reasons	The Issuer may, at its option, redeem all, but not some only, of the Notes at any time at their principal amount, together with interest accrued to (but excluding) the date fixed for redemption, in the event of certain tax changes, as further described in Condition 6(b) (<i>Redemption for tax reasons</i>).
Redemption at the Option of the Issuer	The Issuer may, at its option, redeem all, but not some only, of the Notes outstanding (i) at any time prior to (and excluding) 23 March 2026 at the Make Whole Redemption Price (as defined in the Conditions) and (ii) on or after 23 March 2026 at their principal amount, in each case together with interest accrued to (but excluding) the date fixed for redemption, as further described in Condition 6(c) (<i>Redemption at the option of the Issuer (Make whole)</i>) and Condition 6(d) (<i>Redemption at the option of the Issuer (Issuer call)</i>).
Change of Control Put Option	Upon the occurrence of a Change of Control Put Event (as defined in the Conditions), each Noteholder shall have the option to require the Issuer to redeem the Notes of such holder at a price equal to 100 per cent. of their principal amount together with interest accrued to (but excluding) the Change of Control Put Date (as defined in the Conditions), as further described in Condition 6(e) (<i>Redemption at the option of Noteholders upon a Change of Control</i>).
Cross Default.....	The Notes will have the benefit of a cross default provision as described in Condition 10 (<i>Events of Default</i>).
Negative Pledge.....	The Conditions include a negative pledge, as further described in Condition 4(a) (<i>Negative pledge</i>).

Financial Covenants	<p>The Conditions contain financial covenants whereby the Guarantor has undertaken, for so long as any Note remains outstanding that:</p> <ul style="list-style-type: none"> (i) the Consolidated Leverage Ratio shall not exceed 0.60 on the date of incurrence of Indebtedness; (ii) the Consolidated Coverage Ratio shall be at least 1.5:1 on any Measurement Date; (iii) the Consolidated Secured Leverage Ratio shall not exceed 0.40 on any Measurement Date; and (iv) the Group will own Unencumbered Consolidated Total Assets equal to 125 per cent. or more of the aggregate outstanding principal amount of Consolidated Total Unsecured Indebtedness on any Measurement Date, <p>all as further described in Condition 4 (<i>Covenants</i>).</p>
Withholding Tax	<p>All payments of principal and interest in respect of the Notes will be made free and clear of withholding taxes of any Tax Jurisdiction (as defined in Condition 8 (<i>Taxation</i>) of the Notes), unless the withholding is required by law. In such event, the Issuer or (as the case may be) the Guarantor shall, subject to customary exceptions, pay such additional amounts as shall result in receipt by the Noteholders of such amounts as would have been received by them had no such withholding been required, all as described in Condition 8 (<i>Taxation</i>).</p>
Governing Law	English law
Clearing and Settlement	Euroclear and Clearstream, Luxembourg
Listing and Admission to Trading	Application has been made to list the Notes on the Official List and to admit them to trading on the Market.
Ratings	<p>The Guarantor has been rated BBB- (with stable outlook) by Fitch Ratings Limited ("Fitch") and Ba1 (with positive outlook) by Moody's Investors Service Limited ("Moody's").</p> <p>The Notes are expected to be rated BBB- by Fitch and Ba1 by Moody's.</p> <p>A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction, revision or withdrawal at any time by the assigning rating agency.</p>
Selling Restrictions	<p>There are restrictions on the offer, sale and transfer of the Notes in the United States, the EEA (including Luxembourg and Poland), the United Kingdom, Japan and Singapore. See "<i>Subscription and Sale</i>".</p>
United States Selling Restrictions	Regulation S, Category 1. TEFRA not applicable.

Risk Factors	For a discussion of certain risk factors relating to the Issuer, the Guarantor and the Notes that prospective investors should carefully consider prior to making an investment in the Notes, see " <i>Risk Factors</i> ".
ISIN.....	XS2356039268
Common Code	235603926

RISK FACTORS

Each of the Issuer and the Guarantor believes that the following factors may affect its ability to fulfil its obligations under the Notes. All of these factors are contingencies which may or may not occur.

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

Each of the Issuer and the Guarantor believes that the factors described below represent the principal risks inherent in investing in the Notes and the Guarantee, but the Issuer or the Guarantor may be unable to pay interest, principal or other amounts on or in connection with the Notes or the Guarantee for other reasons, and neither the Issuer nor any of the Guarantor represents that the statements below regarding the risks of holding the Notes are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this Prospectus and reach their own views prior to making any investment decision.

Note that any list that appears within a risk below does not reflect individual risks but is a list of related points that together constitute a specific risk.

Risks Related to the Group

Risks relating to the Group's business and industry

The impact of the SARS-CoV-2 virus and the COVID-19 pandemic on the operations and financial standing of the Group.

The Group is subject to risks related to the spread of the SARS-CoV-2 ("COVID-19") virus and the COVID-19 pandemic. The impact of the SARS-CoV-2 virus and the COVID-19 pandemic is largely dependent on factors over which the Group has no control. The COVID-19 pandemic, together with measures aimed at mitigating its further spread (including precautionary restrictions such as temporary closures of public spaces including shopping malls or a temporary ban on public gatherings introduced in countries in which the Group or its tenants operate), has significantly impacted the Group's business, and may have a further adverse effect on the operations of the Group. Such developments could have a number of effects on the Group's business, including the following:

- some tenants in the Group's properties could find it increasingly difficult to pay rent, thereby leading to an increase in late payments and a consequential reduction of the Group's cash flow;
- other tenants in the Group's properties may go bankrupt and/or may no longer be able to afford to pay rent at all and be forced to move out, thereby further reducing the Group's revenue streams. As a result, the Group may be confronted with having lower occupancy levels or having to lower rental prices at its properties;
- reduced demand for both office and retail space as a result of different and changing work patterns (a growing share of employees may work from home and not from the office) and habits (a growing number of customers may switch to shopping online rather than in person);
- delays in signing agreements relating to the sale of real estate projects or leases;
- delays in obtaining administrative decisions and approvals of key importance to real project development processes;
- delays in obtaining (or a failure to obtain) financing for current and planned real estate projects;
- delays in completing projects as a result of reduced access to building materials (as a result of disrupted supply chains) and a shortage of personnel, including subcontractors; and
- enforced quarantines or having to shut down its headquarters or other office buildings if any of the Group's employees (or individuals with whom the Group's employees may have come into contact) contract or test positive for COVID-19 (particularly, if a significant number of the Group's employees are affected).

As of the date of this Prospectus, all of the Group's total property portfolio, including retail properties, were open and operating normally. Retail properties constitute approximately 39 per cent. of the Group's property portfolio by value and 29 per cent. by GLA and include shopping centres located in Poland, Belgrade, Zagreb and Sofia. Closed units primarily relate to units in the Group's shopping centres which were deemed "non-essential" by local governments. Although the Group has not experienced any significant delays or variations in rental collections from offices and retail units, the Group is working closely with tenants, many of whom are expected to take advantage of government measures which may support rental payments, even if on a delayed basis. In some cases, the Group has collected security deposits in lieu of rents. The Group has agreed to rental holidays or discounts in certain cases which together with levied rental rate payment in Poland during the lockdown of shopping centres had a negative impact of (i) EUR 14,700 thousand on the Groups' operating margin in the year ended 31 December 2020 and (ii) EUR 2,400 thousand on the Groups' operating margin in the three month period ended 31 March 2021.

The extent of the impact of the COVID-19 pandemic on the Group is highly uncertain at this time and depends on a number of factors, such as the duration and scope of the pandemic, and the suitability and effectiveness of measures adopted by authorities in response to the pandemic. The continued spread of the COVID-19 pandemic and the occurrence or escalation of one or more of the above developments may significantly negatively impact the Group's business, financial condition, prospects and results of operations.

The Group is exposed to general commercial property risks including economic, demographic and market developments.

The Group is exposed to all of the risks inherent in the business of owning, managing and using commercial real estate. Its performance may be adversely affected by an oversupply or a downturn in the commercial real estate market in general, or in the commercial real estate market in those cities in which the properties are located. For example, rental income and the market value for properties are generally affected by overall conditions in the EU and national and local economies, such as growth in gross domestic product ("GDP"), inflation and changes in interest rates. Changes in GDP may also impact employment levels, which in turn may affect tenants' ability to meet their rental obligations to the Group and impact the demand for premises generally. There can be no assurance that the Group will be able to maintain the current high occupancy rates, rental levels and lease terms of its properties in the future.

Other factors which could have an impact on the value of a property are more general in nature, such as national, regional or local economic conditions (including key business closures, industry slowdowns and unemployment rates, and any cyclical patterns relating to these trends); local property conditions from time to time (such as the balance between supply and demand); demographic factors; consumer confidence; consumer tastes and preferences; changes in governmental regulations including retrospective changes in building codes; planning/zoning or tax laws; potential environmental legislation or liabilities; the availability of refinancing; and changes in interest rate levels or yields required by investors in income producing commercial properties.

The demand for commercial properties and the ability of such properties to generate income and sustain market value is based on a number of factors, including:

- the economic and demographic environment;
- renovation work required on vacant units before they are re-let;
- tenant credit risk;
- workplace trends including growth rate, telecommuting and tenants' use of space sharing;
- local infrastructure and access to public transportation;
- the competitive environment; and
- tenant expectations of facility quality and upkeep.

Any deterioration in demand may result in increased pressure to offer new and renewing tenants financial and other incentives, which in turn may lead to an overall negative impact on net rental incomes as operating expenses

increase. The occurrence of any one or a combination of the factors noted above may have a material adverse effect on the value of the properties, the potential to increase rent following rent reviews and the ability of the Group to sell its properties on favourable terms or at all. Any deterioration on net rental income, the value of the properties, or the Group's ability to sell its properties, could adversely affect the ability of the Issuer to make payments of interest and/or principal on the Notes.

The Group may fail to implement its strategy and there can be no assurance that the successful implementation of the Group's strategy would achieve its goals.

The Group's strategy aims to achieve growth by: (i) expanding the Group's property portfolio by acquiring and improving yielding properties in Poland and in capital cities in the countries in which the Group operates, supplemented by selected development projects in the Group's property portfolio; (ii) improving the efficiency of the Group's asset management activities to maximise operating performance; and (iii) selling the Group's non-core assets, which should allow the Group to reduce its financial leverage or obtain funds to be used for new investments.

The successful implementation of the Group's strategy may result in certain changes to the Group's property portfolio including, for example, the geographic composition of the Group's property portfolio, the ratio of the value of completed properties to the value of properties under construction, and the composition of the Group's property portfolio by asset classes (i.e. retail, office, residential and other properties). As a result, various measures of the Group's business and recurring cash flows derived from rental income may change. Moreover, no assurance can be given that the future performance of the Group's property portfolio or future investment strategies effected pursuant to the Group's strategy will enhance the value of its property portfolio and increase the Group's profitability.

The success of the Group's strategy relies, in part, on various assumptions and contingencies, including assumptions with respect to the level of profitability of any acquisition targets to be completed in the future and investment criteria that have been developed by the Group to achieve an expected level of returns on acquired properties. Such assumptions may prove to be partially or wholly incorrect and/or inaccurate.

Furthermore, the Group may fail to achieve its major goals due to internal and external factors of a regulatory, legal, financial, social or operational nature, some of which may be beyond the Group's control. In particular, volatile market conditions, a lack of capital resources needed for expansion and the changing price and availability of properties for sale in relevant markets may hinder or make it impossible for the Group to implement the core elements of its strategy. Moreover, expanding its presence in the asset management sector may be hindered or even impossible due to increasing competition from other real estate managers and investors in the real estate market.

As a consequence, the Group may be unable to implement its strategy in part or in full; it may decide to change, suspend or withdraw from its strategy or development programme, and it may be unable to achieve, or it could encounter delays in achieving, the planned outcomes of its strategy and development programme. This could have a material adverse effect on the Group's business, financial condition and results of operations.

The valuation of the Group's properties is inherently uncertain, may be inaccurate and is subject to fluctuation.

The financial statements of the Group reflect property valuations performed by external valuation agents and are not guarantees of present or future value. One external valuation agent may reach a different conclusion to the conclusion that would be reached if a different external valuation agent were appraising the same property, and similarly the same external valuation agent may come to a different conclusion at different periods of time. The valuation of property is inherently subjective and uncertain as it is based different methodologies, forecasts and assumptions. Any change to valuation methodology may result in gains or losses in the Group's consolidated income statement, based on the change to each property's valuation compared with prior valuations.

The fair value of the Group's investment properties and undeveloped landbank is assessed semi-annually (as at 30 June and 31 December of each year) by independent certified appraisers based on discounted projected cash-flows from investment properties using discount rates applicable for the relevant local real estate market or, in case of certain properties, by reference to the sale value of comparable properties. Such valuations are reviewed internally

and, if necessary, confirmed by the Group's independent certified appraiser and, verified by the Group's management.

There can be no assurance that the valuations of the Group's properties (undeveloped, in progress and completed) will reflect the actual sale prices or that the estimated yield and annual rental revenue of any property will be attained, or that such valuations will not be subject to be challenged by, among others, the regulatory authorities. Increased uncertainty and volatility in financial markets in the context of the COVID-19 pandemic has negatively affected the Group's investment properties and might have an effect on their future asset valuations (the valuation of the Group's investment properties in the year ended 31 December 2020 decreased by EUR 142,700 thousand (6 per cent. of total portfolio value)). Forecasts may prove inaccurate as a result of the limited amount and quality of publicly available data and research regarding Poland and the other markets in which the Group operates, compared to mature markets. Moreover, a recent lack of comparable transactions during periods of lockdowns has forced valuation agents to rely on yields derived from theoretical models and estimates rather than actual market yields.

Additionally, the valuation and planning of projects is impacted by estimates of construction costs which are based on current prices and future price forecasts, whereas the actual costs involved may be different. Moreover, certain valuations are based on assumptions regarding future zoning decisions, which may prove to be inaccurate and, as a result, the Group may not be able to develop certain properties in accordance with its plans. This may adversely impact the valuation of such properties in the future.

If the forecasts and assumptions on which the valuations of the projects in the Group's portfolio are based prove to be inaccurate, the actual value of the projects in the Group's portfolio may differ materially from that stated in the valuation reports. Inaccurate valuations of the Group's properties and fluctuations in valuations may have a material adverse effect on the Group's business, financial condition and results of operations.

The Group's consolidated balance sheet and income statement may be significantly affected by fluctuations in the fair market value of its properties as a result of revaluations.

The Group's income generating properties and properties under development are independently revalued on, at a minimum, a semi-annual basis in accordance with its accounting policy. In accordance with IAS 40 "Investment Property" as adopted by the European Union (the "EU"), any increase or decrease in the value of the Group's properties are accounted for in accordance with fair value models recorded as a revaluation gain or loss in the Group's consolidated income statement for the period during which the revaluation occurred. Moreover, projects under construction which cannot be reliably valued at fair value are valued at historical cost decreased by impairment, if any. Such properties are tested for impairment on at least, a semi-annual basis. If the criteria for impairment is satisfied, a loss is recognised in the Group's consolidated income statement.

As a result, the Group can have significant non-cash revenue gains or losses from period to period depending on the changes in the fair value of its investment properties, whether or not such properties are sold. For instance, in some years, the Group may recognise revaluation losses and impairment in respect of certain assets and residential projects, and profits for the same assets and residential projects in other years.

If market conditions and the prices of comparable commercial real properties continue to be volatile, the Group may continue to experience significant revaluation gains or losses from the Group's existing properties in the future. If a substantial decrease in the fair market value of its properties occurs, over the longer term, this may have a material adverse effect on the Group's business, financial condition and results of operations.

The Group's business is dependent on its ability to actively manage its assets.

A core part of the Group's operations is the active management of its assets, which includes the management of vacancy rates and rent levels and the terms of executed lease agreements in the case of commercial properties, as well as achieving a desired tenant mix in the case of retail properties.

The active management of the Group's large-scale commercial properties is of particular importance. In addition to legal constraints, the Group's ability to reduce vacancies, renegotiate rents and create a desired tenant mix is partly subject to market-related factors. Some of these factors, such as the general economic environment, consumer confidence, inflation and interest rates, and others are beyond the Group's control. During periods of

recession or downturns in the economy, or as a result of the uncertainty caused by the outbreak of the COVID-19 pandemic, it is more challenging for developers to attract new tenants and to retain existing ones, and competition between developers for each tenant is much stronger. If the Group is unable to create or capture demand for its properties by, for example, improving tenant services or motivating its external sales agents, it may not be able to reduce vacancy rates or renegotiate rents as desired. Moreover, tenants that experience liquidity shortages may not pay their rent on time over prolonged periods, but, despite that, the Group may not be able to replace them with different tenants with a better financial standing.

A prolonged period of higher vacancy rates could lower the rents tenants generally pay and make it more difficult to increase the average rent that the Group expects to charge. Higher vacancy rates would also increase the Group's overall operating costs, as the Group would have to cover expenses generated by empty properties or units. Any such decrease in rental revenue or increase in operating costs could have a material adverse effect on the Group's business, financial condition and results of operations.

The Group's growth and profitability will depend on the Group's ability to identify and acquire attractive income-generating properties, efficiently manage its portfolio and develop selected projects.

In accordance with its strategy, the Group intends to expand its business through: (i) the acquisition of yielding properties; (ii) asset management focused on realising the full potential of, and maximising returns from the Group's portfolio; and (iii) the development of selected projects. Accordingly, the growth and profitability of the Group and the success of its proposed business strategy depend, to a significant extent, on its continued ability to locate and acquire yielding properties at attractive prices and on favourable terms and conditions.

The ability to identify and secure accretive value-added acquisition opportunities involves uncertainties and risks, including the risk that the acquisition will not generate an income after the Group has carried out business, technical, environmental, accounting and legal examinations of the property or project. In addition, the Group also faces the risk that competitors may anticipate certain investment opportunities and compete for their acquisition. Additionally, any potential acquisition of properties may give rise to pre-acquisition costs which have to be paid by the Group even if the purchase of a property is not concluded. There can be no assurance that the Group will be able to: (i) identify and secure investments that satisfy its rate of return objective and realise their values; and (ii) acquire properties suitable for management in the future at attractive prices or on favourable terms and conditions.

As a part of its strategy, the Group intends to focus on maximising the operating performance and efficiency of its income-generating commercial property portfolio. In pursuing this objective, the Group may expend considerable resources (including funds and management time) on managing properties that do not generate the expected returns and maintain certain ratios at the required level due to, for example, a decrease in demand for rental units or in rental levels which are not possible to anticipate.

The failure of the Group to identify and acquire suitable properties, effectively manage its properties portfolio and develop its projects could have a material adverse effect on the Issuer's business, financial condition and results of operations or prospects.

The Group might not receive adequate information on risks relating to, or might make errors in judgment regarding, future acquisitions of real estate.

The acquisition of real estate requires a precise analysis of the factors that create value, in particular the levels of future rental values and the potential for the improvement of the net operating income ("NOI"). Such an analysis is subject to a wide variety of factors as well as subjective assessments and is based on various assumptions. It is possible that the Group or its service providers will misjudge individual aspects of a given project when making acquisition decisions or that assessments on which the Group bases its decisions are inaccurate or based on assumptions that turn out to be incorrect. Such judgment errors may lead to an inaccurate analysis and valuation of the properties by the Group in connection with investment decisions that may only become apparent at a later stage and force the Group to revise its valuation amounts downwards. The Group can also not guarantee that the service provider it chooses to carry out its due diligence when purchasing property will identify all the risks related to the property in question. In addition, the Group cannot guarantee that it will be able to have recourse to the seller of the property for not disclosing such risks. The Group may suffer financial loss if it is unable to learn of

such risks. The occurrence of one or several of such risks could have a material adverse effect on the Group's business, financial condition and results of operations.

The Group cannot guarantee that it will continue to generate rental income at assumed levels.

Rental levels of the Group's properties are generally affected by overall conditions in the economies in which the Group operates, as well as the conditions of the Group's property portfolio itself (including future acquisitions of properties and the performance of the existing property portfolio), the development of the selected existing projects, their infrastructure condition, and vacancy rates. All of these elements are subject to various factors, many of which are outside of the Group's control.

In particular, due to increased competition and pressure on rents, amidst the general economic uncertainty arising from the COVID-19 pandemic, there can be no assurance that tenants will renew their leases on terms favourable to the Group at the end of their current tenancies or, if they do not, that new tenants of equivalent standing (or any new tenants) will be found to take-up replacement leases. Moreover, the Group's property portfolio includes numerous properties with non-fixed rents tied to the turnover of the tenants. Accordingly, if the turnover of such tenants declines, the rent payable by them will also decrease. For the year ended 31 December 2020, 2.2 per cent. of the Group's rental revenues came from properties on which the rents were tied to the turnover of the tenants. In addition, the Group has no influence on the operations of its tenants and may not be able to monitor on an ongoing basis the tenants' turnover in order to ensure that the level of turnover reflects the best and actual performance efforts of its tenants. Consequently, the amounts of rental income generated by the Group's office and retail properties in the past cannot be used to predict future rental income and there can be no assurance that rental income will develop positively in the future.

Additionally, the Group's rental income may also decrease as a result of asset disposals or acquisitions of properties with no or unsatisfactory income-generating capabilities. As part of its strategy, the Group is reorganising its property portfolio and intends to acquire appreciating and value-added properties and to sell its non-core assets. The Group intends to integrate any newly acquired properties with the existing portfolio and rent them out in order to generate rental income for the Group. If these properties are not fully rented and/or the rental rates are agreed below the estimated rental values, the Group may not be able to realise its expected rates of return on the new acquisitions. Subdued or negative rental return and profits could have a material adverse effect on the Group's business, financial condition and results of operations.

Any decline in occupancy levels may have a direct impact on the Group's cash flows.

The Group invests in real estate and derives a significant proportion of its cash flows from rental payments received from the tenants occupying its properties. Any significant decline in occupancy levels in respect of the properties could have a material adverse effect on the ability of the Issuer to generate cash flow at the earlier assumed values. Factors affecting occupancy may include, but are not limited to:

- demand for office and retail space
- the age, quality and design of a property relative to comparable properties in the local market;
- the property's location relative to public transportation;
- the standard of maintenance and upkeep of a property, including any work done by third-party service providers; and
- perceptions regarding the safety, convenience and attractiveness of the property.

There can be no assurance that tenants will renew their leases on terms favourable to the Group at the end of their current tenancies or, if they do not, that new tenants of equivalent standing (or any new tenants) will be found to take-up replacement leases.

Any failure of the Group to sustain an adequate occupancy level would result in lower rental income from the management of the existing portfolio and in a lower valuation of the Group's properties and overall portfolio. Expected vacancies are reflected in the valuation reports as at 31 December 2020. If a significant portion of the Group's property portfolio remains vacant for a prolonged period of time, the fixed costs for maintaining such

vacant spaces and the lack of rental income generated by such spaces could have a material adverse effect on the Group's business, financial condition and results of operations. Further, the relevant Group member would continue to face fixed costs (subject to certain exceptions) to cover service charge contributions in respect of any vacant units, which would reduce amounts available to make payments of interest on the Notes.

The Group may be unable to fully recover the costs of operating the properties from the tenants.

The majority of the Group's lease contracts are structured in a way that allows the Group to pass on certain of the costs related to the leased property to the tenant, including marketing costs, electricity costs on common space, real estate taxes, building insurance, and maintenance costs.

However, the Group is not able to pass on all such costs to the tenants, especially in a very competitive environment, where the Group has to offer attractive conditions and terms to be able to compete with other office buildings or has to improve conditions offered to attract new tenants to its retail projects. Deteriorating market conditions, increased competition and tenants' requirements may further limit the Group's ability to transfer such costs, in full or in part, to its tenants. The service charges of the Group's properties may increase due to a number of factors, including an increase in electricity costs or maintenance costs. Moreover, if vacancy rates increase, the Group must cover the portion of the service charge that is related to the vacant space. Some lease agreements provide for the maximum value combined rental rate and service charged to be paid by the tenant. In such cases, if the maintenance charges increase, the Group would be unable to pass on such increases to the tenants.

Any significant increases in property costs that cannot be compensated by increasing the level of costs passed on to its tenants may have an adverse effect on the Group's business, financial condition and results of operations.

The Group may be materially affected by the loss of attractive tenants.

The presence of reputable tenants, especially anchor tenants, in the Group's retail projects is important for its commercial success. Such tenants play an important role in generating customer traffic and attracting other tenants. The Group targets anchor tenants of varying sizes. A suitable anchor tenant typically depends on the size of the relevant shopping centre and the relative size, in GLA terms, of the anchor tenant unit in a given shopping centre. It may be more difficult for the Group to attract tenants to enter into leases during periods when market rents are increasing or when general consumer activity is decreasing, or if there is competition for such tenants from competing developments. In addition, the termination of a lease agreement by any significant tenant may adversely affect the attractiveness of a project. Moreover, following the period of lockdowns, anchor tenants were among the first to demand renegotiations of their lease agreements. In order to maintain such tenants, the Group was required to implement several measures to support tenants and encourage consumer spending, such as reducing rent, allowing rent payment in instalments, and waiving late payment interest and service charges. The financial impact of this in terms of loss of rent and service income related to the COVID-19 amounted to EUR 14,700 thousand. Overall, the Group collected 99 per cent. of the rent originally invoiced and due for the year ended 31 December 2020 (99 per cent. for offices and 97 per cent. for retail). Depending on the severity and length of the COVID-19 pandemic, the Group may have to extend further assistance to its tenants across the portfolio.

If the Group fails to renew the leases of anchor tenants, or to replace such tenants in a timely manner, the Group may incur material additional costs or loss of revenues, which may, in turn, have a material adverse effect on the Group's business, financial condition and results of operations.

The Group faces competition from other owners, real estate managers and developers of commercial real estate.

The Group has faced and continues to face increased competition from other owners, local and international real estate managers and developers of commercial real estate. Such competition may affect the Group's ability to attract and retain tenants and may reduce the rents that the Group is able to charge. Such competing properties may have vacancy rates that are higher than the vacancy rates of the Group's properties, which could result in their owners being willing to rent their properties at lower rental rates than the Group would normally be prepared to offer but which the Group may have to match. Competition in the real estate market may also lead to increased marketing and development costs.

Given that the successful growth and profitability of the Group depends on: (i) the level of its vacancy rates; (ii) the increase and maintenance of occupancy on the best achievable market terms; (iii) the level of lease rent and

rent collection; (iv) minimising property maintenance costs; and (v) the acquisition of real estate at the lowest available prices, increased competition from other owners, real estate managers and developers of commercial real estate and surrounding factors could adversely affect the Group's business, financial condition and results of operations.

The Group may be subject to significant competition in seeking investments and may increase the purchase price of properties to be acquired.

The Group competes with a number of real estate companies and developers for properties, developments, contractors and customers. Some of the Group's competitors may be larger or have greater financial, technical and marketing resources than the Group and therefore the Group may not be able to compete successfully for investments or developments.

In addition, new acquisitions of existing properties at yields that the Group considers attractive may become difficult to complete for a number of factors that may be beyond the Group's control including, for example, increased competition. Accordingly, the implementation of the Group's strategy to make suitable investments in prime locations may be delayed or may not be possible.

Competition in the real estate market may also lead to a significant increase in prices for real estate available for sale, which could be potential acquisition targets for the Group. Each of these risks could have a material adverse effect on the Group's business, financial condition and results of operations.

The Group may not be able to sell its properties on a timely basis.

As part of its strategy, the Group sells from time to time its real-estate properties to recycle its equity and reinvest in new projects. The sale of a real estate project is usually a complex and lengthy process. There may be situations, however, when it would be beneficial for the Group to be able to sell one or more of its projects quickly. For example, the Group may wish to sell on short notice if it believes that market conditions are optimal or if it is approached by a party interested in purchasing a particular property on commercially attractive terms. The Group's ability to sell its property quickly may, however, be hindered by a number of factors beyond its control.

The Group's properties may constitute collateral established in favour of entities providing external financing, which may further restrict and/or delay their transferability if the lender's consent must first be obtained. Several of the Group's projects are also held through joint ventures with third parties and may, as a result, be subject to legal and/or contractual limitations on transferability, such as first refusal and co-sale rights, or a requirement to obtain joint approval for any such sale. Such limitations could adversely affect the Group's ability to complete a transaction and to generate cash flow as needed through the timely sale of its projects at favourable prices or to vary its property portfolio in response to economic or other conditions impacting the property value. It may be particularly difficult to sell real estate properties in an uncertain market environment caused by the COVID-19 pandemic. If the Group cannot sell a particular project within a reasonable time, it may not be able to generate the cash flow it may require to service ongoing operations or invest in new projects, or it may be unable to take advantage of favourable economic conditions or mitigate the impact of unfavourable economic conditions should they arise, which could have a material adverse effect on the Group's business, financial condition and results of operations.

The Group's properties could suffer damage due to undiscovered defects or external influences.

The Group's properties could suffer damage due to undiscovered or underestimated defects or from external influences (e.g., earthquakes, floods, landslides or mining damage). In addition to the significant health risks and related costs, the Group could also be required to pay for the removal and disposal of hazardous substances, as well as the related maintenance and restoration work, without the ability to pass those costs onto third parties. The occurrence of any such risk could have a material adverse effect on the Group's business, financial condition and results of operations.

If a given property is under renovation or undergoing modernisation, there can be no assurance that any space that has not been pre-leased, can be let or otherwise marketed during or following the renovation or modernisation phase on the appropriate terms and conditions. Such developments could have a material adverse effect on the Group's business, financial condition and results of operations.

Failure to obtain the required zoning or construction permits, or any other approvals in a timely manner or at all may delay or prevent the development of certain of the Group's projects.

No assurances can be given that any permits, consents or approvals required from various government entities in connection with existing or new development projects will be obtained by the Group in a timely manner, or that they will be obtained at all, or that any current or future permits, consents or approvals will not be withdrawn. For example, as part of its operations, the Group, may occasionally purchase land that requires rezoning or a new or amended local spatial development plan or planning permission. The issuance of a required permission cannot be guaranteed, and the Group has encountered difficulties in the past in that respect.

If the Group cannot obtain the required approvals and permits in a timely manner or at all, its projects may be delayed or cancelled, which could have a material adverse effect on the Group's business, financial condition and results of operations.

The Group may be subject to increased costs or project delays or cancellations if it is unable to hire general contractors to build its projects on commercially reasonable terms, or at all, or if the general contractors it hires fail to build the Group's projects to accepted standards, in a timely manner or within budget.

The Group outsources the construction of its projects to reputable general contractors and the successful construction of the Group's projects depends on its ability to hire general contractors to build its projects to accepted standards of quality and safety on commercially reasonable terms, within the limits of an agreed timeframe or an approved budget.

Accordingly, the Group's failure to hire general contractors on commercially reasonable terms could result in increased costs and a failure to hire general contractors at all could result in project delays or cancellations. The failure of general contractors to meet accepted standards of quality and safety or to complete the construction within an agreed timeframe or within an approved budget may result in increased costs, project delays or claims against the Group. Additionally, such failure may damage the Group's reputation and affect the marketability of the completed properties. If the Group is unable to enter into contracting arrangements with quality general contractors or subcontractors on commercially reasonable terms, or their performance is substandard, this could have a material adverse effect on the Group's business, financial condition and results of operations.

The financial strength and liquidity of the Group's general contractors may be insufficient in the case of a severe downturn in the real estate market, which, in turn, could lead to their insolvency. Although most of the Group's subsidiaries' agreements with general contractors provide for the indemnification of the subsidiaries against any claims raised by sub-contractors engaged by such general contractors, there can be no assurance that such indemnification provisions will be fully effective, in particular if such indemnification is challenged in court or upon the insolvency of the general contractors. The Group requires general contractors to secure the performance of their obligations under their respective agreements through, for example, presenting bank guarantees. However, there can be no assurance that such guarantees will cover the entirety of costs and damages incurred by the Group in connection with the non-performance of agreements entered into with general contractors.

The Group's reliance on general contractors and subcontractors exposes it to risks associated with the poor performance of such contractors and their subcontractors and employees and construction defects. The Group may incur losses as a result of being required to engage contractors to repair defective work or pay damages to persons who have suffered losses as a result of such defective work. Furthermore, these losses and costs may not be covered by the Group's professional liability insurance, by the contractor or by any relevant subcontractor – in particular in the case of the architects engaged by the general contractors as both the scope of their liability and their financial strength is limited in comparison to the value of the Group's projects. If the performance of the Group's general contractors or subcontractors is substandard, this could have a material adverse effect on the Group's business, financial condition and results of operations.

The Group may face claims for defective construction and risks associated with adverse publicity, which could have an adverse effect on its competitive position.

The construction, lease and sale of properties are subject to a risk of claims for defective construction, corrective or other works and associated adverse publicity. There can be no assurance that such claims will not be asserted

against the Group in the future, or that such corrective or other works will not be necessary. Further, any claim brought against the Group, and the surrounding negative publicity concerning the quality of the Group's properties or projects, irrespective of whether the claim is successful, could also have a material adverse effect on how the Group's business, properties and projects are perceived by target customers, tenants or investors. This could negatively affect the Group's ability to market, lease and sell its properties and projects successfully in the future, which could have a material adverse effect on the Group's business, financial condition and results of operations.

The construction of the Group's projects may be delayed or otherwise negatively affected by factors over which the Group has limited or no control.

The construction of the Group's projects may be delayed or otherwise negatively affected by, among others, the following factors over which the Group has limited or no control:

- increased material, labour or other costs, which may make completion of the project uneconomical;
- acts of nature, such as harsh climate conditions, earthquakes and floods, that may damage or delay the construction of properties;
- industrial accidents, deterioration of ground conditions (for example, the presence of underground water) and potential liability under environmental laws and other laws related to, for example, ground contamination, archaeological findings or unexploded ordnance;
- acts of terrorism, riots, strikes or social unrest;
- building code violations or as yet undetected existing contamination, soil pollution, or construction materials that are determined to be harmful to health;
- changes in applicable laws, regulations, rules or standards that take effect after the commencement by the Group of the planning or construction of a project that result in the incurrence of costs by the Group or delays in the development of a project; and
- defective building methods or materials.

The inability to complete the construction of a project on schedule, within budget or at all for any of the above or other reasons may result in increased costs or cause the project to be delayed or cancelled, which could have a material adverse effect on the Group's business, financial condition and results of operations.

The Group is subject to general development risks that may increase costs and/or delay or prevent the development of its projects.

Development of certain of the Group's projects has not yet begun and, as at the date of this Prospectus, these projects do not generate any revenues. The successful development of these projects is an important factor for the Group's future success and involves a large number of highly variable factors which are complex and inherently subject to risk. Development risks to which the Group is sensitive include, among others:

- additional construction costs for a development project being incurred in excess of the amount originally agreed with the general contractor;
- liability to subcontractors related with bankruptcy of the general contractor;
- changes in existing legislation or the interpretation or application thereof (e.g. an increase of the rate of the goods and services tax, which impacts the demand for housing);
- actions of governmental and local authorities resulting in unforeseen changes in urban planning, zoning and architectural requirements;
- potential defects or restrictions in the legal title to plots of land or buildings acquired by the Group, or defects, qualifications or conditions related to approvals or other authorizations relating to plots of land held by the Group;
- the Group's potential inability to obtain financing on favourable terms or at all for individual projects or in the context of multiple projects being developed at the same time;

- potential liabilities relating to acquired land, properties or entities owning properties with respect to which the Group may have limited or no recourse;
- tenants' unwillingness to vacate a development site;
- obligations regarding the development of adjacent properties;
- inability to receive required zoning permissions for intended use;
- discrepancies between the planned area and the post-construction area of developments;
- obligations relating to the preservation and protection of the environment and the historic and cultural heritage of jurisdictions in which the Group conducts its operations, as well as other social obligations;
- Covid-19 pandemic associated development costs.

These factors, including factors over which the Group has little or no control, may increase costs, give rise to liabilities or otherwise create difficulties or obstacles to the development of the Group's projects. The inability to complete the construction of a property on schedule or at all for any of the above reasons may result in increased costs or cause the projects to be delayed or cancelled, which may have a material adverse effect on the Group's business, financial condition and results of operations.

Without sufficient local infrastructure and utilities, the construction of the Group's projects may be delayed or cancelled, or it may be unable to realise the full expected value of its completed projects.

The Group's projects can only be carried out if the sites on which they are located have access to the relevant technical infrastructure required by law (e.g. internal roads, utility connections, and fire prevention equipment and procedures). In cases where such sites do not have the necessary infrastructure, a use permit for the project may not be issued until such infrastructure is assured. It is also possible that the relevant authorities may require the Group to develop the relevant infrastructure as a part of the works related to the project, which may have a significant impact on the costs of the construction works. The authorities may also demand that the investor develop technical infrastructure that is not required from the project's perspective but may be expected by the authorities as a contribution by the investor to the development of the local municipality.

In addition to the necessity of having adequate infrastructure during the construction process, the viability of the Group's projects, once completed, depends on the availability and sufficiency of the local infrastructure and utilities. In some cases, utilities, communications and logistics networks have not been adequately funded or maintained in recent decades and may be non-existent, obsolete or experience failures. To be sufficient, the existing local infrastructure and utilities may need to be improved, upgraded or replaced. As a consequence of this lack of maintenance, for example, the Group may from time to time experience shortages in the availability of energy and other utilities. There can be no assurance that improvements to the infrastructure in and around the Group's projects, or the infrastructure integrated into its projects, will be completed prior to the completion of the Group's projects or that any such improvement will be sufficient to support the Group's completed projects. This may have a material adverse effect on the Group's business, financial condition and results of operations.

Shortages of qualified employees and other skilled professionals could delay the completion of the projects of the Group or increase its costs.

The Group relies on a skilled team of professionals, including its key management and project managers, mid-level managers, accountants and other financial professionals, in the development of its projects. The Group has in the past experienced delays in the completion of certain projects as a result of shortages of qualified employees and skilled professionals and, if the Group is unable to hire the necessary employees, staffing shortages may adversely affect its ability to adequately manage the completion of its projects and efficiently manage its assets or force it to pay increased salaries to attract skilled professionals or the necessary employees. Furthermore, the future success of the Group depends on its ability to hire senior personnel such as managers with extensive experience in the identification, acquisition, financing, construction, marketing and management of development projects and investment properties. The failure by the Group to recruit and retain appropriate personnel may have a material adverse effect on the Group's business, financial condition and results of operations.

Climate changes may require changes in the operation of the Group's properties and not adapting to these changes in timely manner could create a competitive disadvantage and decrease in rental revenue while adopting to changes may require additional capital expenditure.

Over last several years the Group has observed changes in climate with significant changes in the average air temperature in the region in which the Group operates. As a result, the Group has invested to upgrade infrastructure in certain of its properties in order to address such increases in average air temperatures. The Group strives to prepare its properties for changing climate in the best possible way. However, it cannot be guaranteed that the Group will not suffer a competitive disadvantage or decrease in rental revenue as a result of not adapting to those changes in timely or appropriate manner. Additionally, the Group cannot assess at that stage what adjustments to its properties will be required going forward to adopt the properties to the changes in climate and what capital expenditure will be required to make those adaptations.

Legal and Regulatory Risks

Changes in tax laws or their interpretation could affect the Group's financial condition and the cash flows available to the Group.

Tax regulations in a number of countries the Group operates in, including Poland, are complex and they are subject to frequent changes. The approach of the tax authorities in the countries in which the Group operates is not uniform or consistent and there are rather significant discrepancies between the judicial decisions issued by administrative courts in tax law matters. No assurance may be given that tax authorities will not employ a different interpretation of the tax laws which apply to the Group, and which may prove unfavourable to the Group. No assurance may be given that the specific individual tax interpretations already obtained and applied by the Group will not be changed or challenged. There is also a risk that once new tax law regulations are introduced, the Group companies will need to take actions to adjust to these laws, which may result in greater costs forced by circumstances related with complying with the changed or new regulations.

