



**GLOBE TRADE CENTRE S.A.**

(Incorporated and registered in Poland with KRS No. 61500)

(Share code on the WSE: GTC)

(Share code on the JSE: GTC ISIN: PLGTC0000037)

("GTC" or "the Company")

**PRE-LISTING STATEMENT**

**prepared in terms of the JSE Listings Requirements relating to the secondary listing on the Main Board of the JSE of all the issued shares in GTC already listed on the WSE**

The definitions commencing on page 8 of this Pre-listing Statement have, where appropriate, been used on this cover page. This Pre-listing Statement is not an invitation to the public to subscribe for, or an offer to the public to purchase, Shares but is issued in compliance with the JSE Listings Requirements for the purpose of providing information to the public regarding the Inward Listing. This Pre-listing Statement does not advertise or call attention to an invitation to the public to subscribe for, or an offer to the public to purchase, Shares.

GTC Shares are currently listed on the WSE, under the abbreviated name: GTC, WSE share code: GTC and ISIN: PLGTC0000037, which constitutes its primary listing. GTC Shares are included in the "WIG-Deweloperzy" index of the WSE.

The JSE has granted a secondary listing to the Company by way of an introduction of all of its shares in issue, in the "Real Estate Holdings and Development" sector of the JSE, to be listed under the abbreviated name "GTCSA", with JSE share code "GTC" and ISIN: PLGTC0000037 with effect from Thursday, 18 August 2016. The price per share at which GTC will list on the JSE Main Board on 18 August 2016 is expected to be the ZAR equivalent of the PLN closing price as quoted on the WSE on the previous trading day.

At the Inward Listing Date, the share capital of the Company will comprise 460,216,478 GTC Shares with a nominal value of PLN 0.10 each. GTC's share premium account totals €499,288. There are no GTC Shares held in treasury and all GTC Shares in issue rank *pari passu*.

GTC Shares will only be traded on the JSE as Dematerialised Shares and accordingly all investors who hold GTC Shares in certificated form will have to Dematerialise their share certificates should they wish to trade on the JSE. Such Shareholders must accordingly make arrangements with their CSDP or broker in terms of the custody agreement with their CSDP or broker.

The Board Members, whose names are given in the section headed "Corporate Information" of this Pre-listing Statement, collectively and individually, accept full responsibility for the accuracy of the information provided and certify that to the best of their knowledge and belief there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this Pre-listing Statement contains all information required in terms of the JSE Listings Requirements. GTC undertakes to comply fully with the JSE Listings Requirements.

The Corporate Advisor, JSE Sponsor, Legal Advisors, Independent Reporting Accountants and Auditors, Custody and Settlement Agent and Transfer Secretaries in South Africa, whose names are included in the "Corporate Information" section of this Pre-listing Statement, have consented in writing to act in the capacities stated and to their names being included in this Pre-listing Statement and have not withdrawn their consents prior to the publication of this Pre-listing Statement.

An abridged version of this Pre-listing Statement will be published on SENS on Thursday, 11 August 2016 and in the press on Friday, 12 August 2016.

**Corporate Advisor and JSE Sponsor (South Africa)**

*Out of the Ordinary®*



**Legal Advisor (South Africa)**



**Custody and Settlement Agent**



**Legal Advisor (Poland)**



**Date of issue: 11 August 2016**

*This Pre-listing Statement is only available in English. Copies of this Pre-listing Statement may be obtained from the registered office of the Corporate Advisor and JSE sponsor and the South African Transfer Secretaries whose addresses are set out in the "Corporate Information" section of this Pre-listing Statement from 11 August 2016 to 31 August 2016.*

## CORPORATE INFORMATION

<b>Management Board</b> Thomas Kurzmann ( <i>Chief Executive Officer</i> ) Erez Boniel ( <i>Chief Financial Officer</i> )	<b>Supervisory Board</b> Alexander Hesse ( <i>Chairman</i> ) Philippe Couturier Jan Düdden Mariusz Grendowicz Ryszard Koper Marcin Murawski Katharina Schade Tomasz Styczyński
	<b>Registered office, postal address of the Company and date of establishment of the Company</b> 17 Stycznia 45A, 02-146 Warsaw Poland  <b>Contact for South African Shareholders</b> Erez Boniel  <i>Company established in Warsaw, Poland on 25 January 1994 as a limited liability company and transformed into a joint-stock company (spółka akcyjna) on 9 December 1996.</i>
<b>Corporate Advisor and JSE Sponsor (South Africa)</b> The Corporate Finance division of Investec Bank Limited 2 <sup>nd</sup> Floor 100 Grayston Drive Sandown Sandton 2196 (PO Box 785700, Sandton, 2146)	<b>Transfer Secretaries (South Africa)</b> Computershare Investor Services Proprietary Limited 70 Marshall Street Johannesburg 2001 (PO Box 61051, Marshalltown, 2107)
<b>Legal Advisor (South Africa)</b> Werksmans Incorporated 155 5 <sup>th</sup> Street Sandown Sandton 2196 (Private Bag 10015, Sandton, 2146)	<b>Legal Advisor (Poland)</b> Weil, Gotshal & Manges – Paweł Rymarz sp.k. Emilii Plater 53 00-113 Warsaw
<b>Independent Reporting Accountants and Auditors</b> Ernst & Young Audyt Polska spółka z ograniczoną odpowiedzialnością spółka komandytowa (limited liability company) Rondo ONZ 1 00-124 Warsaw Poland	<b>Custody and Settlement Agent</b> Citibank SA 145 West Street Sandton 2196 (PO Box 1800, Saxonwold, 2132)

## IMPORTANT INFORMATION

It is important that you read this Pre-listing Statement carefully and in its entirety before deciding whether to invest in GTC Shares. If you have any questions relating to any aspects of this Pre-listing Statement, you should consult your CSDP or broker or other independent financial advisor before deciding whether to invest.

### Forward-looking statements

This Pre-listing Statement 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 Pre-listing Statement and include, but are not limited to, statements regarding the Company’s intentions, beliefs or current expectations concerning, among other things, the Company’s business, results of operations, financial position, prospects, growth and strategies.

By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Forward-looking statements are not guarantees of future performance and the actual results of the Company’s operations, financial position 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 Pre-listing Statement. 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 Company currently operates, are consistent with the forward-looking statements contained in this Pre-listing Statement, 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 including, without limitation:

- materially adverse changes in economic or industry conditions generally or in the markets served by the Group; and
- changes in costs.

Forward-looking statements may and often do differ materially from actual results. Any forward-looking statements in this Pre-listing Statement reflect the Company’s current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Company’s business, results of operations, financial condition, prospects, growth and strategies. Investors should specifically consider the factors identified in this document, which could cause actual results to differ, before making an investment decision. Subject to the requirements of Polish and South African law, the Company undertakes no obligation publicly to release the result of any revisions to any forward-looking statements in this Pre-listing Statement that may occur due to any change in the Company’s expectations or to reflect events or circumstances after the date of the Pre-listing Statement.

### Time of information

All financial and operational information contained in this Pre-listing Statement is stated as at the Last Practicable Date, unless otherwise specified.

### Notice to investors in South Africa

This Pre-listing Statement is not an offer to the public of Shares as contemplated in the South African Companies Act, 2008, nor does it call attention to or advertise such an offer and, accordingly, has not been and will not be registered as a prospectus in terms of and in accordance with that Act.

### Legal disclaimers

The material set forth herein constitutes the fulfilment of the applicable disclosure obligations of the Company. The publication of this communication is for information purposes only and does not constitute the making available of information to promote the purchase or acquisition of securities or an inducement of their purchase or acquisition, including within the meaning of Article 53 section 1 of Polish Act of 29 July 2005 on Public Offering, the Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies, as amended (the “Act on Public Offering”), and does not constitute a promotional campaign within the meaning of Article 53 section 2 Act on Public Offering. No public offering of any financial instruments issued by the Company, including the Shares, is being conducted on the basis of this Pre-listing Statement in any jurisdiction.

This Pre-listing Statement, together with any other disclosure required pursuant to the JSE Listings Requirements, is the sole legally binding document containing information on the Inward Listing. No person has been authorised to give any information or to make any representation concerning the Company, its subsidiaries, the Group or the Shares in the context of the Inward Listing (other than as contained in this Pre-Listing Statement) and, if given or made, any such other information or representation should not be relied upon as having been authorised by the Company. This Pre-listing Statement has not been approved by, or filed with, the PFSA, which is the competent Polish supervisory authority for the financial market in Poland, or any other regulatory body in Poland. No prospectus, information memorandum or other offering document will be prepared, filed with or approved by the PFSA in connection with the Inward Listing.

The Company's securities have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or the laws of any state, and may only be offered or sold within the United States under an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state laws. No public offering of the Company's securities will be made in the United States.

It may be unlawful to distribute this document in certain jurisdictions. In particular this document is not for distribution in the United States, Canada, Japan or Australia

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## IMPORTANT DATES AND TIMES

The definitions commencing on page 8 of this Pre-listing Statement apply to these important dates and times:

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<b>2016</b>	
Pre-listing Statement available	Thursday, 11 August
Abridged Pre-listing Statement published on SENS	Thursday, 11 August
Abridged Pre-listing Statement published in the press	Friday, 12 August
Listing Date (09:00)	Thursday, 18 August

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Notes:

1. These dates and times are South African dates and times and are subject to amendment. Any such amendment will be released on SENS and published in the press.

## DEFINITIONS

In this Pre-listing Statement and the annexures hereto, unless otherwise indicated, the words in the first column have the meanings stated opposite them in the second column, words in the singular include the plural and *vice versa*, words importing one gender include the other gender and references to a person include references to a body corporate and *vice versa*.

<b>“Act”</b>	the Companies Act, No. 71 of 2008, as amended from time to time;
<b>“Act on Public Offering”</b>	the Polish Act on Public Offering, the Conditions Governing the Introduction of Financial Instruments to Organized Trading, and Public Companies, dated 29 July 2005 (unified text Journal of Laws of 2009 No. 185, item 1439, as amended);
<b>“Act on Trading in Financial Instruments”</b>	the Polish Act on Trading in Financial Instruments dated 29 July 2005 (unified text Journal of Laws of 2010, No 211, item 1384, as amended);
<b>“Articles of Association”</b>	articles of association of Globe Trade Centre S.A.;
<b>“Board”</b>	collectively, the Management Board and Supervisory Board of GTC;
<b>“Board Member”</b>	member of the Management Board or Supervisory Board of GTC;
<b>“Business Day”</b>	any day other than a Saturday, Sunday or official public holiday in South Africa (or Poland as the case may be) and in the event that a day referred to in terms of this Pre-listing Statement should fall on a day which is not a Business Day, the relevant date will be extended to the succeeding Business Day;
<b>“CEE”</b>	Central and Eastern Europe, including Czech Republic, Hungary, Poland and Slovakia;
<b>“Certificated Shares”</b>	GTC Shares which have not yet been Dematerialised into the Strate system, title to which is represented by a share certificate or other physical document of title acceptable to the Board Members;
<b>“Commercial Companies Code”</b>	Polish Act dated 15 September 2000 – Code of Commercial Companies and Partnerships (Journal of Laws of 2000, No. 94, item 1037, as amended);
<b>“Common Monetary Area”</b>	collectively, South Africa, the Kingdoms of Swaziland and Lesotho and the Republic of Namibia;
<b>“Corporate Advisor”</b>	Investec Corporate Finance, a division of Investec Bank Limited;
<b>“CSDP”</b>	a Central Securities Depository Participant, accepted as a participant in terms of the Financial Markets Act, No. 19 of 2012, as amended;
<b>“Dematerialise”</b>	the process whereby Certificated Shares are replaced by electronic records of ownership under Strate and recorded in the sub-register of shareholders maintained by a CSDP or broker;
<b>“Dematerialised Shares”</b>	GTC Shares which have been incorporated into the Strate system and which are no longer evidenced by share certificates, certified transfer deeds, balance receipts or any other physical documents of title;
<b>“Dematerialised Shareholders”</b>	Shareholders who hold Dematerialised Shares;
<b>“EBI”</b>	the Electronic Information Base operated by the WSE;



<b>“ESPI”</b>	the Polish electronic reporting system operated by the PFSA;
<b>“EUR”</b>	the single currency of the participating Member States in the Third Stage of European Economic and Monetary Union of the Treaty Establishing the European Community, as amended from time to time;
<b>“Financial Year”</b>	the financial year of GTC and for the time being ending 31 December;
<b>“General Meeting”</b>	ordinary or extraordinary general meeting of Shareholders convened in compliance with the provisions of the Articles of Association, or with the Commercial Companies Code;
<b>“GTC” or “the Company”</b>	Globe Trade Centre S.A, a Polish joint stock company ( <i>spółka akcyjna</i> ) with registered office in Warsaw, entered in the Register of Business Entities of the National Court Register under No. 61500;
<b>“GTC Group” or “the Group”</b>	Globe Trade Centre S.A and its consolidated subsidiaries;
<b>“GTC Shares” or “Shares”</b>	ordinary shares of PLN 0.10 nominal value each in the share capital of the Company, as set out in paragraph 11 of this Pre-listing Statement;
<b>“Independent Reporting Accountants and Auditors”</b>	Ernst & Young Audyt Polska spółka z ograniczoną odpowiedzialnością spółka komandytowa, with its registered office in Warsaw (00-124), Poland, at Rondo ONZ 1;
<b>“Independent Supervisory Board Member”</b>	independent member of the Supervisory Board within the meaning of the Articles of Association as further detailed in Annexure 8;
<b>“Inward Listing”</b>	subject to the fulfillment of the shareholder spread requirements of the JSE Listings Requirements, the proposed secondary inward listing of the Company in the “Real Estate Holding and Development” sector of the JSE with share code “GTC” and ISIN: PLGTC0000037, with effect from the commencement of trade on the JSE on the Listing Date;
<b>“Inward Listing Date”</b>	the anticipated date of the listing of the Company on the JSE, being 18 August 2016. On this date, the 460,216,478 GTC Shares will be listed on the JSE;
<b>“JSE”</b>	JSE Limited, (Registration number 2005/022939/06), a limited liability public company registered and incorporated in South Africa and licensed as an exchange under the Financial Markets Act, No. 19 of 2012;
<b>“JSE Listings Requirements”</b>	the JSE Listings Requirements, as issued by the JSE from time to time;
<b>“JSE Sponsor”</b>	Investec Corporate Finance, a division of Investec Bank Limited;
<b>“Last Practicable Date”</b>	23 June 2016 being the last practicable date prior to the finalisation of this Pre-listing Statement;
<b>“Legal Advisors”</b>	collectively, Weil, Gotshal & Manges – Paweł Rymarz sp.k. and Werksmans Incorporated;
<b>“Management Board”</b>	Management Board of the Company appointed in compliance with the Articles of Association, as set out in paragraph 5 of this Pre-listing Statement;
<b>“NRA”</b>	net rentable area;
<b>“PFSA”</b>	the Polish Financial Supervisory Authority;
<b>“PLN” or “Zloty”</b>	PLN, the lawful currency of Poland, being the Polish Zloty;

<b>“Pre-listing Statement”</b>	this pre-listing statement, dated 11 August 2016 and the annexures thereto, which have been prepared in compliance with the JSE Listings Requirements;
<b>“Property Portfolio”</b>	The entire property portfolio held by GTC as further described in Annexure 2;
<b>“Rand”</b>	the currency of South Africa, being South African Rand;
<b>“Rules and Regulations of the Supervisory Board”</b>	The by-laws of the Supervisory Board, available on GTC’s website;
<b>“SEE”</b>	South Eastern Europe, including Bulgaria, Croatia, Romania and Serbia;
<b>“SENS”</b>	The JSE’s Stock Exchange News Service;
<b>“Shareholders”</b>	holders of GTC Shares;
<b>“Strate”</b>	Strate Proprietary Limited (Registration number 1998/022242/07), a limited liability private company duly incorporated in South Africa, which is a registered central securities depository and which is responsible for the electronic settlement system used by the JSE;
<b>“Supervisory Board”</b>	Supervisory Board of the Company appointed in compliance with the Articles of Association, as set out in paragraph 5 of this Pre-listing Statement;
<b>“Transfer Secretaries”</b>	Computershare Investor Services Proprietary Limited (Registration number 2004/003647/07), a limited liability private company duly registered and incorporated in South Africa;
<b>“Valuation Reports”</b>	reports from the valuation of the Group’s real properties;
<b>“VWAP”</b>	volume weighted average price;
<b>“WIG30 Index”</b>	a capitalisation-weighted stock market index of the thirty largest and most liquid companies on the WSE;
<b>“WSE”</b>	the Warsaw Stock Exchange;
<b>“WSE Best Practices”</b>	“Best Practices of WSE Listed Companies” being a collection of rules and recommendations concerning corporate governance applicable on the WSE;
<b>“WSE Rules”</b>	The Warsaw Stock Exchange Rules of 4 January 2006, as amended; and
<b>“Zloty” or “PLN”</b>	PLN, the lawful currency of Poland, being the Polish Zloty.



**GLOBE TRADE CENTRE S.A.**

(Incorporated and registered in Poland with ISIN PLGTC0000037)

(Share code on the WSE: GTC)

(Share code on the JSE: GTC ISIN: PLGTC0000037)

("GTC" or "the Company")

**Members of the Management Board**

Thomas Kurzmann (Chief Executive Officer)

Erez Boniel (Chief Financial Officer)

**Supervisory Board**

Alexander Hesse (Chairman)

Philippe Couturier

Jan Düdden

Mariusz Grendowicz\*

Ryszard Koper

Marcin Murawski

Katharina Schade

Tomasz Styczyński

*\*Independent Supervisory Board Member*

**PRE-LISTING STATEMENT**

**1. INTRODUCTION AND RATIONALE FOR THE INWARD LISTING**

The GTC Group is a renowned public commercial real estate operating company in Central, Eastern and Southern Europe. Since 1994, the Group has been developing high standard, modern office and retail properties through the CEE region.

GTC S.A. is listed on the main market of the Warsaw Stock Exchange and included in the "WIG-Deweloperzy" index and is seeking to implement an Inward Listing on the JSE in order to achieve a number of strategic and financial benefits both for the Company and potential South African shareholders, which include:

- Providing South African investors with an opportunity for foreign exposure at a time when local investors are increasingly seeking to incorporate international diversification into their current portfolios. The South African listed property sector has delivered exceptional returns to date but valuations are currently at a high and it is anticipated that this momentum might slow going forward due to macroeconomic factors. GTC offers upside potential and exposure to a EUR-based company with significant embedded NAV growth potential;
- Allowing South African investors the opportunity to participate in the Company's extraordinary defined path to growth.
- GTC's shareholder base is currently concentrated with one major shareholder and a number of institutional investors. The Inward Listing will allow the Company to expand and diversify its shareholder base, thereby

providing the Company with additional stability and a wider investors pool from which to access capital. Property companies in South Africa raised approximately R36bn in capital during 2015;

- Enhancing the liquidity and tradability of GTC Shares – retail and institutional investors in both Poland and South Africa will have greater flexibility to trade GTC Shares; and
- Within Poland, GTC is recognised as one of the renowned commercial real estate companies in the CEE and SEE region. GTC Shares are included in the WIG30 Index, which comprises the 30 largest companies on the WSE. Inward Listing will increase awareness of GTC's activities and brand and will positively contribute toward development of GTC's network and relationships outside of Poland.

This Pre-listing Statement is issued in compliance with the JSE Listings Requirements in order to provide information relating to GTC, its operations and Board Members so as to facilitate the Inward Listing.

**GTC is not issuing new GTC Shares as part of the secondary Inward Listing and, accordingly, this Pre-listing Statement is not an invitation to the public to subscribe for, or an offer to the public to purchase GTC Shares.**

## 2. OVERVIEW AND BACKGROUND

### 2.1 Incorporation and nature of business

The Company was incorporated on 25 January 1994 as a limited liability company (*spółka z ograniczoną odpowiedzialnością*) under the provisions of applicable Polish laws and transformed into a joint-stock company (*spółka akcyjna*) on 9 December 1996. The principal legislation under which the Company operates is the Commercial Companies Code. GTC's registered office is currently located at 17 Stycznia 45A, Warsaw, Poland.

The GTC Group is a renowned developer and commercial real estate manager in CEE and SEE, operating in Poland, Romania, Hungary, Croatia, Serbia and Bulgaria. Additionally, it holds land in Ukraine and Russia and operates in the Czech Republic through its associates and joint ventures. The Group was established in 1994 and has been present in the real estate market since then.

The Group's portfolio comprises:

- (i) completed commercial properties;
- (ii) commercial properties under construction;
- (iii) a commercial landbank intended for future development or for sale; and
- (iv) residential projects and landbank.

Since its establishment and as at 31 December 2015 the Group:

- (i) has developed approximately 950,000 sqm of commercial space and approximately 300,000 sqm of residential space; and
- (ii) has sold approximately 430,000 sqm of commercial space in completed commercial properties and approximately 299,000 sqm of residential space.

As of 31 December 2015, the Group's Property Portfolio comprised, *inter alia*, the following properties:

- 25 completed commercial properties, including 20 office and 5 retail properties with a combined commercial space of approximately 524,000 sqm, of which the Group's proportional interest amounts to approximately 500,000 sqm of NRA;
- 3 commercial projects under construction, including 2 office projects and 1 retail project with total NRA of approximately 90,000 sqm, of which the Group's proportional interest amounts to 90,000 of NRA;
- commercial landbank designated for future development, with approximately 862,000 sqm NRA;
- residential projects and landbank of approximately 369,000 sqm NRA designated for residential use; and
- 3 assets held for sale, 1 retail project (Galleria Arad in Romania) and land plots in Serbia and Poland.

As of 31 December 2015, the book value of the Group's portfolio amounts to €1.3bn with:

- (i) the Group's completed commercial properties accounting for 80% thereof;
- (ii) commercial properties under construction – 8%;
- (iii) a commercial landbank intended for future development or for sale - 10%; and
- (iv) residential projects and landbank accounting for 2%.

Based on the Group's assessment approximately 96% of the portfolio is core and remaining 4% is non-core assets, including assets held for sale and residential projects.

As of 31 December 2015, the Group's completed properties in its three most significant markets, i.e. Poland, Hungary and Romania, constitute 39%, 20% and 14% of the total book value of all completed properties.

The Group conducts operations in the Czech Republic, through its associates. The Group's proportional interest in assets in Czech Republic amounts to approximately 24,000 sqm of NRA in two office buildings and a shopping mall. The Group also holds a land plot located in Russia and a land plot designated for Ana Tower located in Romania.

Additionally, the Group manages third party assets, including one office building in Budapest and three office buildings in Warsaw.

The Company's shares are listed on the WSE and included in the WIG30 Index.

The Group's headquarters are located in Warsaw, at 17 Stycznia 45A.

## **2.2 History of GTC**

The Group began its operations in Warsaw in 1994, and started its first project in 1995: Mokotów Business Park in the post-industrial district of Służewiec Przemysłowy in Warsaw. The project consisted of nine buildings with a total of 107,000 sqm of office and retail space. Its completion in 2000 sparked the creation of one of the largest business districts in Warsaw, in which the Group held the position of office developer. Also, in 2000 the Group opened Galeria Mokotów, the first of its shopping malls in the region and the first third-generation shopping mall in Warsaw.

Based on the experience that it gained in Poland, the Group expanded its development activities to the capital cities of other countries of the CEE. The first foreign locations included Romania and Hungary.

Later the Group expanded into the secondary cities Poland. Its first office buildings outside of Warsaw were located in Kraków and Poznań. In 2002, the Group completed its first project outside of Poland: America House in Bucharest, Romania.

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.

Between 1996 and 2015, the Group developed approximately 640,000 sqm of NRA of office space in Warsaw, Budapest, Bucharest, Zagreb and Belgrade and in secondary cities in Poland (including Kraków, Wrocław, Poznań, Katowice and Łódź), as well as approximately 345,000 sqm of NRA of retail space in Warsaw and Zagreb and in secondary cities in Poland, Romania, Bulgaria and Croatia. Between 1996 and 2015, the Group also developed 12 residential projects across the region and sold approximately 299,000 sqm of space in apartments and houses. Additionally, through its associate, the Group conducts operations in the Czech Republic, where it has developed approximately 85,000 sqm of NRA of office space and 41,000 sqm of NRA of retail space, of which GTC's share is approximately 11,000 sqm of NRA and 13,000 sqm of NRA, respectively.

In 2015, the Group changed its strategy from the pure development approach to the developer and asset manager approach, and as a result purchased its first two office properties: Duna Tower in Budapest (2015) and Pixel in Poznań (2016).

Since 1994, in the course of its business the Group has sold properties comprising of approximately 276,000 sqm of NRA of office space and approximately 153,000 sqm of NRA 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% in 2002 and 50% in 2011); Galeria Kazimierz (50% in 2006 and 50% in 2013), Platinum Business Park (in 2012); and Kazimierz Office Centre (in 2015).

As of 31 December 2015, the Group conducted operations in seven countries (Poland, Romania, Hungary, Croatia, Serbia and Bulgaria) and owned approximately 560,000 sqm of NRA in 26 office and retail properties (including approximately 524,000 sqm of NRA in assets classified as investment properties). As of the date of this Pre-listing Statement, the Group owns approximately 608,000 sqm of NRA in 30 office and retail properties. Additionally, the Group conducts operations in the Czech Republic, through its associates. The Group's proportional interest in assets in Czech amounts to approximately 24,000 sqm of NRA in two office buildings and a shopping mall.

Additionally, the Group manages third-party assets, including one office building in Budapest and three office buildings in Warsaw.

## **2.3 Prospects**

Following the successful completion of the rights issue in the third quarter of 2015, the Company's new strategy assumes acquiring income generating assets and the development of selected projects. The Company assigns both objectives the

same priority and intends to ensure the parallel implementation thereof, taking into consideration existing market conditions.

The investments targeted by the Company would be required to meet the following criteria:

- office and retail assets;
- located in Warsaw or secondary cities in Poland and in the capital cities of CEE and SEE countries;
- cash generation ability (upon acquisition or shortly after); and
- potential improvement capacity through re-leasing, improvement in occupancy, increase of rental rates, redevelopment, and/or stabilization of NOI/FFO yields.

The projects selected to be developed would be required to meet the following criteria:

- office or retail assets;
- located in Warsaw or secondary cities in Poland or in the capital cities of CEE/SEE countries; and
- market situation justifying the commencement of the development.

Subject to market conditions, the timing of acquiring income generating assets financed from the proceeds of the above mentioned share capital increase is assumed to range from 12 to 18 months from the completion thereof.

The Group's expansion will be selective and will be evaluated based on market opportunity, demand and potential return on investment. The Group may invest alone or may co-invest with partners, which will allow for increased portfolio diversification and boosting the scope of investments.

### 3. GROUP STRUCTURE

As of 31 December 2015, the Group consisted of the Company and 99 entities directly or indirectly controlled by the Company and in seven jointly controlled and associated entities.

The object of the activity carried out by companies from the Group includes development and management of real properties. The subsidiaries, the Company's joint ventures and associated companies operate in, *inter alia*, Poland, Romania, Hungary, Croatia, Bulgaria, Serbia, the Czech Republic, Russia and in Ukraine.

As of the date of the Pre-listing Statement the Company is the controlling entity of the Group.

A chart presenting the structure of the Group is set out in Annexure 1.

As of the date of the Pre-listing Statement the Company is in the process of cross-border mergers with two of its subsidiaries: GTC RH B.V. with its registered office in Amsterdam (the Netherlands) and GTC Real Estate Investments Ukraine B.V. with its registered office in Amsterdam (the Netherlands). The long-term goal of such mergers is to obtain greater control over local companies by eliminating one of the intermediate levels of the ownership structure. The restructuring should also bring the effect of optimization of management processes within the Group. As a result of the mergers, the Company will enter into all rights, obligations, assets and liabilities of the acquired companies. Due to the Company's ownership of 100% of the share capital of both acquired companies, the merger will take place without increasing the share capital of the Company. As a result of the mergers the Company will not change its legal form, name or registered office, however, the acquired companies will be liquidated without carrying out the liquidation procedure. The cross-border merger plans were executed and published on 30 March 2016, and are not material. Following the adoption of the resolution at the general meeting held on 24 May 2016, the merger needs to be registered by the registry court.

### 4. INVESTMENT STRATEGY

The Group's objective is to create value from:

- active management of a growing commercial real estate portfolio in CEE and SEE, supplemented by selected development activities; and
- enhancing deal flow, mitigating risks and optimising performance through its regional platform, by investing its own funds, the proceeds from share capital increase and reinvesting potential proceeds from the sale of real properties.

The Group implements the following elements, among others, to achieve its strategic objectives:

#### 4.1 Acquiring yielding properties in Poland and in capital cities of selected CEE and SEE countries

The Group's strategic objective is to expand its portfolio by acquiring yielding properties in Poland and in capital cities of selected CEE and SEE countries that have value added potential.

The Management Board believes that the current market conditions, including the attractive pricing of yielding properties and the widening range of potential sellers, present compelling real estate acquisition opportunities for both individual assets and portfolios at attractive prices. The Management Board 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.

In addition, in implementing its strategic objective of expanding its portfolio, the Group is well-positioned to benefit from:

- the exceptional high yield spread in the current low interest rate environment, allowing for highly accretive growth;
- the future growth potential in Poland, in particular in Warsaw and other capital cities of the countries in which the Group operates, including Belgrade, Bucharest and Budapest, if the macro environment improves;
- the current constraints on bank lending in the CEE and SEE regions, which limits competition from other potential purchasers; and
- rents in the CEE and SEE regions being at low levels due to the global financial crisis experienced by the financial markets in 2009, which slowed down the general economy in the countries in which GTC operates, which in turn resulted in reduced demand for property, growth of vacancy rates and increased competition in the real estate market.

The Group's acquisition strategy includes the acquisition of income generating assets with value-added potential that meet the following criteria:

- office and retail assets;
- located in Warsaw or secondary cities in Poland and in the capital cities of CEE/SEE countries;
- cash generation ability (upon acquisition or short after);
- potential growth of net operating income, through re-leasing optimising average occupancy and rental rates, and/or redevelopment; and
- potential to increase return on equity through active asset management.

The Group's expansion will be selective and will be evaluated based on market opportunity, demand and potential return on investment. The Group may invest alone or may co-invest with partners, which will allow for increased portfolio diversification and boost the scope of investments.

#### 4.2 Improving the efficiency of asset management activities and maximising operating performance and efficiency

The Group will continue to actively manage its current and future income-generating commercial Property Portfolio to maximise operating performance and efficiency, diversify tenant risk and enhance rental income.

The Group intends to add value to its portfolio through its asset management activities. Such activities include:

- increasing and maintaining occupancy on best achievable market terms;
- improving collection by maintaining good relationships with tenants and cooperating with them in improving their performance;
- striving for a low and efficient cost base by using energy efficient technologies and optimising property repair and maintenance costs;
- optimising development costs by revising and cost-engineering its developments without detriment to the competitiveness of any individual asset;
- optimising administrative costs where possible; and
- optimising the costs of finance by deleveraging and refinancing where possible.

The Management Board believes that, on a long-term basis, active asset management of completed assets will constitute a very important element of the Group's strategy. The Group will also explore other options with regards to increasing the value of its business as opportunities arise.

### 4.3 Developing selected projects in the pre-construction or construction stage

Another core growth source under the Group's strategy is the development of commercial projects in areas where there is demand for commercial properties. These projects include the Galeria Wilanów and Galeria Północna shopping malls in Warsaw and an office project in Belgrade (Fortyone) as well as in Łódź (University Business Park II).

The development of those projects, which as at 31 December 2015 were in the pre-construction stage (Galeria Wilanów) or construction stage (Galeria Północna, University Business Park and Fortyone), is an important value driver of the Group. As of 31 December 2015, those projects represent approximately 8% of the Group's portfolio value (including assets held for sale).

Over the course of the next years, the Group will focus its attention on the following major projects (as of the Pre-Listing Statement identified as projects in the pipeline):

- Galeria Północna - a retail and entertainment centre being built by the Group in Warsaw with the total NRA of approximately 63,400 sqm;
- Fortyone - a complex of three office buildings being built in Belgrade, Serbia, with the total NRA of up to 27,800 sqm; construction of the first building (10,673 sqm) completed in August 2015 and construction of the second building (7,500 sqm) commenced in October 2015 and construction of the third building (10,673 sqm) commenced in March 2016
- Galeria Wilanów - a retail and entertainment centre with intended NRA of approximately 61,000 sqm to be developed by the Group in Warsaw, and
- Ada Mall - located in Belgrade, a shopping centre with up to 31,100 sqm of NRA.
- White House - located in Budapest, an office building with up to 23,000 sqm of NRA;

Moreover, apart from its core activities, the Group may develop the final stage of Osiedle Konstancja – located on the outskirts of Warsaw, the sixth and last phase in the complex of high end luxury villas.

The Group intends to position itself as a real estate investor and developer and adjust its development activities to the 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 expanded portfolio. Subject to prevailing market conditions, in order to improve the recurring operating income, in the mid-term the Group intends to structure its real estate portfolio in such a manner whereby more than half of its value is attributed to income-generating assets and the remaining portion to trading and development.

### 4.4 Disposal of non-core assets

The Group intends to sell its non-core assets (which include all of its residential properties and certain properties in its landbank, i.e. land designated for residential development and land designated for commercial development including specifically those located outside of Warsaw, in secondary Polish cities or in capital and secondary cities of the CEE/SEE countries) in order to improve its liquidity and unlock equity which will be used to finance new investments and acquisitions.

