



5 for 2 rights offering of 74,397,740 ordinary shares at an issue price of EUR 2.78 per offer share of

Geneba Properties N.V.

(a closed-end property investment company established as a public limited liability company incorporated under the laws of the Netherlands and registered with the trade register under registration number 58355103)

Investing in the Shares (as defined below) involves risks. See "Risk Factors" beginning on page 44.

Certain terms used in this document, including capitalised terms and certain technical and other terms are explained in the section entitled "*Definitions and Glossary*". Any Share held through NPEX B.V. in The Hague, the Netherlands ("**NPEX**") is registered in the name of Stichting NPEX Bewaarbedrijf which has issued a depositary receipt for such Share to the relevant investor. A reference to any such Share or the holder thereof should, where the context so requires, be read as a reference to such a depositary receipt or the holder thereof respectively.

Geneba Properties N.V. (the "**Company**") is offering 74,397,740 new ordinary shares in its capital (the "**Offer Shares**") and, together with the existing ordinary shares (the "**Existing Shares**") in the capital of the Company, the "**Shares**"), with a nominal value of EUR 0.02 each at an issue price of EUR 2.78 per share (the "**Issue Price**"), which is based on (i) the net asset value per Existing Share as per the interim report for the period from 27 March 2014 to 30 June 2014 and adjusted for shares to be cancelled (EUR 3.16) (ii) at a 12% discount.

The latest available share price (bid side) as of 1 December 2014 of the Existing Shares on NPEX was EUR 2.15. Subject to applicable securities laws and the terms set out in this prospectus (the "**Prospectus**"), holders of Existing Shares in the capital of the Company (the "**Shareholders**") as at the Record Date (as defined below) are being granted non-transferable subscription rights to subscribe for the Offer Shares (the "**Rights**") *pro rata* to their shareholding in the Company. The offer to subscribe for Offer Shares through the exercise of Rights is referred to as the "**Offering**".

The total gross proceeds from the Offering will amount to up to EUR 206,825,717. The issue currency of the Offer Shares will be Euro. Any Offer Shares not subscribed for through the exercise of Rights in the Offering during the Exercise Period (as defined below) will be subscribed and paid for by Catalyst Coop, subject to the terms and conditions of the subscription agreement dated 2 December 2014 (the "**Subscription Agreement**") and subject to applicable securities laws. Catalyst Coop will, subject to the terms and conditions of the Subscription Agreement and applicable securities laws, starting with the end of the Rights Offering and until 3 December 2015 (the "**Backstop Period**") subscribe for Offer Shares not taken up by other Shareholders, conditional on investment proposals being proposed by the Company's management board and approved by the supervisory board (see "*Plan of Distribution - Subscription Agreement and Take-up by Catalyst Coop*" for a further description). At any time Catalyst Coop is asked to subscribe for Offer Shares not taken up by other Shareholders, it only has to provide funds in an amount required to fund the relevant approved investment proposal (see "*Plan of Distribution - Subscription Agreement and Back-stop provision by Catalyst Coop*" for a further description). Catalyst Coop, a 42% shareholder of the Company, has also committed to fully exercise its own Rights, subject to the terms and conditions of the Subscription Agreement.

Each Existing Share that Shareholders hold immediately following the close of trading on the trading platform operated by NPEX B.V. in The Hague, the Netherlands ("NPEX") at 9:00 hours Central European Summer Time ("CEST") on 3 December 2014, which is the "**Record Date**", will entitle them to 1 Right. An Eligible Person, as defined in "*Selling and Transfer Restrictions – Representations and warranties by investors in the Offering*", will be entitled to subscribe for 5 Offer Shares for every 2 Rights held against payment of the Issue Price for each Offer Share by exercising their Rights from 9:00 hours CEST on 9 December 2014 until 16:00 hours CEST on 31 December 2014 (the "**Exercise Period**"). Accordingly, Eligible Persons will be entitled to subscribe for 5 Offer Shares for every 2 Existing Shares held on the Record Date against such payment. Rights can only be exercised in multiples of 2; no fractional Offer Shares will be issued. The Rights are not transferable. Any Rights not exercised by the end of the Exercise Period, may no longer be exercised by any Eligible Person and shall lapse (*vervallen*) at 16:00 hours CEST on 31 December 2014. Once an Eligible Person has validly exercised his Rights, that exercise cannot be revoked or modified, except for certain circumstances as set out in "*The Offering – Exercise Period*". The statutory pre-emption rights (*wettelijke voorkeursrechten*) of the holders of Existing Shares in respect of the Offering (as defined below) have been validly excluded by a resolution of the Company's management board (*bestuur*) dated 1 December 2014 which has been approved by the Company's supervisory board (*raad van commissarissen*) dated 1 December 2014.

Shareholders who are willing to exercise their Rights should be aware that NPEX levies charges for the exercise of subscription rights in amounts specified in "*The Offering - Charges by NPEX*".

Shareholders who do not, not timely or not validly, or who are not permitted to, exercise, any of their Rights granted under the Offering will suffer a substantial dilution of their proportionate ownership with up to 71% to 29% of their current proportionate ownership as a result of the issue of the Offer Shares. In that case, they will also suffer a substantial dilution of their relative voting rights. The latest date for acceptance under the Offering is the end of the Exercise Period, i.e. 16:00 CEST on 31 December 2014.

The Company is not taking any action to permit a public offering of the Offer Shares in any jurisdiction outside the Netherlands. The Company therefore only publically offers the Offer Shares to persons whose address registered with NPEX is in the Netherlands and who is a Shareholder at the Record Date.

THE OFFERED SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT") AND WILL NOT BE REGISTERED WITH ANY AUTHORITY COMPETENT WITH RESPECT TO SECURITIES IN ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. THE OFFERED SHARES MAY NOT BE OFFERED OR SOLD IN THE UNITED STATES OF AMERICA ABSENT REGISTRATION OR AN EXEMPTION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT. THE COMPANY HAS REGISTERED NO PART OF THE OFFERING OF THE OFFERED SHARES IN THE UNITED STATES OR ANY OTHER JURISDICTION, NOR HAS IT THE INTENTION TO DO SO. THE COMPANY HAS NO INTENTION TO MAKE A PUBLIC OFFERING OF THE OFFERED SHARES IN THE UNITED STATES OR IN ANY OTHER JURISDICTION OTHER THAN THE NETHERLANDS.

The Company is not taking any action to permit a public offering of the Offer Shares in any jurisdiction outside the Netherlands. This Prospectus may not be distributed into the United States, Australia, Canada or Japan.

The Company only offers the Offer Shares to persons qualifying as Eligible Persons as set out in the following paragraph provided they are Shareholders at 9:00 hours CET on the Record Date. For example, a person residing in the Netherlands qualifies as an Eligible Person.

An eligible person ("**Eligible Person**") is any person to whom the Offering can lawfully be made without contravention of any registration, prospectus (other than this prospectus) or other legal requirements, in each case without imposing any obligations or costs upon the Company, unless the Company consents in writing thereto. Consequently, an Eligible Person includes (i) any legal entity which is a qualified investor as defined in the Prospectus Directive; or (ii) any person in respect of which the Offering falls within Article 3(2) of the Prospectus Directive. The Company has applied for admission to trading of the Offer Shares on NPEX and trading is expected to commence on 6 January 2015. The Rights are not transferable and as a consequence no trading will occur in the Rights.

The grant of Rights and the offer of Offer Shares upon exercise of Rights to persons located in, resident in, or who are citizen of, countries other than the Netherlands, may be affected by the laws of the relevant jurisdiction. If you are outside the Netherlands, you should consult your professional advisors as to whether, to enable you to seek to exercise Rights, to subscribe for the Offer Shares or to deal in Offer Shares, you require any governmental or other consents, need to observe any other formalities or shall pay any issue, transfer or other taxes.

If you receive a copy of this Prospectus you should not distribute or send the same, or transfer Offer Shares to any person, in or into a jurisdiction other than the Netherlands. If you forward this Prospectus into any such territories (whether under a contractual or legal obligation or otherwise), you should draw the recipient's attention to the contents of this chapter. This Prospectus may not be distributed into the United States, Australia, Canada or Japan.

Settlement of all exercised Rights will occur on 6 January 2015 ("**Settlement Date**"). Shareholders who exercise their Rights will be required to place the Issue Price for all Offer Shares subscribed to on their NPEX accounts against delivery of the Offer Shares to their securities account via NPEX.

The information contained in this document is accurate only as of the date of this Prospectus, regardless of the time of delivery of the document or of any sale of the Offer Shares. Neither the contents of the Company's nor NPEX's website form part of this document.

This Prospectus constitutes a prospectus for the purposes of Article 3 of Directive 2003/71/EC of the European Parliament and of the Council of the European Union (as amended, including by Directive 2010/73/EC) and has been prepared in accordance with chapter 5.1 of the Dutch Financial Supervision Act (*Wet op het financieel toezicht*) and the rules promulgated thereunder. This Prospectus has been filed with and approved by the Dutch Financial Markets Authority (*Stichting Autoriteit Financiële Markten*, the "**AFM**").

Prospectus dated 2 December 2014

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SUMMARY

Summaries are made up of disclosure requirements known as "**Elements**". These Elements are numbered in Sections A – E (A.1 – E.7). This Summary contains all the Elements required to be included in a summary for the Shares and the Issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements. Even though an Element may be required to be inserted in a summary because of the type of securities and issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element should be included in the summary with the mention of 'Not applicable'.

Section A — Introduction and warnings	
A.1	<p>Introduction and warnings</p> <p>This summary should be read as an introduction to the prospectus (the "Prospectus"). Any decision to invest in these securities should be based on consideration of the Prospectus as a whole by the investor, including the risk factors, the financial statements and other financial information. When a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the Member States of the European Economic Area, have to bear the costs of translating the Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus or it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in our securities.</p>
A.2	<p>Consent for placement by third parties</p> <p>Not applicable.</p>
Section B — Issuer	
B.1	<p>Name of the Issuer</p> <p>Geneba Properties N.V. (the "Company").</p>
B.2	<p>General information on the Issuer</p> <p>The Company (statutory and trade name: "Geneba Properties N.V.") is a closed-end property investment company without a separate manager (<i>beleggingsmaatschappij zonder aparte beheerder</i>) which operates under licence and supervision of the Netherlands Financial Markets Authority (the "AFM") and the Dutch Central Bank (the "DNB") and has the legal form of a public limited liability company (<i>naamloze vennootschap</i>).</p> <p>The Company was incorporated in the Netherlands by Stichting Oprichting Geneba Properties under the laws of the Netherlands on 11 July 2013 by a Deed of Incorporation executed before Hendrikus Johannes</p>

	Portengen, civil law notary in Rotterdam.
B.5	<p>The Group</p> <p>The Company and its fully consolidated subsidiaries (the "Group") as currently constituted, is the result of a court-supervised restructuring of Homburg Invest Inc. ("HII") and certain of its affiliates and subsidiaries completed pursuant the terms of a court-approved plan of arrangement (the "Plan") ordered in proceedings under the Companies' Creditors Arrangement Act (Canada) (the "CCAA"). Pursuant to the Plan, the Company acquired interests in various property companies previously controlled by HII.</p>
B.6	<p>Major shareholders</p> <p>As at 1 December 2014, Catalyst RE Coöperatief U.A. ("Catalyst Coop") holds 12,438,157 of the existing ordinary shares in the capital of the Company (the "Existing Shares", which, where the context so requires, includes depositary receipts issued therefor by Stichting NPEX Bewaarbedrijf). Catalyst Coop's holding represents 42% of (i) the total outstanding Existing Shares less (ii) the Existing Shares which were previously held in a reserve by the administrator of the plan ("Plan Administrator") pending resolution of various claims in the HII restructuring proceedings and which have been released to the Company for cancellation without consideration, but which have not yet been cancelled (see Element B.46).</p> <p>The Company has requested that Catalyst Coop, if interesting investment proposals arise, subscribes for Offer Shares not subscribed for by other Shareholders, and Catalyst Coop has committed itself, subject to certain conditions, to subscribe for such Offer Shares. The rights and obligations of Catalyst Coop with respect to this arrangement are more fully described in Element E.3 under "<i>Conditions of the Offering and Terms of the backstopped part of the Offering</i>".</p> <p>The percentage of Shares held by Catalyst Coop may increase to up to 83% if Catalyst Coop (i) subscribes for its pro rata share of the offering of 74,397,740 new ordinary shares in the Company's capital (the "Offer Shares" and, together with the existing ordinary shares the "Shares") if none of the non-transferable subscription rights to subscribe for the Offer Shares (the "Rights") are exercised by any Shareholder other than Catalyst Coop and (ii) Catalyst Coop subsequently subscribes for all remaining Offer Shares, subject to the conditions of the Subscription Agreement having been met.</p> <p>The Company intends to use the total net proceeds from the Offering for general corporate purposes, including, but not limited to acquisitions and further investments into properties. Catalyst Coop will, subject to the terms and conditions of the Subscription Agreement and applicable securities laws (see Element E.3 for further details on the conditions), subscribe for Offer Shares not taken up once an investment proposal has been proposed by the Company's management board and approved by the supervisory board.</p> <p>The Plan provides that the Plan Administrator shall not exercise any voting rights in respect of the shares currently outstanding ("Existing Shares") held in reserve (see Element B.46 for a description of the relevant reserve). As a result, should Catalyst Coop's shareholding ultimately increase to 83%, this will entitle it to exercise 89% of the voting rights which may be freely exercised. In addition, cancellation or distribution of such reserved Existing Shares could lead to an increase of Catalyst Coop's shareholding to up to 89% including Offer Shares.</p> <p>Furthermore, during a certain period (i.e. the period presently running until 1 September 2015, the "Initial Period"), special provisions in the Company's Articles of Association apply with the aim of protecting the interests of minority shareholders. In order to provide stability in the governance structure of the Company</p>

	and to protect the interests of minority shareholders, provisions of the Company's Articles of Association relating to the governance of the Company can only be amended at the unanimous proposal of the Supervisory Board, pursuant to a resolution of the Company's general meeting adopted with a qualified majority of two thirds of the votes cast representing more than half of the issued capital. Other amendments to the Company's Articles of Association during the Initial Period require a proposal (by majority vote) of the Supervisory Board and a resolution of the General Meeting adopted with a qualified majority of two thirds of the votes cast representing more than half of the issued capital.																																																														
B.7	Selected historical financial information The following selected consolidated financial information is derived from the Company's unaudited but reviewed condensed consolidated financial information included in the interim report for the period from 27 March 2014 to 30 June 2014 (the " Interim Report ") that has been included in this Prospectus. Rental Income <table><tr><td><i>(in millions of Euros; Thousands – m2)</i></td><td>Germany</td><td>Netherlands</td><td>Baltic States</td><td>Total</td></tr><tr><td>Rental income</td><td>10.5</td><td>0.7</td><td>3.1</td><td>14.3</td></tr><tr><td>Property operating expenses</td><td>0.1</td><td>0.1</td><td>0.8</td><td>1.0</td></tr><tr><td>Net rental income</td><td>10.4</td><td>0.6</td><td>2.3</td><td>13.3</td></tr><tr><td>Occupancy rate</td><td>100.0%</td><td>100.0%</td><td>81.7%</td><td>95.0%</td></tr><tr><td>Number of buildings</td><td>5</td><td>3</td><td>53</td><td>61</td></tr><tr><td>Gross m2</td><td>215</td><td>29</td><td>90</td><td>334</td></tr><tr><td>Weighted Average Lease Term (in years /(approx.))</td><td>7</td><td>18</td><td>*</td><td></td></tr></table> <p>* The average remaining lease term in the Baltic States for the SEB headquarter buildings (which represents 60% of the gross rental income of the Baltic portfolio) is 9 years. The average remaining lease term for the other properties in the Baltic portfolio is significantly shorter and varies per property.</p> OPERATIONAL RESULTS PERIOD: 27 March 2014 – 30 June 2014 <i>(Per share information in Euros, else in thousands of Euros)</i> <table><tr><td>Net rental income:</td><td>13,353</td></tr><tr><td>Direct Investment Result:*</td><td>6,216</td></tr><tr><td>Direct Investment Result per share:</td><td>0.20</td></tr><tr><td>Indirect Investment Result:**</td><td>-5,556</td></tr><tr><td>Indirect Investment Result per share:</td><td>-0.18</td></tr><tr><td>Net result before income tax:</td><td>660</td></tr><tr><td>Net result before income tax per share:</td><td>0.02</td></tr><tr><td>NAV per share (IFRS):</td><td>3.08</td></tr><tr><td>Loan to Value:</td><td>77.6%</td></tr></table> <p>*The Direct Investment Result is calculated as the net rental income minus general and administrative expenses plus other income and minus finance cost.</p>					<i>(in millions of Euros; Thousands – m2)</i>	Germany	Netherlands	Baltic States	Total	Rental income	10.5	0.7	3.1	14.3	Property operating expenses	0.1	0.1	0.8	1.0	Net rental income	10.4	0.6	2.3	13.3	Occupancy rate	100.0%	100.0%	81.7%	95.0%	Number of buildings	5	3	53	61	Gross m2	215	29	90	334	Weighted Average Lease Term (in years /(approx.))	7	18	*		Net rental income:	13,353	Direct Investment Result:*	6,216	Direct Investment Result per share:	0.20	Indirect Investment Result:**	-5,556	Indirect Investment Result per share:	-0.18	Net result before income tax:	660	Net result before income tax per share:	0.02	NAV per share (IFRS):	3.08	Loan to Value:	77.6%
<i>(in millions of Euros; Thousands – m2)</i>	Germany	Netherlands	Baltic States	Total																																																											
Rental income	10.5	0.7	3.1	14.3																																																											
Property operating expenses	0.1	0.1	0.8	1.0																																																											
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** The Indirect Investment Result is calculated as the total of the net adjustments to the fair value of investment properties and derivative financial instruments.

DIRECT INVESTMENT RESULTS

PERIOD: 27 March 2014 – 30 June 2014

(In Thousands of Euros)

Net rental income	13,353
General and administrative expense	-2,388
Other income	1,034
Interest expense	-5,783
	<hr/>
Direct investment result	6,216
	<hr/>

Valuations

Property values as per 30 June 2014

(Millions –Fair Value; Thousands – m²)

	Buildings	Gross m²	Fair Value	Percentage
By geographical segment				
Germany	5	215	391.5	76%
The Netherlands	3	29	31.1	6%
Baltic States	53	90	92.3	18%
Total	61	334	514.9	
By property type				
Office	51	251	467.1	91%
Retail	6	15	13.0	2%
Industrial	4	68	34.8	7%
Total	61	334	514.9	

CONSOLIDATED BALANCE SHEET

(In Thousands of Euros)

	<u>30 June 2014</u>
Assets	
Investment properties	514,900
Other (in)angible assets	64
Cash and Cash equivalents	12,126
Receivables and other	545
Total Assets	527,635
Liabilities	
Long term debt	348,021
Current portion of long term debt	51,904
Deferred tax liabilities	5,821
Accounts payable and other liabilities	5,060
Income taxes payable	3,082

Derivative financial instruments	12,118
Total Liabilities	426,004
Non-controlling interest*	7,479
Total equity in net assets	94,150
Total equity	101,630
Total equity and liabilities	527,635
* Reflects the share in a German property holding company Geneva does not control.	
Condensed interim statement of comprehensive income	
<i>(In Thousands of Euros)</i>	
<u>Six month ended 30 June 2014</u>	
Gross rental income	14,338
Property operating expenses	-985
Net rental income	13,353
Net adjustment to fair value of:	
Investment properties	-4,613
Derivative financial instruments	-943
General and administrative expense	-2,388
Other income	1,034
Operational result	6,443
Finance income	
Finance costs	-5,783
Net finance costs	-5,783
Net result before income tax	660
Income tax	-1,214
Net result for the period	-553
Total comprehensive income (loss) for the period	-553
Net result attributable to:	
Equity holders of the Company	-913
Non-controlling interest	360
	<u>-553</u>
Total comprehensive income (loss) attributable to:	
Equity holders of the Company	-913
Non-controlling interest	360
	<u>-553</u>

	<p>Per share information (in €) Basic and diluted net result per share attributable to the equity holders of the Company</p> <p style="text-align: right;">-0.03</p>
B.8	<p>Selected key pro forma financial information</p> <p>Not applicable.</p>
B.9	<p>Forecast or estimate of the profit</p> <p>Not applicable.</p>
B.10	<p>Qualification of the auditor</p> <p>The review report of the auditor on the Interim Report is unqualified.</p>
B.11	<p>Working capital statement</p> <p>The Company does not have sufficient working capital for its present requirements.</p> <p>The Company has a net working capital deficit of EUR 83 million at 30 September 2014. The Company is planning to reduce the working capital deficit to a positive amount through:</p> <ul style="list-style-type: none"> • Repaying the bridge loan entered into by the Company with Catalyst Coop (the "Shareholder Bridge Loan") of EUR 40 million with the proceeds of the Offering. This loan matures in January 2015; • Settlement of the EUR 13.8 million interest rate swap with operational cash flows. The negative fair value of this interest swap is included in the deficit and is settled periodically up till 2023; • Refinancing the EUR 22.5 million loan provided to Geneva RE 1 B.V. with new bank loans. This loan matures in October 2015; • Extending, refinancing or possibly entering into insolvency proceedings with respect to the EUR 24.5 million loan on the level of Valbonne Real Estate 2 B.V. ("VRE 2"), which has matured already (for more information on this loan, please see Element B.45). <p>If and when the Offering is completed and the above actions are taken, the Company will have sufficient working capital for at least the next twelve months. The Company is confident that the Offering will be completed and will provide the Company with sufficient working capital.</p> <p>If the Offering will not be completed, the Company will need to enter into negotiations with its Shareholders and/or other financiers to secure an alternative source of financing.</p>
B.34	<p>Investment objective and policy</p>

	<p>Investment objective</p> <p>The Company's investment objective is to provide its Shareholders with a sustainable and consistent return on their Shares by maintaining the long-term value of its properties. The Company will pursue its objective by (a) providing Shareholders with stable cash distributions from investments focused on income-producing real estate properties in Europe; (b) enhancing the existing value of the Company's assets and maximizing long-term Share value through active and efficient management and (c) following a market driven disposal and acquisition policy.</p> <p>Policy</p> <p>Long term</p> <p>The Company intends to create value within the existing portfolio by investing in properties already owned and where necessary developing or redeveloping these properties. The redevelopment approach includes expanding properties, improving the profile of properties, restructuring properties, and investing in sustainability, all with the aim to increasing satisfaction of tenants, minimizing operating expenses and securing maximum rental income. The disposal and acquisition policy aims to optimally anticipate fluctuation in property values and monetise active management achievements.</p> <p>Short term</p> <p>The Company will initially adopt a "receive and hold" policy, while remaining open to consider any interesting investment opportunities. The Company will have nearly 100% of its properties maintained either by the tenant itself or by external managers. The management will therefore be in the position to focus on further developing the Company's corporate strategy, asset management of the portfolio and its strategic portfolio options (refinancing, rebalancing, investment and divestment).</p> <p>The Company may amend its investment policy only in compliance with the Netherlands Financial Markets Supervision Act. This means that, in principle, a proposal to change this policy must be published in a Dutch newspaper with a nationwide circulation and on the Company's website and notified to NPEX, which will then be published on the NPEX website. The AFM must be separately notified of any such proposal. The change may, in principle, not become effective until one month following the date of publication of the proposed change.</p> <p>There are no investment restrictions established by the Company.</p>
B.35	<p>Leverage limits</p> <p>Our target loan-to-value ratio ("LTV ratio") is 60% or less of the market value of the Company's entire property portfolio, determined on the basis of the valuation reports included in this Prospectus and maximum leverage is 75% of such market value of the Company's portfolio. As per the Interim Report, as at 30 June 2014 the Company's actual leverage is 77.6% (see Element B.7 above, "<i>Loan to Value</i>").</p> <p>As a result of the receipt of the gross proceeds from the Offering, the LTV ratio is expected to decrease significantly.</p>
B.36	<p>Regulatory status</p> <p>In the Netherlands, the Company qualifies as a closed-end investment institution. It has no obligation to</p>

	redeem or to issue shares. The Company operates under licence and supervision of the AFM and the DNB complies in all material respects with the requirements of its licence (including the minimum own funds requirement) and has not received any formal or informal notice of non-compliance from the AFM or the DNB.
B.37	<p>Typical investor</p> <p>An investment in the Shares may be suitable to investors searching for long-term capital appreciation through exposure to the non-residential real estate markets, with a particular focus on Germany, the Baltic States and the Netherlands, with a focus on a mix of offices, industrial and retail properties. An investment in the Shares is suitable only for investors who are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear a loss of their entire investment.</p>
B.38	<p>Investments larger than 20%</p> <p>As per the Interim Report, the Company is expected to continue to derive approximately 63% of its annual rental income from Infineon Technologies AG ("Infineon") for the current financial year, its largest tenant which leases the property situated in Am Campeon 1-12, 85579 Neubiberg, Germany. Infineon, headquartered in Neubiberg, is a stock corporation organised under the laws of the Federal Republic of Germany active as semiconductor manufacturer and listed on the Frankfurt Stock Exchange (regulated market, ticker symbol: IFX). If for any reason the Company is unable to collect rents from this tenant, being a significant counterparty, the Company's results of operations, financial condition and liquidity could be materially adversely affected.</p>
B.39	<p>Investments in collective investment undertakings larger than 40%</p> <p>Not applicable.</p>
B.40	<p>Service providers and fees</p> <p>The following parties provide services to the Company:</p> <p>DTZ Zadelhoff acts as appraiser of the Dutch and the German properties of the Company other than the Bochum asset for a fee to be paid per valuation report. The fees for the preparation of the latest valuation reports amounted to EUR 20,213.</p> <p>As of 30 June 2014, Jones Lang LaSalle GmbH acts as appraiser of the Bochum asset of the Company for a fee to be paid per valuation report. The fees for the preparation of the latest valuation reports amounted to EUR 7,820.</p> <p>As of 30 June 2014, Colliers International Advisors, SIA currently acts as appraiser of the Baltic properties of the Company for a fee to be paid per valuation report. The fees for the preparation of the latest valuation reports amounted to EUR 38,000.</p> <p>Orangefield (Netherlands) B.V. acts as depositary of the Company in accordance with the Alternative Investment Fund Managers Directive 2011/61/EU ("AIFMD") for an annual fee of EUR 75,000. These fees are subject to indexation annually according to the Dutch consumer price index. Furthermore, should the services provided at any time need to be tailored to the specific needs of the Company then Orangefield</p>

	<p>(Netherlands) B.V. may propose revisions to the fees.</p> <p>CLCS B.V. acts as external Compliance Officer for a monthly fee of EUR 1,400.</p> <p>Ernst & Young Accountants LLP has audited the financial information in the Company's admission memorandum dated 4 July 2014. The estimated fee for services provided in 2014 will be in the range of EUR 100,000 to EUR 120,000.</p> <p>PricewaterhouseCoopers Accountants N.V. has reviewed the interim financial information included in the this Prospectus. The estimated fee for services to be provided in 2014 will be approximately EUR 195,000.</p>
B.41	<p>Regulatory status of custodian</p> <p>Orangefield (Netherlands) B.V. is the AIFMD depositary of the Company, which is the appointed third party depositary with respect to its underlying assets as required by the AIFMD, such as obligations to safeguard or otherwise verify ownership of Group's assets, to monitor cash flows in respect of the Group, to ensure transactions relating to units in the Group are carried out in accordance with fund documentation, that appropriate valuations are applied, that management instructions are carried out, that consideration for the Group's assets is received in normal timeframes and that the Group's income is applied appropriately.</p>
B.42	<p>Disclosing net asset value</p> <p>The Company will report the net asset value to Shareholders through the half-yearly figures, through the annual report and as and when required by applicable law.</p>
B.43	<p>Cross liability in case of umbrella collective investment undertaking</p> <p>Not applicable.</p>
B.44	<p>Key historical information</p> <p>See B.7.</p>
B.45	<p>Portfolio</p> <p>The Netherlands</p> <p>The Dutch portfolio consists of 3 properties with 28,593 square metres of floor area and 2 tenants, generating aggregate gross rental income (on an annualized basis) of approximately EUR 2.8 million. The Dutch portfolio comprises 2 office and 1 industrial properties. The offices average approximately 5,385 square metres and the industrial properties average approximately 17,822 square metres. The economic occupancy rate (actual rent collected compared to rent scheduled for collection) is 100% with an average lease length of approximately 18 years. The Dutch portfolio has been externally valued by DTZ Zadelhoff v.o.f. as at 30 June 2014 at a market value of approximately EUR 31.1 million.</p> <p>Germany</p>

	<p>The German portfolio consists of 5 properties with 210,672 square metres of floor area and 4 tenants, generating aggregate gross rental income (on an annualized basis) of approximately EUR 41.8 million. The German portfolio comprises 2 office and 3 industrial properties. The office average approximately 82,397 square meters and the industrial properties average approximately 16,731 square metres. The economic occupancy rate (actual rent collected compared to rent scheduled for collection) is 100% with an average lease length of approximately 7 years. The German portfolio has been externally valued by Jones Lang LaSalle GmbH ("JLL", only Bochum) and DTZ Zadelhoff v.o.f. as at 30 June 2014 at a market value of approximately EUR 391.3 million based on the JLL valuation for Bochum plus provisions for asbestos repair. However, with respect to Bochum, the Company requested and received a report from Arcadis Deutschland GmbH indicating that these costs may be approximately EUR 9 million, which is an estimate that in the view of the Company's management is reasonable. However, the tenant estimates the costs to amount to approximately EUR 17 million. Even though in the view of the Company's management, the tenant's estimate includes cost items of approximately EUR 8 million which should be for account of the tenant, the tenant's estimate provides an indication of the maximum costs. As a result, the total market value of the German portfolio may decrease further with between EUR 4.5 million and 12.5 million to between EUR 378.8 million and EUR 386.8 million. If renegotiations on the loan relating to this property fail or if the property is not sold for at least an amount equal to the unpaid amounts under the credit agreement with VRE 2, the holding company of the Bochum asset, VRE 2 may need to petition for bankruptcy. However, the Company has not provided any guarantees with respect to that company. Furthermore, the Company does not intend to use the proceeds of the Offering to recapitalize the property holding company. This means that, due to the silo structure of the Company group, other group companies will in principle not be affected by the insolvency of VRE 2, as the insolvency proceedings will be settled at the level of VRE 2 only. As a result, only the assets of VRE 2 will be subject to the insolvency proceedings, unless creditors of VRE 2 are able to breach the silo structure. Within the German portfolio, as of 30 June 2014, the MoTo Object Campeon GmbH & Co. KG ("MoTo") property accounts for a market value of EUR 348.3 million and approximately 63% of annual gross rental income. The lease agreement terminates on 16 October 2020 or, if the tenant does not make use of the purchase option, on 16 October 2025. The property is fully occupied.</p> <p>The Baltic States (Lithuania, Estonia and Latvia)</p> <p>The Baltic portfolio consisted of 46 properties with 80,275 square metres of floor area and approximately 63 tenants, generating aggregate gross rental income (on an annualized basis) of approximately EUR 14 million. The economic occupancy rate (actual rent collected compared to rent scheduled for collection) is 73%. The average remaining lease term in the Baltic portfolio for the SEB headquarter buildings (which represent 60% of the gross rental income of the Baltic portfolio as per the Interim Report) is 9 years. The average remaining lease term for the other properties in the Baltic portfolio is shorter and varies per property. The Baltic portfolio has been externally valued by Colliers International Advisors, SIA, as at 30 June 2014, at a market value of approximately EUR 92.5 million. In November 2014, as part of the refinancing agreed with the lender with respect to the Baltic portfolio, the following properties, which are included in the Colliers valuation, have been sold. This results in a reduction of the market value of the portfolio of EUR 5,020,000 based on the market values of those individual properties as determined by Colliers. As a result, the Baltic portfolio currently has a total value of EUR 87.491 million. The Baltic portfolio currently has a loan-to-value ratio of more than 100%. The Company has internally decided that it will consider its options. These could either be an agreement with the lender (also the tenant) on structures to adjust the loan to value ratio without additional injection of equity or to divest the portfolio entirely.</p>
B.46	<p>Net asset value per share</p> <p>THE ACTUAL PRICE PAID FOR SHARES WILL DEPEND ON MARKET CONDITIONS,</p>