In light of the foregoing, there can be no assurance given that the tax authorities will not question the accuracy of tax reporting and tax payments made by the Group companies, in the scope of tax liabilities not barred by the statute of limitations, and that they will not determine the tax arrears of the Group companies, which may have a material adverse effect on the Group companies' business, financial standing, growth prospects or results of the Group.

Moreover, in relation to the cross-border nature of the Group's business, the international agreements, including the double tax treaties, to which members of the Group are a party, also have an effect on the Group companies' business. Different interpretations of the double tax treaties by the tax authorities as well as any changes to these treaties may have a material adverse effect on the business, financial standing or results of the Group companies.

Governments in jurisdictions in which the Group operates might introduce changes in laws (including laws governing rent collection, debt collection and insolvency) in response to the COVID-19 pandemic.

In light of the expected payment difficulties of companies and private individuals as a result of the COVID-19 pandemic, a number of jurisdictions in which the Group operates have enacted legislative amendments and adopted tenant support packages. For example, in Poland, the government introduced a payment holiday for the period of the lockdown in exchange for an extension to the term of a lease contract by the period of the lockdown and an additional six months. See "*Description of the Group – Recent Developments – COVID-19*". The Group adopted a number of measures to support tenants in response and, while the Group was able to collect 99 per cent. of the rent originally due for the year ended 31 December 2020, there can be no assurance that the governments in the jurisdictions in which the Group operates may not, in the future, introduce additional measures which could negatively impact the ability of the Group to collect its rental payments. Income from, and the market value of, the Group's portfolio would be adversely affected if, as a result of governmental measures, rental payments could not be collected.

Changes in laws could adversely affect the Group.

The Group's operations are subject to various regulations in Poland, Romania, Hungary, Croatia, Serbia, Bulgaria and other jurisdictions in which the Group conducts business activities, such as fire and safety requirements,

environmental regulations, labour laws, and land use restrictions. If the Group's projects and properties do not comply with these requirements, the Group may incur regulatory fines or damages.

Moreover, there can be no assurance that if perpetual usufruct fees in Poland are increased, the Group will be able to pass such costs onto its tenants in the form of increased service charges as such increase might lead to a given property becoming less competitive as compared to properties not situated on land subject to perpetual usufruct fees.

Furthermore, the imposition of more strict environmental, health and safety laws or enforcement policies in Central and Eastern Europe ("CEE") and South Eastern Europe ("SEE") could result in substantial costs and liabilities for the Group and could subject the properties that the Group owns or operates (or those formerly owned or operated by the Group) to more rigorous scrutiny than is currently applied. Consequently, compliance with these laws could result in substantial costs resulting from any required removal, investigation or remediation, and the presence of such substances on the Group's properties may restrict its ability to sell the property or use the property as collateral.

New, or amendments to existing, laws, rules, regulations, or ordinances could require significant unanticipated expenditures or impose restrictions on the use of the properties and could have a material adverse effect on the Group's business, financial condition and results of operations.

The Group may be subject to legal disputes and risks.

The Group's business involves the acquisition, rental, sale and administration of properties, including under cooperation agreements that, as a matter of ordinary course of business, expose the Group to a certain degree of small-scale litigation and other legal proceedings. Legal disputes which, taken individually, are relatively immaterial, may be joined with disputes based on similar facts such that the aggregate exposure of the Group might become material to its business. Furthermore, the Group may face claims and may be held liable in connection with incidents occurring on its construction sites such as accidents, injuries or fatalities of its employees, employees of its contractors or other visitors on the sites.

It is standard practice in real estate transactions for the seller to make representations and warranties in the purchase agreement concerning certain features of the property. Typically, the assurances the seller gives regarding the property in the purchase agreement do not cover all of the risks or potential problems that can arise for the Group in connection with the purchase of property by the Group. The Group's possible rights of recourse towards the sellers of properties could fail for a variety of reasons, including due to the inability to establish that the persons in question knew or should have known about the defects, due to the expiration of the statute of limitations, due to the insolvency of the parties opposing the claim, or for other reasons. If this were to occur, the Group may suffer a financial loss.

The Group provides different types of guarantees when it leases real estate, especially with regard to legal title and the absence of defects in quality, as well as existing levels of hazardous contamination and the portfolio of leases. The same applies to the sale of real estate. Claims could be brought against the Group for breach of such guarantees and/or for the existence of defects of which the Group was not aware, but of which it should have been aware, when it concluded the transaction. The occurrence of one or several of the aforementioned risks could have a material adverse effect on the Group's business, financial condition and results of operations.

Conversely, when the Group disposes of its projects, it may be required to give certain representations, warranties and undertakings which, if breached, could result in liability to pay damages. As a consequence, the Group may become involved in disputes or litigation concerning such provisions and may be required to make payments to third parties, which may have a material adverse effect on the Group's business, financial condition and results of operations.

Moreover, if the Group's properties are subjected to legal claims by third parties and no resolution or agreement is reached, these claims can delay, for significant periods of time, planned actions of the Group. Such situations may include, for example, claims from third parties relating to plots of land where the Group has developed and completed a real estate asset which it then intends to sell, as well as claims from third parties relating to specific land plots the Group needs to acquire in order to complete a particular project (for example plots adjoining plots

it owned as of the date of the delivery of this Report), which could delay the acquisition by the Group of such plots.

The occurrence of one or several of the aforementioned risks could have a material adverse effect on the Group's business, financial condition and results of operations.

The Group may be exposed to certain environmental liabilities and compliance costs.

The Group is subject to environmental laws in CEE and SEE, pursuant to which it is required to conduct remedial action on sites contaminated with hazardous or toxic substances. Such laws often impose liability without regard to whether the owner of such site knew of, or was responsible for, the presence of such contaminating 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 substances on any of the Group's properties, or the liability for the failure to remedy contamination from such substances, could adversely affect the Group's ability to sell or let such property or to borrow funds using such property as collateral. In addition, the presence of hazardous or toxic substances on a property may prevent, delay or restrict the development or redevelopment of such property, which could have a material adverse effect on the Group's business, financial condition and results of operations.

The Group's insurance may be inadequate.

The Group's insurance policies may not cover it for all losses that may be suffered by the Group in the conduct of its business, and certain types of insurance are not available on commercially reasonable terms or at all.

As a result, the Group's insurance may not fully compensate it for losses associated with damage to its real estate properties. In addition, there are certain types of risks, generally of a catastrophic nature, such as floods, hurricanes, terrorism or acts of war that may be uninsurable or that are not economically insurable. Other factors may also result in insurance proceeds being insufficient to repair or replace a property if it is damaged or destroyed, such as inflation, changes in building codes and ordinances and environmental considerations. The Group may incur significant losses or damage to its properties or business for which it may not be compensated fully or at all. As a result, the Group may not have sufficient coverage against all losses that it may experience. Should an uninsured loss or a loss in excess of insured limits occur, the Group may lose capital invested in the affected developments as well as anticipated future revenues from such project. In addition, the Group may be liable to repair damage caused by uninsured risks. The Group could also remain liable for any debt or other financial obligation related to such damaged property. No assurance can be given that material losses in excess of insurance coverage limits will not occur in the future. Any uninsured losses or losses in excess of insured limits could have a material adverse effect on the Group's business, financial condition and results of operations.

Risks relating to the Group's financial condition

The Group's leverage and debt service obligations are material and may increase, adversely affecting its business, financial condition or results of operations.

As of the date of this Prospectus, the Group is leveraged and has significant debt service obligations. In addition, the Group may incur additional indebtedness in the future. The incurrence of additional indebtedness would increase the leverage-related risks described in this Prospectus and may have a material adverse effect on the Group's business, financial condition and results of operations. The Group's leverage could have material consequences for investors, including, but not limited to, the following:

- increasing vulnerability to and simultaneously reducing flexibility to respond to downturns in the Group's business or general adverse economic and industry conditions, including adverse economic conditions in the jurisdictions in which the Group operates;
- limiting the Group's ability to obtain additional financing to fund future operations, capital expenditures, business opportunities, acquisitions and other general corporate purposes and increasing the cost of any future borrowings;
- forcing the Group to dispose of its properties in order to enable it to meet its financing obligations, including compliance with certain covenants under loan agreements;

- requiring the dedication of a substantial portion of the Group's cash flows from operations to the payment of the principal of and interest on its indebtedness, meaning that these cash flows will not be available to fund its operations, capital expenditures, acquisitions or other corporate purposes;
- limiting the Group's flexibility in planning for, or reacting to, changes in its business, the competitive environment and the real estate market; and
- placing the Group at a competitive disadvantage compared to its competitors that are not as highly leveraged.

Any of these or other consequences or events could have a material adverse effect on the Group's ability to satisfy its obligations.

The Group may incur substantial losses if it fails to meet the obligations and requirements of its debt financing and, furthermore, the restrictions imposed by its debt financing may prevent it from selling its projects.

In order to secure its loans, the Group has in the past and/or may in the future mortgage its assets, pledge participation interests in its subsidiaries, enter into guarantees and covenant to its creditors that it would not establish any further mortgages or pledges on its present and/or future assets without their consent (negative pledges provisions). In addition, the Group's loans contain restrictions on its ability to dispose of certain key assets, which in turn may be required in order to satisfy certain financial covenants. The Group could fail to make principal and/or interest payments due under the Group's loans or breach any of the covenants included in the loan agreements to which the Group has entered. In some cases, the Group may breach these covenants due to circumstances which may be beyond the control of the Group. These may include requirements to meet certain loan-to-value ratio, debt service coverage and working capital requirements. A breach of such covenants by the Group could result in the forfeiture of its mortgaged assets, the acceleration of its payment obligations, the acceleration of payment guarantees, trigger cross-default clauses or make future borrowing difficult or impossible. In these circumstances, the Group could also be forced in the long term to sell some of its assets to meet its loan obligations or the completion of its affected projects could be delayed or curtailed.

Any of the events described above could have a material adverse effect on the Group's business, financial condition and results of operations.

The Group might be unable to renew or refinance loans as they mature, or might be able to renew or refinance such loans only on less favourable terms.

All of the Group's real estate developments have been financed through loans, which have been provided for a limited term. The Group may not be able to renew or refinance the remaining obligations in part or at all or may have to accept less favourable terms in respect of such refinancing. If the Group is unable to renew a loan or secure refinancing, the Group could be forced to sell one or more of its office properties in order to procure the necessary liquidity. Additionally, if the Group is not able to renew certain loans, those properties which are financed through loans will become low leveraged and, as a consequence, will not be able to generate the expected returns on equity. Any combination of the above would have material adverse effects on the Group's business, cash flows, financial condition and results of operations.

The Group is exposed to fluctuations in foreign currency exchange rates.

The Group's financial statements are expressed in Euro and the Group's functional currency is the Euro. Moreover, the majority of the Group's revenues, specifically rent revenues, are expressed in Euro. However, certain of the Group's costs, such as certain construction costs, labour costs and remuneration for certain general contractors, are incurred in the currencies of the geographical markets in which the Group operates, including Polish zloty, Bulgarian leva, Croatian kuna, Hungarian forint, Romanian lei or Serbian dinar.

In making assumptions regarding the levels of equity required to implement its strategic objectives, the Group used Euro as the reference currency. Additionally, the majority of the investments that the Group plans to make as part of its business strategy are expressed in Euro. Therefore, no assurance can be given that the proceeds derived and expressed in Polish zloty will suffice to meet the investment requirements of the Group's proposed acquisitions. While the Group may engage in currency hedging in an attempt to reduce the impact of currency

fluctuations and the volatility of returns that may result from its exposure by, among other things, entering into derivatives transactions, obtaining debt financing denominated in Euro, as well as concluding agreements with contractors specifying remuneration expressed in Euro, there can be no assurance that such hedging will be fully effective or beneficial.

Moreover, given the fact that certain contractors of the Group engage in hedging arrangements with respect to their remuneration on the basis of, among other things, construction contracts, their flexibility to postpone certain phases of construction may be limited and may result in their financial distress. In addition, given that payments under most of the Group's commercial leases are expressed as the local currency equivalent of a Euro-denominated amount, some of the Group's tenants, specifically those leasing retail space, may face difficulties in meeting their payment obligations under such leases as they derive revenues in their respective local currencies. Consequently, any future material appreciation of the local currencies against the Euro could significantly decrease the Group's income in terms of the local currencies and could have a material adverse effect on the Group's business, financial condition and results of operations.

The Group is subject to interest rate risk.

The Group currently has and intends to incur certain indebtedness under existing debt facilities which are subject to variable interest rates. Interest rates are highly sensitive to many factors, including government monetary policies and domestic and international economic and political conditions, as well as other factors beyond the Group's control. The Group's exposure to interest risk and the extent to which the Group attempts to hedge such exposure vary significantly between the geographical markets in which the Group operates, but any changes in the relevant interest rates may increase the Group's costs of borrowing in relation to existing loans, thus impacting its profitability. The need to hedge interest rate risk is reviewed by the Group on a case by case basis, except for those projects in which the lenders require it to hedge the relevant interest rate risk. Changes in interest rates may have a material adverse effect on the Group's business, financial condition and results of operations.

The Group's business is capital intensive, and additional financing may not be available on favourable terms, on a timely basis or at all.

The Group requires substantial up-front expenditures for land acquisition, development construction and design costs. As a result, the Group requires substantial amounts of cash and construction financing from banks for its operations. The Group's capital needs depend on many factors, in particular on market conditions, which are beyond the Group's control. Should its capital needs differ significantly from those currently planned, the Group might require additional financing. In the case of difficulties in obtaining additional financing, the scale of the Group's growth and the pace of achievement of certain strategic objectives can be slower than originally assumed. It is not certain whether the Group will be able to obtain the required financing if needed or if such funds will be provided on conditions favourable to the Group.

In addition, construction loan agreements generally permit the drawdown of the loan funds against the achievement of predetermined construction and space leasing milestones or the sale of a specific number of flats. If the Group fails to achieve these milestones, the availability of the loan funds may be delayed, thereby causing a further delay in the construction schedule. Restrictions of or delays in the access to sources of external financing and conditions of such financing that are less favourable than assumed can have a material adverse effect on the Group's business, financial condition and results of operations.

Risks relating to the markets in which the Group operates

Political, economic and legal risks associated with countries in emerging markets, including CEE and SEE countries.

Investors in emerging and developing markets such as the regions of CEE and SEE, in which the Group operates, should be aware that these markets are subject to greater legal, economic, fiscal and political risks than mature markets and are subject to rapid and sometimes unpredictable change. As a result, investing in the securities of issuers with substantial operations in emerging or developing markets generally involves a higher degree of risk than investing in the securities of issuers with substantial operations in the countries of Western Europe or other similar jurisdictions.

As at 31 December 2020, all of the Group's revenues were sourced from its operations in CEE and SEE countries, particularly Poland (41 per cent.), Serbia (21 per cent.), Hungary (14 per cent.), Romania (11 per cent.), Croatia (7 per cent.) and Bulgaria (7 per cent.). These markets are subject to greater risk than more developed markets. CEE and SEE countries still present various risks to investors, such as instability or changes in national or local government authorities, land expropriation, changes in taxation legislation or regulation, changes to business practices or customs, changes to laws and regulations relating to currency repatriation and limitations on the level of foreign investment or development. In particular, the Group is affected by rules and regulations regarding foreign ownership of real estate and personal property. Such rules may change quickly and significantly and, as a result, impact the Group's ownership and may cause it to lose property or assets without legal recourse.

Furthermore, some countries in which the Group operates (such as Serbia) may regulate or require governmental approval for the repatriation of investment income, capital or the proceeds of sales of securities by foreign investors. In addition, if there is a deterioration in a country's balance of payments or for other reasons, a country may impose temporary restrictions on foreign capital remittances abroad. Any such restrictions may adversely affect the Group's ability to repatriate investment loans or to remit dividends. Some CEE and SEE countries, have experienced substantial, and in some periods extremely high, rates of inflation for many years. Inflation and rapid fluctuations in inflation rates have had and may continue to have negative effects on the economies and securities markets of certain emerging countries.

In addition, adverse political or economic developments in the countries in which the Group operates and/or neighbouring countries could have a significant negative impact on, among other things, gross domestic product, foreign trade or economies in general of individual countries. The countries and the region in which the Group operates have experienced and may still be subject to potential political instability caused by changes in governments, political deadlock in the legislative process, tension and conflict between federal and regional authorities, corruption among government officials and social and ethnic unrest. For example, the armed conflict in the territory of Ukraine and uncertainties regarding the relationship of the CEE and SEE countries with Russia may affect the attitude of investors towards the regional real estate market and their willingness to invest in the countries neighbouring with Ukraine and Russia, where the Group operates.

Additionally, the governments of the developing countries in the CEE and SEE region may not have sufficient resources necessary to provide fiscal stimuli in response to the economic downturn caused by the outbreak of the COVID-19 pandemic on par with the levels implemented in more mature economies, which may delay or hinder any economic recovery following the impact of the COVID-19 pandemic.

The materialisation of any of the foregoing risks would have a material adverse effect on the Group's business, financial condition and results of operations.

The locations of the Group's properties are exposed to regional risks and could lose some of their appeal.

The locations of each of the properties are influenced by macro-economic developments in the regions in which the Group operates, as well as being subject to specific local conditions in a given regional market. The Group's real estate portfolio focuses on commercial premises, which significantly exposes the Group to negative developments in those segments of the real estate market in the countries where the Group operates, including intensified competition or increased saturation.

Insolvencies, close-downs or moves of large companies or companies from individual or several sectors as a consequence of adverse developments or for other reasons could have a negative effect on the economic development of the location in question and, consequently, on the Group's portfolio as a whole. The Group has no control over such factors. Negative economic developments at one or more of the locations could reduce the Group's rental income or result in a loss of rent, which stem from a number of tenants being unable to pay their rent in full or in part, as well as cause a decline in the market value of the Group's properties, which may have a material adverse effect on the Group's business, financial condition and results of operations.

Unlawful, selective or arbitrary government actions may impact the Group's ability to secure the agreements, contracts and permits required for it to develop its projects.

Government authorities in the countries in which the Group operates have a high degree of discretion and may not be subject to supervision by other authorities, requirements to provide a hearing or prior notice or public scrutiny. Therefore, government authorities may exercise their discretion arbitrarily or selectively or in an unlawful manner and may be influenced by political or commercial considerations. The Group has faced administrative decisions in the past which forced it to unexpectedly change its investment plans (including limiting the scale of a project). Such discretion may have a material adverse effect on the Group's business, financial condition and results of operations.

The land and mortgage registry systems in certain of the CEE and SEE jurisdictions are opaque and inefficient, and the Group's properties may be subject to restitution claims.

The land and mortgage registry systems in certain of the CEE and SEE jurisdictions are non-transparent and inefficient, which may result in delays in the land acquisition process and the registration of many plots into one consolidated plot, which is a requirement before certain projects can be developed. This inefficiency could have a material adverse effect on the business, cash flows, financial condition and results of operations of the Group.

Moreover, the Group may be exposed to the inherent risk related to investing in real estate situated in CEE and SEE countries resulting from the unregulated legal status of some of such real properties. Following the introduction of nationalisation in certain CEE and SEE jurisdictions, including Poland and Hungary, during the post-war years, many privately-owned properties and businesses were taken over by such states. In many cases, the requisition of the property took place in contravention of prevailing laws. After the CEE and SEE countries moved to a market economy system in 1989-1990, many former property owners or their legal successors took steps to recover the properties or businesses lost after the war or to obtain compensation. For many years, efforts have been made to regulate the issue of restitution claims in Poland. Despite several attempts, no act regulating the restitution process has been passed in Poland. Under the current law, former owners of properties or their legal successors may file applications with the authorities for the administrative decisions under which the properties were taken away from them to be revoked. As at the date of the Prospectus, there are no proceedings underway seeking the invalidation of administrative decisions issued by the authorities concerning properties held by the Group. There is no guarantee, however, that restitution claims may not be brought against the Group in the future, and this could have a material adverse effect on the Group's business, financial condition and results of operations.

The Group's claims to the titles to investment and development properties may be subject to challenge in certain cases, and permits in relation to such properties may have been obtained in breach of applicable laws.

It may be difficult or, in certain cases, impossible for the Group to establish with certainty that title to a property has been vested in a relevant Group company due to the fact that real estate laws in Poland and other jurisdictions in which the Group operates are complicated and often ambiguous and/or contradictory and the relevant registries may not be reliable. For example, under the laws of Poland, transactions involving real estate may be challenged on many grounds, including where the seller or assignor to a given property did not have the right to dispose of such property, for a breach of the corporate approval requirements by a counterparty or a failure to register the transfer of a title in an official register, when required. Also, even if a title to real property is registered, it may still be contested. Therefore, there can be no assurance that the Group's claim to a title would be upheld if challenged. Further, it is possible that permits, authorisations, re-zoning approvals or other similar decisions may have been obtained in breach of applicable laws or regulations. Such matters would be susceptible to subsequent challenge. Similar issues may arise in the context of compliance with privatisation procedures and auctions related to the acquisition of land leases and development rights. It may be difficult, or impossible, to monitor, assess or verify these concerns. If any of these permits, authorisations, re-zoning approvals or other similar requirements were to be challenged, this may have a material adverse effect on the Group's business, financial condition and results of operations.

Risks relating to the structure of the Group

There may be potential conflicts of interest between the Group and the Group's controlling shareholder.

As of 31 December 2020, GTC Dutch Holdings B.V. ("**GTC Dutch**"), which is fully owned by GTC Holding Zártkörűen Működő Részvénytársaság, is GTC S.A.'s majority shareholder. GTC Holding Zártkörűen Működő Részvénytársaság, is fully owned by Optimum Ventures Private Equity Funds which are managed by Optima Investment Fund Management Zrt ("**Optima**").

As at the date of this Prospectus, Optima representatives constitute the majority of the Supervisory Board and may thus control the appointment of the Management Board. Consequently, Optima may influence the decision making process for the Group. Accordingly, in considering any investment, business and operational matters of the Group and the most appropriate uses for the Group's available cash, the interests of Optima may not be aligned with the interests of the Group or of its other stakeholders.

Moreover, Optima operates in the same market as the Group and they may compete over investments that the Group may be interested in. Any such conflicts of interest may have an adverse effect on the Group's business, financial condition and results of operations.

Furthermore, as in the case of any significant shareholder, all of the shares of the Group may be offered for sale without any restrictions and there can be no assurance as to whether or not they will be sold on the market and at which price. Such sale, or new issuance of shares, may adversely affect the price of the Group's share in the market, or an offering of the Issuer's shares, if any.

Related-party transactions carried out by the Group companies could be questioned by the tax authorities.

The Group has carried out transactions with related parties. When concluding and performing related party transactions, the Group seeks to ensure that such transactions (i) comply with the applicable transfer pricing regulations and (ii) are completed following the issue of a fairness opinion. However, due to the specific nature of related-party transactions, the complexity and ambiguity of legal regulations governing the methods of examining the prices applied, as well as the difficulties in identifying comparable transactions for reference purposes, no assurance can be given that specific Group companies will not be subject to inspections or other investigative activities undertaken by tax authorities or fiscal control authorities. Should the methods of determining arm's-length terms for the purpose of the above transactions be challenged, this may have a material adverse effect on the business, financial condition and results of operations of the Group companies.

Risks Related to the Notes

The Notes may not meet investor expectations or requirements for all investors seeking exposure to green assets.

It is the Issuer's intention to apply an amount equal to the net proceeds of the Notes in accordance with the Issuer's Green Finance Framework as defined under "*Use of Proceeds*" below. A prospective investor should have regard to the information set out in the "*Use of Proceeds*" section and determine for itself the relevance of such information for the purpose of an investment in the Notes together with any other investigation it deems necessary.

No assurance is given by the Issuer, the Guarantor or the Managers that such use of proceeds will satisfy any present or future investment criteria or guidelines with which an investor is required, or intends, to comply, in particular with regard to any direct or indirect environmental or sustainability impact of any project or uses, the subject of or related to, the Issuer's Green Finance Framework.

No assurance can be given that Eligible Green Projects, as defined under "*Use of Proceeds*" below, will meet investor expectations or requirements regarding such "green" or similar labels (including Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment, the so called "EU Taxonomy"). Each prospective investor should have regard to the factors described in the Green Finance Framework and the relevant information contained in this Prospectus and seek advice from their independent financial adviser or other professional adviser regarding its purchase of the Notes before deciding to invest.

No representation or assurance is given as to the suitability or reliability of the Second Party Opinion. For the avoidance of doubt, the Second Party Opinion is not incorporated in this Prospectus. The Second Party Opinion is not a recommendation by the Issuer, the Guarantor, the Managers or any other person to buy, sell or hold the Notes and is current only as of the date it was issued. As at the date of this Prospectus, the providers of such opinions and certifications are not subject to any specific regulatory or other regime or oversight. Prospective investors must determine for themselves the relevance of the Second Party Opinion and/or the information contained therein.

The Issuer intends to list the Notes on the Market. However, in the event that the Notes are listed, included on or admitted to a dedicated "ESG", "green" or other equivalently-labelled segment of the Official List, Euronext Dublin or any other stock exchange or securities market, no representation or assurance is given by the Issuer, the Guarantor, the Managers or any other person that such listing, inclusion or admission satisfies any present or future investment criteria or guidelines with which such investor is required, or intends, to comply. Furthermore, it should be noted that the criteria for any such listing, inclusion or admission may vary from one stock exchange or securities market to another. No representation or assurance is given or made by the Issuer, the Guarantor, the Managers or any other person that any such listing or admission to trading will be obtained or that any such listing or admission to trading will be maintained during the life of the Notes.

While it is the intention of the Issuer to apply an amount equal to the net proceeds of the Notes, and to report on the use of proceeds, as described in "Use of Proceeds" below, there is no contractual obligation to do so. There can be no assurance that any such Eligible Green Projects will be available or capable of being implemented in the manner anticipated and, accordingly, that the Issuer will be able to use the proceeds for such Eligible Green Projects as intended. In addition, there can be no assurance that Eligible Green Projects will be completed as expected or achieve the impacts or outcomes (environmental, social or otherwise) originally expected or anticipated. None of a failure by the Issuer to allocate an amount equal to the net proceeds of the Notes, or to report on the use of proceeds or Eligible Green Projects as anticipated, or a withdrawal by a third party of an opinion or certification in connection with the Notes, or the failure of the Notes to meet investors' expectations requirements regarding any "ESG" or "green" or similar labels will constitute an Event of Default or breach of contract with respect to the Notes.

A failure of the Notes to meet investor expectations or requirements as to their "ESG", "green" or equivalent characteristics including the failure to apply proceeds for Eligible Green Projects, the withdrawal of the Second Party Opinion, the Notes ceasing to be listed or admitted to trading on any dedicated stock exchange or securities market as aforesaid or the failure by the Issuer to report on the use of proceeds or Eligible Green Projects as anticipated, may have a material adverse effect on the value of such Notes and/or may have consequences for certain investors with portfolio mandates to invest in green assets (which consequences may include the need to sell the Notes as a result of the Notes not falling within the investor's investment criteria or mandate).

The Guarantor must observe financial ratios and covenants under the terms of its existing indebtedness.

The terms of the Guarantor's existing credit facilities, and the Conditions of the Notes, contain restrictive covenants that require compliance with certain financial ratios and covenants. While the Guarantor believes that the financial ratios to which it is subject allows sufficient flexibility for the Guarantor to continue to conduct its business in the normal course and to meet its debt servicing obligations, the need to observe these financial ratios and covenants nevertheless could hinder the Guarantor's ability to incur additional debt and grow its business.

Any deterioration in the Guarantor's operating performance, including due to any worsening of prevailing economic conditions, or any financial, business or other factors, many of which are beyond the Guarantor's control, may materially adversely affect the Guarantor's cash flow and hinder its ability to service indebtedness and result in covenant breaches under the its credit facilities. While as at the date of this Prospectus the Guarantor is in compliance with its credit facilities, if, in the future, the Guarantor does not generate sufficient cash flow from operations in order to meet its debt service obligations or if it breaches covenants which are not waived by its lenders, the Guarantor may have to refinance or restructure its debt, reduce or delay planned development activities or sell some of its properties in order to avoid default and acceleration of its debt by lenders. Waivers by the Guarantor's lenders may trigger higher interest rates or waiver fees. The Guarantor cannot guarantee that any refinancing or additional financing would be available at all or on acceptable terms in such a situation. If the

Guarantor defaults under one or more secured credit facility and its lenders under such secured facilities accelerate the debt, the Guarantor may forfeit the property securing the relevant indebtedness and its income may be substantially reduced. Any failure by the Guarantor to meet its debt service obligations, to obtain waivers of covenant breaches or to refinance its debt on commercially acceptable terms in such a situation could lead to serious consequences for the Guarantor, including the sale of properties to repay lenders and substantial retrenchment of the Guarantor's business. This may have a material adverse effect on the Guarantor's business, prospects, results of current operations and future operations as well as financial condition.

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

The Notes and the Guarantee are (subject to Condition 4(a) (*Negative pledge*)) unsecured obligations of the Issuer and the Guarantor, respectively. The Notes are effectively subordinated to the Issuer's and the Guarantor's secured indebtedness from time to time. Accordingly, holders of the Issuer's or the Guarantor's secured indebtedness will have claims that are senior 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 Issuer or the Guarantor, the assets that serve as collateral for any secured indebtedness of the Issuer or the Guarantor 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(a) (*Negative pledge*) and Condition 4(b) (*Financial covenants*), the Conditions do not prohibit the Issuer or the Guarantor from incurring and securing future indebtedness.

The Issuer is a special purpose vehicle and investors should therefore consider the financial condition and liquidity of the Guarantor in addition to that of the Issuer.

As at the date of this Prospectus, the Issuer is a company within the Group without significant business activities or holdings and accordingly the Issuer's ability to pay interest and repay principal in respect of its borrowings, including the Notes, depends upon the financial condition and liquidity of the Guarantor. The Notes will be unconditionally and irrevocably guaranteed by the Guarantor. The Group further intends to provide the Issuer with liquidity by way of intra-group arrangements or other transfers of value in order for the Issuer to fulfil its obligations under the Notes. However, if the Guarantor does not provide liquidity, or due to other circumstances, conditions, laws or regulations is prevented from providing liquidity to the Issuer, there is a risk that the Issuer will not fulfil its obligations under the Notes. Therefore, investors in the Notes should consider the risk factors, financial condition and liquidity of the Group in addition to that of the Issuer.

Claims of Noteholders under the Notes are effectively subordinated to those of certain other creditors of the Issuer and the Guarantor and to creditors of certain of the Guarantor's subsidiaries.

The Notes will be unsecured and unsubordinated obligations of the Issuer and of the Guarantor. The Notes will rank equally with all of the Issuer's and the Guarantor's other unsecured and unsubordinated indebtedness; however, the Notes will be effectively subordinated to the Issuer's and the Guarantor's secured indebtedness, if any, to the extent of the value of the assets securing such transactions. Any debt that the Guarantor's subsidiaries (other than the Issuer) may incur in the future will also rank structurally senior to the Notes. Thus, the Notes are structurally subordinated to the liabilities of the subsidiaries of the Guarantor (other than the Issuer).

Please also see the risk factor entitled "*The Notes will be effectively subordinated to any of the Issuer's and the Guarantor's existing secured and future secured indebtedness*".

Notes may be redeemed prior to their stated maturity.

The Notes are redeemable at the Issuer's option (as more fully set out in Condition 6(c) (*Redemption at the option of the Issuer (Make whole)*) and Condition 6(d) (*Redemption at the option of the Issuer (Issuer call)*). Such optional redemption feature is likely to limit the market value of the Notes. The market value of the Notes generally will not rise substantially above the price at which they can be redeemed. The Issuer may be expected to redeem the Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

In addition, the Notes are redeemable by the Noteholders on the occurrence of a Change of Control Put Event (as more fully set out in Condition 6(e) (*Redemption at the option of Noteholders upon a Change of Control*)). Exercise of such put option may affect the liquidity of the Notes in respect of which such option is not exercised. Depending on the number of Notes in respect of which the put option is exercised, any trading market for the Notes in respect of which such put option is not exercised may become illiquid. In addition, 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.

Meetings of Noteholders, modification, waivers and substitution.

The Conditions contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally and to obtain Written Resolutions (as defined in the Trust Deed) on matters relating to the Notes from Noteholders without calling a meeting. A Written Resolution signed by or on behalf of the holders of not less than three-quarters of the nominal amount of the Notes who for the time being are entitled to receive notice of a meeting in accordance with the provisions of the Trust Deed and whose Notes are outstanding shall, for all purposes, take effect as an Extraordinary Resolution. Where the Notes are held in global form in the clearing systems, the Issuer, the Guarantor and the Trustee (as the case may be) will be entitled to rely upon:

- (i) where the terms of the proposed resolution have been notified through the relevant clearing system(s), approval of a resolution proposed by the Issuer, the Guarantor or the Trustee (as the case may be) given by way of electronic consents communicated through the electronic communications systems of the relevant clearing systems in accordance with their operating rules and procedures by or on behalf of the holders of not less than three-quarters of the nominal amount of the Notes for the time being outstanding; and
- (ii) where electronic consent is not being sought, consent or instructions given in writing directly to the Issuer, the Guarantor and/or the Trustee (as the case may be) by accountholders in the clearing systems with entitlements to the Notes or, where the accountholders hold such entitlement on behalf of another person, on written consent from or written instruction by the person for whom such entitlement is ultimately beneficially held (directly or via one or more intermediaries).

A Written Resolution or an electronic consent as described above may be effected in connection with any matter affecting the interests of Noteholders, including the modification of the Conditions, that would otherwise be required to be passed at a meeting of Noteholders satisfying the special quorum in accordance with the provisions of the Trust Deed, and shall for all purposes take effect as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held.

The Trust Deed permits 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, agree to (i) any modification of any of the provisions of the Trust Deed that is of a formal, minor or technical nature or is made to correct a manifest error, and (ii) any other modification (except as mentioned in the Trust Deed), and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed that is in the opinion of the Trustee not materially prejudicial to the interests of the Noteholders. Any such modification, authorisation or waiver shall be binding on the Noteholders and, if the Trustee so requires, such modification shall be notified to the Noteholders as soon as practicable.

The Trust Deed also contains provisions which allow, without the consent of the Noteholders, a legal entity to assume the obligations of the Issuer as principal debtor under the Trust Deed and the Notes, in the circumstances described in Condition 11 (*Meetings of Noteholders, Modification, Waiver and Substitution*) of the Notes. No Noteholder shall, in connection with any such 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 8 (*Taxation*) (or any undertaking given in addition to or substitution for it pursuant to the provisions of the Trust Deed).

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 one of the international central securities depositories 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 ("**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. The Issuer and Guarantor do 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 Related to the Market

The secondary market.

The Notes are new securities which may not be widely distributed and for which there is currently no active trading market. 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 Group's results of operations. Application has been made to Euronext Dublin 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, considering the target market for the Notes, 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.

Interest rate risks.

Investment in the Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the Notes. Fluctuations in interest rates can affect the market values of, and corresponding levels of capital gains or losses on, fixed rate securities. During periods of rising interest rates, the prices of fixed rate securities, such as the Notes, tend to fall and gains are reduced or losses incurred upon their sale. Therefore, investment in the Notes involves the risk that changes in market interest rates may adversely affect the value of the Notes.

Exchange rate risks and exchange controls.

The Issuer will pay principal and interest on the Notes and the Guarantor will make any payments under the Guarantee 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 (i) the Investor's Currency-equivalent yield on the Notes, (ii) the Investor's Currency-equivalent value of the principal payable on the Notes and (iii) 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 or the ability of the Issuer or the Guarantor to make payments in respect of the Notes. As a result, investors may receive less interest or principal than expected, or no interest or principal. Any of the foregoing events could adversely affect the value of the Notes.

DOCUMENTS INCORPORATED BY REFERENCE

This Prospectus should be read, and construed in conjunction with the following:

- 1) the audited consolidated financial statements as at and for the year ended 31 December 2020, including the independent auditors' report thereon, for the Guarantor, available at http://ir.gtc.com.pl/~media/Files/G/Gtc-IR/reports/2021/2020/2020_Annual_report_of_Group_GTC_full_www.pdf ;
- 2) the consolidated financial statements as at and for the year ended 31 December 2019, including the independent auditors' report thereon, for the Guarantor, <http://ir.gtc.com.pl/~media/Files/G/Gtc-IR/reports/2020/2019/2019%20Consolidated%20annual%20report%20of%20the%20GTC%20Group.pdf>; and
- 3) the unaudited interim condensed consolidated interim financial statements for the three months ended 31 March 2021 (with comparatives for the three months ended 31 March 2020), including the independent auditor's report on review thereon, for the Guarantor, http://ir.gtc.com.pl/~media/Files/G/Gtc-IR/reports/2021/Q1_2021/2021_Q1_GTC%20Group%20consolidated%20quarterly%20report.pdf,

(together, the "**Documents Incorporated by Reference**"). The Documents Incorporated by Reference have been previously published or are published simultaneously with this Prospectus and have been filed with the Central Bank. The Documents Incorporated by Reference shall be incorporated in, and form part of, this Prospectus, 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 modifies 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. Those parts of the documents incorporated by reference in this Prospectus which are not specifically incorporated by reference in this Prospectus are either not relevant for prospective investors in the Notes or the relevant information is included elsewhere in this Prospectus. Any documents themselves incorporated by reference in the Documents Incorporated by Reference shall not form part of this Prospectus.

Copies of the Documents Incorporated by Reference may be obtained (without charge) from the Company's website at <http://ir.gtc.com.pl/en/results-and-presentations/results-center/2021>.

SELECTED FINANCIAL INFORMATION

The following information has been derived from, and should be read in conjunction with, and is qualified in its entirety by reference to the Interim Financial Statements, the 2020 Financial Statements and the independent auditors' report thereto and the 2019 Financial Statements and the independent auditors' report thereto.

The following tables contain selected consolidated financial information for the Group as at the dates, and for the periods, indicated, as extracted from the Interim Financial Statements and the Annual Financial Statements. Financial information set out in the tables below corresponding to (i) the three month periods ended 31 March 2021 and 31 March 2020 has been extracted from the Interim Financial Statements, and (ii) the years ended 31 December 2020 and 31 December 2019 has been extracted from, respectively, the 2020 Financial Statements and the 2019 Financial Statements.

Prospective investors should read the following selected consolidated financial information in conjunction with the rest of the information contained in the "*Presentation of Financial Information*", "*Risk Factors*" and "*Description of the Group*" sections of the Prospectus, as well as the Interim Financial Statements and the Audited Financial Statements.