The Management Board believes that by disposing the non-core assets of the Group's portfolio the Group will be able to rationalise the real estate portfolio structure and enhance the performance of its core assets.

### 4.5 Disposal of mature assets

The Group may sell certain of its mature assets from its portfolio (i.e. completed commercial properties which generate a stable flow of rental income and which, in the Group's view, have reached their long-term value). Moreover, following the acquisition of existing income-generating properties and increasing their value, the Group may also sell such properties.

### 4.6 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 to focus its real estate management and development activities on properties located in Warsaw, or secondary cities in Poland and in the capital cities of CEE and SEE countries, as such are characterised by macroeconomic stability, continued GDP growth and investor and tenant demand. 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 hurdles. At the same time, specific performance requirements will be imposed on all assets in the Group's portfolio.

The Group aims to create and maximise shareholder value by constantly adapting to changes in the markets in which it operates whilst maintaining maximum performance of its core portfolio of assets.



## 5. DETAILS OF BOARD MEMBERS

### 5.1 Management Board

The Management Board is in charge of the Group's strategy and operations. The Board steers the Company towards its strategic and financial targets. All Board members, as well as other executives, are highly experienced real estate professionals with a successful track record in CEE and other regions.

The Management Board runs the Group's business in a transparent and efficient way pursuant to the provisions of applicable law, its internal provisions and the "Best Practices of WSE Listed Companies". When taking decisions relating to the Group's business, the members of the Management Board act within limits of justified business risk. The Management Board is obliged to meet at least once a month. However, the meetings are usually held once a week.

The two members of Management Board acting jointly are entitled to make representations on the Company's behalf.

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 Members of the Management Board of GTC, as well as a summary of their curricula vitae are set out below.

The directorships held by each of the Board Members over the five preceding years and partnerships in which they were partners are detailed in Annexure 3.

Names, age and nationality	Business address	Role and/or function	Qualification
Thomas Kurzmann (50) Austrian	17 Stycznia 45A, 02-146 Warsaw Poland	Chief Executive Officer	Graduated from the Federal Higher Technical Institute in Graz (Civil Engineering)
Erez Boniel (50) Israeli	17 Stycznia 45A, 02-146 Warsaw Poland	Chief Financial Officer	Graduated from the University of Haifa in 1990, obtaining a B.A. degree in economics and accounting, and from University of Calgary in 1991, obtaining an MBA with honours. Also holds a CPA (Certified Public Accountant) certificate

The experience and expertise of the members of the Management Board are set out below:

#### Thomas Kurzmann

Thomas Kurzmann has been the president of the Management Board since 2014. He graduated the Federal Higher Technical Institute in Graz (Civil Engineering). In 1995 - 1999 he worked for Wayss & Freytag AG as director of Wayss & Freytag AG Poland and managing director of Wayss & Freytag Poland Sp z o.o. In 1999-2003 moved to West GkA Management GmbH to become a director of Project Development. Between 2003 and 2005 he was the managing director at IBI Real Estate GmbH. In 2006, he became the head of Deka Real Estate Global Funds at Deka Immobilien GmbH. Between 2007-2009 Thomas Kurzmann served as CEO at BV Development Company in Moscow and in 2009 he joined Europolis AG as the CEO. After the sale of Europolis and its integration into CA Immo AG in 2011, Thomas Kurzmann went back to Volksbank AG where, until 2014, he served as the Head of Real Estate and Corporate Lending.

#### Erez Boniel

Erez Boniel has been a member of the Management Board and the Company's Chief Financial Officer since 1997. Erez Boniel graduated from University of Haifa in 1990, where he obtained a B.A. degree in economics and accounting and from University of Calgary in 1991, where he obtained his MBA with honours. Erez Boniel is also a holder of a CPA (Certified Public Accountant) certificate. As a member of GTC's Management Board and Chief Financial Officer, Mr Boniel has led GTC's financial activity since 1997. As part of his activities he was a member of the supervisory board of Orbis SA (part of the Accor Group) for a number of years and sat on various of its committees. Mr Boniel is also a lecturer at Warsaw University of Technology and at various organisations. Prior to joining GTC he worked as a financial controller at Reynolds Construction Company (West Africa) for three years, and as an auditor between 1990 and 1993.

The members of the Management Board are appointed by the Supervisory Board for individual terms in office of three years.

## 5.2 Supervisory Board

The Supervisory Board is appointed by shareholders who hold stakes of 5% and above of the shares in the Company, and in turn appoints and supervises the work of the Management Board. Currently the Supervisory Board comprises eight members.

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 our Articles of Association, the Supervisory Board performs constant supervision over activities of the enterprise. 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.

Members of the Supervisory Board are required to take necessary steps to receive regular and full information from the Management Board regarding material matters concerning the Company's business and risks involved in the business and the strategies of risk management. The Supervisory Board may (while not infringing the competencies of other bodies of the Company) express their opinion on all the issues related to the Company's business, including forwarding motions and proposals to the Management Board.

The members of the Supervisory Board of GTC, as well as a summary of their curricula vitae are set out below.

The directorships held by each of the Board Members over the five preceding years and partnerships in which they were partners are detailed in Annexure 3.

Names, age and nationality	Business address	Role and/or function	Qualification
Alexander Hesse (46) German	17 Stycznia 45A, 02-146 Warsaw Poland	Chairman	Graduated from WHU Otto Beisheim School of Management and successfully participated in MBA programs at Penn State University and Instituto Tecnológico Autónomo de México (ITAM)
Mariusz Grendowicz (55) Polish and British	17 Stycznia 45A, 02-146 Warsaw Poland	Member - Independent	Studied at the University of Gdańsk and then obtained a diploma in international banking at the Chartered Institute of Bankers in London
Philippe Couturier (49) French	17 Stycznia 45A, 02-146 Warsaw Poland	Member	Holds a degree in Business and Administration from INSEEC, Paris
Katharina Schade (35) German	17 Stycznia 45A, 02-146 Warsaw Poland	Member	Graduated from Philipps University in Marburg and is a CFA charterholder
Marcin Murawski (42) Polish	17 Stycznia 45A, 02-146 Warsaw Poland	Member	Graduated from the Faculty of Management of Warsaw University in 1997; and also holds ACCA certificate (gained in 1999), an ACCA Practicing Certificate (gained in 2003), a KIBR entitlement certificate (gained in 2003) and a CIA certificate (gained in 2005)
Jan Düdden (38) German	17 Stycznia 45A, 02-146 Warsaw Poland	Member	Holds a degree in Business and Administration from the WHU Otto Beisheim School of Management
Ryszard Koper (43) Polish	17 Stycznia 45A, 02-146 Warsaw Poland	Member	Graduated from Łódź University's Faculty of Law and Administration in 1996. He also completed post-graduate studies in tax law at the Faculty of Law, University of Osnabrück in Germany in 1997
Tomasz Styczyński (38) Polish	17 Stycznia 45A, 02-146 Warsaw Poland	Member	Graduated from the Faculty of Banking and Finance and the Faculty of Management and Marketing at Cracow University of Economics

The experience and expertise of the members of the Supervisory Board are set out below:

***Alexander Hesse***

Alexander Hesse has been a Chairman of the Supervisory Board since 2 December 2013. He graduated from WHU Otto Beisheim School of Management and successfully participated in MBA programs at Penn State University and Instituto Tecnológico Autónomo de México (ITAM). Mr. Hesse has over 18 years of experience in real estate investments and asset management. He has invested directly in properties as well as in commercial real estate debt. As a Senior Managing Director and Co-Head European Real Estate Investments at Lone Star, he is in charge of real estate and real estate debt investments in Germany, Austria and CEE/SEE. At TLG Immobilien AG, Berlin, Mr. Hesse was the Deputy Chairman of the Supervisory Board. Prior to joining Lone Star, between 2001 and 2007, he was Head of Real Estate of Hudson Advisors Germany GmbH, responsible for real estate asset management and underwriting of Lone Star real estate and debt investments in Germany. Prior to this, Mr. Hesse was a Managing Director at a listed German real estate company.

***Mariusz Cezary Grendowicz***

Mariusz Grendowicz studied at the University of Gdańsk and then obtained a diploma in international banking at the Chartered Institute of Bankers in London. Mariusz Grendowicz began his professional career with the Australia and New Zealand Banking Group Ltd. where he worked between 1983 and 1991. In 1991 he was appointed as the assistant vice-president of Citibank in London. Between 1992 and 1996 he worked for ING Bank in Poland and Hungary in managerial positions. In the years from 1997 to 2001 he worked for the ABN AMRO Group, initially as deputy country manager and finally as chief executive officer and country manager. In 2001 he was appointed the deputy president of the management board of Bank BPH S.A. and served in this position until 2006. In the years 2008-2010 he served as chief executive officer of BRE Bank S.A. In the years 2013-2014 he was the president and CEO of Polish Investments for Development S.A. Mariusz Grendowicz is an Independent Member of the Supervisory Board and in accordance with the Articles of Association, he was appointed to the Supervisory Board by the General Meeting.

***Philippe Couturier***

Philippe Couturier holds a degree in Business and Administration from INSEEC, Paris. Mr. Couturier is Chief Executive Officer Europe of Hudson Advisors UK Ltd. and has more than 20 years of experience with real estate investments throughout Europe. As Managing Director he oversees the investment advice given by Hudson Advisors UK Ltd.'s and other European asset management entities to their clients and is directing the underwriting, financing and asset management of all Lone Star investments in Europe. Prior to joining Hudson Advisors UK Ltd., Mr. Couturier held various positions for Archon Group (Goldman Sachs Group) in Europe, ultimately serving as Head of Acquisition and Loan Asset Management.

***Katharina Schade***

Katharina Schade graduated from Philipps University in Marburg and is a CFA charterholder. She has several years of experience in M&A and strategy consulting. In her current position as Senior Vice President Underwriting at Hudson Advisors Germany GmbH, she underwrites investments for Lone Star in Germany, Austria and CEE/SEE. Prior to joining Hudson Advisors Germany GmbH in 2013, she worked for more than six years as Manager Corporate Strategy and M&A for Otto Bock HealthCare GmbH and as a consultant advising private equity funds and financial institutions at Bain & Company in Germany, Denmark and Belgium.

***Jan Düdden***

Jan Düdden holds a degree in Business and Administration from the WHU Otto Beisheim School of Management. Mr. Düdden has 10 years of experience in real estate and asset management. As the head of Hudson Advisors Germany GmbH's asset management activities, he is responsible for the asset management and disposal of real estate and real estate debt investments in Germany, the Benelux countries, and the regions of Central and Eastern Europe and Southeast Europe. Prior to joining Hudson Advisors Germany GmbH in 2005, Jan Düdden was a manager at Lufthansa AG, German airlines in the corporate finance department.

***Marcin Murawski***

Marcin Murawski graduated from the Faculty of Management of Warsaw University in 1997. He has also following certificates: ACCA (1999), ACCA Practicing Certificate (2003), KIBR entitlement (2003), CIA (2005). Since 2013 he has been a member of the Supervisory Board and Audit Committee of APATOR S.A. Marcin Murawski holds a number of positions on the Supervisory Boards and Audit Committees of Warsaw Stock Exchange (WSE) listed companies. Since 2015 he has been a member of the Supervisory Board of Secowarwick S.A. (WSE listed) and BZWBK Aviva JV Non-life and Life Insurance Companies (not listed). Since 2013 he has been a member of the Supervisory Board and Audit

Committee of APATOR S.A. (WSE listed). Since 2012 he has been a member of the Supervisory Board of CCC S.A. (WSE listed). Between 2005 and 2012 Mr. Murawski was a Director of Internal Audit and Inspection Department at WARTA Group and a Secretary of Audit Committee at TUIR WARTA S.A. and TUNŻ WARTA S.A. Between 1997 and 2005 he worked at PricewaterhouseCoopers Sp. z o.o., as Manager of Audit Department (2002-2005), Senior Assistant of Audit Department (1999-2001), Assistant of Audit Department (1997-1999).

### ***Ryszard Koper***

Ryszard Koper graduated from Łódź University's Faculty of Law and Administration in 1996. He also completed post-graduate studies in tax law at the Faculty of Law, University of Osnabrück in Germany in 1997. He is a certified tax advisor. Since 2004 he has worked at the law firm KMR KOPER in Warsaw. Between 2001 and 2004 he worked at KPMG POLAND and KPMG POLAND AUDIT. Earlier, between 1999-2001, he worked in the Warsaw office of the law firm Beiten Burkhardt BBLP Mittl & Wegener. Between 1997-1999 Mr Koper worked in the Warsaw office of the law firm Haarmann, Hemmelrath & Partner.

### ***Tomasz Styczyński***

Tomasz Styczyński graduated from the Faculty of Banking and Finance and the Faculty of Management and Marketing at Cracow University of Economics. Since 2001 he has been with Bank Handlowy in Warsaw and became Corporate Banking Director in 2014. Between 2012 and 2014 Mr Styczyński was Customer Relations Director at the Department of Large Corporations and the Director of the Department of Development and Acquisition of Corporate Banking. Before, between 2006-2012, he was Director of the Corporate Centre. Additionally, in the years 2010-2011 he was Director of the Management Development Program at Citibank N.A. London.

The members of the Supervisory Board are appointed for a term of three years, or until their mandate expires. The details of the appointment and retirement of Supervisory Board Members is set out in the Articles of Association in Annexure 8.

## **5.3 Committees of the Supervisory Board**

The Supervisory Board may appoint committees to investigate certain issues which are in the competence of the Supervisory Board or to act as advisory and opinion bodies to the Supervisory Board.

The Supervisory Board has appointed the Audit Committee, whose principal task is to make administrative reviews, to exercise financial control, and to oversee financial reporting as well as internal and external audit procedures at the Company and at the companies in its group. The members of the Audit Committee are:

- Marcin Murawski;
- Mariusz Grendowicz; and
- Katharina Schade.

The Supervisory Board has appointed the Remuneration Committee of the Supervisory Board, which has no decision-making authority and which is responsible for making recommendations to the Supervisory Board with respect to the remuneration of the members of the Management Board and the policies for setting such remuneration. The members of the Remuneration Committee are:

- Alexander Hesse;
- Marcin Murawski; and
- Mariusz Grendowicz.

## **5.4 Board Member's remuneration**

Remuneration of the Management and Supervisory Board is fully disclosed in the Consolidated Annual Report of GTC, which can be found on the Company's website at [www.gtc.com.pl/en/](http://www.gtc.com.pl/en/)

GTC has not paid any other fees or incurred any fees that are payable to a third party in lieu of directors' fees.

The remuneration of the directors will not be varied as a consequence of the transaction.

The business of GTC, or any part thereof, is not managed or proposed to be managed by any third party under contract or arrangement.

## 5.5 Interests in shares and transactions

Shares in GTC of the Management and Supervisory Board is fully disclosed in the Consolidated Annual Report of GTC, which can be found on the Company's website at [www.gtc.com.pl/en/](http://www.gtc.com.pl/en/)

None of the Board Members, including a Member who resigned during the last 18 months, has or had any material beneficial interest, direct or indirect, in transactions that were affected by the Group during the current or immediately preceding financial year or during any earlier financial year and which remain in any respect outstanding or unperformed.

## 5.6 Interests of Board Members or promoters

No amount has been paid, or is accrued as payable, within the preceding three years, or is proposed to be paid to any promoter or to any partnership, syndicate or other association of which such promoter is or was a member and no other benefit has been given or is proposed to be given to such promoter, partnership, syndicate or other association within the said period.

None of the Board Members or promoters of GTC have received any material beneficial interest, direct or indirect, in the promotion of the Group or its properties during the three years preceding this Pre-listing Statement. This includes a partnership, company, syndicate or other association.

No amount has been paid, or agreed to be paid, within the three years preceding the date of the Pre-listing Statement, to any Board Member or to any company in which such Board Member is beneficially interested, directly or indirectly, or of which he is a director ("**associate company**") or to any partnership, syndicate or other association of which he is a member ("**associate entity**"), in cash, securities or otherwise, by any person, either to induce him to become, or to qualify him as a Board Member or otherwise for services rendered by him or by the associate company or the associate entity in connection with the promotion or formation of the GTC Group.

## 5.7 Borrowing powers of Board Members

Under the Articles of Association, a resolution of the Supervisory Board is required, inter alia, for the Company or its subsidiary to execute any transaction, including the incurrence of borrowings, (in the form of a single legal act or a number of legal acts), where the value of such transaction exceeds EUR 20 million.

The borrowing powers have not been exceeded during the previous three years.

## 5.8 Declarations of the Management and Supervisory Boards

None of the Members of the Management and Supervisory Boards of GTC have:

- ever been convicted of an offence resulting from dishonesty, fraud and embezzlement; or
- ever been adjudged bankrupt or been sequestered in any jurisdiction; or
- ever been party to a scheme of arrangement or made any other form of compromise with their creditors; or
- at any time assigned their estate, suspended payment or compounded with their creditors; or
- ever been found guilty in disciplinary proceedings by an employer or regulatory authority, due to dishonest activities; or
- ever been barred from entry into any profession or occupation; or
- ever acted as an executive director of any company at the time of or within the twelve months preceding any of the following events in relation to such company: receiverships, compulsory liquidations, creditors voluntary liquidations, administrations, company voluntary arrangements or any compromise or arrangement with their creditors generally or any class of creditors; or
- ever acted as a partner of any partnership at the time of or within the twelve months preceding any of the following events in relation to such partnership: compulsory liquidations, administrations or partnership voluntary arrangements; or
- ever been disqualified by a court from acting as a director of a company, or from acting in the management or conduct of affairs of any company; or
- ever been the subject of public criticism by statutory or regulatory authorities, including recognised professional bodies.

## 5.9 Relationship information

The Board Members, promoters, the GTC Group and the property managers, do not have any beneficial interests, direct or indirect, in relation to any property held or property to be acquired by the Group nor are they contracted to become a tenant of any part of the property of the Group.

There is no relationship between any parties mentioned above and another person that may conflict with a duty to the Group.

Neither the GTC Group, nor its directors have any beneficial interest, direct or indirect, in any securities to be issued by GTC in order to finance the acquisition of any properties in the Property Portfolio.

Neither the property managers, nor its directors have any beneficial interest, direct or indirect, in any securities or participatory interests to be issued by GTC in order to finance the acquisition of any properties in the Property Portfolio.

No vendors have any beneficial interest, direct or indirect, in any securities or participatory interests to be issued by GTC in order to finance the acquisition of any properties in the Property Portfolio.

The Board Members, the directors of the property managers and promoters have not had a material beneficial interest in the acquisition or disposal of any properties of the Group during the preceding two years.

## 5.10 Provisions of the Articles of Association of GTC

The Articles of Association of the Company are set out in Annexure 8:

## 6. ASSET AND PROPERTY MANAGEMENT

The Group's internal asset management team maintains and manages the Group's portfolio. Within the management process, the Group's team monitors the strengths and weaknesses of purchased properties to optimize the utilization of a given property, maximise operating performance and efficiency, diversify tenant risk and enhance rental income. This process includes monitoring vacancy rates; verifying what new tenants have historically paid for occupied space; checking indexation conditions; identifying free rent periods; verifying the timing of invoicing conditions; verifying the validity of lease guarantees; checking service cost categories in the lease contracts; negotiating lease agreements in cooperation with the Group's leasing team; negotiating contracts with service providers in order to optimize the scope and level of services received for the contracted fee; reviewing service contracts in order to identify the service providers offering the most value and to attempt to optimize the number of service providers across the entire portfolio; withdrawing from unnecessary services arrangements; comparing the contracted scope of services with the services actually delivered; discussing in advance the possibility of extending lease agreements; considering regular technical inspections in order to identify potential issues and avoid significant costs related to the technical condition of the real estate; and monitoring payment delays and establishing collection procedures for overdue rent.

The Group's asset management team not only focuses on maintaining the real estate in the proper condition, keeping it occupied with tenants, improving the income stream, ensuring the timely collection of rent and keeping detailed maintenance records, but is also ready to respond to the requests of tenants, monitor their activities with regard to lease requirements and continually assess tenant satisfaction. The Group's asset management team is responsible for the management of the structures and outdoor areas, including electricity, plumbing, appliances, etc. They also maintain relationships with contractors and repair companies and constantly monitor the quality of all repairs. They negotiate all service contracts to ensure the high quality of their premises. They also attempt to stay informed on the laws and property management practices and procedures designed to enhance the value of a property.

The Group's team is responsible for creating and implementing effective leasing strategies, monitoring the current situation on the real estate leasing market, and updating presentations and marketing materials to reflect current market objectives and tenant needs. During later stages of the process the team coordinates the work on preliminary agreements as well as the fit-out designs agreed between tenants and architects. Moreover, it monitors the final valuation of fit-out costs so that such costs are in line with budget figures.

During the process, lease agreements are negotiated, and proposals and financial offers are made. The Group's team is also actively involved presenting premises, drafting lease agreements and preparing amendments to existing lease agreements.

The final stage includes closing deals and preparing final documentation for signing.

The Group, if it proves necessary, cooperates with brokers and advisors when closing transactions and utilises its internal legal department in order to address all legal issues as they arise.

## 7. MAJOR AND CONTROLLING SHAREHOLDERS

As of the Last Practicable Date, based on the most recent representations regarding the appointment of the Supervisory Board members, the major shareholders that, directly or indirectly, are beneficially interested in 5% or more of the issued GTC Shares are LSREF III GTC Investments B.V. (“LSREF”) and two open pension funds:

Shareholder	Number of shares held	% interest
LSREF III GTC Investments B.V.	278,849,657	61%
OFE PZU Złota Jesień	47,847,000	10%
AVIVA OFE AVIVA BZ WBK	32,922,000	7%
<b>Total</b>	<b>359,618,657</b>	<b>78%</b>

Lone Star is a leading private equity firm that invests globally in real estate, equity, credit and other financial assets. Since the establishment of its first fund in 1995, Lone Star has organized sixteen private equity funds with aggregate capital commitments of approximately USD 65 billion. LSREF is indirectly owned by Lone Star Real Estate Fund III (U.S.), L.P., and Lone Star Real Estate Fund III (Bermuda), L.P. (the Funds), which are private equity funds specializing in commercial real estate and related investments. Lone Star Real Estate Partners III, L.P. is the general partner of each of the Funds.

As a result of the implementation of the Inward Listing, there will be no change in controlling shareholder.

The following table shows the major / controlling shareholders and the Board Members appointed by them:

LSREF	Alexander Hesse, Philippe Couturier, Katharina Schade, Jan Düdden
OFE PZU Złota Jesień	Ryszard Koper, Tomasz Styczyński
AVIVA OFE AVIVA BZ WBK	Marcin Murawski

Mariusz Grendowicz was appointed as the Independent Supervisory Board Member by the General Meeting at the request of the Management Board.

## 8. DETAILS OF THE PROPERTY PORTFOLIO

### 8.1 Overview

The Group believes that the Property Portfolio is characterised by the following key features:

- based on the Valuation Reports, as of 31 December 2015 the current valuation of the Properties Portfolio is EUR 1,336,188 thousand; the book value of the total portfolio amounts to EUR 1,324,413 thousand;
- as of 31 December 2015, 39% of the book value of the completed projects in Property Portfolio and over 60% of the book value of the projects in the Group's projects under construction and landbank are accounted for by Polish properties;
- as of 31 December 2015, completed properties constitute approximately 80% of the book value of the Property Portfolio;
- as of 31 December 2015 investment properties (properties not related to residential activity) account for 97% of the total book value of the Property Portfolio, residential activity and assets held for sale constitute 3% of the total book value of the Property Portfolio;
- the portfolio of completed office and retail projects includes, as of 31 December 2015, 25 completed assets in 14 towns in 6 countries, including 20 office projects, and 5 retail projects;
- the portfolio of completed office and retail projects comprises (as of 31 December 2015): approximately 365 thousand sqm NRA of office space, 159 thousand sqm NRA of retail space, and 1 thousand sqm of sellable space in residential projects, out of which the Group's proportional interest amounts to approximately 365 thousand sqm NRA, 135 thousand sqm of NRA and 1 thousand sqm, respectively; and
- completed commercial properties, including office and retail projects are 92% let to quality tenants with a weighted average lease term (by rental income) of 3.4 years as of 31 December 2015.

The commercial portfolio has attracted a number of high profile tenants, including IBM, Exxon Mobil, Microsoft and Citigroup. The tenant with the largest office space of approximately 29,000 sqm, or 5% of the total NRA leases almost

the entire Spiral office building in Budapest. The current lease profile provides the Group with a stable income for a significant portion of the portfolio, at the same time providing opportunities to re-negotiate the leases in phased stages and capture a higher rent on roll-overs in certain properties. The covenant quality of the current tenants in the portfolio provides a stable income stream supported by lease payment guarantees.

According to the Valuation Reports, the total value of the Group's portfolio as at 31 December 2015 amounts to EUR 1,336,188 thousand. The aggregate book value of such portfolio is, however, EUR 1,324,413 thousand. The difference between the above values results primarily from:

- (i) the fact that investment properties under construction and the residential landbank are presented in the Group's financial statements at the lower of historical cost and their fair market value, whereas the Valuation Reports present the fair market value of such properties; and
- (ii) the provisions made to cover the costs of completion or fit-out of commercial space.

## 8.2 Analysis of the Property Portfolio

An analysis of the Property Portfolio in respect of sectoral, geographic, tenant, vacancy and lease expiry profiles, rental and yield information as at 31 December 2015 is provided in the tables below, based on the income-producing property portfolio.

A detailed list of the properties comprising the Property Portfolio appears in Annexure 2.

### 8.2.1 Geographic profile

	Rentable area per geography	Contracted rentable income per geography
Bulgaria	12%	7%
Croatia	7%	10%
Hungary	22%	18%
Poland	35%	38%
Romania	12%	13%
Serbia	12%	13%
<b>Total</b>	<b>100%</b>	<b>100%</b>

### 8.2.2 Sectoral profile

	Rentable area per sector	Contracted rentable income per sector
Office	70%	69%
Retail	30%	31%
<b>Total</b>	<b>100%</b>	<b>100%</b>

### 8.2.3 Tenant profile

	Based on GLA
A	30%
B	14%
C	56%
<b>Total</b>	<b>100%</b>

For the tenant profile table, the following key is applicable:

- A. Tenants occupying rentable area in excess of 5,000 sqm, comprising large international and national tenants, large listed tenants, government and major franchises. These include, *inter alia*, IBM, HP, Exxon, Zara (Inditex), H&M, Microsoft, HP, Cinema City.



- B. Tenants occupying rentable area between 1,000 sqm – 5,000 sqm comprising smaller international and national tenants, smaller listed tenants, major franchisees and medium to large professional firms. These include, *inter alia*, State Street, C&A, Millennium Bank, Citibank
- C. Other local tenants and sole proprietors. This comprises approximately 700 tenants.

#### 8.2.4 Vacancy profile

Sector	Vacancy based on rentable area
Office	7.2%
Retail	11.3%
<b>Total</b>	<b>8.4 %</b>

#### 8.2.5 Lease expiry profile

As at 31 December 2015	% of rentable area	% of rental income
< 1 year	14%	16%
1 – 2 years	16%	15%
2 – 3 years	19%	19%
3 – 4 years	15%	19%
4 – 5 years	20%	18%
> 5 years	17%	14%
<b>Total</b>	<b>100%</b>	<b>100%</b>

As at 31 December 2015	Office (by GLA)	Office (by rental income)	Retail (by GLA)	Retail (by rental income)
< 1 year	14%	17%	10%	13%
1 – 2 years	18%	17%	10%	9%
2 – 3 years	21%	22%	11%	8%
3 – 4 years	10%	12%	33%	44%
4 – 5 years	23%	20%	12%	9%
> 5 years	13%	13%	25%	17%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

#### 8.2.6 Weighted average rental per square metre

The weighted average rental per sqm per sector is presented in the table below.

Sector	€ / sqm per month
Office	14.1
Retail	14.5
<b>Total</b>	<b>14.3</b>

#### 8.2.7 Weighted average rental escalation profile

Sector	€ / sqm per month
Office	14.1
Retail	14.5
<b>Total</b>	<b>14.3</b>

### 8.2.8 Average annualised property yield

The average annualised property yield in the property portfolio based on contracted rentable income as at 31 December 2015 is 7.9%.

## 9. VENDORS

Details relating to the vendors of properties purchased by the Group in the preceding three years as at the Last Practicable Date are set out in Annexure 4.

No goodwill has been recognised in respect of the properties acquired.

The vendors of the properties acquired did not guarantee the book debts of the letting enterprises acquired by the Group. In respect of the sold properties, the vendors gave to the Group warranties customary for the transactions of this type, including the warranties relating to the legal title and certain business issues (including, in particular, the lease agreements with tenants). The liability under such warranties is limited in time and amount.

The agreements entered into between GTC and each of the vendors of the properties do not preclude the vendors from carrying on business in competition with GTC nor do the vendor agreements impose any other restrictions on the vendors and no payment in cash or otherwise has been made in this regard.

There are no liabilities for accrued taxation that will be settled in terms of the vendors' agreements.

No promoter or Board Member (or any partnership, syndicate or other association in which a promoter or Board Member had an interest) had any beneficial interest, direct or indirect in any transaction relating to any of the properties, assets or business undertakings.

No cash or securities have been paid or any benefit given within the three preceding years of this Pre-listing Statement or is proposed to be paid or given to any promoter (not being a Board Member).

The properties, assets or business undertakings referred to in Annexure 4 have been transferred into the GTC Group. The assets referred to in Annexure 4 have not been ceded or pledged to any third party.

## 10. HISTORICAL FINANCIAL INFORMATION

GTC reports quarterly interim results and are fully disclosed on GTC's website at [www.ir.gtc.com.pl/en/](http://www.ir.gtc.com.pl/en/)

The historical financial information of GTC for the years ended 31 December 2015, 31 December 2014 and 31 December 2013 is fully disclosed on GTC's website at [www.ir.gtc.com.pl/en/](http://www.ir.gtc.com.pl/en/)

The historical financial information is the responsibility of the Board Members of GTC.

## 11. SHARE CAPITAL

The authorised and issued ordinary share capital of the Company is set out below:

- 139,286,210 series A Shares of PLN 0.10 nominal value each;
- 1,152,240 series B Shares of PLN 0.10 nominal value each;
- 235,440 series B1 Shares of PLN 0.10 nominal value each;
- 8,356,540 series C Shares of PLN 0.10 nominal value each;
- 9,961,620 series D Shares of PLN 0.10 nominal value each;
- 39,689,150 series E Shares of PLN 0.10 nominal value each;
- 3,571,790 series F Shares of PLN 0.10 nominal value each;
- 17,120,000 series G Shares of PLN 0.10 nominal value each;
- 100,000,000 series I Shares of PLN 0.10 nominal value each;
- 31,937,298 series J Shares of PLN 0.10 nominal value each; and
- 108,906,190 series K Shares of PLN 0.10 nominal value each.

As at the date of this Pre-listing Statement, all 460,216,478 shares are traded on the regulated market of the WSE and will be listed on the JSE Main Board. As of the date of this Pre-listing Statement, all shares have been fully paid up and rank pari passu with each other (including in the event of the liquidation of the Company) and are traded on the regulated market under the same ISIN code. There are several series of shares in the Company, because under Polish law

whenever new shares are issued they are assigned a new series designation; it is a requirement of Polish law which allows for a share capital increase to be registered by the registry court.

GTC's share premium account totals €499,288. No GTC Shares are held in treasury.

As at the date of this Pre-listing Statement series H Shares have not been issued by GTC. The series H Shares were to be issued in the process of a conditional share capital increase to the holders of subscription warrants. As the deadline for subscriptions expired on 31 December 2010 without any holders of subscription warrants having exercised their rights, no series H Shares were issued and the authorisation to issue the series H Shares expired.

As of the date of the Pre-listing Statement, there are no arrangements in place for involving the employees in the share capital of the Company.

### 11.1 Rights attaching to shares

Rights and obligations related to GTC Shares are determined by the Commercial Companies Code, the Act on Trading in Financial Instruments, the Act on Public Offering, and the Articles of Association. In particular the following rights are related to GTC Shares:

- Shareholders have the right to dispose of Shares;
- Shareholders have the right to a share in the profit reflected in the annual, stand-alone financial statements audited by an independent auditor and approved by a resolution in General Meeting to be paid out to Shareholders (i.e. the right to a dividend);
- Shareholders have the right to subscribe for newly issued Shares in the Company pro rata to the number of Shares already held (i.e. pre-emption right);
- if the Company is liquidated, any assets remaining after satisfaction or securing the creditors shall be divided among Shareholders on a pro rata basis in relation to the contributions the Shareholders made to the share capital;
- Shareholders are entitled to the right to vote at General Meetings;
- Shareholder(s) representing at least one half of the Company's share capital or at least one half of the total number of votes may convene an extraordinary General Meeting and put certain matters on the agenda of such General Meeting;
- Shareholder(s) representing at least one twentieth of the Company's share capital may request that an extraordinary General Meeting be convened and certain matters be put on the agenda of such General Meeting;
- Shareholder(s) representing at least one twentieth of the Company's share capital may request that particular matters be put on the agenda of the nearest General Meeting;
- Shareholder(s) representing at least one twentieth of the Company's share capital may before the date of a General Meeting propose to the Company draft resolutions regarding matters put on the agenda of the General Meeting or matters to be put on the agenda, in writing or electronically;
- Each Shareholder has the right to demand the issue of duplicates of the motions concerning the matters included in the agenda of the next General Meeting;
- Each Shareholder has the right to demand the issue of duplicates of the Management Board's reports on the Company's operations and the financial statements, including a duplicate of the Supervisory Board's report and the audit opinion no later than 15 days before a General Meeting;
- At the request of Shareholders holding one-tenth of the share capital represented at the General Meeting, the list of participants should be verified by a committee selected for this purpose and consisting of at least three members;
- The Management Board is required, at the request of any Shareholder, to provide such Shareholder during the General Meeting with information regarding the Company if such information is required for the assessment of the matter included on the agenda of the General Meeting;
- Shareholders of the Company have the right to request an election of the Supervisory Board by separate groups;
- Pursuant to Article 84 of the Act on Public Offering, at the request of a Shareholder(s) who hold at least five percent of the total number of votes, the General Meeting may pass a resolution to appoint an auditor, at the expense of the Company, to audit a specific matter related to the establishment of the Company or the management of its affairs.