	<p>ESPECIALLY SUPPLY AND DEMAND ON NPEX, AND MAY BE SUBSTANTIALLY LOWER THAN THE NET ASSET VALUE PER SHARE STATED HEREIN.</p> <p>Total net asset value as per 30 June 2014: EUR 94,150,000.</p> <p>Net asset value per Existing Share as per 30 June 2014: EUR 3.08.</p> <p>This net asset value is unaudited, as it is calculated by dividing (i) the equity attributable to holders of ordinary shares in the Company as stated in the interim report (i.e. EUR 94,150,000) by (ii) the number of outstanding ordinary shares (i.e. 30,542,639). If the Shares that are to be cancelled by the Company (i.e. 783,257, see the following paragraph) are deducted, the net asset value per share amounts to EUR 3.16.</p> <p>Pursuant to the terms of the Plan, which became effective on 27 March 2014 ("PID"), a portion of the issued Existing Shares were held in a reserve by the Plan Administrator pending the resolution of certain disputed claims filed in the CCAA proceeding against HII and certain of its affiliates and subsidiaries. The reserve originally held 7,113,559 Shares and as at 21 August 2014 it holds 5,761,144 Existing Shares. If a disputed claim is finally determined not to be a proven claim under the Plan, the Existing Shares held in the reserve on account of that claim will either (i) be transferred to the Company for cancellation resulting in an increase of the net asset value per Existing Share, or (ii) be transferred to the affected creditors dependant on the outcome of each disputed claim and specific reserve held. If a disputed claim is finally determined to be a proven claim under the Plan, the Existing Shares held in the reserve on account of that claim will be distributed to the relevant affected creditor in accordance with the terms of the Plan. The Plan provides that the Plan Administrator shall not exercise any voting rights in respect of the Existing Shares held in reserve.</p> <p>In July 2014 a reasonable estimate was made by the Plan Administrator, on request of the Supervisory Board, of the total number of Existing Shares that will be cancelled following final resolution of all disputed claims in accordance with the Plan and applicable court orders. This estimate had to be made in order to determine the price for the put right to sell to Catalyst Coop awarded to Shareholders under the Plan until October 2014. This estimate amounted to 4,112,393 Existing Shares. As noted above, such a reduction of Existing Shares will result in an increase in net asset value per Share.</p>
Section C — Securities	
C.1	<p>Offer Shares</p> <p>The Company is offering 74,397,740 Offer Shares with a nominal value of EUR 0.02 each at an issue price of EUR 2.78 per share (the "Issue Price") which consists of the net asset value per Existing Share as per 30 June 2014, compensated for Existing Shares already released from the reserve (EUR 3.16) with a 12% discount. Subject to applicable securities laws and the terms set out in this Prospectus, holders of Existing Shares in the capital of the Company (the "Shareholders") as at 9:00 hours CET on 3 December 2014 (the "Record Date") are being granted non-transferable subscription rights to subscribe for the Offer Shares (the "Rights") <i>pro rata</i> to their shareholding in the Company. The offer to subscribe for Offer Shares through the exercise of Rights is referred to as the "Offering". Stichting NPEX Bewaarbedrijf will be the holder of the Offer Shares held through NPEX, and will issue depositary receipts ("Depositary Receipts") for the Offer Shares. Investors holding through NPEX will receive the Depositary Receipts for the Offer Shares.</p>
C.2	<p>Currency of the Shares</p>

	<p>The Offer Shares and Depositary Receipts issued by Stichting NPEX Bewaarbedrijf in connection therewith are denominated in Euro.</p>
C.3	<p>Share capital</p> <p>The authorized capital of the Company equals two million one hundred thousand euro (EUR 2,100,000) and is divided into one hundred million five hundred thousand (105,000,000) Shares with a nominal value of two eurocents (EUR 0.02) each.</p> <p>The Company has proposed that its general meeting (i) increase the authorized capital of the Company to nine million nine hundred thousand euro (EUR 9,900,000), divided into four hundred ninety-five million (495,000,000) Shares with a nominal value of two eurocents (EUR 0.02) each, conditional on the completion of the Offering, and (ii) that shares released from the Disputed Claims (Newco Shares) Reserve (see Element B.46) for cancellation be cancelled and that the Company's management board be authorised to implement that resolution.</p> <p>During the period during which, according to the Company's articles of association ("Articles of Association"), rules aiming to protect minority shareholders apply (i.e. the period presently running until 1 September 2015, the "Initial Period"), all unissued Shares in the authorized capital of the Company may be issued pursuant to a resolution of the Company's management board, which resolution requires the prior approval of the Company's supervisory board. The price and other terms of issue will be determined during the Initial Period by the Company's management board and thereafter by the company body competent to issue shares in the capital of the Company at such time. Each Shareholder has a pre-emptive right on any issue of shares pro rata to the aggregate amount of his Shares. During the Initial Period, this pre-emptive right may be restricted or excluded by a resolution of the Company's management board, which resolution requires the prior approval of the Company's supervisory board and thereafter this pre-emptive right may be excluded or limited by the competent Company body. Section 2:96a DCC shall apply to the conditions of issue and to the pre-emptive right.</p> <p>The Company has issued 30,542,639 Shares excluding the Offer Shares which are fully paid up. Adjusted for the Shares that are to be cancelled, there are 29,759,096 Shares outstanding. Including the Offer Shares, the Company will have issued 104,156,836 Shares.</p>
C.4	<p>Rights attached to the shares</p> <p>The Shares are in registered form. The Company enters holders of Shares in the register of shareholders. Depositary Receipts are issued with the cooperation of the Company. The holders of the Depositary Receipts have the rights conferred by Dutch law upon holders of Depositary Receipts issued with a company's cooperation. Application has been made for admission to trading on NPEX of the Depositary Receipts issued for the Offer Shares.</p> <p>The Company does not issue share certificates. However, a Shareholder may request an extract from the Shareholders' register regarding the Shares registered in his name. The Company is required to provide the extract free of charge. Dutch law requires that transfers of registered shares be recorded in a notarial deed. Unless the Company is a party to the deed, the rights attributable to the Shares can only be exercised after the Company has acknowledged the transfer or the deed has been served upon the Company.</p> <p>Each Shareholder entitled to vote is entitled to attend the Company's general meeting, to address such meeting and to exercise his voting rights. Each Share entitles the holder thereof to cast one vote. The Plan</p>

	<p>Administrator is not entitled to exercise any rights in respect of the Existing Shares held in the Disputed Claims (Newco Shares) Reserve (see Element B.46 for a description of such reserve). In order to exercise their voting rights, holders of Depositary Receipts will have to timely request a proxy from NPEX.</p> <p>Furthermore, during the Initial Period special provisions in the Company's Articles of Association apply with the aim of protecting the interests of minority shareholders. In order to provide stability in the governance structure of the Company and to protect the interests of minority shareholders, provisions of the Company's Articles of Association relating to the governance of the Company can only be amended at the unanimous proposal of the Supervisory Board, pursuant to a resolution of the Company's general meeting adopted with a qualified majority of two thirds of the votes cast representing more than half of the issued capital. Other amendments to the Company's Articles of Association during the Initial Period require a proposal (by majority vote) of the Supervisory Board and a resolution of the General Meeting adopted with a qualified majority of two thirds of the votes cast representing more than half of the issued capital.</p>
C.5	<p>Restrictions on transferability</p> <p>The Rights may be exercised only by an Eligible Person (as defined below) provided they are Shareholders at 9:00 am CET on the Record Date, and subject to applicable securities laws.</p> <p>An eligible person ("Eligible Person") is any person to whom the Offering can lawfully be made without contravention of any registration, prospectus or other legal requirements, in each case without imposing any obligations or costs upon the Company, unless the Company consents in writing thereto.</p> <p>The Offer Shares being offered in the Offering may not be offered, sold, resold, transferred or delivered, directly or indirectly, in or into, jurisdictions outside the Netherlands unless in accordance with applicable securities laws. The Rights cannot be transferred.</p> <p>This Prospectus may not be sent to any Shareholder or other person residing outside the Netherlands unless such Shareholder or other person is an Eligible Person and provided that this Prospectus may not be distributed into the United States, Australia, Canada or Japan.</p> <p>The crediting of Rights to an account of a person not being an Eligible Person does not constitute an offer of the Offer Shares to such person.</p> <p>The Rights are non-transferable and there will not be any trading in the Rights.</p>
C.6	<p>Admission to trading on NPEX</p> <p>The Offer Shares are, barring unforeseen circumstances, to be admitted to trading on NPEX. NPEX is not a regulated trading platform. NPEX is an online trading platform, which has certain characteristics that differ from those of a regulated trading platform, such as a regulated market or multilateral trading facility. NPEX is registered with the AFM as provider of certain investment services and as such is supervised by the AFM and DNB. As such it is allowed to operate the online trading platform on which the Offer Shares are to be admitted for trading. Only holders of an account with NPEX can trade in securities traded on NPEX and NPEX at its sole discretion decides whether or not to open an account.</p> <p>As the Right are not transferable, the Rights will not be admitted to trading on NPEX.</p>

C.7	Dividend policy There can be no certainty that the Company will pay dividends with respect to the Shares.
Section D — Risks	
D.2	Key risks specific to the Company
/	<u>Risks relating to the business</u>
D.3	<p>The Company is exposed to certain risks relating to real estate investments.</p> <p>Concentration of tenants may adversely affect the Company's financial performance.</p> <p>The Company may not be able to renew or maintain leases on economically favourable terms.</p> <p>Concentration of properties in Europe may adversely affect the Company's financial performance.</p> <p>The crisis in the financial markets and the global economic downturn have led to a decreased demand for, and an increased supply of, properties in the markets where the Company operates and may continue to have negative consequences for the Company's business, results of operations and financial condition.</p> <p>The Company is exposed to the political and economic situation in the Baltic countries (Lithuania, Estonia and Latvia).</p> <p>Increased competition in the commercial property market may adversely affect the Company's revenues and profitability.</p> <p>The Company is exposed to risks arising from the illiquidity of its portfolio.</p> <p>The Company may not be able to successfully engage in acquisitions, disposals, refurbishments or expansions of properties.</p> <p>Hidden defects in the legal title to the land underlying its properties may have a negative impact on the Company's business, results of operations and financial condition.</p> <p>Hidden deficiencies in the Company's properties could impact the Company's business, results of operations and financial condition negatively.</p> <p>The valuations of the Company's properties contained in the valuation reports are inherently subjective and uncertain.</p> <p>The Company is exposed to the risk of fair value changes with respect to its properties and liabilities.</p> <p>The Company may not successfully renegotiate certain credit facility agreements.</p> <p>The Company may incur significant capital expenditures and other fixed costs.</p> <p>The Company's performance depends on the market knowledge and experience of the Company's</p>

	<p>Management Board.</p> <p>If the Company loses its licence from the AFM necessary for its operations it may not be able to carry on its business or parts of its current or planned businesses.</p> <p>If the Company could be reclassified as a normal enterprise rather than an investment company, it no longer needs a licence and will no longer be subject to supervision of the AFM and DNB.</p> <p>The Company's ability to enforce contracts may be limited.</p> <p>The Company may suffer losses not covered by insurance. The Company could be exposed to catastrophic events or to risks relating to acts of terrorism and violence.</p> <p>The Company may be exposed to environmental risks that may result in unanticipated losses.</p> <p>The Company may not be compliant with one or more of the rules and regulations to which it is subject.</p> <p>The Company may, from time to time, be involved in legal proceedings in the course of its business.</p> <p>Changes in currency exchange rates could adversely affect the Company's business.</p> <p>The Company is exposed to interest rate risks.</p> <p>The Company is exposed to risks relating to ground leases.</p> <p>The members of the Supervisory Board and Management Board may be placed in a conflict of interest as a result of their positions held and interests in other businesses.</p> <p>The Company only has an operating history as an independent, publicly traded company since March 2014.</p> <p><u>Risks relating to the financing of the Company's activities</u></p> <p>The Company may incur additional costs or have further refinancing needs as a result of obtaining its assets pursuant to the Plan approved in the CCAA proceedings in respect of HII and certain of its affiliates and subsidiaries</p> <p>Accessing capital on satisfactory terms is necessary for maintaining, growing and developing the Company's business and its property portfolio.</p> <p>The Company has recently breached contractual loan covenants and may breach other contractual loan covenants in the future which may result in less advantageous debt terms and higher costs for the Company.</p> <p>The Company may from time to time be subject to the risks associated with the use of financial derivative instruments.</p> <p><u>Risks relating to the structure of the Company</u></p> <p>Despite the structure of the Group, the Company may be held liable for claims arising at its subsidiaries.</p> <p>The limited partnership structure of MoTo Object Campeon Gmbh & Co. KG may involve certain risks for the Company and for its investors.</p>
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	<p>The Shareholders may be diluted.</p> <p>The Company is a holding company with no operations and relies on its operating subsidiaries to provide it with funds necessary to meet its financial obligations.</p> <p><u>Risks relating to taxation matters</u></p> <p>Changes in the Company's tax structure, ownership structure, tax laws or regulations and interpretation of competent tax authorities could have a material adverse effect on its operating results.</p> <p>An investment with the Company is subject to certain tax considerations.</p> <p>German and other local taxes may affect the Company's cash flows and financial condition.</p>
D.3	<p>Key risks specific to the Rights and Shares</p> <p>The Company may not pay dividends with respect to the Shares or may cease to pay dividends.</p> <p>There has been no public market for the Shares and an active market may not develop or be sustained.</p> <p>The Offer Shares are intended to be admitted to trading on NPEX. NPEX is not a regulated trading platform. It has certain characteristics that differ from those of a regulated trading platform.</p> <p>If NPEX loses its licence or is unable to obtain a licence from the AFM there may be no trading platform for the Shares.</p> <p>The market price (if applicable) and trading volume of the Shares may be volatile.</p> <p>The exercise of the shareholder rights of the Shareholders will be subject to constraints during the Initial Period.</p> <p>Catalyst Coop will hold a sufficient number of the Shares and will be able to materially affect the control of the Company.</p> <p>If Eligible Persons do not, not timely or not validly exercise their rights, they may not be able to subscribe for Offer Shares at the Issue Price and they will not receive a compensation for their unexercised Rights.</p> <p>If a holder of Shares does not, not timely or not validly exercise all of his Rights, his percentage ownership of Shares will be significantly diluted. Shareholders in certain jurisdictions are excluded from the Offering and may thus suffer dilution.</p> <p>In case closing of the Offering does not take place on the Settlement Date and the Offering is withdrawn, whether or not as a result of a termination of the Subscription Agreement by Catalyst Coop, both the exercised and the unexercised Rights will be forfeited without compensation to their holders and the subscriptions for and allocation of Offer Shares that have been made will be disregarded.</p> <p>Shareholders outside of the Netherlands are generally excluded from the Offering. This may have a negative impact on the market price of the Ordinary Shares and may negatively influence the development of a trading market.</p>

Section E — Offer	
E.1	<p>Use of proceeds</p> <p>The estimated maximum gross amount of the proceeds of the Offering is EUR 206 million and the maximum net proceeds of the Offering is estimated at EUR 205 million (assuming costs for advisors, the listing and other costs in relation to the Offering of EUR 1 million in total). The proceeds shall be used for the following general corporate purposes: first, for refinancing of certain liabilities (approximately EUR 40 million) which reduces further the loan-to-value ratio of the Company and, subsequently, to fund acquisitions and further investments into properties (approximately EUR 165 million). The financing the shareholder bridge loan agreement entered into by the Company and Catalyst Coop (the "Shareholder Bridge Loan Agreement"), is due to be repaid on or before 17 January 2015 and investment opportunities have already presented themselves, so there is a strong need for obtaining the proceeds from the Offering in the short term. The Company estimates that the proceeds of the Offering will be sufficient for the coming years, but it does not rule out the possibility of new offerings with a view to further expanding the Company's portfolio.</p>
E.2a	<p>Reasons for the Offering</p> <p>The Company requires additional equity capital to improve its loan-to-value ratio which has been adversely affected by the recent negative fair value adjustments. Furthermore, the Company requires liquidity to refinance certain liabilities, including the amounts outstanding under Shareholder Bridge Loan Agreement, reducing further the loan-to-value ratio of the Company (total: EUR 40 million). Under the Shareholder Bridge Loan Agreement the Company undertakes to use its best efforts to ensure that the Offering is implemented as soon as possible. Finally, the Company requires additional capital to (re)develop and expand its property portfolio by acquisitions (total: EUR 165 million).</p>
E.3	<p>Terms and conditions of the Offering</p> <p>Terms of the Offering</p> <p>Subject to applicable securities laws and the terms set out in this Prospectus, the Company's existing Shareholders as at the Record Date are granted Rights to subscribe for Offer Shares at the Issue Price, being EUR 2.78 per Offer Share. The latest available share price (bid side) as of 1 December 2014 of the Existing Shares on NPEX was EUR 2.15. Each Share that Shareholders hold on the trading platform serviced by NPEX at 9:00 hours CEST on 3 December 2014, which is the Record Date, will entitle them to 1 Right. A person eligible under the terms set out in this Prospectus will be entitled to subscribe for 5 Offer Shares for every 2 Rights held against payment of the Issue Price for each Offer Share by exercising their Rights from 9:00 hours CEST on 9 December 2014 until 16:00 hours CEST on 31 December 2014 (the "Exercise Period"). Accordingly, Eligible Persons will be entitled to subscribe for 5 Offer Shares for every 2 Shares held on the Record Date against such payment. Rights can only be exercised in multiples of 2. No fractional Shares will be issued. Any Rights not exercised by the end of the Exercise Period, may no longer be exercised by any Eligible Person. Once an Eligible Person has validly exercised his Rights, that exercise cannot be revoked or modified, except if a supplement to the Prospectus is published and to the extent required by applicable law. The statutory pre-emptive rights (<i>wettelijke voorkeursrechten</i>) of the holders of Existing Shares in respect of the Offering (as defined below) have been validly excluded.</p>

	<p>Conditions to the Offering</p> <p>The Offering will not take place if Catalyst Coop as back-stop provider does not exercise its Rights. The obligations of Catalyst Coop under the Subscription Agreement to exercise its Rights are subject to the fulfilment, or discretionary waiver by Catalyst Coop, of a number of conditions for the benefit of Catalyst Coop, including, but not limited to, in brief: (i) the absence of a material adverse change concerning the Company and its subsidiaries, (ii) consummating the transactions contemplated under the Subscription Agreement would not contravene any order or direction of any court or regulatory body, (iii) no change of control clause being triggered in a financing agreement with Geneba Baltics S.à r.l. by Catalyst Coop exercising its Rights, (iv) the Prospectus complies with the Prospectus Directive; and (v) the consolidated net asset value of the Company not having fallen materially below EUR 94.15 million (as per the interim report for the period from 27 March 2014 to 30 June 2014).</p> <p>Terms of the backstopped part of the Offering</p> <p>Subject to the terms and conditions of the Subscription Agreement, Catalyst Coop has agreed with the Company to subscribe and pay for the Offer Shares for which Rights have not been exercised by other Shareholders in accordance with the Offering within a time period following the Offering and ending on 3 December 2015 (the "Backstop Period"), and subject to the terms of the Subscription Agreement. The obligations of Catalyst Coop under the Subscription Agreement to subscribe for Shares for which Rights have not been timely or duly exercised by other Shareholders are subject to the fulfilment, or discretionary waiver by Catalyst Coop, of a number of conditions for the benefit of Catalyst Coop, including, but not limited to, in brief: (i) the Company has insufficient own funds to finance the equity required for an investment, (ii) there is an investment proposal which has been approved by the Company's Supervisory Board in a meeting convened to approve the investment proposal and which is held at least 10 days after Catalyst Coop and the Supervisory Board have received the details of the proposed investment, (iii) the absence of a material adverse change concerning the Company and its subsidiaries, (iv) consummating the transactions contemplated under the Subscription Agreement would not contravene applicable law, any order or direction of any court or regulatory body, (v) the absence of default under any material financing agreement of the Company or any of its direct or indirect subsidiaries, (vi) no change of control clause being triggered in a financing agreement with, inter alia, Geneba Baltics S.à.r.l. by Catalyst Coop performing its obligations under the Subscription Agreement, (vii) the Prospectus complies with the Prospectus Directive and all and any information that would be relevant for potential investors is timely published, and (viii) the price of the Offer Shares to be taken up by Catalyst Coop shall be equal to the Issue Price, unless the total net asset value reduces by more than 10%, in which case the Company can only request Catalyst Coop to subscribe for the related Offer Shares for a price based on a 12% discount to the net asset value at that time.</p>
E.4	<p>Entities involved in the Offering</p> <p>Catalyst Coop, the controlling shareholder of the Company, has agreed to (i) fully exercise its own Rights and (ii) provide a back-stop facility for all Offer Shares for which Rights are not exercised by Shareholders at the latest on 16:00 hours CET on 31 December 2014, in each case subject to the terms and conditions of the Subscription Agreement and subject to applicable securities laws (see Element E.3 for further details).</p>
E.5	<p>The Selling Shareholder; Lock up</p> <p>Not applicable.</p>

E.6	<p data-bbox="277 233 375 260">Dilution</p> <p data-bbox="277 296 1471 520">As a result of the Offering and any take-up of Offer Shares not subscribed by other Shareholders by Catalyst Coop, the holdings of a Shareholder may be diluted with 71% to 29% of their current proportionate ownership if such Shareholder decides not to exercise its Rights. In that case, they will also suffer a substantial dilution of their relative voting rights. The issue currency of the Offer Shares will be Euro. Any Offer Shares not subscribed for through the exercise of Rights in the Offering during the Exercise Period may be subscribed and paid for by Catalyst Coop, subject to the terms and conditions of the Subscription Agreement and subject to applicable securities laws.</p> <p data-bbox="277 556 1471 678">The above means that all Shareholders may exercise their Rights under the Offering at the same price (with the same discount). This also means that Catalyst Coop will not receive a fee for providing the back-stop in the form of a further discount, which is often used in rights offerings. This is agreed with a view to the equal treatment of Shareholders.</p>
E.7	<p data-bbox="277 745 980 772">Estimated expenses charged to the investor by the Company</p> <p data-bbox="277 808 1471 867">Not applicable; no expenses have been/will be charged to investors by the Company in relation to the Offering.</p>

NEDERLANDSE SAMENVATTING

Samenvattingen zijn opgebouwd uit toelichtingsvereisten bekend als "**Elementen**". Deze elementen zijn genummerd in de secties A - E (A.1 - E.7). Deze samenvatting bevat alle Elementen die dienen te worden opgenomen in een samenvatting voor de Aandelen en de Uitgevend Instelling. Omdat sommige elementen niet moeten worden geadresseerd, kunnen er hiaten in de nummering van de Elementen bestaan. Ook al kan worden verlangd dat een Element in een samenvatting wordt ingevoegd, is het mogelijk dat er geen relevante informatie kan worden gegeven over het Element door de aard van de effecten en uitgever. In dit geval wordt een korte beschrijving van het element moeten worden opgenomen in het overzicht met de vermelding "niet van toepassing".

Afdeling A — Inleiding en waarschuwingen	
A.1	<p>Inleiding en waarschuwingen</p> <p>Deze samenvatting dient te worden gelezen als inleiding op dit Prospectus ("Prospectus"). Iedere beslissing om in deze effecten te beleggen dient steeds gebaseerd te zijn op bestudering van het gehele Prospectus door de belegger, inclusief de risicofactoren, de financiële overzichten en overige financiële informatie. Wanneer een vordering met betrekking tot de informatie in het Prospectus bij een rechterlijke instantie aanhangig wordt gemaakt, kan het zijn dat de belegger die als eiser optreedt volgens de nationale wetgeving van de lidstaten van de Europese Economische Ruimte de kosten voor de vertaling van het Prospectus moet dragen voordat de rechtsvordering wordt ingesteld. Uitsluitend de personen die de samenvatting, met inbegrip van een eventuele vertaling ervan, hebben ingediend, kunnen wettelijk aansprakelijk worden gesteld, maar alleen indien de samenvatting, wanneer zij samen met de andere delen van het Prospectus wordt gelezen, misleidend, onjuist of inconsistent is of indien zij, wanneer zij samen met de andere delen van het Prospectus wordt gelezen, geen kerngegevens verstrekt om beleggers te helpen bij hun overweging ten aanzien van de vraag of zij in onze effecten zullen investeren.</p>
A.2	<p>Toestemming voor plaatsing door derden</p> <p>Niet van toepassing.</p>
Afdeling B — De Uitgevende Instelling	
B.1	<p>Naam van de Uitgevende Instelling</p> <p>Geneba Properties N.V. (de "Onderneming").</p>
B.2	<p>Algemene informatie over de Uitgevende Instelling</p> <p>De Onderneming (statutaire en handelsnaam: "Geneba Properties N.V.") is een <i>closed-end</i> vastgoedbeleggingsmaatschappij zonder aparte beheerder die actief is met een vergunning en onder toezicht staat van de Nederlandse Autoriteit Financiële Markten (de "AFM") en de Nederlandsche Bank ("DNB") en heeft de rechtsvorm van een naamloze vennootschap.</p> <p>De Onderneming is op 11 juli 2013 in Nederland opgericht naar Nederlands recht door Stichting Oprichting Geneba Properties door middel van een oprichtingsakte verleden door Hendrikus</p>

	Johannes Portengen, notaris te Rotterdam.
B.5	<p>De Groep</p> <p>De Onderneming en haar volledig geconsolideerde dochterondernemingen (de "Groep") zijn, in de huidige vorm, het resultaat van een herstructurering van Homburg Invest Inc. ("HII") die is doorgevoerd in het kader van de Canadese wet op schuldeisersregelingen voor bedrijven (<i>Canadian Companies' Creditors Arrangement Act</i>, de "CCAA"). De Onderneming heeft de belangen in diverse vastgoedmaatschappijen van HII verkregen volgens het door de rechter goedgekeurde plan ingevolge de CCAA (het "Plan"). Krachtens het Plan werft de Onderneming belangen in verschillende vastgoedondernemingen welke voorheen onder de controle van HII stonden.</p>
B.6	<p>Belangrijke aandeelhouders</p> <p>Catalyst Coop RE Coöperatief U.A. ("Catalyst Coop") houdt per 17 oktober 2014 12.438.157 van de huidige gewone aandelen in het kapitaal van de Onderneming (de "Bestaande Aandelen", met inbegrip van, indien de context dit vereist, certificaten van aandelen die hiervoor zijn uitgegeven door Stichting NPEX Bewaarbedrijf). Het belang van Catalyst Coop vertegenwoordigt 42% van (i) alle uitstaande Bestaande Aandelen minus (ii) de Bestaande Aandelen die voorheen werden gehouden in een reserve door de administrator van het plan ("Plan Administrator") in afwachting van het besluit omtrent verschillende claims in de HII herstructureringsprocedures en die door de Onderneming weer ingenomen zullen worden zonder tegenprestatie, maar welke nog niet daadwerkelijk zijn teruggenomen (zie Element B.46).</p> <p>De Onderneming heeft aan Catalyst Coop verzocht dat zij, indien er zich interessante investeringsmogelijkheden voordoen, de Aangeboden aandelen opneemt die niet worden uitgeoefend door andere Aandeelhouders en Catalyst Coop heeft zich ertoe verbonden om, onder bepaalde voorwaarden, zulke Aangeboden Aandelen op te nemen. De rechten en verplichtingen van Catalyst Coop met betrekking tot deze afspraak worden in meer detail besproken in Element E.3 onder "<i>Voorwaarden van het gebackstopte deel van de Aanbieding</i>".</p> <p>Het percentage Aandelen gehouden door Catalyst Coop kan stijgen tot 83% indien Catalyst Coop (i) pro rata haar aandelen neemt in de aanbieding van 74.397.740 nieuwe aandelen in het kapitaal van de Onderneming (de "Aangeboden Aandelen" en, samen met de Bestaande Aandelen, de "Aandelen") indien de andere Aandeelhouders behalve Catalyst Coop niet de niet-overdraagbare inschrijvingsrechten op Aangeboden Aandelen (de "Rechten") uitoefenen en (ii) Catalyst Coop alle resterende Aangeboden Aandelen neemt krachtens, onder de voorwaarde van de Verkrijgingsovereenkomst.</p> <p>De Onderneming is voornemens om de totale netto opbrengst van de Aanbieding aan te wenden voor de algemene bedrijfsvoering, waaronder vallen acquisities en verdere investeringen in panden. Catalyst zal onder de voorwaarden gesteld in de Verkrijgingsovereenkomst en toepasselijk effectenrecht (zie Element E.6 voor de condities) niet opgenomen Aangeboden Aandelen verwerven wanneer een investering is voorgesteld door de raad van bestuur van de Onderneming en dit is goedgekeurd door de raad van commissarissen. Wanneer dit zich voordoet zal Catalyst Coop alleen Aangeboden Aandelen verwerven waarop niet is ingeschreven door andere Aandeelhouders.</p> <p>Het Plan bepaalt dat de Plan Administrator geen gebruik zal maken van stemrechten ten aanzien van de huidige uitstaande Aandelen ("Bestaande Aandelen") die in reserve worden gehouden (zie Element B.46 voor een beschrijving van deze reserve). Daaruit volgt dat, als Catalyst Coop het maximale belang van 83% bereikt, dit Catalyst Coop haar een stemrecht geeft op 89% van de</p>

	<p>vrijelijk uit te oefenen stemrechten. Tevens zou het intrekken of uitdelen van Aandelen kunnen leiden tot een toename van het aandeelhouderschap van Catalyst Coop tot 89% inclusief Aanboden Aandelen.</p> <p>Gedurende een bepaalde periode (i.e. de huidige periode tot en met 1 september 2015, de "Initiële Periode") zijn bijzondere bepalingen uit de statuten van de Onderneming van toepassing waarmee het belang van minderheidsaandeelhouders beoogd te worden beschermd. Om de <i>governance</i> van de Onderneming stabiel te houden en om de belangen van Minderheidsaandeelhouders te beschermen, kunnen bepaalde statutaire bepalingen met betrekking tot de <i>governance</i> van de Onderneming enkel worden gewijzigd door een unaniem voorstel van de raad van commissarissen, voorafgaand aan een aandeelhoudersbesluit dat met een gekwalificeerde meerderheid van 2/3 die meer dan de helft van het kapitaal vertegenwoordigt, is genomen.</p>																																								
B.7	<p>Geselecteerde belangrijke historische financiële informatie</p> <p>Huurinkomsten</p> <table><tr><td><i>(in miljoenen Euro's; duizenden m2)</i></td><td>Duitsland</td><td>Nederland</td><td>Baltische Staten</td><td>Totaal</td></tr><tr><td>Huuropbrengsten</td><td>10,5</td><td>0,7</td><td>3,1</td><td>14,3</td></tr><tr><td>Bedrijfskosten vastgoed</td><td>0,1</td><td>0,1</td><td>0,8</td><td>1,0</td></tr><tr><td>Netto huuropbrengst</td><td>10,4</td><td>0,6</td><td>2,3</td><td>13,3</td></tr><tr><td>Bezettingsgraad</td><td>100,0%</td><td>100,0%</td><td>81,7%</td><td>95,0%</td></tr><tr><td>Aantal panden</td><td>5</td><td>3</td><td>53</td><td>61</td></tr><tr><td>Bruto m2</td><td>215</td><td>29</td><td>90</td><td>334</td></tr><tr><td>Gemiddelde resterende huurtermijn (in jaren/schatting)</td><td>7</td><td>18</td><td>*</td><td></td></tr></table> <p>* De gemiddelde resterende huurtermijn in de Baltische Staten voor de SEB hoofdkantoorpanden (welke 60% van de bruto huurinkomsten van de Baltische portefeuille vertegenwoordigen) is negen jaar. De gemiddelde resterende huurtermijn voor de andere panden in de Baltische portefeuille is aanzienlijk korter en verschilt per pand.</p> <p>OPERATIONELE RESULTATEN</p> <p>PERIODE: 27 maart 2014 - 30 juni 2014</p> <p><i>(Voor information over aandelen in Euro, anders in duizenden Euro's)</i></p>	<i>(in miljoenen Euro's; duizenden m2)</i>	Duitsland	Nederland	Baltische Staten	Totaal	Huuropbrengsten	10,5	0,7	3,1	14,3	Bedrijfskosten vastgoed	0,1	0,1	0,8	1,0	Netto huuropbrengst	10,4	0,6	2,3	13,3	Bezettingsgraad	100,0%	100,0%	81,7%	95,0%	Aantal panden	5	3	53	61	Bruto m2	215	29	90	334	Gemiddelde resterende huurtermijn (in jaren/schatting)	7	18	*	
<i>(in miljoenen Euro's; duizenden m2)</i>	Duitsland	Nederland	Baltische Staten	Totaal																																					
Huuropbrengsten	10,5	0,7	3,1	14,3																																					
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Gemiddelde resterende huurtermijn (in jaren/schatting)	7	18	*																																						

Netto huuropbrengsten	13.343
Direct Investeringsresultaat*	6.216
Direct Investeringsresultaat per aandeel	0,20
Indirect Investeringsresultaat **	-5.556
Indirect Investeringsresultaat per aandeel	-0,18
Nettoresultaat vóór inkomstenbelasting	660
Nettoresultaat vóór inkomstenbelasting per aandeel	0,02
Nettovermogenswaarde per aandeel (IFRS)	3,08
Loan-to-Value	77,6%

* Het Directe Investeringsresultaat wordt als volgt berekend: de netto huuropbrengsten minus algemene en administratieve kosten, plus overige inkomsten en min financiële kosten.

** Het Indirecte Investeringsresultaat wordt als volgt berekend: de totale som van de netto aanpassingen tegen de werkelijke waarde van vastgoed en financiële instrumenten (derivaten).

DIRECTE INVESTERINGSRESULTATEN

PERIODE: 27 MAART 2014 - 30 JUNI 2014

(In Duizenden Euro's)

Netto huurinkomsten	13.353
Algemene en administratieve kosten	-2.388
Overige opbrengsten	1.034
Rentebetalingen	-5.783
Direct Investeringsresultaat	6.216

Taxaties

(Miljoenen - Werkelijke Waarde; Duizenden - m2)

	Panden	Bruto m2	Werkelijke Waarde	Percentage
Per geografisch segment				
Duitsland	5	215	391,5	76%
Nederland	3	29	31.1	6%
Baltische Staten	53	90	92,9	18%
Totaal	61	334	514.9	
Per type vastgoed				
Kantoor	51	251	467,1	91%
Retail	6	15	13.0	2%
Industrieel	4	68	34.8	7%
Totaal	61	334	514.9	

GECONSOLIDEERDE BALANS

(In Duizenden Euro's)

	30 juni 2014
Activa	
Vastgoedbeleggingen	514.900
Overige (im-)materiële activa	64
Kasgeld en equivalenten van kasgeld	12.126
Vorderingen en overige	545
Totaal aan activa	527.635
Passiva	
Langetermijnschulden	348.021
Huidig deel van langetermijnschulden	51.904
Latente belastingschulden	5.821
Verschuldigde rekeningen en andere schulden	5.060
Verschuldigde inkomstenbelasting	3.082
Financiële instrumenten (derivaten)	12.118
Totaal aan passiva	426.004
Minderheidsbelangen*	7.479
Totaal eigen vermogen in netto-activa	94.150
Totaal eigen vermogen	101.630
Totaal eigen vermogen en vreemd vermogen	527.635

* Het aandeel in een Duitse vastgoedholding waarin Geneba geen meerderheidsbelang heeft.