Consolidated Statement of Financial Position (in thousands of Euro)

	As of 31 March 2021	As of 31 December 2020	As of 31 December 2019
ASSETS			
Non-current assets			
Investment property	2,135,127	2,125,128	2,247,030
Residential landbank	7,931	10,094	13,388
Property, plant and equipment	7,635	7,785	8,159
Blocked deposits	12,007	10,979	11,137
Deferred tax asset	2,283	616	-
Derivatives	-	-	265
Other non-current assets	209	159	109
	2,165,192	2,154,761	2,280,088
Loan granted to non-controlling interest partner	11,320	11,252	10,976
Total non-current assets	2,176,512	2,166,013	2,291,064
Assets held for sale	3,733	1,580	-
Current assets			
Accounts receivables	6,154	5,873	10,269
Accrued income	934	878	2,180
VAT receivable	1,046	2,343	3,296
Income tax receivable	1,380	1,036	1,079
Prepayments and deferred expenses	9,812	3,604	2,187
Short-term blocked deposits	27,537	27,434	33,031
Cash and cash equivalents	254,054	271,996	179,636
	300,917	313,164	231,678
TOTAL ASSETS	2,481,162	2,480,757	2,522,742

	As of 31 March 2021	As of 31 December 2020	As of 31 December 2019
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the Company			
Share capital	11,007	11,007	11,007
Share premium	550,522	550,522	550,522
Capital reserve	(49,489)	(49,489)	(43,098)
Hedge reserve	(20,422)	(11,930)	(4,994)
Foreign currency translation	(2,630)	(2,553)	943
Accumulated profit	468,515	460,053	530,242
	957,503	957,610	1,044,622
Non-controlling interest	16,782	16,538	14,040
Total Equity	974,285	974,148	1,058,662
Non-current liabilities			
Long-term portion of long-term borrowing	1,190,491	1,067,867	980,872
Deposits from tenants	12,007	10,979	11,137
Long term payable	2,571	2,524	2,648
Provision for share based payment	1,227	977	1,446
Lease liability	41,335	42,891	46,222
Derivatives	25,278	15,895	2,611
Provision for deferred tax liability	137,251	133,230	147,232
	1,410,160	1,274,363	1,192,168
Liabilities related to assets held for sale	1,080	-	-
Current liabilities			
Investment and trade payables and provisions	20,065	27,299	37,290
Deposits from tenants	1,816	1,790	1,605
Current portion of long-term borrowing	63,874	193,425	225,350
VAT and other taxes payable	1,661	1,551	1,817
Income tax payable	4,262	4,220	1,542
Derivatives	2,595	3,365	3,739
Current portion of lease liabilities	191	163	208
Advances received	1,173	433	361
	95,637	232,246	271,912
TOTAL EQUITY AND LIABILITIES	2,481,162	2,480,757	2,522,742

Consolidated Income Statement (in thousands of Euro)

	Three months ended 31 March 2021	Three months ended 31 March 2020	Year ended 31 December 2020	Year ended 31 December 2019
Rental revenue	27,984	30,998	120,652	127,811
Service charge revenue	9,243	10,027	39,469	41,951
Service charge costs	(9,761)	(11,158)	(41,527)	(41,876)
Gross margin from operations	27,466	29,867	118,594	127,886
Selling expenses	(364)	(323)	(1,307)	(2,017)
Administration expenses	(2,980)	(1,421)	(11,712)	(14,410)
Profit from revaluation / impairment of assets	(2,594)	(5,781)	(142,721)	16,190
Other income	118	14	776	1,160
Other expenses	(179)	(288)	(1,622)	(1,932)
Profit/(loss) from continuing operations before tax and finance income / expense	21,467	22,068	(37,992)	126,877
Foreign exchange differences gain / (loss), net	(368)	(5,331)	(2,951)	(437)
Finance income	74	90	331	380
Finance cost	(8,564)	(8,733)	(35,244)	(34,634)
Profit/(loss) before tax	12,609	8,094	(75,856)	92,186
Taxation	(3,903)	(5,308)	4,995	(16,765)
Profit/(loss) for the period	8,706	2,786	(70,861)	75,421
Attributable to:				
Equity holders of the Company	8,462	2,577	(70,189)	74,825
Non-controlling interest	244	209	(672)	596
Basic earnings per share (in Euro)	0.02	0.01	(0.14)	0.15

Consolidated Statement of Comprehensive Income (in thousands of Euro)

	Three months ended 31 March 2021	Three months ended 31 March 2020	Year ended 31 December 2020	Year ended 31 December 2019
Profit/(loss) for the period	8,706	2,786	(70,861)	74,825
Net other comprehensive income for the period, net of tax not to be reclassified to profit or loss in subsequent periods				
Gain (loss) on hedge transactions	(9,118)	(318)	(7,748)	(462)
Income tax	626	(5)	812	10
Net gain on hedge transactions	(8,492)	(323)	(6,936)	(452)
Foreign currency translation	(77)	(3,189)	(3,496)	(737)
Net other comprehensive income for the period, net of tax to be reclassified to profit or loss in subsequent periods	(8,569)	(3,512)	(10,432)	(1,189)
Total comprehensive income/(loss) for the period, net of tax	137	(726)	(81,293)	73,636
Attributable to:				
Equity holders of the Company	(107)	(935)	(80,621)	73,040
Non-controlling interest	244	209	(672)	596

MARKET OVERVIEW

The Group mainly operates in the CEE office and retail real estate markets, which are characterised by robust macroeconomic environments, attractive industry fundamentals and sound supply-demand dynamics. The geographic markets in which the Group operates have been affected to varying degrees by the COVID-19 pandemic.

Poland, which comprises the principal location of the Group's income-generating assets (44 per cent. based on 2020 book value), has a sovereign credit rating of A- with Standard & Poor's and benefits from a solid macroeconomic environment characterised by strong industrial production, rising domestic consumption, increasing purchasing power, and expanding export growth. Other key countries in which the Group operates, including those in the CEE and SEE, maintain similarly competitive macroeconomic characteristics, supporting the long-term economic convergence of these markets with Western economies within the EU.

The following table presents the office portfolio by region as of 31 December 2020:

Location	Number of assets	Total gross leasable area (sqm)	% of GLA (sqm)	Average Occupancy (%)	Book value (€'000)	% of total book value
Poland.....	16	195,700	37%	88%	381,738	33%
Belgrade	11	122,100	23%	93%	264,781	23%
Budapest.....	5	96,600	18%	95%	206,138	18%
Bucharest.....	5	66,700	12%	93%	172,085	15%
Sofia	3	33,800	6%	79%	75,800	7%
Zagreb	3	21,500	4%	76%	44,719	4%
Total.....	43	536,400	100%	90%	1,145,261	100%

The following table presents the retail portfolio by region as of 31 December 2020:

Location	Total gross leasable area (sqm)	% of total retail portfolio (%)	Average occupancy (%)	Book value (€'000)	% of total book value
Poland.....	113,500	53%	93%	443,000	60%
Sofia ⁽¹⁾	33,400	15%	98%	100,700	14%
Zagreb ⁽¹⁾	34,600	16%	97%	99,512	14%
Belgrade.....	34,600	16%	97%	90,700	12%
Total.....	216,100	100%	95%	733,912	100%

⁽¹⁾ Including book value of office buildings Avenue Centre in Zagreb (GLA 6,900 sqm) and Sofia Tower in Sofia (GLA 10,300)

The Group derives the majority of its revenue from operations from rental activities, including rental and service revenue. For the year ended 31 December 2020 and for the year ended 30 December 2019, the Group derived 75 per cent. and 75 per cent. of its revenues from operations as rental revenue. Rental revenue depends heavily on the rental rates per sqm and occupancy rates. The amount the Group can charge for rent largely depends on a given property's location and condition and is influenced by local market trends and the state of local economies. The Group's rental revenue is also affected by the delivery of new rent spaces, changes in vacancy rates, and the Group's ability to implement rent increases. Rental income is also dependent upon the time of completion of the Group's development projects as well as on its ability to let such completed properties at favourable rent levels. For the year ended 31 December 2020 and for the year ended 30 December 2019, the Group derived 25 per cent. and 25 per cent. of its revenues from operations as service revenue, which reflects certain costs the Group passes on to its tenants.

The Group's lease agreements are denominated in Euro and include a clause that provides for indexation of the rent linked to the European Index of Consumer Prices. Only 2.2 per cent. of the Group's revenue in the year ended 31 December 2020 was derived from leases tied to tenant turnover. When a lease is concluded in another currency, it is typically linked to the consumer price index of the relevant country of the currency.

Set out below are breakdowns of the office market and the retail market by the cities in which the Group operates.

Office Market

The information in this section has been extracted from a report prepared by Jones Lang LaSalle LLP, Inc. ("JLL") on behalf of the Group, the reproduction of which has been authorised by JLL, and the information is based on material that JLL believes to be reliable. Whilst every effort has been made by JLL to ensure its accuracy, they cannot offer any warranty that it contains no factual errors and it based on information available to JLL as at 31 March 2021.

As far as far as the Group is aware and is able to ascertain from the information provided, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Regional cities in Poland (Wroclaw, Krakow, Katowice, Lodz, Poznan, Tri-City (Gdansk, Gdynia and Sopot), Lublin and Szczecin).

In 2020, the office market in Wroclaw, Krakow, Katowice, Lodz, Poznan, Tri-City (Gdansk, Gdynia and Sopot), Lublin and Szczecin (the "**Polish Regional Cities**") contracted, with demand for office space 16 per cent. lower in Polish regional markets. Between the beginning of April and the end of December 2020 demand had fallen to a level of 35 per cent. lower year-on-year (source: JLL). As a result, a trend of office space being offered for sublease developed in the Polish Regional Cities' office market. Approximately 150,000 sqm of office space was available for sublease in the major office market outside Warsaw, 30 per cent. of which is located in Wroclaw, followed by Krakow and the Tri-City (meaning, together, Gdansk, Gdynia and Sopot) (with 23 per cent. and 22 per cent. respectively) (source: JLL). Office space available for sublease varies in size from less than 100 sqm up to approximately 11,000 sqm (source: JLL), meaning that sub-letting represents an attractive solution for companies of varying sizes.

The demand for offices in the Polish Regional Cities in 2020 was 582,200 sqm, of which 38 per cent. were renewals of existing lease agreements. From April to December 2020, the share of renewals was as high as 49 per cent. (source: JLL). An increasing number of companies are deciding to extend their existing lease agreements rather than relocate (source: JLL).

In 2020, 36 new buildings offering a total of 393,300 sqm were brought to the regional markets (source: JLL). As of 31 December 2020, under-construction space in the Polish Regional Cities totalled approximately 700,000 sqm, which represented a decrease compared to pre-COVID-19 levels, when the supply under construction ranged from 800,000 sqm to 900,000 sqm (source: JLL). This can be attributed in part to developers continuing construction work on existing projects but not starting new projects.

As of 31 December 2020, the highest rents in the Polish Regional Cities are quoted in Krakow (€14-15.5/sqm/month), while the lowest are to be found in Lublin (€10.5-11.5/sqm/month) (source: JLL). Due to the increasing vacancy rate and reduced demand, rental rates are now coming under pressure in the Polish regional cities (source: JLL).

Warsaw, Poland

Demand for office space in Warsaw in 2020 was 31 per cent. lower than in 2019, with the vacancy rate increasing throughout the year. Prior to the COVID-19 pandemic, a new supply peak and demand growth were forecast for 2020 (source: JLL). However, in comparison to these projections from 2019, office demand decreased by 29 per cent., with new supply 26 per cent. lower than projected (source: JLL).

Total demand for traditional offices in Warsaw in 2020 was 602,000 sqm (source: JLL). The two leading districts, comprising over two thirds of total demand, are the City Centre and Mokotów. The Group expects that companies are more likely to renew their leases, and Mokotów looks set to benefit from this. In 2020, renewals in occupied office buildings accounted for 37 per cent. of tenant activity. Between the second and fourth quarters of 2020, this increased to approximately 39 per cent. (source: JLL).

Prior to the COVID-19 pandemic, the supply under construction volume in Warsaw ranged from between 700,000 sqm and 800,000 sqm, whereas this was at around 500,000 sqm at 31 December 2020 (source: JLL). In the next 2-3 years, this may create a supply gap in Warsaw, especially outside of the city centre. This can further boost the appeal of, and competition for, space in best-in-class buildings located outside of the central parts of Warsaw.

In the fourth quarter of 2020, the vacancy rate increased to 9.9 per cent. in Warsaw (distributed as follows: 8.5 per cent. in central zones and 10.8 per cent. in the non-central zones of the city), which was a 2.1 per cent. increase compared to the fourth quarter of 2019 (source: JLL). However, the Group believes that, in the medium-term, the contracting pipeline coupled with future demand growth should contribute to the gradual absorption of available space.

COVID-19 affected not only the activity of tenants and developers in the Warsaw office market but also the strategies of landlords in terms of offered rent rates for office space. As of 4 February 2021, the highest transaction rents for prime properties in the city centre are stable at €18-24/sqm/month, and outside the centre stands at €16/sqm/month (source: JLL). Some landlords continued to implement a relatively rigid financial policy regarding offered rates, but a growing package of incentives for tenants is evidently being offered, resulting in lower effective rents.

Budapest, Hungary

The Budapest office market experienced volatility in the second quarter of 2020, however, the completion rate in 2020 increased three-fold compared to 2019 (source: JLL). Due to the efficiency of remote working, downsizing and subleasing trends are becoming evident. In line with the global workplace trends, there is a growing demand for serviced offices which is clearly reflected in the growing number of new locations and increased sizes of flex operators.

Budapest office market statistics for the fourth quarter of 2020 reflect the ongoing economic restrictions triggered by the COVID-19 pandemic. Total leasing activity has decreased considerably year-on-year when compared to 2019, the number of transactions has shown a significant reduction. Based on headline rents in the current availability, only minimal rent correction has been witnessed, mainly in Class 'B' office schemes (source: JLL).

In the fourth quarter of 2020, 38,850 sqm of new office space was delivered to the Budapest office market, distributed across 4 schemes. Váci Greens E (22,460 sqm) was handed over in the Váci Corridor submarket, the Szervita Square building (8,450 sqm) was completed in the CBD, the Alphagon office building (4,690 sqm) was handed over in the South Buda submarket, and the office component of Csalogány 43 (3,250 sqm) was delivered in the Central Buda submarket (source: JLL).

As at 31 December 2020, the volume of buildings under construction was 441,300 sqm (source: JLL). Postponement of completion and hand-over dates has been affected by workforces being unable to attend construction sites due to COVID-19 lockdowns, prompting caution from developers. Therefore, some construction was postponed as developers sought to secure anchor tenant pre-leases. The volume of expected completions in 2021 is 157,900 sqm, which is expected to increase to 283,416 sqm in 2022 (source: JLL). The total modern office stock currently adds up to 3.9 million sqm, consisting of 3.3 million sqm of Class 'A' and 'B' speculative office space as well as 614,750 sqm of owner-occupied space. Developments are predominantly concentrated in the Váci Corridor, Pest Central South, and Buda South submarkets (source: JLL).

In 2020, completions increased by 230 per cent. compared to 2019, and of the total delivered space, 28 per cent. space was available at completion, with the remainder having been let prior to completion (source: JLL).

In the last quarter of 2020, total demand reached 86,310 sqm, representing a 9 per cent. increase quarter-on-quarter, however, this represents a 57 per cent. decrease year-on-year. Renewals made up the largest share of total leasing activity with 44 per cent., followed by new leases in the existing stock with 42 per cent., while expansions of existing premises and pre-leases in new developments amounted to 7 per cent. of the total demand (source: JLL). The most active tenant sectors in the market are IT, professional services, and the public sector (source: JLL).

In 2020 annual gross take-up reached 334,703 sqm while net take-up amounted to 182,627 sqm meaning that more than 42 per cent. of the total demand was generated by renewals, and 31 per cent. was generated by new transactions, while owner-occupied stock in 2020 made up 2 per cent. of the total leasing activity (source: JLL). In the fourth quarter of 2020, the office vacancy rate increased to 9.1 per cent., attributable to handover of new completions, decreasing demand, the emergence of secondary space and sublease options (source: JLL).

In 2020 prime rent increased by 11 per cent. to €25/sqm/month and remained at this level at the end of 2020. The highest rents are registered in the central business district submarket. Average rents in Budapest for existing Class 'A' buildings are between €13.5-16.5/sqm/month, and for Class 'B' buildings are between €11.5-12.5/sqm/month (source: JLL).

Belgrade, Serbia

During 2020 construction of ongoing projects was relatively uninterrupted, despite the ongoing COVID-19 pandemic and the second quarter of 2020 saw the completion of notable projects such as Ušće Tower 2 by MPC Properties and the final building of the GTC Green Heart project, spread over 23,200 sqm and 5,300 sqm, respectively, both located in the central business district (source: JLL). The third quarter of 2020 saw the opening of two smaller-scale projects located in the central business district, followed by the opening of Navigator Business Center II and Marera Kondina Office building in October.

The vacancy rate for Class "A" and Class "B" offices remained low, at 4.5 per cent (source: JLL). Activity in the Belgrade market has been dominated by contract renewals. The total stock currently stands at 928,000 sqm while prime rents are generally in the range of €15-16.5/sqm/month (source: JLL).

Zagreb, Croatia

The market for Class "A" and Class "B" offices in Zagreb is approximately 1.15 million sqm, most of which is concentrated in the city centre, New Zagreb, and the Business District East and West (source: JLL). In the next three years, the average annual supply is likely to be less than 20,000 sqm (source: JLL). The total take-up of office space in H1 2020 exceeded 15,000 sqm (source: JLL). In March 2020, Zagreb was struck by an earthquake, which contributed to a shift in office market activity, as tenants in older buildings in the City Centre considered taking up more modern and secure office accommodation. Rental prices for both Class "A" and Class "B" offices remained stable, and the market does not expect major changes in the next quarter. During the third and fourth quarters of 2020, market activity was characterised primarily by relocations. Rental levels are currently generally in the range of €13-15.5/sqm/month (source: JLL) and the Group expects that they are unlikely to move significantly in the short-term.

Bucharest, Romania

Gross domestic product ("GDP") for Romania for 2020 was estimated to have fallen by 4.4 per cent., according to the National Commission for Strategy and Prognosis. In January 2021, the World Bank estimated that Romania's economic contraction during 2020 was 5 per cent. The World Bank projects an economic growth rate of 3.5 per cent. in 2021.

Total gross transaction volume in the Bucharest office market during the fourth quarter of 2020 reached almost 55,000 sqm, which represents 50 per cent. of the volume recorded during the fourth quarter of 2019, of over 107,000 sqm (source: JLL). Net take-up for the fourth quarter of 2020 accounted for a little over 21,600 sqm, compared to 83,600 sqm in the fourth quarter of 2019 (source: JLL). While gross take-up decreased by approximately 13 per cent. in the fourth quarter of 2020 compared to the previous quarter, net take-up increased by almost 50 per cent. (source: JLL). Renewals represented over 53 per cent. Of transactions in the fourth quarter of 2020, while relocations represented approximately 17 per cent. (source: JLL).

In 2020, gross take-up totalled approximately 217,500 sqm, a 44 per cent. decrease compared to 2019. Net take-up in 2020 reached only 71,400 sqm, a 65 per cent. decrease compared to 2019 (source: JLL). The vacancy rate continued to increase in the fourth quarter of 2020, from approx. 10.9 per cent during the third quarter of 2020 to 11.3 per cent (source: JLL).

Deliveries during the fourth quarter of 2020 totalled 31,200 sqm, bringing Bucharest's modern office stock to almost 2.96 million sqm (source: JLL). Office stock in Bucharest grew by 155,200 sqm during 2020, compared to a growth of 286,400 sqm in 2019, representing a 46 per cent. decrease (source: JLL). The largest projects were delivered in North-West Expozitiei and Dimitrie Pompeiu sub-markets, accounting for almost half of total deliveries in 2020 (source: JLL).

The largest delivery during the fourth quarter of 2020 was One Tower, the 23,900 sqm GLA office building in the mix-use project One Floreasca City, developed by One United Properties in the Floreasca – Barbu Vacarescu sub-market (source: JLL).

Following the decrease in 2020, office deliveries are expected to recover in 2021 to a volume close to that registered in 2019 (source: JLL). The pipeline for 2021 totals almost 252,000 sqm, with almost 43 per cent. of planned deliveries are in the Center-West sub-market, followed by the Center, with 16 per cent, and the central business district, with approximately 12 per cent (source: JLL).

The largest delivery expected for 2021 is the first phase of the One Cotroceni Park project, developed by One United Properties, adding approximately 45,000 sqm GLA to the Center-West submarket (source: JLL). Whilst prime headline office rents in Bucharest remained stable at €18.50/sqm/month, four out of the eleven submarkets of Bucharest experienced a decrease of €0.5-1/sqm/month in prime rents in the fourth quarter of 2020 (source: JLL). The rental decrease in these submarkets was attributable partly to additional supply, which increased the vacancy rates, increasing downward pressure on rents. Incentive packages have become more commonplace, which tend to reduce net effective rents.

Sofia, Bulgaria

In the second and third quarters of 2020, the office market in Sofia contracted due, in part, to the economic uncertainty caused by COVID-19. The gross leasing volume of 107,832 sqm represents the lowest volume of the last five years for the office market in Sofia (source: JLL).

Prime headline office monthly rents have been stable at €15-16/sqm/month, however, landlords are being forced to offer incentives to tenants and prospective tenants, which tend to reduce net effective rents. New office construction has been suspended and is not expected to begin in the short-term. The current modern stock in Sofia was almost 2.3 million sqm as of the end of 2019, of which 71 per cent. was Class "A" (source: JLL).

The second quarter of 2020 saw the opening of five new buildings, in the suburban area and the central business district, including the second phase of Advance Business Center at 17,500 sqm, a 15,000 sqm mixed-use project GORA and smaller-scale projects totalling approximately 9,000 sqm in aggregate (source: JLL).

Supply increased in the fourth quarter of 2020, meaning that the vacancy level recorded a slight increase, to 11 per cent. while the prime rent remained stable (source: JLL).

Retail Market

CEE/SEE

Retail sales in many countries across the Eurozone had recovered to pre COVID-19 levels by July 2020. As national lockdown restrictions eased, a strong recovery in retail sales and consumer spending occurred over May and June 2020. However, retail sales into the fourth quarter of 2020 continued to be propped up by the closure of outlets for spending. Over the longer-term, the developing markets of the CEE/SEE region are anticipated to see retail sales above Eurozone levels. Poland, the Czech Republic, and Hungary are forecast to see retail sales increase by 3.4 per cent., 2.8 per cent., and 2.5 per cent., respectively, on an annual basis (source: Oxford Economics (October 2020)). Additionally, following the various lockdown periods implemented throughout 2020 (see – "*Recent Developments - Lockdown Periods and Restrictions*"), certain governments in the CEE/SEE region implemented lockdowns during the first quarter of 2021. The government of Bulgaria implemented a lockdown in the period between the second half of March 2021 and mid-April. The government of Poland implemented a lockdown in the period between the second half of March 2021 and early May 2021. The government of Serbia implemented a 5-day lockdown in late March 2021, as well as a reduction in hours during which shops were permitted to trade. Shopping centres in Poland and Bulgaria contributed 68 per cent. of the Group's total retail rental revenue for the first quarter of 2021. See "*Covid-19 in the CEE and SEE regions*" for further information.

The recovery in European retail sales is favouring retail warehouse parks as compared to high street locations and major shopping centres. Retail parks are outperforming high street, and shopping centres as consumers find the convenience of easy parking and safe traveling more appealing than using public transport into inner-city areas. Across all retail sectors, online sales growth remained significantly above pre-COVID-19 levels. Various

electronic goods retailers, DIY-stores, and furniture specialists have particularly benefitted from pent-up demand as a large number of consumers spent money that they would have otherwise used on holidays or entertainment.

Poland

Three separate periods of lockdown in Poland, precipitated by the COVID-19 pandemic have changed the shopping habits of residents of Poland. This has contributed to lower developer activity and an increase the popularity of smaller retail offerings.

In 2020, developers in Poland completed 430,000 sqm of modern retail space both in large-scale projects (i.e. those with a GLA in excess of 5,000 sqm) and convenience centres (GLA of between 2,000 sqm and 4,999 sqm) (source: JLL). Of the new space delivered in 2020, 41 per cent. was located in retail parks and another 28 per cent. in convenience centres (source: JLL). Shopping centres which are still the most widespread format on the market accounted for delivery of 86,000 sqm (20 per cent. of the new retail space) (source: JLL). In Warsaw, Elektrownia Powiśle mixed-use project was opened (15,500 sqm of GLA), while in the fourth quarter of 2020, Designer Outlet in Piaseczno was extended by additional 5,500 sqm of GLA and 30 shopping units (source: JLL). As a result, the total modern retail stock in Poland, including large-scale formats and convenience centres, stood at a total of 15.9 million sqm of GLA at the end of 2020 (source: JLL). Four hundred and fourteen shopping centres account for 9.97 million sqm of that space, equating to a shopping centre density of 260 sqm per 1,000 people (source: JLL). In line with growing market maturity, developer activity is slowing down. Approximately 406,000 sqm of GLA was under construction at the end of 2020 in Poland (source: JLL). Retail parks and standalone retail warehouses accounted for the largest shares in the under-construction retail space (36 per cent. and 30 per cent., respectively) (source: JLL).

Prime rents in Warsaw, (defined as rents for a 100 sqm unit for a fashion and accessories sector tenant in the most attractive shopping centres in the market), in 2020 stood at the level of €115-125/sqm/month, which is the highest rate recorded in Poland (source: JLL).

In 2020, many tenants received discounts from landlords as part of a statutory support package relating to the COVID-19 pandemic, which were usually spread over several months. The statutory regulations negatively impacted the financial condition of many shopping centres' owners, who were not eligible the governmental financial support programs. These measures were applied during the respective lockdowns however, it is not clear what will happen if any further lockdowns are imposed.

Belgrade, Serbia

In Belgrade, construction activities continued throughout 2020 and some significant projects were delivered during the second quarter of 2020. The most significant of these was the BEO Shopping Centre by MPC Properties, which measured over 43,000 sqm, while RC Reinvest delivered the 4,400 sqm of the second phase of NEST Kraljevo. The third quarter of 2020 saw the soft opening of iBW Galerija of over 90,000 sqm within the new city core known as Belgrade Waterfront, becoming the largest retail scheme in Serbia. The construction of West 65 Mall is progressing, which will measure above 100,000 sqm once completed.

The second quarter of 2020 saw some new market entrants, including German multi-brand chain Peek & Cloppenburg, which opened a store in BEO Shopping Centre, while the French clothing brand, Jacadi opened its first store in the city centre. In the third quarter of 2020, the Polish retailer Pepco, entered the market by opening two stores in Belgrade.

Average prime rental rates in the first quarter of 2021 stood at approximately €26-28/sqm/month and total stock in the market amounts to 421,000 sqm representing a density of 254 sqm per 1,000 inhabitants (source: JLL).

Zagreb, Croatia

The COVID-19 pandemic had a significant effect on the retail sector in Zagreb. Because of lockdown measures, retailers turned to flexible, omnichannel retail models to offset the loss of revenue from closure of physical stores.

Total shopping mall floor space in Zagreb is 510,000 sqm while shopping centre density in Zagreb is approximately 645 sqm per 1,000 inhabitants (source: JLL). In recent years, bargaining power in the shopping centre market in Zagreb has been with tenants. However, with the improvement of economic and market

conditions, shopping centres are stabilising their position in the market, and there has been a fundamental shift by occupiers toward higher quality schemes (source: JLL).

The construction of Supernova Požega and Kaptol centre in Zagreb is underway. Z Centar shopping centre in Špansko district of Zagreb is ongoing, with completion scheduled for 2021 and will extend to over 30,000 sqm, feature 70 stores, a nine-screen cinema, and other entertainment resources (source: JLL).

In 2020, retailer activity has been moderate with no new market entries. A trend has emerged of tenants relocating from the central business district and high street market to shopping centres constructed according to modern standards. The earthquake that occurred in spring 2020 has contributed to this trend, partly due to structural damage caused to many buildings located in the central business district.

Average prime shopping centre rental rates are approximately €19-21/sqm/month (source: JLL).

Sofia, Bulgaria

In 2020, with some minor exceptions, retail tenants have suffered reduced revenues. Retail sales decreased generally, particularly for non-food goods due to the COVID-19 restrictions, as many shops, malls, restaurants, cafes, were closed. Retailers of essential goods such as gas stations, banks, pharmacies, and grocery stores were the only retailers permitted to remain open.

Total modern retail stock in Bulgaria, including shopping centres, retail parks, and outlet centres, is approximately 1 million sqm, of which 540,500 sqm is in Sofia while shopping centre stock accounts for approximately 400,000 sqm of this total GLA. Shopping centre density in Sofia is around 320 sqm per 1,000 inhabitants (source: JLL).

No new shopping centres were delivered in 2019 or 2020 in Sofia. Developers' focus appears to be shifting from shopping centres towards retail parks. The largest new shopping centre projects planned for Sofia, totalling 104,750 sqm of GLA (Plaza West Mall, Grand Canyon and Sofia Square) are on hold (Source: JLL).

Average rental levels in shopping centres are in the approximate range of €17-21/sqm/month, with prime rental levels at €40/sqm/month (source: JLL).

COVID-19 in the CEE and SEE regions

Following the outbreak of the COVID-19 pandemic, the authorities in many of the markets in which the Group operates imposed restrictions on the opening of shopping centres. Other than select "essential" retailers (or those able to offer kerbside pickup or fulfil delivery orders from the store), tenants in the Group's centres were unable to trade for a period beginning mid-March 2020 and ending between beginning-May 2020 and end-May 2020 (which varied slightly by country), and later in the period between beginning-November 2020 and ending end-December 2020 and end-January 2021. In addition, even in those regions in which there were no mandatory shutdowns, or when shopping centres were allowed to reopen, not all retailers continued or restarted operations. As at 31 December 2020, shopping centres in Poland and Bulgaria were closed. These centres contributed 69 per cent. of the Group's total retail rental revenue for 2020. Discounts provided by the Group to tenants as relief were stated to be temporary and all discount arrangements will end during the course of the year 2021. Certain of such temporary discounts in Poland were offered during 2020 in return for material lease extensions, which contributed to the WALT being retained at 4.1 years as at 31 December 2020.

In several of the countries where the Group operates, governments adopted tenant support packages, such as a rental payments holiday in Poland for the period of lockdown or rent support through subsidising part of any rental discounts. Upon the re-opening of its shopping centres, the Group engaged tenants in discussions about collecting rent and service charges as well as the terms of any support by the Group. The Group implemented multi-pronged measures to support tenants and encourage consumer spending, such as reducing rent, allowing rent payment in instalments and waiving late payment interest and service charges. The financial impact of this in terms of loss of rent and service income related to COVID-19 amounted to EUR 14,700 thousand. Overall, the Group has collected 99 per cent. of the rent originally invoiced and due for the year ended 31 December 2020 (99 per cent. for offices and 97 per cent. for retail).

In the first quarter of 2021 certain governments in the CEE/SEE region implemented lockdowns. The government of Bulgaria implemented a lockdown in the period between the second half of March 2021 and mid-April. The

government of Poland implemented a lockdown in the period between the second half of March 2021 and late May 2021. The government of Serbia implemented a 5-day lockdown in late March 2021, as well as a reduction in hours during which shops were permitted to trade. The financial impact of the multi-faceted measures to support tenants and encourage consumer spending in terms of loss of rent and service income related to the COVID-19 amounted to EUR 2,400 thousand in three months ended 31 March 2021. This is mainly attributable to rent relief imposed by governments during periods of lockdown of shopping centres and rent concessions and discounts provided by the Group to the retail tenants across the portfolio in response to the COVID-19 outbreak.

DESCRIPTION OF THE ISSUER

Business overview

The Issuer is a wholly-owned direct subsidiary of the Company. The Issuer is a special purpose financing entity. The corporate objects of the Issuer as set out in Article 4 of its Articles of Association include the taking and maintaining of any participating interests, the granting of assistance to other Group companies or companies in which the Issuer has an interest, or which form part of the group of companies to which the Issuer belongs, the issue of shares, bonds, convertible or not, notes and debentures or any kind of debt as well as warrants or equity securities and provide security interests in relation thereto, the granting of loans or other forms of financing, the giving of guarantees or granting of securities to any third party for its own obligations or over all or some of the Issuer's assets. The Issuer has no material business operations, no direct subsidiaries and no employees.

The Issuer is a wholly-owned finance company for the Group and its principal purpose is to issue debt instruments in the capital markets and allocate the proceeds arising therefrom to members of the Group. The Issuer is dependent upon the members of the Group to which it allocates to repay such loans in order to service the Notes.

The Issuer is a public limited liability company (société anonyme) incorporated and existing under the laws of the Grand Duchy of Luxembourg under the name GTC Aurora Luxembourg S.A.. The Issuer was incorporated on 28 May 2021. The Issuer is registered in Luxembourg with the Registre de Commerce et des Sociétés under number B255544. The registered office of the Issuer is at 12E, rue Guillaume Kroll, L-1882, Luxembourg, Grand Duchy of Luxembourg and its telephone number is +352 26 68 62 71. The Issuer was incorporated for an indefinite duration and has no other commercial name. There have been no recent events particular to the Issuer which are relevant to the evaluation of the Issuer's solvency.

Capital stock

As at the date of this Prospectus, the Issuer is a wholly-owned direct subsidiary of the Company. The Issuer has no subsidiaries.

The share capital of the Issuer is EUR 30 thousand (divided into 3,000,000 shares having a nominal value of EUR 0.01 each).

Members of the Board of Directors

The directors of the Issuer as at the date of this Prospectus are as follows:

Name	Position
Anika Oberbillig.....	Class B Director
Christian Klar	Class B Director
Klára Bujdosó.....	Class A Director

The business address of each of the Issuer's directors is 12E, rue Guillaume Kroll, L-1882, Luxembourg, Grand Duchy of Luxembourg.

As at the date of this Prospectus, to the best of the Issuer's knowledge, no potential conflicts of interest exist between the duties to the Issuer of any director, and its private interests and/or other duties.

Financial Year

The financial year of the Issuer ends on 31 December.

Auditors

Since the date of incorporation, no financial statements of the Issuer have been prepared. The Issuer will appoint its statutory approved auditors following the Issue Date.

DESCRIPTION OF THE GROUP

General

The Group is an experienced, established and fully integrated, real estate company operating in the CEE and SEE region with a primary focus on Poland and capital cities in the CEE and SEE region including Budapest, Bucharest, Belgrade, Zagreb and Sofia, where it directly manages, acquires and develops primarily high-quality office and retail real estate assets in prime locations. The Group aims to generate its income from multinational corporate groups and financial institution tenants on long-term, triple-net (meaning that tenants pay property taxes, insurance and maintenance costs in addition to rent), annually indexed, euro-denominated leases. The Company is listed on the Warsaw Stock Exchange and listed on the Johannesburg Stock Exchange. The Group operates a fully-integrated asset management platform and is represented by local teams in each of its core markets.

As of 31 December 2020, the book value of the Group's real estate portfolio was EUR 2,136,802 thousand. The breakdown of the Group's property portfolio is as follows:

- completed investment properties (which are income-generating) account for 90 per cent. (2 per cent. of which is comprised of rights of use under perpetual usufruct) of the Group's portfolio;
- investment properties under construction account for 3 per cent. of the Group's portfolio;
- investment landbank intended for future development accounts for 7 per cent. of the Group's portfolio;
- residential landbank, including assets held for sale account for less than 1 per cent. of the Group's portfolio.

As of 31 December 2020, the Group's income-generating portfolio comprised 48 completed commercial buildings with a total combined commercial space of approximately 752,500 sqm of gross leasable area ("GLA"), of which the Group's proportional interest amounted to a GLA of approximately 743,000 sqm. The income-generating portfolio was valued at approximately EUR 1,879,173 thousand. Of the Group's income-generating portfolio, 61 per cent. by gross asset value (43 buildings) is designated as "Class A" office property, with the remainder (5 buildings) made up of landmark shopping centres in local markets. The properties have been historically characterised by very high occupancy rates, and as of 31 December 2020 were on average 91 per cent. leased. The Group's tenant base is comprised predominantly of blue-chip multinational companies, which offers stability of income stream to the Group. The Group's leases are long-term, triple net, euro-denominated and inflation-indexed.

The Group's 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 retail properties in the CEE and SEE region, with a primary focus on Poland and capital cities in the CEE and SEE regions including Budapest, Bucharest, Belgrade, Zagreb and Sofia.

The Group benefits from an experienced management team with a long track record in the sector. The Group's senior management team is supported by a fully integrated local asset management team in each country in which the Group operates, which has significant knowledge and experience in the management of real estate property in the local markets. The Group's teams are organised into key competency areas to ensure that they can meaningfully enhance the value of each project. The key competency areas are leasing and marketing, construction and development, asset management and transaction sourcing and execution. The Group has a full suite of professional administrative functions, including legal, compliance, finance, accounting, investor relations, administrative and human resources. As of 31 December 2020, the Group's team comprised 209 professionals across those fields.

The Group is further supported by its strong shareholders which, as of the date of this Prospectus, includes Optima Ventures Private Equity Fund, which holds 66 per cent. in the Company and two largest Polish Pension Funds: OFE PZU Złota Jesień (which holds 9.99 per cent. in the Company) and AVIVA OFE AVIVA Santander (which holds 7.77 per cent. in the Company).

Globe Trade Centre S.A. was incorporated in Poland on 25 January 1994 as a joint stock company (with registration number 0000061500). The Group's headquarters are in Warsaw, Poland at Komitetu Obrony Robotników 45A. The Group's telephone number is +48 22 16 60 700.

Competitive Strengths

Management believes that the Group's key competitive strengths are:

- ***A stable and geographically diversified portfolio which combines primarily commercial income-generating properties and development projects.*** The Group's real estate business is diversified by geography, segment, asset portfolio and tenants. The Group's key sectors are office and retail space and the Group also holds a diversified land bank intended for future development.

The portfolio managed by the Group comprises: (i) completed income-generating properties that provide stable gross rental income from the lease of office and retail space; and (ii) a landbank designated for future development, which provides significant growth potential. As of 31 December 2020, the Group's portfolio comprised, in particular, the following properties:

- (i) 48 completed commercial properties, including 43 office and 5 retail properties, with a total combined commercial space of approximately 752,500 sqm of GLA of which the Group's proportional interest amounted to a GLA of approximately 743,000 sqm;
- (ii) two office buildings under construction with total GLA of approximately 37,300 sqm;
- (iii) two projects ready to be launched in 24 months with GLA of approximately 52,300 sqm;
- (iv) six projects that are currently at planning stage with GLA of approximately 236,000 sqm;
- (v) a landbank intended for commercial development, and
- (vi) residential landbank intended for sale of residential development.

As of 31 December 2020, the Group's income generating properties were valued at EUR 1,879,173 thousand. The average occupancy rate within the income generating portfolio was 91 per cent. The average duration of leases in the Group's income generating portfolio was 3.5 years, and the average rental rate was €17.2/sqm/month. The Group's income-generating properties provide a stable income stream to the Group.

- ***A real estate manager and developer in CEE and SEE with a demonstrated and proven track record, significant experience and established presence.*** The Group has a track record of over 25 years of managing, investing in and developing real estate properties and projects in the CEE and SEE region countries. The Group believes it has developed a highly recognized brand and has established its position as a significant and well-known player in all of its core markets. In addition, the Group believes it has significantly enhanced its international reputation through continuously increasing its market presence in the CEE and SEE regions, as evidenced by its high-profile tenant base.

Based on the wealth of experience within the Group, and the Group's presence on the ground and local know-how in the numerous countries of the CEE and SEE region in which it operates, the Group believes that it has the capabilities necessary to manage its projected growth as well as possessing the flexibility to take advantage of any potential future changes in market conditions and new opportunities.

- ***A skilled management team across all of the Group's operations.*** The Group is led by a management team of experienced and skilled senior professionals, with in-depth knowledge of the real estate investment, development and management industry in the regions in which the Group operates. The experience of all members of the management team, each in his relevant field of expertise, has been gained through years of extensive work in their current positions at the Group or at other companies (see - "Management Board"). The Group also benefits from the local knowledge and expertise of the regional managers whose input is integral to the business. The Group is committed to the continued and

progressive implementation of the real estate industry's best practices with respect to corporate governance and continues to adjust and improve its internal practices in order to meet evolving standards. In addition, as of 31 December 2020, the Group's operations were staffed with 209 qualified and experienced professionals (compared to 197 as of 31 December 2019) in the head office and five regional offices located throughout the CEE and SEE regions. The majority of the members of the Group's core management teams have been employed by the Group for at least 10 years. The Group's management has been successful in managing the Group's activities both in times of economic prosperity and in the complex business environment of the financial crisis.