## 11.2 Restrictions on the free transferability of the Shares

The Act on Public Offering, the Act on Trading in Financial Instruments and the Polish Commercial Companies Code impose, *inter alia*, the following restrictions on the free transferability of Shares:

- an obligation to notify the PFSA and the Company which is imposed:
  - (i) on anyone who has reached or exceeded 5%, 10%, 15%, 20%, 25%, 33%, 33⅓%, 50%, 75% or 90% of the total number of votes in a public company;
  - (ii) on anyone who holds at least 5%, 10%, 15%, 20%, 25%, 33%, 33⅓%, 50%, 75% or 90% of the total number of votes in such company, and as a result of reducing that share, has reached respectively, 5%, 10%, 15%, 20%, 25%, 33%, 33⅓%, 50%, 75% or 90% or fewer of the general number of votes;
  - (iii) if there is a change in the previously held shareholding of over 10% of the overall number of votes by at least 2% of the overall number of votes in a publicly listed company the shares of which are admitted to trading on an official stock exchange trading market;
  - (iv) if there is a change in the previously held shareholding of over 33% of the overall number of votes in a public company by at least 1% of the overall number of votes;
- an obligation to announce a tender offer for sale or exchange of shares which arises in the event of:
  - (i) a purchase of shares which increases the proportion of the voting rights held by a shareholder by more than 10% or 5% of the total number of votes at the General Meeting (within a certain timeframe, depending on the level of shareholding);
  - (ii) exceeding the threshold of 33% of the total number of votes at the General Meeting;
  - (iii) exceeding the threshold of 66% of the total number of votes at the General Meeting;
- a prohibition on purchasing or selling financial instruments, on one's own account or on the account of a third party, by persons in possession of inside information or during a restricted period. Under the current regulations, the duration of the restricted periods prior to the publication of the financial statements are two months, one month and two weeks preceding the publication of an annual, semi-annual or quarterly report, respectively, unless the person subject to the restricted period had no access to the financial data on the basis of which such report was prepared;
- a prohibition on purchasing or selling financial instruments during the restricted period by certain persons as set out in the Act on Trading in Financial Instruments;
- a controlling company within the meaning of Article 4 section 1 item 4) of the Commercial Companies Code is required to notify its subsidiary of its controlling position within two weeks of attaining such position. Otherwise the exercise of the voting rights from the shares representing more than 33% of the subsidiary's share capital will be suspended.

From 3 July 2016, the Polish regulations concerning, *inter alia*, inside information, market manipulation and restricted periods will be replaced with the provisions of Regulation (EU) No 596/2014 of the European Parliament and of the Council dated 16 April 2014 on market abuse (the market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC (the "MAR"). In particular, under the MAR, the restricted period will last 30 days before the disclosure of a given periodic report.

## 11.3 Preferential conversion rights, voting rights and rights to dividends

The Company has not issued any partly paid GTC Shares nor any convertible securities, exchangeable securities or securities with warrants. The Company does not hold any shares in treasury. There are no shares in the issued share capital of the Company that do not represent capital.

All GTC Shares in issue rank *pari passu* with each other. The rights attaching to the ordinary GTC Shares are uniform in all respects and they form a single class for all purposes. Holders of ordinary shares have uniform voting rights and rights to dividends or distributions in proportion to the number of ordinary shares they hold at any time.

The GTC Shares are not preferred as far as voting rights, rights to dividend or the division of assets in the event of the liquidation of the Company.

## 11.4 Options and Preferential Rights in respect of GTC Shares

There are no preferential conversion, redemption and/or exchange rights in respect of any of the GTC Shares or other securities.

## 11.5 Alterations to Share capital

Set out below is a summary of alterations to the issued share capital of the Company during the preceding three years:

- On 21 October 2015 the competent registry court registered the increase of the Company's share capital from PLN 35,131,028.80 to PLN 46,021,647.80 through the issuance of 108,906,190 series K ordinary bearer shares in the Company with a nominal value of PLN 0.10 (ten groszy) each. The share capital increase was made by way of a rights issue (issuance of pre-emptive rights to the existing shareholders of the Company). The subscriptions for the newly issued shares were accepted between 14 and 21 September 2015. The shares were allotted on 30 September 2015. The issue price at which the shares were subscribed for was PLN 5.47. The newly issues series K shares have been listed on the regulated market operated by the WSE since 7 October 2015. GTC's intention was to raise capital and use the majority of the net proceeds of the rights issue for the realisation of its strategy that assumes acquiring income generating assets and the development of selected projects.
- On 14 February 2014 the competent registry court registered the increase of the Company's share capital from PLN 31,937,299 to PLN 35,131,028.80 through the issuance of 31,937,298 series J ordinary bearer shares in the Company with a nominal value of PLN 0.10 (ten groszy) each. The share capital increase was made by way of a private placement, with the exclusion of the pre-emptive rights of the existing shareholders of the Company. The bookbuilding process was carried out on 9 and 10 January 2014, and the subscription agreements for the Series J Shares were executed between 13 and 16 January 2014. The issue price at which the shares were subscribed for was PLN 7.00. The newly issues series J shares have been listed on the regulated market operated by the WSE since 14 March 2014.

There have been no consolidations or sub-divisions of GTC Shares in the three preceding years.

As of the Last Practicable Date there are no authorized but unissued shares in GTC.

## 12. MATERIAL COMMITMENTS, LEASE PAYMENTS AND CONTINGENT LIABILITIES

Other than as disclosed in this Pre-listing Statement at the Last Practicable Date, the Group had no material commitments, lease payments or material contingent liabilities.

## 13. MATERIAL BORROWINGS AND LOANS RECEIVABLE

Details of material borrowings advanced to the Group and by the Group as at the Last Practicable Date are set out in Annexure 5.

None of the material borrowings listed in Annexure 5 has any redemption or conversion rights attaching to them.

None of the material borrowings listed in Annexure 5 are repayable within the next 12 months.

None of the material borrowings listed in Annexure 5 have been created in terms of any trust deed or otherwise by the Company or any subsidiary or issued by way of conversion or replacement of debentures previously issued.

The borrowings set out in Annexure 5 arose in respect of the acquisitions of investment properties and companies holding investment properties.

No loans have been made or security furnished by the Group for the benefit of any Board Member, manager or associate of any Board Member or manager of the Group.

Save as disclosed in note 32 of the historical financial information of GTC for the year ended 31 December 2015, the Group has not entered into any other inter-company financial or other transactions during such year.

As at the Last Practicable Date, the Group has not undertaken any off-balance sheet financing.

As at the Last Practicable Date, the Group does not have any material loans receivables.

## 14. DIVIDENDS AND DISTRIBUTIONS

### 14.1 Dividend Policy

In the short run, the Company will use earnings to finance value-add acquisitions and development projects in order to enhance the Group's income-generating portfolio and increase cash flow generation. Provided that such growth is ensured, the Management Board will recommend to the shareholders distributing funds in excess of the operating needs and investment opportunities.

No dividend has been paid in the last five years.

The Management Board's recommendations as to the distribution of dividends will be affected, among others, by the following factors: the amount of the net profit set forth in the Company's stand-alone financial statements, the current

cost and availability of debt financing, the Company's capital expenditure requirements and planned acquisitions, the share of external financing in the Company's overall equity and applicable laws. The Company's dividend policy will be periodically reviewed by the Management Board, and decisions on the distribution of dividends will be made by the ordinary (Annual) General Meeting.

## **14.2 Rules Governing Payments of Dividend and Interim Dividend**

The Company's shareholders have the right to a share in the profit reflected in the annual, stand-alone financial statements audited by an independent auditor and approved by a resolution of the General Meeting to be paid out to the Company's shareholders (the right to dividend).

At the General Meeting, the governing body decides on profit distribution and dividend payment. At the annual General Meeting resolutions are adopted with respect to whether and what part of the profit reflected in the financial statements audited by an independent auditor will be allocated for distribution. The annual General Meeting must be held within six months of the end of the financial year, which, in the case of the Company, is by the end of June.

The obligations of the ordinary General Meeting include the establishment of the dividend date and the dividend payment date. The dividend date may be set as the date of adoption of the resolution or within the three months following such date.

The amount allocated for distribution among the Company's shareholders may not exceed the profit for the last financial year, increased by undistributed profits from previous years and by such amounts transferred from the supplementary capital and reserve capitals created out of profit which may be allocated for payment of a dividend. However, such amount must be reduced by unaccounted losses from previous years, own shares held, and such portions of profit from the preceding financial year which, according to the Commercial Companies Code or the Articles of Association, must be assigned to the supplementary capital and reserve capitals.

The Management Board may make an interim payment of the anticipated dividend for the end of the financial year to the Company's shareholders, provided that the Company has sufficient funds for such payment and the approved financial statements for the previous financial year indicate profit. The disbursement of such interim payment requires the approval of the Supervisory Board. The interim dividend may not exceed the half of the profits generated by the end of the previous financial year shown in the financial statements audited by an auditor, increased by reserve capitals created out of the profit which can be disposed of by the Management Board, and reduced by unaccounted losses from previous years and own shares held.

All of the GTC Shares carry equal rights to dividends and to advance dividend payments and entitle their holders to participate in the Company's profit from the date of their purchase, provided that the date set for the distribution of profits by the General Meeting is later than the date of purchase (or registration) of the GTC Shares. Persons who have the Shares registered on their securities accounts as of the dividend day or persons authorised to the dematerialised Shares registered in an omnibus account have the right to dividends.

The terms and conditions of Series 2012 Bonds and Series 2014 Bonds issued by the Company provide that any payment in favour of the Company's shareholders and their groups, including dividend, as well payments under shareholder loans, including interest, will be subordinated to payments under the bonds, if any event of default occurs or may occur as a consequence of any such payment.

Certain loan agreements concluded by companies from the Group provide that if a company from the Group declares or pays any dividend or makes any other distribution in respect of any of its shares, the lender may:

- (i) cancel all or any part of the advances which were disbursed under the agreement but not utilized;
- (ii) demand the establishment of additional security interest; or
- (iii) terminate the loan agreement in whole or in part.

Moreover, any breach of terms of the Group's credit facility agreements may result in the inability to pay dividend as provided in the said agreements. Certain loan agreements specify that this restriction does not apply:

- (i) if prior written consent was issued by the lender; or
- (ii) if the payments were made to the Group's creditors in accordance with subordination agreements concluded between the lender, the borrower and the borrower's shareholder subordinating the shareholder loan.

Subject to the above, there are no arrangements in terms of which future dividends are waived or agreed to be waived.

## **15. MATERIAL CHANGES**

Since 31 December 2015, no changes in the financial circumstances or business position of the Group have occurred except for the events disclosed in note 36 to the consolidated financial statements of the Group as of and for the year ended 31 December 2015.

**16. STATEMENT AS TO LISTING ON THE JSE AND THE WSE**

GTC Shares are currently listed on the main market of the Warsaw Stock Exchange, which constitutes its primary listing.

The JSE has granted GTC a secondary listing of all of its 460,216,478 issued shares on the JSE Main Board under the abbreviated name: GTCSA, JSE share code: GTC and ISIN: PLGTC0000037 with effect from the commencement of trade on 18 August 2016.

**17. MATERIAL PROPERTIES, ASSETS AND BUSINESS UNDERTAKINGS ACQUIRED OR TO BE ACQUIRED**

Other than in respect of the properties disclosed in Annexure 2, no other material immovable properties and/or fixed assets and/or business undertakings have been acquired by the Group within the past three years or are in the process of being or are proposed to be acquired by the Group (or which the Group has an option to acquire).

**18. MATERIAL PROPERTIES, ASSETS AND BUSINESS UNDERTAKINGS DISPOSED OF OR TO BE DISPOSED OF**

Other than in respect of the properties disclosed in Annexure 2, no other material properties or subsidiaries or business undertakings have been disposed of in the three years preceding the Last Practicable Date or are intended to be disposed of within six months of listing on the JSE.

**19. MATERIAL CONTRACTS**

Save for those contracts set out in Annexure 6, the Group has not entered into any other material contracts, being a contract entered into otherwise than in the ordinary course of business or a financing agreement with the value in excess of EUR 25 million as of the Last Practicable Date, within the two years prior to the date of this Pre-listing Statement or at any time containing an obligation or settlement that is material to the Group at the date of this Pre-listing Statement.

**20. COMMISSIONS PAID OR PAYABLE**

There have been no commissions paid or payable in respect of underwriting by the Company in the three years preceding the date of this Pre-listing Statement.

Other than as detailed below, no other commissions, discounts or brokerages have been paid nor have any other special terms been granted in connection with the issue or sale of any GTC Shares in the share capital of the Company, in the three years preceding the date of this Pre-listing Statement.

- The total costs that were recognised as the costs of the issuance of the series J shares in 2014 amounted to PLN 3.7 million; and
- The total costs that were recognised as the costs of the issuance of the series K shares in 2015 amounted to PLN 10.5 million.

The Group is not subject to any royalty agreements or other management agreements and no royalties are payable by the Group.

**21. GOVERNMENT PROTECTION AND INVESTMENT ENCOURAGEMENT LAW**

There is no government protection or any investment encouragement law pertaining to any of the businesses operated by the Group in any of the jurisdictions in which it operates.

**22. SOUTH AFRICAN EXCHANGE CONTROL REGULATIONS**

GTC has obtained approval from the SARB for the listing of the company's shares in the "Real Estate Holdings and Development" sector on the Main Board of the JSE, which listing is classified as an "inward listing" in terms of the South African Exchange Control Regulations.

GTC Shares are currently listed on the main market of the WSE, which constitutes its primary listing. GTC Shares are included in the "WIG-Deweloperzy" index of the WSE.

A summary of the South African Exchange Control regulations relating to the acquisition of shares after the listing on the JSE is set out below.

Exchange Control Regulations currently do not apply to the borrowings of the Company as this will be raised outside of South Africa with no recourse to South Africa.

Exchange Control Regulations restrict the export of capital from the Common Monetary Area, without the prior consent of the South African Reserve Bank. The Exchange Control Regulations apply to transactions involving South African residents, including both natural persons and legal entities.

The following summary is intended as a guide and is therefore not comprehensive. If you are in any doubt in regard hereto, please consult your professional advisor or authorised dealer:

## **22.1 South African individuals**

South African individuals will be able to acquire units of foreign entities that are inward listed on the JSE, as GTC will be, without restriction. Such shares are reflected on the South African register and are Rand-denominated. Consequently, an acquisition of GTC Shares by a South African individual will not affect such individual's offshore investment allowance.

South African individuals need not take any administrative actions and can instruct their broker to buy and sell GTC Shares on their behalf as they would with any other listed security on the JSE.

## **22.2 South African institutional investors**

As announced by the Minister of Finance in the 2011 Medium Term Budget Policy Statement all inward listed shares / units on the JSE, traded and settled in Rand, are now classified as domestic for the purposes of exchange control. Accordingly, South African retirement funds, long-term insurers, collective investment scheme management companies and investment managers who have registered with the SARB Financial Surveillance Department as institutional investors for exchange control purposes and Authorised Dealers approved as such by the SARB may now invest in such shares / units without affecting their permissible foreign portfolio investment allowances or foreign exposure limits.

South African institutional investors may therefore acquire GTC Shares on the market without affecting their foreign portfolio investment allowances or foreign exposure limits.

## **22.3 Member brokers of the JSE**

In terms of Section H(E) of the SARB Exchange Control Rulings, a special dispensation was provided to local brokers to facilitate the trading in shares of foreign companies. South African brokers are now allowed, as a book building exercise, to purchase GTC Shares offshore and to transfer them to GTC's South African share register. This special dispensation is confined to shares of inward listed companies and brokers may warehouse such shares for a maximum period of 30 days only.

## **22.4 South African corporate entities, banks, trusts and partnerships**

South African corporate entities, trusts and partnerships may invest in instruments that are inward listed on the JSE without restriction. A South African corporate entity need not take any additional administrative actions and can instruct its broker to accept, buy, and sell Shares on its behalf as it would with any other listed security on the JSE.

## **22.5 Non-residents of the Common Monetary Area**

Non-residents of the Common Monetary Area may acquire GTC Shares on the JSE, provided that payment is received in foreign currency or Rand from a non-resident account at a South African registered bank in Rands.

Non-residents of the Common Monetary Area may sell GTC Shares on the JSE and repatriate the proceeds without restriction.

Former residents of the Common Monetary Area who have emigrated may use blocked funds to acquire GTC Shares on the market.

## **22.6 Movement of GTC Shares between registers**

GTC Shares are fully fungible and may be transferred between the South African and Warsaw share registers. Eligible South African shareholders may only acquire GTC Shares via the JSE, which are already on the South African share register maintained by the SA transfer secretaries. Member brokers of the JSE may acquire GTC Shares on foreign exchanges and transfer them to the South African share register. Non-residents are not subject to the South African Exchange Control Regulations and may freely transfer GTC Shares between registers.

## **23. CORPORATE GOVERNANCE PRACTICES**

The Board has outlined its corporate governance practices in Annexure 7.

## **24. ADVISORS TO THE COMPANY**

The salient details relating to the advisors of the Company are set out in the "Corporate Information" section. None of the advisors have an interest or will acquire an interest in GTC.



**25. ADEQUACY OF CAPITAL**

The Board Members are of the opinion that the working capital available to the Group post the Inward Listing is sufficient for the Group's present requirements, that is, for at least the next 12 months from the date of issue of this Pre-listing Statement.

**26. LITIGATION STATEMENT**

There are no legal or arbitration proceedings, including any proceedings that are pending or threatened, of which GTC is aware, that may have or have had in the recent past, being at least the previous 12 months, a material effect on the Group's financial position.

**27. BOARD MEMBERS RESPONSIBILITY STATEMENT**

The Board Members, whose names are given in paragraph 5 of this Pre-listing Statement, collectively and individually, accept full responsibility for the accuracy of the information given herein and certify that, to the best of their knowledge and belief, no facts have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this Pre-listing Statement contains all information required by law and the JSE Listings Requirements.

**28. CONSENTS**

Each of the South African Corporate Advisor and Sponsor, the Polish and South African Legal Advisors, the South African Transfer Secretary and The Custody and Settlement Agent have consented in writing to act in the capacities stated and to their names appearing in this Pre-listing Statement and have not withdrawn their consent prior to the publication of this Pre-listing Statement.

**29. INWARD LISTING EXPENSES**

Details	Payable to	USD ('000)	ZAR ('000)
Corporate advisor and sponsor fee	Investec Bank Limited	60	900
Legal Fees (Polish Advisors)	Weil, Gotshal & Manges – Paweł Rymarz sp.k.	17	256
Legal Fees (South African Advisors)	Werksmans Attorneys	70	1,050
JSE documentation fee	JSE	8	124
JSE listing fees	JSE	82	1,226
Transfer secretary	Computershare	3	45
Sundry	Sundry	57	852
<b>TOTAL</b>		<b>297</b>	<b>4 453</b>

**30. INCLUSION BY REFERENCE**

The information below is the most recent available to GTC and is available on GTC's website at <http://gtc.com.pl/en/>. The documents are also available for inspection at the Company's registered office or from the office of GTC's Sponsor, Investec Bank, 100 Grayston Drive, Sandown, during business hours, at no charge for 14 days after the Last Practicable Date.

Board Member's remuneration	Consolidated Annual Report Item 12.8	<a href="http://ir.gtc.com.pl/~media/Files/G/Gtc-IR/reports/2015/consolidated-ar-2015-170316-en.pdf">http://ir.gtc.com.pl/~media/Files/G/Gtc-IR/reports/2015/consolidated-ar-2015-170316-en.pdf</a>
Shares in GTC held by members of the Management Board and Supervisory Board	Consolidated Annual Report Item 13	<a href="http://ir.gtc.com.pl/~media/Files/G/Gtc-IR/reports/2015/consolidated-ar-2015-170316-en.pdf">http://ir.gtc.com.pl/~media/Files/G/Gtc-IR/reports/2015/consolidated-ar-2015-170316-en.pdf</a>
Historical Financial Information	GTC website – Financial Reports	<a href="http://ir.gtc.com.pl/en/reports/financial-reports">http://ir.gtc.com.pl/en/reports/financial-reports</a>
Report on the application of the principles of corporate governance	GTC website - Compliance	<a href="http://ir.gtc.com.pl/en/corporate-governance/compliance/2016">http://ir.gtc.com.pl/en/corporate-governance/compliance/2016</a>
Rules and Regulations of the Supervisory Board	GTC website – Corporate Bylaws	<a href="http://ir.gtc.com.pl/en/corporate-governance/corporate-bylaws">http://ir.gtc.com.pl/en/corporate-governance/corporate-bylaws</a>

### 31. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents, or copies thereof, will be available for inspection at the Company's registered office or the offices of the Corporate Advisor at any time during business hours on weekdays (official public holidays excluded) between 11 August 2016 and 31 August 2016:

- the Articles of Association;
- a signed copy of this Pre-listing Statement;
- the historical financial information of the Company detailed in paragraph 10 and Annexure 10 ;
- the written consents of the experts detailed in paragraph 28; and
- All material contracts as detailed in Annexure 6.

Signed by both Members of the Management Board of the Company on 5 July 2016.

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**Thomas Kurzmann**

5 July 2016  
Warsaw

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**Erez Boniel**

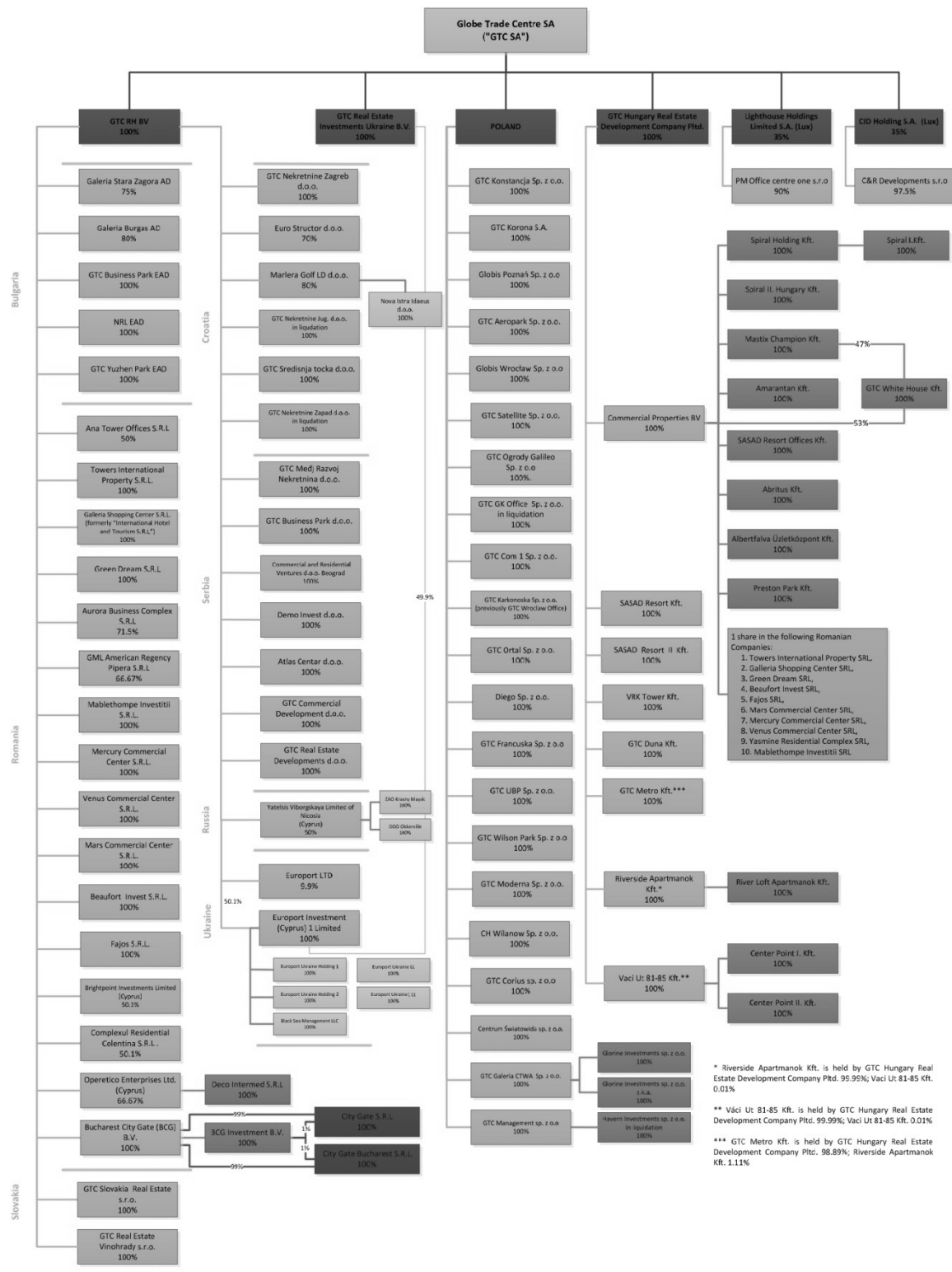
5 July 2016  
Warsaw

## Annexure 1

## GROUP STRUCTURE

As of the Last Practicable Date, the Group consisted of the Company and 99 entities directly or indirectly controlled by the Company and in seven jointly controlled and associated entities. The object of the activity carried out by companies from the Group includes development and management of real properties. The subsidiaries and the Company's joint ventures, associated companies operate in, inter alia, Poland, Romania, Hungary, Slovakia, Croatia, Bulgaria, Serbia, the Czech Republic, in Russia and in Ukraine.

The following chart presents the structure of the Group:



## Annexure 2

## PROPERTY PORTFOLIO

The property portfolio of GTC as at 31 December 2015 is set out below:

Property name	Physical address	Region	Sector	Freehold / Leasehold	Tenure of leasehold	Rentable area (sqm)	Vacancy (%)	Effective date of acquisition (i.e. completion of development)	Shareholding	Independent Valuer*	Date of valuation	Major Tenants
<b>COMPLETED COMMERCIAL PROPERTIES</b>												
Galeria Jurajska	Al. Wojska Polskiego 207	Czestochowa, Poland	Retail	Leasehold	2089	48,677	10%	2005	100%	Savills	31/12/2015	C&A, TK Maxx, H&M, Zara
Galleria Piatra Neamt	PIATRA NEAMT, 2 PLAIESULUI STREET	Piatra, Romania	Retail	Freehold	n/a	13,262	5%	2009	100%	Colliers	31/12/2015	Penny Supermarket, Takko, New Yorker, DEICHMANN, CCC, Flanco
Galleria Stara Zagora	30 Han Asparuh Street, Stara Zagora	Stara Zagora, Bulgaria	Retail	Freehold	n/a	24,628	22%	2010	75%	Savills	31/12/2015	Inditex, H&M
Galleria Burgas	6 Yanko Komitov Street, Burgas	Burgas, Bulgaria	Retail	Freehold	n/a	36,724	16%	2012	80%	Savills	31/12/2015	Inditex, H&M, Carrefour
Avenue Mall Zagreb	Avenija Dubrovnik 16; 10 000 Zagreb	Zagreb, Croatia	Retail	Freehold	n/a	36,138	3%	2007	70%	Savills	31/12/2015	H&M, Zara, Muller
Globis Wrocław	POWSTAŃCÓW ŚLĄSKICH 7A	Wrocław, Poland	Office	Leasehold	2089	15,455	6%	2008	100%	Cushman	31/12/2015	HP, Medicover, Raiffeisen Bank
Zephyrus (Warsaw Aeropark Business Centre 2)	17 Stycznia 45	Warsaw, Poland	Office	Leasehold	2089	9,113	7%	2008	100%	Cushman	31/12/2015	Novo Avon, Pandora, Enter Air
Paskal (Kraków Korona Office Complex)	ul. Przybyszewskiego 56	Krakow, Poland	Office	Leasehold	2089	5,619	0%	2014	100%	Cushman	31/12/2015	IBM, Deloitte
Corius (Aeropark Business Centre 3)	17 Stycznia 45	Warsaw, Poland	Office	Leasehold	2089	9,216	23%	2011	100%	Cushman	31/12/2015	Airline, EGIS
Nothus (Aeropark Business Centre 1)	17 Stycznia 45	Warsaw, Poland	Office	Leasehold	2089	9,139	39%	2007	100%	Cushman	31/12/2015	Eaton Electric , MMC Car Poland
Francuska- Office Centre (Katowice)	Ul. Francuska 34/36	Katowice, Poland	Office	Leasehold	2089	22,530	7%	2010	100%	Cushman	31/12/2015	Millennium, American Heart of Poland, Oracle, RUCH, IBM

University Business Park (Łódź) 1	Wólczańska 178	Lodz, Poland	Office	Leasehold	2089	19,437	6%	2010	100%	JLL	31/12/2015	Samsung, Global e-Business Operations, Accenture Services
Globis Poznan	Roosevelta 18	Poznan, Poland	Office	Leasehold	2089	13,711	2%	2003	100%	Cushman	31/12/2015	KPMG, Bertelsmann, ComArch, Luxmed
Edison (Korona Office Complex)	Al. Armii Krajowej	Krakow, Poland	Office	Leasehold	2089	10,540	1%	2007	100%	Cushman	31/12/2015	IBM, State Street
Newton (Korona Office Complex)	Al. Armii Krajowej	Krakow, Poland	Office	Leasehold	2089	10,454	0%	2007	100%	Cushman	31/12/2015	IBM, Hewitt, Hitachi
Galileo (Korona Office Complex)	Al. Armii Krajowej	Krakow, Poland	Office	Leasehold	2089	10,270	8%	2003	100%	Cushman	31/12/2015	IBM, KPMG
Duna Tower	22 Népfürdő utca, H-1138 Budapest	Budapest, Hungary	Office	Freehold	n/a	31,249	18%	2006	100%	Cushman	31/12/2015	IBM, United Nations
Fortyone 1	Milutina Milankovica	Belgrade, Serbia	Office	Leasehold	2105	10,673	12%	2008	100%	Savills	31/12/2015	Bosch
GTC Square	Milutina Milankovica	Belgrade, Serbia	Office	Leasehold	2105	22,735	13%	2015	100%	Savills	31/12/2015	Erste Bank, Roche, PS Tech, Bosch
Spiral	128-130 Dózsa György út, Budapest XIII	Budapest, Hungary	Office	Freehold	n/a	31,979	0%	2009	100%	Savills	31/12/2015	National Tax and Customs Administration of Hungary
19 Avenue (Belgrade)	Vladimira Popovica	Belgrade, Serbia	Office	Leasehold	2103	17,521	3%	2008	100%	Savills	31/12/2015	Delegation of Commission of European Union, JT International Sales and Marketing, Huawei, Regus
GTC House	Bulevar Zorana Djindjica	Belgrade, Serbia	Office	Leasehold	right of usage - unlimited	13,492	4%	2005	100%	Savills	31/12/2015	L'Oreal, Philip Morris, Carlsberg
GTC Metro	2-4 Gacs utca, Budapest XIII	Budapest, Hungary	Office	Freehold	n/a	16,740	0%	2010	100%	Savills	31/12/2015	Budapest Bank
City Gate	BUCHAREST AT 3-5 FREE PRESS SQUARE	Bucharest, Romania	Office	Freehold	n/a	47,692	7%	2009	100%	Colliers	31/12/2015	Telekom Romania Communications S.A. (former Romtelecom), KMG Rompetrol, Microsoft, Millennium
Center Point	81 Váci út, H-1139	Budapest, Hungary	Office	Freehold	n/a	37,130	2%	2004 / 2006	100%	Cushman	31/12/2015	Exxon Mobil, Nalco, GE, Honeywell