Verkorte tussentijdse verklaring van het totaalinkomen

(In Duizenden Euro's)

	Zesde maand, geëindigd op 30 juni 2014
Bruto huuropbrengsten	14.338
Bedrijfskosten vastgoed	-985
Netto huurinkomsten	13.353
Netto aanpassingen werkelijke waarde van:	
Vastgoedbeleggingen	-4.613
Financiële instrumenten (derivaten).	-943
Algemene en administratieve kosten	-2.388
Overige opbrengsten	1.034

	Operationeel resultaat	6.443
	Financiële inkomsten	
	Financiële kosten	-5.783
	Netto financiële kosten	-5.783
	Nettoresultaat vóór inkomstenbelasting	660
	Inkomstenbelasting	-1.214
	Nettoresultaat voor deze periode	-553
	Eindresultaat (verliezen) voor deze periode	-553
	Nettoresultaat toerekenbaar aan:	
	Aandeelhouders Onderneming	-913
	Minderheidsbelangen	360
		-553
	Totaal eindresultaat (verliezen) toerekenbaar aan:	
	Aandeelhouders van de Onderneming	-913
	Minderheidsbelangen	360
		-553
	Per aandeel (in Euro)	
	Basis en verwaterd nettoresultaat per aandeel toerekenbaar aan de aandeelhouders van de Onderneming	-0,03
B.8	Belangrijke pro forma financiële informatie	
	Niet van toepassing.	
B.9	Voorspelling of schatting van de winst	
	Niet van toepassing.	
B.10	Voorbehoud van de accountant	
	Het rapport van de accountant bevat geen voorbehouden.	

<p>B.11</p>	<p>Verklaring werkkapitaal</p> <p>De Onderneming heeft niet voldoende werkkapitaal om de huidige verplichtingen te voldoen.</p> <p>De Onderneming heeft op 30 september 2014 een tekort aan netto werkkapitaal van EUR 83 miljoen.</p> <ul style="list-style-type: none"> • Terugbetalen van de brugfinanciering die de Onderneming is aangegaan met Catalyst Coop (de "Aandeelhoudersbruglening") van EUR 40 miljoen met de Aanbieding. Deze lening loopt af in januari 2015; • Afwikkeling van de EUR 13,8 miljoen renteswap met operationele geldstromen. De negatieve intrinsieke waarde van deze renteswap is opgenomen in het tekort en wordt periodiek afgewikkeld tot 2023; • Herfinancieren van de EUR 22,5 miljoen lening verstrekt aan Geneba RE 1 B.V. met nieuwe bankleningen. Deze lening loopt af in oktober 2015; • Verlengen, herfinancieren van de EUR 24,5 lening op het niveau van Valbonne Real Estate 2 B.V. ("VRE 2"), of eventueel in insolventie brengen van VRE 2, welke lening reeds afgelopen is (voor meer informatie over deze lening, zie Element B.45). <p>Indien en wanneer de Aanbieding is voltooid, zal de Onderneming voldoende werkkapitaal hebben voor in ieder geval de komende twaalf maanden. De Onderneming heeft groot vertrouwen dat de Aanbieding zal worden voltooid en dat dit de Onderneming van voldoende werkkapitaal zal voorzien.</p> <p>Indien de Aanbieding niet wordt voltooid, zal de Onderneming in overleg moeten treden met haar Aandeelhouders en/of andere financiers om toegang tot financiering te krijgen.</p>
<p>B.34</p>	<p>Beleggingsdoelstelling- en beleid.</p> <p>Beleggingsdoelstelling</p> <p>De beleggingsdoelstelling van de Onderneming is de houders van Aandelen ("Aandeelhouders") een duurzaam en consistent rendement op hun Aandelen te bieden door de waarde van haar vastgoed op lange termijn in stand te houden. De Onderneming geeft hieraan invulling door middel van (a) stabiele contante uitkeringen die voorkomen uit inkomsten genererende vastgoedbeleggingen in Europa; (b) verhoging van de bestaande waarde van de activa van de Onderneming en maximalisering van de langetermijnwaarde van de Aandelen via actief en efficiënt beheer en (c) een marktgedreven aan- en verkoopbeleid.</p> <p>Beleid</p> <p>Lange termijn</p> <p>De Onderneming wil waarde scheppen binnen de bestaande portefeuille door te investeren in vastgoed dat zij reeds bezit en dit vastgoed waar nodig te (her-)ontwikkelen. Herontwikkeling betreft het uitbreiden van vastgoed, het verbeteren van het profiel van vastgoed, het herstructureren van vastgoed en investeren in duurzaamheid, een en ander met als doel een grotere tevredenheid van de huurders, minimalisering van de exploitatiekosten en zekerstelling van maximale</p>

	<p>huurinkomsten. Via het koop- en verkoopbeleid anticipeert de Onderneming optimaal op schommelingen in de waarde van vastgoed en maakt zij de resultaten van actief beheer te gelde.</p> <p>Korte termijn</p> <p>De Onderneming voert in eerste instantie een <i>receive and hold</i> beleid, waarbij zij open blijft voor het overwegen van eventuele interessante beleggingskansen. De Onderneming laat bijna al haar vastgoed onderhouden door de huurder zelf of door externe beheerders. Het bestuur kan zich derhalve toeleggen op de nadere uitwerking van de strategie van de Onderneming, het vermogensbeheer van de portefeuille en de strategische opties zoals herfinanciering, in balans brengen van de portefeuille, investering en desinvestering.</p> <p>De Onderneming kan haar beleggingsbeleid uitsluitend overeenkomstig de Nederlandse Wet op het financieel toezicht wijzigen. Dat betekent dat een voorstel tot wijziging van dat beleid in beginsel moet worden gepubliceerd in een Nederlands landelijk verspreid nieuwsblad en op de website van de Onderneming, en medegedeeld aan NPEX B.V. ("NPEX"), waarop NPEX de wijziging op haar website publiceert. De AFM moet afzonderlijk in kennis worden gesteld van een dergelijk voorstel. De verandering mag in beginsel niet eerder in werking treden dan een maand na de datum van publicatie van het voorstel.</p> <p>Er zijn geen beleggingsbeperkingen vastgesteld door de Onderneming.</p>
B.35	<p>Grenswaarden loan-to-value</p> <p>Gestreefd wordt naar de loan-to-value ratio ("LTV ratio") op geconsolideerd niveau van 60% of minder van de marktwaarde van de volledige vastgoedportefeuille van de Onderneming, op basis van de taxatierapporten in dit Prospectus. De maximale ratio die de Onderneming voor haarzelf heeft vastgesteld bedraagt 75% van de marktwaarde van de portefeuille van de Onderneming. Op het moment van uitbrengen van het Interim Rapport, 30 juni 2014, is het daadwerkelijke percentage van de Onderneming 77,6% (zie Element B.7 hierboven, "Loan to Value").</p> <p>Als gevolg van de ontvangst van de bruto-opbrengst van de Aanbieding, zal de LTV ratio naar verwachten aanzienlijk dalen.</p>
B.36	<p>Toezichtrechtelijke status</p> <p>In Nederland is de Onderneming aangemerkt als <i>closed-end</i> beleggingsinstelling. Er is geen verplichting tot het intrekken of uitgeven van aandelen. De Onderneming bedrijft haar activiteiten onder vergunning en toezicht van de AFM en DNB, voldoet in alle materiële opzichten aan de eisen van haar vergunning (inclusief het vereiste minimum aan eigen vermogen) en is formeel noch informeel door de AFM of DNB in gebreke gesteld.</p>
B.37	<p>Typische belegger</p> <p>Een belegging in de Aandelen kan geschikt zijn voor beleggers die streven naar vermogensgroei op de lange termijn door blootstelling aan de commerciële vastgoedmarkten van in het bijzonder Duitsland, de Baltische Staten en Nederland, waarbij de nadruk ligt op een combinatie van kantoor-, industrie- en winkelgebouwen. De spreiding van de vastgoedportefeuille van de Onderneming is categoriaal (kantoren, winkels en overig) en geografisch. Belegging in de Aandelen is alleen geschikt voor beleggers die de voordelen en risico's van een dergelijke belegging kunnen</p>

	beoordelen en die over voldoende middelen beschikken om een eventueel verlies van hun volledige belegging te dragen.
B.38	<p>Investerings van meer dan 20%</p> <p>Zoals gesteld in het Interim Rapport zal naar verwachting ongeveer 63% van de jaarlijkse huurinkomsten van de Onderneming afkomstig zijn van Infineon Technologies AG ("Infineon"), dat huurder is van het vastgoed te Am Campeon 1-12, 85579 Neubiberg, Duitsland. Infineon, met hoofdkantoor in Neubiberg, is een naamloze vennootschap naar Duits recht, actief als fabrikant van halfgeleiders en genoteerd aan de beurs van Frankfurt (gereguleerde markt, symbool: IFX). Mocht de Onderneming door de een of andere oorzaak de huur van deze belangrijke huurder niet kunnen innen, dan kan dat materieel nadelige gevolgen hebben voor haar bedrijfsresultaat, financiële situatie en liquiditeit.</p>
B.39	<p>Investerings in collectieve beleggingsinstellingen groter dan 40%</p> <p>Niet van toepassing.</p>
B.40	<p>Dienstverleners en vergoedingen</p> <p>De volgende partijen verlenen diensten aan de Onderneming:</p> <p>DTZ Zadelhoff treedt op als taxateur van het Nederlandse en Duitse vastgoed van de Onderneming voor een per taxatierapport te betalen vergoeding. De vergoeding voor het opstellen van de meest recente taxatierapporten bedroeg EUR 20.213.</p> <p>Sinds 30 juni 2014 treedt Jones Lang LaSalle GmbH op als taxateur van de Bochum activa van de Onderneming voor een per taxatierapport te betalen vergoeding. De vergoeding voor het opstellen van de meest recente taxatierapporten bedroeg EUR 7.820.</p> <p>Sinds 30 juni 2014 treedt Colliers International Advisors, SIA op als taxateur van het Baltische vastgoed van de Onderneming voor een per taxatierapport te betalen vergoeding. De vergoeding voor het opstellen van het meest recente taxatierapport bedroeg EUR 38.000.</p> <p>Orangefield (Netherlands) B.V. treedt op als bewaarder van de Onderneming overeenkomstig Richtlijn 2011/61/EU inzake beheerders van alternatieve beleggingsinstellingen ("AIFM-richtlijn") voor een jaarlijkse vergoeding van EUR 75.000. Deze vergoeding wordt jaarlijks aangepast overeenkomstig de Nederlandse index van de consumentenprijzen. Verder kan Orangefield (Netherlands) B.V. voorstellen de vergoeding te herzien indien de dienstverlening op enig moment moet worden afgestemd op de specifieke behoeften van de Onderneming.</p> <p>CLCS B.V. treedt op als externe Compliance Officer voor een maandelijkse vergoeding van EUR 1.400.</p> <p>Ernst & Young Accountants LLP heeft de financiële informatie in het toelatingsmemorandum van de Onderneming van 4 juli 2014 gecontroleerd. De geschatte vergoeding voor diensten die in 2014 zijn verricht, zal ongeveer EUR 100.000 tot EUR 120.000 bedragen.</p> <p>PricewaterhouseCoopers Accountants N.V. heeft de financiële informatie in het Prospectus beoordeeld. De geschatte vergoeding voor diensten die in 2014 zullen worden verricht zal ongeveer</p>

	EUR 195.000 bedragen.
B.41	<p>Toezichtrechtelijke status van de bewaarder</p> <p>Orangeveld (Netherlands) B.V. is de bewaarder in de zin van de AIFM-richtlijn en is door de Onderneming aangesteld als externe bewaarder voor de onderliggende activa zoals is bepaald in de AIFM-richtlijn. De bewaartaken zijn onder andere het bewaren of anderszins verifiëren van de eigendom van de activa van de Groep, bewaken van kasstromen inzake de Groep, en waarborgen dat transacties in verband met eenheden in de Groep plaatsvinden overeenkomstig de fondsdocumentatie, dat de juiste taxaties worden toegepast, dat aanwijzingen van het bestuur worden opgevolgd, dat betaling voor de activa van de Groep tijdig worden ontvangen, en dat de inkomsten van de Groep een passende bestemming krijgen.</p>
B.42	<p>Bekendmaking van de intrinsieke waarde</p> <p>Ieder halfjaar maakt de Onderneming de intrinsieke waarde bekend aan de Aandeelhouders via de halfjaarcijfers, en ieder jaar, via het jaarverslag.</p>
B.43	<p>Aansprakelijkheid over en weer in het geval van een paraplu collectieve beleggingsonderneming</p> <p>Niet van toepassing.</p>
B.44	<p>Belangrijke historische informatie</p> <p>Zie B.7.</p>
B.45	<p>Portefeuille</p> <p>Nederland</p> <p>De Nederlandse portefeuille bestaat uit drie panden met in totaal 28.592 vierkante meter vloeroppervlakte en twee huurders, die samen op jaarbasis ongeveer EUR 2,82 miljoen bruto aan huurinkomsten genereren. De Nederlandse portefeuille bevat twee kantoorgebouwen en één industrieel gebouw. Het vloeroppervlakte van de kantoorgebouwen is gemiddeld ongeveer 5.385 vierkante meter en dat van het industriële pand is ongeveer 17.822 vierkante meter. De economische bezettingsgraad (feitelijk geïnde huur vergeleken met te innen huur) is 100% bij een gewogen (tegen marktwaarde) gemiddelde huurtermijn van ongeveer 18 jaar. Op 30 juni 2014 is de Nederlandse portefeuille door DTZ Zadelhoff v.o.f. getaxeerd op een marktwaarde van ongeveer EUR 31,1 miljoen.</p> <p>Duitsland</p> <p>De Duitse portefeuille bestaat uit vijf panden met in totaal 210.672 vierkante meter vloeroppervlakte en vier huurders, die samen op jaarbasis ongeveer EUR 41,8 miljoen bruto aan huurinkomsten genereren. De Duitse portefeuille bevat twee kantoor- en drie industriële gebouwen. De gemiddelde vloeroppervlakte van de kantoorgebouwen is ongeveer 82.397 vierkante meter en die van de industriële panden is ongeveer 16.731 vierkante meter. De economische bezettingsgraad (feitelijk geïnde huur vergeleken met te innen huur) is 100% bij een gewogen (tegen marktwaarde)</p>

	<p>gemiddelde huurtermijn van ongeveer 7 jaar. De Duitse portefeuille is extern getaxeerd door Jones Lang LaSalle GmbH ("JLL", alleen Bochum) en DTZ Zadelhoff v.o.f. op een marktwaarde van ongeveer EUR 391,3 miljoen op 30 juni 2014, gebaseerd op de JLL taxatie voor Bochum plus provisies voor asbestwerkzaamheden. Echter, ten aanzien van Bochum heeft de Onderneming een rapport van Arcadis Deutschland GmbH gevraagd en ontvangen op basis waarvan de kosten mogelijk EUR 9 miljoen bedragen, welk bedrag de directie van de Onderneming redelijk acht. Echter, de huurder verwacht dat deze kosten EUR 17 miljoen zullen bedragen. Hoewel de directie van de Onderneming van mening is dat de verwachting van de huurder kosten van ongeveer EUR 8 miljoen bevat die voor rekening van de huurder dienen te komen, verschaft de inschatting van de huurder een indicatie van de maximale kosten. Als gevolg zal de Duitse portfolio mogelijk met EUR 4,5 - 12,5 miljoen dalen tot EUR 378,8 - 386,8 miljoen. Indien onderhandelingen over de lening die betrekking heeft op dit pand mislukken of indien het pand wordt verkocht tegen een lagere prijs dan de kredietovereenkomst met VRE 2, de houdsterentiteit van het vastgoed te Bochum, VRE 2 is mogelijk gedwongen faillissement aan te vragen. Echter, de Onderneming heeft geen garanties verschaft met betrekking tot die entiteit. Daarbij komt dat de Onderneming niet voornemens is de opbrengsten van de Aanbieding aan te wenden voor de herkapitalisatie van de houdsterentiteit. Dit betekent dat, door de silo structuur van de groep van de Onderneming, andere ondernemingen uit de groep niet zullen worden geraakt door een faillissement van VRE 2, omdat de insolventieprocedure alleen op het niveau van VRE 2 zal worden afgewikkeld. Daardoor zullen alleen de activa van VRE 2 worden onderworpen aan de insolventieprocedure, tenzij crediteuren in staat zijn om de silostructuur te doorbreken. Binnen de Duitse portefeuille is het MoTo Object Campeon GmbH & Co. KG ("MoTo") goed voor een marktwaarde van EUR 348,3 miljoen en ongeveer 63% van het jaarlijkse bruto huurinkomen (op 30 juni 2014). De huurovereenkomst loopt op 16 oktober 2020 af of, indien de huurder geen gebruik maakt van de koopoptie, op 16 oktober 2025. Het pand is geheel bezet.</p> <p>De Baltische staten (Litouwen, Estland, Letland)</p> <p>Op de datum van dit Prospectus bestaat de Baltische portefeuille uit 46 panden met in totaal 80,275 vierkante meter vloeroppervlakte en ongeveer 64 huurders, die samen op jaarbasis ongeveer EUR 14 miljoen bruto aan huurinkomsten genereren. De economische bezettingsgraad (feitelijk geïnde huur vergeleken met te innen huur) is 73%. De gemiddelde resterende huurtermijn in de Baltische portefeuille voor de SEB hoofdkantoorpanden (welke 60% van de bruto huurinkomsten van de Baltische portefeuille vertegenwoordigen, zoals vermeld in het Interim Rapport) is negen jaar. De gemiddelde resterende huurtermijn voor andere panden in de Baltische portefeuille is korter en verschillend per pand. De Baltische portefeuille is extern getaxeerd door Colliers International Advisors, SIA op een marktwaarde van ongeveer EUR 92,5 miljoen op 30 juni 2014. In november 2014, als onderdeel van de herfinanciering overeengekomen met de financier van de Baltische portefeuille, zijn een aantal panden die zijn meegenomen in de waardering door Colliers verkocht. Dit resulteert in een afname van de marktwaarde van de portefeuille van EUR 5.020.000 gebaseerd op de waardering van deze individuele panden door Colliers. Als gevolg daarvan bedraagt de totale waarde van de Baltische portefeuille EUR 87,491 miljoen. De Baltische portfolio heeft op dit moment een loan-to-value ratio van meer dan 100%. De Onderneming heeft intern besloten om de mogelijkheden na te gaan om deze portefeuille af te stoten.</p>
<p>B.46</p>	<p>Intrinsieke waarde per Aandeel</p> <p>HET DAADWERKELIJKE BEDRAG DAT BETAALD MOET WORDEN VOOR DE AANDELEN IS AFHANKELIJK VAN DE MARKTOMSTANDIGHEDEN, IN HET BIJZONDER VRAAG EEN AANBOD OP NPEX, EN KAN SUBSTANTIEEL LAGER</p>

	<p>UITVALLEN DAN DE INTRINSIEKE WAARDE PER AANDEEL ZOALS HIER VERNOEMD.</p> <p>Totale intrinsieke vermogenswaardewaarde per 30 juni 2014: EUR 94.150.000.</p> <p>Netto intrinsieke vermogenswaardewaarde per Bestaand Aandeel per 30 juni 2014: EUR 3,08.</p> <p>Deze intrinsieke waarde is ongecontroleerd en het is bepaald door (i) het eigen vermogen dat toekomt aan de houders van gewone aandelen, zoals bepaald in het Interim Rapport (i.e. EUR 94.150.000) in de Onderneming te delen door ii) het aantal uitstaande gewone aandelen (i.e. 30.542.639). Als de Aandelen die ingetrokken zullen worden door de Onderneming (i.e. 783.257, zie de volgende paragraaf) eenmaal ingetrokken zijn, bedraagt de intrinsieke waarde per aandeel EUR 3,16.</p> <p>Krachtens de voorwaarden uit het Plan, welke op 27 maart 2014 van toepassing werd ("PID") werd een deel van de uitgegeven Bestaande Aandelen door de Plan Administrator gehouden in een reserve in afwachting van het besluit omtrent verschillende claims die zijn ingediend in de CCAA procedure tegen HII en bepaalde zuster- en dochtermaatschappijen van HII. De reserve bevatte aanvankelijk 7.113.559 Aandelen. Per 21 augustus 2014 houdt de reserve 5.761.144 Bestaande Aandelen. Indien wordt vastgesteld dat een betwiste vordering geen bewezen claim is onder het Plan, zullen de Bestaande Aandelen in de reserve worden (i) overgedragen aan de Onderneming voor intrekking, wat resulteert in een stijging van de netto intrinsieke waarde per Bestaand Aandeel, of (ii) worden overgedragen aan de geraakte crediteuren, afhankelijk van de uitkomst van elke betwiste vordering en specifieke gehouden reserve. Indien uiteindelijk wordt vastgesteld dat een betwiste vordering onder het Plan als een bewezen claim geldt, zullen de Bestaande Aandelen die in de reserve gehouden worden op basis van die claim en met inachtneming van het Plan worden verdeeld over de geraakte crediteuren in kwestie. Het Plan bepaalt dat de Plan Administrator niet bevoegd is om enige stemrechten uit te oefenen met betrekking tot de Bestaande Aandelen die in de reserve worden gehouden.</p> <p>De Plan Administrator heeft in juli 2014, op verzoek van de raad van commissarissen, een inschatting gemaakt van de totale hoeveelheid Bestaande Aandelen die zullen worden ingetrokken nadat alle betwiste vorderingen zijn afgehandeld op grond van het Plan en rechterlijke bevelen. Deze inschatting diende ter vaststelling van de prijs van het verkooprecht aan Catalyst Coop, welke was toegekend aan Aandeelhouders onder het Plan. Deze inschatting bedraagt 4.112.393 Bestaande Aandelen.</p>
<p style="text-align: center;">Afdeling C — Effecten</p>	
<p>C.1</p>	<p>Aangeboden Aandelen</p> <p>De Onderneming biedt 74.397.740 Aangeboden Aandelen aan met elk een nominale waarde van EUR 0,02 en een uitgifteprijs van EUR 2,78 per aandeel (de "Uitgifteprijs"), welke bestaat uit de intrinsieke vermogenswaarde per Bestaand Aandeel berekend per 30 juni 2014, gecompenseerd met uit de reserve vrijgegeven Bestaande Aandelen (EUR 3,16) met een korting van 12%. Met toepassing van de toepasselijke effectenwetten en de voorwaarden uit dit Prospectus, worden aan hen die op 3 December 2014, om 9:00 uur CET (de "Vaststellingsdatum") houders van Bestaande Aandelen in het kapitaal van de Onderneming (de "Aandeelhouders") zijn, niet-overdraagbare inschrijvingsrechten om de Aangeboden Aandelen te nemen (de "Rechten") aangeboden <i>pro rata</i> aan hun aandeelhouderschap in de Onderneming. Naar de aanbieding om Aangeboden Aandelen te nemen middels de uitoefening van Rechten wordt gerefereerd als de "Aanbieding". Stichting NPX</p>

	<p>Bewaarbedrijf zal via NPEX de houder van de Aangeboden Aandelen zijn, en zal certificaten van aandelen ("Certificaten") uitgeven voor de Aangeboden Aandelen. Beleggers die via NPEX een belang houden, zullen deze Certificaten ontvangen.</p>
C.2	<p>Munteenheid van de Aandelen</p> <p>De Aandelen en de door Stichting NPEX Bewaarbedrijf uitgegeven Certificaten luiden in Euro.</p>
C.3	<p>Aandelenkapitaal</p> <p>Het maatschappelijk kapitaal van de Onderneming bedraagt twee miljoen honderdduizend euro (EUR 2.100.000), verdeeld in honderd miljoen vijfhonderdduizend (100.500.000) Aandelen, elk met een nominale waarde van twee eurocent (EUR 0,02).</p> <p>De Onderneming heeft voorgesteld dat haar algemene vergadering i) het geautoriseerde kapitaal van de Onderneming verhoogt naar negen miljoen negenhonderdduizend euro (EUR 9.900.000), gedeeld door vierhonderdvijfennegentig miljoen (495.000.000) Aandelen met een nominale waarde van twee eurocent (EUR 0,02) elk, afhankelijk van de voltooiing van de Aanbieding en ii) dat aandelen uitgegeven uit de Betwiste Vorderingen (Newco Aandelen) Reserve (zie Element B.46) voor intrekking, worden ingetrokken en dat het bestuur van de Onderneming bevoegd zal zijn dit besluit te implementeren.</p> <p>In de periode waarin volgens de statuten van de Onderneming ("Statuten") regels ter bescherming van minderheidsaandeelhouders van toepassing zijn (d.w.z. de periode die nu nog loopt tot 1 september 2015 - de "Initiële Periode"), kunnen alle niet-uitgegeven Aandelen in het maatschappelijk kapitaal van de Onderneming worden uitgegeven krachtens besluit van de raad van bestuur van de Onderneming, welk besluit de voorafgaande goedkeuring door de raad van commissarissen van de Onderneming behoeft. De prijs en andere uitgiftevoorwaarden worden tijdens de Initiële Periode bepaald door de raad van bestuur van de Onderneming en daarna door het orgaan van de Onderneming dat op dat moment bevoegd is aandelen in het kapitaal van de Onderneming uit te geven. Iedere Aandeelhouder heeft bij uitgifte van aandelen een voorkeursrecht naar evenredigheid van het gezamenlijke bedrag van zijn of haar Aandelen. Tijdens de Initiële Periode kan dit voorkeursrecht worden beperkt of uitgesloten bij besluit van de raad van bestuur van de Onderneming, welk besluit de voorafgaande goedkeuring door de raad van commissarissen van de Onderneming behoeft. Na de Initiële Periode kan dit voorkeursrecht worden beperkt of uitgesloten door het bevoegde orgaan van de Onderneming. Artikel 2:96a BW is van toepassing op de voorwaarden van uitgifte en op het voorkeursrecht. Artikel 2:96a BW is van toepassing op de voorwaarden van uitgifte en voorkeursrechten.</p> <p>De Onderneming heeft 30.542.639 Aandelen uitgegeven, die zijn volgestort. Gelet op het feit dat bepaalde Aandelen zullen worden ingetrokken, komt dit aantal neer op 29.759.096 uitstaande Aandelen. Inclusief de Aangeboden Aandelen zal de Onderneming 104.156.836 Aandelen hebben uitgegeven.</p>
C.4	<p>Aan de Aandelen verbonden rechten</p> <p>De Aandelen zijn op naam gesteld. De Onderneming neemt houders van Aandelen op in het register van aandeelhouders. Certificaten van Aandelen worden uitgegeven met medewerking van de Onderneming en zijn toegelaten tot de handel op NPEX. De houders van de Certificaten van</p>

	<p>Aandelen genieten de rechten die bij Nederlands recht zijn verleend aan houders van aandelencertificaten die zijn uitgegeven met medewerking van een onderneming.</p> <p>De Onderneming geeft geen aandeelbewijzen uit. Een Aandeelhouder kan voor de Aandelen op zijn of haar naam wel verzoeken om een uittreksel uit het register van Aandeelhouders. De Onderneming dient het uittreksel kosteloos te verstrekken. De Nederlandse wet bepaalt dat een overdracht van aandelen op naam moet worden vastgelegd in een notariële akte. Tenzij de Onderneming partij is bij de akte, kunnen de aan de Aandelen verbonden rechten pas worden uitgeoefend nadat de Onderneming de overdracht heeft bevestigd of de akte aan de Onderneming is betekend.</p> <p>Elke Aandeelhouder met stemrecht kan de algemene vergadering van de Onderneming bijwonen om hier het stemrecht uit te oefenen. Eén aandeel geeft de houder daarvan het recht om één stem uit te oefenen. De Plan Administrator mag geen rechten uitoefenen ten aanzien van de Bestaande Aandelen die worden gehouden in de Betwiste Vorderingen (Newco Aandelen) Reserve (zie Element B.46 voor een beschrijving van deze reserve). Indien houders van Certificaten van Aandelen hun stemrecht willen uitoefenen, dienen zij tijdig te verzoeken om een volmacht.</p> <p>Gedurende een bepaalde periode (i.e. de huidige periode tot en met 1 september 2015, de "Initiële Periode") zijn bijzondere bepalingen uit de statuten van de Onderneming van toepassing waarmee het belang van minderheidsaandeelhouders beoogd te worden beschermd. Om de <i>governance</i> van de Onderneming stabiel te houden en om de belangen van Minderheidsaandeelhouders te beschermen, kunnen bepaalde statutaire bepalingen met betrekking tot de <i>governance</i> van de Onderneming enkel worden gewijzigd door een unaniem voorstel van de raad van commissarissen, voorafgaand aan een aandeelhoudersbesluit dat met een gekwalificeerde meerderheid van 2/3 die meer dan de helft van het kapitaal vertegenwoordigt, is genomen.</p>
C.5	<p>Beperkingen op de overdraagbaarheid</p> <p>De Rechten mogen alleen worden uitgeoefend door In Aanmerking Komende Personen (zoals hieronder gedefinieerd) op voorwaarde dat zij Aandeelhouder zijn om 9:00 uur CET op de Vaststellingsdatum, en in overeenstemming met toepasselijk effectenrecht.</p> <p>Een in aanmerking komende persoon ("In Aanmerking Komend Persoon") is ieder persoon aan wie de Aanbieding wettelijk gemaakt kan worden zonder dat dit in strijd is met enige registratie, prospectus of ander juridisch vereiste, in elk geval zonder dat dit kosten voor de Onderneming met zich brengt, tenzij de Onderneming met deze kosten schriftelijk instemt.</p> <p>De Aangeboden Aandelen aangeboden met de Aanbieding mogen niet direct of indirect worden aangeboden, verkocht, opnieuw verkocht, overgedragen of geleverd in of naar jurisdicties buiten Nederland tenzij dit in overeenstemming is met toepasselijk effectenrecht. De Rechten kunnen niet worden overgedragen.</p> <p>Dit Prospectus mag niet worden verstuurd aan enige Aandeelhouder of ander persoon die gevestigd is buiten Nederland, tenzij zo een persoon een In Aanmerking Komend Persoon is en op voorwaarde dat dit Prospectus niet mag worden gedistribueerd naar de Verenigde Staten, Australië, Canada of Japan.</p> <p>De creditering van Rechten op een rekening van een persoon die geen In Aanmerking Komend Persoon is, kwalificeert niet als een aanbieding van Aangeboden Aandelen aan deze persoon.</p> <p>Alle Rechten zijn niet-overdraagbaar en zullen niet worden verhandeld.</p>

C.6	<p>Toelating tot de handel op NPEX</p> <p>De Aangeboden Aandelen zullen, onvoorziene omstandigheden daargelaten, worden toegelaten tot de handel op NPEX. NPEX is geen gereguleerd handelsplatform. NPEX is een online handelsplatform, dat bepaalde kenmerken heeft die verschillen van die van een gereguleerd handelsplatform, zoals een gereguleerde markt of een multilaterale handelsfaciliteit. NPEX is bij de AFM geregistreerd als verlener van bepaalde beleggingsdiensten en valt als zodanig onder het toezicht van de AFM en DNB. Het is bevoegd tot exploitatie van het online platform waarop de Certificaten zijn toegelaten voor verhandeling. Alleen houders van een account bij NPEX kunnen handelen in effecten op NPEX en het NPEX heeft de discretionaire bevoegdheid om te beslissen of al dan geen account zal worden geopend.</p> <p>De Rechten zijn niet verhandelbaar. De Rechten zullen daarom niet toegelaten worden tot handel op NPEX.</p>
C.7	<p>Dividendbeleid</p> <p>Er kan niet met zekerheid worden gezegd dat de Onderneming dividenden zal uitkeren over de Aandelen.</p>
<p>Afdeling D — Risico's</p>	
D.2/D.3	<p>Voornaamste risico's die specifiek zijn voor de Onderneming</p> <p>De Onderneming is blootgesteld aan bepaalde risico's in verband met vastgoedbeleggingen.</p> <p>Een concentratie van huurders kan een nadelig effect hebben op de financiële resultaten van de Onderneming.</p> <p>De Onderneming is mogelijk niet in staat om huurovereenkomsten te vernieuwen of te behouden op economisch gunstige voorwaarden.</p> <p>Een concentratie van vastgoed in Europa kan een nadelig effect hebben op de financiële resultaten van de Onderneming.</p> <p>De crisis op de financiële markten en de wereldwijde economische recessie hebben geleid tot minder vraag naar, en meer aanbod van vastgoed op de markten waar de Onderneming actief is, en kunnen negatieve gevolgen voor haar activiteiten, bedrijfsresultaat en financiële situatie blijven hebben.</p> <p>De Onderneming is blootgesteld aan de politieke en economische situatie in de Baltische landen (Estland, Letland en Litouwen).</p> <p>Een toegenomen concurrentie op de markt voor commercieel vastgoed kan een nadelig effect hebben op de inkomsten en winstgevendheid van de Onderneming.</p> <p>De Onderneming is blootgesteld aan risico's die voortkomen uit de illiquiditeit van haar portefeuille.</p> <p>De Onderneming is mogelijk niet steeds succesvol in het aankopen, verkopen, verbouwen of uitbreiden van vastgoed.</p>