The Group's portfolio is locally managed by teams of experienced local managers who are supported and instructed by the Group's central management, who ensure compliance, at a local level, with the Group's overarching global strategy. The Group's qualified professionals and local management teams have extensive knowledge of the real estate development and asset management market in their respective regions and of the relevant local business environments across all real estate disciplines, including planning, engineering, marketing and leasing. This allows the Group to call upon a high degree of expertise and a deep understanding of each of the markets in which it operates. Local knowledge and expertise are necessary for the identification of business opportunities, negotiations with service providers and financial institutions, obtaining regulatory approvals and effective rental and marketing operations.

- ***Ability to attract and retain high quality tenants and high occupancy rates.*** The Group has been able to attract and retain high quality tenants, including recognized multinational retailers such as Carrefour, Cinema City, H&M and the Inditex Group, and office tenants such as Exxon Mobil, IBM, Allegro, Budapest Bank, T-Mobile, Concentrix, Rompetrol, UniCredit, CBRE, LOT, Deloitte, and KPMG. This high-profile tenant base ensures stability of rental payments while also demonstrating the strength of the Group's brand and reputation.

The Group's local managers maintain robust relationships with local tenants. Historically, the Group's property portfolio was characterised by very high occupancy. Additionally, a substantial portion of each of the Group's development projects have been pre-let either during construction or within the first year after completion.

Within the Group high occupancy rates are supported by long leases and a track record of lease renewals. Historically, occupancy rates were robust across the Group's portfolio, averaging 93 per cent. annually. Despite the impact of the COVID-19 pandemic, occupancy rates in the Group's properties remained high, at 91 per cent. as of 31 December 2020 compared with 95 per cent. as of 31 December 2019. The Group generally maintains a long-dated lease profile which provides the Group with resilient income streams.

- ***A track record of successful sales of mature properties.*** The Group has historically made strategic disposals of mature properties by selling to international institutional investors. Assets, including, among others, Galeria Mokotów, Platinum Business Park, Galeria Kazimierz and Centrum Biurowe Kazimierz, GTC White House, Mokotów Business Park and Spirál were all sold at a profit to the Group. Proceeds from those transactions were typically reinvested towards financing new developments and acquisitions. The Group also generates sales proceeds from the disposal of its non-core assets. In line with its business strategy, the Group intends to further expand its portfolio by acquiring yielding properties with high potential for increase of valuation or generating high funds from operations. The Group has been able to apply its experience and know-how from past sales transactions to generate profit and believes that this experience will allow it to successfully implement its new strategy of sales of non-core assets (meaning assets that do not satisfy the Group's criteria for investment, assets located in secondary cities in the CEE/SEE region (other than in Poland) and/or assets designated for residential development which are not planned for development by the Group).
- ***Access to an integrated and fully functional management platform with deal sourcing capabilities and access to investment opportunities through a comprehensive regional network.*** The Group's organizational structure covers a broad range of real estate investment, management and development activities. The Group has a track record of successful sourcing, acquiring and integrating what

management considers to be high quality assets across CEE as well as cooperating with local and international institutional investors. Through its own resources and expertise, the Group has the capability to manage real estate transactions and actively manage properties, review potential investments, originate projects, conduct due diligence on potential real estate investments, obtain financing and satisfy local regulatory requirements. The Group's network includes local and city planning authorities in the jurisdictions in which it operates. The exploitation of the Group's network and local knowledge also extends to the construction, design and leasing processes. Capitalizing on its regional platform, real property management skills and broad experience in the real estate development, in addition to continuing the development activities, the Group is capable of expanding its real property portfolio by acquiring yielding properties with high potential. The Group's comprehensive regional network allows it to monitor the real estate markets in the CEE and SEE countries on an on-going basis and to react swiftly to investment opportunities as they arise.

- ***Long-standing relationships with banks and ability to raise financing.*** The construction or acquisition of the Group's income generating assets is mainly financed by long-term loans. As at 31 December 2020, the Group's loans and bonds had a weighted average duration of 4.2 years. The Group maintains good relationships with its lenders, as demonstrated by its ability to secure new development, refinance its existing debt and renegotiate certain covenants under existing loan agreements and increase bank financing, however the Group plans to move towards predominantly unsecured debt financing and move towards a 40 per cent. loan-to-value ratio in the medium term.

Strategy

The Group's objective is to create value from an active management of a growing commercial real estate portfolio in the CEE and SEE region, supplemented by selected development activities.

The Group's strategy is characterised by the following objectives:

- ***Achievement of continued portfolio and platform growth.*** One of the Group's primary strategic goals is the continued increase of the income-generating portfolio through acquisition of yielding properties in the CEE and SEE region, while completing prime development projects on already-owned or acquired land plots. Also, to have value-add acquisitions that provide tangible potential through re-letting, improvement in occupancy and rental upside as well as the realization of redevelopment potential. The Group will continue to convert ongoing development projects and land reserves into income-generating properties and the sale of non-core assets to unlock equity for new investments and acquisitions and increase the return on invested equity. The Group intends to develop its pipeline in accordance with its environmental and sustainability principles. The Group will carefully consider and evaluate attractive investment opportunities, which meet the investment criteria of the Group while taking into consideration the prevailing market yields and the Group's investment criteria targets. The Group is well-positioned to benefit from (i) the exceptionally high yield spread in the current low-interest rate environment, allowing for highly accretive growth, (ii) the future growth potential in Poland, and capital cities in the Group's countries of operation if the macro environment improves, (iii) a selective approach by lenders that operate in the CEE and SEE region, which limits competition from other potential purchasers, and limited offer of high-class office and retail space in some markets, which results in increased demand for renting space in "Class A" properties. The Group's acquisition strategy includes the acquisition of income generating office and retail assets located in Warsaw or regional cities in Poland or the capital cities of CEE/SEE countries that have cash generation ability (upon acquisition or shortly after) and demonstrate the potential for growth of net operating income, through re-leasing, optimizing occupancy, rental rates, and/or redevelopment and the potential to increase return on equity through active asset management.
- ***Optimisation of operating and financial performance.*** The Group is committed to improving the efficiency of asset management activities and maximizing operating performance. This is achieved through active management of the income-generating property portfolio to achieve and maintain cost efficiency, to improve rental income and occupancy, and to diversify tenant risk by retaining a high-quality tenant base. The Group's financial management strategies include further optimizing

administrative and platform costs through organizational streamlining and optimization of costs of finance through deleveraging, planning and resource allocation, and through continuous refinancing at improved terms to increase the recurring return on equity, always taking into consideration the Group's prudent financing policy.

- **Strategic disposal of mature assets.** The Group may sell certain of its mature assets from its portfolio (i.e., completed commercial properties that generate a stable flow of rental income and have reached their long-term value in the Group's view). Moreover, following the acquisition of existing income-generating properties and increasing their value, the Group may also sell such properties. In furtherance of this strategic objective, and based on the prevailing market conditions and Group's strict criteria, the Group sold the Spiral office building located in Budapest, Hungary in the fourth quarter of 2020 at a profit.
- **Continued successful project delivery.** The Group is committed to developing high-quality commercial projects, with focus on the delivery of major projects in the next two to three years. The Group's goal is to continue to build track record of delivery of projects (a) on time, (b) on budget and (c) at a quality that meets tenants' demand and also continue to adhere to all relevant environmental aspects and standards in the construction of developments (for example, continuing to develop Leadership in Energy and Environmental Design ("**LEED**") certified buildings). The Group is a real estate investor and developer and adjusts its development activities to market conditions. The Management Board believes that this approach allows the Group to better respond to the changing conditions of the real estate market and focus on more active and efficient asset management of its existing as well as its expanding portfolio.
- **Maintaining a balanced mix of investments across CEE and SEE regions and adapting to changes in the real estate markets.** The Group intends to continue its real estate management and development activities in Warsaw or regional cities in Poland and in capital cities of CEE and SEE countries, characterized by macroeconomic stability, continued GDP growth, and investor and tenant demand. The Group also intends to focus on the office sector in Poland and Hungary. The Group believes that some other markets in which it operates also offer long-term growth potential due to their relatively underdeveloped real estate markets and relatively illiquid markets. Further investments in these markets will be explored on an opportunistic basis with strict risk-adjusted return criteria. Simultaneously, specific performance requirements will be imposed on all assets in the Group's portfolio.

The Group aims to create and maximize shareholder value by continually adapting to changes in the markets in which it operates while maintaining the maximum performance of its core portfolio of assets, always taking into consideration the Group's prudent financing policy.

History

The Company was founded in 1994 and has been active in the CEE real estate market since then. The Group has grown to become a significant real estate investor and developer focusing on Poland and capital cities in CEE and SEE. The Group is operational in Warsaw and regional cities in Poland, as well as Budapest, Bucharest, Belgrade, Zagreb and Sofia.

The Group began its operations in Warsaw in 1994, and started its first project in 1995 at Mokotów Business Park in the post-industrial district of Służewiec Przemysłowy in Warsaw. The project consisted of nine buildings totalling 107,000 sqm of office and retail space. This project completed in 2000 and contributed to Mokotów becoming one of the largest business districts in Warsaw. In 2000 the Group also developed and opened Galeria Mokotów, the first of its shopping malls in the region and the first third-generation shopping mall in Warsaw.

Following the successful projects in Poland, the Group expanded its development activities to the capital cities of other countries in the CEE region. The Group expanded initially into Romania and Hungary and then expanded into regional cities in Poland. The Group's first office buildings outside of Warsaw were located in Krakow and Poznan. In 2002, the Group completed development of Europe House in Bucharest, Romania which was its first project outside of Poland.

In 2004, the Company was listed on the Warsaw Stock Exchange. In 2006, the Group sold its first project, Mokotów Business Park, and in 2007 the Group opened its first shopping mall outside of Poland: Avenue Mall in Zagreb, Croatia.

In 2013, Kardan N.V. (which was then the Company's majority shareholder) decided to dispose of certain assets, including its shareholding in the Company. Kardan N.V.'s interest in the Company was acquired by Lone Star Funds. After the acquisition of Kardan N.V.'s interest in the Company, the strategic decision was taken by the Company at the end of 2013 to refocus efforts on Poland and capital cities in the SEE/CEE markets, while also seeking to restructure its portfolio by gradual disposal of non-core assets. As part of this strategy, the Group moved away from its pure development model and began operating also as a real estate investor supported by a strong asset management platform. In furtherance of this strategy, the Group purchased Duna Tower in Budapest in 2015 and Pixel in Poznań in 2016, the first two office properties purchased by the Group. Between 2015 and 2020, the Group acquired further significant retail and office properties, including the Mall of Sofia, Sofia Tower, Belgrade Business Center, Cascade Office, Premium Plaza, Premium Point, Artico and Sterlinga BC as well as land plots designated for future development, including those designated for Pillar, Center Point III, Advance Business Center, and Matrix future phases.

In October 2015, the Group implemented a capital increase of EUR 140,000 thousand which was over-subscribed by 34 per cent.

Between 2018 and 2020, the Group completed development projects totalling 136,000 sqm of commercial space, including Ada Mall, Green Heart Complex, GTC White House, Advance Business Center I and II and Matrix A and B.

In the third quarter of 2019, the strategy of asset disposal saw the Group sell the GTC White House office building in Budapest, Hungary for EUR 70,700 thousand representing a profit of 35 per cent. against the Group's initial investment in June 2018. Later in 2019, the Group sold the Neptun office building in Poland for EUR 44,200 thousand representing a profit of 40 per cent. against the Group's initial investment in 2016. In the fourth quarter of 2020, the Group sold the Spiral office building in Budapest for EUR 62,700 thousand representing a profit of 27 per cent. against the Group's initial investment in 2009. In 2021, the Group has made three further acquisitions in Budapest: Váci Green D, Ericsson Headquarters and Siemens Headquarters. On 21 May 2021, the Group signed a sale and purchase agreement with Indotek Group effecting the disposal of an office portfolio in Belgrade, including: Green Heart, FortyOne, Belgrade Business Centre, 19th Avenue and GTC House.

In October 2020, Optima Ventures Private Equity Funds, investment funds managed by Optima Investment Fund Management Private Company Limited by Shares, controlled by Pallas Athene Foundation (Hungary's sovereign wealth fund) completed its acquisition of a 66 per cent. shareholding in the Company and the Group. Optima Ventures Private Equity Fund had previously acquired Lone Star Funds' majority shareholding (61.49 per cent.) in the Company and acquired further shares through a tender offer in October 2020. Since the acquisition, the Group has adjusted its strategy to focus its activity on the office sector in Poland and Hungary, which are higher rated countries. The Group will focus on development and acquisition of predominantly green certified office projects. Additionally, the Group decided to change its financing structure from secured project loans to predominantly unsecured financing.

As of 31 December 2020, the Group's portfolio has a book value of EUR 2,136,802 thousand with the Group's completed investment properties account for 88 per cent. thereof; investment properties under construction accounting for 3 per cent.; an investment landbank intended for future development accounting for 7 per cent.; right of use of lands under perpetual usufruct accounting for 2 per cent., and residential landbank including assets held for sale accounting for less than 2 per cent. The Group manages 48 completed commercial properties with a combined GLA of approximately 752,500 sqm, comprised of 43 office buildings and five shopping malls.

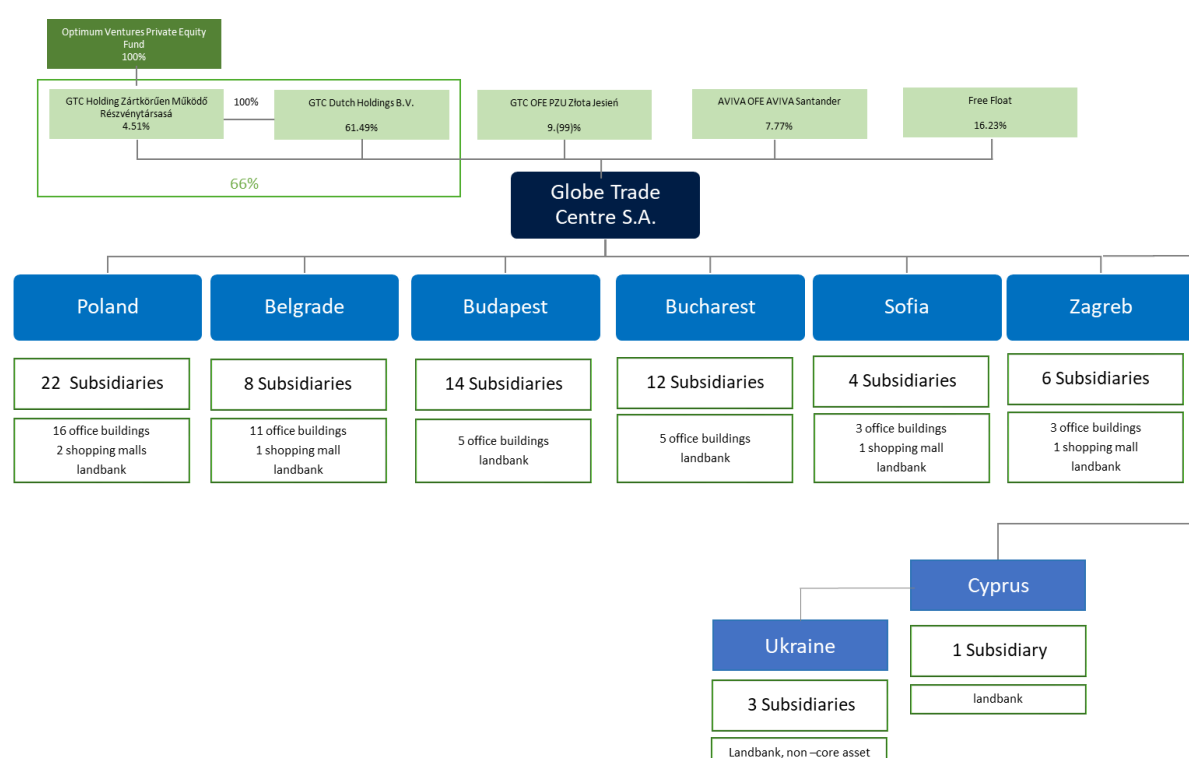
Since 1994, in the course of its business the Group has sold properties comprising of approximately 345,000 sqm of GLA of office space and approximately 259,000 sqm of GLA of retail space to institutional real estate investors. The most notable sales included the sales of: Mokotów Business Park in Warsaw, Poland (in 2006); America House in Bucharest, Romania (in 2007); Galeria Mokotów in Warsaw, Poland (50 per cent. in 2002 and 50 per

cent. in 2011); Galeria Kazimierz (50 per cent. in 2006 and 50 per cent. in 2013), Platinum Business Park (in 2012 and 2013); and Kazimierz Office Centre (in 2015).

Since the Group was founded in 1994, it has: developed 74 commercial properties, offering approximately 1,200,000 sqm of gross commercial space and approximately 300,000 sqm of residential space, sold approximately 600,000 sqm of gross commercial space in completed commercial properties and approximately 300,000 sqm of residential space, and acquired approximately 160,000 sqm of commercial space in completed commercial properties. Additionally, the Group has developed and sold over 100,000 sqm of commercial space and approximately 76,000 sqm of residential space through its associates in the Czech Republic.

Group Structure

As of 31 December 2020, the Group held 70 subsidiaries across 8 countries, which are operational in 6 countries. The diagram below provides a simplified overview of the Group's corporate structure on a consolidated basis as of the date of this Prospectus. The diagram does not include all entities in the Group. For a full list of subsidiaries, see "Overview of the Group's Business Activities - Subsidiaries".



As of 31 December 2020, Optima Ventures Private Equity Funds hold 66 per cent. of the shares in the Company by virtue of its ownership of GTC Holding Zrt., which directly holds 4.51 per cent of the shares in the Company and indirectly holds an additional 61.49 per cent. of the shares in the Company by virtue of its 100 per cent. ownership of GTC Dutch Holdings B.V.

As of 31 December 2020, GTC Holding Zrt., holds indirectly (including through its 100 per cent. ownership of GTC Dutch Holdings B.V.) 320,466,380 shares of the Company, entitling to 320,466,380 votes in the Company, representing 66 per cent. of the share capital of the Company and carrying the right to 66 per cent. of the total number of votes in the Company.

GTC Holding Zrt. directly holds 21,891,289 shares of the Company, entitling it to 21,891,289 votes in the Company, representing 4.51 per cent. of the share capital of the Company and carrying the right to 4.51 per cent. of the total number of votes in the Company. GTC Holding Zrt. indirectly (through GTC Dutch Holdings B.V.) holds 298,575,091 shares in the Company, entitling it to 298,575,091 votes in the Company, representing 61.49 per cent. of the share capital of the Company and carrying the right to 61.49 per cent. of the total number of votes in the Company.

Subsidiaries

For a list of the Company's subsidiaries, please see note 8 to the financial statements for the year ended 31 December 2020. The Company has 70 subsidiaries across 8 different countries, which are operational in 6 countries.

Overview of the Group's Business Activities

Operations of the Group

The Group is a fully integrated real estate company investing in high-quality commercial real estate assets in prime locations. The Group focuses on "Class A" office space, premium retail properties in the CEE and SEE region, either standing or through low-risk developments. The Group offers "turnkey" real estate solutions and its team of approximately 209 professionals manages a standing portfolio of 752,500 sqm of GLA. The Group's investing policy targets a diversified portfolio of properties in the CEE and SEE region, with a primary focus on Poland and capital cities in the in the region including Budapest, Bucharest, Belgrade, Zagreb and Sofia, where all of the Group's assets are currently located. The Group's standing properties generate stable cash flows at attractive yields through triple-net annually indexed euro-denominated leases, while the Group's limited development activity leverages on its experience and focuses on delivering strategic green accredited assets at the best cost possible, thus providing attractive capital appreciation and yields. As of 31 March 2021, 47 per cent. of the Group's properties are less than 10 years old.

Active property management of "green" asset portfolio

The Group's asset management and leasing policy focuses on maintaining or transforming the Group's assets as or into "best in class" marketable assets that are attractive to high-quality institutional tenants. The Group also strives to build successful long-term relationships with multinational corporate groups and financial institutions as tenants, supporting long-term, sustainable and stable cash flows.

The Group maintains its properties in line with the highest modern standards and its tenants' needs, with the majority of the Group's standing properties having been delivered or significantly refurbished in the past five years. The Group focuses on green certification for both its office and retail properties. Green-accredited buildings are environmentally friendly as a result of their low carbon emissions while also offering a benefit to tenants because of their lower energy costs and by creating a better work environment which results in sustainable value creation for the Group's portfolio.

As at 31 December 2020, 84 per cent. (39 properties) of the Group's standing properties are certified as environmentally-friendly. In Poland all 18 of the Group's buildings are green certified offices and retail. The majority of the Group's green properties are accredited with LEED Gold (38 per cent.) or the Building Research Establishment Environmental Assessment Method ("BREEAM") in use excellent (25 per cent.) certification. The remainder of the Group's environmentally certified properties are accredited with LEED Silver (10 per cent.), BREEAM in use Very Good (4 per cent.), BEEAM Very Good (3 per cent.), LEED Platinum (2 per cent.) and the German Sustainable Building Council ("DGNB") (2 per cent.).

Re	Number of certified buildings			Percentage share of certified buildings in the portfolio value		
	Office buildings	Shopping centres	Total office buildings and shopping centres	Office buildings	Shopping centres	Total office buildings and shopping centres
LEED Platinum	2	-	2	2%	-	2%
LEED Gold	13	2	15	20%	18%	38%
LEED Silver	4	1	5	4%	6%	10%
BREEAM IN USE Excellent	11	1	12	15%	10%	25%
BREEAM Very Good	2	-	2	3%	-	3%
BREEAM IN USE Very Good ...	1	-	1	4%	-	4%
DGNB	2	-	2	2%	-	2%
Total	35	4	39	50%	34%	84%

The Group certified and recertified 17 properties in 2020 and is currently in the process of certifying or recertifying three other properties its portfolio with LEED and/or BREEAM with a target of 100 per cent. certification of the portfolio.

Tenant relationships & leasing policy

The Group focuses on generating long-standing institutional relationships with its tenants to achieve long-term growth, recurring income, deep client relationships and a positive "word-of-mouth" reputation that makes it an attractive landlord to both existing and new tenants.

Certain 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, the Group aims to agree longer durations to de-risk the Group's portfolio, in return for which the Group grants certain additional incentives to tenants. In the Group's experience, tenants committing to a ten-year lease term are willing to invest substantial resources in the leased space, thereby further protecting the value of the Group's assets. The Group also sometimes grants expansion options to key tenants, which are limited in time, but offer the tenant some time flexibility in ramping up their own operations.

The vast majority of the Group's 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 the Group's leases are euro-denominated, triple-net (i.e., tenants pay property taxes, insurance and maintenance costs in addition to rent) and are annually indexed.

Since the beginning of the Group's operations it has assumed the day-to-day property management of all of its properties. Property management enables the Group to gain important understanding of its tenants, their needs and how to best serve them to be more competitive. Economies of scale also allow optimising service levels to the Group's tenants by providing better communication, efficiency and transparency, thus also enhancing the foundations of the Group's partnership with each of them.

While the Group's strategic target is to minimize vacancy levels, it also pro-actively manages its lease expiry profile. In most instances when an existing tenant expands its leased space at one of the Group's properties, the Group seeks to negotiate an extension of the expiry date on the overall contract. The Group's leasing team is also strategically tasked on liaising with tenants well ahead of the expiry of the relevant lease contract.

The Group's presence across the CEE and SEE region, enables it to share best practices across its group in terms of management, operations, due diligence and commercial execution. Synergies also extend to the Group's existing tenant base allowing it to offer existing tenants lease opportunities in locations in which the relevant tenants are interested. By following its tenants, the Group can build its presence in new markets through strong and institutionalised pre-existing relationships.

Investment strategy & development process

The Group's high-quality asset base includes mainly "Class A" office and prime retail real estate assets in strategic locations which comprised 61 per cent. and 39 per cent, respectively, of the Group's total combined portfolio as of 31 December 2020. The Group aims to increase the share of its portfolio in the office sector. The balance of the Group's portfolio also includes assets under construction, planned projects, commercial and residential land for future development.

The Group believe that higher returns can be obtained from investment in certain development activities. The Group focuses on opportunities on a selective basis and with a target of no more than 10 per cent. of development exposure in the portfolio (as of 31 December 2020, 7 per cent of the Group's portfolio consisted of development activity). The Group pursues development activities in the office and retail real estate sectors, splits its projects into phases and aims to pre-let before a development is commenced. The construction contracts related to the Group's development activities are denominated in euro.

During 2020, the Group spent EUR 78,528 thousand on capital expenditure and developments, particularly in relation to the new developments intended for future rent and sale: Green Heart (Belgrade), Advance Business Centre (Sofia), Matrix (Zagreb), Pillar (Budapest) and Sofia Tower 2 (Sofia) and an additional EUR 21,468

thousand for purchase of completed assets and land. The Group may decide to apply development capital expenditure toward certain developments that it may launch in the next 24 months such as the GTC X building in Belgrade and Center Point 3 in Budapest. The quantum of any such capital expenditure is currently uncertain and will be affected by certain factors such as market conditions at the relevant point in time and the availability and cost of financing.

Investing Policy

The investments made pursuant to the Group's investing policy may take the form of, but is not limited to, investments in single assets, real estate portfolios, joint ventures, with a focus on offices.

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

The Group's local management teams apply substantial resources to sourcing investment opportunities, which are subject to preliminary analysis, including the assessment of risk and return characteristics and suitability for the Group's investing policy. Once the local management team has determined that a particular opportunity falls within the investing policy, the opportunity is presented to the Management Board. Subject to a preliminary approval, a detailed due diligence process alongside appointed external consultants and advisers (where appropriate) will take place. Once the due diligence process is substantially completed, a detailed investment case is presented to the Management Board and/or Supervisory Board for a final approval (Supervisory Board approval is necessary for transactions above certain threshold as stated in Company's Articles of Association), as appropriate, with a recommendation to proceed with the investment. Following approval by the Management Board and/or Supervisory Board, as applicable, the relevant transaction can proceed to the closing phase.

Structuring of Investments

The Group funds its investments through an appropriate mix of equity and debt. Debt financing is an important component of the structuring and execution of the Group's investments, but is subject to the Group's financial policy and conservative approach to leverage.

Overview of Investment Portfolio

The Group's strategy focuses on creating value from active management of a growing real estate portfolio in CEE and SEE. The Group has a presence in Poland, Belgrade, Budapest, Bucharest, Zagreb, and Sofia. The Group focused on commercial assets, mainly office buildings and office parks as well as retail and entertainment centres. The Groups investment properties include income generating assets (completed properties), projects under construction, investment property landbank and right of use.

Overview of income-generating portfolio

As of 31 December 2020, the Group owned 48 income generating properties totalling 752,500 sqm of which the Group's proportional interest amounted to a GLA of approximately 743,000 sqm and valued at EUR 1,879,173 thousand. The average occupancy rate within the income generating portfolio was 91 per cent. as of 31 December 2020. The portfolio was valued based on an average yield of 7.8 per cent. The average duration of leases in properties within the Group's income generating portfolio was 3.5 years, and the average rental rate was €17.2/sqm/month. Approximately 44 per cent. of the Group's income generating portfolio is located in Poland, 19 per cent. in Belgrade, 11 per cent. in Budapest, 9 per cent. in Bucharest, 9 per cent. in Sofia, and 8 per cent. in Zagreb.

The average occupancy rate within the income generating portfolio was 95 per cent. as of 31 December 2019. The portfolio was valued based on an average yield of 7.0 per cent. The average rental rate in respect of properties within the Group's income generating portfolio was €17.0/sqm/month. Approximately 45 per cent. of the Group's income generating portfolio is located in Poland, 19 per cent. in Belgrade, 13 per cent. in Budapest, 10 per cent. in Bucharest, 7 per cent. in Sofia, and 6 per cent. in Zagreb.

The Group's office buildings are strategically located in business districts and in proximity to the most important transport routes in each city, including international airports. Tenants include Exxon Mobil, IBM, Allegro, Budapest Bank, T-Mobile, Concentrix, Rompetrol, UniCredit, CBRE, LOT, Deloitte, KPMG, Roche, State Street, and others.

The Group's shopping malls are located in both capital cities Warsaw, Sofia, Belgrade, Zagreb as well as in regional cities in Poland (such as Czestochowa). The Group's shopping mall tenants' base comprises of over 250 tenants and includes Cinema City, H&M, LPP Group, Inditex Group and others.

The following table presents the income generating portfolio by country in which the Group operates as at 31 December 2020 (see also "Market Overview"):

Location	Number of assets	Total gross leasable area (sqm)	% of GLA (sqm)	Average Occupancy (%)	Book value (€'000)	% of total book value
Polish Regional Cities.....	13	208,000	28%	91%	499,700	27%
Warsaw	5	101,200	13%	88%	325,038	17%
Belgrade.....	12	156,800	21%	94%	355,481	19%
Budapest	5	96,600	13%	95%	206,138	11%
Sofia.....	4	67,200	9%	88%	176,500	9%
Bucharest	5	66,600	9%	93%	172,085	9%
Zagreb.....	4	56,100	7%	89%	144,231	8%
Total.....	48	752,500	100%	91%	1,879,173	100%

The Group is focused on the office sector. As of 31 December 2020, office properties accounted for around 61 per cent., (43 properties) and retail properties accounted for the remaining 39 per cent. (5 properties) of the book value of income generating portfolio.

The following table presents income generating portfolio by main usage type as of 31 December 2020:

	Number of assets	Total gross leasable area (sqm)	% of GLA (sqm)	Average Occupancy (%)	Book value (€'000)	% of total book value
Office.....	43	536,400	71%	90%	1,145,261	61%
Retail*	5	216,100	29%	95%	733,912	39%
Total.....	48	752,500	100%	91%	1,879,173	100%

*Including Avenue Center, Zagreb, Croatia and Sofia Tower, Sofia, Bulgaria.

Overview of the office portfolio

As of 31 December 2020, the Group's office portfolio comprises 43 office buildings. Total gross leasable office space was 536,400 sqm compared to 531,300 sqm as of 31 December 2019. The total value of the office portfolio as of 31 December 2020 was EUR 1,145,261 thousand compared to EUR 1,173,106 thousand as of 31 December 2019. The decrease in value is mainly attributable to revaluation loss due to an increase in yields combined with a decrease in occupancy and expected rental values across the portfolio, related, to a large extent, to the COVID-19 pandemic impact and the sale of the Spiral office building in Budapest. This was partially offset by the completion of developments at the Green Heart N3 in Belgrade, Advance Business Center II in Sofia, and Matrix B in Zagreb.

As of 31 December 2020 the Group's office buildings are distributed across Poland (33 per cent.), Belgrade (23 per cent.), Budapest (18 per cent.), Bucharest (15 per cent.) Sofia (7 per cent.), and Zagreb (4 per cent.).

The following table presents the office portfolio by location as of 31 December 2020:

Location	Number of assets	Total gross leasable area (sqm)	% of GLA (sqm)	Average Occupancy (%)	Book value (€'000)	% of total book value
Poland.....	16	195,700	37%	88%	381,738	33%
Belgrade.....	11	122,100	23%	93%	264,781	23%
Budapest	5	96,600	18%	95%	206,138	18%
Bucharest	5	66,700	12%	93%	172,085	15%
Sofia.....	3	33,800	6%	79%	75,800	7%
Zagreb.....	3	21,500	4%	76%	44,719	4%
Total.....	43	536,400	100%	90%	1,145,261	100%

Office portfolio in Poland

As of 31 December 2020, the total GLA of the Group's office portfolio in Poland was 195,700 sqm, distributed across 16 office buildings located in Warsaw, Krakow, Lodz, Katowice, Poznan and Wroclaw. The average occupancy rate for 2020 was 88 per cent. As at 31 December 2020, the average duration of leases was 3.2 years and applied yield was 8.2 per cent. The average rental rate generated by the office portfolio in Poland in 2020 was €14.6/sqm/month compared to €14.4/sqm/month in 2019. The book value of the office portfolio in Poland was EUR 381,738 thousand as of 31 December 2020 compared to EUR 398,888 thousand as of 31 December 2019. The decrease was attributed to a decline in estimated rental values and expansion of yields. The following table lists the Group's office properties located in Poland:

Property	Location	GTC's share (%)	Total GLA (sqm)	Year of completion
Galileo	Krakow	100%	10,600	2003
Globis Poznań	Poznan	100%	13,800	2003
Newton	Krakow	100%	10,800	2007
Edison	Krakow	100%	10,900	2007
Nothus	Warsaw	100%	9,600	2007
Zepirus	Warsaw	100%	9,600	2008
Globis Wrocław	Wroclaw	100%	16,100	2008
University Business Park A	Lodz	100%	20,200	2010
Francuska Office Centre A&B	Katowice	100%	23,000	2010
Sterlinga Business Center	Lodz	100%	13,400	2010
Corius	Warsaw	100%	9,600	2011
Pixel	Poznan	100%	14,400	2013
Pascal	Krakow	100%	5,900	2014
University Business Park B	Lodz	100%	20,200	2016
Artico	Warsaw	100%	7,600	2017
Total			195,700	

Office portfolio in Belgrade

As of 31 December 2020, the total GLA of the Group's office portfolio in Belgrade is 122,100 sqm, distributed across 11 office buildings. The average occupancy rate for 2020 was 93 per cent. As at 31 December 2020, the average duration of leases was 3.2 years and the applied yield was 8.6 per cent. The average rental rate generated by the office portfolio in Belgrade in 2020 was at €16.7/sqm/month compared to €16.9/sqm/month in 2019. The book value of the Group's office portfolio in Belgrade was EUR 264,781 thousand as of 31 December 2020 compared to EUR 263,081 thousand as of 31 December 2019.

On 21 May 2021, the Group signed a sale and purchase agreement pursuant to which its cash generating office portfolio in Belgrade was sold. For further information, see "Recent Developments - Sale and Purchase Agreement with Indotek Group".

The following table lists the Group's office properties located in Belgrade as of 31 December 2020:

Property	GTC's share (%)	Total gross leasable area (sqm)	Year of completion
GTC House	100%	13,300	2005
Avenue 19	100%	16,700	2008
Belgrade Business Center	100%	17,800	2009
FortyOne phase I	100%	10,100	2015
FortyOne phase II	100%	7,200	2016
FortyOne phase III	100%	10,700	2017
Green Heart E1	100%	10,400	2018
Green Heart E2	100%	11,300	2018
Green Heart N1	100%	13,100	2019
Green Heart N2	100%	6,100	2019
Green Heart N3	100%	5,400	2020
Total		122,100	

Office portfolio in Budapest

As of 31 December 2020, the total GLA of the Group's office portfolio in Budapest is 96,600 sqm, distributed across five office buildings. As of 31 December 2020, the occupancy rate was 95 per cent. The average duration of leases was 2.6 years at year-end, and the applied yield was 7.5 per cent. The average rental rate generated by the office portfolio in Budapest was €14.2/sqm/month compared with €12.9/sqm/month as of 31 December 2019. The book value of the Group's office portfolio in Budapest was EUR 206,138 thousand as of 31 December 2020, as compared to EUR 259,419 thousand as of 31 December 2019. This decrease is attributable mainly to the sale of the Spiral office building, which was partially offset by the purchase of landbank for future development, which contained a small office building. The following table lists the Group's office properties located in Budapest.

Property	GTC's share (%)	Total gross leasable area (sqm)	Year of completion
Center Point I&II.....	100%	40,900	2004/2006
Duna Tower.....	100%	31,300	2006
GTC Metro	100%	16,200	2010
Vaci 173-177	100%	8,200	-
Total.....		96,600	

Office portfolio in Sofia

As of 31 December 2020, the total GLA of the Group's office portfolio in Sofia is 44,100 sqm, distributed across three office buildings (including the Sofia Tower). The occupancy rate, the book value, and other data relating to the Sofia Tower are presented together with the data for Mall of Sofia. As of 31 December 2020, the occupancy rate of the Group's office portfolio in Sofia was 79 per cent.. The average duration of leases was 4.4 years, and the applied yield was 7.8 per cent.. The average rental rate generated by the office portfolio in Sofia was €14.6/sqm/month compared with €14.0/sqm/month as of 31 December 2019 and the book value of the Group's office portfolio in Sofia was EUR 75,800 thousand as of 31 December 2020 compared to EUR 36,800 thousand as of 31 December 2019. This increase was attributable to the completion of a second building in the Advance Business Center complex. The following table lists the Group's office investment properties located in Sofia:

Property	GTC's share (%)	Total gross leasable area (sqm)	Year of completion
Advance Business Center I.....	100%	16,000	2019
Advance Business Center II.....	100%	17,800	2020
	Total	33,800	
Sofia Tower ⁽¹⁾	100%	10,300	2006
Total.....		44,100	

⁽¹⁾ The occupancy rate, the book value, and other data of the Sofia Tower are presented together with the data for Mall of Sofia (retail portfolio).

Office portfolio in Bucharest

The total GLA of the Group's office portfolio in Bucharest is 66,700 sqm, distributed across five office buildings. As of 31 December 2020, the occupancy rate was 93 per cent.. The average duration of leases was 2.3 years, and the applied yield was 7.7 per cent. The average rental rate generated by the office portfolio in Bucharest was €20.5/sqm/month compared with €19.0/sqm/month as of 31 December 2019. The book value of the Group's office portfolio in Bucharest was EUR 172,085 thousand as of 31 December 2020, compared to EUR 190,418 thousand as of 31 December 2019. This decrease was attributed to a devaluation of City Gate due to a decline in estimated rental values and an extended period of assumed vacancy as a result of the COVID-19 pandemic. The following table lists the Group's office properties located in Bucharest:

Property	GTC's share (%)	Total gross leasable area (sqm)	Year of completion
Cascade Office.....	100%	4,200	2005
Premium Plaza.....	100%	8,500	2008
City Gate	100%	47,600	2009

Premium Point.....	100%	6,400	2009
Total.....		66,700	

Office Portfolio in Zagreb

The total GLA of the Group's office portfolio in Zagreb is 28,500 sqm, distributed across three office buildings (including Avenue Centre). The occupancy rate, the book value, and other data relating to the Avenue Centre in Zagreb are presented together with the data for Avenue Mall Zagreb. As of 31 December 2020, the occupancy rate of the Group's office portfolio in Zagreb was 76 per cent. The average duration of leases was 6.0 years at year-end and applied yield was 7.6 per cent.. The average rental rate generated by the office portfolio in Zagreb was €14.3/sqm/month compared with €13.3/sqm/month as of 31 December 2019. The book value of the Group's office portfolio in Zagreb EUR 44,719 thousand as of 31 December 2020 compared to EUR 24,500 thousand as of 31 December 2019. The increase in value was attributed to the completion of a second building in Matrix complex. The following table lists the Group's office investment properties located in Zagreb:

Property	GTC's share (%)	Total gross leasable area (sqm)	Year of completion
Matrix A	100%	10,800	2019
Matrix B	100%	10,700	2020
	Total	21,500	
Avenue Center ⁽¹⁾	70%	7,000	2007
Total.....		28,500	

⁽¹⁾ The occupancy rate, the book value, and other data of the Avenue Centre in Zagreb are presented together with the data for Avenue Mall Zagreb (retail portfolio). The additional 30 per cent. ownership in Avenue Center is held by the Group's joint venture partner.