Property name	Physical address	Region	Sector	Freehold / Leasehold	Tenure of leasehold	Rentable area (sqm)	Vacancy (%)	Effective date of acquisition (i.e. completion of development)	Shareholding	Independent Valuer*	Date of valuation	Major Tenants	Status
<b>COMMERCIAL PROPERTY UNDER CONSTRUCTION AND COMMERCIAL LANDBANK</b>													
Fortyone 2	Milutina Milankovica	Belgrade, Serbia	Office	Leasehold	2105	7500	n/a	n/a	100%	Cushman	31/12/2015	n/a	Under construction
Galeria Białołęka	Ul. Światowida	Warsaw, Poland	Retail	Freehold	n/a	63,400	n/a	n/a	100%	Savills	31/12/2015	n/a	Under construction
University Business Park (Łódź) 2	Wólczńska 178	Belgrade, Poland	Office	Leasehold	2089	19,200	n/a	n/a	100%	JLL	31/12/2015	n/a	Under construction
Fortyone 3	Milutina Milankovica	Belgrade, Serbia	Office	Leasehold	2105	n/a	10,800	n/a	100%	Cushman	31/12/2015	n/a	Under construction from March 2016
Avenue Park Office Zagreb	Slavonska Venue	Zagreb, Croatia	Office	Freehold	n/a	n/a	n/a	n/a	100%	Savills	31/12/2015	n/a	Landbank
Bistrita	BISTRITA, MOLDOVEI ROAD, NO NUMBER	Bistrita, Romania	Office	Freehold	n/a	n/a	n/a	n/a	100%	Colliers	31/12/2015	n/a	Landbank
Burgas Residence	Odrin Str., Industrial Zone "Sever", Burgas	Burgas, Bulgaria	Office	Freehold	n/a	n/a	n/a	n/a	100%	Savills	31/12/2015	n/a	Landbank
Centrum Biurowe Karkonoska (Wrocław)	ul. Przyjani 2a, 2b, 2c,	Wrocław, Poland	Office	Freehold	n/a	n/a	n/a	n/a	100%	Cushman	31/12/2015	n/a	Landbank
Europort	Prylymanska village council	Odessa, Ukraine	Office	Freehold	n/a	n/a	n/a	n/a	95%	Colliers	31/12/2015	n/a	Landbank
Galeria Bucharest	SOS PETRICANI 76-82, SECTOR 2	Bucharest, Romania	Retail	Freehold	n/a	n/a	n/a	n/a	100%	Colliers	31/12/2015	n/a	Landbank
Green Dream	3A, POLIGRAFIEI BLVD, DISTRICT 1	Bucharest, Romania	Office	Freehold	n/a	n/a	n/a	n/a	100%	Colliers	31/12/2015	n/a	Landbank
Konstancja commercial	Warszawska	Konstancin, Poland	Office	Freehold	n/a	n/a	n/a	n/a	100%	Cushman	31/12/2015	n/a	Landbank

Centrum Biurowe Mikolowska Katowice	Mikołowska / Strzelecka / Raciborska	Katowice, Poland	Office	Leasehold	2089	n/a	n/a	n/a	100%	Offer	n/a	n/a	Landbank
Aeropark Business Centre 4-5 (Warsaw)	ul. 17 Stycznia, Warsaw	Warsaw, Poland	Office	Leasehold	2089	n/a	n/a	n/a	100%	Cushman	31/12/2015	n/a	Landbank
Ortal (Łódź)	ul. Hipoteczna 7-9/	Lodz, Poland	Office	Leasehold	2089	n/a	n/a	n/a	100%	Cushman	31/12/2015	n/a	Landbank
Platinum 6	ul. Domaniewska / Konstruktorska	Warsaw, Poland	Office	Leasehold	2089	n/a	n/a	n/a	100%	Cushman	31/12/2015	n/a	Landbank
Russe	73 Lipnik Blvd., Russe	Russe, Bulgaria	Office	Freehold	n/a	n/a	n/a	n/a	100%	Savills	31/12/2015	n/a	Landbank
Sasad Offices	Budaörsi út, Budapest XI	Budapest, Hungary	Office	Freehold	n/a	n/a	n/a	n/a	100%	Cushman	31/12/2015	n/a	Landbank
Spiral phase2	23-27 Lehel utca , Budapest XIII	Budapest, Hungary	Office	Freehold	n/a	n/a	n/a	n/a	100%	Cushman	31/12/2015	n/a	Landbank
Szeremi Gate	Szerémi út, Budapest XI	Budapest, Hungary	Office	Freehold	n/a	n/a	n/a	n/a	100%	Cushman	31/12/2015	n/a	Landbank
Vassas-Mall	Fáy utca, Budapest XIII	Budapest, Hungary	Office	Leasehold	2106	n/a	n/a	n/a	100%	Cushman	31/12/2015	n/a	Landbank
Ada Mall (Belgrade)	Radnicka	Belgrade, Serbia	Retail	Freehold	n/a	n/a	n/a	n/a	100%	Savills	31/12/2015	n/a	Landbank
Galeria Wilanów	Ul. Przyczółkowa	Warsaw, Poland	Retail	Leasehold	2089	n/a	n/a	n/a	100%	Savills	31/12/2015	n/a	Landbank
White House	47 Váci út, Budapest XIII	Budapest, Hungary	Office	Freehold	n/a	n/a	n/a	n/a	100%	Cushman	31/12/2015	n/a	Landbank

Property name	Physical address	Region	Sector	Freehold / Leasehold	Tenure of leasehold	Rentable area (sqm)	Vacancy (%)	Effective date of acquisition (i.e. completion of development)	Shareholding	Independent Valuer*	Date of valuation	Major Tenants
<b>RESIDENTIAL PROJECTS AND LANDBANK</b>												
Marlera	Ližnjan/Medulin	Ližnjan/Medulin, Croatia	Residential	Freehold	n/a	n/a	n/a	n/a	80%	Cushman	31/12/2015	n/a
Vinorady	Tupeho, Frankovska, Sliacska	Bratislava, Slovenia	Residential	Freehold	n/a	n/a	n/a	n/a	100%	Cushman	31/12/2015	n/a
Paskal	Miskolci utca, Budapest XIV	Budapest, Hungary	Residential	Freehold	n/a	n/a	n/a	n/a	100%	Cushman	31/12/2015	n/a
Sasad	Budaörsi út, Budapest XI	Budapest, Hungary	Residential	Freehold	n/a	n/a	n/a	n/a	100%	Cushman	31/12/2015	n/a
Garden of Eve/Eden	PIPERA, VOLUNTARI CITY, ILFOV COUNTY	Bucharest, Romania	Residential	Freehold	n/a	n/a	n/a	n/a	67%	Colliers	31/12/2015	n/a
Osiedle Konstancja phase 6	ul. Warszawska	Konstancin, Poland	Residential	Freehold	n/a	n/a	n/a	n/a	100%	Cushman	31/12/2015	n/a



Property name	Physical address	Region	Sector	Freehold / Leasehold	Tenure of leasehold	Rentable area (sqm)	Vacancy (%)	Effective date of acquisition (i.e. completion of development)	Shareholding	Independent Valuer*	Date of valuation	Major Tenants	Status
<b>ASSETS HELD FOR SALE</b>													
Galeria Arad	225-235, CALEA AUREL VLAICU, ARAD, ARAD COUNTY	Arad, Romania	Retail	Freehold	n/a	n/a	n/a	n/a	100%	Offer	n/a	n/a	Completed
Lodz (Kopcin)	Kopcińskiego	Lodz, Poland	Office	Leasehold	2089	n/a	n/a	n/a	100%	Offer	n/a	n/a	Landbank
Sobotice	Gavrila Principa, Subotica	Sobotice, Serbia	Office	Freehold	n/a	n/a	n/a	n/a	100%	Offer	n/a	n/a	Landbank

\*The valuations in respect of the Property Portfolio contain no material qualifications, which have an adverse effect on the values thereof.

\*Professional activities in the area of property valuation in Poland are governed by the Property Management Act dated 21 August 1997. Pursuant to this Act, a property valuer must be a person who: (i) has professional qualifications in the field of property valuation certified by the minister responsible for construction, zoning and housing matters; and (ii) has been entered into the central register of property valuers maintained by the same minister. Entry into the above register is obligatory in order to practice as a property valuer.

When performing his activity, a valuer is required to comply with the rules laid down by applicable law and professional standards, with special care appropriate to the professional nature of such activities and the rules of professional ethics, guided by the principle of impartiality in the valuation of property. Property valuations should be prepared in an objective and independent manner.

To ensure the impartiality of a valuer, he is excluded, ex lege, from participation in the valuation of property in the situations specified in detail in the Code of Administrative Procedure. These include, among others, the following: (i) matters to which a valuer is a party or is in such relations with one of the parties where the result of a matter may affect his rights or obligations; (ii) matters concerning his spouse, relative or relative by affinity up to the second degree, a person related to him by way of adoption, guardianship or custody; (iii) matters in which he was a witness or expert, or has been, or is a representative of one of the parties; (iv) matters in connection with which an official investigation, disciplinary proceedings or criminal proceedings have been commenced against a valuer; and (v) matters in which one of the parties is a formal supervisor of a valuer.

\*GTC's properties are valued by valuers recognized by the Royal Institute of Chartered Surveyors ("RICS"). RICS standards and guidance cover all areas of surveying practice and embody best practice.

RICS website: <http://www.rics.org/pl/>

The top 10 properties as at 31 December 2015 comprise 77% of the income-producing portfolio and are listed below:

Property name	Fair value (€m)	NRA (‘000 sqm)	Occupancy (%)	Valuer
Galeria Jurajska	150.2	49	90%	Savills
City Gate	146.1	48	93%	Colliers
Avenue Mall Zagreb	102.1	36	97%	Savills
Center Point	80.2	37	98%	Cushman
Korona Office Complex	78.1	37	99%	Cushman
Duna Tower	53.1	31	82%	Cushman
Spiral	49.1	32	100%	Cushman
GTC Square/Fortyone 1	61.9	33	87%	Savills
University Business Park 1+2 (*)	50.5	39	70%	Cushman
Francuska Office Centre	39.1	23	93%	Cushman
<b>Total</b>	<b>810.4</b>	<b>365</b>		

Details of the income-producing property portfolio split by geographic location as at 31 December 2015 is set out below:

	Book value (€'000)	NRA (‘000 sqm)	Occupancy (%)	Actual rent (€/sqm)	ERV (€/sqm)
Poland retail	150,200	49	90%	19.3	19.7
Poland office	266,436	135	92%	14.3	14
Serbia office capital city	123,600	64	92%	14.7	15
Croatia retail capital city	102,100	36	97%	20	21.3
Hungary office capital city	208,496	117	95%	11.7	12
Romania retail secondary cities	3,900	13	95%	5.7	5.6
Romania office capital city	146,100	48	93%	19	17.4
Bulgaria retail secondary cities	54,900	61	82%	9.4	9.3
<b>Total</b>	<b>1,055,732</b>	<b>524</b>	<b>92%</b>	<b>14.3</b>	<b>14.2</b>

The book value of the commercial properties under construction and commercial landbank split by geographic location as at 31 December 2015 is set out below:

	<b>Book value (€'000)</b>
Poland	155,344
Serbia	36,369
Croatia	2,440
Hungary	19,010
Romania	13,367
Bulgaria	3,800
Ukraine	2,467
<b>Total</b>	<b>232,797</b>

The book value of residential properties held as inventory split by geographic location as at 31 December 2015 is set out below:

	<b>Book value (€'000)</b>
Poland	466
Hungary	59
Serbia	275
Slovakia	145
Romania	116
<b>Total/Average</b>	<b>1,061</b>
<b>Uncompleted inventory</b>	<b>2,100</b>
<b>Total inventory</b>	<b>3,161</b>

The book value of the residential landbank split by geographic location as at 31 December 2015 is set out below:

	<b>Book value (€'000)</b>
Poland	2,100
Croatia	6,850
Hungary	7,980
Slovakia	4,500
Romania	7,443
<b>Total/Average</b>	<b>28,873</b>

## Annexure 3

## CURRENT AND PAST DIRECTORSHIPS

The table below presents a list of capital companies and partnerships in which members of the Management and Supervisory Board: (i) served on the governing or supervisory bodies, (ii) held interests/stocks, (iii) were partners, within the last five years.

Name	Company/Partnership	Position held	Is this position still held?
<b>Management Board</b>			
Thomas Kurzmann	OEVAG/Volksbank AG Group	Registered proxy	No
	Europolis AG	President	No
	M.O.F. Immobilien AG	Supervisory board member	No
Erez Boniel	Orbis S.A.	Supervisory board member	No

<b>Supervisory Board</b>			
Alexander Hesse	Pretty Good Food GmbH & Co KG	Shareholder	Yes
	Pretty Good Systems GmbH	Shareholder	Yes
	Valv 1 GmbH & Co KG	Shareholder	Yes
	BOKU, Inc, Delaware	Shareholder	Yes
	ahk.invest GmbH	Shareholder	Yes
	Lone Star France Acquisitions S.a.r.l.	Director	Yes
	TLG Immobilien AG	Deputy chairman of supervisory board	No
	TLG Immobilien GmbH	Chairman of advisory board	No
	Lone Star Spain Acquisitions S.L.U.	Director	Yes
	Lone Star Netherlands Acquisitions B.V.	Management board member	Yes

Mariusz Grendowicz	Property Partner sp. z o.o. sp.k	Shareholder	Yes
	Covenant Business Ventures sp. z o.o. 7 sp. k.	Shareholder	Yes
	Covenant Business Ventures sp. z o.o. sp. k.	Shareholder	Yes
	Polskie Inwestycje Rozwojowe S.A.	President of management board (CEO)	No
	Atena Usługi Informatyczne i Finansowe sp. z o.o	Supervisory board member	No
	MobiTrust S.A.	Chairman of supervisory board	No
	Money Makers S.A.	Chairman / supervisory board member	Yes
	Aviva Towarzystwo Ubezpieczeń Ogólnych S.A.	Supervisory board member	Yes
	Aviva Towarzystwo Ubezpieczeń na Życie S.A.	Supervisory board member	Yes
	Arctic Paper S.A.	Supervisory board member	Yes
	Private Equity Managers S.A.	Supervisory board member	Yes
	Getin Noble Bank S.A.	Supervisory board member	Yes
	Fundacja WWF Polska	Foundation council member	Yes
	Polski Związek Pracodawców Prywatnych Banków i Instytucji Finansowych	Chairman	No
	Fundacja Młodzieżowej Przedsiębiorczości	Management board member	No
Philippe Couturier	Hudson Advisors UK Limited	Director	Yes
	Hudson Advisors Ireland Limited	Director	Yes
	Hudson Advisors Germany GmbH	Director	No
	Hudson Advisors Europe Limited	Director	No
	Neinor Homes SLU	Director	Yes
	Amaris Hospitality DAC	Director	Yes
	Centrale attività finanziarie società per azioni	Management board member	Yes
	LSREF3 Paying Agency Limited	Director	No

Katharina Schade	LSREF III OG1 Kft.	Managing director	Yes
	LSREF4 Dutch Eagle 1 BV	A Manager	Yes
	LSREF4 Dutch Eagle 2 BV	A Manager	Yes
	LSREF4 SWEDEN OREL AB ( <i>formerly Aktiebolaget Grundstenen 15506</i> )	A Manager	Yes
	LSREF III Europlex sp. z o. o.	Management board member	Yes
	Xavier Investments sp. z o. o.	Management board member	Yes
	Wiśniowy A Property Holdings sp. z o. o.	Management board member	Yes
	Fullwood sp. z o. o.	Management board member	Yes
	Irydion Property Holdings sp. z o. o.	Management board member	Yes
	Centura Property Holdings SA	Managing director	Yes
	M7 Distribution Center Kft	Managing director	Yes
	Premier Outlets Center Kft	Managing director	Yes
	IRE Hron s.r.o.	Managing director	Yes
	IRE Hron Property Holding a.s.	Managing director	Yes
	Karlovarska Holding s.r.o.	Managing director	Yes
	OASIS Florenc Property Holdings s.r.o.	Managing director	Yes
	Avenir Business Park s.r.o.	Managing director	Yes
Marcin Murawski	CCC S.A	Supervisory board member	Yes
	APATOR S.A.	Supervisory board member	Yes
	SECOWARWICK S.A.	Supervisory board member and Chairman of the Audit Committee	Yes
	BZWBK AVIVA JV LIFE AND NON-LIFE INSURANCE	Supervisory board member and Chairman of the Audit Committee	Yes

## Annexure 4

## VENDORS

Details relating to the vendors of properties purchased by the Group in the preceding three years as at the Last Practicable Date are set out in the table below.

Property acquired	Date acquired	Name of vendor	Address of vendor	Name and address of beneficial shareholders of the vendor(s) (if company)	Consideration		Goodwill paid and manner in which accounted for	Loans incurred to finance the acquisition	Date of acquisition by vendor (if acquired within last 3 years)	Cost of asset to vendor (if acquired within last 3 years) / Cost of development	Amount of goodwill paid by Vendor
					Issue of securities	Cash portion (€)					
41.09% of shares in Bucharest City Gate (BCG) B.V. being the owner of City Gate Towers project <sup>1</sup>	30-Dec-15	BH Romania IV Limited	Pikioni 4, 3075 Limassol, Cyprus	Ioannis Delikanakis (address unknown)  Charalampos Pandis (address unknown)  Joseph Bueno (4 Splaiul Unirii, Bl.b3, Tr.3, 2nd Floor, Room 2.4, Bucharest, Romania)	–	18,107,087	None	None	n/a - not acquired by vendor in the last 3 years	n/a - not acquired by vendor in the last 3 years	n/a - not acquired by vendor in the last 3 years
Duna Tower property	19-Nov-15	Duna Tower Ingatlanhasznosító és Kereskedelmi Kft	1138 Budapest, Népfürdő utca 22. A. ép. V. em., Hungary	VBCS Beteiligungsverwaltung Ges.m.b.H. (74.95%) and VB Real Estate Holding eins GmbH (25.05%)	–	52,150,000	None - direct acquisition of asset	None	n/a - details not provided by vendor	n/a - details not provided by vendor	n/a - details not provided by vendor
Pixel Office building	28-Jan-2016	Pixel 1 sp.z o.o.	ul. Podolska 24, 60-615 Poznań, Poland	Garvest Real Estate Coöperatief U.A.	--	32,217,000	None - direct acquisition of asset	EUR 22,550,000 and PLN equivalent of EUR 7,765,000 granted by PKO Bank Polski S.A.	n/a	n/a	n/a - details not provided by vendor



Premium Plaza and Premium Point	22-Apr-16	Immorom Delta S.R.L. (for Premium Plaza) and Immorom Beta S.R.L. (for Premium Point)	1st District, 76 – 80 Buzesti Street, office no. 1-1.1, 1st floor, Bucharest, Romania	PPI ONE Ltd: Cyprus, Limassol, Galdstone & Karaiskaki, Oasis Center, Office 24, Tade registry no: HE 193163 - 90%  PRI FIVE Ltd: Cyprus, Limassol, Galdstone & Karaiskaki, Oasis Center, Office 24, Tade registry no: HE 204949 – 10%	–	32,000,000	None	None	n/a	n/a	n/a - details not provided by vendor
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**Notes:**

- The following is a reconciliation between the amount paid for the 41.09% shareholding in the holding company and the proportionate value of the net assets of that company attributable to the securities acquired:

	€
<b>Total amount paid to vendor for 41.09% stake</b>	<b>18,107,087</b>
<b><u>Reconciliation to Net Assets :</u></b>	
Net assets at 31 Dec 2015	6,189,000
Net assets value attributable to the Seller (41.09%)	2,543,060
<b><i>Difference between amounts paid and seller's share of net assets</i></b>	<b><i>15,564,027</i></b>
<b><u>Adjustments and reconciling items:</u></b>	
Seller share of the adjustments to the net assets	4,009,973
Shareholder loans from the Seller	(20,984,000)
Other adjustments	1,410,000
<b>Total</b>	<b>15,564,027</b>
<b>Remaining difference</b>	<b>-</b>

**Annexure 5****MATERIAL BORROWINGS****Material Borrowings**

The Company believes that the borrowings listed below are material to the Group given their value and significant influence on key areas of the Group's operations and their financing. Borrowings were classified as being material if their value exceeded the EUR 25 million threshold.

***A credit agreement dated 19 May 2008 entered into with Bank Polska Kasa Opieki S.A.***

On 19 May 2008, GTC Galeria CTWA sp. z o.o., as the borrower, concluded a loan agreement with Bank Polska Kasa Opieki S.A., as the facility agent and lender, based on which the borrower was granted a term loan up to the aggregate amount of EUR 112 million to be issued in two tranches.

The purpose of the first tranche was, *inter alia*, to finance the costs incurred by the borrower in connection with the borrower's construction of a shopping centre in Częstochowa located at ul. Krakowska and ul. Strażacka, whereas the purpose of the second tranche was, *inter alia*, to convert the advances drawn under the first tranche as well as financing the borrower's business.

Upon the borrower's request, all of the advances disbursed to the borrower under the first tranche were converted by the borrower into advances made under the second tranche.

The loan bears interest at the rate of EURIBOR increased by the margins specified in the agreement, the amounts of which are higher in respect of the first tranche and lower in respect of the second tranche.

The loan is secured by: (i) a power of attorney over the borrower's bank accounts; (ii) a contractual mortgage in the amount of EUR 224 million established on the above-mentioned real properties (on the land and the buildings, structures and equipment situated on such land); (iii) a registered pledge, of which the maximum secured amount is EUR 224 million, over shares in the borrower; (iv) a registered pledge, of which the maximum secured amount is EUR 224 million, over the borrower's bank accounts; (v) a registered pledge, of which the maximum secured amount is EUR 224 million, over a set of moveable assets and rights of the borrower; (vi) an assignment of rights and claims under, *inter alia*, insurance agreements, construction agreements, lease agreements, performance bonds and an architect's agreement; (vii) a subordination agreement between the lender, the borrower and the borrower's shareholder subordinating the shareholder loan; (viii) a submission to enforcement issued by the borrower under the banking law; (ix) an interest payment guarantee in the form of a suretyship from the borrower's shareholder, secured by a submission to enforcement issued by the borrower's shareholder under the banking law; (x) a cost overrun guarantee from the borrower's shareholder; and (xi) a hedging agreement, as amended, regarding hedging interest rate risk secured by a mortgage in the amount of PLN 70 million. The agreement contains standard covenants and events of default provisions typical for facility agreements of this type.

The final maturity date falls on 26 February 2020.

As at 31 December 2015, the outstanding amount under the loan was EUR 98,010 thousand.

***A credit agreement dated 21 July 2006 entered into with Bank Polska Kasa Opieki S.A.***

On 21 July 2006, Globis Wrocław sp. z o.o., as the borrower, concluded a loan agreement with Bank BPH S.A (currently: Bank Polska Kasa Opieki S.A.), as the lender, as amended, based on which the borrower was granted a term loan up to the aggregate amount of EUR 29 million to be issued in two tranches.

The purpose of the first tranche was, *inter alia*, to finance the costs incurred by the borrower in connection with the borrower's construction of an office building in Wrocław located at ul. Powstańców Śląskich, whereas the purpose of the second tranche was, *inter alia*, to convert the advances drawn under the first tranche as well as financing the borrower's business. Upon the borrower's request, all of the advances disbursed to the borrower under the first tranche were converted by the borrower into advances made under the second tranche.

In the case of the first tranche, the loan bears interest at the rate of LIBOR, and in case of the second tranche, the loan bears interest at the rate of LIBOR or at a fixed rate specified in the agreement, in each case increased by the margins specified in the agreement.

The loan is secured by: (i) a power of attorney over the borrower's bank accounts; (ii) a contractual mortgage in the amount of EUR 44 million established on the above-mentioned real properties (on the land and the buildings, structures and equipment situated on such land); (iii) a registered pledge, of which the maximum secured amount is EUR 44 million,

over shares in the borrower; (iv) a registered pledge, of which the maximum secured amount is EUR 44 million, over the borrower's bank accounts; (v) assignments of rights and claims under, inter alia, insurance agreements, construction agreements, lease agreements and performance bonds; (vi) a subordination agreement between the lender, the borrower and the borrower's shareholder subordinating the shareholder loan; (vii) a submission to enforcement issued by the borrower under the banking law; (viii) an interest payment guarantee in the form of a suretyship from the borrower's shareholder; (ix) an equity guarantee in the form of a suretyship from the borrower's shareholder; (x) a cost overrun guarantee from the borrower's shareholder; and (xi) a hedging agreement regarding hedging interest rate risk secured by a mortgage in the amount of PLN 60 million. The agreement contains standard covenants and events of default provisions typical for facility agreements of this type.

The final maturity date falls on 24 December 2018.

As at 31 December 2015, the outstanding amount under the loan was EUR 24,692 thousand.

***A credit agreement dated 29 November 2013 entered into with Bank Zachodni WBK S.A.***

On 29 November 2013, GTC Korona S.A., as the borrower, concluded a loan agreement with Bank Zachodni WBK S.A., as the lender, as amended, based on which the borrower was granted a term loan up to the aggregate amount of EUR 45 million to be issued in two tranches.

The purpose of the first tranche was, inter alia, to finance the costs incurred by the borrower in connection with the borrower's construction of an office building in Krakow located at ul. Armii Krajowej, ul. Kołowa and ul. Przybyszewskiego, whereas the purpose of the second tranche was, inter alia, to repay the existing indebtedness of the borrower, to finance the advances drawn under the first tranche as well as to finance investments and the repayment of loans within the borrower's group. Upon the borrower's request, all of the advances disbursed to the borrower under the first tranche may be converted by the borrower into additional advances made under the second tranche.

The loan bears interest at the rate of EURIBOR increased by the margins specified in the agreement, the amounts of which are higher in respect of the first tranche and lower in respect of the second tranche. The loan is secured by: (i) a power of attorney over the borrower's bank accounts; (ii) a contractual mortgage in the amount of EUR 72.5 million established on the above-mentioned real properties (on the land and the buildings, structures and equipment situated on such land); (iii) a registered pledge, of which the maximum secured amount is EUR 67.5 million, over shares in the borrower; (iv) a registered pledge, of which the maximum secured amount is EUR 67.5 million, over the borrower's bank accounts; (v) an assignment of rights and claims under, inter alia, lease agreements, insurance agreements, building contract and an architect contract; (vi) a subordination agreement between the lender, the borrower and the borrower's shareholder subordinating the shareholder loan; (vii) a submission to enforcement issued by the borrower under the banking law; (viii) a cost overrun guarantee from the borrower's shareholder; (ix) a guarantee in respect of the GAP period from the borrower's shareholder; (x) an interest rate guarantee from the borrower's shareholder; (xi) a deposit securing any payments towards the lender; and (xii) a hedging agreement regarding hedging interest rate risk secured by a mortgage in the amount of EUR 72.5 million. The agreement contains standard covenants and events of default provisions typical for facility agreements of this type.

The final maturity date falls on 31 December 2017.

As at 31 December 2015, the outstanding amount under the loan was EUR 42,319 thousand.

***A credit agreement dated 9 September 2011 entered into with Erste GCIB Finance I B.V. Amsterdam***

On 9 September 2011, GTC Business Park d.o.o. Belgrade, as the borrower, concluded a loan agreement with Erste GCIB Finance I B.V. Amsterdam, as the lender, based on which the borrower was granted a term loan up to the aggregate amount of EUR 30,000,000 for the refinancing of the existing indebtedness of the borrower.

The loan bears interest at the rate of EURIBOR increased by a margin of 5.00% per annum and mandatory costs, if such costs are incurred. The loan is secured by first ranking liens over substantially all assets of the borrower as well as over the shares in the borrower. The agreement contains standard covenants and events of default provisions typical for facility agreements of this type.

The final maturity date falls on 28 February 2019.

As at 31 December 2015, the outstanding amount under the loan was EUR 21,707 thousand.

***Loan agreement dated 15 October 2008, as subsequently amended, between Galleria-Stara Zagora AD and the European Bank for Reconstruction and Development***

On 15 October 2008, Galleria Stara Zagora AD entered into a loan agreement, as last amended and restated on 3 July 2015, for EUR 54,600,000 to finance the acquisition and development of the Galleria Stara Zagora commercial centre.

The final repayment date of the entire loan amount is 31 December 2017. The loan principal is paid in quarterly instalments. The loan bears interest at three-month EURIBOR increased by the applicable margin.

The loan is secured by: (i) a mortgage dated 24 November 2008 over the project site and any existing and future developments thereon; (ii) a movables pledge dated 15 October 2008, as last amended on 30 September 2013, creating a pledge over all of the existing and future movable and intangible assets of Galleria Stara Zagora AD; (iii) a receivables pledge dated 27 November 2008, as last amended on 30 September 2013, creating a pledge over all of the bank accounts at Unicredit Bulbank AD and any and all receivables under lease and other agreements of Galleria Stara Zagora AD; (iv) a share pledge dated 15 October 2008, as last amended on 30 September 2013, creating a pledge over all the shares in Galleria Stara Zagora AD; and (v) a mortgage deed dated 1 October 2013 over the completed commercial centre. Certain obligations of the borrower under the loan agreement are jointly guaranteed by Globe Trade Centre S.A. and the minority shareholders of Galleria Stara Zagora AD, i.e. Naslada AD and SGS Consult EOOD, under a guarantee and indemnity deed dated 27 September 2013. The obligations of Galleria Stara Zagora AD are further cross collateralized with the assets of Galleria Burgas AD (see description below).

The agreement contains standard provisions with respect to the maintenance of certain financial ratios as well as with respect to events of default.

On 3 July 2015, the Company and EBRD signed an agreement for the restructuring of the credit facilities extended by EBRD to Galleria Stara Zagora AD pursuant to which the existing guarantee of the Company was released and the Company became a joint and several borrower with the existing borrower: Galleria Stara Zagora AD.

The agreement was subject to the satisfaction of certain formal conditions precedent which were satisfied on 31 July 2015. However, since the parties agreed to restructure that facility on 30 June 2015, and in view of the nature of the conditions precedent, the Management Board resolved that the agreement was in force as at 30 June 2015.

As at 31 December 2015, the outstanding amount under the loan was EUR 15,799 thousand.

***Loan agreement dated 28 June 2010, as subsequently amended, between Galleria Burgas AD and the European Bank for Reconstruction and Development***

On 28 June 2010, Galleria Burgas AD entered into a loan agreement, as last amended and restated on 3 October 2013, for EUR 45,600,000 to finance the acquisition and development of Galleria Burgas.

The final repayment date of the entire loan amount is 26 April 2022. The loan principal is amortized on a quarterly basis. The loan bears interest at three-month EURIBOR increased by the applicable margin.

The loan is secured by: (i) a mortgage dated 9 July 2010 over the project site and any existing and future developments thereon; (ii) a movables and trademarks pledge dated 28 June 2010, as amended on 30 September 2013, creating a pledge over all of the existing and future movable and intangible assets of Galleria Burgas AD; (iii) a receivables pledge dated 28 June 2010, as amended on 30 September 2013, creating a pledge over all of the bank accounts at Unicredit Bulbank AD and any and all receivables under lease and other agreements of Galleria Burgas AD; (iv) a share pledge dated 28 June 2010, as amended on 30 September 2013, creating a pledge over shares in Galleria Burgas AD; and (v) a mortgage dated 30 September 2013 over the completed commercial centre.

Certain obligations of the borrower under the loan agreement are guaranteed by Globe Trade Centre S.A. under a guarantee and indemnity deed dated 15 June 2012 as amended and restated on 3 October 2013. The last amendment of the loan agreement of 30 September 2013 requires that the assets of Galleria Burgas project also secure the loan provided by EBRD to Galleria Stara Zagora AD and the security described in this paragraph secures both the EBRD financing for the Galleria Burgas project and the EBRD financing for the Galleria Stara Zagora project.

The financing documents contain standard provisions with respect to the maintenance of certain financial ratios as well as with respect to events of default. The agreement further provides that Galleria Burgas becoming ineligible for EBRD financing constitutes an event of default.

As at 31 December 2015, the outstanding amount under the loan was EUR 23,006 thousand.

***Credit Facility Agreement for the construction and refinancing of a shopping and office centre in Zagreb entered into between Euro Structor d.o.o. and Magyar Külkerskedelmi Bank Rt. and Zagrebačka Banka d.d***

Euro Structor d.o.o. (as the borrower), MKB Bank Nyrt. (as the facility agent and lender) and Zagrebačka banka d.d. (as the paying agent and lender) entered into the Credit Facility Agreement for EUR 57,280,000 on 21 July 2005 (as amended on 1 December 2006 and 8 June 2007) for the financing of the Avenue Mall Zagreb project scheduled to be executed in two phases: (i) the construction and development of 25,800 sqm of net lettable area designated for a shopping centre and retail premises, 26,095 sqm underground area with 816 parking places and 380 sqm of storage

area in the building; and (ii) the construction and development of 7,000 sqm of net lettable area designated for office space and 7,875 sqm underground area with 250 parking places in the building.

The final repayment date of the entire loan amount is 30 September 2020. The loan principal is paid in quarterly instalments. The loan bears interest at the rate of 3-month EURIBOR increased by the applicable margin.

The loan is secured by:

- a first ranking mortgage over the real property described as an “unused parking area”, comprising an area of 16,638 sqm, physically located at the corner of Avenija Dubrovnik and Avenija Veceslava Holjevca in Zagreb, Croatia in the cadastral municipality of Zaprudski Otok, entered in the land register maintained by the Municipal and Civil Court in Zagreb;
- an assignment agreement under which the rental fees and other revenues and receivables of Euro Structor d.o.o. obtained under lease agreements and the lease of the real property or any part of it are pledged in favour of the lenders;
- an insurance assignment agreement under which Euro Structor d.o.o. assigned all of the rights and payments due to it under any insurance policy to the lenders;
- a bank account pledge agreement under which a pledge over the bank account of Euro Structor d.o.o. maintained by Zagrebačka banka d.d., including a foreign currency account, a Kuna insurance account, a Euro revenue account, a Kuna account, a Kuna proceeds account, a Euro equity account and a Kuna equity account, is established in favour of the lenders;
- debentures and promissory notes;
- a first ranking share pledge agreement over the shares of GTC RH B.V. (formerly GTC Real Estate Investments Croatia B.V.)) in Euro Structor d.o.o.;
- undertaking agreement entered into between GTC RH B.V. (formerly GTC Real Estate Investments Croatia B.V.)) and Lamed-Investment Ingatlanforgalmazó és Hasznosító Kft providing for certain obligations of the loan sponsors towards the lenders, including the obligation to enter into a share pledge agreement and a prohibition on the sale or transfer of shares in the borrower and on initiating enforcement proceedings against the borrower; and
- a guarantee issued by the Company.