	<p>Verborgen gebreken in de juridische eigendom van de grond van het vastgoed kunnen negatieve gevolgen voor haar activiteiten, bedrijfsresultaat en financiële situatie hebben.</p> <p>Verborgen gebreken in het vastgoed van de Onderneming zouden negatieve gevolgen kunnen hebben voor haar activiteiten, bedrijfsresultaat en financiële situatie.</p> <p>De taxaties van het vastgoed van de Onderneming in de taxatierapporten zijn inherent subjectief en onzeker.</p> <p>De Onderneming is blootgesteld aan het risico van veranderingen in de reële waarde van haar vastgoed.</p> <p>De Onderneming kan aanmerkelijke kapitaaluitgaven moeten doen en andere vaste kosten hebben.</p> <p>Het resultaat van de Onderneming is afhankelijk van de marktkennis en -ervaring van haar bestuur.</p> <p>Als de Onderneming de vergunning van de AFM voor haar activiteiten verliest, kan zij haar bedrijf of delen van haar huidige of geplande activiteiten mogelijk niet voortzetten.</p> <p>Als de Onderneming zou kunnen worden aangemerkt als gewone onderneming in plaats van als beleggingsmaatschappij, is een vergunning niet meer nodig en valt zij niet langer onder toezicht van de AFM en DNB.</p> <p>De Onderneming is mogelijk beperkt in staat de naleving van contracten af te dwingen.</p> <p>De Onderneming kan verliezen lijden die niet zijn verzekerd.</p> <p>De Onderneming kan blootgesteld worden aan rampen, zoals stormen, overstromingen, aardbevingen en landverschuivingen, of risico's in verband met de veiligheid van consumenten en huurders, zoals geweld en terrorisme.</p> <p>De Onderneming kan blootgesteld worden aan milieurisico's die kunnen leiden tot onvoorziene verliezen.</p> <p>De Onderneming kan in strijd handelen met een of meer van de regels en voorschriften waaraan zij is onderworpen.</p> <p>De Onderneming kan in het kader van haar activiteiten van tijd tot tijd betrokken raken bij gerechtelijke procedures.</p> <p>Wisselkoersschommelingen kunnen een nadelig effect hebben op het bedrijf van de Onderneming.</p> <p>De Onderneming is blootgesteld aan renterisico's.</p> <p>De Onderneming is blootgesteld aan risico's in verband met pachten.</p> <p>De commissarissen en bestuursleden van de Onderneming kunnen in een belangenconflict geraken als gevolg van hun functie en belangen in andere bedrijven.</p> <p>De Onderneming heeft pas een operationele geschiedenis als zelfstandige, beursgenoteerde vennootschap sinds maart 2014.</p> <p><u>Risico's verbonden aan het financieren van de activiteiten van de Onderneming</u></p> <p>De Onderneming kan extra kosten moeten maken of behoefte krijgen aan herfinanciering bij</p>
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	<p>verkrijging van activa bij CCAA procedures die krachtens het Plan zijn goedgekeurd met betrekking tot HII en bepaalde van zijn filialen en dochtermaatschappijen</p> <p>Om de activiteiten en vastgoedportefeuille te kunnen onderhouden, uitbreiden en ontwikkelen moet de Onderneming tegen adequate voorwaarden toegang hebben tot kapitaal.</p> <p>De Onderneming is onlangs contractuele leningafspraken niet nagekomen en het kan zijn dat zij in de toekomst andere contractuele leningafspraken niet nakomt, met mogelijk ongunstiger leenvoorwaarden en hogere kosten als gevolg.</p> <p>De Onderneming is onderworpen aan de risico's die gepaard gaan met schuldfinanciering.</p> <p><u>Risico's verbonden aan de structuur van de Onderneming</u></p> <p>Ondanks de groepsstructuur, kan de Onderneming kan zich gesteld zien voor onvoorziene vorderingen of andere kosten afkomstig van haar dochtermaatschappijen.</p> <p>De opzet van MoTo Object Campeon GmbH & Co. KG (MoTo) als commanditaire vennootschap kan bepaalde risico's voor de Onderneming en haar beleggers inhouden.</p> <p>De Aandelen kunnen verwateren.</p> <p>De Onderneming is een houdstermaatschappij zonder activiteiten en is afhankelijk van haar werkmaatschappijen voor de middelen die nodig zijn om aan haar financiële verplichtingen te voldoen.</p> <p><u>Risico's met betrekking tot belastingen</u></p> <p>Veranderingen in de belasting- of groepsstructuur van de Onderneming of veranderingen in belastingwetten en interpretaties van bevoegde belastingautoriteiten kunnen een aanzienlijk negatief effect hebben op haar operationele resultaten.</p> <p>Belegging bij de Onderneming is onderworpen aan bepaalde belastingen.</p> <p>Duitse en andere plaatselijke belastingen kunnen van invloed zijn op de kasstromen en financiële situatie van de Onderneming.</p> <p>De Onderneming kan van tijd tot tijd blootgesteld worden aan de risico's in verband met het gebruik van financiële derivaten.</p>
D.3	<p>Voornaamste risico's die specifiek zijn voor de Rechten en Aandelen</p> <p>De Onderneming kan geen dividenden over de Aandelen betalen of ophouden dividenden uit te keren.</p> <p>Er is tot nu toe geen openbare markt voor de Aandelen en mogelijk ontstaat er geen actieve markt.</p> <p>De Aandelen zijn toegelaten tot de handel op NPEX. NPEX is geen gereguleerd handelsplatform, zoals een geregelende markt of een multilaterale handelsfaciliteit. Het heeft</p>

	<p>bepaalde kenmerken die verschillen van die van een gereguleerd handelsplatform.</p> <p>De marktprijs (indien van toepassing) en het handelsvolume van de Certificaten kunnen volatiel zijn.</p> <p>Het uitoefenen van aandeelhoudersrechten door de Aandeelhouders zal onderworpen zijn aan beperkingen gedurende de Initiële Periode.</p> <p>Catalyst Coop zal een aanzienlijk deel van de Aandelen houden en is in staat om een aanzienlijke controle over de Onderneming uit te oefenen.</p> <p>Indien In Aanmerking Komende Personen niet, niet tijdig of niet geldig hun rechten uitoefenen, is het mogelijk dat zij niet langer de Aangeboden Aandelen voor de Uitgaveprijs kunnen verkrijgen en zij zullen geen compensatie ontvangen voor een niet-uitgeoefend Recht.</p> <p>Indien een houder van Aandelen niet, niet tijdig of niet geldig al zijn Rechten uitoefent, zal het percentage Aandelen waar hij eigenaar van is aanzienlijk verwateren. Aandeelhouders in bepaalde jurisdicties zijn uitgesloten van de Aanbieding en kunnen dus verwatering lijden.</p> <p>Indien closing van de Aanbieding niet plaatsvindt op de Afwikkelingsdatum en de Aanbieding is ingetrokken, of dit nu wel of geen resultaat is van een beëindiging van de Subscription Agreement door Catalyst Coop, zullen beide de uitgeoefende en niet-uitgeoefende Rechten verbeuren zonder compensatie aan de houders van deze Rechten. Daarbij zullen toewijzingen van Aangeboden Aandelen als niet gedaan worden beschouwd.</p> <p>Aandeelhouders in een jurisdictie buiten Nederland zullen in beginsel zijn uitgesloten van de Aanbieding. Dit kan een negatieve impact hebben op de marktprijs van de Gewone Aandelen en kan de ontwikkeling van een handelsmarkt negatief beïnvloeden.</p>
Afdeling E - Aanbieding	
E.1	<p>Het gebruik van de opbrengst</p> <p>Het geschatte maximum brutobedrag van de opbrengst van de Aanbieding is EUR 206 miljoen en het maximum nettobedrag wordt geschat op EUR 205 miljoen (aannemende dat kosten voor adviseurs, de notering en andere kosten met betrekking tot de Aanbieding van EUR 1 miljoen in totaal). De opbrengsten zullen worden gebruikt voor de volgende algemene doeleinden: eerst voor herfinanciering van bepaalde schulden (ongeveer EUR 40 miljoen), waardoor de LTV ratio van de Onderneming verder wordt verkleind, en vervolgens voor overnames en verdere investeringen in vastgoed (ongeveer EUR 165 miljoen). de brugfinancieringsovereenkomst waar de Onderneming en Catalyst Coop partij bij zijn (de "Aandeelhoudersbrugfinancieringsovereenkomst") dient te worden afgelost op 17 januari 2015 en investeringsmogelijkheden hebben zich reeds aangediend. Er is aldus een sterke behoefte aan het verkrijgen van de opbrengsten van de Aanbieding op korte termijn. De Onderneming verwacht dat de opbrengst van de Aanbieding voldoende zal zijn voor de komende jaren, maar sluit niet uit dat zij nieuwe aanbiedingen gaat doen om de portefeuille van de Onderneming verder uit te breiden.</p>
E.2a	<p>Redenen voor de Aanbieding</p> <p>De Onderneming heeft additioneel eigen vermogen nodig om de LTV ratio te verbeteren, welke negatief is beïnvloed door recente waarde-aanpassingen. Verder vereist de Onderneming liquiditeit</p>

	<p>om bepaalde schulden te herfinancieren, bijvoorbeeld openstaande bedragen onder de Brugfinancieringsovereenkomst, teneinde de LTV ratio van de Onderneming verder terug te dringen (totaal: EUR 40 miljoen). Krachtens de Aandeelhouderbrugfinancieringsovereenkomst zal de Onderneming trachten te verzekeren dat de Aanbieding zo snel mogelijk is geïmplementeerd. Tot slot vereist de Onderneming additioneel kapitaal om haar vastgoedportefeuille te (her)ontwikkelen en te vergroten door middel van overnames (totaal: EUR 165 miljoen).</p>
E.3	<p>Voorwaarden verbonden aan de Aanbieding</p> <p>Voorwaarden van de Aanbieding</p> <p>Onder toepassing van de toepasselijke effectenwetten en de voorwaarden uit dit Prospectus, hebben de bestaande aandeelhouders van de Onderneming per Vaststellingsdatum Rechten gekregen om Aangeboden Aandelen te verkrijgen voor de Uitgifteprijs, welke EUR 2.78 per Aangeboden Aandeel bedraagt. De meest recente beschikbare prijs per aandeel (vraagkant) per 1 december 2014 van de Bestaande Aandelen op NPEX was EUR 2,15. Elk Aandeel dat Aandeelhouders houden op het handelsplatform aangeboden door NPEX om 9:00 uur CEST op 3 december 2014, de Vaststellingsdatum, zal hen 1 Recht doen toekomen. Een persoon die in aanmerking komt krachtens de voorwaarden uit dit Prospectus, zal tegen betaling van de Uitgaveprijs voor elk Aangeboden Aandeel recht hebben om 5 Aangeboden Aandelen te nemen voor elke 2 Rechten die hij houdt, door middel het uitoefenen van zijn Rechten vanaf 9:00 uur CEST op 9 december 2014 tot 16:00 uur CEST op 31 december 2014 (de "Uitoefeningsperiode"). Dienovereenkomstig, In Aanmerking Komende Personen zullen recht hebben om 5 Aangeboden Aandelen te nemen voor elke 2 Aandelen die zij houden op de Vaststellingsdatum, tegen betaling. Rechten kunnen alleen per 2 worden uitgeoefend. Gedeeltelijke Aandelen zullen niet worden uitgegeven. Rechten die bij het einde van de Uitoefeningsperiode nog niet zijn uitgeoefend, kunnen niet langer worden uitgeoefend door de In Aanmerking Komende Persoon. Zodra een In Aanmerking Komende Persoon zijn rechten geldig heeft uitgeoefend, kan deze uitoefening niet meer worden teruggedraaid of gewijzigd, behoudens indien een supplement op het Prospectus is gepubliceerd en voor zover verplicht onder toepasselijk recht. De statutaire wettelijke voorkeursrechten van de houders van Bestaande Aandelen met betrekking tot de Aanbieding (zoals hierna gedefinieerd) zijn rechtsgeldig uitgezonderd.</p> <p>Conditie van de Aanbieding</p> <p>De Aanbieding vindt niet plaats als Catalyst Coop als <i>back-stop</i> verschaffer haar Rechten niet uitoefent. De verplichtingen van Catalyst Coop onder de Verkrijgingsovereenkomst om haar Rechten uit te oefenen bestaan onder de voorwaarde dat verschillende condities ten behoeve van Catalyst Coop zijn vervuld of opgegeven. Deze betreffen onder meer de volgende condities, in het kort: (i) de afwezigheid van een materiële nadelige wijziging met betrekking tot de Onderneming en haar dochterondernemingen, (ii) het ten uitvoer brengen van de transacties onder de Verkrijgingsovereenkomst is niet in strijd met een verplichting opgelegd door een rechtbank of toezichthouder, (iii) er treedt geen strijd op met een clause in een financieringsovereenkomst met Geneva Baltics S.à r.l. betreffende een verandering in controle doordat Catalyst Coop haar Rechten uitoefent, (iv) het Prospectus is in overeenstemming met de vereisten uit de Prospectus Richtlijn, en (v) de geconsolideerde intrinsieke vermogenswaarde van de Onderneming is niet in materiële zin gedaald tot onder EUR 94,15 miljoen (zoals vermeld in het interim rapport voor de periode 27 maart 2014 tot 30 juni 2014).</p> <p>Voorwaarden van het gebackstopte deel van de Aanbieding</p> <p>Catalyst Coop heeft, onder voorwaarde van de voorwaarden gesteld in de</p>

	<p>Verkrijgingsovereenkomst, ingestemd met het verkrijgen van betalen van de Aangeboden Aandelen waarvoor de Rechten niet op tijd of onvolledig zijn uitgeoefend door andere Aandeelhouders in overeenstemming met de Aanbieding vanaf de Aanbieding en eindigend op 3 december 2015 (de "Backstop Periode") en onder de voorwaarden gesteld in de Verkrijgingsovereenkomst. De verplichtingen van Catalyst Coop onder de Verkrijgingsovereenkomst om Aandelen te verkrijgen waarvoor de Rechten niet op tijd of onvolledig zijn uitgeoefend door andere Aandeelhouders bestaan onder de voorwaarde dat verschillende condities ten behoeve van Catalyst Coop zijn vervuld of opgegeven. Deze betreffen onder meer de volgende condities, in het kort: (i) de Onderneming heeft onvoldoende gelden om het eigen vermogen vereist voor de investering op te brengen, (ii) er is een voorstel voor een investering dat is goedgekeurd door de raad van commissarissen van de Onderneming in een vergadering ten behoeve van de goedkeuring die wordt gehouden ten minste 10 dagen nadat Catalyst Coop en de raad van commissarissen de details van de voorgestelde investering hebben ontvangen, (iii) de afwezigheid van een materiële nadelige wijziging met betrekking tot de Onderneming en haar dochterondernemingen, (iv) het ten uitvoer brengen van de transacties onder de Verkrijgingsovereenkomst is niet in strijd met enige wet of verplichting opgelegd door een rechtbank of toezichthouder, (v) de afwezigheid van een opeisingsgrond onder enige materiële financieringsovereenkomst van de Onderneming of een van haar dochterondernemingen, (vi) er treedt geen strijd op met een clause in een financieringsovereenkomst met onder meer Geneba Baltics S.à r.l. betreffende een verandering in controle doordat Catalyst Coop haar verplichtingen onder de Verkrijgingsovereenkomst nakomt, (vii) het Prospectus is in overeenstemming met de vereisten uit de Prospectus Richtlijn en informatie van belang voor Aandeelhouders wordt daarna ook onverwijld publiek gemaakt, en (viii) de intrinsieke vermogenswaarde van de Onderneming is niet met meer dan 10% is gedaald, waaronder de Onderneming Catalyst Coop alleen kan verzoeken Aangeboden Aandelen tegen een prijs van 12% onder de op dat moment geldende intrinsieke vermogenswaarde op te nemen.</p>
E.4	<p>Entiteiten betrokken bij de Aanbieding</p> <p>Catalyst Coop, de grootaandeelhouder van de Onderneming, heeft ingestemd om (i) alle Rechten aan haar toegekend uit te oefenen en (ii) een <i>back-stop</i> faciliteit te verschaffen voor alle Aangeboden Aandelen van welke de verbonden Rechten niet worden uitgeoefend door Aandeelhouders uiterlijk op 31 december 2014 om 16:00 uur CET, telkens met inachtneming van de voorwaarden uit de Verkrijgingsovereenkomst en toepasselijke effectenwetgeving (zie Element E.3 voor verdere details).</p>
E.5	<p>De Verkopende Aandeelhouder; <i>Lock up</i></p> <p>Niet van toepassing.</p>
E.6	<p>Verwatering</p> <p>Als gevolg van de Aanbieding en van enige opneming van Aangeboden Aandelen door Catalyst Coop waarop niet is ingeschreven door andere Aandeelhouders kunnen de aandelen van een Aandeelhouder verwateren met 71% tot 29% van hun huidige proportionele eigendomsrechten indien de Aandeelhouder besluit om zijn Rechten niet uit te oefenen. In dat geval zal de relatieve hoeveelheid stemrechten ook sterk verminderen. De uitgiftevaluta van de Aangeboden Aandelen zullen in Euro zijn. Aangeboden Aandelen die niet verkregen zijn door middel van het uitoefenen van de Rechten van de Aanbieding gedurende de Uitoefeningsperiode zullen worden verkregen en betaald door Catalyst Coop met inachtneming van de Uitgifteprijs. Hierop zijn de voorwaarden uit</p>

	<p>de Verkrijgsovereenkomst van toepassing, alsmede toepasselijke effectenwetgeving.</p> <p>Het bovenstaande brengt met zich dat alle Aandeelhouders hun Rechten onder de Aanbieding voor dezelfde prijs (met dezelfde korting) mogen uitoefenen. Dit brengt tevens met zich dat Catalyst Coop geen provisie zal ontvangen voor het faciliteren van de <i>back-stop</i> in de vorm van een verdere korting, wat gebruikelijk is in aanbiedingen. Hierover is overeenstemming bereikt met het oog op de gelijke behandeling van Aandeelhouders.</p>
E.7	<p>Geschatte kosten doorberekend aan de belegger door de Onderneming</p> <p>Niet van toepassing; met betrekking tot de Aanbieding zullen geen kosten worden doorberekend aan beleggers door de Onderneming.</p>

RISK FACTORS

If any of the following risks occurs, the Company's business, results of operations or financial condition or the price of the Shares could be materially adversely affected. In that event, the value of the Shares could decline and the Shareholder might lose part or all of its investment. Although the Company believes that the risks and uncertainties described below are the material risks and uncertainties facing the Company's business, they are not the only ones the Company faces. Additional risks and uncertainties presently unknown to the Company or that the Company currently deems immaterial may also have a material adverse effect on the Company's business, results of operations or financial condition and could negatively affect the price of the Shares. Any reference to the "Company" below should, where the context so requires, be read as a reference to any company or entity which forms part of the Company's affiliates and subsidiaries (the "Group").

RISKS RELATING TO THE BUSINESS

The Company is exposed to certain risks relating to real estate investments.

Investing in real estate is generally subject to various risks. These are highlighted in this risk factor by reference to the risk factors which contain a detailed description. Please note that there are other risk factors (i.e. not directly relating to investing in real estate) relevant for the investor which are described throughout this section below. The highlighted real estate investment risks are the following:

- adverse changes in national or international economic conditions;

See "The crisis in the financial markets and the global economic downturn have led to a decreased demand for, and an increased supply of, properties in the markets where the Company operates and may continue to have negative consequences for the Company's business, results of operations and financial condition." and "The Company is exposed to the political and economic situation in the Baltic countries (Lithuania, Estonia and Latvia)."

- composition of the portfolio;

See "Concentration of properties in Europe may adversely affect the Company's financial performance." and "The Company is exposed to risks arising from the illiquidity of its portfolio.", "Hidden defects in the legal title to the land underlying its properties may have a negative impact on the Company's business, results of operations and financial condition.", "Hidden deficiencies in the Company's properties could impact the Company's business, results of operations and financial condition negatively.", "The valuations of the Company's properties contained in the valuation reports are inherently subjective and uncertain.", "The Company is exposed to the risk of fair value changes with respect to its properties and liabilities." and "The Company is exposed to risks relating to ground leases."

- adverse local market conditions;

See "Increased competition in the commercial property market may adversely affect the Company's revenues and profitability."

- the financial conditions of the office, industrial and retail sectors (including tenants);

See "Concentration of tenants may adversely affect the Company's financial performance." and "The Company may not be able to renew or maintain leases on economically favourable terms."

- buyers and sellers of real estate;

See *"The Company may not be able to successfully engage in acquisitions, disposals, refurbishments or expansions of properties."*

- changes in availability of debt financing;

See *"The Company may not successfully renegotiate certain credit facility agreements. Risks relating to the financing of the Company's activities"*.

- changes in capital expenditure or in interest rates, real estate tax rates and other operating expenses;

See *"The Company may incur significant capital expenditures and other fixed costs."* and *"The Company is exposed to interest rate risks."* and *"Risks relating taxation matters"*.

- environmental laws and regulations;

See *"The Company may not be compliant with one or more of the rules and regulations to which it is subject."*

- planning laws and other governmental rules and fiscal policies;
- environmental claims arising in respect of properties acquired with undisclosed or unknown environmental problems or (catastrophic) events as to which inadequate reserves had been established;

See *"Hidden deficiencies in the Company's properties could impact the Company's business, results of operations and financial condition negatively."*, *"The Company may suffer losses not covered by insurance. The Company could be exposed to catastrophic events or to risks relating to acts of terrorism and violence."* and *"The Company may be exposed to environmental risks that may result in unanticipated losses."*

- energy prices;
- changes in the relative popularity of real estate types and locations due to, for example, demographic factors, consumer confidence or consumer tastes and preferences, leading to an oversupply of space or a reduction in demand for a particular type of real estate in a given market; and
- risks and operating problems arising out of the presence of certain construction materials.

Concentration of tenants may adversely affect the Company's financial performance.

In the financial year 2013, the vast majority of the Company's portfolio's annual rental income was derived from its five largest tenants. In particular, Infineon as the main tenant generated 63% of the Company's revenues. As a consequence the Company's revenues are sensitive to the ability of its key tenants to meet their rent obligations and the Company's ability to collect rent from these tenants or new tenants. The recovery of the carried value of the Company's investments in these properties is thus also dependent upon the creditworthiness of a tenant, which can decline over the short, medium or long term. If for any reason the Company is unable to collect rents from Infineon, its largest tenant, or any of its other key tenants or a significant number of tenants, the Company's revenues and its ability to pay the property costs associated with the relevant property could be materially adversely affected. Furthermore, at any time, a tenant of any of the Company's properties may seek the protection of bankruptcy, insolvency or similar laws that could result in the rejection and termination of such tenant's lease and thereby cause a reduction in the cash flow available to the Company.

The Company may be unable to replace the revenue stream from a key tenant on a timely basis, on acceptable terms (see the following risk factor), or at all, but will nevertheless remain obligated to pay the

related property costs. The Company will attempt to mitigate this risk by entering into long term leases, reviewing the financial stability and condition of its key tenants, obtaining security or guarantees where appropriate, and seeking geographic and industry diversity of tenants. The Company's largest tenant has issued a letter of guarantee to the primary lender having lent funds for the acquisition of the leased property. The amount of the guarantee represents in excess of 2 years' rental income from this tenant. However, these mitigating factors do not eliminate the tenant concentration risk.

The Company may not be able to renew or maintain leases on economically favourable terms.

The Company's income would be adversely affected if a significant amount of available space in its properties were not able to be leased on economically favourable lease terms. Upon the expiry of any lease, there can be no assurance that the lease will be renewed or the tenant replaced. In the case of the Bochum asset, the tenant also has exercised the right to terminate the lease prior to the expiration of its term (early termination will be effective as per 2018). With respect to the Neubiberg and Rotterdam assets, there are also provisions that may influence the timing of the end of the lease term. For more information on this, please see "*Business - Overview of the Portfolio*".

The terms of any subsequent lease may be less favourable to the Company than the existing lease. In the event of default by a tenant, delays or limitations in enforcing rights as a lessor may be experienced and substantial costs in protecting the Company's investment may be incurred. Costs may be incurred in making improvements or repairs required by a new tenant. The failure to rent unleased space on a timely basis or at all could have a material adverse effect on the financial condition of the Company.

Concentration of properties in Europe may adversely affect the Company's financial performance.

All of the Company's properties are located in Europe, specifically Germany, the Netherlands and the Baltic States, and, as a result, are impacted by economic and other factors specifically affecting the real estate markets in Europe and specifically in such states. Due to the relatively concentrated nature of the Company's properties, a number of them could experience any of the same conditions at the same time. If real estate conditions in Europe decline, and especially in the mentioned states, the Company's cash flows, operating results and financial condition may be more adversely affected than those of companies that have more geographically diversified portfolios of properties.

The crisis in the financial markets and the global economic downturn have led to a decreased demand for, and an increased supply of, properties in the markets where the Company operates and may continue to have negative consequences for the Company's business, results of operations and financial condition.

Continued uncertainty about whether the economy will be adversely affected by inflation, deflation or stagflation and the systematic impact of increased unemployment, volatile energy costs, geographical issues, the availability and cost of credit to the mortgage market and a distressed commercial real estate market have contributed to increased market volatility and weakened business and consumer confidence. This, together with reduced availability of financing, has prompted businesses to scale back or postpone their expansion plans, which has made it more difficult for commercial property managers to find appropriate tenants.

Changes in supply and demand for real estate, or any contraction of the property market in the case of an economic downturn in the markets in which the Company is active, in particular in respect of office properties, may increase competition in the commercial property market and may negatively influence the occupancy rates of the Company's properties, the rent rates, and the level of demand and prices for such properties. Similarly, the demand for retail, industrial and office space may decrease as a result of an increase in available space and heightened competition for "quality" tenants. This could materially adversely affect the businesses, financial condition, operational results or prospects of the Company. Furthermore, the

Company may bear maintenance costs or investments for properties it cannot rent out, which would lower earnings and have a negative impact on the financing position of the Company.

The Company is exposed to the political and economic situation in the Baltic countries (Lithuania, Estonia and Latvia).

The Company owns properties in the Baltics. Recent political turmoil in Ukraine and tensions between the European Union and Russia, particularly over the annexation of the Crimea as well as over the support of referenda and separatist movements in Eastern Ukraine, could have a negative political and economic effect on the valuation of the Group's properties in the Baltics and any further investment prospects and operations in these countries. In particular, if the tensions between the European Union and Russia were to intensify, a severe regional economic downturn may occur including foreign investments decreasing. Additionally, some of the Baltic countries have a significant Russian minority. Unrest in Baltic countries and resulting political instability, especially due to tensions between such Russian minority and the majority population in these countries, could also have a negative effect on the valuation of the Group's properties, the Group's results of operations, financial and liquidity position.

Increased competition in the commercial property market may adversely affect the Company's revenues and profitability.

The Company competes with property developers, property funds and other commercial property owners for tenants. Other than the requirement for capital, there are few barriers to enter the property market. The Company's competitors may own properties that are better located or otherwise more attractive to potential tenants than the Company's properties or may offer properties to potential tenants on more favourable lease terms than the Company does. Competition may impact the Company's ability to attract new tenants or retain existing tenants, force the Company to agree to less favourable and shorter and more flexible lease terms, or cause delays by existing tenants in the renewal of expiring lease agreements. The impact of competition may adversely affect the Company's business and results of operations.

In addition to competition for tenants, the Company may decide to acquire new or sell its existing properties. The Company may then face competition in acquiring and selling properties, including from property developers, property funds and property users. Some of the Company's competitors may have access to greater or less expensive sources of capital than the Company or may have more resources with which to pursue acquisitions. If competition for acquiring properties were to increase, the Company might have to pay higher prices for acquisitions or reduce the pool of properties that meets its investment criteria. Furthermore, any increase in properties on the market or a general decrease in interest for properties may adversely affect the price the Company is able to obtain for sales of its properties as well as increase the time required to conduct any such sales.

The Company is exposed to risks arising from the illiquidity of its portfolio.

An investment in real estate is relatively illiquid. Such illiquidity will tend to limit the Company's ability to vary the Company's portfolio promptly in response to changing economic or investment conditions. The costs of holding real estate are considerable and during an economic recession the Company may be faced with on-going expenditures with a declining prospect of incoming receipts. Were the Company required to liquidate parts of its portfolio on short notice for any reason, including raising funds to support its operations or exiting an investment the Company no longer wishes to own, the Company might not be able to sell any such property on favourable terms. In the case of an accelerated sale, there may be a significant shortfall between the fair value of the property and the price at which the Company could sell such property. Any such shortfall could have a material adverse effect on the business, financial condition or results of operations of the Company.

The Company may not be able to successfully engage in acquisitions, disposals, refurbishments or expansions of properties.

The Company's growth prospects depend in large part on identifying suitable acquisition opportunities, pursuing such opportunities and consummating acquisitions. If the Company is unable to manage its growth and integrate and manage its acquisitions effectively, its business, operating results and financial condition could be adversely affected.

The Company may decide to acquire properties and to sell, refurbish or expand its existing properties in order to optimise the value of its portfolio. The ability of the Company to engage in acquisitions, disposals, refurbishments or expansions may be limited by its ability to identify appropriate properties, as well as by conditions beyond its control, such as the availability of attractively priced acquisitions, the condition of the property market or changes in governmental and municipal regulations.

Acquisition and development agreements entered into with third parties may be subject to unknown, unexpected or undisclosed liabilities which could have a material adverse impact on the operations and financial results of the Company. Moreover, properties acquired by the Company may not meet expectations of operational or financial performance due to unexpected costs associated with developing an acquired property, as well as the general investment risks inherent in any real estate investment.

Hidden defects in the legal title to the land underlying its properties may have a negative impact on the Company's business, results of operations and financial condition.

The Company cannot guarantee that there are no defects in the legal titles that it holds in respect of the land on which its properties are built. Such defects may be the result of, for instance, legal restrictions or encumbrances, administrative regulations, contractual unenforceability or otherwise relating to the land.

The Company has reviewed the legal titles with respect to all properties. No deficiencies were found during this review. However, the assessment and any remedial action may not preclude the risk from materialising due to, for example, incompleteness of the information and documentation the Company has in its possession, or that documentation on deficiencies does not show from the registry of the Company. This may result in the payment of compensation for use of the land, remediation or compliance costs which could negatively impact the Company's business, results of operations and financial condition.

Hidden deficiencies in the Company's properties could impact the Company's business, results of operations and financial condition negatively.

There is no assurance that the Company's properties do not have material hidden defects, resulting from, for instance, structural damage, legal restrictions or encumbrances and non-compliance with existing building standards or health and safety or other administrative regulations.

Since it obtained the assets, the Company has taken several actions to mitigate this risk. This includes, amongst others, appointing new valuers and obtaining new valuations as per 30 June 2014, appointing a new auditor and visiting the properties and meeting with all relevant parties involved. Furthermore, the Company is closely monitoring whether the rent is paid in time and in full, which is the case until now. The Company also engaged technical experts to review parts of the portfolio and hired more staff to enhance asset management, and finance and control departments. However, these mitigating factors, and the fact that rent has been timely paid in full until now, does not eliminate the risk of hidden defects. If this risk materialises, it could cause the value of the Company's properties to decline or require the Company to incur remediation and compliance costs, result in terminations of leases and potential liquidity problems. Representations and warranties given by third parties to the Company may not adequately protect against these liabilities and any recourse against third parties may be limited by the financial capacity of such third

parties. The materialization of these risks could also affect the validity of certain lease agreements. All of this could have a material adverse effect on the Company's business, results of operations and financial condition.

The valuations of the Company's properties contained in the valuation reports are inherently subjective and uncertain.

The valuation of property is inherently subjective due to the individual nature of each property and the characteristics of local, regional and national property markets which change over time and the valuation methods used. The valuation reports included in this Prospectus were mainly based on information provided by the Company to the valuers. This information and the other assumptions made by the valuers may be incomplete or inaccurate. Investors should therefore read the scope and assumptions sections of the valuation reports carefully. However, due to the fact that with respect to the valuations included in this Prospectus the Company's current management provided and/or reviewed the relevant information for the valuation, the Company can confirm that all measures have been taken to ensure that accurate and complete information was provided to the valuers and that no assumptions made by the valuers are to the knowledge of the Company's management incorrect. The valuations are based largely on the professional judgment of the valuers. There is no assurance that the valuations of the Company's properties contained in this Prospectus or in future reports to Shareholders are reflective of the actual sale prices which could be achieved upon the disposal of these properties even if any such sales were to occur shortly after the relevant valuation dates.

To the extent that real estate included in the valuation reports has been overvalued, the Company may be required to negatively adjust the fair value of such real estate as recorded on the Company's balance sheet. Such a negative fair value adjustment (or write-down) could have a material adverse effect on the Company's financial condition and profitability and, as a result, on the value of and return on the Shares.

The Company is exposed to the risk of fair value changes with respect to its properties and liabilities.

In the financial statements of the Company, the investment properties and certain liabilities held by it are recorded as assets or liabilities respectively based on the fair value method pursuant to applicable financial reporting standards. Any gain or loss arising from a change in the fair value of the Company's investment property is recognised as profit or loss for the period in which it arises.

The fair value of the properties and certain liabilities of the Company, reflecting their market value, is subject to change. Generally, the market value of real estate properties or liabilities depends on a variety of factors, some of which are exogenous and may not be within the control of the Company, such as, in the case of properties, decreasing demand or occupancy rates in the markets in which the Company operates or movements in expected investment yields, or, in the case of liabilities, the credit quality of counterparties, interest rate curves, own credit risk, discount rates or other factors used to take into account or model market conditions for instruments with similar terms and risks. In addition, many qualitative factors affect the valuation of a property, including the property's expected rental income, the duration of the lease contracts, incentives needed to entice tenants to sign or renew leases, the quality of the tenants, its condition and its location.

Should the factors considered or assumptions made in valuing a property or liability change, to reflect new developments or for other reasons, subsequent valuations may result in a change, be it upward or downward, of the fair value ascribed to such property or liability. If such valuations reveal significant decreases in fair value of properties, or increases of value of liabilities, compared to prior valuations, the Company will incur significant revaluation losses with respect to such properties or liabilities. Depending on its extent, a revaluation loss could have a material adverse effect on the business, assets and liabilities, results of operations and financial condition of the Company.