Overview of the retail portfolio

As of 31 December 2020, the Group's retail properties comprised five shopping centres with a total GLA of 216,100 sqm, which was also 215,800 sqm as of 31 December 2019. The total value of retail investment properties as of 31 December 2020 was EUR 733,912 thousand compared to EUR 830,082 thousand as of 31 December 2019. The decrease is attributable mainly to the impact of COVID-19 pandemic, including measures implemented by the Group to support tenants and encourage consumer spending, such as reducing rent, allowing rent payment in instalments and waiving late payment interest and service charges. A decline of the expected rental values combined with a slight expansion over the assets' future yields also contributed to this decrease in value. The following table presents the retail portfolio by country as of 31 December 2020:

Location	Total gross leasable area (sqm)	% of total retail portfolio (%)	Average occupancy (%)	Book value (€'000)	% of total book value
Poland.....	113,500	53%	93%	443,000	60%
Sofia ⁽¹⁾	33,400	15%	98%	100,700	14%
Zagreb ⁽¹⁾	34,600	16%	97%	99,512	14%
Belgrade.....	34,600	16%	97%	90,700	12%
Total.....	216,100	100%	95%	733,912	100%

⁽¹⁾ Including book value of office building

Retail portfolio in Poland

The total GLA of the Group's retail portfolio in Poland is 113,500 sqm, distributed across two retail schemes located in Warsaw and Czeszochowa. As of 31 December 2020, the average occupancy rate was 93 per cent.. The average duration of leases was 4.4 years at the year-end, and the applied yield was 6.2 per cent.. The average rental rate generated by the retail portfolio in Poland was €20.9/sqm/month. The book value of the Group's retail portfolio in Poland amounted to EUR 443,000 thousand as of 31 December 2020, as compared to EUR 497,370 thousand as of 31 December 2019. This decrease is attributable mainly to the impact of COVID-19 pandemic, including measures implemented by the Group to support tenants and encourage consumer spending, such as reducing rent, allowing rent payment in instalments and waiving late payment interest and service charges. A

decline of the expected rental values combined with a slight expansion of the assets' future yields also contributed to this decrease in value. The following table lists the Group's retail properties located in Poland:

Property	Location	Share (%)	Rentable area (sqm)	Completion
Galeria Jurajska	Czestochowa	100%	48,700	2009
Galeria Północna	Warsaw	100%	64,800	2017
Total			113,500	

Retail portfolio in Sofia

The total GLA of the Group's retail portfolio in Poland is 33,400 sqm, in one retail scheme (including 10,300 sqm of the Sofia Tower office building). As of 31 December 2020, the occupancy rate was 98 per cent. The average duration of leases was 3.1 years at the year-end, and the applied yield was 7.8 per cent. The average rental rate generated by the retail portfolio in Sofia was €18.8 /sqm/month. The book value of the Group's retail portfolio in Sofia amounted to EUR 100,700 thousand (including the book value of Sofia Tower) as of 31 December 2020 as compared to EUR 108,600 thousand as of 31 December 2019. This decrease is attributable mainly to the impact of COVID-19 pandemic, including measures implemented by the Group to support tenants and encourage consumer spending, such as reducing rent, allowing rent payment in instalments and waiving late payment interest and service charges. A decline of the expected rental values combined with a slight expansion of the assets' future yields also contributed to this decrease in value. The following table lists the Group's retail properties located in Sofia:

Property	GTC's share (per cent.)	Total gross leasable area (sqm)	Year off completion
Mall of Sofia	100 %.	33,400 ⁽¹⁾	2006
Total		33,400	

⁽¹⁾Including Sofia Tower

Retail portfolio in Zagreb

The total GLA of the Group's retail portfolio in Zagreb is 34,600 sqm, in one retail scheme (including 7,000 sqm of Avenue Center office building). As of 31 December 2020, the occupancy rate was 97 per cent.. The average duration of leases was 3.8 years at the year-end, and the applied yield was 7.9 per cent. The average rental rate generated by the retail portfolio in Zagreb was at the €20.2/sqm/month. The book value of the Group's retail portfolio in Zagreb amounted to EUR 99,512 thousand (including book value of Avenue Center) as of 31 December 2020 compared to EUR 104,812 thousand as of 31 December 2019. The decrease comes mainly from the impact of COVID-19 pandemic. This decrease is attributable mainly to the impact of COVID-19 pandemic, including measures implemented by the Group to support tenants and encourage consumer spending, such as reducing rent, allowing rent payment in instalments and waiving late payment interest and service charges. A decline of the expected rental values combined with a slight expansion of the assets' future yields also contributed to this decrease in value. The following table lists the Group's retail properties located in Zagreb. The following table lists the Group's retail properties located in Zagreb:

Property	GTC's share (%)	Total gross leasable area (sqm)	Year of completion
Avenue Mall Zagreb	70%	34,600 ⁽¹⁾	2007
Total		34,600	

⁽¹⁾Including Avenue Center

Retail portfolio in Belgrade

The total GLA of the Group's retail portfolio in Belgrade is 34,600 sqm, in one shopping mall. As of 31 December 2020, the average occupancy rate was 97 per cent.. The average duration of leases was 4.8 years at the year-end, and the applied yield was 8.5 per cent. The average rental rate generated by the retail portfolio in Belgrade was at €22/sqm/month. The book value of the Group's retail portfolio in Belgrade was EUR 90,700 thousand as of 31

December 2020 as compared to EUR 119,300 thousand as of 31 December 2019. This decrease is attributable mainly to the impact of COVID-19 pandemic, including measures implemented by the Group to support tenants and encourage consumer spending, such as reducing rent, allowing rent payment in instalments and waiving late payment interest and service charges. A decline of the expected rental values combined with a slight expansion of the assets' future yields also contributed to this decrease in value. The following table lists the Group's retail properties located in Belgrade:

Property	GTC's share (%)	Total gross leasable area (sqm)	Year of completion
Ada Mall	10%	34,600	2019
Total		34,600	

Projects under construction

As of 31 December 2020, the Group had two office buildings, Pillar building in Budapest and Sofia Tower 2 in Sofia, with a total GLA of 37,300 sqm under construction with a book value of EUR 62,909 thousand which constituted 3 per cent. of the Group's overall portfolio. Pillar building, which is 96 per cent. pre-leased to Exxon Mobil, is estimated to complete in the fourth quarter of 2021 while Sofia Tower 2 is expected to complete in the second quarter of 2022. The following table lists the Group's projects under construction:

Property	Use	Location	Total gross leasable area (sqm)	Planned completion
Pillar	Office	Budapest	29,000	Q4 2021
Sofia Tower 2	Office	Sofia	8,300	Q2 2022
Total			37,300	

Investment Property Landbank

As of 31 December 2020, the Group had land classified as an investment property landbank designated for the future development of EUR 140,367 thousand which constituted 7 per cent. of the Group's overall portfolio (by value). This landbank has been designated for projects that are on the Group's focus for the coming year, but that have not yet begun, including GTC X, Center Point 3, combined with land plots with a longer estimated development period, including The Twins, City Rose Park, Moderna, Platinum 6, and Matrix future phases which constitute 5 per cent. of the Group's overall portfolio.

Residential Landbank

As of 31 December 2020, the Group held a residential landbank with a total value of EUR 10,094 thousand which constituted less than 1 per cent. of the Group's overall portfolio.

Core Business Segmental analysis

The Group's operating segments are aggregated into reportable segments, taking into consideration the nature of the business, operating markets, and other factors. The Group operates in six core markets: Poland, Budapest, Bucharest, Belgrade, Sofia, and Zagreb. Operating segments are divided into geographical zones, which have common characteristics and reflect the nature of management reporting structure.

Segmental analysis of rental income and costs for the years ended 31 December 2020 and 31 December 2019 is presented below in Euro thousands (rounded to the nearest thousand):

Portfolio	Year ended 31 December 2020			Year ended 31 December 2019		
	Revenues	Costs	Gross margin	Revenues	Costs	Gross margin
Poland.....	65,227	(19,218)	46,009	75,793	(20,499)	55,294
Belgrade	33,806	(8,485)	25,321	29,542	(6,658)	22,884
Budapest.....	21,926	(4,900)	17,026	24,195	(5,792)	18,403
Bucharest.....	17,229	(2,969)	14,260	17,497	(3,103)	14,394
Zagreb	11,004	(3,684)	7,320	11,624	(3,893)	7,731

Sofia	10,929	(2,271)	8,658	11,111	(1,931)	9,180
Total.....	160,121	(41,527)	118,594	169,762	(41,876)	127,886

Segmental analysis of assets and liabilities as of 31 December 2020 is presented below in Euro thousands (rounded to the nearest thousand):

	Real estate	Cash and deposits	Other	Total assets	Loans bonds and leases	Deferred tax liability	Other	Total liabilities
Poland.....	906,313	44,939	3,872	955,124	532,127	59,536	14,005	605,668
Belgrade	370,123	13,316	3,711	387,150	211,497	10,373	8,628	230,498
Budapest	321,704	149,239	4,680	475,623	223,862	12,240	17,617	253,719
Bucharest.....	197,247	13,527	1,119	211,893	104,974	11,816	3,103	119,893
Zagreb	159,319	5,905	12,305	177,529	67,142	16,728	4,383	88,253
Sofia	179,109	11,609	1,087	191,805	93,212	8,337	6,850	108,399
Other.....	9,521	17	18	9,556	-	-	1,141	1,141
Non allocated.....		71,857	220	72,077	78,370	14,200	6,468	99,038
Total.....	2,143,336	310,409	27,012	2,480,757	1,311,184	133,230	62,195	1,506,609

Tenant Base

As of 31 December 2020, the occupancy rate of the Group's standing commercial portfolio was 91 per cent., with 500.5 thousand sqm leased to corporate and international business tenants. As of 31 December 2020, the Group had over 1,000 tenants.

The weighted average lease term ("WALT") of the Group's contracted commercial leases of its standing commercial portfolio as of 31 December 2020 was 3.5 years. The Group's strategic target is to minimize vacancy levels by focusing on long-term relationships with tenants.

As of 31 December 2020, WALT in the Group's office portfolio was 3.1 years and WALT in the Group's retail portfolio was 4.1 years.

As of 31 December 2020, 72.9 per cent. of the Group's contracted rental income resulted from multinational companies, 24.4 per cent. were local corporates, and 2.7 per cent. were state-owned entities.

Tenant origin	% annualized in place rent	Selected Tenants of Commercial Portfolio
Multinational	72.9%	IBM, Huawei, Metlife, Sony Europe B.V., ExxonMobil, Microsoft, Honeywell, Raiffeisen Bank, Fujitsu, Barry Callebaut, KMG Rompetrol, Takeda, Miele, Roche, EON, Nestle, Adidas, Concentrix Services Bulgaria; The International Bank For Reconstruction And Development, HBO, Philip Morris, L'Oreal, Tom Tom, UPS, DHL, Accenture, Ericsson, Cinema City, H&M, CCC, Inditex Group, LPP Group; TK Max, Tous, Deichmann, Douglas, ETAM, McDonamld's, KFC, New Balance, House of Samsonite, Pandora, Ecco, Cinestar
National.....	24.4%	Budapest Bank, ADA 2010, Fast Point Plus, Virtuoz usluge, Zagrebačka banka, American Heart of Poland, Polska Grupa Lotnicza, Olimp, Taj, A.C. Bellevit, Good People, Spark Gate, Air Srbija, Zoo Hobby, 100gr Sweets, Calypso, Dom Jubilerki A&A, Proteini.Si, Pizza Centro, Food Square, itialuS UTTRCO, MEVEX., Sefirot, Aladdin-Lux, Coffee Bean, Green Emerald, Ocular Soft;BAM, 32 Stomatologia, Arpid., AWITEKS, Minel Schreder, HTEC, TERMOVENT, KVANTUM SPORT, JV GOLD, Aquarium, BERA FASHION, Apriori., Aria, Arpol, Siódemka, Ellstone, Best
State owned entities....	2.7%	Delegation of Commission of European Union, The Commonwealth of Australia, Red Cross; EIB, Poczta Polska, Hrvatska lutrija d.d., Financijska agencija, World Bank, UNHCR
Total	100%	

The Group's rental income is well diversified: no tenant represents more than 3 per cent. of the Group's annualized rental income, while the top three and top 10 tenants account for 7.6 per cent. and 14.5 per cent. of annualized rental income respectively.

The below table provides a breakdown of the Group's top tenants as of 31 December 2020: Zara is a retail tenant with the balance being office tenants.

Top tenants	% annualized in place rent	Total rent (€mm)
IBM.....	2.8%	3.9
ExxonMobil.....	2.6%	3.7
T-Mobile.....	2.2%	3.1
Budapest Bank.....	2.0%	2.7
Allegro.....	1.7%	2.4
UniCredit.....	1.5%	2.0
Carrefour.....	0.6%	0.8
Zara.....	0.4%	0.6
Deloitte.....	0.4%	0.6
LOT.....	0.3%	0.4%

Key Lease Agreement Terms

Leases are generally entered into by the Group for a fixed term (generally for five years in respect of office properties and five to ten years in respect of retail properties), denominated in euro, and in most cases do not contain a break clause. The Group does negotiate break clauses on a case-by-case basis. In other instances, the Group may provide the tenant with an option to extend the term.

Payment of rent is generally due in advance monthly. The rent level is increased on the basis of a specific index provided for in the relevant lease agreement, such as the Harmonised Index of Consumer Prices, on an annual basis.

All of the Group's leases are "triple net", meaning that 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.

As of 31 December 2020, 2.2 per cent. of the Group's rental income was derived from turnover-related rent.

The Group's leases are governed by local law, depending on the location of the asset.

The table below presents lease expiration based on GLA expiration profiles as of 31 December 2020:

	Lease expired profile
Year ended 31 December 2021.....	17.4%
Year ended 31 December 2022.....	12.0%
Year ended 31 December 2023.....	12.9%
Year ended 31 December 2024.....	19.0%
Year ended 31 December 2025 and beyond.....	38.8%

Directors and Management

The Group puts in place teams on the ground in each of the jurisdictions in which it operates, which allows the Group to capitalise on the local knowledge gained in each such jurisdiction. Each local team reports into and is monitored by the Company. The Group typically employs, in each jurisdiction, people to perform the following functions asset management, property management, accounting, technical, development, legal, human resources and leasing, each of which report to a country manager, who directly reports to the Management Board.

General

The Group is committed to the continual and progressive implementation of the real estate industry's best practices with respect to corporate governance and continues to adjust and improve its internal practices in order to meet evolving standards. The Group communicates regularly with its shareholders and stakeholders regarding corporate governance. The Group has implemented a tiered system of management and oversight, effected by Company's supervisory board (the "**Supervisory Board**") and management board (the "**Management Board**").

Supervisory Board

The Supervisory Board is formed pursuant to and must act in accordance with the Company's articles of association (the "**Articles of Association**"). The Supervisory Board's primary function is to exercise supervision over the Company's operations and it has ultimate responsibility for the oversight of the Management Board.

The Supervisory Board is appointed by shareholders with shareholdings of 5 per cent. and above of in the Company, each of which receives a single seat on the Supervisory Board per 5 per cent. shareholding. In addition, one member of the Supervisory Board is appointed at the Annual General Meeting of the Company to act as the representative of the minority shareholders. The Supervisory Board appoints and supervises the work of the Management Board. The Supervisory Board acts pursuant to the Commercial Companies Code and also pursuant to the Articles of Association of the Company and the Rules and Regulations of the Supervisory Board dated 14 April 2005. The Supervisory Board meets regularly at least once every quarter. Pursuant to the Company's Articles of Association, the Supervisory Board performs constant supervision over the Company's operations. Within the scope of its supervisory activities, the Supervisory Board may demand any information and documents regarding the Company's business from the Management Board. Currently the Supervisory Board comprises eight members.

Members of the Supervisory Board are required to take necessary steps to obtain regular and complete updates from the Management Board regarding material matters material to the Company's business, including as to strategy implementation and risk management. The Supervisory Board must deliver its views issues related to the Company's business, including forwarding motions and proposals to the Management Board.

The Supervisory Board maintains a sufficient number of independent members to satisfy the independence criteria as specified in Annex No. II to Commission Recommendation 2005/162/EC of 15 February 2005 on the role of non-executive or supervisory directors of listed companies.

As of the date of this Prospectus, the Supervisory Board consists of the following members:

Name	Age	Current position	Current position held since
Zoltán Fekete	54	Chairman of the Supervisory Board	2020
János Péter Bartha	63	Independent member of the Supervisory Board	2020
Lóránt Dudás	39	Member of the Supervisory Board	2020
Balázs Figura	42	Member of the Supervisory Board	2020
Mariusz Grendowicz*	61	Member of the Supervisory Board	2000
Marcin Murawski	48	Independent member of the Supervisory Board	2013
Bálint Szécsényi	47	Member of the Supervisory Board	2020
Ryszard Wawryniewicz	59	Independent member of the Supervisory Board	2018

* Appointed in the Annual Shareholders Meeting and representing minority shareholders as an Independent Member of the Supervisory Board pursuant to article 9.5 of the articles of association of the Company.

The business address of the members of the Supervisory Board is Komitetu Obrony Robotników 45A, 02-146 Warsaw, Poland.

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

Zoltán Fekete, Chairman of the supervisory board, has been the Chairman and Chief Executive Officer of Optima Investment Ltd since November 2015. Mr. Fekete has 30 years of international investment banking and private equity experience. As an investment banker he worked for HSBC London, Credit Suisse First Boston in Budapest, London, and Israel. During his career, Mr. Fekete has dealt with a large number of IPOs, M&A transactions and private equity investments in the field of real estate, technology, and life sciences. Mr Fekete graduated from the Faculty of Law of Eötvös Lorand University in 1990, and in 1993 earned an MBA degree in Banking at the University of Exeter, UK.

János Péter Bartha, independent member of the Supervisory Board, has been a member of the Supervisory Board since 2020. Mr. Bartha is a seasoned investment banker with 18 years of experience in private equity investments, with extensive experience in privatisation, management of initial public offerings and mergers and acquisitions. Mr. Bartha started his banking carrier at the National Bank of Hungary in 1986, became Chief Executive Officer of Credit Suisse First Boston in 1990, and Head of Credit Suisse First Boston in Central and Eastern Europe in 1994.

Dr. Lóránt Dudás, member of the Supervisory Board, is General Counsel and Member of the Board of Optima Investment Ltd. Dr. Dudás joined Optima Investment Ltd. in autumn 2016, where he first worked as senior legal counsel. Dr. Dudás currently holds the position of General Counsel and advises on real estate, corporate and commercial law and investment law matters. Dr. Dudás has been Compliance Officer at Optima Investment Fund Manager Ltd. since 2017. He has been Member of the Board of Optima Investment Ltd. since 2018. Prior to joining Optima Investment Ltd, Dr. Dudás provided support to Takarékbank Zrt. as senior legal counsel focusing on corporate lending, syndicated loans and consortium financing, investment services, transactions and the implementation of other business and integration projects in 2014-2016. Between 2011 and 2014, Dr. Dudás worked as a senior attorney focusing on real estate, corporate and commercial law and dispute resolution in CHSH Dezső & Partners International Law Firm and between 2007 and 2011 Dr. Dudás provided general legal support to an economic and financial agency that supported the Ministry of Defence. Dr. Dudás graduated from the Faculty of Law of Eötvös Loránd University, then he passed the postgraduate qualifying exam and was admitted to the Budapest Bar Association. He also studied economics at the Faculty of International Business Economics of the Budapest Business School, as well as completed the Corporate Compliance training program of the Budapest Institute of Banking and the International Training Center for Bankers.

Balázs Figura, member of the Supervisory Board, is a member of the Board of Directors of Optima Fund Asset Management Ltd. Mr. Figura joined Optima Fund Asset Management Ltd in 2018, and has over 15 years of experience in portfolio management, treasury, M&A, and finance roles. He started his professional career as an auditor at Deloitte Hungary, later moving on to various positions in the field of Controlling at Takarékbank and the Hungarian Post.

Mariusz Grendowicz, independent member of the Supervisory Board pursuant to article 9.5 of the articles of association of the Company, has been a member of the Supervisory Board since 2000. Mr Grendowicz was, from 2013 to 2014, President and Chief Executive Officer of Polish Investments for Development SA. Mr Grendowicz was a member of the Supervisory Board of ATM SA in years 2017-2020 From 2008 to 2010, Mr. Grendowicz was president of the management board and Chief Executive Officer of BRE Bank SA, and earlier, between 2001 and 2006 was a Vice President of Bank BPH SA, responsible for Corporate Banking and Real Estate Division. During his career, he was also President and Deputy President of ABN AMRO in Poland (1997-2001), Deputy President of ING Bank in Hungary (1995-1997) and headed division of structured finance and capital markets in ING Bank in Warsaw (1992-1995). From 1983 to 1992 Mr. Grendowicz worked in banks in London, including Australia and New Zealand Banking Group and Citibank. Mr. Grendowicz studied at the University of Gdansk and then graduated with a degree in banking in the United Kingdom.

Marcin Murawski, independent member of the Supervisory Board, has been a member of the Supervisory Board since 2013. Mr Murawski was an independent member of the supervisory board and chairman of the audit committee of CCC S.A until 2019. Between 2005 and 2012 Mr. Murawski was a director of the internal audit and inspection department at WARTA Group and secretary of the audit committee at TUIR WARTA S.A. and TUNŻ WARTA S.A. Between 1997 and 2005 Mr. Murawski worked at PricewaterhouseCoopers Sp. z o.o., as manager of the audit department (2002-2005), senior assistant in the audit department (1999-2001), and assistant in the audit department (1997-1999). Mr. Murawski has been an independent member of the supervisory board and chairman of the audit committee of: the Company, CCC S.A, Apart S.A., SecoWarwick S.A., SANTANDER-AVIVA JV TU S.A., SANTANDER-AVIVA JV TUNŻ S.A. Between 2005 and 2012 Mr Murawski was a director of the internal audit department at WARTA Group - KBC GROUEP NV and secretary of the audit committee at TUIR WARTA S.A. and TUNŻ WARTA S.A. Mr. Murawski graduated from the Faculty of Management of Warsaw University in 1997. He has also the following certificates: ACCA, ACCA Practicing Certificate, and KIBR entitlement.

Bálint Szécsényi, member of the Supervisory Board, is the Chief Executive Officer of Equilor Investment Ltd. He joined Equilor Group in 2000 as a corporate finance Partner. Mr. Szécsényi has more than 20-year experience in stock exchange and over-the-counter securities issuances, the organization of syndicated loans, venture capital and private equity transactions, and mergers & acquisitions both on the Hungarian and international markets. Mr. Szécsényi has been a member of the Board of Richter Gedeon Pls, one the largest pharmaceutical groups in CEE and was the vice-president and a member of the Board of the Budapest Stock Exchange between 2011 and 2015.

Mr. Szécsényi graduated from the Budapesti University of Economics, Faculty of Finance in 1998 and currently is a member of the advisory board of the Foundation of the Faculty of Corporate Finance of the University.

Ryszard Wawryniewicz, independent member of the Supervisory Board, was, between 1997 and 2001 he was a Member of Parliament in Poland. In 2002 he became a Member of the Management Board of Invest Bank S.A. Between 2002 and 2005 Mr. Wawryniewicz was Deputy City Mayor of Świdnica. Between 2005 and 2007 he was a Member of Parliament and between 2007-2010 he was Deputy Starost at Poviast Starost office of Świdnica, In 2011 Mr. Wawryniewicz become the President of the Board of Inwestycje Świdnickie Sp. z o.o. which post he held until 2013. Since 2014 he has been a Business Advisor. Ryszard Wawryniewicz has been associated with the PZU S.A. Group since 2016 and was a member of the supervisory board of Link 4 T.U. and member of the supervisory board of PZU Życie S.A., where he was the Chairman of the Strategy and Development Committee. He also was a member of Supervisory Board of PZU Zdrowie Sp. z o.o. Since 2018, Mr. Wawryniewicz has been an advisor to the Management Board of PZU S.A./PZU Życie S.A. and a member of the Board of Curators of the National Institute Ossoliński in Wrocław. Mr. Wawryniewicz graduated from the Faculty of Philosophy and History at Wrocław University. Mr. Wawryniewicz also studied at the East European Studies at the University of Warsaw and at the Polish Institute of International Affairs in Warsaw

Management Board

The Company's management board (the "**Management Board**") currently has four members (the "**Management Board Members**"). Under the Company's Articles of Association, the Management Board must consist of one to seven members appointed by the Supervisory Board. The Supervisory Board may designate the president of the Management Board, as well as their deputy. Members of the Management Board are elected for individual three-year terms. The Supervisory Board has the right to suspend, for valid reasons, members of the Management Board from the performance of their duties, and may delegate authority, for up to three months, to the members of the Supervisory Board to temporarily perform the duties of the members of the Management Board who have been dismissed, have resigned or are unable for other reasons to perform their duties. A member of the Management Board may also be dismissed or suspended from his duties by virtue of a resolution of a General Meeting. Pursuant to the Articles of Association, without the Supervisory Board's consent, no Management Board member has the right to become involved in the operations of any competitive business or participate in a company conducting competitive activity either as its employee, management board member or shareholder holding (directly or indirectly) more than one per cent. of the share capital.

Powers of the Management Board

The Management Board manages the Company's affairs on a day-to-day basis and represents the Company. The authority of the Management Board includes all matters not reserved by the provisions of law or the Articles of Association for the authority of other governing bodies of the Company. The Company may be represented by two members of the Management Board acting jointly or, when the Management Board consists of only one member, by that member.

Functioning of the Management Board

The Management Board operates in accordance with the Polish Code of Commercial Companies and Partnerships (Journal of Laws of 2000, No. 94, item 1037, as amended) (the "**Commercial Companies Code**"), the Articles of Association and the resolutions of the shareholders passed at a general meeting of the shareholders (a "**General Meeting**"). The mandate of each of the members of the Management Board expires on the date of the General Meeting approving the financial statements for the last full financial year of his term in office.

As of the date of this Prospectus, the Management Board consists of the following members:

Name	Age	Current position	Position held since
Yovav Carmi	53	President of the Management Board, Chief Executive Officer	16 April 2020 as member, 18 September 2020 as CEO
Ariel Alejandro Ferstman	40	Member of the Management Board, Chief Financial Officer	28 July 2020
Gyula Nagy.....	41	Member of the Management Board	1 July 2020
Robert Snow	70	Member of the Management Board	23 June 2020

The business address of the Management Board Members is Komitetu Obrony Robotników 45A, 02-146 Warsaw, Poland.

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

Yovav Carmi, Chief Executive Officer of the Company and President of the Management Board, joined the Group in 2001. He is President of the Management Board since September 2020. Mr. Carmi was a member of the Management Board between 2011 and 2015. In 2015, Mr. Carmi became Chief Operating Officer of the Company. In 2020, Mr. Carmi was also appointed as Chief Executive Officer of the Company. Mr. Carmi started his professional career in 1994 as an auditor at Ernst & Young, where he worked until 1996. In 1997, Mr. Carmi worked for the Israel Securities Authority as an investigator. Between 1998 and 2001 he was a financial controller at the Kardan Group. Mr. Carmi has been a chief financial officer and member of the management boards of many of the Company's foreign subsidiaries since 2001. Mr. Carmi graduated from Tel-Aviv University, where he obtained a B.A. degree in law and a B.A. degree in accounting. He also holds an MBA degree from Tel-Aviv University (1998). Mr. Carmi is a chartered public accountant in Israel.

Ariel Alejandro Ferstman, Chief Financial Officer of the Company and member of the Management Board, joined the Group in 2011 and has been leading the finance departments as a chief financial officer for GTC in Hungary, Croatia and Slovakia. He is a member of the Management Board since July 2020. In July 2020, Mr. Ferstman was also appointed as Chief Financial Officer of the Company. Prior to joining the Group, Mr. Ferstman spent over three years as the financial controller for BSR Europe, formerly listed on the Tel Aviv Stock Exchange, and five years as a senior auditor in Ernst & Young in Israel and Argentina. Mr. Ferstman graduated cum laude from The University of Buenos Aires where he obtained a B.A. degree in accounting and finance. He also holds an MBA in Finance and Business Strategy from The Hebrew University of Jerusalem. Mr. Ferstman is a chartered public accountant in Israel and Argentina.

Robert Snow, member of the Management Board, joined the Group in 2000 as Chairman of GTC Hungary and Country Manager in Hungary, leading the development activity of the Group's operations in Hungary. He is a member the Management Board since June 2020. Between 2004 and 2013, Mr. Snow established and managed the development activities of GTC Serbia. Mr. Snow has a proven track record in the real estate business in CEE, having held senior management roles for over 30 years; including, amongst others, at Danubius Hotels in Budapest from 1996 to 2000. Prior to settling in Hungary, Mr. Snow was employed in project management, construction and logistics roles for over 15 years in the Middle East. Mr. Snow was educated at Millfield School in Somerset, UK and holds a Bachelor of Science Degree from Manchester University Institute of Science and Technology in Building Technology.

Gyula Nagy, member of the Management Board, is the Chief Financial Officer of Optima Investment Ltd, and has been member of the Management Board since July 2020. Mr Nagy started his career as an auditor at Deloitte and led statutory and international group audit of real estate, financial services and tech Companies. He gained experience in numerous mergers, acquisitions, IPOs and other due diligence engagements. Mr. Nagy joined the Optima Investment Ltd group in 2012 and was promoted the position of board member and Chief Financial Officer of OTP Real Estate Ltd and other subsidiaries. His primary responsibilities at OTP Real Estate Ltd included financial, accounting and taxation matters and participating in the committee assessing nonperforming real estate related loans of the bank. In 2018 Mr Nagy acted as interim Chief Financial Officer for CTP Group, one of the largest Czech-based real estate developers. Mr Nagy has been the Chief Financial Officer and member of the board of Optima Investment Ltd since April 2019. Mr. Nagy graduated from the Faculty of Finance and Accountancy of the Budapest Business School in 2003.

Potential Conflicts of Interests

There are no potential conflicts of interest between the duties owed by any member of the Management Board or any member of the Supervisory Board to the Group and their private interests or other duties.

Corporate Governance Principles

The Group is committed to the continual and progressive implementation of the real estate industry's best practices with respect to corporate governance and continues to adjust and improve its internal practices in order to meet

evolving standards. The Group's corporate governance objectives implementation and maintenance of industry-level governance standards and transparency in management controls, corporate reporting and internal procedures, with a view to safeguarding the interests of the Group's stakeholders.

The Group adheres to the principles set out by the Council of the Warsaw Stock Exchange for the corporate governance for joint-stock companies issuing shares, convertible bonds, or senior bonds that are admitted to trading on the stock exchange (the "**WSE Best Practices**"). The WSE Best Practices were issued in 2007 and have been amended several times since then, most recently in October 2015 when the Warsaw Stock Exchange supervisory board adopted a resolution approving a new code of corporate governance, "Best Practice of GPW Listed Companies 2016" which came to force as at 1 January 2016, forms a core element of that standard against which the Group's corporate governance practices are measured. The Group continually reviews and implements industry best practices, and has adjusted its internal practices in order to meet international standards.

The Group's Green Bond Framework

The Group is committed to promoting sustainability, and environmental awareness and protection across all business lines. It is the Group's strong belief that operating in a sustainable way as an organization and encouraging its customers to do likewise not only enhances the efficiency and resilience of its business but also helps to raise social awareness and mitigate some of the most prevalent environmental risks including climate change and rapid environmental degradation.

As part of its commitment to sustainability, the Group has developed a green bond framework (the "**Green Bond Framework**"), pursuant to which it has implemented a mechanism for green debt issuance. This framework has been developed in accordance with, and satisfies the requirements of the International Capital Market Association Green Bond Principles 2018 (the "**ICMA Principles**"). See "*Use of Proceeds*" for further information.

The Group is particularly attentive to market developments at European Union level and continuously monitors its policies and the Green Bond Framework with a view to applying all necessary adjustments in order to ensure compliance with all applicable law and regulations, including the EU Taxonomy Regulation and EU Green Bond Standard ("**EU GBS**") once each becomes effective.

For a copy of the Green Bond Framework please see http://ir.gtc.com.pl/~media/Files/G/Gtc-IR/bonds/GREEN_BONDS/2021/GTC%20Green%20Bond%20Framework%20June_2021.pdf.

Policies

The Group has implemented the following policies:

Anti-bribery and Corruption

The Group's policy is to conduct all of its business in an honest and ethical manner. The Group takes a zero-tolerance approach to bribery and corruption and is committed to acting professionally, fairly and with integrity in all its operations, business dealings and relationships worldwide and in implementing and enforcing effective systems to counter bribery and corruption. The Group's zero-tolerance approach to bribery and corruption is communicated to all suppliers, contractors and business partners at the outset of the business relationship with them and as appropriate thereafter.

The Group strongly upholds all laws relevant to countering bribery and corruption in all of the jurisdictions in which the Group including all of its subsidiaries operate. The Group takes its legal responsibilities very seriously, even if this means not gaining new business, not using the services of particular agents or business partners or incurring delays in conducting existing business.

The Group currently applies anti-bribery and corruption principles on a per-jurisdiction basis. However, the Group is in the process of formally implementing a uniform Anti-Bribery & Corruption Policy in all countries in which the Group and all of its subsidiaries operate, which the Group expects will become formally effective in October 2021. The Group's chief compliance officer will monitor compliance with the Anti-Bribery & Corruption Policy.

Corporate Social Responsibility

The Group is a responsible real estate business focused on sustainability. The group operates numerous corporate social responsibility initiatives, aimed at supporting local communities in which the Group operates. Some examples of these initiatives include:

Enhancement of local infrastructure: The Group creates road and traffic infrastructure in connection with its developments, which the Group provides to the local authorities or government free of charge to be used by all residents. Moreover, prior to the development of the Group's projects, public green areas (such as squares and parks) are placed on undeveloped plots or plots which will surround future developments following their completion by the Group.

Offering space to facilitate and support local initiatives: The Group participates in and supports local initiatives such as providing assistance for COVID-19 medics, volunteering land plots for use by the relevant authorities as part of a COVID-19 testing initiative, supporting the Red Cross by providing sites for blood donations, promotion of local businesses by continuously providing organic and home-made products for all visitors, supporting charity organizations by continuously providing lease free positions for humanitarian associations and charities, and organization of charity Christmas fairs in office buildings.

Sponsorship of charitable sports activities: The Group is involved in sponsorship and facilitation of charitable and community sports activities including a humanitarian race "Zagreb Love Run" the proceeds from which are donated to the "Oblačić" association, a charity aimed to help children with growth disorders and several events aimed at promotion of healthy lifestyles, such as the North Bridge Run.

Embracing environmental certification: In furtherance of the Group's commitment to protection of the environment, the investments of the Group are fully compliant with LEED or BREEAM guidelines. As at 31 December 2020, approximately 84 per cent. of the Group's properties held a green certificate, demonstrating the sustainability of the properties that the Group develops and manages.

The Management Board and Supervisory Board place significant importance on the roles of business ethics and corporate social responsibility within the Group's overall approach to governance. It is the Group's firm belief that this creates long-term value for the Group, its shareholders, its people and its community. The Group strives to ensure that its progress from an environmental, social and governance perspective tracks its overall growth as a business.

Diversity

The Group's diversity policy is centred on respecting its employees regardless of gender, age, education and/or cultural heritage. This policy seeks to integrate employees in their workplace and ensure that all employees are treated equally at work. The Group supports various social initiatives, which promote equal opportunities. Additionally, the Group supports charitable activities initiated by its employees. The principles of equal treatment at the workplace have been reflected in the company's bylaws, which are available to all employees.

Environmental, social, and governance ("ESG")

In 2015, the Group adopted the first iteration of its ESG policy. The Group undertook to develop properties in an environmentally responsible and resource-efficient manner throughout a building's lifecycle: from planning to design, construction, operation, maintenance, renovation, and demolition. The Group made a commitment that all its existing projects where possible and all new projects are assessed by sustainability certification schemes such as DGNB, BREEAM or LEED. Of the Group's total portfolio, 84 per cent. has been accredited by a sustainability scheme, compared with 28 per cent. in 2014. The value of Group's accredited assets has increased from EUR 284,000 thousand in 2014 to EUR 1,600,000 thousand as of 31 December 2020.

In 2020, GTC S.A. implemented a policy of ESG reporting based on the Global Reporting Initiative's Sustainability Reporting Standards, designed to be used by organizations to self-report on their impact on the economy, the environment, and/or society. The Group engaged an external consultant to help in the process of selection of measures to report on that will form the basis of its ESG report for 2020.

The guiding principles of the Group's evolving ESG policy are:

- promoting a sustainable approach towards real estate development and management;
- contributing to environmental protection and the development of local communities in which the Group operates;
- pursuing a sustainable business model that allows the Group to achieve its business objectives without placing an excessive burden on the environment;
- actively managing the Group's assets to continually improve environmental performance, quality and resilience; and
- encouraging proactive contributions from all employees, tenants, customers and stakeholders of the Group to meeting all objectives in compliance with the policy.

The Group recognizes that the responsible management of urban areas is vital to achieving sustainable construction and development at industry level in the long-term. The Group seeks to use modern technological solutions in construction and modern architecture so as to reduce the negative environmental impact of the daily operation of entire communities. By implementing investments in a responsible manner, revitalizing post-industrial areas, and providing high-quality buildings, The Group believes it can continue to make a positive impact on:

- reducing energy consumption in cities;
- improving the efficiency of water consumption;
- reducing the consumption of non-renewable resources;
- reducing the level of pollution; and
- preserving green areas.

Some examples of the practical actions the Group takes with respect to its property portfolio are implementation of specific systems to reduce water consumption and increase energy efficiency in its buildings, the revitalisation of degraded and post-industrial areas, the use of recycled and quickly renewable materials in its buildings, the reduction of waste generated during construction and the implementation effective waste management systems in its buildings.

Sustainability and environmental and social responsibility continues to be a priority for the Group. The Group delivers modern buildings, equipped with technology solutions that meet the strict BREEAM or LEED criteria. The Group's ESG policy aims to allow the Group to increase its market share, improve financial results and reduce operational risk all while making a positive contribution to the environment and society. The Group has, arising from its ESG policy, committed to delivering an annual ESG report, beginning with the analysis from an ESG perspective of the year 2020.

Additionally, the Group subscribes to all 17 Sustainable Development Goals ("**SDGs**") as defined by the United Nations for the period 2015 - 2030, as well as the 2015 Paris Agreement within the United Nations Framework Convention on Climate Change. The Group is at all times cognisant of the SDGs in operating its business.

The Group is also a member of key industry initiatives, such as, the European Public Real Estate Association ("**EPRA**"). By participating in task groups with leading developers, consultants, engineers and manufacturers the Group gains practical insights into innovative solutions for effective, environmentally friendly property management and access to information on upcoming legislation and the regional transposition of EU law.

The Group acknowledges the importance of its real estate footprint to society and the environment, and the benefits of maintaining and operating of an efficient and high-quality portfolio.

Whistleblower policy

The Group encourages employees and contractors to come forward and voice any concerns they have to help cultivate a culture of transparency within the Group, therefore employees and contractors are free to report in an adequate, safe and anonymous manner any suspicions of irregularity they may have within the Group.

The Group's whistleblower policy was implemented in 2020 within the Group and was implemented in each jurisdiction in which the Group operates. Suspicion of inappropriate situations can be communicated directly to a Polish law firm engaged to collect concerns, which law firm forwards such concerns to the Group's Chief Executive Officer and the Group's compliance officer makes sure that potential irregularities are properly investigated and addressed.