The agreement contains standard provisions with respect to the maintenance of certain financial ratios as well as with respect to the events of default.

As at 31 December 2015, the outstanding amount under the loan was EUR 21,220 thousand.

### ***Loan agreement between City Gate SRL, City Gate Bucharest SRL and Erste Group Bank AG***

On 22 September 2011, City Gate SRL and City Gate Bucharest SRL entered into a term facility agreement for EUR 100,000,000 to refinance existing bank and shareholder loans drawn for the development of the City Gate Project, to make payments and distributions to related parties and to cover costs and fees in relation to the development and the refinancing of the City Gate Project. The loan agreement is governed by Austrian law.

The final repayment date of the entire loan amount is November 2018. The loan principal is amortized on a quarterly basis, subject to final repayment on the final maturity date of no less than EUR 79,350,988.19.

The loan bears interest at EURIBOR for three-month deposits increased by the applicable margin and mandatory costs (if any) paid on a quarterly basis.

On 3 November 2011, both City Gate SRL and City Gate Bucharest SRL concluded hedging agreements (governed by English law) based on the 1992 ISDA Master Agreement in order to hedge the interest rate risk under the facility.

The loan is secured by: (a) Romanian law security, i.e. (i) mortgages over the City Gate buildings, (ii) prohibitions on selling, leasing, transferring, donating, contributing as social capital or transferring in any other way the ownership, the use or the usufruct of the real estate property and transforming in any way or demolishing the mortgaged properties, established in favour of the lender, (iii) pledges over all of the borrowers' bank accounts, (iv) pledges over all the receivables of the pledgee, including receivables under lease agreements, insurance policies and hedging agreements, (v) pledges over all the present and future movable assets of the borrowers, (vi) pledges over all the shares in the borrowers owned by Bucharest City Gate (BCG) B.V. and BCG Investments B.V., (vii) pledges over the shares in the direct shareholders of City Gate SRL and City Gate Bucharest SRL (i.e. Bucharest City Gate (BCG) B.V. and BCG Investments B.V.); and (b) an Austrian law subordination and sponsoring arrangement entered into by the Company, Bucharest City Gate B.V. (BCG), BCG Investments B.V., BH Romania IV Ltd, Bucharest Properties B.V., GTC RH B.V.

(formerly GTC Real Estate Investments Romania B.V.), Bluehouse Capital Holdings I Ltd and Bluehouse Accession Property Holdings II Ltd.

The obligations of City Gate SRL and City Gate Bucharest SRL under the facility and related documents are joint and several, and each of the borrowers is liable for and secures the obligations of the other borrower.

The agreement contains standard provisions with respect to the maintenance of certain financial ratios as well as with respect to events of default, including cross-default provisions in the event of certain events of default or the insolvency of any of the borrowers, shareholders or sponsors.

As at 31 December 2015, the outstanding amount under the loan was EUR 86,544 thousand.

***Loan agreement between, inter alia, Mercury Commercial Center SRL as borrowers and the European Bank for Reconstruction and Development***

On 29 June 2007, Beaufort Invest SRL, Mars Commercial Center SRL and Fajos SRL as borrowers entered into a loan agreement (as subsequently amended) for up to EUR 80,000,000, to which Mercury Commercial Center SRL acceded as a borrower on 9 July 2008, to finance the acquisition, development and management of Galleria Buzau, Galleria Piatra Neamt, Galleria Suceava and Galleria Arad and, subject to certain conditions, to refinance certain shareholder loans.

On 30 September 2013, Beaufort Invest SRL, Mars Commercial Center SRL, Fajos SRL and Mercury Commercial Center SRL entered into a deed of amendment, restatement, release and discharge regarding, inter alia, (i) the release of Beaufort Invest SRL and Fajos SRL from their obligations under the loan agreement and (ii) the amendment and restatement of the terms applicable to the facilities granted to Mars Commercial Center SRL and Mercury Commercial Center SRL. The loan agreement and the deed of amendment, restatement, release and discharge are governed by English law.

The Company, GTC RH B.V., Mercury Commercial Center SRL, Mars Commercial Center SRL and the European Bank for Reconstruction and Development as the preferred creditor are party to a subordination agreement of 26 June 2015 pursuant to which the Company and GTC RH B.V. agreed to extend the deadline for the repayment of the receivables owed thereby by Mercury Commercial Center SRL and Mars Commercial Center SRL, to subordinate them to other receivables and to stop any payments by Mercury Commercial Center SRL and Mars Commercial Center SRL until the full and complete repayment of all liabilities under the financial documents executed with the preferred creditor.

The following description refers only to the loan granted to Mercury Commercial Center SRL.

The final repayment date for the loan granted to Mercury Commercial Center SRL is 31 December 2017. The loan principal is paid in quarterly instalments. The loan bears interest at EURIBOR for three-month deposits increased by an applicable margin paid on a quarterly basis.

The loans drawn by Mercury Commercial Center SRL are secured by, inter alia, mortgages over the real properties constituting Galleria Arad and security interest over the shares in the borrower. On 26 June 2015, Mars Commercial Center SRL, Mercury Commercial Center SRL and the Company signed a representation regarding accession to the agreement, an amendment of the terms and conditions and the release of collateral pursuant to which: (i) Globe Trade Center S.A. undertook to accede to the loan agreement assuming joint and several liability with each original borrower on account of its obligations to the lender; (ii) the lender agreed to release the relevant parties from their obligations under the financial documents and security documents, including releasing encumbrances on accounts, receivables and movable property of the project and to deliver the duly signed documents necessary to delete the security interest from the public registers; and (iii) the parties undertook to change the terms of the loans extended to Mars Commercial Center S.R.L. (under which the outstanding amount as at 26 June 2015 was EUR 5,777,900) and to Mercury Commercial Center S.R.L. (under which the outstanding amount as at 26 June 2015 was no more than EUR 27,836,346).

The agreement contains standard provisions with respect to the maintenance of certain financial ratios as well as with respect to events of default, (including with respect to the Company or the borrowers).

As at 31 December 2015, the total outstanding amount under the loan granted to Mercury Commercial Center SRL was EUR 24,293 thousand.

***Credit Facility Agreement with Magyar Külkereskedelmi Bank Rt.***

On 23 November 2004 Center Point I Ingatlanhasznosító Kft. and Center Point II Ingatlanhasznosító Kft. as the borrowers and Magyar Külkereskedelmi Bank Rt. as the lender entered into a credit facility agreement for the purposes of, inter alia, the refinancing of: (i) an existing loan granted by the same bank; and (ii) equity provided by Center Point I Ingatlanhasznosító Kft., as well as the project financing for the Center Point project.

The loan was disbursed in three tranches, each of which is amortized on a quarterly basis along with a bullet payment amounting to 20% of the amount of a given tranche on the final repayment date.

The loan bears interest at 3M EURIBOR increased by the margin specified in the agreement, which is contingent on the level of the debt service coverage ratio at the time of the relevant interest payments. The agreement contains standard provisions with respect to the maintenance of certain financial ratios as well as with respect to events of default.

The loan is secured by, *inter alia*: (i) pledges over bank accounts; (ii) a sponsor's undertaking given by Center Point I Ingatlanhasznosító Kft., Center Point II Ingatlanhasznosító Kft., GTC Magyarország Ingatlanfejlesztő Rt. and Váci út 81-85. Ingatlanfejlesztő Kft.; (iii) mortgages over the Center Point property; (iv) pledges over the shares in the borrowers held by GTC Magyarország Zrt. and Váci út 81-85. Ingatlanfejlesztő Kft.; and (v) a security assignment over certain claims of the borrowers.

As at 31 December 2015, the outstanding amount under the loan was EUR 40,600 thousand.

***Release from a facility agreement entered into by Aurora Business Complex SRL with UniCredit Bank Austria AG and UniCredit Tiriac Bank SA***

The term facility agreement entered into by Aurora Business Complex SRL with UniCredit Bank Austria AG and UniCredit Tiriac Bank S.A. dated 21 November 2007 (as subsequently amended, restated and supplemented) has been subject to a release and write-off letter dated 19 March 2015 according to which Aurora Business Complex SRL and GTC RH B.V. have been released and discharged of any payment obligations and other liabilities owed under the finance and security documents. Such release and write-off were granted by the lenders following the sale of the land and buildings representing the Felicity Project and the transfer of the purchase price in discharge of the borrower's obligations under the facility agreement in accordance with a consent letter issued by the lenders dated 12 March 2015.

UniCredit Tiriac Bank S.A. as the facility agent and the security agent under the facility agreement also issued a release letter dated 19 March 2015 whereby the Company was released and discharged of any payment obligations and other liabilities owed under a guarantee dated 1 March 2013 and issued by the Company and BH Romania III Ltd.

The above-mentioned consent letter issued by the lenders provides that BH Romania III Ltd. will be subject to separate release documents following a separate understanding with the lenders, and that such discussions shall not affect the release of the Company under the guarantee or of Aurora Business Complex SRL and GTC RH B.V. under the other finance and security documents.

***Credit Facility Agreement with Pekao S.A.***

On 7 August 2015, Centrum Światowida sp. z o.o. with its registered office in Warsaw, a subsidiary of the Company ("Centrum Światowida"), and Bank Polska Kasa Opieki S.A., with its registered office in Warsaw ("Pekao"), entered into an agreement on the financing and refinancing of the total costs of the investment project comprising the construction of Galeria Północna.

Pursuant to the Agreement, Pekao extended two loans to Centrum Światowida:

- a construction loan of EUR 116,000,000;
- an investment loan of up to EUR 150,000,000 or up to EUR 175,000,000 following the satisfaction of the condition precedent stated in the Agreement.

The loans are designated for the financing or refinancing of the costs of Galeria Północna. Centrum Światowida is required to pay interest equal to 3-months EURIBOR increased by the relevant margin. The loans mature within up to seven years from the date of their drawing, but not later than 31 December 2014. The loans will be repaid in quarterly instalments and, subsequently, by way of a one-time repayment of the remaining principal on the maturity date.

The loans will be secured by instruments typical for such type of loans, including: (i) a mortgage on the property of Galeria Północna; (ii) a registered pledge on the shares in the share capital of Centrum Światowida; (iii) a registered pledge on the bank accounts of Centrum Światowida, (iv) an assignment of receivables, an assignment of rights to insurance policies and an assignment of claims with respect to the general contractor; and (iv) a cost overrun guarantee.

Under the agreement, events of default which could result in the enforcement of the security interest created on the basis thereof include, *inter alia*, the following circumstances: (i) the failure to make any payment within the maturity thereof; (ii) failure to comply with financial covenants; (iii) any material adverse effect; (iii) the sale of real property related to the Project or a change of ownership structure of the borrower without the prior written consent of Pekao. The events of default are standard for this type of credit facility.

As at 31 December 2015, the outstanding amount under the loan was EUR 4,519 thousand.

***A credit agreement dated 5 December 2007 entered into with CIB Bank Zrt and subsequently amended on 22 February 2009, on 18 June 2010 and 11 December 2012.***

On 5 December 2007, GTC Metro Kft., as the borrower, concluded a loan agreement with CIB Bank Zrt., as the lender, based on which the borrower was granted the aggregate amount of EUR 21.4 million, to be issued in two facilities, A and B, with an option from the borrower to refinance Facility B into C up to a maximum of 80% loan to value, however, not higher than EUR 33 million and later changed to EUR 23 million.

The purpose of Facility A was, inter alia, to finance the costs incurred by the borrower in connection with the borrower's acquisition costs related to a site located in 1138 district XIII Budapest, at Gacs st 2-4 and Arva st 3, in the amount of EUR 2.8 million. The purpose of Facility B was the construction of an office building on the aforementioned site and the refinancing of Facility A in the amount of EUR 21.4, while the purpose of Facility C was, inter alia, to refinance the advances drawn under facility B, and to finance investments and the repayment of loans within the borrower's group in the amount of EUR 23 million.

The loan bears interest at the rate of EURIBOR increased by the margins specified in the agreement, the amounts of which are higher in respect of the first tranche and lower in respect of the second tranche. The loan is secured by: (i) a pledge and security deposit over the borrower's bank accounts for a maximum of EUR 50 million; (ii) a contractual mortgage in the amount of a maximum of EUR 50 million, established on the above-mentioned real properties (on the land and the buildings); (iii) a registered pledge in favour of the lender, of which the maximum secured amount is EUR 50 million, over the shares in the borrower; (iv) an option provided by the borrower, in favour of the lender, over the shares in the borrower until 2017; (v) a framework floating charge on all movable and immovable assets of the borrower for a maximum amount of EUR 50 million; (vi) a pledge on encumbrance claims for the full amount of the secured liabilities; (vii) an assignment of rights and claims under, inter alia, lease agreements, insurance agreements for the secured obligations; (viii) a subordination agreement between the lender, the borrower and the borrower's shareholder subordinating the shareholder loan. The agreement contains standard covenants and event of default provisions typical for facility agreements of this type.

The final maturity date falls on 25 December 2020.

As at 31 December 2015, the outstanding amount under the loan was EUR 18,388 thousand.

***Credit agreement dated 9 May 2008 entered into with ING Bank Śląski S.A.***

On 9 May 2008, GTC Francuska Sp. z o.o., as the borrower, concluded a loan agreement with ING Bank Śląski S.A., as the lender, as amended, based on which the borrower was granted a term loan up to the aggregate amount of EUR 43 million.

The purpose of the loan was, inter alia, to finance the costs incurred by the borrower in connection with the borrower's construction of two office buildings in Katowice located at ul. Francuska and also to repay the existing indebtedness of the borrower, and to finance investments and the repayment of loans made within the borrower's group.

The loan bears interest at the rate of EURIBOR increased by the margins specified in the agreement. The loan is secured by: (i) a power of attorney over the borrower's bank accounts; (ii) a mortgage in the amount of EUR 52.5 million established on the above-mentioned real properties (on the land and the buildings, structures and equipment situated on such land); (iii) a registered pledge, of which the maximum secured amount is EUR 52,500 million, over shares in the borrower; (iv) registered pledges, the maximum secured amounts of which are EUR 38,230 million and EUR 52,500 million, over the borrower's bank accounts; (v) an assignment of rights and claims under, inter alia, lease agreements, insurance agreements, a construction contract and an architect's contract; (vi) a subordination agreement between the lender, the borrower and the borrower's shareholder subordinating a shareholder loan; (vii) submissions to enforcement issued pursuant to the Banking Law by the borrower for up to EUR 35,800 million and by the shareholder for up to EUR 24,485.66; (viii) a deposit securing any payments towards the lender; and (ix) a hedging agreement regarding hedging interest rate risk secured by a mortgage in the amount of EUR 600,000. The agreement contains standard covenants and event of default provisions typical for facility agreements of this type.

The final maturity date falls on 31 October 2020.

As at 31 December 2015, the outstanding amount under the loan was EUR 23,737 thousand.

***Credit agreement dated 17 June 2008 entered into with Berlin Hyp AG***

On 17 June 2008, GTC UBP Sp. z o.o., as the borrower, concluded a loan agreement with Berlin Hyp AG, as the lender, as amended, based on which the borrower was granted a term loan up to the aggregate amount of EUR 31 million.

The purpose of the loan was, inter alia, to finance the costs incurred by the borrower in connection with the borrower's construction of two office buildings in University Business Park in Łódź located near the intersection of Aleja Kościuszki



and Aleja Mickiewicza and also to repay the existing indebtedness of the borrower, and to finance investments and the repayment of loans made within the borrower's group.

The loan bears interest at the rate of EURIBOR increased by the margins specified in the agreement. The loan is secured by: (i) a power of attorney over the borrower's bank accounts; (ii) a mortgage in the amount of EUR 63 million established on the above-mentioned real properties (on the land and the buildings, structures and equipment situated on such land); (iii) a financial and registered pledge, of which the maximum secured amount is EUR 63,750 million, over shares in the borrower; (iv) a financial and registered pledge, of which the maximum secured amount is EUR 63,750 million, over the borrower's bank accounts; (v) an assignment of rights and claims under, inter alia, lease agreements, insurance agreements, a construction contract and an architect's contract; (vi) a subordination agreement between the lender, the borrower and the borrower's shareholder subordinating a shareholder loan; (vii) submissions to enforcement issued by the borrower for up to amount of EUR 113,250 million and by the shareholder up to amount of EUR 220,500 million; (viii) a cost overrun guarantee from the borrower's shareholder; (ix) a hedging agreement regarding hedging interest rate risk; (x) a completion guarantee issued by the shareholder for up to EUR 18,000 million which is valid until 30 June 2016; and (xi) a deposit in a security account securing any payments towards the lender. The agreement contains standard covenants and event of default provisions typical for facility agreements of this type.

The final maturity date falls on 31 December 2020.

As at 31 December 2015, the outstanding amount under the loan was EUR 18,638 thousand.

## ISSUE OF BONDS BY THE COMPANY

On 31 October 2012 and on 4 December 2012, the Company issued two series of unsecured, uncertified bearer bonds with a total nominal value of PLN 294,200,000, i.e. 2,058 series GTCSA004300418 bonds and 884 series GTCSA005300418 bonds, each bond with a nominal value of PLN 100,000 (jointly referred to as the **"2012 Bonds"**). On 10 May 2013, the 2012 Bonds were assimilated under the same securities code number. The 2012 Bonds are traded on Catalyst under code GTC0418. The 2012 Bonds will be redeemed at one-third of their nominal value on 30 April 2017, on 31 October 2017 and on their final maturity date, i.e. 30 April 2018. The interest on the 2012 Bonds is payable semi-annually based on 6M WIBOR and a margin. The 2012 Bonds were issued for the purposes of the refinancing and prolonging the maturity of the bonds issued by the Company in 2007 and 2008.

The terms and conditions of the 2012 Bonds include a financial covenant stating that until all of the 2012 Bonds are redeemed, the ratio of the net financial debt to assets of the Company may not exceed 70% (with the net financial debt determined based on the most recently published consolidated financial statements of the Company, denominated in euro, in accordance with IFRS). Furthermore, the terms and conditions of the 2012 Bonds provide that any payment in favour of the Company's shareholders and their groups, including dividend on equity, as well as interest and repayment on shareholder loans, will be subordinated to payments under the 2012 Bonds if any event of default occurs or may occur as a consequence of any such payment. If the terms and conditions of the 2012 Bonds are breached, the 2012 Bonds may be subject to early redemption.

On 16 January 2014, the Company entered into an agency agreement (as amended) with Banco Espirito Santo de Investimento S.A. Spółka Akcyjna, Oddział w Polsce pursuant to which the Company appointed it as agent and dealer of the bonds issue programme (the **"2014 Bonds Programme"**) in order to prolong the average maturity of the Company's debt. On 10 March 2014, the Company issued 20,000 series GTCSA032019 bearer bonds under the 2014 Bonds Programme with a nominal value of PLN 10,000 per bond and a total nominal value of PLN 200,000,000 (the **"2014 Bonds"**). The 2014 Bonds will be subject to partial redemption at one-third of their nominal value on 12 March 2018, 10 September 2018 and 11 March 2019 (date of full redemption). The duration of the interest period of the 2014 Bonds is six months and the interest rate is floating, based on 6M WIBOR and increased by a margin. The 2014 Bonds are traded on Catalyst under code GTC0319.

The terms and conditions of the 2014 Bonds include a financial covenant stating that until all of the 2014 Bonds are redeemed, the ratio of the net financial debt to assets of the Company may not exceed 70% (with the net financial debt determined based on the most recently published consolidated financial statements of the Company, denominated in euro, in accordance with IFRS). Furthermore, the terms and conditions of the 2014 Bonds provide that any non-commercial payment in favour of the Company's shareholders and their groups, including dividend, as well as payments under shareholder loans, including interest, will be subordinated to payments under the 2014 Bonds if any event of default occurs or may occur as a consequence of any such payment. If the terms and conditions of the 2014 Bonds are breached, the 2014 Bonds may be subject to early redemption.

**Annexure 6****MATERIAL CONTRACTS**

The Company believes that the contracts listed below are material to the Group given their value and significant influence on key areas of the Group's operations and their financing. Asset sale agreements were classified as material if the proceeds received by the Company exceeded the EUR 25 million threshold. The Company classified all joint venture agreements as material. The remaining agreements of such type which were executed by the Group were classified as immaterial because they were executed in the ordinary course of the Group's business.

***Sale Agreements***

Below is a description of the Group's material contracts for the sale of its assets concluded in the two years preceding the date of this Pre-listing Statement.

***Property sale agreement regarding the Centrum Biurowe Kazimierz office building***

On 29 May 2015, a subsidiary of the Company, GTC GK Office Sp. z o.o. and Kazimierz Office Center Sp. z o.o. (a subsidiary of a fund managed by GLL Real Estate Partners) entered into a final sale agreement, as a result of preliminary sale agreement dated 31 March 2015, in respect of the right of perpetual usufruct and the ownership right to the Centrum Biurowe Kazimierz office building in Krakow. The net price for this real property and other rights and movable assets covered by the agreement and attached to the property was EUR 42,000,000 (forty-two million). The net price was increased by VAT in the amount of PLN 40,010,754 (forty million, ten thousand, seven hundred and fifty-four).

***Property sale agreement regarding the Galeria Kazimierz shopping centre***

On 4 October 2013, two Subsidiaries, "GTC Galeria Kazimierz" sp. z o.o. and Havern Investments sp. z o.o., acting as the sellers concluded a preliminary sale agreement in respect of the right of perpetual usufruct to the real estate and the ownership right to the buildings developed on such real estate, as well as certain other rights described therein, constituting the "Galeria Kazimierz" shopping centre with IREEF – Galeria Kazimierz PropCo sp. z o.o. as the buyer and IREEF – Lux Holdco 1 S. a r.l. as the buyer's guarantor (as subsequently amended by an annex dated 18 November 2013). On the basis of the preliminary agreement, the sellers and the buyer concluded on 20 December 2013 the sale agreement on the basis of which they sold the "Galeria Kazimierz" shopping centre together with the associated rights and obligations for a total price of EUR 180,383,386 net, increased by the applicable VAT in the amount of PLN 173,005,705.51. Certain obligations of the sellers were guaranteed by the Company as well as Fellstone Limited with its seat in London.

***Shareholder Agreements***

Below are brief descriptions of the Group's material contracts with its co-investors.

***Shareholder agreement regarding Galleria Burgas AD***

80% of the share capital of Galleria Burgas AD, a Subsidiary, is owned by GTC RH B.V. (formerly GTC Real Estate Investments Bulgaria B.V.) and 20% is owned by the European Bank for Reconstruction and Development. The shareholder agreement of 30 June 2010 entered into between the two companies in relation to Galleria Burgas AD sets forth the rules regarding the governance of Galleria Burgas AD. In particular, the agreement provides that the shareholders must exercise their voting rights in such manner as to ensure that the supervisory board of Galleria Burgas AD is always composed of three members, two of which are nominated by GTC RH B.V. (formerly GTC Real Estate Investments Bulgaria B.V.) and one which European Bank for Reconstruction and Development is entitled to nominate. Such supervisory board member may veto the approval of any counterparty in partial or complete disposals of the project operated by Galleria Burgas AD if the European Bank for Reconstruction and Development has concerns as to the integrity of such counterparty.

Any shareholder contemplating a transfer of its shares to a third party must first respect the right of first refusal of the other shareholder in respect of such shares. Moreover, the European Bank for Reconstruction and Development may exercise its tag-along right in the event of a contemplated disposal of shares by GTC RH B.V. (formerly Real Estate Investments Bulgaria B.V.) as a result of which GTC RH B.V. (formerly Real Estate Investments Bulgaria B.V.) would hold less than 50% of the share capital of Galleria Burgas AD. Finally, shareholders representing at least 75% of the share capital of Galleria Burgas AD who accept a third party's proposal for the purchase of the entire share capital of such company may exercise drag-along rights in respect of the remaining shareholders.

*Shareholder agreement regarding Galleria Stara Zagora AD*

75% of the share capital of Galleria Stara Zagora AD, a Subsidiary, is owned by GTC RH B.V. (formerly GTC Real Estate Investments Bulgaria B.V.) The minority shareholders are Naslada AD (15% of the share capital and of the votes at the meeting of the shareholders) and SGS Consult EOOD (10% of the share capital and of the GTC RH B.V. (formerly GTC Real Estate Investments Bulgaria B.V.) and the minority shareholders in relation to Galleria Stara Zagora AD. Pursuant to the agreement, the shareholders must exercise their voting rights in such manner as to ensure that the board of directors of Galleria Stara Zagora AD is always composed of three or four members, one which is nominated by the minority shareholders and the rest by GTC RH B.V. (formerly GTC Real Estate Investments Bulgaria B.V.)

Any shareholder contemplating a transfer of its shares to a third party must first respect the right of first refusal of the other shareholders in respect of such shares. In the event of a third party's proposal to buy the entire issued share capital of Galleria Stara Zagora AD, the holders of 75% of the issued capital (the "accepting shareholders") may exercise a drag-along right so that the remaining shareholders are required to enter into the contemplated transaction and sell their shares along with the accepting shareholders, always provided that the third party's proposal reflects a valuation of Galleria Stara Zagora AD which is equal to or higher than the fair market value as determined by an independent appraiser. Moreover, any disposal of substantially all of the assets owned by Galleria Stara Zagora AD is subject to the unanimous approval of all the shareholders of Galleria Stara Zagora AD if the consideration being offered by the potential purchaser is less than the fair market value of such assets as determined by an independent appraiser. The lock-in period with regard to the prohibition against the transfer of assets and shares in Galleria Stara Zagora AD has expired.

*Shareholder agreement regarding Galeria Ikonov GmbH*

On 18 May 2007, GTC RH B.V. (formerly GTC Real Estate Investments Bulgaria B.V.) and Walonten Limited, the two shareholders of Galeria Ikonov GmbH, a Subsidiary, a company with its registered seat in Vienna, Austria, holding all the shares in Galeria Varna EOOD, entered into a shareholders' agreement. Such agreement contained certain provisions relating to Galeria Varna EOOD: the shareholders of Galeria Ikonov GmbH had to exercise their voting rights in such manner as to ensure that Galeria Varna EOOD had three directors, two of which were nominated by GTC RH B.V. (formerly GTC Real Estate Investments Bulgaria B.V.) and one by Walonten Limited. Moreover, disposals of real estate assets owned by Galeria Varna EOOD are subject to the unanimous approval of all the shareholders of Galeria Ikonov GmbH if the consideration being offered by the potential purchaser was less than the fair market value of such assets as determined by an independent appraiser. Disposals of real estate assets and shares of Galeria Varna EOOD were prohibited for a period of six months following the issuance of the operational permit for the project. As of the date of this Pre-listing Statement, GTC RH B.V. acquired 100% of the shares in Galeria Ikonov GmbH which resulted in the expiry of the agreement.

*Members agreement regarding Euro Structor d.o.o.*

GTC RH B.V. (formerly GTC Real Estate Investments Croatia B.V.) holds 70% of the share capital of Euro Structor d.o.o., with the other shareholder, Wallnore Trading Limited, holding 30%. The initial members agreement was signed on 10 November 2004 and the provisions regulating the governance of Euro Structor d.o.o. had been incorporated into the articles of association of Euro Structor d.o.o. signed between GTC RH B.V. (formerly GTC Real Estate Investments Croatia B.V.) and Wallnore Trading Limited as of 14 October 2008.

GTC RH B.V. (formerly GTC Real Estate Investments Croatia B.V.) has the right to appoint all the members of the management board of Euro Structor d.o.o. Moreover, any shareholder intending to transfer shares to a third party must comply with such shareholder's right of first refusal. In the event of a third party proposing to buy all of the shares in the company and provided that shareholders holding at least 51% of the shares in the company at such time propose to sell all of their shares in Euro Structor d.o.o. to such offeror, then, subject to first right of first refusal, the proposing shareholder shall be entitled to require all the remaining shareholders to transfer all their shares in Euro Structor to such offeror and the non-proposing shareholder shall be required to act in accordance with such bring-along notice. Along with the right of first refusal and the bring-along right, a shareholder holding less than 50% of the shares in Euro Structor d.o.o. has a tag-along option; i.e. the right to join in any contemplated transfer of shares between the selling shareholder and any third party and sell its shares in Euro Structor d.o.o.

**Annexure 7****CORPORATE GOVERNANCE**

In accordance with the Commercial Companies Code, the Company is managed and supervised by the Management Board and the Supervisory Board. The description of the Management Board and the Supervisory Board herein has been prepared based on the Commercial Companies Code, the Articles of Association and the Rules and Regulations of the Supervisory Board as at the date of this Pre-listing Statement.

**Management Board**

The governing body of the Company is the Management Board.

***Composition***

Under the Articles of Association, the Management Board consists of one to seven members appointed by the Supervisory Board. The Supervisory Board may designate the president of the Management Board, as well as his deputy. Members of the Management Board are elected for individual three-year terms.

The Supervisory Board has the right to suspend, for important reasons, either all or selected 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 were 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 the 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 1% (one percent) of the share capital.

***Powers of the Management Board***

The Management Board manages the Company's affairs 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 such a member.

***Functioning***

The Management Board operates in accordance with the Commercial Companies Code, the Articles of Association and the resolutions of the General Meeting. The detailed scope of powers of the Management Board, including a detailed description of the terms of operations, is defined in the Articles of Association.

The mandate of each of the members of the Management Board expires, at the latest, on the date of the General Meeting approving the financial statements for the last full financial year of his term in office.

**Supervisory Board**

The Supervisory Board exercises regular supervision over the Company's operations.

***Composition***

Pursuant to Article 7 of the Articles of Association, the Supervisory Board consists of five to 20 members, including the chairman. The number of Supervisory Board members is determined as follows.

Each shareholder of the Company, who individually holds more than five percent of the shares in the Company's share capital (the "**Initial Threshold**") is entitled to appoint one Supervisory Board member. Shareholders are further entitled to appoint one additional Supervisory Board member for each tranche of the shares held constituting five percent of the Company's share capital in excess of the Initial Threshold. The Initial Threshold and each subsequent threshold of five percent of the share capital above the Initial Threshold are referred to in the Articles of Association as the "**Appointing Thresholds**" and the shareholders entitled to appoint Supervisory Board members are referred to as the "**Entitled Shareholders**".

Subject to the provisions of the Articles of Association governing the election of the Independent Member of the Supervisory Board (as described in section “– *Independent Supervisory Board Members*” below), Supervisory Board members are appointed by a written notice of the Entitled Shareholders given to the chairman of the General Meeting at the General Meeting or outside the General Meeting delivered to the Management Board and a written statement of the appointed person regarding his or her consent thereto. A deposit certificate proving the Entitled Shareholder’s ownership of the shares entitling him to appoint the Supervisory Board member or members needs to be provided along with such a notice.

The Supervisory Board member will be appointed upon the receipt of the written notice by the chairman of the General Meeting or the Management Board, respectively, unless the notice provides for a later date.

The number of Supervisory Board members is equal to the number of members appointed by the Entitled Shareholders, increased by one Independent Member of the Supervisory Board, provided that in any case such number may not be lower than five. The Company has no influence over the exercise by the Company’s shareholders of the above-mentioned right to the full extent thereof, i.e. to the appointment of members of the supervisory board with respect to each Appointing Threshold.

Supervisory Board members appointed by the Entitled Shareholders may be dismissed pursuant to a resolution of the General Meeting adopted with a three-fifths majority of votes cast or pursuant to a written statement by a respective Entitled Shareholder, delivered to the Management Board.

LSREF, as an Entitled Shareholder, appointed, effective 24 May 2016: Alexander Hesse, Philippe Couturier and Katharina Schade, and on 16 May 2014 – Jan Düdden as members of the Supervisory Board.

Aviva Otwarty Fundusz Emerytalny Aviva BZ WBK, as an Entitled Shareholder, appointed, effective 24 May 2016, Marcin Murawski as a member of the Supervisory Board.

OFE PZU Złota Jesień as an Entitled Shareholder, appointed, effective 27 May 2016, Ryszard Koper and on 13 June 2016 – Tomasz Styczyński as members of the Supervisory Board.

On 24 May 2016 and effective thereon, Mariusz Grendowicz was appointed by the General Meeting, at the request of the Management Board, as the Independent Supervisory Board member.

### **Powers**

The Supervisory Board exercises regular supervision over the Company’s operations in all areas of its activity. The responsibilities of the Supervisory Board include an assessment of the Management Board report on the operations of the Company and an assessment of the financial statements of the Company for the previous financial year with regard to their compliance with the books of account and other documents, as well as their actual status. The Supervisory Board is also responsible for an assessment of the Management Board motions on the distribution of profit or coverage of loss and the submission to the General Meeting of an annual written report on the results of such assessment. The Supervisory Board represents the Company in agreements and disputes with members of the Management Board, unless these powers are entrusted to an attorney-in-fact appointed by a resolution of the General Meeting.