The Company may not successfully renegotiate certain credit facility agreements.

The Company intends to renegotiate the terms of certain credit facility agreements, including the credit facility agreements under which loans were extended which are secured upon the Bochum property and the Baltic properties respectively.

In case of the Bochum property, failing to renegotiate such credit facility agreement timely against favourable conditions may have an adverse effect on that property because it may impede or even prevent the successful clean-up of the asbestos present in such property and thereby materially adversely affect the value of the property and cause the tenant to terminate the lease early. The Company has proposed to the lender to sell the subsidiary of the Bochum asset altogether. If the renegotiations fail or if the property is not sold for at least an amount equal to the unpaid amounts under the credit agreement with Valbonne Real Estate 2 B.V. ("VRE 2"), the holding company of the Bochum asset, VRE 2 may need to petition for bankruptcy. However, the Company has not provided any guarantees with respect to VRE 2. Furthermore, the Company does not intend to use the proceeds of the Offering to recapitalise VRE 2.

In case of the Baltics properties, such failure could materially adversely affect the profitability of the Baltic portfolio which already has a negative loan to value and may require that the Company divest this portfolio in a distressed situation whereby the creditors of the relevant subsidiaries may successfully attempt to hold the Company liable for any deficits, despite the corporate structure of the group and even though the Company has no reason to believe such a claim will succeed. The Baltic portfolio currently has a loan-to-value ratio of more than 100%. The Company has internally decided that it will consider its options. These could either be an agreement with the lender (also the tenant) on structures to adjust the loan to value ratio without additional injection of equity or to divest the portfolio entirely. For this, please see also "*Despite the structure of the Group, the Company may be held liable for claims arising at its subsidiaries.*"

The Company may incur significant capital expenditures and other fixed costs.

Certain significant costs that the Company must make, or expenditures, including property taxes, maintenance costs, mortgage payments, insurance costs and related charges, must be made throughout the period of ownership of investment property (real or immovable property), regardless of whether the property is producing sufficient income to pay such expenses. This may include expenditures to fulfil mandatory requirements for energy efficiency. In order to offer desirable rentable space and to generate adequate revenue over the long term, the Company must maintain or, if the situation arises, improve each property's condition to meet market demand. Maintaining a rental property in accordance with market standards can entail significant costs, which the Company may not be able to pass on to the Company's tenants. At the moment capital expenditures for the account of Geneva are planned in the Baltics for an amount of EUR 600,000 in 2014 and with respect to the Hassmersheim asset, which is in the process of being expanded. Furthermore the company is in negotiation with Deutsche Annington and NIBC in relation to the clean-up of asbestos in Bochum (reference is made to "*Business - Overview of the portfolio*"). Numerous factors, including the age of the relevant building structure, the material and substances used at the time of construction or currently unknown building code violations, could result in substantial unbudgeted costs for refurbishment or modernization. If the actual costs of maintaining or upgrading a property exceed the Company's estimates, or if hidden defects are discovered during maintenance or upgrading, which are not covered by insurance or contractual warranties, or if the Company is not permitted to raise the rents due to legal or other constraints, the Company will incur additional and unexpected costs. If competing properties of a similar type are built in the area where one of the Company's properties is located or similar properties located in the vicinity of one of the Company's properties are substantially refurbished, the net rental income derived from and the value of, the Company's property could be reduced. Any failure by the Company to undertake appropriate maintenance and refurbishment work in response to the factors described above could adversely affect the rental income the Company earns from such properties; for example, such a failure could entitle tenants to withhold or reduce rental payments or even to terminate

existing letting contracts. Any such event could have a material adverse effect on the Company's cash flows, financial condition and results of operations.

The Company's performance depends on the market knowledge and experience of the Company's Management Board.

The Company's performance depends on the market knowledge and experience of the members of the Company's management board (the "**Management Board**"). Should any of the members of the Management Board resign, or should the Company require additional management capacity, no assurance can be given that the Company will be able, within a reasonable time frame and cost-effectively, to recruit qualified managers or persons with adequate know-how of the competitive environment in which the Company operates. The loss of managers and the inability to identify, attract and retain other qualified personnel could have a material adverse effect on the Company's business, financial condition and results of operations.

If the Company loses its licence from the AFM necessary for its operations it may not be able to carry on its business or parts of its current or planned businesses.

The Company has obtained a licence pursuant to Directive 2011/61/EU ("**AIFMD**") from the AFM under the FMSA for its activities as an investment institution. In this respect, the Company is required to comply with the on-going requirements applicable to a closed-end investment institution under the FMSA. The Company has no reasons to expect that it may lose its licence. However, the FMSA and other applicable laws and regulations and their interpretation may change from time to time. Compliance with, and monitoring of, applicable laws and regulations may be difficult, time consuming and costly. Moreover, failure to comply with the applicable laws and regulations could result in fines or other sanctions, including the revocation of the licence.

The Company's ability to enforce contracts may be limited.

From time to time, the Company may enter into contracts with third parties who make representations and warranties to it with respect to certain matters or agree to indemnify the Company if certain circumstances should occur. There can be no assurance that the Company will be fully protected in the event of a breach of such representations and warranties or if such circumstances should occur or that such party will be in a position to indemnify the Company in any such event. The Company may not be able to successfully enforce an indemnity contained in an agreement against such party or any such indemnity may not be sufficient to fully indemnify the Company from third party claims. In addition, the Company may be subject to undisclosed liability to third parties and such liability may be material, which could negatively impact the Company's financial condition and results of operations.

The Company may suffer losses not covered by insurance. The Company could be exposed to catastrophic events or to risks relating to acts of terrorism and violence.

The Company's properties are largely covered against property damages and third party liability by means of corporate umbrella policies. The Company seeks to maintain insurance policies covering its properties with policy specifications and insured limits which it believes are customary for real property assets and in accordance with industry practice. Insured risks generally include fire, theft, and public liability.

There are, however, certain types of risks that are not generally insured against or which are uninsurable under any insurance policy, such as damages from force majeure events, losses from wars, flooding or acts of terrorism. Some of the Company's properties are located in areas with a risk of catastrophic events, such as storms, flooding, earthquakes and landslides. These may result in severe damages to the Company's properties. Due to high visibility and the presence of large numbers of people, the Company's properties may also be targets for terrorism and other forms of violence. Any terrorist or violent attack on a property of the

Company or a similar property owned by someone else may harm the conditions of the Company's tenants or the tenants may be released from their obligations as a result of the relevant event and may, apart from any direct losses, harm the property investments of the Company. Furthermore, such terrorist violent attacks may create economic and political uncertainties that could have a negative effect on economic conditions in the regions in which the Company operates.

Should an uninsured loss or a loss in excess of the insured amount occur, the Company could lose all or a portion of the capital invested in a property, as well as the anticipated future revenue from that property, but the Company would continue to be obliged to repay any recourse mortgage indebtedness on such properties. In addition, the Company's insurance policies only provide cover for a limited period of time. If the Company is unable to renew these policies before they expire or is unable to renew them on the same or comparable terms, it could be uninsured entirely or against specific losses. Substantial uninsured losses could materially adversely affect the Company's business, results of operations and financial condition. Claims against the Company, regardless of their merit or eventual outcome, may have a material adverse effect on the ability of the Company to expand its business and will require management to devote time to matters unrelated to the operations of the business.

The Company may be exposed to environmental risks that may result in unanticipated losses.

As an owner and manager of real property, the Company is subject to various laws and regulations in the Netherlands, Germany, the Baltic States and the European Union concerning the protection of the environment, including regulations governing air and water quality, the release of hazardous or toxic substances and guidelines regarding health and safety. The Company's properties may contain ground contamination, hazardous substances, wartime relics (including potentially unexploded ordnance) and/or other residual pollution and environmental risks. Buildings and their fixtures might contain asbestos or other hazardous substances such as polychlorinated biphenyl, dichlorodiphenyltrichloroethane, pentachlorophenol or lindane above the allowable or recommended thresholds, or the buildings could bear other environmental risks.

In order to obtain financing for the purchase of a new property through traditional channels, the Company may be requested to arrange for an environmental audit to be conducted. Although such an audit provides the Company and the Company's lenders with some assurance, the Company may become subject to liability for undetected pollution or other environmental hazards on the Company's properties against which the Company cannot insure, or against which the Company may elect not to insure where premium costs are disproportionate to the Company's perception of relative risk and, as a result, despite environmental audits, environmental risk remains material.

In practice, environmental risk could materialise as follows:

- The Company could be held liable for the costs, which may be significant, of removal or remediation of certain hazardous substances or wastes released or deposited on or in its properties or disposed of at other locations. According to applicable legislation in certain jurisdictions, not only the polluter but also its legal successor, the owner of the contaminated site and certain previous owners may be held liable for soil contamination. The costs of any removal, investigation or remediation of any residual pollution on such sites or in such buildings as well as costs related to legal proceedings, including potential damages, regarding such matters may be substantial, and it may be impossible, for a number of reasons, for the Company to have recourse against a former seller of a contaminated site or building or the party that may otherwise be responsible for the contamination.
- Laws and regulations, as may be amended over time, may also impose liability for the release of certain materials into the air or water from a property, including asbestos, and such release could form the basis for liability to third persons for personal injury or other damages. In addition, if the Company's officers

or employees infringe or have infringed environmental protection laws, the Company could be exposed to civil or criminal damages. The Company may be required to provide for additional reserves to sufficiently allocate toward the Company's potential obligations to remove and dispose of any hazardous and toxic substances. Any such event could have a material adverse effect on the Company's cash flows, financial condition and results of operations.

- The Company bears the risk of cost-intensive assessment, remediation or removal of such ground contamination, hazardous substances, wartime relics or other residual pollution.
- The discovery of any such residual pollution on the sites and/or in the buildings, particularly in connection with the lease or sale of properties or borrowing using the real estate as security, could trigger claims for rent reductions or termination of leases for cause, for damages and other breach of warranty claims against the Company.
- The Company is also exposed to the risk that recourse against the polluter or the previous owners of the Company's properties might not be possible, for example, because they cannot be identified, no longer exist or have become insolvent.
- The existence or even the mere suspicion of the existence of ground contamination, hazardous materials, wartime relics or other residual pollution can negatively affect the value of a property and the Company's ability to lease or sell such a property.

Specifically, the Company recently discovered that the property in Bochum was contaminated with asbestos resulting in potentially large clean-up costs. The Company has taken a provision of EUR 4.5 million in the interim financial statements for 2014. However, the Company requested and received a report from Arcadis Deutschland GmbH indicating that these costs may amount to approximately EUR 9 million (this number is used in the 30 September 2014 figures of the working capital statement under "*Working Capital, Capitalisation and Indebtedness*", and includes EUR 1.2 million in expenses that the Company will be legally required to make in the short term), which is an estimate that in the view of the Company's management is reasonable. However, the tenant estimates the costs to amount to approximately EUR 17 million. Even though in the view of the Company's management, the tenant's estimate includes cost items of approximately EUR 8 million which should be for account of the tenant, the tenant's estimate provides an indication of the maximum costs. Also, the tenant has terminated the lease per 2018. VRE 2 is presently negotiating with the bank and the tenant to resolve the outstanding issues. If these negotiations fail and the bank will claim payment of all unpaid sums under the credit agreement, VRE 2 may need to petition for bankruptcy. However, the Company has not provided any guarantees with respect to VRE 2. Furthermore, the Company does not intend to use the proceeds of the Offering to recapitalise VRE 2. This means that, due to the silo structure of the Company group, other group companies will in principle not be affected by the insolvency of VRE 2, as the insolvency proceeding will be settled at the level of VRE 2 only. As a result, only the assets of VRE 2 will be subject to the insolvency proceedings. For risks with respect to the silo structure, please see "*Despite the structure of the Group, the Company may be held liable for claims arising at its subsidiaries.*".

The Company may not be compliant with one or more of the rules and regulations to which it is subject.

The Company is subject to a wide range of local, regional, national and European Union laws and regulations including planning, zoning, environmental, health and safety, tax and others. The Company may be required to pay penalties for non-compliance with these laws and regulations. The Company is not aware of any material non-compliance with any of these laws and regulations. However, laws and regulations, including those relating to environmental matters, can change rapidly and the Company may become subject to more stringent laws and regulations in the future. Material changes in these laws and regulations, or in their interpretation or enforcement, could have an adverse effect on the Company's business, financial

condition or results of operations. A change of use of the Company's properties may also be limited by applicable regulatory requirements including urban development regulations and general planning law requirements. This may therefore inhibit the Company's ability to re-lease vacant space to subsequent tenants, or may adversely affect the Company's ability to sell, lease or finance the affected properties.

The Company may, from time to time, be involved in legal proceedings in the course of its business.

The Company may be involved in legal proceedings in the future. The costs of litigation and settlement can be substantial and there is no assurance that such costs will be recovered in whole or at all. Such costs can materially impact cash flows. The unfavourable resolution of any legal proceeding could have a materially adverse effect on the Company and its financial position and results of operations.

Changes in currency exchange rates could adversely affect the Company's business.

The Company conducts its business primarily in euros, as well as other currencies that currently maintain a fixed exchange rate with (or are "pegged" to) the euro (the Lithuanian lita). Given the high volatility of currency exchange rates, there can be no assurance that such currency will remain pegged to the euro. If such a currency ceases to be pegged to the euro, this may lead to a significant devaluation of the relevant currency, and may have a materially adverse effect on the Company's business, financial condition, results of operations or cash flows.

The Company is exposed to interest rate risks.

The assets and liabilities of the Company (including the mortgages secured by the Company's properties) have fixed and floating interest rate components resulting in an exposure to interest rate fluctuations. These fluctuations in interest rates will have an impact on the earnings of the Company. Increases in interest rates generally cause a decrease in demand for properties. Higher interest rates and more stringent borrowing requirements, whether mandated by law or required by banks, could have a significant negative effect on the Company's ability to sell any of the Company's properties. In addition, the Company's borrowing costs could rise. As a result, the Company's financial results and condition or operating results could be materially adversely affected.

The Company is exposed to risks relating to ground leases.

The Company holds some of its properties under ground leases, with the land being owned by another party, usually a municipality. The conditions of the ground lease agreement, such as its term and the payment obligations, are a parameter for the value of the property. The ground lease agreement may contain provisions leading to the loss of the ground leased property if the Company is in serious breach of the ground lease agreement. Furthermore, the Company may face changes in the terms and conditions of the ground lease agreement, for example with respect to payment obligations to the owner of the property. Unfavourable changes may limit the Company's ability to sell the ground leased property and may decrease its value. The Company may be required to write down the value of such asset as recorded on the Company's consolidated balance sheet. Such a write down could have a material adverse effect on the Company's financial condition and profitability and, as a result, on the value of and return on Shares.

The members of the Supervisory Board and Management Board may be placed in a conflict of interest as a result of their positions held and interests in other businesses.

Certain members of the Management Board and the supervisory board of the Company (the "**Supervisory Board**") are also directors and/or officers of other entities or are otherwise engaged, and may continue to be engaged, in activities that may put them in conflict with the Company's investment strategy. In addition, these individuals may hold equity in or positions with other companies and, accordingly, these individuals

may not devote all of their time and attention to the Company. Consequently, these positions or equity interests could create, or appear to create, conflicts of interest with respect to matters involving the Company or its affiliates.

The Company only has an operating history as an independent, publicly traded company since March 2014.

The Company only has an operating history as an independent, publicly traded company since 27 March 2014. As a result, the financial statements included in this Prospectus only relate to the results in the period from 27 March 2014 to 30 June 2014 (apart from an opening balance for 2014). As a result, investors have limited guidance on the development of the value of the Company over time.

RISKS RELATING TO THE FINANCING OF THE COMPANY'S ACTIVITIES

The Company may incur additional costs or have further refinancing needs as a result of obtaining its assets through insolvency proceedings of HIL.

Due to the fact that the Company acquired the assets without due diligence pursuant to the Plan approved in the CCAA proceedings in respect of HIL and certain of its affiliates and subsidiaries, it could be the case that there are still claims or other costs attached to the assets purchased that the Company is not aware of. These claims and costs may result in further financial obligations to the Company, which may significantly affect its performance. Also, parties providing financing may be unwilling to refinance current loans considering the history of HIL.

To illustrate this risk, the Company had to obtain additional financing through a debt financing from Catalyst Coop to be able to redeem bank loans which fell due before their respective scheduled maturity dates due to respectively a change of tenant which occurred before the Company acquired the relevant asset, being the Rotterdam properties. Another example is the asbestos that has been discovered. For more information, please see "*The Company has recently breached contractual loan covenants and may breach other contractual loan covenants in the future which may result in less advantageous debt terms and higher costs for the Company*" or, on the financing from Catalyst Coop, please see "*Major Shareholders and Related Party Transactions*" or, on the asbestos discovery, please see the last paragraph of "*The Company may be exposed to environmental risks that may result in unanticipated losses.*".

The Company has taken certain actions to mitigate this risk (for a description, please see the final paragraphs of the risk factors headed "*Hidden defects in the legal title to the land underlying its properties may have a negative impact on the Company's business, results of operations and financial condition*" and "*Hidden deficiencies in the Company's properties could impact the Company's business, results of operations and financial condition negatively*"). However, despite the mitigating factors, this risk remains material in that, as noted above, there may still be claims or other costs attached to the assets purchased of which the Company is not aware.

Accessing capital on satisfactory terms is necessary for maintaining, growing and developing the Company's business and its property portfolio.

The real estate industry is capital intensive and the Company may require access to capital to fund a growth strategy and significant capital expenditures from time to time depending on its business plan. The Company currently intends to finance its capital expenditures through operating cash flows and raising debt and equity. However, there is no assurance that capital will be available when needed or on favourable terms. The Company had a relatively high LTV of 77.6% as of 30 June 2014 which is in excess of the Company's investment policy.

The Company is subject to the risks associated with debt financing, including the risk that the Company's cash flows will be insufficient to meet required payments of principal and interest, the risk that existing mortgages will not be able to be refinanced or that the terms of such refinancing will not be as favourable as the terms of existing indebtedness. If the Company is unable to refinance its indebtedness on acceptable terms, or at all, it might be forced to dispose of one or more of its properties on disadvantageous terms, which might result in losses. In addition, there is a risk that the mortgagee could foreclose upon the property, appoint a receiver and receive an assignment of rents and leases or pursue other remedies, all of which could result in lost revenues and asset value to the Company. Such losses could have a material adverse effect on the Company's business, financial condition, results of operations or cash flows.

The Company might in the future be required to raise further equity or debt to improve its financial position, or to dispose some of its assets. As a result of current global market conditions, lenders have tightened their lending standards, and may continue to do so. The Company's access to third-party financing will be subject to a number of factors, some of which are beyond its control, including:

- general market conditions;
- the market's perception of its growth potential;
- its current and expected future earnings;
- its cash flow and cash distributions and cash interest payments; and
- the market price of its Shares.

The Company's failure to access required capital could adversely impact the Company's cash flows, operating results or financial condition and the Company's ability to implement its strategy. In addition, an increase in the cost of capital could reduce the fair market value of the Company's properties.

Lastly, the degree to which the Company is leveraged could have important consequences to Shareholders, including: (i) the Company's ability to obtain additional financing for working capital in the future may be limited; (ii) a portion of the Company's cash flow must be dedicated to the payment of the principal of, and interest on, its indebtedness, thereby reducing the amount of funds available for the payment of dividends to Shareholders; and (iii) certain of the Company's borrowings are at variable rates of interest which exposes the Company to the risk of increased interest rates. The Company's ability to make scheduled payments of the principal of, or interest on, or to refinance, its indebtedness will depend on its future cash flow, which is subject to the financial performance of properties in the Company's portfolio, prevailing economic conditions, prevailing interest rate levels, and financial, competitive, business and other factors, many of which are beyond the Company's control.

The Company has recently breached contractual loan covenants and may breach other contractual loan covenants in the future which may result in less advantageous debt terms and higher costs for the Company.

The loan agreements require the Company to adhere to certain covenants including, but not limited to, loan-to-value ratio and change of control covenants. Due to various external circumstances over which the Company may not have control, these covenants may be breached. As a result thereof, debt terms and loan conditions may adversely change and impact the value of the property negatively. It could even be the case that the Company's lenders will limit the control of the Company over the property. For further information on the bank agreements and covenants, please see "*Information on the Company - Important contractual relationships*".

To illustrate this risk, we refer to "*Historical Financing Information - 27 March - 30 June 2014 - Notes to the Condensed consolidated interim financial information - Long Term Debt*" where the breaches of covenants that occurred prior to PID are described.

The Company may from time to time be subject to the risks associated with the use of financial derivative instruments.

The Company currently does not, apart from a standard interest rate swap with respect to the financing of the Baltic property companies, make use of financial derivatives, but this may change in the future. The use of financial derivative instruments involves certain distinct risks which may expose investors to a greater risk of loss. These risks may include credit risk in relation to counterparties with whom the Company trades, settlement default or absence of liquidity. Additionally, the Company may be required to secure its obligations to its counterparty when entering into a derivative transaction. The security provided may eventually surpass the value of the relevant Company's obligations to the counterparty. The fair and carrying value of derivative financial instruments may also fluctuate significantly, as set out in the risk factor under the heading "*The Company is exposed to the risk of fair value changes with respect to its properties and liabilities*". Since the obligation to provide collateral is generally linked to the fair value of such an instrument, that obligation could fluctuate significantly accordingly. Upon termination of a derivative financial instrument with a negative fair value prior to its scheduled maturity date, the Company could be required to compensate its counterparty by paying an amount which is equal to the negative fair value. Further risks related to investing in financial derivative instruments may comprise a counterparty risk which occurs when a counterparty breaches its obligations to provide collateral. Transactions relating to uncollateralised financial derivative instruments involve direct counterparty risk. Such risk will remain for the period during the trading and the Settlement Date. A breach or default by the counterparty of the derivative may result in a decrease in the value of the Company. Lastly, the use of financial derivative instruments may expose the Company to the risk of loss due to an unforeseen regulatory change in respect of financial derivative instruments or because a court declares an agreement unenforceable.

RISKS RELATING TO THE STRUCTURE OF THE COMPANY

Despite the structure of the Group, the Company may be held liable for claims arising at its subsidiaries.

The Company maintains a silo structure within its Group in that it does not hold the assets and liabilities comprising the Group's main portfolios in Germany, the Baltics and the Netherlands. Instead, these are held by subsidiaries of the Company. The creditors of certain subsidiaries of the Group may however attempt to hold the Company or other subsidiaries of the Company liable and seek recourse to the assets of the Company and these other subsidiaries if the relevant subsidiaries fail to pay their debts as they fall due. Such claims may, despite of the legal structure, be successful on various grounds under applicable law.

The limited partnership structure of MoTo Object Campeon GmbH & Co. KG ("MoTo") may involve certain risks for the Company and for its investors.

The Company indirectly holds 93% of the limited partnership rights and 85% of the voting rights in the entity (MoTo) holding its largest property. Another party, not connected to the Company, acts as general partner of MoTo. This party was appointed in the partnership agreement. For more information on this structure, please see "*Information on the Company - Group Structure*".

The risks associated with the MoTo structure follow from the fact that the Company may not always be involved at an early stage in all decisions made and to be made by MoTo due to the fact that only decisions exceeding a EUR 10 million threshold are subject to the prior approval of the Company. However, since the nature and value of the asset held by MoTo makes it likely that significant investment decisions it makes exceed EUR 10 million, these decisions will generally be subject to approval by the Company.

However, the managing partners of MoTo may make investment decisions (purchases, sales) that are not in accordance with the best interests or the wishes of the Company and its Shareholders. Furthermore, in respect of negotiations with counterparties concerning properties (tenants, service providers), the managing partners of MoTo may not take the best interests or the wishes of the Company and the Shareholders into account. Finally, the managing partners of MoTo may take a decision or act in such way that is contrary to the Company's policies and procedures.

The Shareholders may be diluted.

Dutch law and the Articles of Association govern issues regarding the legal organization, internal constitution, corporate authority and liability of the members of the Management Board and Supervisory Board. During a period (until 1 September 2015 in which measures are in place to provide stability in the governance structure of the Company and to protect the interests of minority shareholders (the "**Initial Period**"), the Management Board decides and the Supervisory Board approves any issue of Shares and limitation or exclusion of pre-emptive rights in respect of an issue of Shares. After the Initial Period, the General Meeting may designate another corporate body as the competent body to issue Shares and limit or exclude pre-emptive rights in respect of an issue of Shares. In both cases, the holdings of existing Shareholders of the Company will be diluted. Dilution means a reduction in the ownership percentage of a share of stock caused by the issuance of new stock. See "*Description of Share Capital and Depositary Receipts – Issue of Shares/ Pre-emption rights*".

The Company is a holding company with no operations and relies on its operating subsidiaries to provide it with funds necessary to meet its financial obligations.

The Company is a holding company with no material direct business operations. Its principal assets are the shares it holds in its operating subsidiaries (entities which are owned by the Company). The Company is reliant on the cash flow of its subsidiaries to generate the funds necessary for it to meet its financial obligations. As an equity investor in its subsidiaries, the Company's right to receive assets upon their liquidation or reorganisation will be effectively subordinated to the claims of creditors of its subsidiaries. To the extent that the Company is recognised as a creditor of such subsidiaries, its claims may still be subordinated to any security interest in or other lien on their assets and to any of their debt or other obligations that are senior to its claims. The cash flow of the Company's subsidiaries is dependent on their ability to renew current tenant leases and attract new tenants, their ability to negotiate favourable lease terms and the level of demand for its properties. A change in any of the aforementioned factors could have an adverse effect on the Company's business.

RISKS RELATING TO THE SHARES

The Company may not pay dividends with respect to the Shares or may cease to pay dividends.

There can be no certainty that the Company will pay dividends with respect to the Shares. The decision to declare or pay dividends will be at the discretion of the Management Board, subject to the approval of the Supervisory Board, and will be dependent on then-existing conditions, including the financial condition, results of operations, capital requirement, contractual restrictions, business prospects, and other factors that the Management Board and Supervisory Board consider relevant. As a result, the trading price of the Shares could be materially and adversely affected.

There has been no public market for the Shares and an active market may not develop or be sustained.

The Existing Shares of the Company are and the Offer Shares are intended to be admitted to trading on NPEX but Shares can be delivered by NPEX in exchange for depositary receipts issued therefor

("Depository Receipts") at the request of holders. Any disruption in trading of the Shares on NPEX or delivery by NPEX of the Shares directly to holders would decrease the liquidity of the market for the Shares, making trading of the Shares more difficult for shareholders.

The Offer Shares are intended to be admitted to trading on NPEX. NPEX is not a regulated trading platform. It has certain characteristics that differ from those of a regulated trading platform.

NPEX is not a regulated trading platform. The rules and regulations for admission to trading on NPEX are promulgated by NPEX and are in the Netherlands not subject to securities laws or regulatory review. The trading of Shares admitted to trading on NPEX will have certain characteristics that differ from the characteristics of a regulated trading platform. Such differences include:

- The depository receipts that are admitted to trading on NPEX are legally not Shares and are not governed by the legal regime governing Shares. Such depository receipts are contractually defined economic participations in the Shares. The Shares that are traded on NPEX are issued to, registered in the name of and legally owned by Stichting NPEX Bewaarbedrijf, the custodian for NPEX. Such custodian, in turn, issues a depository receipt for each such Share which is credited to the NPEX account of the relevant account holder that, as a result, is the beneficial owner of the Share. Shares traded on NPEX are, in effect, held in book-entry form. Holders of the depository receipts admitted to trading on NPEX may therefore have fewer legal protections than a (direct) holder of shares would ordinarily have. Holders of such depository receipts may also be required to bring legal action against Stichting NPEX Bewaarbedrijf, as holder of the shares, rather than against the Company or another party directly, which may make such claims more complicated and more expensive.
- NPEX does not qualify as a "multilateral trading facility" or "regulated market" within the meaning of the FMSA. Therefore, Dutch regulatory and civil rules and regulations on corporate governance, market abuse, publication of insider information, prohibitions on insider trading, transparency requirements, mandatory disclosure of substantial holdings, public takeover rules, mandatory offer rules and other rules and regulations applicable to a multilateral trading facility or regulated market do not by operation of law apply to the Company or Shares. Nonetheless, the Company is required to share relevant information with (potential) Shareholders. For more information on this, please see *"Information on the Company - Important Contractual Relationships"*.
- However, once the Markets in Financial Instruments II Directive (2014/65/EU) is implemented (which may take a further year to year-and-a-half), NPEX may qualify as an "organised trading facility". As a result, NPEX may be obliged to obtain a licence. If NPEX does not obtain such licence, it may no longer facilitate trading in shares.
- The Shares are traded via NPEX on the basis of an auction system whereby holders of Shares can ask and bid prices for Shares admitted to trading on NPEX. For this reason, investors may have difficulty selling their Shares if there are no other investors who will reflect on a bid offered. The Company has chosen not to appoint market makers (entities that will on a continuous basis offer to buy and sell) and as a consequence there will be no market price that is continuously formed nor will liquidity be maintained in the Depository Receipts.
- NPEX will provide information on the latest trades on its website subject to its rules and procedures. The Company is required to publish its most recent net asset value and its most recent net asset value per Depository Receipt by notification to NPEX which will publish it on NPEX's website subject to its rules and procedures. This net asset value provided by the Company is not independently verified, unless expressly stated otherwise.

- Only holders of NPEX accounts can trade on NPEX. Becoming a holder of an NPEX account requires fulfilling certain administrative requirements. This may limit the number of potential purchasers of Depositary Receipts and result in a lower sale price for such Depositary Receipts. A bankruptcy of Stichting NPEX Bewaarbedrijf or a third party making a general attachment on its assets could result in holders of the Depositary Receipts not being able to successfully claim damages or compensation against Stichting NPEX Bewaarbedrijf in such circumstances.
- Stichting NPEX Bewaarbedrijf is not regulated by the Dutch Act on Dematerialised Securities Trading (*Wet giraal effectenverkeer*) and investors trading through NPEX therefore are not protected from a bankruptcy of Stichting NPEX Bewaarbedrijf or third parties making general attachments on the assets of Stichting NPEX Bewaarbedrijf.
- There have not been sold substantial numbers of Shares on the NPEX platform following the admission to trading on NPEX. Future sales of Shares in excess of demand, or the perception that such sales will occur, could cause a decline in the price of the Shares. This could materially and adversely affect the price of the Shares and could also impede the Company's ability to raise capital through the issue of equity securities in the future. Following the Offering, Catalyst Coop may have significantly increased its stake in the Company. As a result, liquidity of the market for the Shares may be further diminished.
- Only holders of an account with NPEX can trade in securities traded on NPEX and NPEX at its sole discretion decides whether or not to open an account. Presently, NPEX does not open an account for Mr Richard Homburg.

If NPEX loses its licence or is unable to obtain a licence from the AFM there may be no trading platform for the Shares.

NPEX has obtained a licence from the AFM under the FMSA for its activities as provider of investment services. As such it is allowed to operate the online trading platform NPEX on which the Shares are admitted for trading. In this respect, it is required to comply with the on-going requirements applicable to a provider of investment services under the FMSA. The FMSA and other applicable laws and regulations and their interpretation may change from time to time, requiring NPEX to comply with new or different regulatory requirements including obtaining a new licence. Compliance with, and monitoring of, applicable laws and regulations may be difficult, time consuming and costly. Moreover, failure to comply with the applicable laws and regulations could result in fines or other sanctions, including the revocation of the licence. If NPEX loses its licence there may be no possibility to trade the Shares via a trading platform.

The market price (if applicable) and trading volume of the Shares may be volatile.

Even if an active trading market develops on NPEX or another trading platform, the price of the Shares may be highly volatile. In addition, the trading volume in the Shares on NPEX or another trading platform may fluctuate and cause significant price variations to occur. There is no assurance that any market price of the Shares will not fluctuate or decline significantly in the future. Some of the factors that could negatively affect the price of the Shares or result in fluctuations in their price or trading volume include:

- variations in the Company's quarterly, semi-annual and annual operating results;
- changes in dividend income received by the Company from its subsidiaries;
- changes in any dividend forecasts;

- the contents of published research reports about the Company or the commercial property market in the Netherlands, Germany, the Baltic States or other markets in the European Union, or the failure of securities analysts to cover the Shares;
- actions or statements by Shareholders;
- changes in market valuations of similar companies;
- announcements by the Company or its competitors of significant contracts, acquisitions, strategic partnerships, joint ventures or capital commitments;
- in the case of trading on NPEX, the absence of other investors willing to purchase Shares against the offered bid price;
- speculation or reports by the press or the investment community about the Company or the commercial property market in the Netherlands, Germany, the Baltic States or other markets in the European Union in general;
- changes or proposed changes in laws or regulations affecting the commercial property market in the Netherlands, Germany, the Baltic States or other markets in the European Union, enforcement of these laws or regulations and announcements relating to these matters;
- general market, economic and political conditions; and
- any of the other risk factors described in this Prospectus.

The exercise of the shareholder rights of the Shareholders will be subject to constraints during the Initial Period.

During the Initial Period, Shareholders will be limited in the exercise of their shareholder rights by the requirement to obtain specified majorities that are greater than a simple majority for amendments to the Articles of Association, as well as the requirement for the approval of the Supervisory Board for any such amendments. Such approval will need to be unanimous in the case of amendments to the Articles of Association relating to the governance of the Company. See *"Information on the Company – Articles of Association – Amendment of the Articles of Association"*.