Risk Management

The Management Board consider that the main risks to which the Group is exposed relate to property and finance. The Group's overall approach to risk is conservative. There are inherent risks determined by the nature of the business, such as fluctuations in the value of assets, vacancies, volatility in market rents or risks associated with development activities. Key risks are assessed and are closely managed. The Group's principal exposures arising from financial instruments relate to bank and shareholders' loans, bonds, hedging instruments, trade payables, and other long-term financial liabilities. The Group believes that main risks accruing from these financial instruments are interest risk, liquidity risk, foreign currency risk, and credit risk.

The Group has strict internal risk management, internal audit control systems. Key elements of the internal control systems are: a management structure designed to enable effective decision-making; scheduled periodical reviews of key performance indicators, such as retail tenants' turnovers, vacancies, rent collection, arrears, review of performance against budgets, and internal audit and cost monitoring systems. The Group audits key risk factors and appropriate mitigants at least on an annual basis.

Interest Rate Risk

In order to mitigate against interest rate risk in a cost-efficient manner, the Group enters into interest rate swaps, swap currency, or cap transactions. The majority of the Group's loans are nominated or swapped into Euro. As at 31 December 2020, 95 per cent. of the Group's borrowings are hedged compared to 95 per cent. as of 31 December 2019. The Group's exposure to fluctuations in interest rates (that are not offset by hedge positions) arises primarily from the Group's long-term debt obligations and loans granted.

Foreign Currency Risk

The Group enters into transactions in currencies other than the Group's functional currency. Therefore, it hedges the currency risk by either matching the currency of the inflow, outflow, and cash and cash equivalent with that of the expenditures.

Credit Risk

The Group is exposed to the risk that a party to a financial instrument will fail to discharge an obligation. To manage this risk, the Group periodically assesses the financial viability of its customers. The Group does not expect any counterparties to fail in meeting their obligations. The Group has no significant concentration of credit risk with any single counterparty or Group counterparties. The Group carefully monitors trade receivables and other receivables that are neither impaired nor past due are, to ensure that, as of the respective reporting dates, the underlying obligors will meet their payment obligations. With respect to credit risk arising from the other financial assets of the Group, which comprise cash and cash equivalents and blocked deposits, the Group's exposure to credit risk equals the carrying amount of these instruments. The Group's credit risk is also mitigated by retention of tenants' deposits and tenants' provision of bank guarantees in respect of rental payments.

Liquidity Risk

The Group's liquidity risk is mitigated by access to Cash and Cash Equivalent (as defined in IFRS). As of 31 December 2020, the Group holds Cash and Cash Equivalent in the amount of approximately EUR 272,000 thousand. The Group efficiently manages all its liabilities and reviews its funding strategy on an ongoing basis,

particularly as it relates to (i) debt servicing of its existing assets portfolio; (ii) capital expenditure; and (iii) development of commercial properties, with a view to risk mitigation. Such funding is generally sourced through available cash, operating income, sales of assets, and refinancing. The Management Board believes that the Group will be able to settle all its liabilities for at least the next twelve months.

Debt Overview

Traditionally, the principal sources of financing for the Group's core business included rental revenues, bank loans, proceeds from bond issuances, and proceeds of asset disposals. Based on the Management Board's analysis, the current cash liquidity of the Group, and the budget assumptions, the Group concluded that there is no material uncertainty as to the Company's ability to continue as a going concern for a period of at least 12 months. The Management Board notes that it is difficult to predict the ultimate short, medium, and long-term impact of the macroeconomic conditions on the financial markets and the Group's activities, but the expected impact may be significant.

As of 31 December 2020, the Group's non-current liabilities amounted to EUR 1,274,363 thousand compared to EUR 1,192,168 thousand as of 31 December 2019.

The Group's net loan-to-value ratio was 45 per cent. as of 31 December 2020, as compared to 44 per cent. as of 31 December 2019. The Group's long-term strategy is to keep its loan-to-value ratio at a level of 40 per cent., however in case of acquisitions the Company may deviate temporarily.

As of 31 December 2020, 95 per cent. of the Group's loans (by value) were hedged against interest fluctuations, mostly through interest rate swaps and cap transactions.

As of 31 March 2021, 82 per cent. of the Group's debt was secured, with 18 per cent. unsecured and 77 per cent. of the Group's total debt was hedged.

For a breakdown of the Group's outstanding debt, please see note 28 to the 2020 Financial Statements.

Debt Maturity

The table below shows the expected impact of the issue of the Notes on the Group's debt maturity profile, assuming a 5 year issuance of EUR 500,000 thousand (in thousands of Euro unless otherwise indicated):

Debt Item	As at 31 March 2022	As at 31 March 2023	As at 31 March 2024	As at 31 March 2025	As at 31 March 2026	As at 31 March 2027 and beyond
Loans to be recycled	-	94,000	90,000	144,000	43,000	117,000
Bonds	-	25,000	31,000	-	-	163,000
Regular amortisation	22,000	17,000	15,000	8,000	7,000	26,000
Newly issued Green Notes	-	-	-	-	-	500,000

As a result of the issue of the Notes, the Group expects to diversify its funding sources further. The Group will move towards a primarily unsecured debt structure, as the proceeds of the Notes will be used to repay up to EUR 440,000 thousand of secured debt. The issue of the Notes will also allow the Group to increase its asset unencumbrance ratio, lengthen its debt maturity profile and support its growth profile. Following the issue of the Notes, the unencumbrance ratio will be 49 per cent. (compared to 9 per cent. as at 31 March 2021), the average maturity will be 5.0 years (compared to 4.7 years as at 31 March 2021), and the net loan to value will remain at 45 per cent.

The table below shows the Group's debt maturity profile if the Notes were not to be issued (in thousands of Euro unless otherwise indicated):

Debt Item	As at 31 March 2022	As at 31 March 2023	As at 31 March 2024	As at 31 March 2025	As at 31 March 2026	As at 31 March 2027 and beyond
Loans to be recycled	25,000	134,000	151,000	341,000	102,000	141,000
Bonds	-	25,000	31,000	-	-	163,000

Regular amortisation	37,000	32,000	25,000	11,000	7,000	26,000
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Availability of financing

In the CEE and SEE markets, real estate development companies, including the companies of the Group, usually finance their real estate projects with proceeds from bank loans, loans extended by their holding companies, or the issuance of debt securities. The availability and cost of procuring financing are of material importance to the implementation of the Group's projects and for the Group's development prospects, as well as its ability to repay existing debt. Finally, the availability and cost of financing may impact the Group's development dynamics and the Group's cash flow and net profit.

Traditionally, the principal sources of financing for the Group's core business included rental revenues, bank loans, proceeds from bonds issued by the Company, and proceeds from asset disposals.

With reference to the COVID-19 outbreak, the management has prepared and analysed cash flow budget based on certain hypothetical defensive assumptions to assess the reasonableness of the going concern assumption in view of the current developments on the market. This analysis assumed certain loan repayment acceleration, negative impact on net operating income, as well as other offsetting measures, which the Management may take to mitigate against such risks, including deferring some development activity and dividend pay-out.

Insurance

The Group maintains insurance protection that it considers adequate in the ordinary course of operations. The Group insures all of its properties with all-risk property insurance at reconstruction cost, business interruption (revenues for 18 months or 24 months), machinery breakdown, machinery loss of profit and third party liability insurance. All properties are also insured against terrorist acts. Properties under development have construction all-risk insurance. The Group believes that its policies are in accordance with customary industry practice.

Employees

The Group had 209 employees (including consultants) as of 31 December 2020 compared with 197 employees (including consultants) as of 31 December 2019. All employees are engaged in the core business activities of the Group. The Group operates defined benefit pension plans where they are mandatory in each country.

The Group offers its employees various professional qualification opportunities. The Group facilitates strategic training and workshops which are delivered by external companies. Areas in which training opportunities are offered to employees include market and product knowledge, marketing, IT competency, asset management, legal, tax, and accounting. The Group believes that such training increases employees' commitment to the business, while also improving their relevant skills.

As at 31 December 2020, of the Group's 209 employees (including consultants) 65 per cent. were female and 35 per cent. were male. The gender split between employees (including consultants) in management roles is split 70 per cent. male and 30 per cent. female. As at 31 December 2020, 10 per cent. of the Group's employees were under the age of 30, 80 per cent. were between the ages of 30-50 and 10 per cent. were over 50.

Recent Developments

Quarterly Report for the Three-Month Period Ended 31 March 2021

On 13 May 2021, the Group published the Interim Financial Statements. The Interim Financial Statements do not include the information and disclosures required in the Annual Financial Statements, and should be read in conjunction with the 2020 Financial Statements and the notes thereto, which were authorised for issue on 22 March 2021. For further information see Section 4 "*Main events of the first quarter of 2021*" of the Interim Financial Statements.

COVID-19

The Group's results in the year ended 31 December 2020 and in the three months ended 31 March 2021 were impacted by several factors, including the continued strong growth of e-commerce as a result of the various local governmental restrictions and social distancing implemented to counter the COVID-19 pandemic. Following the

outbreak of the COVID-19 pandemic, the authorities in many of the markets in which the Group operates in imposed restrictions on the opening of shopping centres. Other than select "essential" retailers (or those able to offer kerbside pickup or fulfil delivery orders from the store), tenants in the Group's centres were unable to trade for a period beginning mid-March 2020 and ending between beginning-May 2020 and end-May 2020 (which varied slightly by country), and later in the period between beginning-November 2020 and ending end-December 2020. In addition, even in those regions in which there were no mandatory shutdowns, or when shopping centres were allowed to reopen, not all retailers continued or restarted operations. As at 31 December 2020, shopping centres in Poland and Bulgaria were closed. These centres contributed 69 per cent. of total retail rental revenue for 2020.

During the period from November 2020 to March 2021 (during which the Group's shopping centres were subject to varying lockdowns) the footfall versus the equivalent months in the previous year at Group level in the shopping centres was as follows: November 2020: 48 per cent., December 2020: 53 per cent., January 2021: 34 per cent., February 2021 64 per cent. and March 2021: 55 per cent. Occupancy in the Group's retail portfolio remained at 96 per cent. as at 31 March 2021.

Discounts provided by the Group to tenants as relief were stated to be temporary and all discount arrangements will end during the course of the year 2021. Certain of such temporary discounts in Poland were offered during 2020 in return for material lease extensions, which contributed to the WALT being retained at 4.1 years as of 31 December 2020.

Lockdown Periods and Restrictions

Following the outbreak of the COVID-19 pandemic, the authorities in many of the markets in which the Group operates in imposed restrictions on the opening of its shopping centres. Except for select "essential" retailers, or those able to offer curb side pickup or fulfil delivery orders from the store, the tenants in the Group's centres were subject to lockdowns during the following periods:

Croatia

In Croatia, the Group's shopping centres were subject to lockdown from 19 March 2020 to 11 May 2020, while cinemas were not permitted to reopen until 20 August 2020. Croatia entered a second period of lockdown on 28 November 2020 which lasted until 30 November 2020 during which restaurants and food courts were closed, other than in respect of deliveries and take-away. A third lockdown was implemented in Croatia from 1 December 2020 until 28 February 2021 during which restaurants and food courts were closed, other than in respect of deliveries and take-away. Playgrounds and game rooms were also closed during this period.

Poland

Poland entered its first period of lockdown on 14 March 2020 which lasted until 4 May 2020. The second period of lockdown in Poland was from 7 November 2020 until 27 November 2020. Between 28 November 2020 and 27 December 2020 shops and shopping centres remained open subject to limitations on occupancy; 1 person up to 10 sqm or 15 sqm (depending on the size of the store).

A third lockdown was implemented in Poland on 27 December 2020 which lasted until 17 January 2021.

In February 2021 the shops in shopping malls were open, restaurants were allowed to operate take out and/or delivery and cinemas were open subject to maximum occupancy of 50 per cent.

A fourth lockdown was implemented in Poland between 20 March 2021 and 3 May 2021.

Bulgaria

Bulgaria entered its first lockdown on 13 March 2020 which lasted until 18 May 2020. The second lockdown in Bulgaria was between 28 November 2020 and 31 January 2021. The only working tenants for this period were supermarkets, pharmacies, opticians, confectioners and some certain service providers such as banks and telecommunication companies. On 1 February 2021 the lockdown for shopping centres was released, however restaurants and cinemas remain subject to restriction.

Serbia

Serbia entered its first lockdown on 21 March 2020 which lasted until 8 May 2020. A full lockdown on weekends was implemented between 4 December 2020 and 25 December 2020, with retail closing at 5pm during weekdays. A further weekend lockdown was implemented between 27 February 2021 and 14 March 2021, during which there was a full lockdown on weekends, with retail closing at 8pm. Serbia entered a second period of full lockdown on 17 March 2021 which lasted until 22 March 2021.

Rent discounts and collections

In certain countries in which the Group operates, governments implemented tenant support packages, such as a rental payments holiday for the period of lockdown in Poland or rent support through subsidizing part of any rental discounts. Upon the re-opening of its shopping centres, the Group engaged tenants in discussions about collecting rent and service charges as well as the terms of any support by the Group. The Group implemented measures to support tenants and encourage consumer spending, such as reducing rent, allowing rent payment in instalments, waiving late payment interest and service charges. The financial impact of this in terms of loss of rent and service income related to the COVID-19 amounted to EUR 14,700 thousand. Overall, the Group collected 99 per cent. of the rent originally due for the year ended 31 December 2020 (99 per cent. of office rent and 97 per cent. of retail rent). The financial impact of these measures in terms of loss of rent and service income in the first quarter of 2021 amounted to EUR 2,400 thousand.

Valuation of investment properties

The Group's investment properties are valued by external independent appraisers at each year-end. Those appraisals in respect of the year ended 31 December 2020 have been performed in the context of the COVID-19 pandemic characterised by lack of transactions since the outbreak of the pandemic and difficulty in estimation of future market prospects. The increased uncertainty and increased volatility in the financial markets have negatively affected the investment properties of the Group and might have an effect in the future asset valuations, as well as an impact on the Company's compliance with financial covenants. While the exact effect of the COVID-19 pandemic is unknown and unpredictable, it is clear that it poses substantial risks of reduction of income, increasing yields, increasing collection costs, and foreign exchange volatility. During the financial year ended 31 December 2020, the valuation of the investment properties decreased by EUR 142,721 thousand (6 per cent. of total asset base).

Liquidity position

Following the onset of the COVID-19 pandemic, the Group took immediate steps to preserve its strong liquidity position in light of the uncertain impact of the pandemic. These steps included cost and capital expenditure measures, as well as the decision to retain profit for the year ended 31 December 2019 in the Company. As of 31 December 2020, the Group held cash in the amount of EUR 271,996 thousand and, as at 31 March 2021, the Group had over EUR 254,054 thousand of liquidity. The Group runs stress tests, which have indicated that the going concern assumption remains valid for at least 12 months from the financial statement publication date. The Group is continuously assessing the situation and taking mitigating steps against impact that may be caused by the adverse market situation.

The Group believes that fundamental factors such as low office vacancy rates in the region, demographic migration and office job creation in capital cities in CEE and SEE, and low levels of retail density in the CEE and SEE regions combined with a low proportion of retail trade being conducted online will continue to be supportive of valuations over the long-term.

As such, the Group does not expect the COVID-19 pandemic to have an impact on its ability to continue as a going concern. The Group has significant headroom under its financial covenants and remains committed to the Group's financial policy. However, the Group is reassessing and reprioritising its capital expenditure and development plans, as well as taking actions to reduce overhead and other costs.

Sale and Purchase Agreement with Indotek Group

On 21 May 2021, the Group signed a sale and purchase agreement concerning an office portfolio in Belgrade. The sale and purchase agreement concerned the sale of the entire issued share capital of Atlas Centar d.o.o. Beograd, Demo Invest d.o.o. Novi Beograd, GTC BBC d.o.o., GTC Business Park d.o.o. Beograd and GTC Međunarodni Razvoj Nekretnina d.o.o. Beograd and Commercial and Residential Ventures d.o.o. Beograd, each a Serbian company and a member of the Group. The closing of the transaction is expected to take place in the third quarter of 2021. For further information, see Sections 4 and 5 of the Interim Financial Statements.

Issuance of Ordinary Series O Bearer Shares

At the Annual General Meeting of the Company scheduled for 29 June 2021, the Company will seek to pass a resolution (without being able to guarantee the passing of such resolution) to increase its share capital through the issuance of no more than 97,111,024 ordinary series O bearer shares (the "**Series O Shares**") with a par value of PLN 0.10 each. The Series O Shares shall be issued by way of a private issuance in the form of a public offering that is applicable only to certain investors and subject to specific terms.

USE OF PROCEEDS

An amount equal to the net proceeds of the issue of the Notes, expected to amount to approximately €497,080,280 after deduction of the total expenses related to the admission to trading, but prior to the other expenses incurred (including the combined management and underwriting commission of the Managers) in connection with the issue of the Notes, will be allocated by the Issuer to members of the Group. The primary use of proceeds will be to finance and/or refinance new and existing business and projects whose activities meet the eligibility criteria detailed in the Green Bond Framework, for the refinancing of secured debt and for general corporate purposes.

The Green Bond Framework

The Group has established its Green Bond Framework under which the Issuer may issue green bonds to finance and/or refinance Eligible Green Projects.

"Eligible Green Projects" include:

- *Green Buildings*: this includes financing relating to construction, acquisition and renovation of buildings achieving the following certifications: LEED, Platinum or Gold; BREEAM, Very Good, Outstanding or Excellent; or DGNB, Platinum or Gold; and
- *Energy Efficiency*: this includes the financing of (i) buildings which fall into the top 15 per cent. of the most energy efficient buildings in a local context; (ii) buildings where the net primary energy demand of the new construction is at least 20 per cent. lower than the primary energy demand resulting from the relevant "Nearly zero-energy buildings" requirements; and/or (iii) renovations where the renovation achieves savings in net primary energy demand of at least 30 per cent. in comparison to the baseline performance of the building before the renovation.

The Group may, in the future, review the Green Bond Framework in line with developments in the market. Such review may result in the Green Bond Framework being updated and amended. Any such amendment will be communicated electronically to investors.

Reporting

Within 12 months of the Issue Date, and then annually thereafter until the proceeds are fully allocated, the Group will publish a report which will include (i) an allocation report and (ii) an impact report, subject to the availability of suitable information and data, which will be publicly available on the Group's website.

Second Party Opinion

The Group believes that the Green Bond Framework is aligned with the ICMA Principles. This conclusion is confirmed by the Second Party Opinion from Sustainalytics, an external ESG research & analysis provider, which confirms the alignment of the Green Bond Framework with the ICMA Principles. See the Green Bond Framework, the Second Party Opinion and any public reporting by or on behalf of the Group in respect of the application of proceeds for further information, (each of which will be available on the Guarantor's website).

Neither any such public reporting, the Second Party Opinion nor the Green Bond Framework is incorporated in, and they do not form part of, this Prospectus.

No assurance or representation is given as to the suitability or reliability for any purpose whatsoever of the Second Party Opinion and in particular as to whether any eligible green projects fulfil any environmental, sustainability, social or other criteria. The Second Party Opinion is not a recommendation to buy, sell or hold the Notes.

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 €500,000,000 2.250 per cent. Guaranteed Green Notes due 2026 (the "**Notes**", which expression includes any further notes issued pursuant to Condition 15 (*Further Issues*) and forming a single series therewith) of GTC Aurora Luxembourg S.A. (the "**Issuer**") are constituted by a trust deed dated 23 June 2021 (as amended or supplemented from time to time, the "**Trust Deed**") between the Issuer, Globe Trade Centre S.A. (the "**Guarantor**") and The Bank of New York Mellon, London Branch as trustee (the "**Trustee**", which expression includes all persons from time to time being trustee or trustees appointed under the Trust Deed) and are the subject of an agency agreement dated 23 June 2021 (as amended or supplemented from time to time, the "**Agency Agreement**") between the Issuer, the Guarantor, The Bank of New York Mellon, London Branch as principal paying agent (the "**Principal Paying Agent**", which expression includes any successor principal paying agent appointed from time to time in connection with the Notes) and as transfer agent (the "**Transfer Agent**"), The Bank of New York Mellon SA/NV as registrar (the "**Registrar**" and together with the Principal Paying Agent and the Transfer Agent, the "**Agents**") 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 Noteholders (as defined below) are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and are deemed to have notice of those provisions of 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 by appointment at the registered office for the time being of the Trustee, being at the date hereof One Canada Square, London, E14 5AL and at the specified offices (as defined in the Trust Deed) of each of the Agents, the initial specified offices of which are set out below or, at the Trustee's or the relevant Agent's option, such inspection may be provided electronically.

1. Form, Denomination and Title

The Notes are issued in registered form in the specified denominations of €100,000 and higher integral multiples of €1,000.

The Notes are represented by registered certificates ("**Certificates**") and, save as provided in Condition 2(a) (*Transfer*), each Certificate shall represent the entire holding of Notes by the same holder (as defined below).

Title to the Notes shall pass by registration in the register that the Issuer shall procure to be kept by the Registrar in accordance with the provisions of the Agency Agreement (the "**Register**"). Except as ordered by a court of competent jurisdiction or as required by law, the holder of any Note shall be deemed to be and may be treated as its absolute owner for all purposes whether or not it is overdue and regardless of any notice of ownership, trust or an interest in it, any writing on the Certificate representing it or the theft or loss of such Certificate and no person shall be liable for so treating the holder.

In these Conditions, "Noteholder" and "holder" means the person in whose name a Note is registered.

2. Transfers of Notes

(a) Transfer

A holding of Notes may, subject to Condition 2(e) (*Closed periods*), be transferred in whole or in part upon the surrender (at the specified office of the Registrar or the Transfer Agent) of the Certificate(s) representing such Notes to be transferred, together with the form of transfer endorsed on such Certificate(s) (or another form of transfer substantially in the same form and containing the same representations and certifications (if any), unless otherwise agreed by the Issuer), duly completed and executed and any other evidence as the Registrar or the Transfer Agent may reasonably require. In the case of a transfer of part only of a holding of Notes represented by one Certificate, a new Certificate shall be issued to the transferee in respect of the part transferred and a further new Certificate in respect of the balance of the holding not

transferred shall be issued to the transferor. In the case of a transfer of Notes to a person who is already a holder of Notes, a new Certificate representing the enlarged holding shall only be issued against surrender of the Certificate representing the existing holding. All transfers of Notes and entries on the Register will be made in accordance with the detailed regulations concerning transfers of Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer, with the prior written approval of the Registrar and the Trustee. A copy of the current regulations will be made available by the Registrar to any Noteholder upon request.

(b) **Exercise of options or partial redemption in respect of Notes**

In the case of an exercise of an Issuer's or Noteholders' option in respect of part of a holding of Notes represented by a single Certificate, a new Certificate shall be issued to the holder to reflect the balance of the holding not redeemed. In the case of a partial exercise of an option resulting in Notes of the same holding having different terms, separate Certificates shall be issued in respect of those Notes of that holding that have the same terms. New Certificates shall only be issued against surrender of the existing Certificates to the Registrar or the Transfer Agent.

(c) **Delivery of new Certificates**

Each new Certificate to be issued pursuant to Condition 2(a) (*Transfer*) or 2(b) (*Exercise of options or partial redemption in respect of Notes*) shall be available for delivery within three business days of receipt of a duly completed form of transfer or Change of Control Put Exercise Notice (as defined in Condition 6(e) (*Redemption at the option of Noteholders upon a Change of Control*)) (to the extent applicable) and surrender of the existing Certificate(s). Delivery of the new Certificate(s) shall be made at the specified office of the Transfer Agent or of the Registrar (as the case may be) to whom delivery or surrender of such form of transfer or Change of Control Put Exercise Notice (to the extent applicable) and Certificate shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the relevant form of transfer or Change of Control Put Exercise Notice or otherwise in writing, be mailed by uninsured post at the risk of the holder entitled to the new Certificate to such address as may be so specified, unless such holder requests otherwise and pays in advance to the Transfer Agent or the Registrar (as the case may be) the costs of such other method of delivery and/or such insurance as it may specify. In this Condition 2(c), "**business day**" means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified office of the Transfer Agent or the Registrar (as the case may be).

(d) **Transfer or exercise free of charge**

Certificates, on transfer, exercise of an option or partial redemption, shall be issued and registered without charge by or on behalf of the Issuer, the Registrar or the Transfer Agent, but upon payment of any tax or other governmental charges that may be imposed in relation to it (or the giving of such indemnity as the Registrar or the Transfer Agent may require).

(e) **Closed periods**

No Noteholder may require the transfer of a Note to be registered (i) during the period of 15 days ending on (and including) the due date for redemption of that Note, (ii) during the period of 15 days prior to (and including) any date on which Notes may be called for redemption by the Issuer at its option pursuant to Condition 6(c) (*Redemption at the option of the Issuer (Make whole)*) or Condition 6(d) (*Redemption at the option of the Issuer (Issuer call)*), (iii) after any such Note has been called for redemption or (iv) during the period of seven days ending on (and including) any Record Date (as defined in Condition 7(a) (*Method of payment*)).

3. Status and Guarantee

(a) 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 as may be preferred by mandatory provisions of law (and subject to Condition 4(a) (*Negative pledge*)).

(b) Guarantee

The Guarantor has, pursuant to the guarantee contained in the Trust Deed, unconditionally and irrevocably guaranteed the due and punctual payment of all sums from time to time payable by the Issuer under the Trust Deed and the Notes (the "**Guarantee**"). The Guarantee constitutes direct, general and unconditional obligations of the Guarantor which will at all times rank at least *pari passu* with all other present and future unsecured obligations of the Guarantor, save for such obligations as may be preferred by mandatory provisions of law (and subject to Condition 4(a) (*Negative pledge*)).

4. Covenants

(a) Negative pledge

So long as any Note remains outstanding (as defined in the Trust Deed), none of the Issuer or the Guarantor shall, and the Issuer and the Guarantor shall procure that none of its respective Subsidiaries will, create or permit to subsist any Security Interest, other than a Permitted Security Interest, upon the whole or any part of its present or future undertaking, assets or revenues (including uncalled capital) to secure (a) any Relevant Indebtedness of the Issuer or the Guarantor or any Subsidiary of the Issuer or the Guarantor or (b) any guarantee (as defined in Condition 4(f) (*Definitions*)) given by the Issuer or the Guarantor or any Subsidiary of the Issuer or the Guarantor in respect of Relevant Indebtedness without (i) at the same time or prior thereto securing the Notes and all amounts payable by the Guarantor under the Guarantee equally and rateably therewith to the satisfaction of the Trustee or (ii) 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 (as defined in the Trust Deed) of the Noteholders.

(b) Financial covenants

So long as any Note remains outstanding (as defined in the Trust Deed), the Issuer and the Guarantor undertake that, in relation to the Group as a whole:

- (i) the Group will not directly or indirectly create, incur, issue, assume, guarantee or otherwise become directly or indirectly liable, contingently or otherwise, with respect to (collectively, "**incur**") Indebtedness (other than Permitted Indebtedness) if, on the date of such incurrence or issuance and on a *pro forma* basis (including a *pro forma* application of the net proceeds therefrom) the Consolidated Leverage Ratio would exceed 0.60;
- (ii) the Consolidated Coverage Ratio shall be at least 1.5:1 on any Measurement Date;
- (iii) the Consolidated Secured Leverage Ratio shall not exceed 0.40 on any Measurement Date; and
- (iv) on any Measurement Date, the Group will own Unencumbered Consolidated Total Assets equal to 125 per cent. or more of the aggregate outstanding principal amount of Consolidated Total Unsecured Indebtedness.

The Guarantor, on behalf of 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 (which, for the avoidance of doubt, may include a company or consultant meeting such criteria and which is engaged to value the Group's standing investments and land for the purposes of its IFRS financial statements).

The Issuer will deliver the Officer's Certificate referred to in Condition 4(e)(*Officer's Certificate*) below on each Reporting Date, certifying that the ratios or levels in this Condition 4(b) were complied with (or if relevant, breached) on the immediately preceding Measurement Date(s) or (in the case of the covenant in Condition 4(b)(i)), that the covenant was complied with at all times since the previous Reporting Date.

To the extent that the Issuer becomes aware that any of the ratios, covenants or levels in this Condition 4(b) were breached on the immediately preceding Measurement Date(s) or (in the case of the covenant in Condition 4(b)(i)), at any time, the Issuer will promptly notify the Trustee in accordance with the Trust Deed.

(c) **Equity cure**

- (i) Subject to the provisions of this Condition 4(c), in the event that the Issuer or the Guarantor fail to comply with any of their respective obligations under subparagraph (iii) of Condition 4(b) (*Financial covenants*), the Issuer and the Guarantor 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 Secured Leverage Ratio in Condition 4(b) (*Financial covenants*) by applying net amounts received in respect of any new equity issued by the Issuer or the Guarantor and/or Subordinated Shareholder Debt received by the Issuer or the Guarantor to remedy any actual or anticipated non-compliance and by having such amounts included in the calculation or recalculation of the financial covenant contained in subparagraph (iii) of Condition 4(b) (*Financial covenants*).
- (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 (as defined in the Trust Deed) of the Issuer or the Guarantor 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 4(b) (*Financial covenants*);
 - (B) it certifies the aggregate amounts received by the Issuer or the Guarantor in respect of any equity issued by the Issuer or the Guarantor 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 or the Guarantor and/or Subordinated Shareholder Debt is to be applied; and
 - (D) if the Issuer or the Guarantor 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 4(b) (*Financial covenants*), it is accompanied by a revised compliance certificate

indicating compliance with the ratios in Condition 4(b) (*Financial covenants*) after taking into account the amounts used to remedy the non-compliance.

- (iii) For the purposes of this Condition 4(c), the net amounts received in cash in respect of any equity issued by the Issuer or the Guarantor 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 4(b) (*Financial covenants*).
- (iv) If, after giving effect to the recalculation referred to in the paragraphs above, the financial covenants are complied with, the Issuer or the Guarantor shall be deemed to have satisfied the requirements of Condition 4(b) (*Financial covenants*) as of 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.

(d) **Reporting**

- (i) For so long as any Notes are outstanding, the Issuer and/or the Guarantor will furnish to the Trustee the following reports:

- (A) as soon they become available but, in any event,

- (x) within 180 days after the end of its financial year, a copy of the Guarantor's audited annual consolidated financial statements for such financial year, together with the report thereon by the Guarantor's independent auditors; and

- (y) within 90 days after the end of each first half year of each of its financial year, a copy of the Guarantor's consolidated financial statements for such six-month period,

in each case prepared in accordance with IFRS or IAS 34, as applicable, and certified in an Officer's Certificate as fairly representing the financial position of the Guarantor and its consolidated Subsidiaries as at the relevant date, and the results of operations and changes in financial position of the Guarantor and its consolidated Subsidiaries for the relevant period then ended, each prepared and presented in accordance with the relevant laws of Poland.

- (ii) The Guarantor will also make available copies of all reports required by this Condition 4(d): (x) on the Guarantor's website and (y) for so long as the Notes are listed and admitted to trading, in accordance with the rules of the relevant stock exchange.

(e) **Officer's Certificate**

For so long as any Note remains outstanding, the Issuer will deliver an Officer's Certificate on each Reporting Date, certifying that the covenants set out in this Condition 4 have been complied with at all times (in the case of Condition 4(b)(i)) or on each applicable Measurement Date (in the case of Conditions 4(b)(ii) to 4(b)(iv)) during the relevant period. Such Officer's Certificate may be relied on without liability by the Trustee and 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.

(f) **Definitions**

In these Conditions:

"Adjusted EBITDA" means the consolidated profit/(loss) of the Group before taxes, depreciation, amortisation and impairments, non-controlling interest and share of profit/(loss) of joint ventures, excluding any fair value adjustments, the net result on sale of financial investments, financial income and/or expenses, foreign exchange gains and/or losses, share-based payment expenses, acquisition fees, net result on acquisitions and disposals and any other exceptional or non-recurring item, as determined by reference to the most recent consolidated statement of comprehensive income set out in the audited annual or unaudited semi-annual financial statements of the Group prepared in accordance with IFRS or IAS 34, as applicable;

"Affiliate" of any specified Person means any other Person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified Person. For the purposes of this definition, **"control"** when used with respect to any Person means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise, and the terms **"controlling"** and **"controlled"** have meanings correlative to the foregoing;

"Board of Directors" means:

- (i) with respect to a corporation, the board of directors of the corporation or any committee thereof duly authorised to act on behalf of such board;
- (ii) with respect to a partnership, the board of partners (or similar) of the partnership or the board of directors of the general partner of the partnership;
- (iii) with respect to a limited liability company, the managing member or members or any controlling committee of managing members thereof; and
- (iv) with respect to any other Person, the board or committee of such Person serving a similar function;

"Consolidated Coverage Ratio" means, in respect of any Measurement Date, (i) the aggregate amount of Adjusted EBITDA for the two most recent 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 cost (but excluding such interest on Subordinated Shareholder Debt), commission, fees, discounts, premiums and other finance costs in respect of Indebtedness incurred by the Group as shown in the most recent consolidated statement of comprehensive income set out in the audited annual or unaudited semi-annual financial statements of the Group prepared in accordance with IFRS or IAS 34, as applicable;

"Consolidated Leverage Ratio" means, in relation to the Group, the Consolidated Total Indebtedness divided by Consolidated Total Assets;

"Consolidated Secured Leverage Ratio" means in relation to the Group 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 and right of use under lease liabilities) of the Group as shown in the most recent consolidated statement of financial position set out in the audited annual or unaudited semi-annual financial statements of the Group prepared in accordance with IFRS or IAS 34, as applicable;

"Consolidated Total Indebtedness" means the total Indebtedness of the Group (excluding deferred tax liabilities) as determined by reference to the most recent consolidated statement of

financial position set out in the audited annual or unaudited semi-annual financial statements of the Group prepared in accordance with IFRS or IAS 34, as applicable;

"Consolidated Total Unsecured Indebtedness" means such amount of Consolidated Total Indebtedness in respect of which the Group has not granted a Security Interest over its property or assets;

"Group" means the Guarantor and its Subsidiaries (including the Issuer) 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):

- (i) any obligation to purchase such Relevant Indebtedness;
- (ii) 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;
- (iii) any indemnity against the consequences of a default in the payment of such Relevant Indebtedness; and
- (iv) any other agreement to be responsible for such Relevant Indebtedness;

"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;

"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);

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

- (i) all indebtedness of such Person for borrowed money in whatever form;
- (ii) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments;
- (iii) 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);
- (iv) 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:
 - (A) any trade payables or other liability to trade creditors; and
 - (B) any post-closing payment adjustments in connection with the purchase by the Guarantor or any Subsidiary of the Guarantor (including 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;

- (v) all obligations of the type referred to in paragraphs (i) to (iv) of other Persons guaranteed by such Person to the extent such obligation is guaranteed by such Person; and
- (vi) any obligations of the type referred to in paragraphs (i) to (v), 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,

provided always for the avoidance of doubt that indebtedness:

- (A) in respect of any non-speculative derivative transactions entered into in connection with protection against fluctuations in any rate or price;
- (B) which is both (x) treated as equity (other than redeemable shares) in accordance with IFRS; and (y) structured to receive a level of equity created by a Rating Agency in accordance with IFRS;
- (C) in relation to any lease, whether or not capitalised in accordance with IFRS 16; or
- (D) in relation to any fees, costs, commissions, expenses, charges or similar incurred in respect of the initial issue and/or origination of bonds, debentures, notes, loans or other similar instruments,

shall not be deemed to be Indebtedness for the purpose of these Conditions.

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 booked and 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;

"Issue Date" means 23 June 2021;

"Measurement Date" means each day which is (i) the last day of the Group's financial year in any year (the **"Annual Measurement Date"**) or (ii) the last day of the first half of the Group's financial year in any year (the **"Semi-Annual Measurement Date"**), as applicable, with the first Measurement Date being 31 December 2021;

"Officer" means, with respect to any Person, (i) any member or director of the Board of Directors, the general manager, the chief executive officer, the president, the chief financial officer, any vice president, the treasurer, any managing director, the secretary or the equivalent position of any of the foregoing (A) of such Person or (B) if such Person is owned or managed by a single entity, of such entity or (ii) any other individual designated in writing to the Trustee as an "Officer" for the purposes of the Trust Deed by the Board of Directors of such Person;

"Officer's Certificate" means, with respect to any Person, a certificate signed by one Officer of such Person;

"Opinion of Counsel" means a written opinion from legal counsel of international standing who is acceptable to the Trustee;

"Permitted Indebtedness" means:

- (i) Indebtedness outstanding on the Issue Date (other than Indebtedness described in paragraph (ii) below) after giving effect to the use of proceeds of the Notes;
- (ii) the incurrence by the Issuer and the Guarantor of Indebtedness represented by the Notes (other than any Further Notes);
- (iii) Permitted Refinancing Indebtedness in exchange for, or the net proceeds of which are used to renew, refund, refinance, replace, defease or discharge any Indebtedness (other than intercompany Indebtedness) incurred under the first paragraphs (i) or (ii) above; or
- (iv) the incurrence by the Issuer, the Guarantor or any member of any intra-Group Indebtedness.

"Permitted Refinancing Indebtedness" means any Indebtedness of the Issuer, the Guarantor or any member of the Group issued in exchange for, or the net proceeds of which are used to renew, refund, refinance, replace, exchange, defease or discharge other Indebtedness of the Issuer, the Guarantor or any member of the Group (other than intercompany Indebtedness); provided that:

- (i) the aggregate principal amount (or accreted value, if applicable), or if issued with original issue discount, aggregate issue price) of such Permitted Refinancing Indebtedness does not exceed the principal amount (or accreted value, if applicable, or if issued with original issue discount, aggregate issue price) of the Indebtedness renewed, refunded, refinanced, replaced, exchanged, defeased or discharged (plus all accrued interest on the Indebtedness and the amount of all fees and expenses, including premiums, incurred in connection therewith);
- (ii) such Permitted Refinancing Indebtedness has (a) a final maturity date that is either (x) no earlier than the final maturity date of the Indebtedness being renewed, refunded, refinanced, replaced, exchanged, defeased or discharged or (y) after the final maturity date of the Notes and (b) has a Weighted Average Life to Maturity that is equal to or greater than the Weighted Average Life to Maturity of the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged;
- (iii) if the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged is expressly, contractually subordinated in right of payment to the Notes such Permitted Refinancing Indebtedness is subordinated in right of payment to the Notes on terms at least as favourable to the holders of Notes as those contained in the documentation governing the Indebtedness being renewed, refunded, refinanced, replaced, exchanged, defeased or discharged; and
- (iv) if the Issuer or the Guarantor was the obligor of the Indebtedness being renewed, refunded, refinanced, replaced, defeased or discharged, such Indebtedness is incurred by the Issuer or the Guarantor (as applicable),

provided that if such renewal, refund, refinancing, replacement, exchange, defeasance or discharge in full or in part of the Indebtedness is initially funded from sources other than Permitted Refinancing Indebtedness, the Permitted Refinancing Indebtedness is raised within twelve months of such renewal, refund, refinancing, replacement, exchange, defeasance or discharge and is identified in good faith by the Guarantor as being a replacement of such Indebtedness.