Pursuant to Article 7.3 of the Articles of Association, apart from the matters reserved for the Supervisory Board under the provisions of the Commercial Companies Code, the powers of the Supervisory Board include:

- establishment of remuneration and commissions for members of the Management Board and representing the Company in the execution of agreements with the Management Board members, as well as in case of any disputes with the Management Board members;
- granting consent to the Company or a subsidiary for the execution of an agreement or agreements with an affiliate of the Company or with a Management Board or a Supervisory Board member or with a member of the management or supervisory authorities of an affiliate. Such consent is not required for transactions with companies in which the Company holds, directly or indirectly, shares entitling it to at least 50% of the votes at the meetings of the shareholders, if such transactions provide for the obligations of the other shareholders of such companies proportional to their stake therein, or if the difference between the financial obligations of the Company and the other shareholders does not exceed EUR 5 million. For the purpose of the Articles of Association, indirect ownership of shares entitling the holder to at least 50% of the votes at the meeting of the shareholders means the possession of such number of shares that entitles the holder to at least 50% of the votes in each of the indirectly held companies in the chain of subsidiaries;
- approval of any change of the expert auditor selected by the Management Board to audit the Company’s financial statements; and
- granting consent to the Company or a subsidiary for: (i) the execution of transactions involving the acquisition or sale of investment assets of any kind, the value of which exceeds EUR 30 million; (ii) the issuance of a guarantee for an amount exceeding EUR 20 million; or (iii) the execution of any transactions (in the form of a single legal act or a number of legal acts) other than those set forth in the preceding points (i) or (ii) above,

where the value of such transactions exceeds EUR 20 million. Such consent is required for the Management Board to vote on the Company's behalf at a meeting of the shareholders of a subsidiary of the Company, authorizing transactions meeting the above criteria.

### **Functioning**

The Supervisory Board operates on the basis of the Commercial Companies Code, the Articles of Association and the Rules and Regulations of the Supervisory Board adopted by the General Meeting.

Pursuant to the Articles of Association, resolutions of the Supervisory Board are adopted at the meetings of the Board and may be adopted in writing if at least three-fourths of its members cast their votes by signing the same copy of a draft resolution or various counterparts and all of the members were informed of the wording of the draft of such resolution by mail, courier, fax or email to the addresses provided by members of the Supervisory Board.

The meetings of the Supervisory Board are convened by the Chairman of the Supervisory Board. The meetings may be convened at the request of a Supervisory Board member or at the request of the Management Board and in such case are to be held no later than within two weeks, but not earlier than on the third business day following the receipt of such request by the Chairman of the Supervisory Board.

The Management Board members have the right to participate in the meetings of the Supervisory Board and have the right to give advice.

The meetings may take place within the territory of Poland or abroad. The meetings may also be held via telephone, provided that all the participants are able to communicate simultaneously. All resolutions adopted at such meetings shall be valid, provided that the attendance register is signed by the Supervisory Board members who participated in such meeting. The place where the Chairman attends such meeting is considered to be the place where the meeting was held.

Unless the Articles of Association provide otherwise, resolutions of the Supervisory Board are adopted by an absolute majority of votes cast in the presence of at least five Supervisory Board members. In the event of a tie, the Chairman has the casting vote. Resolutions relating to the granting of consent to any of the actions referred to in Article 7.3 (a) through (c) of the Articles of Association require a vote in favour thereof by the Independent Member of the Supervisory Board, provided that none of the Supervisory Board members interested in the subject of the resolution votes in favour of the adoption of such resolution.

Pursuant to the Articles of Association, a Supervisory Board member may take part in the adoption of Supervisory Board resolutions by casting his vote in writing through another Supervisory Board member. The right to cast a vote in writing through another Supervisory Board member cannot be exercised with regard to matters which are added to the agenda of a Supervisory Board meeting during the course of such meeting.

The mandate of each of the members of the Supervisory Board expires, at the latest, on the date of the General Meeting approving the financial statements for the last full financial year of such member's term in office. However, in case of the Supervisory Board members appointed by the Entitled Shareholders, such mandates also expire upon the notification by a given Entitled Shareholder of the PFSA or the Company of the decrease of his shareholding in the Company below the Appointing Thresholds. In case the Entitled Shareholder has appointed more than one Supervisory Board member, their mandates expire in the order of their appointment, i.e. the mandate of the member appointed last expires first.

### **Independent Supervisory Board Members**

Pursuant to the Articles of Association, one Supervisory Board member has to be elected under a resolution of the General Meeting by way of a separate vote and is required to satisfy the following requirements (the "Independent Member of the Supervisory Board"):

- a. he may not be an employee, sub-contractor, supplier, client or advisor of the Company or any of its affiliates nor may he have any other business relations with the Company or any of its affiliates;
- b. he may not be a member of supervisory or management authorities of the affiliate;
- c. he may not be a shareholder in the Company holding more than five percent of the votes at the General Meeting or at the meeting of the shareholders of an affiliate;
- d. he may not be a member of supervisory or management authorities or an employee of an entity designated in point (c) above;
- e. he may not be an ascendant, descendant, spouse, sibling, parent of spouse or any other person close to any of the persons listed in (a) through (d) above; and
- f. he may not be an employee, member of the supervisory or management board, consultant, service provider, shareholder or otherwise related to any company or other entity, which is active in the real estate sector in countries in which the Company or its subsidiaries operate, save for banks or financial institutions whose primary role is not the financing of real estate ventures.

The above conditions will be collectively referred to in the Articles of Association as the “**Qualifying Conditions**”.

The Articles of Association provide that any shareholder of the Company may propose to the Management Board in writing the candidates for the Independent Member of the Supervisory Board within not longer than seven days prior to the General Meeting at which such Independent Member of the Supervisory Board is to be elected. Apart from the personal details of the candidate, the proposal should contain a justification together with a description of the qualifications and professional experience of the candidate. The proposal should be accompanied by written consent of the candidate as well as his written representation that he satisfies the Qualifying Conditions. In the event of the failure to present any candidates who satisfy the Qualifying Conditions, the candidate for the Independent Member of the Supervisory Board will have to be presented by the Management Board at a General Meeting.

Under the Articles of Association, the Qualifying Conditions must be satisfied throughout the term in office of the Independent Member of the Supervisory Board. The Independent Member of the Supervisory Board who ceases to satisfy any of the Qualifying Conditions is required to inform the Management Board about such fact in writing immediately, but in any event not later than within one week following the receipt of such information or the occurrence of a relevant event.

The mandate of the Independent Member of the Supervisory Board expires upon the receipt of such notification by the Management Board. Upon the receipt of such notification, the Management Board is required to convene a General Meeting in order to appoint a new Independent Member of the Supervisory Board immediately, but not later than within 60 days. Furthermore, in case the Management Board learns that the Independent Member of the Supervisory Board does not satisfy the Qualifying Conditions and has not received a proper notification, the Management Board is required to immediately convene a General Meeting, the agenda of which has to provide for a resolution regarding the dismissal of such member and the appointment of new one.

As of the date of the Pre-listing Statement, Mariusz Grendowicz is the Independent Member of the Supervisory Board.

The definition of an Independent Member of the Supervisory Board and the Qualifying Conditions were adopted for the purposes of the Company's articles of association and, regardless thereof, members of the Company's supervisory board are being appointed who satisfy the criteria of the Act on Statutory Auditors and their Self-Government, the Entities Authorised to Audit Financial Statements and on Public Supervision dated 7 May 2009 (the “**Auditors’ Act**”), the Commission Recommendation of 15 February 2005 on the role of non-executive or supervisory board directors of listed companies and on the committees of the (supervisory) board (the “**Non-Executive Directors Recommendation**”) and the requirements of the WSE Best Practices, in the number as stated in the above-referenced regulations.

As of the date of the Pre-listing Statement, Marcin Murawski, Ryszard Koper and Tomasz Styczyński fulfil the criteria of independence as specified in the Non-Executive Directors Recommendation. In the opinion of the Company the Non-Executive Directors Recommendation does not clearly state that a member of the supervisory board who has been appointed by a shareholder in performance of its personal rights specified in the Articles of Association represents such shareholder (and by the same, such member of the supervisory board cannot be qualified as independent in the light of the criteria listed in the Non-Executive Directors Recommendation). The Company believes that it is possible that a shareholder who under the Articles of Association enjoys the aforementioned personal right will appoint to the Supervisory Board a person with whom it will have no factual or legal relationship, and who has relevant education and professional experience, in order to ensure that supervision in a given company is effected by qualified individuals in an impartial and independent manner. The Company is of the opinion that in such situation there are no grounds to deny such member of the Supervisory Board independent status within the meaning of the Non-Executive Directors Recommendation.

In accordance with their representations, as of the date of the Pre-listing Statement, Marcin Murawski fulfils the criteria of objectivity and independence referred to in Art. 56 section 3 subsections 1, 3 and 5 of the Auditors’ Act.

### ***Committees of the Supervisory Board***

#### ***Audit Committee***

The Articles of Association require the Supervisory Board to appoint the Audit Committee, responsible for all matters related to the Company's finances, consisting of the Independent Member of the Supervisory Board and two members other than the Chairman of the Supervisory Board.

The objectives of the Audit Committee include: the evaluation and, when necessary, advising the Supervisory Board on matters concerning financial administrative control, financial reporting and internal and external audits of the Company and the Group.

As of the date of the Pre-listing Statement, Katharina Schade, Mariusz Grendowicz and Marcin Murawski are members of the Audit Committee. In accordance with their representations, the members of the Audit Committee are qualified in accounting and auditing.

### *Remuneration Committee*

In May 2014 the Supervisory Board also established a Remuneration Committee of the Supervisory Board, which has no decision-making authority and which is responsible for making recommendations to the Supervisory Board with respect to the remuneration of the members of the Management Board and the policies for setting such remuneration.

As of the date of the Pre-Listing Statement, Alexander Hesse, Marcin Murawski and Mariusz Grendowicz are the members of the Remuneration Committee.

GTC reports on the application of the principles of corporate governance annually and is found on their website <http://ir.gtc.com.pl/en/corporate-governance/compliance/2016>



## Annexure 8

**THE ARTICLES OF ASSOCIATION OF GTC**

*The unified text of the Company's statute adopted by a resolution of the Company's supervisory board dated 16 October 2015, in the wording implementing the amendments resulting from resolution No. 3 of the extraordinary general meeting of the Company dated 30 June 2015 on the increase of the Company's share capital by way of an issuance of ordinary bearer shares with pre-emptive rights, on conducting a public offering of newly-issued shares, on setting the record date for pre-emptive rights related to newly-issued shares as 10 September 2015, on the dematerialisation and seeking the admission and introduction to trading on the regulated market operated by the Warsaw Stock Exchange of pre-emptive rights, rights to shares and newly-issued shares, and on amending the Company's statute.*

**STATUTE OF  
GLOBE TRADE CENTRE S.A.**

**Article 1  
COMPANY NAME**

The Company operates under the name **"Globe Trade Centre"** Spółka Akcyjna, hereinafter referred to as the "Company". The Company may use the abbreviated name **"Globe Trade Centre" S.A.**

**Article 2  
COMPANY'S REGISTERED SEAT**

The registered seat of the Company shall be the Capital City of Warsaw.

**Article 3  
TERRITORY OF THE COMPANY'S OPERATIONS**

1. The Company shall conduct its operations within the territory of the Republic of Poland and abroad.
2. The Company may create branches and representative offices and enterprises in Poland and abroad.

**Article 4  
THE COMPANY'S DURATION**

The duration of the Company shall be unlimited.

**Article 5  
SCOPE OF THE COMPANY'S ACTIVITIES**

The scope of activities of the Company shall include:

- a) Development of building projects related to the construction of buildings – 41.10.Z
- b) Construction of residential and non-residential buildings – 41.20.Z
- c) Other building completion and finishing – 43.39Z
- d) Activities of holding companies – 64.20.Z
- e) Other credit granting – 64.92.Z
- f) Other financial service activities not elsewhere classified, except insurance and pension funding – 64.99.Z
- g) Other activities auxiliary to financial services, except insurance and pension funding – 66.19.Z
- h) Buying and selling of own real estate – 68.10. Z
- i) Letting and operating of own or leased real estate – 68.20.Z
- j) Real estate agencies – 68.31.Z
- k) Management of real estate on a fee or contract basis – 68.32.Z

- l) Legal activities – 69.10.Z
- m) Accounting, bookkeeping and auditing activities; tax consultancy – 69.20.Z
- n) Activities of head offices and holdings, except financial holdings – 70.10.Z
- o) Business and other management consultancy activities – 70.22.Z
- p) Architectural activities – 71.11.Z
- q) Combined office administrative service activities – 82.11.Z
- r) Activities of other membership organisations not elsewhere classified – 94.99.Z.

## **Article 6**

### **COMPANY CAPITAL AND SHARES**

1. All the shares are bearer shares.
2. The share capital amounts to PLN 46.021.647,80 (forty-six million twenty-one thousand six hundred forty-seven zloty and eight groszy) and is divided into:
  - a) 139,286,210 (one hundred and thirty-nine million, two hundred and eighty-six thousand, two hundred and ten) series A shares of PLN 0.10 (ten groszy) nominal value each;
  - b) 1,152,240 (one million, one hundred and fifty-two thousand, two hundred and forty) series B shares of PLN 0.10 (ten groszy) nominal value each;
  - c) 235,440 (two hundred and thirty-five thousand, four hundred and forty) series B1 shares of PLN 0.10 (ten groszy) nominal value each;
  - d) 8,356,540 (eight million, three hundred and fifty-six thousand, five hundred and forty) series C shares of PLN 0.10 (ten groszy) nominal value each;
  - e) 9,961,620 (nine million, nine hundred and sixty-one thousand, six hundred and twenty) series D Shares of PLN 0.10 (ten groszy) nominal value each;
  - f) 39,689,150 (thirty nine million, six hundred and eighty-nine thousand, one hundred and fifty) series E shares of PLN 0.10 (ten groszy) nominal value each.;
  - g) 3,571,790 (three million, five hundred and seventy-one thousand, seven hundred and ninety) series F shares of PLN 0.10 (ten groszy) nominal value each;
  - h) 17,120,000 (seventeen million, one hundred and twenty thousand) series G shares of PLN 0.10 (ten groszy) nominal value each;
  - i) 100,000,000 (one hundred million) series I shares of PLN 0.10 (ten groszy) nominal value each;
  - j) 31,937,298 (thirty-one million nine hundred thirty-seven thousand two hundred ninety-eight) series J shares of PLN 0.10 (ten groszy) nominal value each; and
  - k) 108,906,190 (one hundred eight million nine hundred six thousand one hundred ninety) series K shares of PLN 0.10 (ten groszy) nominal value each.
3. The Company's share capital may be paid in by transfer thereto of funds from the reserve, supplementary or other special purpose capital created from write offs from net profit or from funds originated from net profit or from payments of premiums paid above the aggregate nominal value of the issued shares.
4. The shareholders shall have pre-emptive right to subscribe for shares of new issues, except for exclusion of the pre-emptive right in compliance with Article 433, paragraph 2 of the Commercial Companies Code.
5. Shares may be redeemed through the decrease of the share capital or out of net profit, provided that prior consent of each of the Shareholders whose shares are to be redeemed is obtained.
6. All the shares are ordinary shares. Each share shall give the right to 1 (one) vote at the Shareholders Meeting.
7. Bearer shares cannot be exchanged to registered shares.
8. The Company may issue bonds, including bonds convertible to shares.

**Article 6a**  
**CONDITIONAL CAPITAL**

1. The Company's conditional share capital shall not exceed PLN 200,000 (two hundred thousand) and shall be divided into not more than 2,000,000 (two million) ordinary bearer series H shares with a nominal value of PLN 0.10 (ten groszy) each.
2. The aim of the establishment of the conditional share capital is to grant the holders of subscription warrants the right to subscribe for series H shares.
3. Those entitled to subscribe for the Series H Shares shall be the holders of the subscription warrants issued by the Company based on resolution No. 3 of the Extraordinary Meeting of the Shareholders of the Company dated 12 December 2006.
4. The holders of the subscription warrants shall be entitled to exercise the right to subscribe for the Series H Shares until 31 December 2010.

**Article 7**  
**COMPANY AUTHORITIES**

1. The Company authorities are:
  - the Meeting of the Shareholders;
  - the Supervisory Board; and
  - the Management Board.

**Meeting of the Shareholders**

2. Ordinary Meetings of the Shareholders shall be held once a year within 6 (six) months of the end of the Company's financial year.
- 3.1 Ordinary Meetings of the Shareholders shall be convened by the Management Board. The Supervisory Board shall have the right to convene an Ordinary Meeting of the Shareholders if the Management Board fails to convene it within the timeframe defined in section 2 above.
- 3.2 Extraordinary Meetings of the Shareholders shall be convened by the Management Board. The Supervisory Board shall have the right to convene an Extraordinary Meeting of the Shareholders if it believes it is necessary and the Management Board failed to convene an Extraordinary Meeting of the Shareholders within 14 (fourteen) days from the date of a relevant request of the Supervisory Board. One or several Shareholders authorised to exercise no less than 5% (five percent) of the votes at the Meeting of the Shareholders shall have the right to demand that an Extraordinary Meeting of the Shareholders be convened. Additionally, each member of the Supervisory Board is entitled to convene an Extraordinary Meeting of the Shareholders.
- 3.3 Pursuant to the rules set forth in this section 3.3, the Management Board can decide to use means of electronic communication during a Meeting of the Shareholders for:
  - 1) real-time broadcasting of the Meeting of the Shareholders; and
  - 2) two-way, real time communication enabling the shareholders to take the floor during the Meeting of the Shareholders while being at a location other than the venue of the Meeting of the Shareholders.

For the avoidance of doubt, the broadcasting of the Meeting of the Shareholders using means of electronic communication and the shareholders' right to take the floor during the Meeting of the Shareholders (referred to as electronic online communication) pursuant to this section 3.3 does not grant: (i) the right to vote (such as voting "in favour of" or "against" or "abstaining" or lodging objections) to shareholders or their proxies through the use of means of electronic communication; or (ii) the right to participate in the Meeting of the Shareholders within the meaning of Art. 4065 of the Commercial Companies Code.

- 3.4 If the Management Board elects to hold the Meeting of the Shareholders using means of electronic communication within the scope regulated above, the Management Board should determine and announce the rules for conducting such Meeting of the Shareholders on the Company's website not later than 26 days before the Meeting of the Shareholders.
4. Resolutions of Meeting of the Shareholders shall be adopted by an absolute majority of the votes cast, unless the regulations of the Commercial Companies Code or this statute provide for more stringent conditions for the adoption of resolutions.
5. Meetings of the Shareholders are valid regardless of the share capital represented thereat, unless the Commercial Companies Code provides otherwise.

6. Meetings of the Shareholders shall be opened by the chairman or another member of the Supervisory Board appointed by the chairman, and in the absence thereof, a Management Board member.

#### **Supervisory Board**

- 7.1 The Supervisory Board shall consist of 5 (five) to 20 (twenty) members, including the chairman elected in compliance with the procedure set forth below. The number of Supervisory Board members shall be defined in compliance with the procedure as provided for below.
- 7.1.1. Each shareholder who individually holds more than 5% (five percent) of the shares in the Company's share capital (the "Initial Threshold") shall be entitled to appoint one Supervisory Board member. Shareholders shall be further entitled to appoint one additional Supervisory Board member for each tranche of held shares constituting 5% (five percent) of the Company's share capital above the Initial Threshold. The Initial Threshold and each following threshold of 5% of the share capital above the Initial Threshold will be collectively called "Appointing Thresholds", and the shareholders entitled to appoint Supervisory Board Members will be called "Entitled Shareholders".
- 7.1.2. Subject to section 7.2.1, Supervisory Board members shall be appointed by a written notice of Entitled Shareholders given to the chairman of the Meeting of the Shareholders at the Meeting of the Shareholders or outside of the Meeting of the Shareholders delivered to the Management Board and a written statement of the selected person stating that he/she agrees to be appointed to the Supervisory Board. The Entitled Shareholder shall provide together with the written notice a deposit certificate proving the shareholder's ownership of shares entitling him to appoint the Supervisory Board member or members on the date of receipt of the written notice by the chairman of the Meeting of the Shareholders or the Management Board.
- 7.1.3. The Supervisory Board member will be appointed from the moment of receipt of the written notice by the chairman of the Meeting of the Shareholders or the Management Board, respectively, unless the notice provides for a later date.
- 7.1.4. The number of Supervisory Board members shall be equal to the number of members appointed by the Entitled Shareholders, increased by one Independent Member, provided that in each case such number may not be lower than 5 (five).
- 7.1.5. The mandate of the Supervisory Board members expires at the end of their term, but in case of the Supervisory Board members appointed by the Entitled Shareholders, such mandate will expire at the moment the shareholders who appointed such members inform the Polish Financial Supervision Authority or the Company of a decrease in their shareholding in the Company below the Appointing Thresholds. If the Entitled Shareholder has appointed more than one Supervisory Board member, then their mandates will expire in the order of their appointment, i.e. the mandate of the member last appointed will expire first.
- 7.1.6. The Supervisory Board shall appoint the chairman of the Supervisory Board from among its members.
- 7.1.7. Members of the Supervisory Board appointed in compliance with section 7.1.1 may be dismissed pursuant to a resolution of the Meeting of the Shareholders adopted with a 3/5 (three-fifths) majority of the votes cast or pursuant to a written representation by the Shareholder who appointed such member delivered to the Company's Management Board.
- 7.2.1 One Supervisory Board member shall be elected by way of a resolution of the Meeting of the Shareholders in a separate vote and shall satisfy the following requirements (the "Independent Member"):
- a) he shall not be an employee, sub-contractor, supplier, client or advisor of the Company or any Affiliate (as defined below) thereof, nor shall he have any other business relations with the Company or any Affiliate thereof;
  - b) he shall not be a member of the supervisory or management authorities of the Affiliate;
  - c) he shall not be a shareholder having more than 5% (five percent) of the votes at the Meeting of the Shareholders of the Company or at the Meeting of the Shareholders of and Affiliate;
  - d) he shall not be a member of the supervisory or management authorities or an employee of an entity designated in section (c) above;
  - e) he shall not be an ascendant, descendant, spouse, sibling, parent or any other person with a close relationship to any of the persons listed in (a) through (d) above; and
  - f) he may not be an employee, member of the supervisory or management board, consultant, service provider, shareholder or otherwise related to any company or other entity which is active in the real estate sector in countries in which the Company or its Subsidiaries operate, save for banks or financial institutions whose primary role is not the financing of real estate ventures.

The above conditions will be collectively referred to as the "Qualifying Conditions".

- 7.2.2 Each Shareholder may propose to the Management Board in writing candidates for the Independent Member within no more than 7 (seven) days prior to the Meeting of the Shareholders at which such Independent Member is to be elected. Apart from the personal details of the candidate, the proposal should contain a justification along with a description of the qualifications and professional experience of the candidate. The proposal should be accompanied by the written consent of such candidate to be presented as a candidate for Supervisory Board member as well as his written representation that he satisfies the Qualifying Conditions. In the event of a failure to present any candidates who would satisfy the Qualifying Conditions, the candidate for Independent Member will have to be presented by the Management Board at a Meeting of the Shareholders of the Shareholders.
- 7.2.3 Qualifying Conditions must be satisfied throughout the term of the Independent Member. If during his term the Independent Member ceases to satisfy any of the Qualifying Conditions, he shall immediately, but in any event no later than within one week from the receipt of such information or occurrence, inform the Management Board about such fact in writing (the "Notification"). The mandate of the Independent Member shall expire upon the receipt of the Notification by the Management Board.
- 7.2.4 Upon the receipt of the Notification, the Management Board shall immediately, but in any case no later than within 60 days from its receipt, convene a Meeting of the Shareholders in order to appoint a new Independent Member. Should the Management Board learn that the Independent Member does not satisfy the Qualifying Conditions and has not received the Notification, the Management Board shall immediately convene a Meeting of the Shareholders the agenda of which shall provide for the dismissal of such member and the appointment of new one.
- 7.3 Apart from the matters defined in the Commercial Companies Code, the competencies of the Supervisory Board shall include the following:
- a) the establishment of remuneration and commissions for the members of the Company's Management Board and representing the Company when executing agreements with Management Board members and in any disputes with Management Board members;
  - b) granting consent to the Company or a Subsidiary entering into an agreement or agreements with an Affiliate, the Company's Management Board, a member of the Company's Supervisory Board or with a member of the management or supervisory authorities of an Affiliate. Such consent shall not be required for a transaction with companies in which the Company holds, directly or indirectly, shares entitling it to at least 50% of the votes at the meetings of the shareholders if such transaction provides for obligations of the other shareholders of such companies proportional to their stake in that company, or if the difference between the financial obligations of the Company and the other shareholders does not exceed EUR 5 million. For the purposes of this statute, indirect ownership of shares entitling its holders to at least 50% of the votes at the meeting of the shareholders shall mean possession of such number of shares that entitles to at least 50% of the votes in each of the indirectly held companies in the chain of subsidiaries;
  - c) approval of any change of the expert auditor selected by the Company's Management Board to audit the Company's financial statements;
  - d) expressing consent for the Company or a Subsidiary to: (i) execute a transaction comprising the acquisition or sale of investment assets of any kind the value of which exceeds EUR 30 million; (ii) issue a guarantee for an amount exceeding EUR 20 million; or (iii) execute any transaction (in the form of a single legal act or a number of legal acts) other than those set forth in the preceding points (i) or (ii), where the value of such transaction exceeds EUR 20 million. For the avoidance of doubt, consent is required for the Company's Management Board to vote on the Company's behalf at meetings of the shareholders of a Subsidiary of the Company authorizing transactions meeting the above criteria.
- 7.4 For the purposes of this statute:
- a) an entity is an "Affiliate" if it is: (i) a Dominating Entity with respect to the Company, or (ii) a Subsidiary of the Company, or (iii) other than the Company, a Subsidiary of the Dominating Entity of the Company, or (iv) a Subsidiary of, other than the Company, Subsidiary of the Company's Dominating Entity, or (v) a Subsidiary of any member of the managing or supervisory authorities of the Company or any of the entities designated in points (i) through (iii);
  - b) an entity is a "Subsidiary" of any other entity ("Dominating Entity") if the Dominating Entity: (i) has the right to exercise the majority of the votes in the governing bodies of the Subsidiary, including on the basis of understandings with other authorised entities, or (ii) it is authorised to take decisions regarding financial policies and current commercial operations of the Subsidiary on the basis of any law, statute or agreement; or (iii) is authorised to appoint or dismiss the majority of the members of the members of the governing bodies of the Subsidiary; or (iv) more than half of the members of the Subsidiary's management board are also members of the management board or persons performing any management functions of the Dominating Entity or any other Subsidiary.

- 7.5 Resolutions of the Supervisory Board shall be adopted at Supervisory Board meetings. Resolutions of the Supervisory Board may be adopted in writing if at least three-fourths of its members cast their votes by signing the same copy of a draft resolution or various counterparts thereof and all of the members were informed of the wording of the draft of such resolution by mail, courier, fax or email to the addresses provided by the members of the Supervisory Board.
- 7.6 The chairman of the Supervisory Board shall convene the Supervisory Board meetings. Meetings convened at the request of a Supervisory Board member or at the request of the Management Board shall be held no later than within two weeks, but no earlier than on the 3rd (third) business day after the receipt of such request by the chairman of the Supervisory Board. For the purposes of this statute, a business day shall mean any day between Monday and Friday other than statutory holidays.
- 7.7 Management Board members may participate in Supervisory Board meetings in order to give advice.
- 7.8 Agreements relating to the rights and duties of Management Board members shall be signed by the chairman of the Supervisory Board and in his absence, by any other member authorised by the Supervisory Board upon the prior approval of such agreements by a Supervisory Board resolution (if required). Other legal actions between the Company and Management Board members shall be made in accordance with the same procedure.
- 7.9 Within the limits defined by law the Supervisory Board may convene meetings both within the territory of the Republic of Poland and abroad. Supervisory Board meetings may be held via telephone, provided that all the participants thereof are able to communicate simultaneously. All resolutions adopted at such meetings shall be valid, provided that the attendance register is signed by the Supervisory Board members who participated in such meeting. The place where the Chairman attends such meeting shall be considered as the place where the meeting was held.
- 8.1 Unless the Statute provides otherwise, resolutions of the Supervisory Board shall be adopted by absolute majority of votes cast in the presence of at least 5 (five) Supervisory Board members. In the event of a tie, the Chairman shall have a casting vote.
- 8.2 Regardless of section 8.1 above, resolutions relating to granting consent for any of the actions referred to in 7.3 (a) through (c) above shall require a vote in favour thereof by the Independent Member, provided that none of the Supervisory Board members interested in the subject of the resolution cannot vote in favour of the adoption of such resolution.
- 8.3 Supervisory Board members may take part in the adoption of Supervisory Board resolutions by casting their votes in writing through another Supervisory Board member. The casting of a vote in writing through another Supervisory Board member cannot apply to matters added to the agenda in the course of a Supervisory Board meeting.
- 8.4 Resolutions concerning the appointment of the chairperson of the Supervisory Board, the appointment of a Management Board member, and the dismissal and suspension from duty of the chairperson of the Supervisory Board or a Management Board member, respectively, cannot be adopted in the manner specified in sections: (i) 7.9 and (ii) 8.3 above.
- 8.5 At the request of an Independent Member, the Supervisory Board shall be required to perform the supervisory actions referred to in such request, as defined in the Commercial Companies Code, provided that the member who made the request is designated to directly perform such supervisory actions.
- 8.6 The non-competition clause and the restrictions relating to participation in any competitive entities which apply to the Company's Management Board members shall also apply to Supervisory Board members seconded to perform permanent individual supervisory functions as defined in Article 390 of the Commercial Companies Code.
- 8.7 The Meeting of the Shareholders may adopt the rules of the Supervisory Board which define its organisation and the manner of the performance of actions by the Board.
- 8.8 Resolutions of the Meetings of the Shareholders with respect to the issue referred to in section 8.7 above as well as with regard to any amendments to such rules or the revocation thereof shall require an absolute majority of 2/3 (two thirds) of the votes casts in order to be adopted.
9. Members of the Supervisory Board shall be appointed for a term of three years.
10. The Supervisory Board shall appoint an audit committee responsible for the review of matters related to the Company's finances. The audit committee shall consist of three members appointed by the Supervisory Board, including the Independent Member and two members other than the chairman of the Supervisory Board.

#### **Management Board**

11. The Management Board shall consist of 1 (one) to 7 (seven) members appointed by the Supervisory Board. The Supervisory Board shall designate the president of the Management Board and his or her deputy. The members of the Management Board shall be elected for three-year terms.

12. The Management Board shall represent the Company before third parties and shall manage the Company's enterprises and assets. The Management Board shall operate in accordance with the statute and the resolutions of the Meetings of the Shareholders. The detailed scope of the competencies of the Management Board, including a detailed description of the rules of functioning of the Management Board shall be defined in the Rules of the Management Board and approved by the Supervisory Board.
13. Two members of the Management Board acting jointly shall be authorised to represent the Company. Should the Management Board consist of one member, he shall be authorised to represent the Company individually.
14. Without the Supervisory Board's consent, no Management Board member shall have the right to get 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 1% (one percent) of the share capital of such company. A competitive business shall be understood as an entity conducting activities including, among others, the marketing, purchase or sale of real estate, the lease of real properties, advisory services, within the scope of real estate, and the construction and financing of real estate ventures in Poland or other countries in which the Company or its Subsidiaries operate.
15. Within the limits defined by law, the Management Board may convene meetings both within the territory of the Republic of Poland and abroad.
16. With regard to the actions referred to in section 7.3 above, the Management Board is required to obtain the prior consent of the Supervisory Board.
17. The Management Board may, upon receipt of the consent of the Supervisory Board and the Meeting of the Shareholders, pay to shareholders, in the course of the financial year, an advance towards the projected dividend at the end of the financial year in accordance with the Commercial Companies Code.

#### **Article 8 FINANCIAL BOOKS AND COMPANY ACCOUNTS**

1. The financial year of the Company shall be the calendar year.
2. Within 3 (three) months after the end of the financial year, the Management Board shall prepare the annual financial statements of the Company including the balance sheet and the profit and loss account for the previous year, and recommendations with regard to the division of profits and coverage of losses as well as all other reports required by law and a cash flow statement and, subsequently, present such documentation to the Supervisory Board for evaluation.
3. The Management Board of the Company shall select and use the services of expert auditors for the purposes of auditing the financial books of the Company at the end of each financial year, subject to 7.3 c) of Article 7 above.

#### **Article 9 MISCELLANEOUS**

1. The Company shall create a reserve capital through write-offs at 8% (eight percent) of the annual profit after tax until such reserve capital reaches at least 1/3 (one-third) of the value of the share capital.
2. Furthermore, the reserve capital shall also be credited with all of the surpluses from share issues over and above the nominal value thereof, additional payments due with respect to any additional privileges assigned to shares, other additional payments by shareholders which do not increase the share capital as well as any and all amounts from the revaluation of fixed assets.
3. The Company shall have the right to create other spare and special purpose funds as defined by the Meeting of the Shareholders.
4. The Meeting of the Shareholders shall decide on the manner of use of the spare and special purpose capital.

#### **Article 10 FINAL PROVISIONS**

1. In case of any doubt, any and all matters not regulated by this statute shall be governed by the Commercial Companies Code and other relevant provisions of Polish law.
2. Copies of this statute shall be issued to the Shareholders and the Company.