Catalyst Coop will hold a sufficient number of the Shares and will be able to materially affect the control of the Company

Catalyst Coop currently holds 42% of the Shares and could therefore be in a position to influence the outcome of actions requiring Shareholder approval, including among other things, the election of Supervisory Board members. Catalyst Coop's shareholding in the Company is also likely to increase further as a result of the Offering. Any Offer Shares not subscribed for through the exercise of Rights in the Offering during the Exercise Period will be subscribed and paid for by Catalyst Coop at the Issue Price, subject to the terms and conditions of the Subscription Agreement and subject to applicable securities laws. If no Shareholder except for Catalyst Coop exercises its Rights and Catalyst Coop in the Backstop Period takes up all Offer Shares not subscribed for by other Shareholders, Catalyst Coop will hold 83% of the Shares after the Offering. The Plan provides that the Plan Administrator shall not exercise any voting rights in respect of the Existing Shares held in reserve. As a result, Catalyst Coop's shareholding of 83% entitles it to exercise 89% of the voting rights which may be freely exercised. In addition, cancellation or distribution of Shares by the Monitor and Catalyst's allocation of certain reserve shares (as discussed in more detail in *"Business - Net Asset Value"*) could lead to an increase in shareholding by Catalyst Coop to up to 89% including Offer

Shares. Catalyst Coop could use its substantial voting power as the controlling Shareholder of the Company in a way that is not in the best interest of the Company and the other Shareholders. For instance, this could ultimately lead to a delisting of the Company and/or squeeze-out procedures with respect to minority shareholders.

If Eligible Persons do not, not timely or not validly exercise their rights, they may not be able to subscribe for Offer Shares at the Issue Price and they will not receive a compensation for their unexercised Rights.

The Exercise Period for the Rights commences at 09:00 hours (CEST) on 9 December 2014 and expires at 16:00 hours (CEST) on 31 December 2014. Eligible Persons (as defined in "Selling and Transfer Restrictions") must act promptly to ensure that all required exercise instructions are actually received by NPEX before the expiration of the Exercise Period. If Eligible Persons fail to timely or correctly follow the procedures that apply to the exercise of their Rights, the Company may, depending on the circumstances, reject their exercise of Rights. Furthermore, the Rights are not transferable, so they cannot be sold.

If a holder of Shares does not, not timely or not validly exercise all of his Rights, his percentage ownership of Shares will be significantly diluted.

The Offering is designed to enable the Company to raise capital in a manner that gives the opportunity to existing holders of Existing Shares to subscribe for the Offer Shares pro rata to their shareholding at the Record Date, subject to applicable securities laws. Any Offer Shares not subscribed for through the exercise of Rights in the Offering during the Exercise Period will be subscribed and paid for by Catalyst Coop at the Issue Price, subject to the terms and conditions of the Subscription Agreement and subject to applicable securities laws. To the extent that a holder of Shares does not, not timely or not validly exercise his Rights, its proportionate ownership and voting interest in the Company will be reduced, without compensation, to up to 29% of its previous holding.

In case closing of the Offering does not take place on the Settlement Date and the Offering is withdrawn, whether or not as a result of a termination of the Subscription Agreement, both the exercised and the unexercised Rights will be forfeited without compensation to their holders and the subscriptions for and allocation of Offer Shares that have been made will be disregarded.

It is expected that the closing of the Offering will take place on the Settlement Date. With respect to the Offer Shares, the Company has entered into the Subscription Agreement. The Subscription Agreement may be terminated under certain circumstances, such as in case of a material adverse condition or a contravention with law or other legislation. If the closing of the Offering does not take place on the Settlement Date or at all, whether or not as a result of a termination of the Subscription Agreement, the Offer Shares will not be offered and issued. Delivery of the Offer Shares is at the sole risk of the parties concerned.

In such event, both the exercised and the unexercised Rights will be forfeited without compensation to their holders and the subscriptions for and allocation of Offer Shares that have been made will be disregarded.

Any subscription payments received by the Company or NPEX will be returned without interest. Any such forfeiture of Rights will be without prejudice to the validity of any settled trades in the Rights. There will be no refund for any Rights. None of the Company, Catalyst Coop or NPEX accept any responsibility or liability to any person as a result of the withdrawal of the Offering. Withdrawal of the Offering might have a material adverse effect on the market price of the Existing Shares.

Shareholders outside of the Netherlands are generally excluded from the Offering. This may have a negative impact on the market price of the Ordinary Shares and may negatively influence the development of a trading market.

The Company is not taking any action to permit a public offering of the Offer Shares in any jurisdiction outside the Netherlands. This Prospectus may not be distributed into the United States, Australia, Canada or Japan.

The Company only offers the Offer Shares to persons qualifying as Eligible Persons as set out in the following paragraph provided they are Shareholders at 9:00 hours CET on the Record Date. For example, a person residing in the Netherlands qualifies as an Eligible Person.

An eligible person ("**Eligible Person**") is any person to whom the Offering can lawfully be made without contravention of any registration, prospectus (other than this prospectus) or other legal requirements, in each case without imposing any obligations or costs upon the Company, unless the Company consents in writing thereto. Consequently, an Eligible Person includes (i) any legal entity which is a qualified investor as defined in the Prospectus Directive; or (ii) any person in respect of which the Offering falls within Article 3(2) of the Prospectus Directive.

The excluded persons may decide to sell their Shares. This could have a negative effect on the market price of the Shares.

Also, Shareholders are expected to in the future be excluded from further offerings of Shares if and to the extent their participation in such offerings would violate applicable law. The Company does not undertake to structure its offerings so that all of its Shareholders are entitled under applicable law to participate therein.

RISKS RELATING TO TAXATION MATTERS

Changes in the Company's tax structure, ownership structure, tax laws or regulations and interpretation of competent tax authorities could have a material adverse effect on its operating results.

The Company will hold its properties through a number of subsidiaries and other investment vehicles and has structured its investments in a manner that is designed to be tax-efficient, in particular with respect to the distribution of funds to the Company by its subsidiaries and by it to the Shareholders. Maintaining a tax-efficient structure is an important factor affecting distributable cash flow. Tax charges and withholding taxes in various jurisdictions in which the Company invests may affect the level of distributions or other payments made to it and accordingly to the Shareholders. Changes in tax laws, ownership structure, regulations or interpretations by tax authorities could increase tax liabilities and require changes in its tax structure, which could negatively affect its distributable cash flow. Substantial changes in ownership of the Company could increase the tax liabilities in the respective countries as well. No assurance can be given as to the level of taxation incurred by the Company or its investments.

An investment with the Company is subject to certain tax considerations.

Dividends paid on the Shares may be subject to Netherlands dividend tax. Income derived from the Shares and gains realised upon the redemption or disposal of the Shares may be taxable in the Netherlands. We refer to the paragraph "*Taxation - Certain Netherlands tax consequences for Shareholders*" of this Prospectus for a more detailed description. An acquisition of shares in the Company may be subject to Dutch Real Estate Transfer Tax ("**RETT**") if (i) the shareholder, alone or together with a related party, has an interest of 33,33% or more in the Company and (ii) the value of total assets held by the Company, together with its subsidiaries, would consist for 30% or more out of the value of Dutch real estate. Based on the available

valuations, the 30% threshold is not exceeded. Future changes in the portfolio need to be observed in this respect.

German and other local taxes may affect the Company's cash flows and financial condition

German Income tax

Among others, the Company is holding the shares in Geneva RE 1 B.V. ("**Geneba 1**", formerly Coët B.V.), VRE 2 and Geneva RE 3 B.V. ("**Geneba 3**", formerly Valbonne Real Estate 5 B.V.). Geneva 1 and VRE 2 directly hold German real estate. Geneva 3 holds 93.3% of the limited partnership interests in MoTo, a German partnership, which in turn owns German real estate.

Pursuant to sec. 49 para. 1 no. 2 (f) (aa) German Income Tax Act (ITA) in connection with secs. 2 No. 1, 7, 8 German Corporate Income Tax Act (CITA), a corporation that is not tax resident in Germany (non-resident corporation) is subject to German non-resident corporate income taxation (*beschränkte Steuerpflicht*) if it generates income from the leasing of immovable property located in Germany.

The Company does not generate any lease income from German immovable property as it only holds the shares in Geneva 1, VRE 2 and Geneva 3. However, Geneva 1 and VRE 2 lease their German real estate directly, i.e. Geneva 1 and VRE 2 are subject to German non-resident taxation with their income generated from the lease of the German real estate as well as with a potential capital gain derived from the disposal of the real estate. Based on Article 4 para. 1 of the Double Tax Treaty between Germany and the Netherlands (the Treaty) Germany has the right to tax the income generated from the lease of German real property or from its disposal. The German corporate income tax rate (incl. solidarity surcharge) for Geneva 1 and VRE 2 amounts to 15.825%.

The Company only generates dividend income from Dutch corporations, i.e. the Company should not be subject to German income taxation with dividends received from Geneva 1, VRE 2 and Geneva 3. The income taxation should remain unchanged under the new Double Tax Treaty between Germany and the Netherlands which was signed on 12 April 2012 and will be in force as from January 1, 2015.

Under the assumption that Geneva 1 and VRE 2 have structured their affairs to ensure that they do not maintain permanent establishments (PEs) in Germany, neither the rental income, nor any capital gains from a sale of the German real estate should be subject to German trade tax. Even if it is determined that Geneva 1 and VRE 2 maintain PEs in Germany, they should benefit from the extended trade tax exemption (*erweiterte Grundstückskürzung*), provided the income is exclusively generated from the lease of immovable real properties without renting any harmful assets or providing harmful activities. In the event the requirements for the extended trade tax exemption are not met by Geneva 1 and VRE 2, the overall rate of German income tax applicable would increase from 15.825% (Corporate income tax of 15% plus 5.5% solidarity surcharge hereto) to a rate of between approximately 23% and 33%, depending on the German municipalities in which such PEs would be located, which could materially and adversely affect the Geneva 1's and VRE 2's cash flows and financial condition. If Geneva 3 maintained a German permanent establishment in Germany it would also become subject to German trade tax.

German Real Estate Transfer Tax (RETT)

As a consequence of the transfer of the shares in Geneva 3 from HII to the Company, which resulted in an indirect transfer of approx. 93.3% of the limited partnership interests in MoTo to a new partner, a new 5 years period pursuant to Sec. 1 para 2a RETT Act has begun. In the event Geneva 3 or any other new investor within the meaning of Sec. 1 para 2a RETT Act directly or indirectly acquire further of the remaining approx. 6.7% of the partnership interests in MoTo RETT is triggered if due to such acquisition/s at least 95% of the partnership interest in MoTo is transferred to new investors within a five year period. The

RETT liability is imposed on MoTo according to Sec. 13 lit. 6 RETT Act. The tax base is determined by a valuation method according to Sec. 138 para 2 to 4 Valuation Tax Act. The value is normally determined as a multiple of 12.5 on the 3-year average annual rent obtainable for the immovable property. If such average annual rent cannot be determined (which is often the case for plants, etc.), the valuation is subject to a special valuation procedure. The tax rate in Bavaria is currently 3.5%.

RETT is also triggered (i) according to Sec. 1 para 3 RETT Act in case of a direct or indirect transfer or the consolidation of at least 95% of the shares in MoTo (provided certain other conditions are fulfilled) or the shares in Geneva 1 and VRE 2 in the hands of one single purchaser or by controlling and controlled companies or controlled persons or by controlled companies or controlled persons alone (so-called unification of shares in the hand of the purchaser) and (ii) according to Sec. 1 para 3a RETT Act in case of a direct or indirect economic unification of 95% of the partnership interest in MoTo or the shares in Geneva 1 and VRE 2 in the hands of an entity.

Dutch Real Estate Transfer Tax related to the PID

One of the transactions that has been completed on PID regards the transfer of 99,98% of the shares in Geneva RE 4 B.V. ("**Geneba 4**", formerly Homco Realty Fund (86) B.V.) and in Geneva RE 5 B.V. ("**Geneba 5**", formerly Homco Realty Fund (87) B.V.), from Homburg Invest Inc. to the Company. Both Funds qualified on that date as a Real Estate Entity on the basis of their position in Dutch real assets, and the acquisition of 99,98 % of the shares in these Funds was therefore relevant for RETT purposes.

The Company benefits from a RETT-exemption for internal (group) reorganisations on the acquisition of the 99,98% to which some legal conditions apply. The conditions to the exemption are met if the company, together with its subsidiaries, will continue the exploitation of real estate assets for a minimum-period of three years as of PID. For this purpose the exploitation of one relevant real asset will be sufficient. If the conditions will not be met, Dutch RETT will retroactively be levied from the Company.

REASONS FOR THE OFFERING AND USE OF PROCEEDS

REASONS FOR THE OFFERING

The Company requires additional equity capital for refinancing purposes, which includes (i) meeting its obligations under short-term liabilities and (ii) improving its loan-to-value ratio which has been adversely affected by the recent negative fair value adjustments. As described under "*Refinanced loans*" below, the Company required liquidity to refinance certain liabilities, or meet certain obligations, and as a result obtained the EUR 75 million shareholder loan under the shareholder bridge loan agreement entered into by the Company and Catalyst Coop (the "**Shareholder Bridge Loan Agreement**"), under which the Company has drawn EUR 40 million. The Shareholder Bridge Loan Agreement contains an undertaking for the Company to use its best efforts to ensure that the Offering is implemented as soon as possible. The Shareholder Bridge Loan Agreement is described in more detail in this Prospectus under "*Information on the Company - Important contractual relationships*". The negative fair value adjustments have been made to certain assets which are described below under "*Write-downs*". Furthermore, the Company requires additional capital to (re)develop and expand its property portfolio by acquisitions. The Company has identified attractive investment opportunities in the third quarter of 2014.

As noted under the heading "*Working Capital*" in the section "*Working Capital, Capitalisation and Indebtedness*", the Company will not have sufficient funds to repay the loans extended under Shareholder Bridge Loan Agreement unless the Offering is completed.

Refinanced loans

In June 2014, the Company repaid loans in an aggregate amount of EUR 14 million after the lender of such loans claimed that the loans were required to be repaid based on a change of control clause relating to the tenant of one of the Rotterdam assets. On 1 September 2014, the loan on the Bochum asset expired and became due, which resulted in a requirement to repay EUR 24.8 million. On 30 September 2014 the Company prepaid a EUR 18.75 million second ranking loan extended to Geneba 3 and a prepayment fee of EUR 500,000 because that loan was subject to a relatively high interest rate. The funds required to repay each of those loans were provided by Catalyst Coop under a short term credit facility agreement which will become due on 17 January 2015 and which is described in more detail under "*Information on the Company - Important contractual relationships*".

Write-downs

After Plan Implementation Date, the Company learned that there was asbestos present in the Bochum asset. In addition, the tenant of the Bochum asset formally confirmed that it would terminate the lease agreement in 2018, which required that the value of the property be assessed on the basis of a prognosis of the rent which may be expected to be contracted after the date of termination. As a result, the audit committee and supervisory board on 7 July 2014 resolved to commission a revaluation of the Bochum asset. The Company instructed Jones Lang LaSalle GmbH and on the basis of its valuation as per 30 June 2014 (included in this prospectus) and provisions for asbestos repair, the Company made a significant downwards adjustment of the value of the Bochum asset.

In July 2014, the Company requested a second opinion from Colliers International Advisors, SIA, on the valuation of the Baltic portfolio. At that time, the Company had strong indications that the value of the Baltic portfolio was significantly lower than stated in a valuation report of UAB Ober-Haus Real Estate Advisors as per 31 December 2013. The Colliers report as per 30 June 2014 (included in this Prospectus) valued the Baltic portfolio at an amount significantly lower than previously valued, as per 31 December 2013. On that basis, the Company adjusted the value of the Baltic portfolio downwards significantly.

USE OF PROCEEDS

The estimated maximum gross amount of the proceeds of the Offering is EUR 206 million and the maximum net proceeds of the Offering is estimated at EUR 205 million (assuming costs for advisors, the listing and other costs in relation to the Offering of EUR 1 million in total). The proceeds shall be used for the following general corporate purposes: first, for refinancing of certain liabilities (approximately EUR 40 million) which reduces further the loan-to-value ratio of the Company and, subsequently, to fund acquisitions and further investments into properties (approximately EUR 165 million). The financing under the Shareholder Bridge Loan Agreement is due to be repaid on or before 17 January 2015 and interesting investment opportunities have already presented themselves, so there is a strong need for obtaining the proceeds from the Offering in the short term. The Company estimates that the proceeds of the Offering will be sufficient for the coming years, but it does not rule out the possibility of new offerings with a view to further expanding the Company's portfolio.

Catalyst Coop has committed to, subject to certain conditions, exercise its Rights (see "*Plan of Distribution - Subscription Agreement and Take-up by Catalyst Coop*" for a further description). This means that for the above uses, at least approximately EUR 87 million will, if such conditions are met, become available upon the Settlement Date.

Furthermore, in the Backstop Period, Catalyst Coop will subscribe for Offer Shares not taken up by other Shareholders in amounts related to new investment proposals approved by the Supervisory Board (subject to the other conditions being met as well, see "*Plan of Distribution - Subscription Agreement and Back-stop provision by Catalyst Coop*" for a further description). In total, this amount may rise to EUR 119 million, if no other Shareholder exercises its Rights.

INFORMATION ON THE COMPANY

THE COMPANY

The Company (statutory and trade name: "Geneba Properties N.V.") is a closed-end property investment company without a separate manager (*beleggingsmaatschappij zonder aparte beheerder*) which operates under licence and supervision of the AFM and the DNB and has the legal form of a public limited liability company (*naamloze vennootschap*). The Company complies in all material respects with the requirements of its licence and has not received any formal or informal notice of non-compliance from the AFM or the DNB.

The Company was incorporated in the Netherlands by Stichting Oprichting Geneba Properties under the laws of the Netherlands on 11 July 2013 by a deed of incorporation executed before Hendrikus Johannes Portengen, civil law notary in Rotterdam. The Company is registered with the trade register of the Netherlands Chamber of Commerce under number 58355103. The corporate seat of the Company is in Amsterdam, the Netherlands and its registered office is at Apollolaan 153, 1077 AS in Amsterdam, the Netherlands (telephone number: +31 (0)20-2610710).

According to clause 3 of the Articles of Association, the object of the Company is to acquire, alienate, manage and exploit registered property and items of property in general, and with respect to the foregoing also to, inter alia, implement the Plan, and to do all that is connected therewith or may be conducive thereto, all to be interpreted in the broadest sense.

HISTORY AND DEVELOPMENT

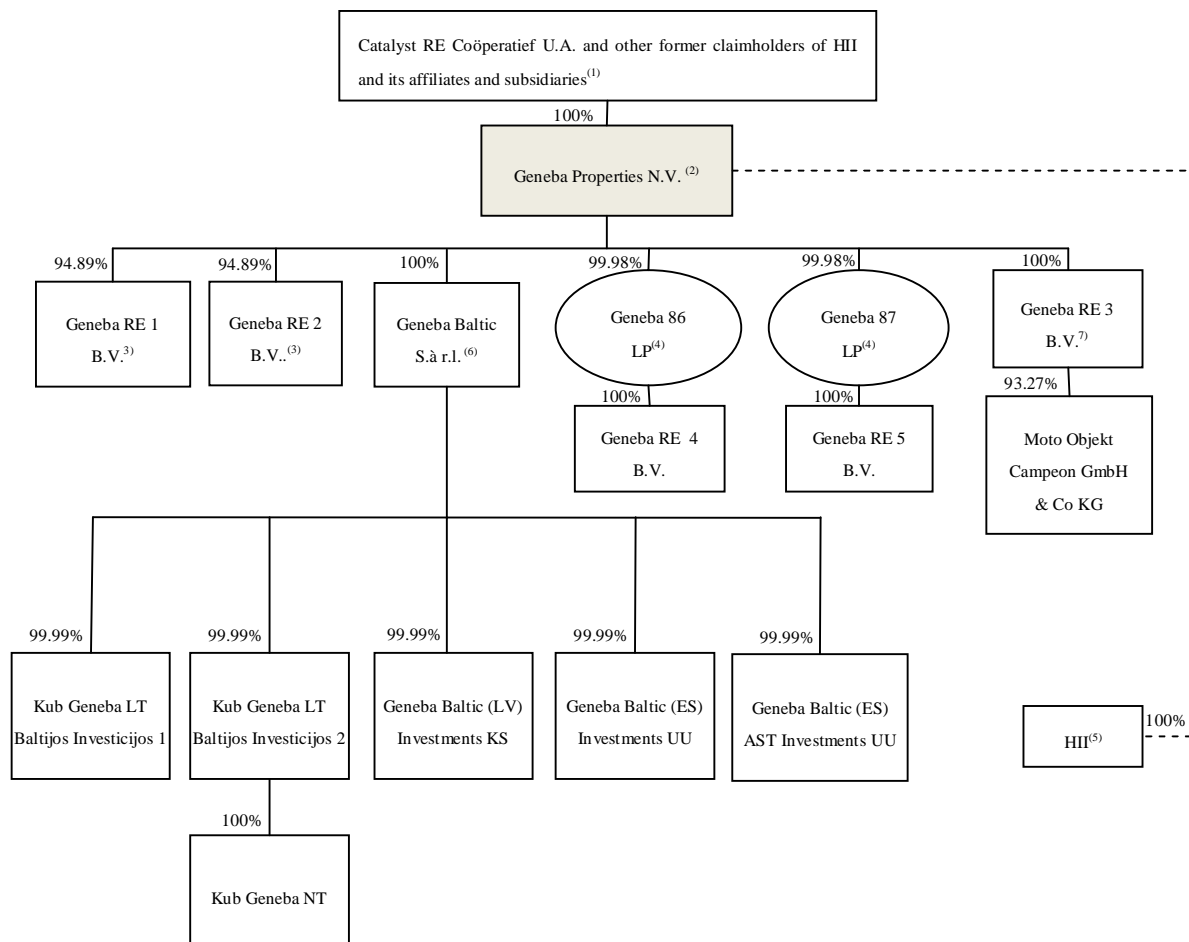
On 9 September 2011, HII and certain of its affiliates and subsidiaries were granted protection by the Quebec Superior Court (Commercial Division) under the Canadian Companies' Creditors Arrangement Act ("CCAA"). On 6 February 2013, HII filed its restructuring Plan, which was subsequently amended and restated.

Pursuant to the Plan, the Company was incorporated to acquire ownership of certain real property assets formerly owned by HII and certain of its affiliates and subsidiaries, through a series of corporate transactions. Holders of debt claims against HII and certain of its affiliates and subsidiaries approved the Plan under which their debts were compromised in exchange for an entitlement to receive distributions of Existing Shares and cash. HII's non-core assets have been or will be sold under the supervision of the Plan Administrator and the Court. The proceeds of the non-core assets will be distributed to HII's former creditors, in accordance with the Plan. The latter means that persons who were HII's creditors at that time may have distribution rights under and subject to the Plan; these rights do not attach to Existing Shares or Offer Shares.

On 27 March 2014 (the "**Plan Implementation Date**" or "**PID**"), certain core assets of HII (i.e. the income-producing long-term leased commercial real estate) were transferred to and vested in the Company pursuant to the Plan and former debt claim holders of HII received a distribution of Existing Shares in the Company. The Existing Shares were subsequently admitted to trading on NPEX.

GROUP STRUCTURE

The following simplified diagram shows the full name of each property holding company. The Group as currently constituted, including the Company, is the result of the restructuring of HII effected under the CCAA as described above.



- (1) Catalyst Coop holds approximately 42% of the Shares in the Company.
- (2) The Group consists of the Company and a group of entities of which it is either the sole or majority shareholder, in the case of corporate entities, or sole or majority limited partner, in the case of limited partnerships.
- (3) The Company holds 94.89% of the ordinary shares of Geneba 1 and VRE 2. The remaining interest in this entity is held by Stichting Coeval, a Dutch charitable foundation whose object is to acquire, hold and alienate interests in Dutch private companies, either directly or indirectly. Stichting Coeval also holds 100% of the preferred shares of Geneba 1 and VRE 2. These preferred shares are convertible into an additional 6% of the ordinary shares. The holding of the 5.11% interest in the ordinary shares and 100% of the preferred shares in Geneba 1 and VRE 2 by Stichting Coeval allows for a tax efficient structure.
- (4) The Company holds a 99.98% interest in Geneba 86 and 87 LP. The remaining 0.02% interest is held by wholly owned Dutch subsidiaries of the Company (GRF 86 Holding B.V. and GRF 87 Holding B.V.). Additionally, the Company is the sole shareholder of the general partner of this entity.
- (5) Following PID, HII remains a distinct entity from the Company and will be controlled by the Plan Administrator for the sole purpose of selling off certain remaining non-core assets. Pursuant to the Plan, the proceeds of the sale of such non-core assets will be distributed among former debt claim holders of HII and certain of its affiliates and subsidiaries, in accordance with the Plan. Pursuant to

the terms of the Plan, the Company does not control HII and is not entitled to the proceeds of the sale of HII's non-core assets.

- (6) Geneba Baltic S.à r.l. is the sole shareholder of all the general partners of the limited partnerships below it (Geneba LT LP1 GP1 Inc, Geneba LT LP2 GP1 Inc., Geneba LT LP2 GP2 Inc., Geneba Latvia GP Inc., Geneba Estonia LP1 Inc. and Geneba Estonia LP2 Inc., which hold less than 0.01% in the limited partnerships).
- (7) Geneba 3 holds 93.2695% of the limited partnership interest in MoTo. The shares in the capital of Geneba 3 have been pledged to Falcon Private Bank AG, as security for the senior amortizing term loan facility it provided. As the major limited partner of MoTo with an 85.93% majority of the voting rights, Geneba 3 has the following rights and competences:
 - (i) It can ensure that the managing partners of MoTo, being Molendra Vermietungsgesellschaft mbH (the "**Managing Partners**") act in the best interest of the limited partners. Therefore, if it is in the best interest of Geneba 3 as major limited partner to implement a certain measure due to the AIFMD or other regulatory requirements, then the Managing Partners must comply with a request in that respect. If the managing partners either do not fulfil their tasks adequately or do not act in the best interest of the limited partners, Geneba 3 can dismiss the Managing Partners;
 - (ii) It can approve or reject at its sole discretion any decisions that require approval by the limited partners (these decisions are set out below), even when a qualified majority of votes (75%) is required;
 - (iii) It can demand that a general meeting is convened in order to address the Managing Partners and to obtain information from the Managing Partners; and
 - (iv) It can request a copy of the annual financial statements of MoTo, which must be prepared within three months after the end of the financial year, and inspect its books and records.

Management decisions

The Managing Partners are jointly in charge of the day to day management. Accordingly, decisions which relate to ordinary business matters and do not exceed the value of EUR 10 million can be made by the Managing Partners without consent of the limited partners. Due to the nature and value of the asset held by MoTo, it is likely that any important investment decision exceeds this threshold.

MoTo requires the approval of the partners (both limited and general partners) in MoTo by means of a partners' resolution, to be adopted with a simple majority of the votes cast, for all management decisions which exceed the level of ordinary management and the value of which is higher than EUR 10 million. This relates in particular to:

- (i) the purchase, sale or encumbrance of property;
- (ii) the conclusion or annulment of credit facilities, which are destined to finance the object of the lease agreement in Neubiberg at ordinary market conditions, including the collateralization or interest rate hedge transactions;
- (iii) pledge agreements, guarantees and other warranties;
- (iv) the conclusion and annulment of rent and lease agreements; and

- (v) decisions relating to investments (e.g. extension of the property).

Lastly, the partnership agreement of MoTo (the "**Partnership Agreement**") does not provide for the possibility to issue new interests. Such issue would require an amendment of the Partnership Agreement by decision of the partners (both limited and general partners) with a qualified majority of votes (75%). Geneba 3 would be able to prevent or overrule such a decision. Therefore, it is not possible for Geneba 3 to unwillingly lose its majority position and Geneba 3 can thus ensure that it retains its level of control.

As a result of the above, the Company can, through Geneba 3, exercise actual control over MoTo with respect to major decisions if and when necessary.

By exercising such control, the Company intends in the longer term to create value within the existing portfolio by investing in properties already owned and where necessary developing or redeveloping these properties. The redevelopment approach includes expanding and improving commercial properties, restructuring properties, and investing in sustainability, all with the aim to increasing satisfaction of tenants, minimizing operating expenses and securing maximum rental income. The disposal and acquisition policy aims to optimally anticipate fluctuation in property values and monetise active management achievements.

Name	Country of incorporation	Held by the Company
Geneba 1	The Netherlands	94.89%
VRE 2	The Netherlands	94.89%
Geneba 3	The Netherlands	100%
Geneba 4	The Netherlands	100%
Geneba 5	The Netherlands	100%
Geneba Baltic S.à r.l	Luxembourg	100%
Kub Geneba LT Baltijos Investicijos 1	Lithuania	100%
Kub Geneba LT Baltijos Investicijos 2	Lithuania	100%
Kub Geneba NT	Lithuania	100%
Geneba Baltic (LV) Investments KS	Latvia	100%
Geneba Baltic (ES) Investments UU	Estonia	100%
Geneba Baltic (ES) AST Investments UU	Estonia	100%
Geneba LT LP1 GP1 Inc.	Canada	100%
Geneba LT LP2 GP1 Inc.	Canada	100%

Geneba LT LP2 GP2 Inc.	Canada	100%
Geneba Latvia GP Inc.	Canada	100%
Geneba Estonia LP1 Inc.	Canada	100%
Geneba Estonia LP2 Inc.	Canada	100%
Geneba 86 LP	Canada	100%
Geneba 87 LP	Canada	100%
GRF 86 Holding B.V.	The Netherlands	100%
GRF 87 Holding B.V.	The Netherlands	100%
Moto Objekt Campeon GmbH & Co KG	Germany	Shares: 93.27% Voting Rights: 85.93%

ARTICLES OF ASSOCIATION

This section summarises certain relevant information concerning the Articles of Association. This summary does not purport to give a complete overview and should be read in conjunction with the relevant sections of this Prospectus, the Articles of Association and the relevant provisions of Dutch law, and does not constitute legal advice regarding these matters and should not be considered as such. The full text of the Articles of Association is available, in Dutch and English, at the Company's registered offices during regular business hours and at the Company's website: www.geneba.com. For information on dividends, please see "*Dividends and dividend policy*". For information on the share capital, please see "*Description of Share Capital and Depositary Receipts*".

The Depositary Receipts are issued with cooperation of the Company. Holders of the Depositary Receipts will have the rights conferred by law upon holders of depositary receipts issued with a company's cooperation.

Annual accounts, half-yearly reports

The Company has a calendar financial year. The adopted annual accounts or, if the adoption has not yet occurred, the prepared annual accounts and annual report must be disclosed within 6 months after year-end. The annual report must include the financial statements and a report of an independent auditor. The annual report is submitted to the annual General Meeting for adoption. The Company will publish half yearly figures within 9 weeks after expiry of the first half of the financial year. The content of annual reports, semi-annual reports to be disclosed, as well as the timing of such disclosure, are governed by Dutch law.

Squeeze out procedures

Pursuant to Section 2:92a DCC, a shareholder who for his own account provides at least 95% of the Company's issued capital may institute proceedings against the Company's minority shareholders jointly for the transfer of their shares to him or her. The proceedings are held before the Dutch enterprise chamber of the court of appeal in Amsterdam (*Ondernemingskamer van het Gerechtshof te Amsterdam*, the "**Enterprise Chamber**") and can be instituted by means of a writ of summons served upon each of the minority shareholders in accordance with the provisions of the Dutch Code of Civil Procedure (*Wetboek van Burgerlijke Rechtsvordering*).

The Enterprise Chamber may grant the claim to buy out all minority shareholders and will determine the price to be paid for the shares, if necessary after appointment of one or three experts who will offer an opinion to the Enterprise Chamber on the value of the shares. Once the order to transfer becomes final, the person acquiring the shares shall give written notice of the date and place of payment and the price to the holders of the shares to be acquired whose addresses are known to him. Unless the addresses of all of them are known to him, he shall also publish this information in a daily newspaper with a national circulation.

With the implementation of the European Directive 2004/25/EC of 21 April 2004, the rules for squeeze out procedures have been supplemented. Section 2:359c DCC provides that the offeror under a public offer is also entitled to start a squeeze out procedure if, following the public offer, the offeror holds shares for at least 95% of the share capital and at least 95% of the total voting rights. The claim of a takeover squeeze out needs to be filed with the Enterprise Chamber within three months following the expiry of the acceptance period of the offer. The Enterprise Chamber may grant the claim to buy out all minority shareholders and will determine the price to be paid for the shares, if necessary after appointment of one or three experts who will offer an opinion to the Enterprise Chamber on the value of the shares. In principle, the offer price is considered reasonable as long as 90% or more of the shares have been acquired at that price.

Section 2:359c DCC also entitles those minority shareholders that have not previously tendered their shares under an offer to transfer their shares to the offeror, provided that the offeror has acquired shares for at least 95% of the share capital and at least 95% of the total voting rights. As there are different classes of shares, the claim may only be instituted with regard to the class of shares for which the offeror alone or jointly with group companies holds at least 95% of the issued capital and 95% of the voting rights. As regards price, the same procedure as for takeover squeeze out proceedings initiated by an offeror applies. The claim also needs to be filed with the Enterprise Chamber within three months following the expiry of the acceptance period of the offer.

Management Board and Supervisory Board

According to the Articles of Association, the Company has a two-tier board structure consisting of a Management Board (*raad van bestuur*), entrusted with the management and representation of the Company and a Supervisory Board (*raad van commissarissen*), which supervises and advises the Management Board.

For further information about the Management Board and the Supervisory Board see "*Management - Management and Supervisory Bodies*".

General Meetings and voting rights

The annual General Meeting must be held within six months after the end of each financial year. An extraordinary General Meeting may be convened, whenever the Management Board or the Supervisory Board deems such necessary. Shareholders representing alone or in aggregate at least one-tenth of the issued and outstanding Share capital may, pursuant to the DCC and the Articles of Association, request that a General Meeting be convened. If such General Meeting has not been called within four weeks as a result of

which such General Meeting is not held within six weeks following such request, the Shareholders requesting such General Meeting are authorised to call such General Meeting themselves.