"Permitted Security Interest" means any Security Interest (i) existing on the Issue Date; (ii) on the undertaking or assets of a company acquired by the Issuer or Guarantor or any of their Subsidiaries after the Issue Date, provided that (A) such Security Interest was not created in contemplation of such acquisition, (B) the amounts secured by such Security Interest have not been increased in contemplation of or in connection with such acquisition, and (C) the Security Interest has not been extended to any additional undertakings, assets or revenues in contemplation of or in connection with such acquisition or; or (iii) created or subsisting in respect of intra-group Indebtedness;

"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;

"Relevant Indebtedness" means any Indebtedness which is in the form of or represented by any bond, note, debenture, debenture stock, loan stock, certificate or other instrument which is, for the time being, or is of a type which is customarily, listed, quoted or traded on any stock exchange or in any securities market (including, without limitation, any over-the-counter market);

"Reporting Date" means a date falling no later than 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 consolidated interim financial statements, prepared in accordance with IAS 34, with respect to a Semi-Annual Measurement Date;

"Secured Consolidated Total Indebtedness" means such amount of Consolidated Total Indebtedness that is secured by a Security Interest granted by the Issuer, the Guarantor or any of their respective Subsidiaries;

"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;

"Subordinated Shareholder Debt" means Indebtedness of the Issuer or the Guarantor 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 Notes.

"Subsidiary" means, in relation to any company or corporation, a company or corporation:

- (i) which is controlled, directly or indirectly, by the first mentioned company or corporation;
- (ii) more than half the issued share capital of which is beneficially owned, directly or indirectly by the first mentioned company or corporation;

- (iii) more than half of the votes of which is controlled by the by the first mentioned company or corporation; or
- (iv) which is a Subsidiary of another Subsidiary of the first mentioned company or corporation; and

"Unencumbered Consolidated Total Assets" means such amount of the Consolidated Total Assets not pledged as Security Interest for Indebtedness.

"Weighted Average Life to Maturity" means, when applied to any Indebtedness at any date, the number of years obtained by dividing:

- (i) the sum of the products obtained by multiplying (a) the amount of each then remaining instalment, sinking fund, serial maturity or other required payments of principal, including payment at final maturity, in respect of the Indebtedness, by (b) the number of years (calculated to the nearest one-twelfth) that will elapse between such date and the making of such payment; by
- (ii) the then outstanding principal amounts of such Indebtedness.

5. Interest

The Notes bear interest on their outstanding principal amount from and including 23 June 2021 (the **"Issue Date"**) at the rate of 2.250 per cent. per annum (the **"Rate of Interest"**), payable annually in arrear in equal instalments of €22.50 per Calculation Amount (as defined below) on 23 June in each year (each, an **"Interest Payment Date"**).

Each Note will cease to bear interest from the due date for redemption unless, upon surrender of the Certificate representing such Note, payment of principal is improperly withheld or refused. In such event it shall continue to bear interest at such rate (both before and after 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 which is seven days 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 such seventh day (except to the extent that there is failure in the subsequent payment to the relevant holders under these Conditions).

Where interest is required to be calculated in respect of a period which is equal to or shorter than an Interest Period (as defined below), the day count fraction used will be the number of days in the relevant period, from and including the date from which interest begins to accrue, to but excluding the date on which it falls due, divided by the number of days in the Interest Period in which the relevant period falls (including the first such day but excluding the last).

In these Conditions, the period beginning on and including the Issue Date and ending on but excluding the first Interest Payment Date and each successive period beginning on and including an Interest Payment Date and ending on but excluding the next succeeding Interest Payment Date is called an **"Interest Period"**.

Interest in respect of any Note shall be calculated per €1,000 in principal amount of the Notes (the **"Calculation Amount"**). The amount of interest payable per Calculation Amount for any period other than an Interest Period shall be equal to the product of the Rate of Interest, the Calculation Amount and the day count fraction for the relevant period, rounding the resulting figure to the nearest cent (half a cent being rounded upwards).

6. Redemption and Purchase

(a) Scheduled redemption

Unless previously redeemed, or purchased and cancelled, the Notes will be redeemed at their principal amount on 23 June 2026, subject as provided in Condition 7 (*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' notice to the Noteholders (which notice shall be irrevocable) in accordance with Condition 16 (*Notices*), at their principal amount, together with interest accrued to the date fixed for redemption if:

- (i) the Issuer and/or the Guarantor has or will become obliged to pay additional amounts as provided or referred to in Condition 8 (*Taxation*) as a result of any change in, or amendment to, the laws or regulations of the relevant Tax Jurisdiction, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date; and
- (ii) such obligation cannot be avoided by the Issuer or the Guarantor taking reasonable measures available to it,

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

Prior to the publication of any notice of redemption pursuant to this Condition 6(b), the Issuer shall deliver to the Trustee (A) an Officer's Certificate stating that the obligation referred to in (i) above cannot be avoided by the Issuer or the Guarantor taking reasonable measures and (B) an opinion of a nationally recognised law firm or other tax adviser in the relevant Tax Jurisdiction experienced in such matters to the effect that the relevant circumstances referred to in (i) above apply as a result of a relevant change or amendment as required by (i) above and the Trustee shall be entitled to accept and rely upon such Officer's Certificate and opinion without liability as sufficient evidence of the satisfaction of the conditions precedent set out in (i) and (ii) above, in which event it shall be conclusive and binding on the Noteholders.

Upon the expiry of any such notice as is referred to in this Condition 6(b), the Issuer shall be bound to redeem the Notes in accordance with this Condition 6(b).

(c) Redemption at the option of the Issuer (Make whole)

The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time prior to (and excluding) 23 March 2026, on giving not less than 15 nor more than 30 days' notice to the Noteholders (which notice shall be irrevocable) in accordance with Condition 16 (*Notices*), at the Make Whole Redemption Price, together with interest accrued to the date fixed for redemption (the "**Make Whole Optional Redemption Date**").

Upon the expiry of any such notice as is referred to in this Condition 6(c), the Issuer shall be bound to redeem the Notes in accordance with this Condition 6(c).

In this Condition:

"**Bund Rate**" means the yield to maturity per annum at the Determination Date of a direct obligation of the Federal Republic of Germany with a constant maturity (as officially compiled and published in the most recent financial statistics that have become publicly available at least two business days (but not more than five business days) in Frankfurt am Main prior to the Determination Date (or, if such financial statistics are not so published or available, any publicly available source of similar market data)) most nearly equal to the period from the Make Whole

Optional Redemption Date to the Maturity Date; provided that if the period from the Make Whole Optional Redemption Date to the Maturity Date is not equal to the constant maturity of the direct obligation of the Federal Republic of Germany for which a weekly average yield is given, the Bund Rate shall be obtained by linear interpolation (calculated to the nearest one-twelfth of a year) from the weekly average yields of a direct obligation of the Federal Republic of Germany for which such yields are given, except that if the period from the Make Whole Optional Redemption Date to the Maturity Date is less than one year, the weekly average yield on an actually traded direct obligation of the Federal Republic of Germany adjusted to a constant maturity of one year shall be used;

"Determination Agent" means a financial adviser or bank which is independent of the Issuer appointed by the Issuer (acting reasonably and in good faith) for the purpose of determining the Make Whole Redemption Price;

"Determination Date" means the tenth business day in Frankfurt am Main prior to the Make Whole Optional Redemption Date; and

"Make Whole Redemption Price" means, in respect of each Note, the higher of (a) the principal amount of such Note and (b) the sum of the then present values of the remaining scheduled payments of principal and interest discounted to the Make Whole Optional Redemption Date on an annual basis (based on the day count fraction specified in Condition 5 (*Interest*)) at the Bund Rate *plus* 45 basis points, in each case as determined by the Determination Agent.

(d) **Redemption at the option of the Issuer (Issuer call)**

The Notes may be redeemed at the option of the Issuer in whole, but not in part, on each date falling on (and including) 23 March 2026 to (but excluding) the Maturity Date, on giving not less than 15 nor more than 30 days' notice to the Noteholders (which notice shall be irrevocable) in accordance with Condition 16 (*Notices*), at their principal amount, together with interest accrued to the date fixed for redemption.

Upon the expiry of any such notice as is referred to in this Condition 6(d), the Issuer shall be bound to redeem the Notes in accordance with this Condition 6(d).

(e) **Redemption at the option of Noteholders upon a Change of Control**

If a Change of Control Put Event occurs, each Noteholder will have the option (a **"Change of Control Put Option"**) (unless prior to the giving of the relevant Change of Control Put Event Notice the Issuer has given notice of redemption under Condition 6(b) (*Redemption for tax reasons*), 6(c) (*Redemption at the option of the Issuer (Make whole)*) or 6(d) (*Redemption at the option of the Issuer (Issuer call)*)) to require the Issuer to redeem or, at the Issuer's option, purchase (or procure the purchase of) all or part of its holding of Notes on the Change of Control Put Date (as defined below) at a price equal to 100 per cent. of its principal amount together with interest accrued to (but excluding) the Change of Control Put Date.

A **"Change of Control Put Event"** will be deemed to occur if a Change of Control occurs and on the Relevant Announcement Date the Notes have:

- (i) been assigned a credit rating by any Rating Agency and within the Change of Control Period any such Rating Agency downgrades by one rating notch or more and does not subsequently upgrade its credit rating to the rating assigned to the Notes prior to such downgrade by the end of the Change of Control Period, and the ratings report in relation to such downgrade states that the Notes have been downgraded as a result of such Change of Control; or
- (ii) not been assigned a credit rating by any Rating Agency and a Negative Rating Event occurs within the Change of Control Period,

provided that the relevant Rating Agency making the downgrade in rating announces or publicly confirms or, having been requested by the Issuer or the Guarantor, informs the Issuer or the Guarantor in writing that the downgrading was the result, in whole or in part, of the Change of Control or the Relevant Potential Change of Control Announcement (whether or not the applicable Change of Control shall have occurred at the time of the Rating Event).

Promptly upon the Issuer becoming aware that a Change of Control Put Event has occurred the Issuer shall, and at any time upon the Trustee becoming similarly so aware the Trustee may, and if so requested in writing by the holders of at least one-quarter in principal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution of the Noteholders, shall (subject in each case to the Trustee being indemnified and/or secured and/or prefunded to its satisfaction), give notice (a "**Change of Control Put Event Notice**") to the Noteholders in accordance with Condition 16 (*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 deposit the Certificate evidencing such Note with the Registrar or the Transfer Agent at its specified office at any time during normal business hours falling within the period (the "**Change of Control Put Period**") of 60 days after a Change of Control Put Event Notice is given, accompanied by a duly signed and completed notice of exercise in the form (for the time being current) obtainable from the Registrar or the Transfer Agent within the Change of Control Put Period (a "**Change of Control Put Exercise Notice**"). No Certificate so deposited and option so exercised may be withdrawn without the prior consent of the Issuer. Payment in respect of any Certificate so deposited will be made, if the holder duly specified a bank account in the Change of Control Put Exercise Notice to which payment is to be made, on the date which is 14 days after the expiration of the Change of Control Put Period (the "**Change of Control Put Date**") by transfer to that bank account. 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 is under no obligation to ascertain whether a Change of Control Put Event or Change of Control or any event which could lead to the occurrence of or could constitute a Change of Control Put Event or Change of Control has occurred, and, until it shall have received express written notice pursuant to the Trust Deed to the contrary, the Trustee may assume that no Change of Control Put Event or Change of Control or other such event has occurred.

In this Condition:

a "**Change of Control**" will be deemed to occur if: (i) in the case of the Guarantor, any person or any persons acting in concert shall acquire a controlling interest in the Guarantor or, (ii) in the case of the Issuer, the Guarantor ceases to hold directly or indirectly a 100 per cent. interest in the issued or allotted ordinary share capital of the Issuer.

For the purpose of the definition of Change of Control above:

- (A) "**acting in concert**" means a group of persons who, pursuant to an agreement or understanding (whether formal or informal), actively co-operate, through the acquisition by any of them, either directly or indirectly, of shares in the relevant company, to obtain or consolidate control of the relevant company; and
- (B) "**controlling interest**" means the acquisition of or right or option to acquire (A) more than 50 per cent. of the issued or allotted ordinary share capital of the Guarantor or (B) shares in the issuer or allotted ordinary share capital of

the Guarantor carrying more than 50 per cent. of the voting rights normally exercisable at a general meeting of the Guarantor.

"Change of Control Period" means the period commencing on the Relevant Announcement Date and ending 90 days after the Change of Control (or such longer period for which the Notes are under consideration (such consideration having been announced publicly within the period ending 90 days after the Change of Control) for rating review or, as the case may be, rating by a Rating Agency, such period not to exceed 60 days after the public announcement of such consideration);

a **"Negative Rating Event"** shall be deemed to have occurred at any time if at such time there is no credit rating assigned to the Notes by any Rating Agency at the invitation of the Issuer and (i) the Issuer does not, either prior to, or not later than 30 days after, the occurrence of the Change of Control seek, and thereafter throughout the Change of Control Period use all reasonable endeavours to obtain, a credit rating of the Notes or (ii) if the Issuer does so seek and use such endeavours, it is unable to obtain such a credit rating that is at least equal to BBB- by the end of the Change of Control Period;

"Rating Agency" means Fitch Ratings Limited ("**Fitch**") or Moody's Investors Service Limited ("**Moody's**"), or any of their respective successors;

"Relevant Announcement Date" means the date that is the earlier of (i) the date of the first public announcement of the relevant Change of Control and (ii) the date of the earliest Relevant Potential Change of Control Announcement (if any); and

"Relevant Potential Change of Control Announcement" means any public announcement or statement by the Guarantor, any actual or potential bidder or any adviser acting on behalf of any actual or potential bidder relating to any potential Change of Control where within 180 days following the date of such announcement or statement, a Change of Control occurs.

(f) **Clean-up Call**

If 80 per cent. or more in principal amount of the Notes originally issued (which for this purpose shall include any further Notes issued pursuant to Condition 15 (*Further Issues*) have been redeemed or purchased and cancelled, the Issuer may, on giving not less than 30 nor more than 60 days' notice to the Noteholders, redeem or purchase (or procure the purchase of), at its option, all but not some only of the remaining outstanding Notes at their principal amount, together with interest accrued to (but excluding) the date fixed for such redemption or purchase. Any such notice shall be irrevocable and shall specify the date fixed for redemption.

(g) **No other redemption**

The Issuer shall not be entitled to redeem the Notes otherwise than as provided in Conditions 6(a) (*Scheduled redemption*) to 6(f) (*Clean-up Call*).

(h) **Purchase**

The Issuer, the Guarantor or any other Subsidiary of the Guarantor may at any time purchase Notes in the open market or otherwise and at any price. The Notes so purchased, while held by or on behalf of the Issuer, the Guarantor or any other Subsidiary of the Guarantor, shall not entitle the holder to vote at any meetings of the Noteholders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Noteholders or for the purposes of Condition 11(a) (*Meetings of Noteholders*).

(i) **Cancellation**

All Certificates representing Notes purchased by or on behalf of the Issuer shall be surrendered for cancellation to the Registrar and, upon surrender thereof, all such Notes shall be cancelled

forthwith. Any Certificates so surrendered for cancellation may not be reissued or resold and the obligations of the Issuer and the Guarantor in respect of any such Notes shall be discharged.

7. Payments

(a) Method of payment

- (i) Payments of principal shall be made (subject to surrender of the relevant Certificates at the specified office of the Transfer Agent or of the Registrar if no further payment falls to be made in respect of the Notes represented by such Certificates) in the manner provided in paragraph (ii) below.
- (ii) Interest on each Note shall be paid to the person shown on the Register at the close of business on the fifth calendar day prior to the due date for payment thereof (the "**Record Date**"). Payments of interest on each Note shall be made in euro transfer to an account in euro maintained by the payee with a bank in a city in which banks have access to the TARGET System.
- (iii) If the amount of principal being paid upon surrender of the relevant Certificate is less than the outstanding principal amount of such Certificate, the Registrar will annotate the Register with the amount of principal so paid and will (if so requested by the Issuer or a Noteholder) issue a new Certificate with a principal amount equal to the remaining unpaid outstanding principal amount. If the amount of interest being paid is less than the amount then due, the Registrar will annotate the Register with the amount of interest so paid.

(b) Payments subject to fiscal laws

All payments in respect of the Notes are subject in all cases to any applicable fiscal or other laws, regulations and directives in the place of payment, but without prejudice to the provisions of Condition 8 (*Taxation*). No commissions or expenses shall be charged to the Noteholders in respect of such payments.

(c) Payments on Business Days

If the due date for payment of any amount in respect of any Note is not a Business Day, the holder shall not be entitled to payment until the next following Business Day nor to any further interest or other sum in respect of such postponed payment.

In these Conditions:

"**Business Day**" means any day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for business in the place in which the specified office of the Registrar is located and which is a TARGET Business Day;

"**TARGET Business Day**" means a day on which the TARGET System is open for the settlement of payments in euro; and

"**TARGET System**" means the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) system or any successor thereto.

(d) Delay in payment

Noteholders will not be entitled to any interest or other payment for any delay after the due date in receiving the amount due on a Note if the due date is not a Business Day or if the Noteholder is late in surrendering or cannot surrender its Certificate (if required to do so).

(e) **Appointment of Agents**

The Principal Paying Agent, the Registrar and the Transfer Agent initially appointed by the Issuer and the Guarantor and their respective specified offices are listed below. The Principal Paying Agent, the Registrar and the Transfer Agent act solely as agents of the Issuer and the Guarantor and do not assume any obligation or relationship of agency or trust for or with any Noteholder. The Issuer and the Guarantor reserve the right at any time with the approval of the Trustee to vary or terminate the appointment of the Principal Paying Agent, the Registrar or the Transfer Agent and to appoint additional or other Principal Paying Agents, Registrars or Transfer Agents, provided that the Issuer shall at all times maintain (i) a Principal Paying Agent, (ii) a Registrar, (iii) a Transfer Agent, (iv) such other agents as may be required by any other stock exchange on which the Notes may be listed, in each case as approved by the Trustee.

Notice of any such change or any change of any specified office shall promptly be given to the Noteholders.

8. Taxation

All payments of principal and interest by or on behalf of the Issuer or the Guarantor in respect of the Notes shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of any Tax Jurisdiction, unless such withholding or deduction is required by law. In that event the Issuer or, as the case may be, the Guarantor shall pay such additional amounts as shall result in receipt by the Noteholders 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 with respect to any Note presented (or in respect of which the Certificate representing it is presented) for payment more than 30 days after the Relevant Date except to the extent that the holder of it would have been entitled to such additional amounts on presenting it for payment on the thirtieth day.

Notwithstanding any other provision of these Conditions, any amounts to be paid on the Notes by or on behalf of the Issuer or the Guarantor will be paid net of any deduction or withholding imposed or required pursuant to (i) an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**"), or otherwise imposed pursuant to Section 1471 through 1474 of the Code (or any regulations thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any fiscal or regulatory legislation, rules or practices implementing such an intergovernmental agreement) (any such withholding or deduction, a "**FATCA Withholding**"), or (ii) the Luxembourg law of 23 December 2005 introducing a final withholding tax on certain interest payments made to Luxembourg resident individual beneficial owners of such payments, as amended ("**RELIBI Withholding**"). None of the Issuer, the Guarantor or any other person will be required to pay any additional amounts in respect of a FATCA Withholding or the RELIBI Withholding.

In these Conditions:

"**Relevant Date**" in respect of any Note means the date on which payment in respect of it first becomes due or (if any amount of the money payable is improperly withheld or refused) the date on which payment in full of the amount outstanding is made or (if earlier) the date seven days after that on which notice is duly given to the Noteholders that, upon further surrender of the Certificate representing such Note being made in accordance with these Conditions, such payment will be made, provided that payment is in fact made upon such surrender.

"**Tax Jurisdiction**" means the Grand Duchy of Luxembourg (in the case of payments by the Issuer) and/or the Republic of Poland (in the case of payments by the Guarantor) (or, in either case, any political subdivision or any authority thereof or therein having power to tax) or any other jurisdiction (or any political subdivision or any authority thereof or therein having power to tax) to which payments made by the Issuer or, as the case may be, the Guarantor of principal and interest on the Notes become generally subject.

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 8 or any undertaking given in addition to or in substitution of this Condition 8 pursuant to the Trust Deed.

9. Prescription

Claims against the Issuer and/or the Guarantor for payment in respect of the Notes shall be prescribed and become void unless made within ten years (in the case of principal) or five years (in the case of interest) from the appropriate Relevant Date in respect of them.

10. Events of Default

If any of the following events ("**Events of Default**") occurs and is continuing, the Trustee at its discretion may and, if so requested in writing by holders of at least one-quarter of the principal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution, shall (subject, in each case of the happening of any event mentioned in paragraph (b) (*Breach of other obligations*), (e) (*Security enforced*), (k) (*Analogous events*) and, in the case of a Material Subsidiary only, (f) (*Insolvency*), (g) (*Winding-up*) and (i) (*Illegality*) below, 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 notice to the Issuer that the Notes are, and they shall immediately become, due and payable at their principal amount together (if applicable) with accrued interest:

- (a) **Non-payment:** default is made for more than 14 days (in the case of interest) or 10 days (in the case of principal) in the payment on the due date of interest or principal in respect of any of the Notes; or
- (b) **Breach of other obligations:** the Issuer or the Guarantor does not perform or comply with (A) its obligations under Condition 4(b) (*Financial Covenants*) and such default has not been cured within the cure period set out in Condition 4(c) (*Equity cure*) and (B) any one or more of its other obligations in the Notes or the Trust Deed which default is incapable of remedy or, if in the opinion of the Trustee capable of remedy, is not in the opinion of the Trustee remedied within 30 days after notice of such default shall have been given to the Issuer by the Trustee; or
- (c) **Cross-Acceleration:** (A) any other present or future Indebtedness of the Issuer, the Guarantor or any of their respective Material Subsidiaries for or in respect of moneys borrowed or raised becomes due and payable prior to its stated maturity by reason of any event of default or the like (howsoever described); or (B) any such Indebtedness is not paid when due or, as the case may be, within any originally applicable grace period; or (C) the Issuer, the Guarantor or any of their respective Material Subsidiaries fails to pay when due any amount payable by it under any present or future Guarantee for, or indemnity in respect of, any moneys borrowed or raised provided that the aggregate amount of the relevant Indebtedness, Guarantees and indemnities in respect of which one or more of the events mentioned above in this paragraph (c) have occurred equals or 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, the Guarantor or any of their respective Material Subsidiaries having an aggregate value of €30,000,000 and is not discharged or stayed within 60 days; or
- (e) **Security enforced:** any mortgage, charge, pledge, lien or other encumbrance, present or future, created or assumed by the Issuer, the Guarantor or any of their respective Material Subsidiaries in respect of an amount which exceeds €30,000,000 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:** any of the Issuer, the Guarantor or any of their respective Material Subsidiaries (A) is (or is, or could be, deemed by law or a court to be) insolvent or bankrupt or unable to pay its debts; (B) stops, suspends or threatens to stop or suspend payment of all or substantially all of (or of a particular type of) its debts; or (C) 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 other than any assignment, arrangement or composition on a solvent basis in respect of debts not exceeding €40,000,000 in the aggregate or a moratorium is agreed or declared or comes into effect in respect of or affecting all or any material part of (or of a particular type of) the debts of the Issuer, the Guarantor or any of their respective Material Subsidiaries, save for any proceedings or actions which are contested in good faith and discharged, stayed or dismissed within 60 days of its commencement, except for the purposes of and pursuant to a reconstruction, amalgamation, reorganisation merger or consolidation or (x) on terms approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders or (y) in the case of a Material Subsidiary, whereby the undertaking and assets of that Guarantor and Material Subsidiary are transferred to or otherwise vested in the Issuer, the Guarantor or any other Material Subsidiary (or a Subsidiary of the Issuer or a Subsidiary of the Guarantor which, upon such transfer or vesting, will become a Material Subsidiary); or
- (g) **Winding-up:** an administrator is appointed, an order is made or an effective resolution passed for the winding-up or dissolution or administration of the Issuer, the Guarantor or any Material Subsidiary, or the Issuer, the Guarantor or any Material Subsidiary shall apply or petition for a winding-up or administration order in respect of itself or ceases or through an official action of its board of directors or other relevant body (as the case may be) threatens to cease to carry on all or substantially all of its business or operations, in each case except (A) for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation or (B) on terms approved by the Trustee or by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders or (C) in the case of the Guarantor or Material Subsidiary, whereby the undertaking and assets of that Guarantor or Material Subsidiary are transferred to or otherwise vested in the Issuer, the Guarantor or any other Material Subsidiary (or a Subsidiary of the Issuer or a Subsidiary of the Guarantor which, upon such transfer or vesting, will become a Material Subsidiary), provided that this paragraph (g) shall not apply to any winding-up petition which is frivolous or vexatious and is discharged, stayed or dismissed within 60 days of commencement or; or
- (h) **Guarantee not in force:** any Guarantee is not (or is claimed by the Guarantor not to be) in full force and effect; or
- (i) **Nationalisation:** any step is taken by any person with a view to the seizure, compulsory acquisition, expropriation or nationalisation of all or, in the opinion of the Trustee, a substantial part of the assets of the Issuer or the Guarantor or any Subsidiary; or
- (j) **Illegality:** it is or will become unlawful for the Issuer or the Guarantor to perform or comply with any one or more of its obligations under any of the Notes or the Trust Deed; 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.

For the purposes of this Condition, "**Material Subsidiary**" means any Subsidiary of the Guarantor from time to time:

- (i) the book value of the assets of which exceeds 7.5 per cent. of the book value of the assets of the Group taken as a whole; or
- (ii) the revenues of which exceed 7.5 per cent. of the revenues of the Group taken as a whole.

For these purposes (a) the book value of the assets and revenues of such Subsidiary shall be determined by reference to its then most recent audited annual financial statements (or, if none, its then most recent management accounts), and (b) the book value of the assets and revenues of the Group shall be determined by reference to its then most recent audited annual consolidated financial statements, in each case adjusted, as the auditors of the Guarantor may consider appropriate, to take account of any changes in circumstances since the date as of which such financial statements (or management accounts) were prepared. A certificate of the Issuer, signed by two directors of the Issuer stating that in their opinion a Subsidiary of the Guarantor is or is not or was or was not at any particular time or throughout any specified period a Material Subsidiary shall, in the absence of manifest error, be conclusive and binding on all parties.

11. Meetings of Noteholders, Modification, Waiver and Substitution

(a) Meetings of Noteholders

The Trust Deed contains provisions for convening meetings of Noteholders to consider any matters affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Trust Deed) of a modification of any of these Conditions or any provisions of the Trust Deed. Such a meeting may be convened by the Trustee (subject to its being indemnified and/or prefunded and/or secured to its satisfaction) upon request by Noteholders holding not less than 10 per cent. of the principal amount of the Notes for the time being outstanding. The quorum for any meeting convened to consider an Extraordinary Resolution shall be one or more persons holding or representing a clear majority in principal amount of the Notes for the time being outstanding or, at any adjourned meeting, one or more persons being or representing Noteholders whatever the principal amount of the Notes held or represented, unless the business of such meeting includes consideration of proposals, *inter alia*, (i) to amend the dates of maturity or redemption of the Notes or any date for payment of interest on the Notes, (ii) to reduce or cancel the principal amount of, or any premium payable on redemption of, the Notes, (iii) to reduce the rate of interest in respect of the Notes or to vary the method or basis of calculating the rate or amount of interest or the basis for calculating any interest amount in respect of the Notes, (iv) to vary any method of, or basis for, calculating any redemption amount pursuant to Condition 6 (*Redemption and Purchase*), (v) to vary the currency or currencies of payment or denomination of the Notes, (vi) to modify the provisions concerning the quorum required at any meeting of Noteholders or the majority required to pass the Extraordinary Resolution, or (vii) to modify or cancel any Guarantee, in which case the necessary quorum shall be one or more persons holding or representing not less than 75 per cent. or, at any adjourned meeting, not less than 25 per cent. of the principal amount of the Notes for the time being outstanding. Any Extraordinary Resolution duly passed shall be binding on Noteholders (whether or not they were present at the meeting at which such resolution was passed). The Trust Deed provides that a resolution in writing signed by or on behalf of the holders of not less than 75 per cent. of the principal amount of the Notes outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held. 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.

(b) Modification and waiver

The Trustee may agree, without the consent of the Noteholders, to (i) any modification of any of the provisions of the Trust Deed that is, in its opinion, of a formal, minor or technical nature

or is made to correct a manifest error, and (ii) any other modification (except as mentioned in the Trust Deed) and any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed that is in the opinion of the Trustee not materially prejudicial to the interests of the Noteholders. Any such modification, authorisation or waiver shall be binding on the Noteholders and, if the Trustee so requires, shall be notified to the Noteholders as soon as practicable.

(c) **Substitution**

The Trust Deed contains provisions permitting the Trustee to agree, subject to such conditions as the Trustee may require direct in the interests of the Noteholders, but without the consent of the Noteholders, to the substitution of the Issuer's successor in business or any Subsidiary of the Guarantor or its successor in business in place of the Issuer, or of any previous substituted company, as principal debtor under the Trust Deed and the Notes.

(d) **Entitlement of the Trustee**

In connection with the exercise of its functions (including but not limited to those referred to in this Condition 11) the Trustee shall have regard to the interests of the Noteholders as a class and shall not have regard to the consequences of such exercise for individual Noteholders and the Trustee shall not be entitled to require, nor shall any Noteholder be entitled to claim, from the Issuer or the Guarantor any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders.

12. Enforcement

At any time after the Notes become due and payable, the Trustee may, at its discretion and without further notice, institute such steps, actions, steps or proceedings against the Issuer and/or the Guarantor as it may think fit to enforce the terms of the Trust Deed, the Notes and/or the Guarantee, but it need not take any such steps, actions or proceedings unless (a) it shall have been so directed by an Extraordinary Resolution or so requested in writing by Noteholders holding at least one-fifth of the principal amount of the Notes outstanding and (b) it shall have been indemnified and/or secured and/or prefunded to its satisfaction. No Noteholder may proceed directly against the Issuer or the Guarantor unless the Trustee, having become bound so to proceed, fails to do so within a reasonable time and such failure is continuing.

13. Indemnification of the Trustee

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility. The Trustee is entitled to enter into business transactions with the Issuer, the Guarantor and any entity related to the Issuer or the Guarantor without accounting for any profit.

The Trustee may accept and rely without liability to Noteholders on a report, confirmation or certificate or any advice of any accountants, financial advisers, financial institution or any other expert, whether or not addressed to it and whether their liability in relation thereto is limited (by its terms or by any engagement letter relating thereto entered into by the Trustee or in any other manner) by reference to a monetary cap, methodology or otherwise. Any such report, confirmation or certificate or advice shall be binding on the Issuer, the Guarantor, the Trustee and the Noteholders.

14. Replacement of Certificates

If any Certificate is lost, stolen, mutilated, defaced or destroyed, it may be replaced, subject to applicable laws, regulations or other relevant regulatory authority regulations, at the specified office of the Registrar or the Transfer Agent, in each case on payment by the claimant of the fees and costs incurred in connection therewith and on such terms as to evidence, security, indemnity and otherwise as the Issuer may require (provided that the requirement is reasonable in light of prevailing market practice). Mutilated or defaced Certificates must be surrendered before replacements will be issued.

15. 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 having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest) and so that such further issue shall be consolidated and form a single series with the Notes. References in these Conditions to the Notes include (unless the context requires otherwise) any other notes issued pursuant to this Condition 15 and forming a single series with the Notes.

16. Notices

Notices required to be given to the Noteholders pursuant to these Conditions shall be mailed to them at their respective addresses in the Register and deemed to have been given on the fourth weekday (being a day other than a Saturday or a Sunday) after the date of mailing. So long as the Notes are listed and/or admitted to trading, notices required to be given to the Noteholders pursuant to these Conditions shall also be published (if such publication is required) in a manner which complies with the rules and regulations of any stock exchange or other relevant authority on which the Notes are listed and/or admitted to trading. If in the opinion of the Trustee any such publication is not practicable, notice required to be given pursuant to these Conditions shall be validly given if published in a leading daily English language newspaper with general circulation in Europe. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication is made, as provided above.

17. Contracts (Rights of Third Parties) Act 1999

No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999.

18. 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, and shall be construed in accordance with, English law.

(b) Jurisdiction

The Courts of England are to have exclusive jurisdiction to settle any disputes that may arise out of or in connection with any Notes or the Trust Deed and accordingly any legal action or proceedings arising out of or in connection with any Notes or the Trust Deed ("**Proceedings**") may be brought in such courts. The Issuer and the Guarantor have in the Trust Deed irrevocably submitted to the jurisdiction of such courts.

(c) Service of Process

The Issuer and the Guarantor has in the Trust Deed irrevocably appointed an agent in England to receive, for it and on its behalf, service of process in any Proceedings in England.

SUMMARY OF PROVISIONS RELATING TO THE NOTES WHILE IN GLOBAL FORM

The Notes will be issued in the New Safekeeping Structure ("NSS") form. On 22 October 2018, the European Central Bank (the "ECB") announced that international debt securities in global registered form issued after 30 September 2010 would only be eligible as collateral for Eurosystem credit operations when the NSS form is used. The Notes are intended to be held in a manner which would allow Eurosystem eligibility, that is in a manner which would allow the Notes to be recognised as eligible collateral for Eurosystem monetary policy and intraday credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.

1. Initial Issue of Certificates

The Global Certificate will be registered in the name of a nominee (the "**Registered Holder**") for a common safekeeper for Euroclear and Clearstream, Luxembourg (the "**Common Safekeeper**") and may be delivered on or prior to the original issue date of the Notes. Depositing the Global Certificate with the Common Safekeeper 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.

Upon the registration of the Global Certificate in the name of any nominee for Euroclear and Clearstream, Luxembourg and delivery of the Global Certificate to the Common Safekeeper, Euroclear or Clearstream, Luxembourg will credit each subscriber with a nominal amount of Notes equal to the nominal amount thereof for which it has subscribed and paid.

2. Relationship of Accountholders with Clearing Systems

Each of the persons shown in the records of Euroclear, Clearstream, Luxembourg or any other clearing system ("**Alternative Clearing System**") as the holder of a Note represented by a Global Certificate must look solely to Euroclear, Clearstream, Luxembourg or any such Alternative Clearing System (as the case may be) for its share of each payment made by the Issuer or the Guarantor to the holder of the Global Certificate and in relation to all other rights arising under the Global Certificate, subject to and in accordance with the respective rules and procedures of Euroclear, Clearstream, Luxembourg or such Alternative Clearing System (as the case may be). Such persons shall have no claim directly against the Issuer or the Guarantor in respect of payments due on the Notes or under any Guarantee, as applicable, for so long as the Notes are represented by the Global Certificate and such obligations of the Issuer or the Guarantor will be discharged by payment to the holder of the Global Certificate in respect of each amount so paid.

3. Exchange

The following will apply in respect of transfers of Notes held in Euroclear or Clearstream, Luxembourg or an Alternative Clearing System. These provisions will not prevent the trading of interests in the Notes within a clearing system whilst they are held on behalf of such clearing system, but will limit the circumstances in which the Notes may be withdrawn from the relevant clearing system.

Transfers of the holding of Notes represented by the Global Certificate pursuant to Condition 2(a) (*Transfers*) may only be made in part:

- (i) if the relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so; or
- (ii) with the consent of the Issuer,

provided that, in the case of the first transfer of part of a holding pursuant to paragraph (i) or (ii) above, the Registered Holder has given the Registrar not less than 30 days' notice at its specified office of the Registered Holder's intention to effect such transfer.

4. Amendment to Conditions

The Global Certificate contains provisions that apply to the Notes that it represents, some of which modify the effect of the terms and conditions of the Notes set out in this Prospectus. The following is a summary of certain of those provisions:

4.1 Payments on business days

In the case of all payments made in respect of the Global Certificate, "business day" means any day on which the TARGET System is open.

4.2 Payments

All payments in respect of Notes represented by a Global Certificate will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the record date which shall be on the Clearing System Business Day immediately prior to the date for payment, where "**Clearing System Business Day**" means Monday to Friday inclusive except 25 December and 1 January.

4.3 Meetings

For the purposes of any meeting of Noteholders, the holder of the Notes represented by the Global Certificate shall be treated as being entitled to one vote in respect of each €1.

4.4 Trustee's Powers

In considering the interests of Noteholders while the Global Certificate is held on behalf of, or registered in the name of any nominee for, 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, and treat such accountholders, as if such accountholders were the holders of the Notes represented by the Global Certificate.

4.5 Exercise of put option

In order to exercise the option contained in Condition 6(e) (*Redemption at the option of Noteholders upon a Change of Control*), a Noteholder must, within the period specified in the Conditions for the deposit of the relevant Certificate and put exercise notice, give written notice of such exercise to the Registrar or the Transfer Agent, in accordance with the rules and procedures of Euroclear, Clearstream, Luxembourg and/or other relevant clearing system, specifying the principal amount of Notes in respect of which such option is being exercised. Any such notice will be irrevocable and may not be withdrawn.

4.6 Notices

Notwithstanding Condition 16 (*Notices*), so long as the Global Certificate is held on behalf of Euroclear, Clearstream, Luxembourg or any other clearing system (an "**Alternative Clearing System**"), notices to Noteholders represented by the Global Certificate may be given by delivery of the relevant notice to Euroclear, Clearstream, Luxembourg or (as the case may be) such Alternative Clearing System.

5. Electronic Consent and Written Resolution

While the Global Certificate is registered in the name of any nominee for a clearing system, then:

- (i) approval of a resolution proposed by the Issuer, the Guarantor or the Trustee (as the case may be) given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) in accordance with their operating rules and procedures by or on behalf of the holders of not less than three-quarters of the nominal amount of the Notes outstanding (an "**Electronic Consent**" as defined in the Trust Deed) shall, for all purposes (including matters that would otherwise require an Extraordinary Resolution to be passed at a meeting for which a special quorum (as specified in the Trust Deed) was satisfied), take effect as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held, and shall be binding on all Noteholders whether or not they participated in such Electronic Consent; and

- (ii) where Electronic Consent is not being sought, for the purpose of determining whether a Written Resolution (as defined in the Trust Deed) has been validly passed, the Issuer, the Guarantor and the Trustee shall be entitled to rely on consent or instructions given in writing directly to the Issuer, the Guarantor and/or the Trustee, as the case may be, (a) by accountholders in the clearing system with entitlements to such Global Certificate and/or (b) where the accountholders hold any such entitlement on behalf of another person, on written consent from or written instruction by the person identified by that accountholder as the person for whom such entitlement is held. For the purpose of establishing the entitlement to give any such consent or instruction, the Issuer, the Guarantor and the Trustee shall be entitled to rely on any certificate or other document issued by, in the case of (a) above, Euroclear, Clearstream, Luxembourg or any Alternative Clearing System (the "**relevant clearing system**") and, in the case of (b) above, the relevant clearing system and the accountholder identified by the relevant clearing system for the purposes of (b) above. Any resolution passed in such manner shall be binding on all Noteholders, even if the relevant consent or instruction proves to be defective. Any such certificate or other document shall be conclusive and binding for all purposes. Any such certificate or other document may comprise any form of statement or print out of electronic records provided by the relevant clearing system (including Euroclear's EUCLID or Clearstream, Luxembourg's CreationOnline system) in accordance with its usual procedures and in which the accountholder of a particular principal or nominal amount of the Notes is clearly identified together with the amount of such holding. None of the Issuer, the Guarantor or the Trustee shall be liable to any person by reason of having accepted as valid or not having rejected any certificate or other document to such effect purporting to be issued by any such person and subsequently found to be forged or not authentic.

TAXATION

The following is a general description of the Issuer's and the Guarantor's understanding of certain tax considerations relating to the Notes and the Guarantee in Luxembourg and Poland. It is restricted to the matters of taxation in Luxembourg and Poland stated herein and is intended neither as tax advice nor as a complete analysis of all tax considerations relating to the Notes, whether in those countries or elsewhere. Prospective purchasers of the Notes should consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of the Notes and receiving payments of interest, principal and/or other amounts under the Notes and the consequences of such actions under the tax laws of those countries. This overview is based upon the law as in effect on the date of this Prospectus and is subject to any change in law that may take effect after such date, even with retroactive effect.