## Annexure 9

## DIFFERENCES IDENTIFIED BETWEEN SOUTH AFRICAN AND POLISH REQUIREMENTS

### Johannesburg Stock Exchange vs. Warsaw Stock Exchange

	JSE Main Board	WSE
<b>Main Board Listing Criteria</b>		
<b>Minimum Capital</b>	R50 million	At least PLN 60 million or the PLN equivalent of at least EUR 15 million (Value of the shares or, if the determination of the value of shares is not possible, the value of equity)
<b>Minimum shares in issue</b>	25 million	N/A but please see “Minimum Capital” and “Free float” section
<b>Profit History/Forecast</b>	3 year profit history No forecast required	Annual financial statements for 3 years together with opinions of independent auditors (IFRS Compliant)
<b>Minimum pre-tax profit</b>	R15 million	N/A
<b>Free float</b>	20%	Dispersion: a) 25% of the shares referred to in the application for the admission to trading on the WSE held by the small shareholders (each of which may exercise less than 5% of the votes at the General Meeting); and b) 500,000 shares referred to in the above-mentioned application with a value equal to at least EUR 17,000,000, calculated based on the last sale or issue price. Shares may be admitted if the above-mentioned condition is not satisfied where the management board of the WSE decides that the number of shares referred to in the application and the subscription or sale procedure provide sufficient grounds that shares on the main market will show liquidity of trading.
<b>Number of shareholders</b>	N/A but number is a subject to JSE approval	No minimum number of the shareholders is required, however, shares may be admitted to trading on the WSE, provided they are held by such number of shareholders that provides sufficient grounds to show liquidity of exchange trading.
<b>Other</b>		
<b>Sponsor</b>	Sponsor	A WSE-listed company is recommended to enter into an agreement with a market maker (animator) being principally a Polish or foreign investment firm, pursuant to which agreement the animator has agreed to support the liquidity of shares issued by the WSE-listed company. The management board of the WSE may require the WSE-listed company to enter into an agreement with a market maker.
<b>Company Secretary Designation</b>	Company Secretary appointed.	No separate Company Secretary designation. Duties of the Company Secretary are upheld by the Chief Financial Officer.



<b>Annual listing fee</b>	A minimum of R42 050 and a maximum of R370 000 (incl. VAT)	<p><u>One-off fee for the announcement of an offering (WSE):</u> PLN 3,000</p> <p><u>One-off fee for the first introduction of shares of the issuer to trading (WSE):</u> Fixed fee in the amount of PLN 6,000 0.02% of the market value of the shares PLN Minimum = PLN 8,000 Maximum = PLN 96,000</p> <p><u>Annual (WSE):</u> 0.02% of the market value of the shares PLN Minimum = PLN 3,000 Maximum = PLN 8,000</p> <p><u>Annual (NDS):</u> Membership fee = PLN 6,000</p>
<b>Provisions of the issuer regarding</b> - Qualifications of directors - Remuneration of directors - Any power enabling the directors to vote remuneration to themselves or any member of the board	Provided in the MOI or other constitutional document	There are no binding rules and regulations regarding the qualifications or remuneration policy of the management board or supervisory board.
<b>Corporate Actions</b>		
<b>General Repurchase</b>	<ul style="list-style-type: none"> <li>- May not in aggregate exceed 20% of the issued shares</li> <li>- Not at a price &gt;10% above 5day VWAP</li> <li>- Announce every cumulative 3% repurchased on SENS</li> <li>- Approved by 75% majority at a General Meeting</li> </ul>	<p>As a rule, the Company may not repurchase its own shares unless it is explicitly allowed under the Commercial Companies Code.</p> <p>If the Company repurchases its own shares in the cases mentioned below:</p> <ol style="list-style-type: none"> <li>acquisition of shares aimed at preventing a threat of major damage to the Company;</li> <li>acquisition of shares to be offered for acquisition to employees or persons who were employed in the Company or its related Company for not less than three years;</li> <li>acquisition on the basis and within the scope of authorisation granted by the General Meeting under its resolution*; the General Meeting's authorisation needs to set forth the conditions of acquisition, including: <ol style="list-style-type: none"> <li>the maximum number of shares to be acquired,</li> <li>the period of authorisation, which may not be longer than five years, and</li> <li>the maximum and minimum value of payment for the shares being acquired, if they are acquired against payment.</li> </ol> </li> </ol> <p>*(If the Company finances the repurchase of its own shares, the resolution of the General Meeting should be adopted by a two-thirds majority of votes. However, where at least half of the initial capital is represented at the General Meeting, an absolute majority of votes is sufficient to adopt such resolution),</p> <p>the following restrictions apply jointly:</p> <ol style="list-style-type: none"> <li>the shares acquired by the Company have to be fully paid up;</li> <li>the total nominal value of the acquired shares cannot be higher than 20% of the share capital of the Company, including the nominal value of the remaining own shares of the Company which have not been sold by the Company;</li> </ol>

		<p>(iii) the total price at which the Company's own shares were acquired, increased by the costs of acquisition thereof, cannot be higher than the reserve capital set up for this purpose out of an amount distributable, pursuant to the applicable provisions of Commercial Companies Code.</p> <p>Additionally, in the case of the repurchase of the Company's shares in the cases set out in points a) and c), the Management Board shall notify the next General Meeting of:</p> <ul style="list-style-type: none"> <li>(i) the reasons for or the purpose of the acquisition of the Company's own shares;</li> <li>(ii) the number and nominal value of such shares;</li> <li>(iii) their percentage in the share capital of the Company; and</li> <li>(iv) the value of the performance provided in return for the acquired shares.</li> </ul>
<b>Specific Repurchase</b>	<ul style="list-style-type: none"> <li>- No maximum amount</li> <li>- No price limitation</li> <li>- Announce on SENS after agreeing the terms</li> <li>- Approved by 75% majority at a General Meeting</li> </ul>	N/A
<b>General issue of shares for cash</b>	<ul style="list-style-type: none"> <li>- May not be issued to Non-Public shareholders</li> <li>- May not be issued at a discount &gt;10% of 30day VWAP</li> <li>- May not in aggregate exceed 15% of the issued shares</li> <li>- Approved by 75% majority at a General Meeting</li> </ul>	<p>Pursuant to the Commercial Companies Code, the share capital of a Joint Stock Company can be increased in three different ways, i.e. by way of:</p> <ul style="list-style-type: none"> <li>(i) <b>an ordinary share capital increase;</b> <ul style="list-style-type: none"> <li>• Authorised by majority shareholder vote of 75% in terms of; <ul style="list-style-type: none"> <li>▪ an offer to a designated offeree (private subscription); or</li> <li>▪ an offer of shares by way of an announcement made pursuant to the provisions of the Commercial Companies Code to persons who do not enjoy pre-emptive rights with respect to shares in the Company (open subscription)</li> </ul> </li> </ul> </li> <li>(ii) <b>a share capital increase within the limits of the Authorised Capital; and</b> <ul style="list-style-type: none"> <li>• The share capital of the Company can be increased by the Management Board within the limits of the Authorised Capital. The authorisation for the Management Board to increase the share capital within the limits of the Authorised Capital requires a resolution adopted by a majority vote of 75%;</li> </ul> </li> <li>(iii) <b>a Conditional Share Capital increase.</b> <ul style="list-style-type: none"> <li>• A Conditional Share Capital increase can be conducted only in order to grant a right to subscribe for shares to: <ul style="list-style-type: none"> <li>a. holders of bonds convertible into shares and bonds with pre-emptive rights;</li> <li>b. employees of the Company and members of the Management Board and the Supervisory Board; and</li> <li>c. holders of subscription warrants.</li> </ul> And the share capital increase requires a resolution of the General Meeting amending the Articles of Association, adopted by a majority of 75% vote.</li> </ul> </li> </ul> <p><i>Please note that under the Polish law, in case of the share capital increase (with exception to the Conditional Share Capital increase). The pre-emption right may be excluded only in the</i></p>
<b>Specific issue of shares for cash</b>	<ul style="list-style-type: none"> <li>- Announcement must include <ul style="list-style-type: none"> <li>- If made to non-public shareholders</li> <li>- Number to be issued</li> <li>- If discount is limited/unlimited</li> </ul> </li> <li>- Approved by 75% majority at a General Meeting</li> </ul>	

		<i>interest of the Company, and provided that such item has been included on the agenda of the General Meeting. A 4/5 (four-fifths) majority is required to adopt a resolution on the exclusion of the pre-emption right of the existing shareholders</i>
<b>Transaction classifications</b>	<p>Category 1: Transaction value exceeds 30% of market capitalisation</p> <ul style="list-style-type: none"> <li>- Circular to shareholders</li> <li>- Shareholder meeting</li> <li>- Shareholder approval</li> <li>- Announcements on SENS, press voluntary</li> </ul> <p>Category 2: Transaction value between 5% and 30% of market capitalisation</p> <ul style="list-style-type: none"> <li>- Announcement on SENS, press voluntary</li> </ul> <p>Uncategorized: Transaction value less than 5% of market capitalisation</p> <ul style="list-style-type: none"> <li>- Voluntary announcement on SENS, press voluntary</li> </ul>	<p>The following matters require the approval of the General Meeting expressed by means of a resolution:</p> <ul style="list-style-type: none"> <li>(i) the disposal of the Company's enterprise or an organised part thereof and should be adopted by a majority of 75% of the votes;</li> <li>(ii) the establishment of any limited right in rem encumbering the enterprise of the Company or an organised part thereof and adopted by an absolute majority of the votes cast (i.e. the number of votes cast in favour must be higher than the total number of votes against and the abstaining votes); and</li> <li>(iii) the acquisition and sale of real property, a right of perpetual usufruct or a share in real estate also adopted by an absolute majority of the votes cast (i.e. the number of votes cast in favour must be higher than the total number of votes against and the abstaining votes).</li> </ul> <p>Under the Articles of Association the Supervisory Board's consent is required for the Company or the subsidiary to:</p> <ul style="list-style-type: none"> <li>(i) execute a transaction comprising the acquisition or sale of investment assets of any kind the value of which exceeds EUR 30 million;</li> <li>(ii) issue a guarantee for an amount exceeding EUR 20 million; or</li> <li>(iii) execute any transaction (in the form of a single legal act or a number of legal acts) other than those set forth in the preceding points (i) or (ii), where the value of such transaction exceeds EUR 20 million.</li> </ul> <p><i>For the avoidance of doubt, under the Articles of Association consent is required for the Management Board to vote on the Company's behalf at meetings of the shareholders of a subsidiary of the Company authorising transactions meeting the above criteria.</i></p> <p>Under Polish law, transactions with related parties do not require the shareholder approval. However, the Company may decide to impose additional requirements and pursuant to the Articles of Association, the Supervisory Board must grant its consent to the Company or its Subsidiary entering into an agreement or agreements with:</p> <ul style="list-style-type: none"> <li>(a) an Affiliate*;</li> <li>(b) a member of the Management Board;</li> <li>(c) a member of the Supervisory Board; or</li> <li>(d) with a member of the management or supervisory authorities of an Affiliate*.</li> </ul> <p>However, the consent of the Supervisory Board is not required for a transaction with companies in which the Company holds, directly or indirectly, shares entitling it to at least 50% of the votes at the meetings of the shareholders of such Company if such transaction:</p> <ul style="list-style-type: none"> <li>(a) provides for obligations of the other shareholders of such companies proportional to their stake in that company; or</li> <li>(b) if the difference between the financial obligations of the Company and the other shareholders does not exceed EUR 5 million.</li> </ul>

		<p>* Articles of Association define an entity as an “Affiliate” if it is: (i) a Dominant Entity with respect to the Company; or (ii) a Subsidiary of the Company; or (iii) other than the Company, a Subsidiary of the Dominant Entity of the Company; or (iv) a Subsidiary of, other than the Company, Subsidiary of the Company’s Dominant Entity; or (v) a Subsidiary of any member of the managing or supervisory authorities of the Company or any of the entities designated in points (i) through (iii).</p> <p>According to the Revised WSE Best Practices, the Management Board should request the Supervisory Board’s approval if the Company concludes a significant agreement with:</p> <p>(a) a shareholder who holds at least 5% of the total votes in the Company; or</p> <p>(b) a related party as defined under the International Accounting Standards approved in Regulation No (EU) 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards.</p> <p>The approval of the Supervisory Board is not required if the planned transaction can be qualified as a transaction in the ordinary course of business and/or a transaction at arm’s length made as part of the Company’s operations between the Company and members of its group.</p>
<b>Corporate Governance</b>		
<b>Board Composition (mandatory)</b>	<ul style="list-style-type: none"> <li>- 50%+ must be Non-Executive (of which 50%+ must be Independent)</li> <li>- At least 2 Executives (CEO and CFO)</li> <li>- Chairman must not be the CEO</li> <li>- Chairman must be Independent Non-Executive (if not, then a Lead Independent Non-Executive must be appointed)</li> </ul>	<p>Under the Articles of Association, the Management Board consists of between one to seven members appointed by the Supervisory Board.</p> <p>Under the Articles of Association, the Supervisory Board designates the president of the Management Board and the deputy thereof. Members of the Management Board are elected for individual three -year terms.</p> <p>Under the Articles of Association, the Supervisory Board consists of five to twenty members, including the chairman. Under the Articles of Association, each Shareholder who individually holds more than 5% shall be entitled to appoint one Supervisory Board member (the “<b>Entitled Shareholder</b>”) and further entitled to appoint one additional Supervisory Board member for each tranche of held shares constituting 5%.</p> <p>Under the Articles of Association, the members of the Supervisory Board are appointed for a term of three years, or until their mandate expires.</p> <p>Under the Articles of Association the mandate of the Supervisory Board members expires at the end of their term, but in case of the Supervisory Board members appointed by the Entitled Shareholders, such mandate will expire at the moment the shareholders who appointed such members inform the PFSA or the Company of a decrease in their shareholding in the Company below the 5% threshold. If the Entitled Shareholder has appointed more than one Supervisory Board member, then their mandates will expire in the order of their appointment, i.e. the mandate of the member last appointed will expire first.</p>

<b>Audit and Risk Committee (mandatory)</b>	<ul style="list-style-type: none"> <li>- Only Independent Non-Executives</li> <li>- At least 3 with appropriate experience and qualifications</li> <li>- Management and executive can be invited to present on risk management</li> <li>- Must be Independent Non-Executive</li> </ul>	Members of the compulsory audit committee created within the Supervisory Board should meet the independence criteria set out in the Polish Act on Accountants, which are as follows: the member of the Supervisory Board may not: (i) hold any shares or ownership titles to shares in the Company; (ii) have participated in the bookkeeping or preparing the financial statements of the Company or its subsidiaries; (iii) be a spouse, relative by blood or relative by affinity up to the second degree, or related by means of custody, adoption or wardship to a person being a member of the Company's governing, supervisory or executive bodies.
<b>Remuneration Committee (mandatory)</b>	<ul style="list-style-type: none"> <li>- 50%+ Non-Executive</li> <li>- Majority should be Independent</li> <li>- Chairman cannot be Chairman of the Board</li> </ul>	The Supervisory Board can appoint a remuneration committee, which has no decision-making authority, but is responsible for making recommendations to the Supervisory Board with respect to the remuneration of the members of the Management Board and the policies for setting such remuneration. This is in line with the WSE Best Practices, however the establishment of the remuneration committee is not mandatory under Polish law.
<b>Nomination Committee (not mandatory):</b>	<ul style="list-style-type: none"> <li>- Only Non-Executives (of which majority must be Independent)</li> <li>- No maximum or minimum number</li> <li>- Chairman of the board should also be the chairman of this Committee.</li> </ul>	A separate nomination committee can be appointed within the Supervisory Board. In case of the Company, a separate nomination committee has not been appointed within the Supervisory Board. The functions of the nomination committee are now performed by the entire Supervisory Board.
<b>Social and Ethics Committee (not mandatory-required by the Companies Act no 71 of 2008):</b>	<ul style="list-style-type: none"> <li>- At least 3 members</li> <li>- At least 1 member must be an Independent Non-Executive</li> <li>- Chairman should be Independent Non-Executive</li> </ul>	None, as this is not required under Polish corporate law, including the Commercial Companies Code, the WSE Best Practices or the WSE Listings Requirements.
<b>75 Principle Checklist</b>	Apply or explain Publish on company website	Compliance with WSE Best Practices. Considering this is a company in the European jurisdiction, King III is not considered.
<b>Independence Criteria</b>	<p>In terms of King III:</p> <ul style="list-style-type: none"> <li>- Must not be a shareholder representative;</li> <li>- Must not have direct or indirect interest in excess of 5% of group's shares in issue;</li> <li>- If interest held, the interest must not be material to the director's personal wealth;</li> <li>- Must not be employed by the company or the group;</li> <li>- Must not be a member of immediate family of an executive of the company or group (3 years);</li> <li>- Must not be a professional adviser to the company or group;</li> <li>- Must be free from contractual or statutory conflicts of interest; and</li> <li>- Must not receive remuneration dependent on company or group performance.</li> </ul>	<p>According to the independence criteria described in the Articles of Association, the Independent Member:</p> <ol style="list-style-type: none"> <li>shall not be an employee, sub-contractor, supplier, client or advisor of the Company or any Affiliate* thereof, nor shall such person have any other business relations with the Company or any Affiliate* thereof;</li> <li>shall not be a member of the supervisory or management authorities of an Affiliate*;</li> <li>shall not be a shareholder having more than 5% (five percent) of the votes at the General Meeting or at the general meeting of the shareholders of an Affiliate*;</li> <li>shall not be a member of the supervisory or management authorities or an employee of an entity designated in point</li> <li>For the previous two points (III and IV), these shall not be an ascendant, descendant, spouse, sibling, parent or any other person with a close relationship to any of the persons listed in (i) through (iv) above; and</li> <li>may not be an employee, member of the supervisory or management board, consultant, service provider, shareholder or otherwise related to any company or other entity which is active in the real estate sector</li> </ol>

		<p>in the countries in which the Company or its Subsidiaries operate, save for banks or financial institutions the primary role of which is not the financing of real estate ventures.</p> <p>*For a definition of Affiliate please see the explanation in the section titled “Transaction classifications” above.</p>
<b>Gender Policy</b>	Policy on promotion of gender diversity at board level required.	There are no binding requirements with respect to gender policy for the Supervisory or Management Board Members.
<b>Continuing Obligations</b>		
<b>Trading Statements</b>	Issuers must publish a trading statement as soon as they are satisfied that a reasonable degree of certainty exists that the financial results for the period to be reported upon next will differ by at least 20% or 15% if the property entity elects to adopt distribution per listed security.	<p>Generally, there is no legal requirement to publish such financial updates. Such situation should be analysed on a case-by-case basis as it may happen that such information may be perceived as inside information.</p> <p>A company that elected to publish its financial forecasts or estimated financial results is required to immediately provide, in the form of a current report, an update of such forecasts if at least one of the forecast items differs by at least 10% from the item provided in the forecast most recently published.</p>
<b>Cautionary announcements</b>	To be released immediately after an issuer knows of any price sensitive information and the necessary degree of confidentiality of such information cannot be maintained or if the issuer suspects that confidentiality has or may have been breached.	<p>There is no specific requirement that matches a cautionary announcement. However, the Company is required to disclose ‘inside information’. ‘Inside Information’ is any information of a precise nature relating (whether directly or indirectly) to one or more issuers of financial instruments, one or more financial instruments, or the acquisition or disposal of such instruments which has not been made public and which if made public, would be likely to have a material effect on the price(s) of financial instrument(s) or related derivative financial instrument(s).</p> <p>Please note that after 3 July 2016, as some European law regulations will enter into force*, the current definition of the inside information will be replaced by the following definition: inside information is information of a precise nature, which has not been made public, relating, directly or indirectly, to one or more issuers or to one or more financial instruments, and which, if it were made public, would be likely to have a significant effect on the prices of those financial instruments or on the price of related derivative financial instruments. According to the MAR, inside information must be published immediately (in a manner which enables quick access to and the complete, accurate and timely assessment of the information).</p> <p>*Regulation (EU) No 596/2014 of the European Parliament and of the Council dated 16 April 2014 on market abuse (the market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC.</p>

<b>Interim and quarterly reports</b>	Interim reports shall be published after the expiration of the first six-month period of a financial year, by no later than three months after that date.	The Company is required to disclose the following information simultaneously to the PSFA, the WSE and to the public: <ul style="list-style-type: none"> <li>• current and periodic information; and</li> <li>• inside information. <ul style="list-style-type: none"> <li>(i) Quarterly Reports (unaudited) which must be submitted no later than 45 days after the end of each of the Company's fiscal quarters</li> <li>(ii) Interim Reports (Reviewed) which must be submitted no later than within two months from the end of the period for which such report is submitted</li> <li>(iii) Annual Reports (Audited) which must be submitted no later than within four months of the end of the Company's fiscal year.</li> </ul> </li> </ul>
<b>Annual financial statements</b>	Every issuer shall, within six months after the end of each financial year and at least fifteen business days before the date of the annual General Meeting, distribute to all holders of securities and submit to the JSE <ul style="list-style-type: none"> <li>- Notice of AGM</li> <li>- The annual financial statements</li> </ul>	Annual Report, which must be submitted no later than within four months of the end of the Company's fiscal year.
<b>Publication in the press</b>	Voluntary other than Interims/Financials	Voluntary in terms of press releases. However, please note that the current reports must be disclosed to the public on the Company's official website.
<b>Changes to the Board</b>	Announced on SENS	Disclosed by way of a current report published on the Company's official website. Such report also needs to be provided to the WSE via ESPI. The ESPI is the equivalent of the JSE SENS platform.
<b>Dealings in securities</b>	Announced on SENS	Disclosed by way of a current report published on the Company's official website. Such report also needs to be delivered to the WSE via ESPI. The ESPI is the equivalent of the JSE SENS platform.
<b>Annual General /General Meetings</b>	Results announced on SENS	Disclosed by way of a current report published on the Company's official website. Such report also needs to be delivered to the WSE via ESPI. The ESPI is the equivalent of the JSE SENS platform.

**Annexure 10**

**EXTRACTS OF HISTORICAL FINANCIAL INFORMATION OF GTC**



**GLOBE TRADE CENTRE S.A.**

**IFRS CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31 DECEMBER 2013  
WITH THE INDEPENDENT AUDITOR'S REPORT**

**Globe Trade Centre S.A.**  
**Consolidated Statement of Financial Position**  
**as of 31 December 2013**  
**(in thousands of Euro)**

	<u>Note</u>	<u>31 December</u> <u>2013</u>	<u>31 December</u> <u>2012</u>
<b>ASSETS</b>			
<b>Non current assets</b>			
Investment property	15	1,396,647	1,613,745
Residential landbank	16	80,833	73,225
Investment in associates	17	34,225	42,074
Loans granted and other receivables	26	22,510	21,992
Plant and equipment	14	1,601	1,781
Deferred tax asset	13	4,152	7,334
Long term deposit	21	2,800	-
		<b>1,542,768</b>	<b>1,760,151</b>
<b>Assets held for sale</b>		<b>-</b>	<b>42,453</b>
<b>Current Assets</b>			
Inventory	16	40,434	81,916
Debtors		4,146	5,318
Accrued income		1,303	867
VAT and other tax recoverable		3,563	3,938
Income tax recoverable		709	1,439
Prepayments, deferred expenses, and other		2,695	2,931
Short-term deposits	20	28,859	25,954
Cash and cash equivalents	22	130,336	227,897
		<b>212,045</b>	<b>350,260</b>
<b>TOTAL ASSETS</b>		<b>1,754,813</b>	<b>2,152,864</b>

The accompanying notes are an integral part of this Consolidated Statement of Financial Position

**Globe Trade Centre S.A.**  
**Consolidated Statement of Financial Position**  
**as of 31 December 2013**  
**(in thousands of Euro)**

	Note	31 December 2013	31 December 2012
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to equity holders of the parent</b>			
Share capital	28	7,082	7,082
Share premium		312,155	312,155
Capital reserve		15,154	16,008
Hedge reserve		(12,344)	(25,068)
Foreign currency translation		4,427	5,181
Accumulated profit		295,277	442,105
		<b>621,751</b>	<b>757,463</b>
Non-controlling interest		(45,870)	(16,732)
<b>Total Equity</b>		<b>575,881</b>	<b>740,731</b>
<b>Non current Liabilities</b>			
Long-term portion of long-term loans and bonds	27	789,816	916,961
Deposits from tenants	24	5,397	4,760
Long term payable	25	6,004	1,737
Provision for share based payment	28	2,860	5,583
Derivatives	18	4,309	34,866
Provision for deferred tax liability	13	119,792	119,777
		<b>928,178</b>	<b>1,083,684</b>
<b>Current liabilities</b>			
Liabilities to be repaid upon sale		-	27,468
Trade and other payables	19	27,316	33,688
Current portion of long-term loans and bonds	27	168,804	193,620
Deposits from tenants		-	410
VAT and other taxes payable		22,369	34,532
Income tax payable		1,011	2,380
Derivatives	18	28,581	32,362
Advances received		2,673	3,989
		<b>250,754</b>	<b>328,449</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,754,813</b>	<b>2,152,864</b>

The accompanying notes are an integral part of this Consolidated Statement of Financial Position

**Globe Trade Centre S.A.**  
**Consolidated Income Statement**  
**for the year ended 31 December 2013**  
**(in thousands of Euro)**

	<u>Note</u>	<u>Year ended 31</u> <u>December 2013</u>	<u>Year ended 31</u> <u>December 2012</u>
Revenues from operations	7	131,114	147,591
Cost of operations	8	(47,124)	(57,174)
<b>Gross margin from operations</b>		<b>83,990</b>	<b>90,417</b>
Selling expenses	9	(3,439)	(3,946)
Administration expenses	10	(8,765)	(18,881)
Loss from revaluation / impairment of investment properties	15	(167,639)	(101,227)
Impairment of residential projects	16	(22,059)	(13,434)
Other income		151	381
Other expenses	23	(3,674)	(4,595)
<b>Loss from continuing operations before tax and finance income / (expense)</b>		<b>(121,435)</b>	<b>(51,285)</b>
Foreign exchange differences profit (loss), net		(1,087)	2,886
Financial income	11	3,074	5,133
Financial expense	11	(48,662)	(71,950)
Share of profit (loss) of associates	17	(4,474)	(9,992)
<b>Loss before tax</b>		<b>(172,584)</b>	<b>(125,208)</b>
Taxation	13	(4,213)	(6,986)
<b>Loss for the year</b>		<b>(176,797)</b>	<b>(132,194)</b>
<b>Attributable to:</b>			
Equity holders of the parent		(146,828)	(96,034)
Non-controlling interest		(29,969)	(36,160)
Basic loss per share (Euro) attributable to ordinary equity holders of the parent	29	(0.46)	(0.36)
Diluted loss per share (Euro) attributable to ordinary equity holders of the parent	29	(0.46)	(0.36)

The accompanying notes are an integral part of this Consolidated Income Statement

**Globe Trade Centre S.A.**  
**Consolidated Statement of Comprehensive Income**  
**for the year ended 31 December 2013**  
**(in thousands of Euro)**

	<u>Year ended 31</u> <u>December 2013</u>	<u>Year ended 31</u> <u>December 2012</u>
<b>Loss for the year</b>	<b>(176,797)</b>	<b>(132,194)</b>
Gain/(loss) on hedge transactions	16,494	13,664
Income tax	(3,077)	(2,697)
Net gain/(loss) on hedge transactions	13,417	10,967
Exchange differences on translation of foreign operations	(616)	(295)
<b>Total comprehensive income / (loss) for the year, net of tax</b>	<b>(163,996)</b>	<b>(121,522)</b>
<b>Attributable to:</b>		
Equity holders of the parent	(134,858)	(84,017)
Non-controlling interest	(29,138)	(37,505)

All items from other comprehensive income will be reclassified subsequently to profit and loss, when specific conditions are met.

The accompanying notes are an integral part of this Consolidated Statement of Comprehensive Income

**Globe Trade Centre S.A.**  
**Consolidated Statement of Changes in Equity**  
**for the year ended 31 December 2013**  
**(In thousands of Euro)**

	Issued and paid in share capital	Share premium	Capital reserve	Hedge reserve	Foreign currency translation	Accumulated profit	Total	Non- controlling interest	Total
<b>Balance as of 1 January 2012</b>	<b>4,741</b>	<b>214,280</b>	<b>18,993</b>	<b>(37,265)</b>	<b>5,361</b>	<b>538,139</b>	<b>744,249</b>	<b>(20,599)</b>	<b>723,650</b>
Other comprehensive income	-	-	-	12,197	(180)	-	12,017	(1,345)	10,672
Profit (loss) for the year ended 31 December 2012	-	-	-	-	-	(96,034)	(96,034)	(36,160)	(132,194)
<b>Total comprehensive income / (loss) for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,197</b>	<b>(180)</b>	<b>(96,034)</b>	<b>(84,017)</b>	<b>(37,505)</b>	<b>(121,522)</b>
Other transactions	-	-	470	-	-	-	470	-	470
Issuance of shares	2,341	97,875	-	-	-	-	100,216	-	100,216
Purchase of non controlling interest	-	-	(3,593)	-	-	-	(3,593)	41,372	37,779
Share based payment	-	-	138	-	-	-	138	-	138
<b>Balance as of 31 December 2012/ Balance as of 1 January 2013</b>	<b>7,082</b>	<b>312,155</b>	<b>16,008</b>	<b>(25,068)</b>	<b>5,181</b>	<b>442,105</b>	<b>757,463</b>	<b>(16,732)</b>	<b>740,731</b>
Other comprehensive income	-	-	-	12,724	(754)	-	11,970	831	12,801
Profit (loss) for the period ended 31 December 2013	-	-	-	-	-	(146,828)	(146,828)	(29,969)	(176,797)
<b>Total comprehensive income / (loss) for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,724</b>	<b>(754)</b>	<b>(146,828)</b>	<b>(134,858)</b>	<b>(29,138)</b>	<b>(163,996)</b>
Other transactions	-	-	(854)	-	-	-	(854)	-	(854)
<b>Balance as of 31 December 2013</b>	<b>7,082</b>	<b>312,155</b>	<b>15,154</b>	<b>(12,344)</b>	<b>4,427</b>	<b>295,277</b>	<b>621,751</b>	<b>(45,870)</b>	<b>575,881</b>

The accompanying notes are an integral part of this Consolidated Statement of Changes in Equity

**Globe Trade Centre S.A.**  
**Consolidated Statement of Cash Flow**  
**for the year ended 31 December 2013**  
**(In thousands of Euro)**

	<u>Year ended</u> <u>31 December</u> <u>2013</u>	<u>Year ended</u> <u>31 December</u> <u>2012</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Profit (loss) before tax	(172,584)	(125,208)
<b>Adjustments for:</b>		
Revaluation/Impairment of assets	189,698	114,661
Share of (profit) loss of associates	4,474	9,992
Loss from sale of fixed assets	251	216
Foreign exchange differences loss, net	1,122	(3,197)
Finance income	(3,074)	(5,133)
Finance expenses	48,662	71,950
Share based payment	(2,724)	5,036
Depreciation and amortization	483	491
<b>Operating cash before working capital changes</b>	<b>66,308</b>	<b>68,808</b>
Decrease in debtors and prepayments and other current assets	3,802	1,496
Decrease in inventory	11,729	15,897
Decrease in advances received	(1,316)	(1,306)
Increase in deposits from tenants	(360)	707
Increase/(decrease) in trade and other payables	(4,160)	(6,065)
<b>Cash generated from operations</b>	<b>76,003</b>	<b>79,537</b>
Tax paid in the period	(2,227)	(2,467)
<b>Net cash from operating activities</b>	<b>73,776</b>	<b>77,070</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of non current assets	(30,007)	(47,294)
Sale of investment property	120,784	142,043
Tax/VAT on sale of investment property inflow	21,190	22,888
Tax/VAT on sale of investment property outflow	(35,718)	-
Acquisition of subsidiaries and joint ventures, net of cash acquired (a)	-	(13,957)
Interest received	1,482	3,973
Lease origination expenses	(762)	(999)
Loans granted	(932)	(563)
Loans repayments	2,061	4,571
Sale of associates	2,025	-
Purchase of shares in associates	-	(198)
<b>Net cash from (used in) investing activities</b>	<b>80,123</b>	<b>110,464</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from the issuance of shares	-	104,191
Share issuance expenses	-	(3,975)
Proceeds from long-term borrowings	43,167	133,002
Repayment of long term borrowings (*)	(240,719)	(276,828)
Interest paid	(48,781)	(68,467)
Loans origination cost	(323)	(1,414)
Increase (decrease) in short and long term deposits	(5,712)	11,408
<b>Net cash from (used in) financing activities</b>	<b>(252,368)</b>	<b>(102,083)</b>
<b>Effect of foreign currency translation</b>	<b>621</b>	<b>1,013</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(97,848)</b>	<b>86,464</b>
<b>Cash and cash equivalents, at the beginning of the year</b>	<b>228,184</b>	<b>141,720</b>
<b>Cash and cash equivalents, at the end of the year</b>	<b>130,336</b>	<b>228,184</b>
<b>Cash classified as part of assets held for sale</b>	<b>-</b>	<b>(287)</b>
<b>Cash and cash equivalents, at the end of the year as per Consolidated Statement of Financial Position</b>	<b>130,336</b>	<b>227,897</b>

(\*) Includes repayment of hedge in amount of Euro 19.6 million

The accompanying notes are an integral part of this Consolidated Statement of Cash Flow

**Globe Trade Centre S.A.**  
**Consolidated Statement of Cash Flow**  
**for the year ended 31 December 2013**  
**(In thousands of Euro)**

**(a) Purchase of shares in subsidiaries and joint ventures, net of cash acquired**

	<u>Year ended</u> <u>31 December 2013</u>	<u>Year ended</u> <u>31 December 2012</u>
Investment property	-	(14,541)
Working capital (net of cash acquired)	-	584
<b>Purchase of shares in subsidiaries, net of cash acquired</b>	<b>-</b>	<b>(13,957)</b>

The accompanying notes are an integral part of this Consolidated Statement of Cash Flow





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## INDEPENDENT AUDITORS' OPINION

### To the Supervisory Board of Globe Trade Centre S.A.

We have audited the attached consolidated financial statements of Globe Trade Centre Group ('the Group'), for which the holding company is Globe Trade Centre S.A. ('the Company'), which comprise the consolidated statement of financial position as at 31 December 2013 and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flow for the year then ended, and the summary of significant accounting policies and other explanatory notes to the consolidated financial statements ('the attached consolidated financial statements').