The notice convening any General Meeting must include an agenda indicating the items for discussion, as well as any proposals for the agenda. Shareholders holding at least 1% of the issued and outstanding share capital have the right to request the Supervisory Board or the Management Board to place items on the agenda of the General Meeting, provided that the Company receives a proposal no later than 60 days before the General Meeting, and provided that the proposal is a reasoned request or a proposal for a resolution. The notice must be published in national daily newspapers in the Netherlands no later than 15 days before the meeting.

Each Shareholder entitled to vote and each usufructuary or holder of pledge on shares in the capital of the Company to whom the voting rights accrue shall be entitled to attend the General Meeting, to address such meeting and to exercise his voting rights. The Management Board must be notified in writing of the intention to attend the meeting. Such notice must be received by the Management Board not later than on the date specified in the notice of the meeting. Shareholders may only attend the General Meeting, and (to the extent that they are entitled to vote) participate in the voting, in respect of Shares which are registered in their names both on the date specified in the notice of the meeting and on the day of the General Meeting, or on the registration date if such date has been determined.

Each Share entitles the holder thereof to cast one vote. In the General Meeting, no voting rights may be exercised for any Share held by the Company or a subsidiary. The Company or a subsidiary may not exercise voting rights for a Share in which it holds a right of pledge or usufruct. In order to exercise their voting rights, holders of Depositary Receipts will have to timely request a proxy from NPEx.

In order to ensure that the holders of Depositary Receipts are able to request a proxy, NPEx will use its best endeavours to timely notify the holders of Depositary Receipts of a General Meeting taking place.

The right to attend the meeting and vote may be exercised by a proxy authorized in writing, provided that the power of attorney has been received by the Management Board before the date specified in the notice of the meeting.

Decisions of the General Meeting are taken by a simple majority without a quorum being required, except where Dutch law or the Articles of Association provide for a qualified majority.

Amendment of the Articles of Association

The General Meeting may resolve to amend the Articles of Association. The notice convening the General Meeting at which the Articles of Association will be amended and a copy of the proposed amendments will be deposited and kept available at the Company's registered office in the Netherlands. During the Initial Period certain provisions of the Articles of Association may only be amended at the unanimous proposal of the Supervisory Board pursuant to a resolution of the General Meeting adopted with a Qualified Majority. Other amendments to the Articles of Association during the Initial Period require a proposal (by majority vote) of the Supervisory Board and a resolution of the General Meeting adopted with a Qualified Majority.

Statutory merger and demerger

The Company may enter into a statutory merger or be a party in a statutory demerger. A merger or demerger resolution may only be adopted on the basis of a merger or demerger proposal prepared by the Management Board in conformity with the management board of the party to the merger or demerger. A merger or demerger proposal will be subject to the approval of the Supervisory Board. The merger or demerger resolution will be adopted by the General Meeting, or, in certain circumstances, by the Management Board.

Dissolution and liquidation

The Company may only be dissolved by a resolution of the General Meeting but only at the proposal of the Management Board subject to the approval of the Supervisory Board. When a proposal to dissolve the Company is to be made at a General Meeting, this must be stated in the notice of such meeting.

In the event of dissolution, the business will be liquidated in accordance with Dutch law and the Articles of Association. The liquidation will be arranged by the Management Board, unless the General Meeting appoints other liquidators. During liquidation, the provisions of the Articles of Association will remain in force to the extent possible. The balance remaining after payment of the debts of the dissolved Company will be transferred to the Shareholders, in proportion to the aggregate nominal amount of their Shares.

CORPORATE GOVERNANCE

The Dutch Corporate Governance Code does not apply to the Company because its Shares are not admitted to trading on a multilateral trading facility or regulated market within the meaning of the FMSA. Therefore, the Company does not apply the Dutch Corporate Governance Code.

FEES, COSTS AND CHARGES BORNE BY SHAREHOLDERS

All costs arising from the affairs and activities of the Company, including without limitation the remuneration of the members of the Management Board and Supervisory Board and all expenses incurred in the course of business shall be charged against the Company's assets. As such, all fees, costs and charges of the Company are borne indirectly by the Shareholders. The Company will not require Shareholders to directly bear any fees, costs or charges.

Furthermore, a Shareholder or aspiring Shareholder will incur fees for buying and selling Shares. For more information on this, please see "*Information on the Company - Important Contractual Relationships*".

FAIR TREATMENT OF SHAREHOLDERS

The Company will strive to act in the best interest of its Shareholders and will ensure a fair treatment of Shareholders while seeking to obtain best optimization of portfolio management and execution and pricing for investment transactions. All Shares rank equally in all respects and will be eligible for any dividend which the Company may declare on the Shares. Each Share entitles the holder thereof to attend the General Meeting and cast one vote. The Company has not granted preferential treatment to a particular Shareholder and will disclose through the half-year report whenever a Shareholder or investor obtains preferential treatment or the right to obtain preferential treatment, including a description of that preferential treatment, the type of investors who obtain such preferential treatment and, where relevant, their legal or economic links with the Company.

Furthermore, during a certain period (i.e. the period presently running until 1 September 2015, the "**Initial Period**"), special provisions in the Company's Articles of Association apply with the aim of protecting the interests of minority shareholders. In order to provide stability in the governance structure of the Company and to protect the interests of minority shareholders, certain provisions of the Company's Articles of Association relating to the governance of the Company can only be amended at the unanimous proposal of the Supervisory Board, pursuant to a resolution of the Company's general meeting adopted with a qualified majority of two thirds of the votes cast representing more than half of the issued capital. Other amendments to the Company's Articles of Association during the Initial Period require a proposal (by majority vote) of the Supervisory Board and a resolution of the General Meeting adopted with a qualified majority of two thirds of the votes cast representing more than half of the issued capital.

Finally, all Shareholders may exercise their Rights under the Offering at the same price (with the same discount). This also means that Catalyst Coop will not receive a fee for providing the back-stop in the form of a further discount, which is often used in rights offerings. This is agreed with a view to the equal treatment of Shareholders.

For a description of the Company's major Shareholders and the practical consequences of their shareholding see "*Major Shareholders and Related Party Transactions*".

IMPORTANT CONTRACTUAL RELATIONSHIPS

There are several important legal relationships into which the Company enters and has entered with respect to its investors and investments. These include bank loan agreements, rental agreements with the tenants and service agreements with service providers for the relevant properties.

Listing Agreement

On 11 October 2013, the Company and NPX entered into a listing agreement ("**Listing Agreement**"). Based on the Listing Agreement, the Company is required to provide the following information, to be shared with Shareholders:

- audited full year results and half year results;
- this Prospectus;
- brochures;
- annual accounts and annual reports; and
- other information relevant for (potential) Shareholders.

Also in this agreement, the fees have been agreed upon. The trading fees will be charged to the buyer and to the seller and is charged per transaction in accordance with the following schedule:

Transaction size (* EUR 1,000)	Total fee (* basis points, i.e. 0.01%)
≤ 100	150
> 100 ≤ 500	50
> 500 ≤ 1,000	25
> 1,000 ≤ 10,000	12.5
> 10,000	5

Bank loan agreements

The Company and its subsidiaries have entered into several agreements with credit institutions and other financial undertakings on loan facilities. As a result, the Company is exposed to maturing bank loans that need to be replaced or refinanced.

Three of the bank loans provided to the holding companies of the properties have financial ratio covenants in place. These covenants are:

	Interest Service Coverage		Loan to Value	
	Ratio	Status**	Ratio	Status**
Geneba 1	>220%	373%	<90%	65%
VRE 2	≥150%	290%	N.a.	N.a.
Baltic portfolio*	≥150%	210%	N.a. until 2017	111%
			<85% 2017-2020	

			<75% from 2020	
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* Geneba Baltics S.à r.l. and its subsidiaries.

** As per 30 June 2014

If such maximum ratio is breached, the relevant loan agreement may become due and payable.

The bank loan on the level of VRE 2 has ended, and is extended on a month-to-month basis. As a result of the decrease in value of the property, the Bochum property holding company may have to enter into insolvency proceedings. However, the Company has not provided any guarantees with respect to that company. Furthermore, the Company does not intend to use the proceeds of the Offering to recapitalise the property holding company. For more information on this relationship, please see "*Risk Factors - The Company may not successfully renegotiate certain credit facility agreements*".

With respect to the EUR 101.8 million loans provided with respect to the Baltic portfolio, there is a change of control clause which is triggered, *inter alia*, if Catalyst Coop acquires more than 83% of the Shares as a result of the Offering or 89% taking into account the reserved Existing Shares which may be cancelled or distributed. This change of control clause will not be breached upon completion of the Offering, but further increases in shareholdings by Catalyst Coop or cancellation of shares held by the Plan Administrator in reserve may lead to such breach. The Baltic portfolio currently has a loan-to-value ratio of more than 100%. The Company has internally decided that it will consider its options. These could either be an agreement with the lender (also the tenant) on structures to adjust the loan to value ratio without additional injection of equity or to divest the portfolio entirely. For more information on this relationship, please see "*Risk Factors - The Company may not successfully renegotiate certain credit facility agreements*" and "*Despite the structure of the Group, the Company may be held liable for claims arising at its subsidiaries*". Furthermore, the Company is in the process of divesting several of the smaller properties in the Baltic portfolio as part of an agreement thereon with the lender.

The bank loan agreements are generally expressed to be governed by Dutch, German, Swedish or Swiss law and generally contain single-sided jurisdiction clauses entitling the banks to initiate legal action before a court in a jurisdiction of its choice and requiring the Company to submit to the exclusive jurisdiction of a court in the home jurisdiction of the lender for the resolution of disputes brought before a court by the borrower.

Shareholder bridge loans

When the Company had to prepay the loans secured on the Rotterdam assets, it made several inquiries for potential sources of financing for that prepayment. At the time and for that purpose, Debt financing by Catalyst Coop was considered the best option. The Company and Catalyst Coop entered into a short term EUR 14,000,000 term facility agreement dated 24 June 2014, at an interest rate of one month EURIBOR plus 3% margin and a set-up and commitment fee of each 1%. Catalyst Coop obtained security for the amounts outstanding under the short term facility agreement, including mortgages, and pledges on capital shares, receivables, rent accounts and insurance claims.

Furthermore, the Company decided to voluntarily prepay a loan relating to the MoTo asset as the conditions thereof were deemed to be relatively unfavourable to the Company. Also, the Company planned to invest in the Hassmersheim asset. In order to facilitate these actions and other actions that could follow in the short term, the short term facility agreement was amended and restated on 17 September 2014 in the form of the Shareholder Bridge Loan Agreement. This enabled the Company to take the abovementioned steps before the Offering could take place. The Company has utilised EUR 40 million of the total commitment of EUR 75 million under the Shareholder Bridge Loan Agreement. Under the Shareholder Bridge Loan Agreement

interest accrues at an annual rate of one month EURIBOR plus 3% margin and a set-up and commitment fee applies of 1% each.

Under the Shareholder Bridge Loan Agreement the Company undertakes to use its best efforts to ensure that the Offering is implemented as soon as possible after 17 September 2014 and that before 17 January 2015 the Prospectus has been approved by the AFM and made generally available by the Company. Upon closing of the Offering, Catalyst Coop may elect to set-off its obligations to subscribe for the Offer Shares against the Company's corresponding obligation to pay any amounts outstanding under the Shareholder Bridge Loan Agreement. The loans drawn must, subject to automatic extension of 15 business days provided certain conditions are met, be repaid on 17 January 2015, unless Catalyst Coop has made use of a discretionary extension option, subject to an additional 1% set-up fee, in which case the loans must be repaid on or before 17 April 2015, depending on the extension granted. In addition, the Company must repay such loans under certain customary conditions and upon closing of the Offering. Catalyst Coop obtained security for the amounts outstanding under the Shareholder Bridge Loan Agreement, including mortgages, and pledges on capital shares, receivables, rent accounts, insurance claims and bank accounts.

Derivative agreements

With respect to the Baltic portfolio, standard fixed for floating interest rate swaps are in place on the level of the property companies for the total notional amount of EUR 82,381,133 as per 30 June 2014, which fixes the interest rate on 2.955%. This derivative agreement is in place to hedge the interest rate risk on the financing of the portfolio.

Rental agreements

The Company has entered and will enter into long term leases with tenants of the properties in its portfolio. As a consequence, the Company is exposed to the credit risk on its tenants. Also, it may be difficult to obtain new leases on favourable terms.

With respect to the largest asset in München, Infineon Technologies AG ("**Infineon**") is the tenant. Infineon, headquartered at Campeon, is a stock corporation organised under the laws of the Federal Republic of Germany active as semiconductor manufacturer and listed on the Frankfurt Stock Exchange (regulated market, ticker symbol: IFX). Gross rental income amounts to approximately EUR 34,000,000 per year. The lease is scheduled to run until 16 October 2020. If Infineon does not make use of the purchase option, the lease will end as per 16 October 2025.

The rental agreements are generally expressed to be governed by the law of the country in which the property is situated, with the courts in that same jurisdiction as competent courts.

Service agreements

The Company has in the ordinary course of its business entered into service agreements with respect to the properties in its portfolio. The majority of such properties are subject to a so-called triple net lease which means that the tenant is, subject to certain exceptions, in principle responsible for all of the costs relating to the property in addition to paying the rent. Other properties are serviced by third parties contracted by the Company.

The service agreements are generally expressed to be governed by the law of the country in which the property is situated, with the courts in that same jurisdiction as competent courts.

ENFORCEABILITY OF CIVIL LIABILITIES

The Company is a property investment company established as a public limited liability company (*naamloze vennootschap*) organized under the laws of the Netherlands. Some of the Company's directors and officers and certain other persons named in this document may reside in the Netherlands. As a result, the enforceability of any civil judgment rendered against such persons in a foreign country is uncertain.

A judgment obtained in the courts of a country which falls under the scope of the EU Regulation No 44/2001 or the new Lugano Convention of 30 October 2007 would be enforced by Dutch courts without re-examination of the merits of the case subject to and in accordance with the provisions of each legal instrument.

In the absence of an applicable treaty between a foreign country and the Netherlands, a judgment rendered by a foreign court will not be enforced by Dutch courts. In order to obtain a judgment which is enforceable in the Netherlands, the claim must be relitigated before a competent Dutch court. If and to the extent that the Dutch court finds that the jurisdiction of that foreign court has been based on grounds which are internationally acceptable and that proper legal procedures have been observed, the Dutch court would, in principle, give binding effect to the final judgment of that foreign court unless such judgment contravenes principles of Dutch public policy.

APPLICABLE LAWS

As a Dutch N.V. incorporated in the Netherlands, the Company is governed by Dutch corporate law. Furthermore, as an internally managed Alternative Investment Fund ("**AIF**") , it is licensed by the AFM and subject to Dutch regulatory law. Finally, the Shares, the Depositary Receipts and the issue of Rights and Offer Shares under this Prospectus are governed by Dutch law. To the extent permitted under applicable law, the court of Amsterdam in the Netherlands will be the exclusive competent court with respect to matters relating to the Offering.

BUSINESS

MARKET OVERVIEW

General

As a result of the Offering, the Company will be better capitalised to benefit from the opportunities in the real estate markets of the countries on which it focuses. More specifically, the capital injection will enable the Company not only to refinance a part of its current portfolio, but also to redevelop certain properties in the portfolio and, most importantly, to invest in new properties, allowing the Company to diversify its portfolio.

The Company's current portfolio is unbalanced and strongly depends on one asset. The Company will therefore need to diversify its income stream. To do so it is planned to acquire new assets. Its focus will be on sale and lease back transactions, investments in light industrial premises and logistics facilities in Germany and in the Netherlands. The Company has a focus on sale and lease back and on investing in assets which are leased by a tenant and which are sold by a third party. At present it is not the intention to invest in vacant real estate.

The Company sees very attractive market opportunities to invest in. The Company presently focuses on corporate real estate assets in its core markets with a focus on Germany and the Netherlands. The Company believes corporate real estate is a segment with promising growth which can be unlocked by the Company's strategy. This potential growth lies in the fact that many well managed corporates with sound business models still own the properties they use for their operations while managing and developing properties is not their core business. By carefully selecting such high potential corporates, purchasing the property they use and maintaining them as tenants, the Company, as a professional asset manager with development capabilities, enables them to focus on their core business and grow. In their growth, the Company seeks further opportunities to add value by developing the properties they use and so facilitate their growth, and grow with them. As a result, more value can be created by the Company and the corporates, in accordance with their respective strengths.

By way of example, the Company is presently facilitating the tenant of its properties in Hassmersheim, the Netherlands, by expanding the property on request of Motip Dupli Group B.V., in order to facilitate their ambitions.

On the one side corporates increasingly realize the benefit of selling real assets they operate in against medium to long term leases. This frees up capital and allows them to focus on their core businesses, not on managing the real estate they occupy.

In addition, the Company will position itself as a professional owner in close and regular contact with the tenants. This will allow to optimize and scrutinize the lease income and generate not only steady income from leases but also from active asset management.

Germany¹

Overall Situation

Germany experienced moderate economic growth in 2013 and at the beginning of 2014, but registered a decline in GDP in the second quarter of 2014.

¹ Source: Jones Lang LaSalle IP, Inc., June 2014.

The forecast for 2014 is GDP growth of 1.7% after 0.7% last year. Despite the recent economic downturn in the middle of 2014, the economic development in Germany is generally positive and is the basis for a sustainable recovery with correspondingly positive business prospects and an improved jobs market. In spite of the rather subdued economic recovery, Germany again registered a new employment record in 2013. On average around 41.8 million people were in paid employment last year – more than ever before. This means that the number of those in paid employment reached a new peak for the seventh year in succession. Service providers again provided most of the new jobs, creating 227,000 posts and accounting for around three quarters of all workers.

Development of the office take-up

In line with the relatively positive economic development, user demand on the most important office property markets in Germany remained at a comparatively high level compared with the previous year. In 2013, take-up on completions and vacancy rate in the office lettings markets in the seven German property strongholds Berlin, Düsseldorf, Hamburg, Frankfurt, Cologne, Munich and Stuttgart (the "**Big 7 cities**") amounted to around 2.93 million m² and was therefore almost in line with the previous year's level (-3.5%). In a regional breakdown, however, there were marked differences between the cities in a 12-month comparison. For example, Stuttgart registered an increase of almost 35%, and Düsseldorf and Cologne also registered increases of 19% and 18% respectively. While Hamburg also recorded a slight increase in take-up to 440,000 m², the remaining three strongholds – Frankfurt, Berlin and Munich – saw their take-up volume decline by between 14% and 17% compared to 2012.

Office users generally want to achieve an improvement in location or quality through a move. On the other hand, however, there is an increased sensitivity to price, and it is often more cost effective to remain in the current location than to move. Owners seek to lock in potential tenants with concessions on rents or office installations. Overall, this leads to a lengthening of the decision-making process, not least because the search for suitable space already takes longer in itself. This also applies especially to international companies that are involved in coordination processes with central offices outside of Germany.

The pattern of demand also remained well balanced in 2013: the top five industries accounted for slightly more than 50% of take-up across the Big 7 cities. As is traditionally the case, business service providers were in the number one position with a share of almost 20% (2012: 17%), followed by industrial companies in second place. Banks and financial service providers, which were only ranked eighth last year, moved into third position after they resumed more active leasing activities and achieved a share of more than 8% with a take-up volume of almost 250,000 m².

Vacancy reach cyclical low

Office vacancies in the Big 7 cities amount to around 7.3 million m², which means vacancies declined by a further 6% from the end of 2012. Modern and high-quality fittings and fixtures that meet user requirements are available in only part of this stock. Hence the share of vacancies rated as high-quality space has fallen again for the third year in succession. During 2013 the vacancy rate across all seven property strongholds fell from 8.8% to 8.3%. This is the lowest level since 2002. With continuing positive demand along with a moderate rise in the completions volume, it's nonetheless unlikely that there will be a further decrease in the current year. In a regional analysis, the reduction in vacancies in a 12-month comparison was most pronounced in Munich (-14%) and Cologne (-10%). Only Düsseldorf registered a slight increase in vacancies.

Compared to the previous year, net absorption in the Big 7 cities decreased by more than 200,000 m² but is still in line with the five-year average. In 2013 the volume of occupied office space increased by around 790,000 m².

Rising new development activities

In terms of the completions volume, the last three months of 2013 saw a significant change compared to the developments and observations of the first three quarters. As expected, the situation turned round completely and converted a minus figure in a 12-month comparison to an increase of 8% by the end of 2013. Total completions reached around 890,000 m² in the Big 7 during 2013. In the last few years, developers had focused their attention on the Munich and Hamburg markets, but Frankfurt is now the office market with the highest new construction volume. More than 204,000 m² of new or fully renovated space came onto the market, which represented an increase of more than 140% compared to the previous year. At almost 60% apiece, Stuttgart and Cologne also registered above-average increases in the completions volume. In contrast, the decline in completions was particularly pronounced in Hamburg (-25%) and Düsseldorf (-52%).

In 2014, total completions are expected to reach 1.17 million m², which equates to a 32% increase compared to 2013. More than a quarter of the volume will apply to Frankfurt. Of the total volume in the Big 7, 63% is already occupied in that it has been pre-let or will be occupied by the owner. This means that around 439,000 m² is available to the open market and companies seeking space.

Stable to moderate increase of prime rents

The prime rents increased in Düsseldorf, Frankfurt and Munich during the year. By the end of 2013, the aggregated prime rate was 1.9% higher, which was slightly below the growth rate of the previous year (2012: 3%). If the positive demand for high-quality spaces in central locations continues, we expect that rental prices will also increase in 2014, albeit only moderately by 1%. Average rents were also on an upward trend in 2013, with average growth of almost 1.5% registered for all cities. Over the past three years there has been a very high correlation between the prime rental price index and the average rental price index (correlation coefficient of 0.95%). This clearly shows that rental price growth is also reflected in the wider market and is not only limited to the narrow prime segment.

Investment market in Germany

With around €10 billion in commercially used properties across Germany as a whole, the transaction volume is around 40% higher compared to the first quarter of 2013 and is also equivalent to the volume recorded for the final quarter of 2012. The last quarter of a year is generally the strongest in terms of transaction activity. Even if it is not possible to realise mega-transactions such as the €1 billion Leo I portfolio in any of the coming three quarters, indications are that the transaction volume in 2014 as a whole will be between €35 billion and €40 billion. This would therefore exceed the 2013 volume by up to 30%. The continuous growth since 2009 may arouse fears that the investment market is again moving to a rather unhealthy level, as was the case in 2006/2007. Jones Lange LaSalle cannot confirm this in June, however. They observe neither overstatements by the lending banks, nor do the prices achieved appear to be fundamentally unjustified. A well-developed awareness of risk still persists, and transactions are still being intensively analysed.

Supply and Demand: Key Players in the German Real Estate Market

Strong demand for logistics properties – foreign investors very active

Investors continued to focus on office properties in the first quarter of 2014. With a share of around 43% of the transaction volume (corresponding to € 4.3 billion), this property type is clearly ahead of the retail

segment with a 29% share (€2.9 billion). Distribution warehouses also made a strong showing in the first few months of the year. Properties with a volume of around €1.3 billion changed hands, corresponding to a 13% share of the transaction volume. Four portfolio sales, each with a volume of more than €100 million, contributed to this result.

In line with 2013, the strongest purchaser groups in the first quarter were asset / fund managers and special funds. Together, they accounted for an investment volume for commercial property of €3.7 billion. This means that both of these investor groups have once again increased their volume of investment since 2013 and are currently responsible for 37% of the total volume. Private equity companies / hedge funds have increased their share, investing around €1.4 billion and therefore a significantly higher volume than in 2013 as a whole.

In terms of the origins of investors and sources of invested capital, foreign capital is once again flowing into the German property market in greater volumes. Compared to 2013 when German investors headed to field with over 60% of the capital invested, their contribution reduced to 46% in the first quarter. Conversely, more than half of the capital invested came from foreign investors.

Pressure on Yields continues

Investors continued to show strong interest in top office properties in prime locations in 2014. As a result, office prime yields again fell slightly to an average of 4.61% for the Big 7 cities. This decline was caused by the slight decreases in yields in Berlin, Hamburg, Cologne and Munich by 10 basis points apiece. Yields also showed some movement outside the top locations but not to the same extent as the prime yields. The average yield for prime properties in secondary locations in the Big 7 strongholds fell slightly to 5.49%, therefore increasing the yield spread marginally to around 90 basis points.

Yields for logistics properties remained more-or-less stable at 6.56% on average for all strongholds. As before, initial yields of 5.65% were also paid for good specialist warehouse products. Shopping centre yields were on a slight downward trend: net initial yields in this segment fell by 10 basis points in a quarterly comparison to 4.60% at present.

The prime yields could fall further as the year progresses, but strong price increases are not to be expected. Furthermore, in view of the continuing low interest rates for alternative investment products, there is still an attractive higher return for investors.

The Baltics²

Overall situation

The Baltic States experienced sustainable economic recovery in 2013 and despite some dampening factors (increased tension with Russia; instability in the Euro zone economy) continued to be one of the fastest growing regions in the EU with the same trends in H1 of 2014.

In Q2 of 2014 the biggest growth of GDP was recorded in Lithuania (3.1%) followed by Latvia (2.5%) and Estonia (2.2%) mainly caused by increasing value added in construction and manufacturing sectors. The economic changes in the Baltic States had a positive impact on a labour market which showed improving trends especially in Estonia where the unemployment rate decreased to 6.9% in Q2 of 2014. Latvia and Lithuania still had higher unemployment rates of 10.7 and 11.2%, respectively, however, compared with

² Source: Colliers International Advisors, SIA, September 2014

previous quarter, it decreased by 1.2% in both countries. Companies eventually started to invest in development, creating new workplaces, and were more concerned about retaining existing ones. Besides, inflation rates in all three Baltic States were low which was especially useful for Lithuania as it is planning the Euro adoption in 2015.

Development of office market

Take-up is gaining momentum

The office market was gaining pace in the Baltic States fuelled by buoyant demand for office space and continuously growing rent rates. The strongest activity was recorded in capital cities while other regions remained quite calm.

Take-up activity in the Baltic States in H1 of 2014 compared with H1 of 2013 was boosting with the highest demand for small office space on attractive locations. The office demand in Tallinn was primarily driven by local professional, scientific and technical service centres while Vilnius faced the highest demand from international companies seeking to establish their businesses in Lithuania. Riga remained calmer in terms of take-up deals during H1 of 2014 with one large lease transaction completed by Cabot Corporation occupying more than 1,500 sqm in Umpalas Bijori office building. However, in general, higher competition among tenants strengthened the position of landlords in the Baltic market and landlords were asking higher rent rates for high quality and new office space.

Lowest vacancy since the crisis

In H1 of 2014 the vacancy in all three capital cities of the Baltic States reached the lowest level since the crisis. Due to economic growth, increasing expectations and positive investment conditions companies were actively expanding and even relocating their head offices or support centres to the Baltic States in order to save costs. As a result, the vacancy levels in Vilnius, Riga and Tallinn office markets were close to 6-7% in general (compared with 9-11 in 2013), with the lowest availability of class A office buildings. In Vilnius it stood at 2.6%, in Riga – 5.3% and in Tallinn – 4.8%. Therefore it is quite difficult to find large (over 1,000 sqm) free office space in one place, especially in the city centres.

Although supply of new office buildings is going to increase during the next few years, the vacancy is expected to maintain positive tendencies in the Baltic States due to improving economic conditions, which will stimulate further expansion of companies.

Wave of new development

H1 of 2014 in the Baltic States was quite active in terms of construction of new office space as 53,500 sqm were introduced to the market. It is more than twice above the level reached during H1 of 2013. Besides, the pipeline for the next few years seeks more than 110,000 sqm in all three Baltic capitals, confirming positive expectation in office segment. The biggest growth of supply is expected in Vilnius (by 58,000 sqm) and Tallinn (by 41,000 sqm), while Riga remains less active (10,400 sqm), as construction of the new State Revenue Service building (GLA 43,000 sqm) has been already finished during H1 of 2014.

Currently, due to limited availability of high class office space developers are actively investing in class A office building segment, especially in Vilnius where more than 70% of the new pipeline will be class A business centres located close to the city centre.

Moderate growth of rent rates

Higher and lower growth of rent rates for the last few years was recorded in all three capital cities. Positive expectations and lack of suitable free office space encouraged landlords to keep prices rising, which grew by on average 3-6% depending on the city and quality of premises. During H1 of 2014 rent rates in Vilnius grew by 3% compared with the end of 2013, in Tallinn by 2% and in Riga remained stable confirming healthy growth of the market.

It is expected that rent rates in the Baltic States will maintain sustainable growth (3-5%) as improving economic conditions and further expansion of companies will keep up the demand at a solid level.

Investment market in the Baltic States

Total investment volume in the Baltic States was over EUR 385 million in H1 of 2014. So far 2014 has corresponded to expectations, with activity and market volume following the anticipated trend. Lithuania was the leader with an investment volume of EUR 158 million, followed by Latvia with EUR 127.2 million and Estonia with EUR 102 million. As a result, the highest activity was recorded in Lithuania where investment volume of two quarters exceeded the level of previous year by 5% while both Estonia and Latvia witnessed decrease by approximately 30%, compared to the same period of 2013.

Average transaction size across the market as a whole was EUR 2.5-2.7 million in H1 of 2014 (compared to EUR 4.0-4.1 million in H1 of 2013). The decrease in average transaction size can be attributed to the fact that the number and volume of deals in the range of EUR 1-5 million in H1 of 2014 almost doubled compared with the same period in 2013. Overall, the number of deals in H1 of 2014 increased annually by 34% and approximately 81% of total number of transactions being deals of less than EUR 3 million.

Investment properties

Office continued to dominate the investment landscape in the Baltic States in H1 of 2014, mostly due to the sale of the biggest Office building in Vilnius (Vilnius Business Harbor with GLA 28,400 sqm) for EUR 61.6 million to East Capital (the largest deal of the year so far in the Baltic States). The most notable deals of H1 of 2014 in the office sector were also the sale of the Business Park Four Office complex in Vilnius (29,600 sqm) to Nordic and Baltic Property Group for EUR 17.4 million and the acquisition of the Blaumana Office building in Riga's centre by EfTEN Capital for EUR 8.8 million.

The second largest share of transaction volume in the Baltic States in H1 of 2014 was the investment in the industrial/warehouse property segment and accounted for more than one fifth of total volume (up from 14% in H1 of 2013). The industrial segment was driven by the purchase of the Rimi Distribution Centre on Deglava Street in Riga, which was acquired by Plesko Real Estate (subsidiary of ICA AB (Rimi)). Also high investment activity in the industrial segment remained in Estonia, seeing the purchase of Pharmadule industrial complex and BE Steel warehouse complex by Capital Mill, the divestment of a Magnum Medical logistics property and the acquisition of the DHL logistics centre and Onninen warehouse by EfTEN real estate fund.

The share of total volume invested in retail decreased from 41% in H1 of 2013 to 23% in H1 of 2014. The most significant deals in retail sector included the sale of the Prisma Peremarket property in Tartu to Russian and Baltics Retail Properties, a real estate fund based in Finland (largest single investment deal so far this year in Estonia), acquisition of De La Gardie shopping centre in Tallinn and the sale of the shopping and office complex Domus Centras (total 19,250 sqm) in Vilnius by Ogmios Centras to the Dutch investment fund Westerwijk Investments.

Key players and yields

Nordic investors, investors from Eastern European countries and Russia in particular, as well as local Baltic investors continued to dominate investment market in the Baltic States. The majority of the transactions above EUR 3 million in H1 of 2014 were made by the local investors or foreign capital, represented by local managers. The share of East Capital, EfTEN Capital and Capital Mill amounted to approximately 25% of total investment turnover in H1 of 2014.

At the same time, some new players were active on the market during the observed period, including Russian and Baltics Retail Properties fund in Estonia, Nordic and Baltic Property Group, and Prosperus in Lithuania as well as Norwegian investors, seeking for retail properties in Latvia – the last two have not closed any deals yet, but are planning to finalise some during the second half of the year.

Prime yields started to move downwards, driven by cheap financial capital, shortage of investment grade products and strengthening demand from small sized investors. Notable yields compression was recorded in the retail (up to 7.25%) and industrial (up to 8.5%) sectors in Estonia, retail sector (up to 7.5%) in Latvia and office sector (up to 7.75%) in Lithuania.

The slight compression in prime yields of commercial real estate in the Baltic States over the short term is expected to continue due to the recovering economy, a more active investment market and shortage of high investment grade properties.

The Netherlands³

The market in general

The IMF expects that the Dutch economy will grow by 0.8% in 2014, followed by 1.6% in 2015. In previous forecasts, released in October of 2013, the IMF assumed growth of just 0.3% in 2014. It should be noted that the forecast for 2015 is more positive than that of the Netherlands Central Planning Office (CPB), which points to growth of 1.3%. The Dutch economy shrunk by 0.8% last year. According to the latest forecast, economic growth in the Netherlands will next year equal that of Germany. Europe's largest economy is expected to expand by 1.7% this year.

Unemployment in the Netherlands will rise in 2014 from 6.9 to 7.3%. A slight drop to 7.0% is forecast for next year. Inflation will remain exceptionally low until the end of 2015.