Luxembourg

The comments below are intended as a basic overview of certain tax consequences in relation to the purchase, ownership and disposition of the Notes under Luxembourg law. Persons who are in any doubt as to their tax position should consult a professional tax adviser.

Withholding Tax

Under Luxembourg tax law currently in effect and subject to the exception below, no Luxembourg withholding tax is due on payments of interest (including accrued but unpaid interest) or repayments of principal. In accordance with the law of 23 December 2005, as amended, interest payments made by Luxembourg paying agents to Luxembourg individual residents are subject to a 20 per cent. withholding tax (the "**20 per cent. Luxembourg Withholding Tax**"). Responsibility for withholding such tax will be assumed by the Luxembourg paying agent. The 20 per cent. Luxembourg Withholding Tax also applies on accrued or capitalised interest received upon disposal, redemption, repurchase or conversion of the Notes.

Income Taxation on Principal, Interest, Gains on Sales or Redemption

Luxembourg tax residence of the Noteholders

Noteholders will not be deemed to be resident, domiciled or carrying on business in Luxembourg solely by reason of holding, execution, performance, delivery, exchange and/or enforcement of the Notes.

Taxation of Luxembourg non-residents

Noteholders who are non-residents of Luxembourg and who do not have a permanent establishment, a permanent representative, or a fixed place of business in Luxembourg with which the holding of the Notes is connected, are not liable to any Luxembourg income tax, whether they receive payments of principal, payments of interest (including accrued but unpaid interest), payments received upon redemption or repurchase of the Notes, or realise capital gains on the sale of any Notes.

On the contrary, foreign entities which have a permanent establishment or a permanent representative in Luxembourg with which the holding of the Notes is connected, must include in their taxable income in Luxembourg any interest (including accrued but unpaid interest) and the difference between the sale or redemption price (including accrued but unpaid interest) and the lower of the cost or book value of the Notes sold or redeemed.

Taxation of Luxembourg resident individual Noteholders

Interest received by an individual resident in Luxembourg is, in principle, reportable and taxable at the progressive rate unless the interest has been subject to the 20 per cent. Luxembourg Withholding Tax, if applicable. Indeed, pursuant to the Luxembourg law of 23 December 2005, as amended, Luxembourg resident individuals, acting in the framework of their private wealth, can opt to self-declare and pay a 20 per cent. tax (the "**20 per cent. Tax**") on interest payments made by paying agents located in an EU member state other than Luxembourg or in a member state of the European Economic Area. The 20 per cent. Luxembourg Withholding Tax or the 20 per cent. Tax represent the final tax liability on interest received for the Luxembourg resident individuals receiving the interest payment in the framework of their private wealth and can be reduced in consideration of foreign withholding tax, based on double tax treaties concluded by Luxembourg. Luxembourg resident individual Noteholders receiving

the interest as professional income must include interest income in their taxable basis; the 20 per cent. Luxembourg Withholding Tax levied, if applicable, will be credited against their final income tax liability.

Luxembourg resident individual Noteholders are not subject to taxation on capital gains upon the disposal of the Notes, unless the disposal of the Notes precedes the acquisition of the Notes or the Notes are disposed of within six months of the date of acquisition of these Notes. Upon redemption, sale or exchange of the Notes, accrued but unpaid interest will, however, be subject to the 20 per cent. Luxembourg Withholding Tax or upon option by the Luxembourg resident individual Holder, the 20 per cent. Tax. Individual Luxembourg resident Noteholders receiving the interest as professional income must also include the portion of the redemption price corresponding to this interest in their taxable income; the 20 per cent. Luxembourg Withholding Tax levied will be credited against their final income tax liability, if applicable.

Taxation of Luxembourg resident corporate Noteholders

Noteholders who are Luxembourg resident companies (*société de capitaux*) must include in their taxable income any interest (including accrued but unpaid interest) and the difference between the sale or redemption price (including accrued but unpaid interest) and the lower of the cost or book value of the Notes sold or redeemed.

Luxembourg resident corporate Noteholders who are family wealth management companies subject to the law of 11 May 2007, undertakings for collective investment subject to the law of 17 December 2010, to the law of 13 February 2007, or to the law of 23 July 2016 on reserved alternative investment funds (provided it is not foreseen in the incorporation documents that (i) the exclusive object is the investment in risk capital and that (ii) article 48 of the aforementioned law of 23 July 2016 applies) are tax exempt entities in Luxembourg, and are thus not subject to any Luxembourg tax (i.e. corporate income tax, municipal business tax and net wealth tax), other than the annual subscription tax calculated on net asset value.

Net Wealth Tax

Luxembourg net wealth tax will not be levied on the Notes held by a corporate Holder, unless: (a) such Noteholder is a Luxembourg resident other than a Noteholder governed by: (i) the law of 17 December 2010 on undertakings for collective investment; (ii) the law of 22 March 2004 on securitisation; (iii) the law of 15 June 2004 on the investment company in risk capital; (iv) the law of 11 May 2007 on family estate management companies; (v) the law of 23 July 2016 on reserved alternative investment funds; (vi) the law of 13 February 2007 relating to specialised investment funds; or (vii) the law of 13 July 2005 on institutions for occupational retirement provision in the form of pension savings companies with variable capital and pension savings associations; or (b) such Notes are attributable to an enterprise or part thereof which is carried on by a non-resident company in Luxembourg through a permanent establishment.

Luxembourg net wealth tax is levied at a 0.5 per cent. rate up to EUR 500 million taxable base and at a 0.05 per cent. rate on the taxable base in excess of EUR 500 million. Securitisation vehicles subject to the law of 22 March 2004 on securitisation, investment companies in risk capital subject to the law of 15 June 2004 on the investment company in risk capital, and reserved alternative investment funds subject to the law of 23 July 2016 (provided it is foreseen in the incorporation documents that (i) the exclusive object is the investment in risk capital and that (ii) article 48 of the aforementioned law of 23 July 2016 applies), are subject to net wealth tax up to the amount of the minimum net wealth tax.

The minimum net wealth tax is levied on companies having their statutory seat or central administration in Luxembourg. For entities for which the sum of fixed financial assets, receivables against related companies, transferable securities and cash at bank exceeds 90 per cent. of their total gross assets and EUR 350,000, the minimum net wealth tax is currently set at EUR 4,815. For all other companies having their statutory seat or central administration in Luxembourg which do not fall within the scope of the EUR 4,815 minimum net wealth tax, the minimum net wealth tax ranges from EUR 535 to EUR 32,100, depending on the company's total gross assets.

Other Taxes

No stamp, value, issue, registration, transfer or similar taxes or duties will be payable in Luxembourg by Noteholders in connection with the issue of the Notes, nor will any of these taxes be payable as a consequence of

a subsequent transfer, exchange or redemption of the Notes, unless the documents relating to the Notes are (i) voluntarily registered in Luxembourg, (ii) appended to a document that requires obligatory registration in Luxembourg (*annexés à un acte*), or (iii) if the Notes are deposited in the minutes of a notary (*déposés au rang des minutes d'un notaire*). There is no Luxembourg value added tax payable in respect of payments in consideration for the issuance of the Notes or in respect of the payment of interest or principal under the Notes or the transfer of the Notes. Luxembourg value added tax may, however, be payable in respect of fees charged for certain services rendered to the Issuer if, for Luxembourg value added tax purposes, such services are rendered or are deemed to be rendered in Luxembourg and an exemption from Luxembourg value added tax does not apply with respect to such services.

No Luxembourg inheritance tax is levied on the transfer of the Notes upon the death of a Noteholder in cases where the deceased was not a resident of Luxembourg for inheritance tax purposes. Where a Noteholder is a resident of Luxembourg for tax purposes at the time of his death, the Notes are included in his taxable estate for inheritance tax assessment purposes. No Luxembourg gift tax will be levied on the transfer of the Notes by way of gift unless the gift is registered in Luxembourg.

Poland

The following is a discussion of certain Polish tax considerations relevant to an investor resident in Poland or which is otherwise subject to Polish taxation. This description should not be understood as tax advice and does not purport to be complete regarding all tax information that may be relevant to investors due to their personal circumstances. Prospective purchasers of the Notes are advised to consult their professional tax advisor regarding the tax consequences of the purchase, ownership, disposal, redemption and transfer without consideration of the Notes. The information provided below does not cover tax consequences concerning income tax exemptions applicable to specific taxable items or specific taxpayers (e.g. domestic or foreign investment funds).

Taxation of a Polish tax resident private investor (individual)

Under article 3.1 of the Personal Income Tax Act dated 26 July 1991 (the "**Polish PIT Act**"), individuals, if residing in Poland, are liable for tax on their total income (revenue) irrespective of the location of the sources of revenue (unlimited tax liability).

Under article 3.1a of the Polish PIT Act, a Polish tax resident individual is an individual who (i) has his/her centre of personal or business interests located in Poland or (ii) stays in Poland for more than 183 days a year, unless a relevant tax treaty dictates otherwise.

Withholding tax on interest income

Under article 41.4 of the Polish PIT Act, the interest payer, other than an individual not acting within the scope of his/her business activity, should withhold the 19 per cent. Polish tax on any interest payment. Under article 41.4d of the Polish PIT Act, entities operating securities accounts for individuals, acting as tax remitters, should withhold the tax on this interest income if such interest income (revenue) has been earned in Poland and is connected with securities registered in said accounts, and the interest payment to the individual (the taxpayer) is made through those entities. According to the established tax practice and in the light of article 41.4d of the Polish PIT Act, only Polish tax resident entities or individuals, or entities acting through a permanent establishment in Poland, are considered remitters of the Polish withholding tax. Consequently, foreign entities that do not operate through a Polish permanent establishment, e.g. foreign investment firms, should not be obliged to withhold the tax.

There are no regulations defining in which cases income (revenue) earned by a Polish tax resident should be considered income (revenue) earned in Poland. However, we can expect those cases to be analogous to those of non-residents. Pursuant to article 3.2b of the Polish PIT Act, income (revenues) earned in Poland by non-residents shall include in particular income (revenues) from:

- a. work performed in Poland based on a service relationship, employment relationship, outwork system and co-operative employment relationship irrespective of the place where remuneration is paid;
- b. activity performed in person in the Poland irrespective of the place where remuneration is paid;

- c. economic activity pursued in Poland, including through a foreign establishment located in Poland;
- d. immovable property located in Poland or rights to such property, including from its disposal in whole or in part, or from disposal of any rights to such property;
- e. securities and derivatives other than securities, admitted to public trading in Poland as part of the regulated stock exchange market, including those obtained from the disposal of these securities or derivatives, or the exercise of rights resulting from them;
- f. the transfer of ownership of shares in a company, of all rights and obligations in a partnership without a legal personality, or participation in an investment fund, a collective investment undertaking or other legal entity and rights of similar nature or from receivables which are a consequence of holding those shares, rights and obligations or participation - if at least 50 per cent. of the value of the assets of this company, partnership, investment fund, collective investment undertaking or legal entity is constituted, directly or indirectly, by immovable properties located in Poland, or rights to such immovable properties;
- g. the transfer of ownership of shares in a company, of all rights and obligations, participation in an investment fund or rights of similar nature in the real estate company;
- h. the receivables settled, including receivables put at disposal, paid out or deducted, by individuals, legal entities, or organisational units without a legal personality, that have their place of residence, registered office, or management board in Poland, irrespective of the place of concluding and performing the agreement; and
- i. unrealised gains as referred to in the exit tax regulations.

The above list is not exhaustive and, thus, the tax authorities may consider income (revenues) not listed above to be sourced in Poland. Therefore, each situation should be analysed separately to determine whether interest earned by a Polish tax resident individual from the Notes is considered to be income sourced in Poland.

Nonetheless, it could be argued that interest from securities admitted to public trading in a country other than Poland (the Notes listed in Ireland) should be considered as income (revenue) not earned in Poland, applying *argumentum a contrario* to point (e) above. Consequently, the Noteholders (covered by the Polish PIT regulations) should be obliged to settle tax on their own in line with article 45.3b of the Polish PIT Act, which provides that if the tax is not withheld by the tax remitter, the individual is obliged to settle the tax himself/herself. The individuals should settle the tax by 30 April of the following year.

Under article 30a.9 of the Polish PIT Act, withholding tax incurred outside Poland (including countries which have not concluded a tax treaty with Poland), up to an amount equal to the tax paid abroad, but not higher than 19 per cent. tax on the interest amount, could be deducted from the Polish tax liability. Double tax treaties can provide other methods of withholding tax settlements.

Capital gains from disposal of the Notes

Capital gains from disposal of the Notes, derived by a Polish tax resident individual from the Notes held as non-business assets, are not cumulated with general income subject to progressive tax rates and are subject to 19 per cent. flat-rate tax. Additionally, no tax is withheld by a tax remitter, but the tax should be settled by the taxpayer by 30 April of the following year.

If an individual holds the Notes as a business asset, in principle, the income should be taxed in the same way as other business income. The tax, at 19 per cent. flat rate or the 17 per cent. to 32 per cent. progressive tax rate depending on the choice and certain conditions being met by the individual, should be settled by the individual himself/herself.

The costs of acquiring the securities are recognised at the time the revenue is achieved. Based on article 17.2 and article 19.1 of the Polish PIT Act, if the price expressed in the contract significantly deviates, without a valid reason from the market value, the amount of income is determined by the tax authority or fiscal control authority in the amount of the market value.

Taxation of a Polish tax resident corporate income taxpayer

Under article 3.1 of the Corporate Income Tax Act dated 15 February 1992 (the "**Polish CIT Act**"), the entire income of taxpayers who have their registered office or management in Poland is subject to tax in Poland, irrespective of where the income is earned.

A Polish tax resident corporate income taxpayer should be subject to income tax regarding the Notes (both on any capital gains and on interest/discount) following the same principles as those which apply to any other income received from business activity within the same source of income, called capital gains (*zyski kapitałowe*) (article 7b.1 of the Polish CIT Act). In the case of insurers, banks and some other entities (financial institutions), this revenue is included in revenues other than revenues from capital gains (article 7b.2 of the Polish CIT Act).

As a rule, for Polish income tax purposes interest is recognised as revenue on a cash basis, i.e. when it is received and not when it has accrued. Regarding capital gains, the cost of acquiring the Notes should be recognised at the time the revenue is achieved. Revenue from a transfer of the Notes against a consideration is in principle their value expressed in the price specified in the contract. If the price expressed in the contract significantly deviates, without a valid reason, from the market value, the revenue amount is determined by the tax authority in the amount of the market value (article 14 of the Polish CIT Act).

In the case of income from the transfer of securities against a consideration, tax deductible costs are generally recognised when the corresponding revenue has been achieved. The taxpayer itself (without the remitter's participation) settles income tax on interest/discount and on the transfer of securities against a consideration, which is settled along with other income from the taxpayer's business activity within the same source of income.

The appropriate tax rate is the same as the standard tax rate applicable to business activity, i.e. 19 per cent.

Any withholding tax incurred outside Poland (including countries which have not concluded any tax treaty with Poland), up to an amount equal to the tax paid abroad, but not higher than the tax calculated in accordance with the applicable domestic tax rate, can be deducted from the Polish tax liability. Double tax treaties can provide other methods of withholding tax settlements.

Notes held by a non-Polish tax resident (corporate income taxpayer)

Under article 3.2 of the Polish CIT Act, in the case of taxpayers who do not have their registered office or management in Poland, only the income they earn in Poland is subject to tax obligation in Poland.

Non-Polish tax residents are subject to Polish income tax only regarding their income earned in Poland. Under article 3.3 of the Polish CIT Act, income (revenues) earned in Poland by non-residents shall include in particular income (revenues) from:

- a. all types of activity pursued in Poland, including through a foreign establishment located in Poland;
- b. immovable property located in Poland or rights to such property, including from its disposal in whole or in part, or from the disposal of any rights to such property;
- c. securities and derivatives other than securities, admitted to public trading in Poland as part of the regulated stock exchange market, including those obtained from the disposal of these securities or derivatives, or the exercise of rights resulting from them;
- d. the transfer of ownership of shares in a company, of all rights and obligations in a partnership without a legal personality, or participation in an investment fund, a collective investment undertaking or other legal entity and rights of similar nature or from receivables which are a consequence of holding those shares, rights and obligations or participation, if at least 50 per cent. of the value of assets of this company, partnership, investment fund, collective investment undertaking or legal entity is constituted, directly or indirectly, by immovable properties located in Poland, or rights to such immovable properties;
- e. the transfer of ownership of shares in a company, of all rights and obligations, participation in an investment fund or rights of similar nature in the real estate company;
- f. the receivables settled, including receivables put at disposal, paid out or deducted, by individuals, entities, or organisational units without a legal personality, that have their place of residence, registered

office, or management board in Poland, irrespective of the place of concluding or performing the agreement; and

- g. unrealised gains referred to in the exit tax chapter.

The above list of incomes (revenues) gained in Poland is not exhaustive, therefore other income (revenues) may also be considered as earned in Poland.

It could be argued that interest from securities admitted to public trading in a country other than Poland (the Notes listed in Ireland) should be considered as income (revenue) not earned in Poland.

However, if a payment under the Notes is considered to be sourced in Poland, then the relevant double tax treaty (if any) should be verified to check whether Polish taxation applies at all or whether the withholding tax rate is reduced. For example, most tax treaties concluded by Poland provide a tax exemption regarding Polish income tax on capital gains derived from Poland by a foreign tax resident apart from real estate rich companies. As regards interest income, the treaties may include a withholding tax exemption or a reduction on interest (down to 15 per cent., 10 per cent., 5 per cent. or 0 per cent., depending on the relevant treaty and occasionally on the status of the recipient of the interest). To benefit from a tax treaty, a foreign investor should present a relevant certificate of its tax residency (and deliver the relevant information and documents allowing the payor to exercise the due diligence – see comments below). Unless stated otherwise in the tax residency certificate, it is valid for 12 consecutive months from its date of issue.

Additionally, many tax treaties provide protection only for beneficial owners.

According to article 26.1 of the Polish CIT Act (and article 41.4aa of the Polish PIT Act), when verifying the conditions for the application of a reduced withholding tax rate or for an exemption, or conditions for the non-collection of a withholding tax, arising from special provisions or double taxation conventions, a tax remitter shall be obliged to exercise due diligence. In the assessment whether due diligence has been exercised, the character and the scale of the tax remitter's activity shall be taken into account. In principal due diligence includes verification of a foreign investor's beneficial owner status.

Pursuant to article 4a.29 of the Polish CIT Act (and, respectively, article 5a.33d of the Polish PIT Act), beneficial owner means an entity meeting all of the following conditions:

- a. it receives the amount due for its own benefit, which includes deciding independently about its purpose, and bears the economic risk associated with the loss of that receivable or part of it;
- b. it is not an intermediary, representative, trustee, or another entity legally or actually obliged to transfer the receivable in whole or in part to another entity; and
- c. it conducts real business activity in the country of its registration, if the receivables are obtained in connection with the conducted business activity.

The majority of double tax treaties concluded by Poland provide for an exemption from income tax on capital gains, including income from the sale of notes obtained in Poland by a tax resident of a given country.

If a foreign recipient of income acts through a permanent establishment in Poland to which interest is related, as a matter of principle it should be treated in the same manner as a Polish tax resident, with some necessary additional requirements (e.g. the requirement to present the interest payer with a certificate of tax residence along with a declaration that the interest is related to the establishment's activities).

Taxation of guarantee payments

It cannot be ruled out that guarantee payments made by the Guarantor to non-Polish tax resident individuals and corporates might be subject to domestic 20 per cent. withholding tax if they would be qualified as revenues from guarantee and surety supplies within the meaning of article 29.1.5 of the Polish PIT Act or article 21.1.2a of the Polish CIT Act. However, most of the tax treaties concluded by Poland provide for Polish tax exemption on such revenues earned in Poland by a foreign tax resident. In order to benefit from a tax treaty, the person making a payment qualified as above should receive a relevant tax residency certificate of the non-Polish tax resident individuals and/or corporates receiving the payment as well as the relevant documents and information in order

for the Guarantor to exercise the due diligence under the Polish withholding tax regulations (see comments in point *Special provisions on withholding tax on large payments* below).

There is also a material risk that certain payments (those corresponding to interest) made by the Guarantor might be subject to Polish withholding tax if they were classified by the tax authorities as interest derived from Poland. If this were the case, domestic 19 per cent. (for non-resident individuals) or 20 per cent. (for non-resident corporate income taxpayers) withholding tax would apply unless the interest recipient benefitted from a reduced rate or an exemption under the relevant double tax treaty. To benefit from a reduced rate or an exemption under the relevant double tax treaty, the interest recipient would need to produce the relevant certificate of tax residency and deliver the relevant information and documents in order for the Guarantor to exercise the due diligence (see comments in point *Special provisions on withholding tax on large payments* below).

Special provisions on withholding tax on large payments

In addition to the rules set out above, should the payments made in connection with holding, disposing of and guaranteeing the Notes be subject to the Polish withholding tax, the following regime applies.

Under article 26.2e of the Polish CIT Act, if the total amount paid out on account of the items listed in article 21.1 of the Polish CIT Act (including interest/discount on notes/revenues from guarantee and surety supplies) and article 22.1 of the Polish CIT Act to the same taxpayer exceeds PLN 2,000,000 in the tax year of the payer, payers are, as a general rule, required to withhold, on the day of payment, a flat-rate income tax at the basic rate (20 per cent. in the case of interest/discount on notes) from the excess over that amount, without being able not to withhold that tax on the basis of an appropriate double tax treaty, and also without taking into account exemptions or rates resulting from special regulations or double tax treaties (the "**Obligation to Withhold Tax**").

Under article 26.2k of the Polish CIT Act, if the payment was made in a foreign currency, to determine whether the amount to which the Obligation to Withhold Tax applies was exceeded, the amounts paid are converted into PLN at the average exchange rate published by the National Bank of Poland on the last business day preceding the payment day.

Under article 26.2l of the Polish CIT Act, if it is not possible to determine the amount paid to the same taxpayer, it is presumed that it exceeded the amount from which the Obligation to Withhold Tax applies.

Under article 26.7a of the Polish CIT Act, the Obligation to Withhold Tax does not apply if the payer has declared that:

- a. it holds the documents required by the tax law for the application of the tax rate or tax exemption or non-taxation under special regulations or double tax treaties;
- b. after the verification of the conditions to apply an exemption or reduced withholding tax rate resulting from special regulations or double tax treaties, it is not aware of any grounds for the assumption that there are circumstances that exclude the possibility of applying the tax rate or tax exemption or non-taxation under special regulations or double tax treaties, in particular it is not aware of the existence of circumstances preventing the fulfilment of certain conditions referred to in other regulations, including the fact that the interest/discount recipient is their beneficial owner and, if the interest/discount is obtained in connection with the business activity conducted by the taxpayer, that in the country of tax residence the taxpayer carries on the actual business activity.

The above is to be declared by the head of the unit within the meaning of the Polish Accounting Act (e.g. the payor's management board), specifying his/her position. The declaration cannot be made by proxy. The declaration is to be made by in electronic form not later than the payment day (article 26.7b and article 26.7c of the Polish CIT Act).

In the case of withholding tax as a result of the Obligation to Withhold Tax, if double tax treaties or special regulations provide for a tax exemption or reduced tax rate, the taxpayer or tax remitter (if the taxpayer has paid tax with its own funds and has borne the economic burden of such tax, e.g. as a result of a gross-up clause) may apply for a refund of that tax by submitting the relevant documents and declarations. When recognizing that the refund is justified, the tax authorities shall carry it out within six months.

Pursuant to the Regulation of the Minister of Finance dated 31 December 2018 regarding the exclusion or limited application of article 26.2e of the CIT Act (the "**Article 26.2.e of the Polish CIT Act Exemption Regulation**"), the application of the Obligation to Withhold Tax is excluded, inter alia, in relation to the following interest/discount payments:

- a. to central banks not having their registered office or management in Poland, obtained from interest or discount on treasury bonds issued by the State Treasury on the domestic market and acquired from 7 November 2015;
- b. to economic units established by a state administration body jointly with other States under an agreement or contract, unless those agreements or contracts provide otherwise;
- c. to international organisations of which Poland is a member;
- d. to entities with which Poland has concluded cooperation agreements, if they have been exempted from corporate income tax on the receivables in question; and
- e. to entities exempt from corporate income tax, provided that their name is indicated in double tax treaties to which Poland is a party.

In addition, until 30 June 2021, the Obligation to Withhold Tax is excluded in respect of interest/discount on notes for taxpayers having their registered office or management in the territory of a state being a party to a double tax treaty with the Republic of Poland which regulates the taxation of income from dividends, interest and royalties, if there is a legal basis for exchanging tax information with the state of the taxpayer's registered office or management. These rules are planned to be postponed until 1 January 2022.

Analogous provisions apply to personal income tax, including article 41.12 of the Polish PIT Act which provides for an analogous tax withholding obligation, while the Regulation of the Minister of Finance of 31 December 2018 (as amended) regarding the exclusion or limited application of article 41.12 of the PIT Act is the equivalent of the Article 26.2.e of the Polish CIT Act Exemption Regulation.

Article 26.2.e of the Polish CIT Act Exemption Regulation does not postpone the entry into force of the other withholding tax regulations (in particular: amended definition of beneficial owner and due diligence).

The status of the Polish withholding tax regulations should be closely monitored. The entry into force of the legislation covering the new "pay and refund" mechanism for payments over PLN 2,000,000 (mentioned above) has been postponed already for a few times. Due to wide criticism of the new regulations from the business community, the Polish Ministry of Finance is considering introducing some changes to the new WHT regulations that are expected to be presented in 2021 and be effective from 2022.

Tax on civil law transactions

Neither an issue of the Notes nor redemption of the Notes is subject to the tax on civil law transactions (the "**Polish PCC**").

Under article 1.1.1.a of the Tax on Civil Law Transactions Act dated 9 September 2000 (the "**Polish PCC Act**"), agreements for the sale or exchange of assets or proprietary rights are subject to PCC.

The Notes should be considered as representing proprietary rights. Transactions are taxable if their subjects are:

- a. assets located in Poland or proprietary rights exercisable in Poland;
- b. assets located abroad or proprietary rights exercisable abroad if the acquirer's place of residence or registered office is located in Poland and the civil law transaction was carried out in Poland.

Although this is not clearly addressed in law, as a rule, given that the issuer is a non-Polish entity and the Notes are not admitted to trading on the regulated market in Poland, the Notes should not be considered as rights exercisable in Poland.

Polish PCC on the sale of the Notes (if they are subject to PCC, i.e. under point b. above) is 1 per cent. of their market value and is payable by the purchaser within 14 days after the sale agreement is entered into. If the exchange agreement is concluded, the tax is payable jointly and severally by both parties to the agreement.

However, if such agreement has been entered into in notarial form, the tax due should be withheld and paid by the notary public.

However, under article 9.9 of the Polish PCC Act, a Polish PCC exemption applies to the sale of property rights being financial instruments (including the Notes):

- a. to investment firms or foreign investment firms;
- b. with the intermediation of investment firms or foreign investment firms;
- c. through organised trading; or
- d. outside organised trading by investment firms or foreign investment firms if the proprietary rights were acquired by those firms through organised trading,

within the meaning of the provisions of the Polish Act on Trading in Financial Instruments.

Moreover, in accordance with article 1a.5 and article 1a.7 in connection with article 2.4 of the Polish PCC Act, the Polish PCC exemption applies to sale or exchange agreements concerning the Notes:

- a. to the extent that they are taxed with the VAT in Poland or in another EU Member State or EEA; or
- b. when at least one of the parties to the transaction is exempt from VAT in Poland or in another EU Member State or EEA on account of that particular transaction.

Remitter's liability

Under article 30 of the Polish Tax Code dated 29 August 1997 (the "**Polish Tax Code**"), a tax remitter failing to fulfil its duty to calculate, withhold or pay tax to a relevant tax authority is liable for the tax that has not been withheld or that has been withheld but not paid, up to the value of all its assets. The tax remitter is not liable if specific provisions provide otherwise or if tax has not been withheld due to the taxpayer's fault (subject to certain exceptions listed in the Polish Tax Code). In such case, the relevant tax authority will issue a decision concerning the taxpayer's liability.

FATCA

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a "foreign financial institution" may be required to withhold on certain payments it makes ("foreign passthru payments") to persons that fail to meet certain certification, reporting, or related requirements. A number of jurisdictions (including Luxembourg and Poland) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA ("**IGAs**"), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, such withholding would not apply prior to the date that is two years after the date on which financial regulations defining foreign passthru payments are published in the U.S. Federal Register and Notes that are issued on or prior to the date that is six months after the date on which final regulations defining foreign passthru payments are published generally would be grandfathered for purposes of FATCA withholding unless materially modified after such date (including by reason of a substitution of the Issuer).

A foreign financial institution resident in an IGA jurisdiction must comply with specific due diligence procedures to identify its account holders and provide the U.S. Internal Revenue Service (directly or indirectly through its local tax authority) with information on financial accounts held by U.S. persons and recalcitrant account holders. Consequently, holders of the Notes may be requested to provide certain information and certifications to any financial institutions through which payments on the Notes are made.

Noteholders should consult their own tax advisers regarding how these rules may apply to their investment in the Notes. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, neither the Issuer nor the Guarantor will be required to pay additional amounts as a result of the withholding.

Common Reporting Standards

The Organisation for Economic Co-operation and Development ("**OECD**") has developed a common reporting standard (CRS) to achieve a comprehensive and multilateral automatic exchange of information on a global basis. A number of jurisdictions (including Luxembourg and Poland) have signed the OECD's multilateral competent authority agreement (Agreement) to automatically exchange information under the CRS.

The CRS requires certain financial institutions to report information regarding certain accounts (which may include the Notes credited to such accounts) to their local tax authority and follow related due diligence procedures. A jurisdiction that has signed the Agreement may provide this information to other jurisdictions that have signed the Agreement.

Consequently, Noteholders may be requested to provide certain information and certifications to any financial institutions through which payments on the Notes are made.

Noteholders should consult their professional advisors on the individual impact of CRS.

SUBSCRIPTION AND SALE

Erste Group Bank AG, J.P. Morgan AG, Morgan Stanley Europe SE, and Raiffeisen Bank International AG. (the "**Joint Bookrunners**") and Banco Santander, S.A. (the "**Co-Manager**", together with the Joint Bookrunners, the "**Managers**"), have, pursuant to a Subscription Agreement dated 21 June 2021, jointly and severally agreed with the Issuer and the Guarantor, subject to the satisfaction of certain conditions, to subscribe to the Notes at 99.417 per cent. of their principal amount, less a combined management and underwriting commission. In addition, the Issuer, failing which the Guarantor, have agreed to reimburse the Managers for certain of their expenses in connection with the issue of the Notes. The Subscription Agreement entitles the Managers to terminate it in certain circumstances prior to payment being made to the Issuer.

General

Neither the Issuer nor the Guarantor nor any Manager has made any representation that any action will be taken in any jurisdiction by the Managers, the Issuer or the Guarantor that would permit a public offering of the Notes, or possession or distribution of this Prospectus (whether or not in final form) or any other offering or publicity material relating to the Notes, in any country or jurisdiction where action for that purpose is required.

United States

The Notes and the Guarantee have not been and will not be registered under the Securities Act, and may not be offered or sold within the United States 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 under the Securities Act.

Each Manager has agreed that, except as permitted by the Subscription Agreement, it will not offer, sell or deliver the Notes and the Guarantee within the United States. Accordingly, neither it, its affiliates, nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to the Notes and the Guarantee.

Prohibition of Sales to EEA Retail Investors

Each Manager has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes to any retail investor in the EEA. For the purposes of this provision, the expression "**retail investor**" means a person who is one (or more) of the following:

- (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or
- (ii) a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

Prohibition of Sales to UK Retail Investors

Each Manager has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes to any retail investor in the UK. For the purposes of this provision, the expression "**retail investor**" means a person who is one (or more) of the following:

- (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; or
- (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA.

United Kingdom

Each Manager has represented and agreed that:

- (i) 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 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 Issuer or the Guarantor; and

- (ii) 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 UK.

Luxembourg

The Notes may not be offered or sold to the public within the territory of Luxembourg and each Manager has represented and agreed that it will not offer or sell the Notes to the public within the Luxembourg unless:

- (i) a prospectus has been duly approved by the Commission de Surveillance du Secteur Financier (the "CSSF") pursuant to (a) the Prospectus Regulation, if Luxembourg is the home Member State as defined under the Prospectus Regulation or, if applicable, (b) the Luxembourg law of 16 July 2019 on prospectuses for securities (the "**Luxembourg Prospectus Law**"); or
- (ii) if Luxembourg is not the home Member State as defined under the Prospectus Regulation, the CSSF and the European Securities and Markets Authority have been provided by the competent authority in the home Member State with a certificate of approval attesting that a prospectus in relation to the Notes has been duly approved in accordance with the Prospectus Regulation and with a copy of that prospectus; or
- (iii) the offer of Notes benefits from an exemption from, or constitutes a transaction not subject to, the requirement to publish a prospectus under the Prospectus Regulation or the Luxembourg Prospectus Law.

Poland

The Notes may not be offered or sold to the public within the territory of Poland and each Manager has represented and agreed that it will not offer or sell the Notes to the public within Poland unless:

- (i) a prospectus has been duly approved by the Komisja Nadzoru Finansowego (the "KNF") pursuant to (a) the Prospectus Regulation, if Poland is the home Member State as defined under the Prospectus Regulation or, if applicable, (b) the Polish Act of 29 July 2005 on public offering, conditions governing the introduction of financial instruments to organised trading, and public companies (the "**Polish Public Offering Act**"); or
- (ii) if Poland is not the home Member State as defined under the Prospectus Regulation, the KNF and the European Securities and Markets Authority have been provided by the competent authority in the home Member State with a certificate of approval attesting that a prospectus in relation to the Notes has been duly approved in accordance with the Prospectus Regulation and with a copy of that prospectus as well as Polish language translation of the summary prospectus; or
- (iii) the offer of Notes benefits from an exemption from, or constitutes a transaction not subject to, the requirement to publish a prospectus under the Prospectus Regulation or the Polish Public Offering Act.

Switzerland

This Prospectus is not intended to constitute an offer or solicitation to purchase or invest in the Notes. The Notes may not be publicly offered, directly or indirectly, in Switzerland within the meaning of the Swiss Financial Services Act ("**FinSA**") and no application has or will be made to admit the Notes to trading on any trading venue (exchange or multilateral trading facility) in Switzerland. Neither this Prospectus nor any other offering or marketing material relating to the Notes constitutes a prospectus pursuant to the FinSA, and neither this Prospectus nor any other offering or marketing material relating to the Notes may be publicly distributed or otherwise made publicly available in Switzerland.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the "**Financial Instruments and Exchange Act**"). Accordingly, each of the Managers has represented and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell any Notes in Japan or to, or for the benefit of, a resident of Japan (which term as used

herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident in Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws and regulations of Japan.

Hong Kong

Each Manager has represented and agreed that:

- (i) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "**SFO**") and any rules made under the SFO; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the "**C(WUMP)O**") or which do not constitute an offer to the public within the meaning of the C(WUMP)O; and
- (ii) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

Singapore

Each Manager has acknowledged that this Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Manager has represented and agreed that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the "**SFA**")) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (i) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (ii) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

- (i) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- (ii) where no consideration is or will be given for the transfer;
- (iii) where the transfer is by operation of law;
- (iv) as specified in Section 276(7) of the SFA; or

- (v) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

GENERAL INFORMATION

Authorisation

1. Each of the Issuer and the Guarantor has obtained all necessary consents, approvals and authorisations in Luxembourg or Poland, as applicable, in connection with the issue and performance of the Notes and of the Guarantee. The issue of the Notes was authorised by resolution of the Board of the Issuer passed on 7 June 2021. The giving of the Guarantee was authorised by the Guarantor by resolutions passed by the Supervisory Board on 1 June 2021 and by the Management Board on 4 June 2021.

Significant/Material Change

2. There has been no material adverse change in the prospects of the Issuer or the Guarantor since 31 December 2020, being the date of the last published audited combined financial statements of the Group.
3. There has been no significant change in the financial performance or financial position of the Group since 31 March 2021, being the end of the last financial period for which financial information has been published with respect to the Group.

Legal and Arbitration Proceedings

4. None of the Issuer or the Guarantor is, nor has been, involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer or the Guarantor are 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 Issuer, the Guarantor or the Group.

ISIN and Common Code

5. The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg systems (which are the entities in charge of keeping the records). The International Securities Identification Number ("**ISIN**") for the Notes is XS2356039268 and the Common Code is 235603926. For FISN and CFI Code, see the website of the Association of National Numbering Agencies ("**ANNA**") or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN.

The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream, Luxembourg is 42 Avenue JF Kennedy L-1855 Luxembourg.

Auditors

6. The 2020 Financial Statements, incorporated by reference into this Prospectus, have been audited by BDO spółka z ograniczoną odpowiedzialnością sp.k. ("**BDO**"), independent auditors, as stated in their report incorporated by reference herein. BDO is located at ul. Postępu 12, 02-676 Warsaw, Poland and is a member of the Polish Chamber of Statutory Auditors.
7. The 2019 Financial Statements, incorporated by reference into this Prospectus, have been audited by Ernst & Young Audyt Polska spółka z ograniczoną odpowiedzialnością sp. k. ("**EY**"), independent auditors, as stated in their report incorporated by reference herein. EY is located at Rondo ONZ 1, 00-124 Warsaw, Poland and is a member of Polish Chamber of Statutory Auditors.

Listing Agent and Expenses of Admission to Trading

8. Walkers Listing Services Ltd is acting solely in its capacity as listing agent for the Issuer in connection with the Notes and is not itself seeking admission of the Notes to the Official List or to trading on the Market.
9. The estimated expenses of the admission of the Notes to trading are EUR 4,790.

Yield

10. The yield of the Notes is 2.375 per cent. on an annual basis. The yield is calculated as at 23 June 2021 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.

Documents on Display

11. For so long as the Notes remain outstanding, copies of the following documents will be available for inspection at the website of the Guarantor (<http://ir.gtc.com.pl/>). Items (b) (with respect to the Issuer) & (c) below will also be available for inspection at a dedicated page for GTC Aurora Luxembourg S.A. at <https://live.euronext.com/en/product/bonds-detail/27350/documents>.
- (a) the Trust Deed (which includes the Guarantee) and the Agency Agreement;
 - (b) the articles of association of the Issuer and the Guarantor; and
 - (c) a copy of this Prospectus (together with any supplement to this Prospectus or further Prospectus).

Information included on any website referred to above does not form part of this Prospectus.

Conflicts of Interest

12. There is no natural or legal person involved in the issue of the Notes and having an interest that is material to the issue of the Notes, other than certain of the Managers and their affiliates who have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, the Issuer and/or the Guarantor and their affiliates in the ordinary course of business. Certain of the Managers and their affiliates may have positions, deal or make markets, in the Notes, related derivatives and reference obligations, including (but not limited to) entering into hedging strategies on behalf of the Issuer and/or the Guarantor and their affiliates, investor clients, or as principal in order to manage their exposure, their general market risk, or other trading activities.

In addition, in the ordinary course of their business activities, the Managers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer and/or the Guarantor and the affiliates of any of them. Certain of the Managers and their affiliates that have a lending relationship with the Issuer and/or the Guarantor routinely hedge their credit exposure to the Issuer and/or the Guarantor consistent with their customary risk management policies. Typically, such Managers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes. Any such positions could adversely affect future trading prices of the Notes. The Managers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

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THE GUARANTOR

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