#### *Management's Responsibility for the consolidated financial statements*

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

#### *Auditor's Responsibility*

Our responsibility is to express an opinion on the attached consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the attached consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the attached consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



*Opinion*

In our opinion, the attached consolidated financial statements present fairly, in all material respects, the financial position of the Group as of 31 December 2013, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.

We also reported separately on the consolidated financial statements of Globe Trade Centre S.A. for the same period prepared in accordance with the International Financial Reporting Standards, as adopted by the EU using Polish zloty as the presentation currency.

Ernst & Young Audyt Polska spółka z ograniczoną odpowiedzialnością sp. k.  
(formerly: Ernst & Young Audit sp. z o.o.)

*Ernst & Young Audyt Polska spółka z ograniczoną odpowiedzialnością sp. k.*  
Warsaw, 19 March 2014

**GLOBE TRADE CENTRE S.A.**

**IFRS CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31 DECEMBER 2014  
WITH THE INDEPENDENT AUDITOR'S REPORT**

**Globe Trade Centre S.A.**  
**Consolidated Statement of Financial Position**  
**as of 31 December 2014**  
**(in thousands of Euro)**

	Note	31 December 2014	31 December 2013 (restated)	1 January 2013 (restated)
<b>ASSETS</b>				
<b>Non-current assets</b>				
Investment property	17	1,221,319	1,375,738	1,499,520
Residential landbank	18	41,444	80,833	73,225
Investment in associates and joint ventures	19	96,046	119,624	117,087
Property, plant and equipment	16	1,480	1,586	1,760
Deferred tax asset	15	2,245	4,152	7,334
Long term deposits		-	2,800	-
Other non-current assets		639	338	505
		<b>1,363,173</b>	<b>1,585,071</b>	<b>1,699,431</b>
<b>Assets held for sale</b>				
	17	<b>6,654</b>	-	<b>42,453</b>
<b>Current assets</b>				
Residential inventory	18	23,539	40,434	81,916
Debtors		5,035	4,032	5,199
Accrued income		1,358	1,290	794
VAT and other tax recoverable		1,840	3,260	3,753
Income tax recoverable		429	697	1,416
Prepayments and deferred expenses		2,268	2,437	2,756
Short-term deposits	22	31,705	28,859	24,862
Cash and cash equivalents	23	81,063	56,439	224,799
		<b>147,237</b>	<b>137,448</b>	<b>345,495</b>
<b>TOTAL ASSETS</b>		<b>1,517,064</b>	<b>1,722,519</b>	<b>2,087,379</b>

The accompanying notes are an integral part of this Consolidated Statement of Financial Position

**Globe Trade Centre S.A.**  
**Consolidated Statement of Financial Position**  
**as of 31 December 2014**  
**(in thousands of Euro)**

	Note	31 December 2014	31 December 2013 (restated)	1 January 2013 (restated)
<b>EQUITY AND LIABILITIES</b>				
<b>Equity attributable to equity holders of the parent</b>				
Share capital	29	7,849	7,082	7,082
Share premium	8	364,228	312,155	312,155
Capital reserve	8	8,392	15,154	16,008
Hedge reserve		(3,839)	(12,344)	(25,068)
Foreign currency translation		1,128	4,427	5,181
Accumulated profit		111,455	295,277	442,105
		<b>489,213</b>	<b>621,751</b>	<b>757,463</b>
Non-controlling interest	27	(62,032)	(45,870)	(16,732)
<b>Total Equity</b>		<b>427,181</b>	<b>575,881</b>	<b>740,731</b>
<b>Non-current liabilities</b>				
Long-term portion of long-term loans and bonds	28	802,631	779,788	866,329
Deposits from tenants	25	5,415	5,363	4,265
Long term payable	26	3,391	6,004	1,737
Provision for share based payment	29	289	2,860	5,583
Derivatives	20	2,892	4,309	33,490
Provision for deferred tax liability	15	130,062	119,792	108,340
		<b>944,680</b>	<b>918,116</b>	<b>1,019,744</b>
<b>Current liabilities</b>				
Trade and other payables	21	19,650	26,626	33,563
Liabilities to be paid upon sale		-	-	27,468
Current portion of long-term loans and bonds	28	119,560	168,804	192,761
VAT and other taxes payable		1,736	1,153	34,420
Income tax payable		521	685	2,341
Derivatives	20	3,152	28,581	32,362
Advances received		584	2,673	3,989
		<b>145,203</b>	<b>228,522</b>	<b>326,904</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,517,064</b>	<b>1,722,519</b>	<b>2,087,379</b>

The accompanying notes are an integral part of this Consolidated Statement of Financial Position

**Globe Trade Centre S.A.**  
**Consolidated Income Statement**  
**for the year ended 31 December 2014**  
**(in thousands of Euro)**

	Note	Year ended 31 December 2014	Year ended 31 December 2013 (restated)
Revenues from operations	9	124,284	122,861
Cost of operations	10	(43,155)	(44,908)
<b>Gross margin from operations</b>		<b>81,129</b>	<b>77,953</b>
Selling expenses	11	(2,884)	(3,244)
Administration expenses	12	(8,781)	(8,220)
Loss from revaluation/ impairment of assets	17	(160,325)	(162,526)
Impairment of residential projects	18	(34,079)	(22,059)
Other income		3,145	151
Other expenses	24	(2,529)	(3,627)
<b>Loss from continuing operations before tax and finance income / (expense)</b>		<b>(124,324)</b>	<b>(121,572)</b>
Foreign exchange differences loss, net		(93)	(1,070)
Finance income	13	3,904	2,903
Finance cost	13	(46,441)	(45,708)
Share of profit/(loss) of associates and joint ventures	19	(27,568)	3,813
<b>Loss before tax</b>		<b>(194,522)</b>	<b>(161,634)</b>
Taxation	15	(12,868)	(15,163)
<b>Loss for the period</b>		<b>(207,390)</b>	<b>(176,797)</b>
<b>Attributable to:</b>			
Equity holders of the parent		(183,822)	(146,828)
Non-controlling interest		(23,568)	(29,969)
Basic earnings per share (in Euro)	31	(0.53)	(0.46)

The accompanying notes are an integral part of this Consolidated Income Statement

**Globe Trade Centre S.A.**  
**Consolidated Statement of Comprehensive Income**  
**for the year ended 31 December 2014**  
**(in thousands of Euro)**

	Year ended 31 December 2014	Year ended 31 December 2013
<b>Loss for the period</b>	<b>(207,390)</b>	<b>(176,797)</b>
Gain on hedge transactions	10,549	16,494
Income tax	(2,001)	(3,077)
Net gain on hedge transactions	<b>8,548</b>	<b>13,417</b>
Foreign currency translation	(3,294)	(616)
<b>Total comprehensive loss for the period, net of tax to be reclassified to profit or loss in subsequent periods</b>	<b>(202,136)</b>	<b>(163,996)</b>
<b>Attributable to:</b>		
Equity holders of the parent	(178,616)	(134,858)
Non-controlling interest	(23,520)	(29,138)

The accompanying notes are an integral part of this Consolidated Statement of Comprehensive Income

**Globe Trade Centre S.A.**  
**Consolidated Statement of Changes in Equity**  
**for the year ended 31 December 2014**  
**(In thousands of Euro)**

	Issued and paid in share capital (Note 29)	Share premium (Note 8)	Capital reserve (Note 8)	Hedge reserve	Foreign currency translation	Accumulated profit	Total attributable to equity holders of the parent	Non- controlling interest	Total equity
<b>Balance as of 1 January 2013</b>	<b>7,082</b>	<b>312,155</b>	<b>16,008</b>	<b>(25,068)</b>	<b>5,181</b>	<b>442,105</b>	<b>757,463</b>	<b>(16,732)</b>	<b>740,731</b>
Other comprehensive income	-	-	-	12,724	(754)	-	11,970	831	12,801
Profit (loss) for the period ended 31 December 2013	-	-	-	-	-	(146,828)	(146,828)	(29,969)	(176,797)
<b>Total comprehensive income / (loss) for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,724</b>	<b>(754)</b>	<b>(146,828)</b>	<b>(134,858)</b>	<b>(29,138)</b>	<b>(163,996)</b>
Other transactions	-	-	(854)	-	-	-	(854)	-	(854)
<b>Balance as of 31 December 2013</b>	<b>7,082</b>	<b>312,155</b>	<b>15,154</b>	<b>(12,344)</b>	<b>4,427</b>	<b>295,277</b>	<b>621,751</b>	<b>(45,870)</b>	<b>575,881</b>
<b>Balance as of 1 January 2014</b>	<b>7,082</b>	<b>312,155</b>	<b>15,154</b>	<b>(12,344)</b>	<b>4,427</b>	<b>295,277</b>	<b>621,751</b>	<b>(45,870)</b>	<b>575,881</b>
Other comprehensive income	-	-	-	8,505	(3,299)	-	5,206	48	5,254
Profit (loss) for the period ended 31 December 2014	-	-	-	-	-	(183,822)	(183,822)	(23,568)	(207,390)
<b>Total comprehensive income / (loss) for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,505</b>	<b>(3,299)</b>	<b>(183,822)</b>	<b>(178,616)</b>	<b>(23,520)</b>	<b>(202,136)</b>
Issuance of shares	767	52,073	-	-	-	-	52,840	-	52,840
Other transactions	-	-	(6,762)	-	-	-	(6,762)	7,358	596
<b>Balance as of 31 December 2014</b>	<b>7,849</b>	<b>364,228</b>	<b>8,392</b>	<b>(3,839)</b>	<b>1,128</b>	<b>111,455</b>	<b>489,213</b>	<b>(62,032)</b>	<b>427,181</b>

The accompanying notes are an integral part of this Consolidated Statement of Changes in Equity



**Globe Trade Centre S.A.**  
**Consolidated Statement of Cash Flow**  
**for the year ended 31 December 2014**  
**(In thousands of Euro)**

	Year ended 31 December 2014	Year ended 31 December 2013 (restated)
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Loss before tax	(194,522)	(161,634)
<b>Adjustments for:</b>		
Loss from revaluation/impairment of assets and residential projects	194,404	184,585
Share of loss (profit) of associates and joint ventures	27,568	(3,813)
Loss (profit) from sale of fixed assets	(4)	251
Foreign exchange differences loss/(gain), net	(445)	1,098
Finance income	(3,904)	(2,903)
Finance cost	46,441	45,708
Share based payment income	(2,538)	(2,724)
Depreciation and amortization	499	477
<b>Operating cash before working capital changes</b>	<b>67,499</b>	<b>61,045</b>
Decrease/(increase) in debtors and prepayments and other current assets	(1,680)	3,827
Decrease in inventory	12,895	11,729
Decrease in advances received	(2,082)	(1,316)
Increase in deposits from tenants	17	102
Increase/(decrease) in trade and other payables	(945)	(4,247)
<b>Cash generated from operations</b>	<b>75,704</b>	<b>71,140</b>
Tax paid in the period	(2,452)	(1,763)
<b>Net cash from operating activities</b>	<b>73,252</b>	<b>69,377</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Expenditure on investment property under construction	(25,821)	(29,755)
Sale of investment property and residential landbank	10,614	32,554
Purchase of minority	(279)	-
Acquisition of shares in associates	-	2,025
VAT on sale of investment property	-	(35,719)
Interest received	2,019	1,459
Lease origination expenses	(208)	(762)
Loans granted	(566)	(932)
Loans repayments	330	2,061
<b>Net cash used in investing activities</b>	<b>(13,911)</b>	<b>(29,069)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from the issuance of shares	53,680	-
Share issuance expenses	(841)	-
Proceeds from long-term borrowings	124,494	43,167
Repayment of long-term borrowings	(149,409)	(179,177)
Repayment of hedge	(20,762)	(19,558)
Interest paid	(38,456)	(46,524)
Loans origination cost	(1,561)	(323)
Increase in short term deposits	(89)	(6,804)
<b>Net cash used in financing activities</b>	<b>(32,944)</b>	<b>(209,219)</b>
<b>Effect of foreign currency translation</b>	<b>(1,773)</b>	<b>284</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>24,624</b>	<b>(168,627)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>56,439</b>	<b>224,779</b>
<b>Cash classified as part of assets held for sale</b>	<b>-</b>	<b>287</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>81,063</b>	<b>56,439</b>

The accompanying notes are an integral part of this Consolidated Statement of Cash Flow



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## INDEPENDENT AUDITORS' OPINION

### To the General Shareholders' Meeting and Supervisory Board of Globe Trade Centre S.A.

We have audited the attached consolidated financial statements of Globe Trade Centre Group ('the Group'), for which the holding company is Globe Trade Centre S.A. ('the Company'), which comprise the consolidated statement of financial position as at 31 December 2014 and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flow for the year then ended, and other explanatory notes to the consolidated financial statements ("the attached consolidated financial statements").

#### *Management's Responsibility for the consolidated financial statements*

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

#### *Auditor's Responsibility*

Our responsibility is to express an opinion on the attached consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the attached consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the attached consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

*Opinion*

In our opinion, the attached consolidated financial statements present fairly, in all material respects, the financial position of the Group as of 31 December 2014, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.

We also reported separately on the consolidated financial statements of Globe Trade Centre S.A. for the same period prepared in accordance with the International Financial Reporting Standards, as adopted by the EU using Polish zloty as the presentation currency.

ERNST & YOUNG AUDYT POLSKA SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ SP. K.

Ernst & Young Audyt Polska spółka z ograniczoną odpowiedzialnością sp. k.

Warsaw, 20 March 2015

**GLOBE TRADE CENTRE S.A.**

**IFRS CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31 DECEMBER 2015  
WITH THE INDEPENDENT AUDITOR'S REPORT**

**Globe Trade Centre S.A.**  
**Consolidated Statement of Financial Position**  
**as of 31 December 2015**  
**(in thousands of Euro)**

	Note	31 December 2015	31 December 2014
<b>ASSETS</b>			
<b>Non-current assets</b>			
Investment property	17	1,288,529	1,221,319
Residential landbank	18	26,773	41,444
Investment in associates and joint ventures	19	23,067	96,046
Property, plant and equipment	16	1,070	1,480
Deferred tax asset	15	647	2,245
Other non-current assets		386	639
		<b>1,340,472</b>	<b>1,363,173</b>
<b>Assets held for sale</b>			
	17	<b>5,950</b>	<b>6,654</b>
<b>Current assets</b>			
Residential inventory	18	3,161	23,539
Accounts receivables		5,505	5,035
Accrued income		1,655	1,358
VAT and other tax receivable		4,985	1,840
Income tax receivable		316	429
Prepayments and deferred expenses		1,323	2,268
Short-term deposits	22	26,711	31,705
Cash and cash equivalents	23	169,472	81,063
		<b>213,128</b>	<b>147,237</b>
<b>TOTAL ASSETS</b>		<b>1,559,550</b>	<b>1,517,064</b>

The accompanying notes are an integral part of this Consolidated Statement of Financial Position

**Globe Trade Centre S.A.**  
**Consolidated Statement of Financial Position**  
**as of 31 December 2015**  
**(in thousands of Euro)**

	Note	31 December 2015	31 December 2014
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to equity holders of the Company</b>			
Share capital	29	10,410	7,849
Share premium	8	499,288	364,228
Capital reserve	8	(20,646)	8,392
Hedge reserve		(4,563)	(3,839)
Foreign currency translation		1,405	1,128
Accumulated profit		156,647	111,455
		<b>642,541</b>	<b>489,213</b>
Non-controlling interest	27	(21,339)	(62,032)
<b>Total Equity</b>		<b>621,202</b>	<b>427,181</b>
<b>Non-current liabilities</b>			
Long-term portion of long-term loans and bonds	28	658,744	802,631
Deposits from tenants	25	6,242	5,415
Long term payable	26	4,621	3,391
Provision for share based payment	29	1,152	289
Derivatives	20	2,755	2,892
Provision for deferred tax liability	15	133,455	130,062
		<b>806,969</b>	<b>944,680</b>
<b>Current liabilities</b>			
Trade and other payables and provisions	21	28,774	19,650
Payables related to purchase of non-controlling interest	21	18,108	-
Current portion of long-term loans and bonds	28	80,368	119,560
VAT and other taxes payable		1,572	1,736
Income tax payable		363	521
Derivatives	20	2,194	3,152
Advances received from residential		-	584
		<b>131,379</b>	<b>145,203</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,559,550</b>	<b>1,517,064</b>

The accompanying notes are an integral part of this Consolidated Statement of Financial Position

**Globe Trade Centre S.A.**  
**Consolidated Income Statement**  
**for the year ended 31 December 2015**  
**(in thousands of Euro)**

	Note	2015	2014
Revenue	9	117,363	124,284
Cost of operations	10	(37,333)	(43,155)
<b>Gross margin from operations</b>		<b>80,030</b>	<b>81,129</b>
Selling expenses	11	(2,721)	(2,884)
Administration expenses	12	(11,045)	(8,781)
Profit/(Loss) from revaluation/ impairment of assets	17	27,611	(160,325)
Impairment of residential projects	18	(1,389)	(34,079)
Other income		1,645	3,145
Other expenses	24	(2,430)	(2,529)
<b>Profit/(Loss) from continuing operations before tax and finance income / expense</b>		<b>91,701</b>	<b>(124,324)</b>
Foreign exchange differences gain/(loss), net		1,394	(93)
Finance income	13	3,849	3,904
Finance cost	13	(33,205)	(46,441)
Share of loss of associates and joint ventures	19	(8,163)	(27,568)
<b>Profit/(loss) before tax</b>		<b>55,576</b>	<b>(194,522)</b>
Taxation	15	(11,937)	(12,868)
<b>Profit/(Loss) for the period</b>		<b>43,639</b>	<b>(207,390)</b>
<b>Attributable to:</b>			
Equity holders of the Company		45,192	(183,822)
Non-controlling interest		(1,553)	(23,568)
Basic earnings per share (in Euro)	31	0.12	(0.53)

The accompanying notes are an integral part of this Consolidated Income Statement

**Globe Trade Centre S.A.**  
**Consolidated Statement of Comprehensive Income**  
**for the year ended 31 December 2015**  
**(In thousands of Euro)**

	2015	2014
<b>Profit/(loss) for the period</b>	<b>43,639</b>	<b>(207,390)</b>
Gain/(loss) on hedge transactions	(531)	10,549
Income tax	85	(2,001)
<b>Net gain/(loss) on hedge transactions</b>	<b>(446)</b>	<b>8,548</b>
Foreign currency translation	143	(3,294)
<b>Total comprehensive income/ (loss) for the period, net of tax to be reclassified to profit or loss in subsequent periods</b>	<b>43,336</b>	<b>(202,136)</b>
<b>Attributable to:</b>		
Equity holders of the Company	44,745	(178,616)
Non-controlling interest	(1,409)	(23,520)

The accompanying notes are an integral part of this Consolidated Statement of Comprehensive Income



**Globe Trade Centre S.A.**  
**Consolidated Statement of Changes in Equity**  
**for the year ended 31 December 2015**  
**(In thousands of Euro)**

	Issued and paid in share capital	Share premium	Capital reserve	Hedge reserve	Foreign currency translation	Accumulated profit	Total
<b>Balance as of</b>							
<b>1 January 2015</b>	<b>7,849</b>	<b>364,228</b>	<b>8,392</b>	<b>(3,839)</b>	<b>1,128</b>	<b>111,455</b>	<b>489,213</b>
Other comprehensive income / (loss)	-	-	-	(724)	277	-	(447)
Profit / (loss) for the year ended	-	-	-	-	-	-	-
31 December 2015	-	-	-	-	-	45,192	45,192
<b>Total comprehensive income / (loss) for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(724)</b>	<b>277</b>	<b>45,192</b>	<b>44,745</b>
Issuance of shares	2,561	135,060	-	-	-	-	137,621
Purchase of NCI shares	-	-	(29,038)	-	-	-	(29,038)
<b>Balance as of</b>							
<b>31 December 2015</b>	<b>10,410</b>	<b>499,288</b>	<b>(20,646)</b>	<b>(4,563)</b>	<b>1,405</b>	<b>156,647</b>	<b>642,541</b>
	Issued and paid in share capital	Share premium	Capital reserve	Hedge reserve	Foreign currency translation	Accumulated profit	Total
<b>Balance as of</b>							
<b>1 January 2014</b>	<b>7,082</b>	<b>312,155</b>	<b>15,154</b>	<b>(12,344)</b>	<b>4,427</b>	<b>295,277</b>	<b>621,751</b>
Other comprehensive income / (loss)	-	-	-	8,505	(3,299)	-	5,206
Loss for the period ended 31 December 2014	-	-	-	-	-	(183,822)	(183,822)
<b>Total comprehensive income / (loss) for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,505</b>	<b>(3,299)</b>	<b>(183,822)</b>	<b>(178,616)</b>
Issuance of shares	767	52,073	-	-	-	-	52,840
Purchase of NCI shares	-	-	(6,762)	-	-	-	(6,762)
<b>Balance as of</b>							
<b>31 December 2014</b>	<b>7,849</b>	<b>364,228</b>	<b>8,392</b>	<b>(3,839)</b>	<b>1,128</b>	<b>111,455</b>	<b>489,213</b>

The accompanying notes are an integral part of this Consolidated Statement of Changes in Equity

**Globe Trade Centre S.A.**  
**Consolidated Statement of Cash Flow**  
**for the year ended 31 December 2015**  
**(In thousands of Euro)**

	Year ended 31 December 2015	Year ended 31 December 2014
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Profit/(loss) before tax	55,576	(194,522)
<b>Adjustments for:</b>		
Loss/(profit) from revaluation/impairment of assets and residential projects	(26,222)	194,404
Share of loss of associates and joint ventures	19 8,163	27,568
Profit on disposal of asset	(1,014)	(4)
Foreign exchange differences loss/(gain), net	(1,394)	(445)
Finance income	13 (3,849)	(3,904)
Finance cost	13 33,205	46,441
Share based payment loss/(profit)	12 863	(2,538)
Depreciation and amortization	16 509	499
<b>Operating cash before working capital changes</b>	<b>65,837</b>	<b>67,499</b>
Increase in accounts receivables and prepayments and other current assets	(1,340)	(1,680)
Decrease in residential inventory	10,263	12,895
Decrease in advances received from residential	(545)	(2,082)
Increase in deposits from tenants	663	17
Increase/(decrease) in trade and other payables	966	(945)
<b>Cash generated from operations</b>	<b>75,844</b>	<b>75,704</b>
Tax paid in the period	(2,735)	(2,452)
<b>Net cash from operating activities</b>	<b>73,109</b>	<b>73,252</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Expenditure on investment property	(33,519)	(25,821)
Purchase of completed investment property	8 (53,080)	-
Sale of investment property	42,665	10,614
Sale of residential landbank and inventory	8,504	-
Tax Paid	(4,571)	-
Sale of subsidiary	13,032	-
Purchase of subsidiary	7 (191)	-
Purchase of minority	(800)	(279)
Interest received	1,279	2,019
Lease origination expenses	-	(208)
Liquidation of Joint Ventures	8 3,890	-
Loans granted	(288)	(566)
Loans repayments	244	330
<b>Net cash used in investing activities</b>	<b>(22,835)</b>	<b>(13,911)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from the issuance of shares	8 140,102	53,680
Share issuance expenses	(2,481)	(841)
Proceeds from long-term borrowings	62,947	124,494
Repayment of long-term borrowings	(137,970)	(149,409)
Repayment of hedge	(1,928)	(20,762)
Interest paid	(26,708)	(38,456)
Loans origination cost	(1,148)	(1,561)
Decrease/(Increase) in short term deposits	4,558	(89)
<b>Net cash from /(used) in financing activities</b>	<b>37,372</b>	<b>(32,944)</b>
<b>Effect of foreign currency translation</b>	<b>763</b>	<b>(1,773)</b>
<b>Net increase in cash and cash equivalents</b>	<b>88,409</b>	<b>24,624</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>81,063</b>	<b>56,439</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>169,472</b>	<b>81,063</b>

The accompanying notes are an integral part of this Consolidated Statement of Cash Flow



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## INDEPENDENT AUDITORS' OPINION

### To the General Shareholders' Meeting and Supervisory Board of Globe Trade Centre S.A.

We have audited the attached consolidated financial statements of Globe Trade Centre Group (the "Group"), for which the holding company is Globe Trade Centre S.A. (the "Company"), which comprise the consolidated statement of financial position as at 31 December 2015 and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flow for the year then ended, and other explanatory notes to the consolidated financial statements (the "attached consolidated financial statements").

#### *Management's Responsibility for the consolidated financial statements*

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

#### *Auditor's Responsibility*

Our responsibility is to express an opinion on the attached consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the attached consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the attached consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



*Opinion*

In our opinion, the attached consolidated financial statements present fairly, in all material respects, the financial position of the Group as of 31 December 2015, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.

We also reported separately on the consolidated financial statements of Globe Trade Centre S.A. for the same period prepared in accordance with the International Financial Reporting Standards, as adopted by the EU using Polish zloty as the presentation currency.

*Ernst & Young Audyt Polska spółka z ograniczoną odpowiedzialnością sp. k.*

Ernst & Young Audyt Polska spółka z ograniczoną odpowiedzialnością sp. k.

Warsaw, 16 March 2016

**Globe Trade Centre S.A.**  
**Notes to the Consolidated Financial Statements**  
**for the year ended 31 December 2015**  
**(in thousands of Euro)**

## 17. Investment Property

Investment properties that are owned by the Group are office and commercial space, including property under construction:

Investment property can be split up as follows:

	31 December 2015	31 December 2014
Completed investment property	1,055,732	1,029,276
Investment property under construction at fair value	108,000	-
Investment property under construction at cost	124,797	192,043
<b>Total</b>	<b>1,288,529</b>	<b>1,221,319</b>

The movement in investment property for the periods ended 31 December 2015 and 31 December 2014 was as follows:

	Level 2	Level 3	Total
<b>Carrying amount as of 1 January 2015</b>	<b>753,576</b>	<b>467,743</b>	<b>1,221,319</b>
Capitalised subsequent expenditure	4,489	36,190	40,679
Purchase of completed asset	53,080	-	53,080
Adjustment to fair value / impairment	1,664	25,341	27,005
Disposals of Galeria Kazimierz office	(41,577)	-	(41,577)
Sale of subsidiary (Jarosova)	-	(8,494)	(8,494)
Reclassified as assets held for sale (*)	-	(5,950)	(5,950)
Purchase of subsidiary (Europort Cyprus 1)	-	2,467	2,467
<b>Carrying amount as of 31 December 2015</b>	<b>771,232</b>	<b>517,297</b>	<b>1,288,529</b>
 <b>Carrying amount as of 1 January 2014</b>	 <b>762,355</b>	 <b>613,383</b>	 <b>1,375,738</b>
Reclassification	9,468	(9,468)	-
Capitalised subsequent expenditure	4,345	16,956	21,301
Adjustment to fair value / impairment	(18,090)	(141,710)	(159,800)
Disposals	-	(4,654)	(4,654)
Reclassified as assets held for sale	-	(6,654)	(6,654)
Translation differences and other non-cash adjustments	(4,502)	(110)	(4,612)
<b>Carrying amount as of 31 December 2014</b>	<b>753,576</b>	<b>467,743</b>	<b>1,221,319</b>

(\*) It relates to Arad (Romania), Lodz 1 (Poland) and Subotica (Serbia) in secondary cities

Fair value and impairment adjustment consists of the following:

	2015	2014
Adjustment to fair value of completed assets	2,546	(104,780)
Adjustment to fair value of property under construction	25,828	-
Impairment adjustment of IPUC at cost	(1,369)	(55,020)
<b>Total (*)</b>	<b>27,005</b>	<b>(159,800)</b>

(\*) The amount does not include an amount of Euro 606 thousand as fair value adjustment on assets held for sale

**Globe Trade Centre S.A.**  
**Notes to the Consolidated Financial Statements**  
**for the year ended 31 December 2015**  
**(in thousands of Euro)**

## 17. Investment Property (continued)

Assumptions used in the valuations of completed assets as of 31 December 2015 and related sensitivity analysis are presented below.

Potfolio	Book value	NRA thousand	Occupancy	Actual rent	ERV	Average duration	Fair Value Hierarchy Level	Impact on PBT (*) of 1% change in ERV
	'000 Euro	sqm	%	Euro/ sqm	Euro/ sqm	Years		
Poland retail	150,200	49	90%	19.3	19.7	3.9	2	7,624
Poland office	266,436	135	92%	14.3	14.0	2.7	2	19,059
Serbia office								
capital city	123,600	64	92%	14.7	15.0	2.3	3	8,260
Croatia retail								
capital city	102,100	36	97%	20.0	21.3	4.7	3	4,793
Hungary								
office capital								
city	208,496	117	95%	11.7	12.0	3.5	2	17,341
Romania								
retail								
secondary								
cities	3,900	13	95%	5.7	5.6	5.2	3	696
Romania								
office capital								
city	146,100	48	93%	19.0	17.4	2.7	2	8,397
Bulgaria								
retail								
secondary								
cities	54,900	61	82%	9.4	9.3	5.0	3	5,931
<b>Total</b>	<b>1,055,732</b>	<b>524</b>	<b>92%</b>	<b>14.3</b>	<b>14.2</b>	<b>3.4</b>		

Actual variations in yield or ERV may vary between different markets

(\*) Profit before tax.

Assumptions used in the valuations of completed assets as of 31 December 2014 and related sensitivity analysis are presented below.

Potfolio	Book value	NRA thousand	Occupancy	Actual rent	ERV	Average duration	Fair Value Hierarchy Level	Impact on PBT (*) of 1% change in ERV
	'000 Euro	sqm	%	Euro/ sqm	Euro/ sqm	Years		
Poland retail	150,000	50	86%	20.8	19.0	4.3	2	7,907
Poland office	300,711	150	92%	14.7	14.1	3.6	2	21,263
Serbia office								
capital city	100,200	53	95%	14.7	15.5	3.2	3	6,479
Croatia retail								
capital city	102,200	36	96%	20.5	22.0	6.4	3	4,645
Hungary office								
capital city	154,865	91	93%	11.6	12.0	4.6	2	12,913
Slovakia office								
capital city	9,100	13	65%	9.8	8.6	1.4	3	1,058
Romania retail								
secondary								
cities	8,500	45	88%	4.0	4.2	4.5	3	2,033
Romania								
office capital								
city	148,000	48	93%	19.5	20.0	3.4	2	7,400
Bulgaria retail								
secondary								
cities	55,700	61	92%	8.3	9.2	6.4	3	6,069
<b>Total</b>	<b>1,029,276</b>	<b>547</b>	<b>91%</b>	<b>13.8</b>	<b>13.9</b>	<b>4.3</b>		

**Globe Trade Centre S.A.**  
**Notes to the Consolidated Financial Statements**  
**for the year ended 31 December 2015**  
**(in thousands of Euro)**

## 17. Investment Property (continued)

The average yield as of 31 December 2015 and 2014 was 7.9% and 8.1% respectively.

The estimated impact on profit (loss) before tax due to change in yield of 0.25% for the whole investment property portfolio (in absolute terms) as of 31 December 2015 amounted to: EUR 33.3 million.

**Investment properties under construction** - Information regarding investment properties under construction valued at cost and fair value as of 31 December 2015 is presented below:

	Book value	Estimated building rights (GLA)	Average Book value/sqm of building rights
	'000 Euro	thousand sqm	Euro/sqm
Poland	155,344	353	440
Serbia	36,369	48	758
Croatia	2,440	21	116
Hungary	19,010	286	66
Romania	13,367	66	203
Bulgaria	3,800	88	43
Ukraine	2,467	90	27
<b>Total</b>	<b>232,797</b>	<b>952</b>	<b>245</b>

**Investment properties under construction** - Information regarding investment properties under construction valued at cost as of 31 December 2014 is presented below:

	Book value	Estimated building rights (GLA)	Average Book value/sqm of building rights
	'000 Euro	thousand sqm	Euro/sqm
Poland	110,093	375	254
Serbia	42,537	87	489
Croatia	2,000	21	95
Hungary	20,170	315	64
Romania	13,363	66	202
Bulgaria	3,880	88	44
<b>Total</b>	<b>192,043</b>	<b>952</b>	<b>202</b>