Research has shown that the investment volume in European property during the first quarter of 2014 amounted to some EUR 32.2 billion, which is 11% more than the first quarter of 2013. Indeed, the first quarter of 2014 is the best opening quarter since 2008. Expectations are that the total investment volume for 2014 will reach EUR 150 billion, which would represent a growth of 5% compared to the figure for 2013. Developments in the Netherlands generally mirror those in Europe, except that growth in this country is stronger. The investment volume in the first quarter of 2014 totalled EUR 1.7 billion. Compared with the same period last year, the investment volume in Dutch property has risen by 91%, making the first quarter of 2014 the best opening quarter since 2008. These figures reflect a rising interest in Dutch property. Besides the realised transactions, this is also apparent in the abundance of capital available for properties in Europe in general, and in the Netherlands in particular. One can also signal an increase in the number of parties interested in Dutch property. Although the Dutch property market is not without its challenges, these factors combined with the good position of the Netherlands also offer attractive opportunities to investors. Much of this interest is expected to result in transactions in 2014. Disregarding a few incidental transactions in the

³ Source: DTZ Zadelhoff v.o.f., September 2014

first quarter, if dynamics remain at this level the total investment volume for 2014 will reach EUR 6.5 billion. That is 18% higher than the volume of EUR 5.5 billion in 2013.

Business property market

Various factors that have a significant impact on the business property market showed a positive development in the first quarter of 2014. For example, ING reported in April that the Netherlands has joined the international elite in the quality of export related facilities such as physical and virtual infrastructure. Indeed, the Netherlands ranked highest on the EU Transport Scoreboard, a tool with which the EU compares factors such as infrastructure, safety and legislation. In addition, in February the CBS recorded the largest growth figure for industrial production since 3 years: 5% up compared to the previous year. This is also reflected in the steady improvement of the occupancy level among industrial producers, reaching 80.2%, a percentage that is only slightly under the high of 81% booked in 2011. An increase in economic activity is also apparent in the figures of mainport Schiphol, where the total processed tonnage was 7.3% up on the first quarter of last year. Transhipped tonnage in the Port of Rotterdam remained constant, while a slight recovery (+1%) was booked in the number of containers.

The growth figures are backed by a strong rise in confidence among consumers and producers. The consumer confidence index has improved from -32 in September 2013 to -5 in April 2014, bringing it to the level last seen in the first quarter of 2011. Consumer willingness to buy continued to improve in the period from September 2013 until April 2014, rising from -25 to -13. Although this means that a negative sentiment about the Dutch economy still dominates, it does signify the most explosive jump in confidence since 2008. According to the CBS, not only is consumer confidence at the highest level since several years, the same can also be said of the producer confidence index, which remained stable with a score of +0.3 at the end of the first quarter.

The year 2013 was for the Dutch business property market less favourable than 2012. A total of 2.4 million square metres of business space was taken up in 2013, compared with 2.7 million square metres in 2012. Although it initially appeared that the Dutch business property market would remain largely immune to economic trends, dynamics slumped significantly in 2013. At 508,000 m², take-up during the first quarter of 2014 is in line with the trend in 2013. There is a strong demand for high-quality logistics space, especially at good locations in the southern half of the country. This was expressed in the take-up of 17,000 m² by Megagroup Trade Holding in Veghel and the take-up by Boskalis of a logistics complex of 11,000 m² in Moerdijk.

The Netherlands plays a key logistics role in Europe thanks to its favourable position for the transshipment throughout Europe of products made in Asia. Not only the Port of Rotterdam, but also Schiphol Airport, are large Europa mainports, and the Dutch infrastructure is of excellent quality. That makes the Netherlands, and especially the southern half of the country, popular among shippers and logistics service providers. Yields for first-class distribution centres in the southern and eastern Netherlands have as a result come under pressure. A drop in rents is only foreseen for Tilburg, however, owing to the competitive new build prices of build-to-suit projects. The investment volume in the first quarter of 2014 totalled EUR 1.7 billion. Of this amount, EUR 315 million, i.e. 19% of the total, found its way in business space. This figure has since 2005 fluctuated between 10% and 16%, with the exception of the year 2010 when the share was lower. Business property is thus attracting increasing interest, both from Dutch and foreign investors. The first quarter of 2014 saw a number of large investment transactions involving the sale of the logistics complexes. The largest of these concerned the Pelican portfolio, in which seven Dutch and two foreign logistics complexes were bought by Prologis for EUR 168 million. The Dutch part of this transaction, which involved properties in Rotterdam, Roosendaal, Born, Eindhoven and Breda, has an estimated value of EUR 156 million and an average gross initial yield of 8.5%. Another large transaction involved Blackstone, which purchased the

Hattrick portfolio, consisting of business properties in Roosendaal, Tilburg and Wijchen, for EUR 34 million.

Office property market

Relocating organisations have in the first quarter of 2014 taken up a total of 207,200 m² office space, which volume is comparable to that booked in the first quarter of 2013. Although take-up ultimately totalled over one million square metres in 2013, that figure is expected to stick at 900,000 m² in 2014. It should be noted, however, that current market dynamics are highly sensitive to incidents, meaning that a number of unexpected large transactions could significantly alter this image. The availability of office space has remained stable compared with the end of 2013.

Despite the fact that the ratio between available office space in the Netherlands and annual office take up has risen during the past few years, there are substantial regional differences. Since 2009, the office markets in the neighbouring municipalities and the peripheral regions in the Netherlands have expanded more rapidly than those in key cities. As the demand for office space declines, so the significance of the key cities increases. A key city is one which has a magnetic attraction from a regional perspective. The Netherlands has numerous key cities, each with its own particular local or regional sphere of influence. Amsterdam, Rotterdam, 's-Hertogenbosch, Groningen and Utrecht are all examples of such key cities. If organisations are to consider relocating, then there has to be high-quality office space available at locations which appeal to both employers and employees. It is therefore only logical that office property at the popular locations in key cities is scarce while the economy is booming. Organisations then have to settle for second best locations. The most favourable locations in key cities form the first link of the 'dynamics chain'. During periods of economic decline, however, space then becomes available at this end of the chain, enabling organisations to relocate there and boosting local take-up ratios. As a result, office circumstances availability in peripheral municipalities expands more quickly than in the key cities.

2013 showed the first signs of a revival of the investment market, a trend that continued in the first quarter of 2014. Around EUR 1.7 billion was invested in Dutch property in the first 3 months of 2014. Of this, EUR 200 million was spent on office space, meaning that this category represents 12% of the total invested volume, significantly lower than the 35% recorded for 2013 as a whole. Market dynamics are expected to bring this share closer to the figure for last year. As in 2013, international interest for Dutch property is strong, with foreign parties accounting for 44% of the investment volume. This is only slightly up compared to the 40% recorded in 2013, but significantly higher than the share recorded in the crisis period from 2008 to 2013. Investors clearly see opportunities in Dutch property and it is expected that more foreign players will become active on the Dutch property market during the course of 2014.

OVERVIEW OF THE PORTFOLIO

The Company is a closed-end property investment company without a separate manager (*beleggingsmaatschappij zonder aparte beheerder*) that offers investors access to an existing portfolio in the Netherlands, Germany and the Baltic States (Lithuania, Estonia and Latvia). Pursuant to the Plan, the Company obtained the below portfolio on PID (27 March 2014). The analysis of the portfolio is unaudited. 100% of the portfolio is invested in real estate assets.

The Company identifies as its main competitor Wereldhave in the Netherlands and DIC, Hamborne, Alstria and Deutsche Office in Germany. The Company does not have comparable competitors in the Baltic states.

The first of the following tables, entitled "Information by Property Type", sets forth the holdings in the portfolio divided among the three main property types comprising the portfolio (industrial, office, and retail), indicating the gross leased area ("GLA", in square metres), number of square meters vacant, total occupied

area, percentage occupancy, and percentage of portfolio. Please note that, with respect to the Dutch and German assets, the values stated below are based on the valuations as included under "*Valuation reports*".

Information by Property Type					
Property Type	GLA	Vacancy	Occupied Area	Occupancy	% of portfolio
Industrial	68,015	-	68,015	100.00%	20.38%
Office	245,969	10,821	235,148	95.60%	75.95%
Retail	9,870	5,889	3,981	40.33%	3.05%
Total	323,854	16,710	307,144	94.84%	100.00%
Country	GLA	Vacancy	Occupied Area	Occupancy	% of portfolio
Estonia	23,135	1,775	21,360	92.33%	7.14 %
Germany	214,987	-	214,987	100.00%	66.39 %
Latvia	21,214	2,462	18,752	88.39%	6.55 %
Lithuania	35,926	12,473	23,453	65.28%	11.09 %
Netherlands	28,592	-	28,592	100.00%	8.83 %
Total	323,854	16,710	307,144	94.84%	100.00%

The Management Board will evaluate the portfolio and will determine whether to hold, sell or develop each of the Company's assets. None of the Company's assets are subject to special arrangements arising from their illiquid nature as indicated in Article 23(4)(a) of the AIFMD.

The Netherlands

The Dutch Portfolio consists of 3 properties with 28,592 square metres of floor area and 2 tenants, generating aggregate gross rental income (on an annualized basis) of approximately EUR 2.82 million.

The Dutch Portfolio comprises 2 offices and 1 industrial property. The offices average approximately 5,385 square metres and the industrial property has approximately 17,822 square metres.

The economic occupancy rate (actual rent collected compared to rent scheduled for collection) is 100% with an average weighted (to market value) lease length of approximately 17.6 years. The Dutch Portfolio has been externally valued by DTZ Zadelhoff as at 30 June 2014 at a market value of approximately EUR 31.1 million.

A description of each of the properties comprising the Netherlands Portfolio is set forth below. The market values below are derived solely from the valuation prepared by DTZ as per 30 June 2014.

- **Geneba 1**
 - Wolfraamweg 2, Wolvega, Netherlands
 - Leased to Motip Dupli Group B.V. until 31 December 2031, the property is located in an industrial area of Wolvega and is connected to the Dutch motorway system. The building provides gross leasable area of 17,822 square metres consisting of warehouse and office space.
- **Geneba 4**
 - Benthemstraat 10, Rotterdam, Netherlands
 - A 7,641 square metres building constructed in 1970, in use for several years as a fitness and leisure centre, with the present lease agreement scheduled to expire on 22 May 2038. Renovations were carried out in 1999 and 2002. The tenant may however terminate the lease as per 22 May 2033.
- **Geneba 5**
 - Energieweg 9, Rotterdam, Netherlands
 - A two storey fitness centre built in 2002-2003 with gross area of 3,130 square metres. The present lease agreement scheduled to expire on 30 November 2037. The tenant may however terminate the lease as per 30 November 2032.

Germany

The German Portfolio consists of 5 properties with 214,987 square metres of floor area and 4 tenants, generating aggregate gross rental income (on an annualized basis) of approximately EUR 41.8 million.

The German Portfolio comprises 2 office and 3 industrial properties. The offices average approximately 82,397 square meters and the industrial properties average approximately 16,731 square metres.

The economic occupancy rate (actual rent collected compared to rent scheduled for collection) is 100% with an average weighted (to market value) lease length of approximately 6.5 years. The German Portfolio has been externally valued by DTZ Zadelhoff as at 30 June 2014, at a market value of approximately EUR 400.99 million, including a valuation of EUR 24.2 million for the Bochum asset. The Company received a valuation of the Bochum asset of EUR 19 million as at 30 June 2014 from Jones Lang LaSalle, which does not include the costs for the clean-up of asbestos. The management of the Company is of the view that the latter valuation provides a more accurate view of the value of the Bochum asset. After consultation with the Company's auditor, an additional EUR 4.5 million was deducted from the valuation to account for the clean-up costs of asbestos and the resulting value of EUR 14.5 million was used in the half year financial statement. However, the Company requested and received a report from Arcadis Deutschland GmbH indicating that these costs may be approximately EUR 9 million (which includes EUR 1.2 million in expenses that the Company will be legally required to make in the short term), which is an estimate that in the view of the Company's management is reasonable. However, the tenant estimates the costs to amount to approximately EUR 17 million. Even though in the view of the Company's management, the tenant's estimate includes cost items of approximately EUR 8 million which should be for account of the tenant, the tenant's estimate provides an indication of the maximum costs. As a result, the total market value of the

German Portfolio amounts to EUR 391.29 million as per 30 June 2014, but may decrease further with between EUR 4.5 million and 12.5 million to between EUR 378.79 million and EUR 386.79 million.

VRE 2 may as a result of the devaluation of the Bochum asset have to enter into insolvency proceedings. However, the Company has not provided any guarantees with respect to VRE 2. Furthermore, the Company does not intend to use the proceeds of the Offering to recapitalise VRE 2. This means that, due to the silo structure of the Company group, other group companies will in principle not be affected by the insolvency of VRE 2, as the insolvency proceeding will be settled at the level of VRE 2 only. As a result, only the assets of VRE 2 will be subject to the insolvency proceeding. For risks with respect to the silo structure, please see *"Despite the structure of the Group, the Company may be held liable for claims arising at its subsidiaries."*

Apart from the current portfolio, the Company is in negotiating on two acquisitions in Germany, which the Company expects to complete in the near future.

A detailed description of each of the current properties comprising the German Portfolio is set forth below.

- Geneva 1

- Elbestrasse 1-3, Marl, Germany
- Located in the industrial section of Marl-West, the property is close to motorway connections A43-A2 and contains land area of approximately 3 hectares. The building provides 16,827 square metres leasable space. It is a well maintained property consisting of office and warehouse/distribution space, fitted out to functional standards. The present lease agreement scheduled to expire on 31 May 2022.
- Binnerheide 26, Schwerte, Germany
- The property is centrally located in an industrial area of Binnerheide Schwerte and is connected to the German motorway system. The site contains approximately 4 hectares. The building provides a leasable area of 5,071 square metres and is a well maintained mixed use property consisting of office and light industrial space. The present lease agreement scheduled to expire on 31 December 2031.
- Industriestrasse 19, Hassmersheim, Germany
- The property is centrally located in an industrial area of Hassmersheim and is connected to the German motorway system and to the river Neckar. The property contains approximately 7 hectares. The building contains a total leasable area of 28,295 square metres and is a mixed use property consisting of office and storage space. The present lease agreement scheduled to expire on 31 December 2031. An extension project for 3,100 sq meter warehouse space has been agreed with the tenant. The project has commenced in Q3 2014.

- VRE 2

- Philippstrasse 3, Bochum, Germany
- Leased to Deutsche Annington, which has formally confirmed that it will terminate the lease in 2018, the property is located in Bochum-Altenbochum and is close to several motorway connections including BAB 40 and 43. The complex offers access by both car and public transportation. The site contains approximately 2 hectares. The building provides total leasable space of 23,127 square metres and has 500 parking spaces. Asbestos has been found in this property.

- Geneva 3 through MoTo
 - AM Campeon 1-12, Neubiberg, Germany (Munich)

Six low-rise buildings forming a corporate campus containing 141,667 square metres and underground parking for 1,853 cars. The entire premises are occupied by a single tenant, Infineon. The present lease agreement scheduled to expire on 16 October 2020. If Infineon does not make use of the purchase option the lease will end as per 16 October 2025.

Infineon is the Company's largest tenant which leases the property situated in Am Campeon 1-12, 85579 Neubiberg, Germany. Infineon, headquartered at Campeon, is a stock corporation organised under the laws of the Federal Republic of Germany active as semiconductor manufacturer and listed on the Frankfurt Stock Exchange (regulated market, ticker symbol: IFX).

The Baltic States

The Baltic Portfolio consists of 46 properties with 80,275 square metres of floor area and approximately 63 tenants, generating aggregate gross rental income (on an annualized basis) of approximately EUR 14 million.

The economic occupancy rate (actual rent collected compared to rent scheduled for collection) is 73%. The average remaining lease term in the Baltic States for the SEB headquarter buildings (which represents 60% of the gross rental income of the Baltic portfolio) is 9 years. The average remaining lease term for the other properties in the Baltic portfolio is significantly shorter and varies per property. The Baltic portfolio has been externally valued by Colliers at a market value of EUR 92.511 million as at 30 June 2014. In November 2014, as part of the refinancing agreed with the lender with respect to the Baltic portfolio, the following properties, which are included in the Colliers valuation included under "*Valuation reports*", have been sold: Keskväljak 7, Tartu mnt. 13, Maleva 1, Rotuses 8, Žirmūnų 70, Kalvarijų 98 and Kęstučio 38. This results in a reduction of the market value of the portfolio of EUR 5,020,000 based on the market values of those individual properties as determined by Colliers. As a result, the Baltic portfolio currently has a total value of EUR 87.491 million.

The Baltic portfolio currently has a loan-to-value ratio of more than 100%. The Company has internally decided that it will consider its options. These could either be an agreement with the lender (also the tenant) on structures to adjust the loan to value ratio without additional injection of equity or to divest the portfolio entirely. Please see "*Risk factors - The Company may not successfully renegotiate certain credit facility agreements*".

A detailed description of each of the properties comprising the Baltic portfolio is set forth below.

- Geneva Baltic LP Inc.
 - KUB Geneva LT Baltijos Investicijos 1
 - *Laisvės 75, Vilnius, Lithuania* – Site consists of approximately 10,000 square metres. There is a two storey warehouse building with office premises totalling approximately 6,430 square metres. The remaining area of the site is occupied by a car park.
 - *Jogailos 9 / Smetonos 1, Vilnius, Lithuania* – Site consists of approximately 940 square metres. The four storey office building is occupied by SEB Bank and comprises approximately 3,404 square metres. There is also a yard and a car park.

- *Gedimino 10, Vilnius, Lithuania* – Site consists of approximately 3,062 square metres. The three storey office building consists of approximately 2,507 square metres.
- *Maironio 19, Kaunas, Lithuania* – Site consists of approximately 1,797 square metres. The four storey retail building is a shopping centre with approximately 4,666 square metres.
- *Turgaus 15, Klaipėda, Lithuania* – Site consists of approximately 1,071 square metres. The two storey office building consists of approximately 925 square metres.
- *Turgaus 19, Klaipėda, Lithuania* – Site consists of approximately 1,071 square metres. The three storey office building consists of approximately 407 square metres.
- *Turgaus 17, Klaipėda, Lithuania* – Site consists of approximately 1,071 square metres. The three storey office building with basement and attic comprises approximately 366 square metres.
- KUB Geneba LT Baltijos Investicijos 2
- *Gedimino 12, Vilnius, Lithuania* – Site consists of approximately 2,496 square metres. The five storey administrative building with basement and attic is mainly office space with approximately 2,884 total square metres and is occupied by SEB Bank.
- *Vokieciu 9, Vilnius, Lithuania* – The building was constructed in 1959 and renovated in 2000. The three storey residential building has commercial premises on the ground floor. Commercial premises consist of approximately 194 square metres.
- *Laisves 82, Kaunas, Lithuania* – Site consists of approximately 3,888 square metres. The three storey office building with basement and attic houses mainly offices, with the main tenant being SEB Bank.
- *Tilzes 157, Siauliai, Lithuania* – Site consists of approximately 3,149 square metres. The three storey commercial building houses mainly SEB Bank and consists of approximately 2,504 square metres. There is also a car park for approximately 60 cars.
- *Ukmerges 20, Panevezys, Lithuania* – Site consists of approximately 2,622 square metres. The four storeys with basement commercial building houses SEB Bank with a total of 2,141 square metres. The property also has a car park.
- *Burbos 3, Maziekiai, Lithuania* – Site consists of approximately 3,109 square metres. The modern three storey commercial building is mainly leased to SEB Bank consisting of 1,043 square metres. There is also a car park on site.
- *Basanaviciaus 51, Kedainiai, Lithuania* – Site consists of approximately 1,442 square metres. The modern two storey commercial building houses mainly offices with a total of approximately 941 square metres.
- *Vytauto 11, Marijampole, Lithuania* – Site consists of approximately 971 square metres. The two storey commercial building with basement and attic comprises approximately 767 square metres with the main tenant being SEB Bank. There is also a car park (garage) and transformer building on site.
- *Pulko 4, Alytus, Lithuania* – Site consists of approximately 1,294 square metres. The two storey bank building consists of approximately 956 square metres with both office and retail premises. There is also a car park.

- *Jogailos 9a, Vilnius, Lithuania* – Site consists of approximately 940 square metres. The modern four storey administrative building with basement houses mainly offices with approximately 1,640 square metres in total. The tenant is SEB Bank.
- *Saltoniškių 29, Vilnius, Lithuania* – Site consists of a four storey administrative building with commercial premises on the ground floor. Total square footage is approximately 373 square metres.
- *Utenio 15, Utena, Lithuania* – Site consists of approximately 1,065 square metres. The two storey office building of approximately 519 square metres is mainly occupied by SEB Bank.
- *Daržų 13, Klaipėda, Lithuania* – Site consists of approximately 805 square metres. The two storey office building with basement and attic comprises approximately 1,093 square metres, with the main tenant being SEB Bank.
- *Vilniaus 1, Joniskis, Lithuania* – The two storey commercial building with basement and attic comprises approximately 187 square metres and houses SEB Bank.
- Geneba Baltic (ES) Investments UU
- Currently no properties.
- Geneba Baltic (ES) AST Investments UU
- *Rüütli 40a, Pärnu, Estonia* – The three storey bank/office building of approximately 1,685 square metres is leased to SEB Bank.
- *Aia 5, Valga, Estonia* – The two storey bank office has a total of 896 square metres.
- *Vainu 11, Paide, Estonia* – The two storey bank office totals approximately 1,016 square metres and includes a sales hall.
- *Vaksali 2, Viljandi, Estonia* – The two storey bank office totals approximately 723 square metres and includes a sales hall.
- *Tallinna mnt. 28, Narva, Estonia* – The two storey bank office with spacious sales hall totals approximately 767 square metres.
- *Tallinna mnt.12, Rapla, Estonia* – The three storey office building has a total of approximately 814 square metres.
- *Rakvere 3a, Jõhvi, Estonia* – The two storey bank office includes approximately 847 square metres.
- *Aia 1, Jõgeva, Estonia* – The two storey bank building has approximately 335 square metres which includes a sales hall. SEB Bank is the main tenant.
- *Tornimäe 2, Tallinn, Estonia* – The 24 storey office building consists of approximately 16,051 square metres.
- Geneba Baltic (LV) Investments UU
- *Unicentrs, Riga, Latvia* – Site consists of approximately 10,357 square metres. The 11-storey administrative building with canteen building with originally constructed in 1982 with complete

reconstruction completed in 2004. There is also a two storey car wash building on site constructed in 1990.

- *Baznīcas iela 4/6, Liepāja, Latvia* – This four-storey plus a basement bank and office building consisting of 1,736 square metres is situated in the central part of Liepāja city.
- *Ozolu iela 1, Gulbene, Latvia* – This two-storey bank and office building consisting of 1,293 square metres is situated in the central part of Cesis town.
- *Rīgas iela 9, Saldus, Latvia* – This two-storey plus a basement bank and office building consisting of 1,186 square metres is situated in the center of Saldus City.
- *Brīvības iela 12, Dobele, Latvia* – This two-storey plus a basement office building consisting of 895 square metres is currently being used as a bank and was originally constructed in 1980.
- *Pormalu iela 11, Jēkabpils, Latvia* – This two-storey (plus garage) office building consisting of 866 square metres was originally constructed in 1929 and reconstructed in 1998.
- *Kuldīgas iela 3, Ventspils, Latvia* – This two-storey (plus garage) office building consisting of 735 square metres is currently being used as a bank and was originally constructed in 1908. Reconstruction of both the building and garage was completed in 2001.
- *Rīgas iela 1, Sigulda, Latvia* – This two-storey plus a basement office building consisting of 654 square metres is currently being used as a bank and was originally constructed in 1912. Renovations were completed in 2005.
- *Dzirnavu iela 5, Kuldīga, Latvia* – This two-storey plus a basement office building consisting of 702 square metres is currently being used as a bank and was originally constructed in 1930. Renovations were completed in 2005.
- *Talsu iela 3, Preiļi, Latvia* – This two-storey (plus a garage) office building consisting of 615 square metres is currently being used as a bank and was originally constructed in 1974. Renovations were completed in 2005.
- *Burtnieku iela 8, Limbaži, Latvia* – This one-storey (plus a garage) office building consisting of 587 square metres is currently being used as a bank and was originally constructed in 1962.
- *Lāčplēša iela 2, Aizkraukle, Latvia* – This one-storey office building consisting of 375 square metres is currently being used as a bank and was originally constructed in 1963 with renovations implemented in 1997.
- *Rīgas iela 25, Valka, Latvia* – This office building consisting of 377 square metres is currently being used as a bank and was originally constructed in 1910 with structural renovations implemented in 1995.
- *Bērzpils iela 6, Balvi, Latvia* – This two-storey office building consisting of 337 square metres is currently being used as a bank and was originally constructed in 1967. Renovations have subsequently been completed in 1997 and 2004.
- *Studentu iela 2, Krāslava, Latvia* – This two-storey plus a basement office building consisting of 358 square metres is currently being used as a bank and was originally constructed in early 1900. Major renovations were completed in 2004.

- *Lielā iela 11, Kandava, Latvia* – This one-storey office building consisting of 143 square metres is currently being used as a bank and was originally constructed in 1930 with major renovations completed in 2001.

MAJOR COSTS RELATED TO THE PORTFOLIO

The Company identifies the following major costs relating to its portfolio:

Acquisitions and divestments

The Company may pursue acquisitions and/or divestments. When arranging for and entering into such transactions, costs will be incurred with respect to advisors and procedural requirements. These costs will vary depending on the acquisition and can amount to 3 - 6% of the transaction value.

Capital Expenditures

The Company is on an ongoing basis reviewing the quality of the properties in its portfolio. At times, these properties require maintenance and/or further development. The Company must incur costs to maintain the required quality. For the year 2015 these are budgeted at EUR 1.5 million based on the present portfolio.

Exploitation Costs

With respect to the properties in its portfolio, the Company incurs non-recoverable operational costs, which include:

- management fees;
- property tax;
- sewerage fees;
- insurance fees;
- audit costs;
- advisory fees.

For the year 2015 these are budgeted at EUR 4.4 million based on the present portfolio, of which management fees amount to approximately EUR 2 million.

Service Costs

Furthermore, the Company incurs service costs that are recoverable, such as utility charges. For the year 2015 these are budgeted at EUR 2.4 million based on the present portfolio.

Financing Costs

The Company incurs costs with respect to the financing that is in place for each property (primarily interest payments). For the year 2015 these are budgeted at EUR 17.3 million based on the present portfolio.

HOLDING OF PROPERTY

Rather than holding the underlying real estate assets, the Company holds its properties through property holding entities of which it is either the sole or majority shareholder, in the case of corporate entities, or sole or majority limited partner, in the case of limited partnerships. For further detail see "*Information on the Company - Group Structure*". See also the risk factor "*The Company may despite the structure of the Group be held liable for claims arising at its subsidiaries*".

VALUATION

The valuation of the property portfolio and potential investments are determined on a fair value basis in accordance with the Company's valuation methodology. The market value of the portfolio of the Company will be subject to annual revaluation. The Company's valuations are prepared on the basis of the Royal Institute for Chartered Surveyors (*RICS*) Valuation Standards and in compliance with the International Valuations Standards (*IVS*) of the International Valuations Standards Council. The market value of the portfolio may vary significantly from period to period, as valuations are influenced by market factors. As such, revaluations may have a significant impact on the Company's financial statements.

To ensure that appropriate property valuations will be performed, the market value of the portfolio will be determined based on reports of external independent appraisers with relevant professional qualifications and presence in the countries where the Company's properties are located. These are at least obtained on a yearly basis. For the selection of the external valuers the Company will follow its internal procedures regarding due diligence for service providers designed to ensure compliance with the applicable law in respect of delegation and proper supervision of any delegated tasks. The current external valuers of the Company are indicated in the section "*Involved third parties - List of current relevant parties*". The Company is not aware of any conflicts of interest which may arise between the Company and the current external valuers.

To determine and obtain proper property values, the Company also internally values its properties quarterly as indicated below which is considered sufficient in accordance with the Company's investment strategy. The Company may suspend executing valuations in unusual circumstances, including if no valuator is timely available or in extreme market circumstances due to which no meaningful valuation can take place. The Company will disclose such suspension on its website.

In the presentation on the investment properties in its balance sheet, the Company takes into account the provisions of International Financial Reporting Standards ("**IFRS**"), especially IAS 40 'Investment Property' and IFRS 13 'Fair Value Measurement'.

NET ASSET VALUE

THE ACTUAL PRICE PAID FOR SHARES WILL DEPEND ON MARKET CONDITIONS, ESPECIALLY SUPPLY AND DEMAND ON NPEX, AND MAY BE SUBSTANTIALLY LOWER THAN THE NET ASSET VALUE PER SHARE STATED HEREIN.

The Management Board is responsible for the determination and calculation of the net asset value of the Company. The Company will report the net asset value per share to Shareholders through the half-yearly figures, through the annual report and as and when required by applicable law. The net asset value is not a separate calculation but follows directly from the consolidated administration which is performed by the

Company and is determined as a result of the financial closing process. In general, the figures are drawn up by the Company based on generally accepted accounting principles in accordance with IFRS as adopted by the European Union.

The most recent net asset value of the Company is based on the interim report of the Company as stated in "*Historical Financial Information - 27 March - 30 June 2014*" and is:

Total net asset value as per 30 June 2014: EUR 94,150,000.

Net asset value per Share as per 30 June 2014: EUR 3.08.

This net asset value is unaudited, as it is calculated by dividing (i) the equity attributable to holders of ordinary shares in the Company as stated in the Interim Report (i.e. EUR 94,150,000) by (ii) the number of outstanding ordinary shares (i.e. 30,542,639). If the Shares that are to be cancelled by the Company (i.e. 783,257, see the below) are deducted, the net asset value per share amounts to EUR 3.16.

DISPUTED CLAIMS (NEWCO SHARES) RESERVE

Pursuant to the terms of the Plan, on PID, a portion of the issued Existing Shares were held in a reserve by the Plan Administrator pending the resolution of certain disputed claims filed against HII or certain of its affiliates and subsidiaries in the CCAA proceedings. The reserve, defined in the Plan as the Disputed Claims (Newco Shares) Reserve, originally held 7,117,482 Existing Shares and as at 21 August 2014 it holds 5,764,781 Existing Shares. The Plan provides that the Plan Administrator shall not exercise any voting rights in respect of the Existing Shares held in reserve. The outcome of the proceedings relating to the disputed claims may affect the net asset value per Share as set out in the following two paragraphs.

Existing Shares in reserve that are distributed

If a disputed claim is finally determined to be a proven claim under the Plan, the Existing Shares held in the reserve on account of that claim will be distributed to the relevant affected creditor in accordance with the terms of the Plan. Accordingly, the number of Existing Shares will not be affected by this determination and there will be no resulting change in the net asset value per Share.

In a report to the court seized with the CCAA proceedings dated 1 May 2014,⁴ the Plan Administrator reported that 1,989,482 of the Existing Shares held in the reserve will be distributed to the appropriate affected creditors pending resolution of a priority dispute among certain affected creditors. Based on the estimate referred to below, in July 2014 it was expected that a further 1,011,970 Existing Shares will be distributed to affected creditors. Accordingly, it may be expected that in total 3,001,452 Existing Shares held in the reserve will be distributed to affected creditors in accordance with the Plan and applicable court orders.

Existing Shares in reserve that are cancelled

If a disputed claim is finally determined not to be a proven claim under the Plan, the Existing Shares held in the reserve on account of that claim will be transferred by the Plan Administrator to the Company for cancellation for no consideration. Cancellation of Existing Shares will result in an increase of the net asset value per Share.

⁴ Thirty-Fourth Report to the Court - First Distribution Report, http://www.insolvencies.deloitte.ca/Documents/ca_en_insol_Homburg_ThirtyFourth_Monitors_Report_20140501.

In July 2014 a reasonable estimate was made by the Plan Administrator, on request of the Supervisory Board, of the total number of Existing Shares that will be cancelled following final resolution of all disputed claims in accordance with the Plan and applicable court orders. This estimate had to be made in order to determine the price for the put right to sell to Catalyst Coop awarded to Shareholders under the Plan until October 2014. This estimate amounted to 4,112,393 Existing Shares. As noted above, such a reduction of Existing Shares will result in an increase in net asset value per Share.

As at 14 August 2014, 783,543 Existing Shares have been transferred to the Company for cancellation for no consideration in accordance with the Plan and applicable court orders.

INVESTMENT OBJECTIVE AND POLICY

Investment objective

The Company's investment objective is to provide its Shareholders with a sustainable and consistent return on their shares by maintaining the long-term value of its properties. The Company will where possible pursue its objective by (a) providing its Shareholders with stable cash distributions from direct investments focused on income-producing real estate properties in Europe; (b) enhancing the existing value of the Company's assets and maximize long-term share value through active and efficient management and (c) following a market driven disposal and acquisition policy. Investments will be made by the Company directly and not via a fund of funds structure. The Company will strive to act in the best interest of its investors and will ensure a fair treatment of investors while seeking to obtain best optimization of portfolio management and execution and pricing for investment transactions. The Company shall seek the best price for an investment in the marketplace, as well as ensuring that investors do not incur unnecessary costs and charges. As such, any investment transactions will be structured by the Management Board in its sole discretion in order to achieve the objectives of the Company in the most efficient way. Accordingly, the Company may structure its investments via local holding companies. The Shares of the Company are and will be listed on NPEX, which is not a regulated market. However, a listing on a regulated market may be sought in the future.

Policy

Long term

The Company intends to create value within the existing portfolio by investing in properties already owned and where necessary developing or redeveloping these properties. The redevelopment approach includes expanding properties, improving the profile of properties, restructuring properties, and investing in sustainability, all with the aim to increasing satisfaction of tenants, minimizing operating expenses, securing maximum rental income and maximizing the value of the portfolio. The disposal and acquisition policy aims to optimally anticipate fluctuation in property values and monetise active management achievements. For a description of the risks associated with the business of the Company see "*Risk Factors*".

Short term

The Company will initially adopt a "receive and hold" policy, while remaining open to considering any interesting investment opportunities that may arise. The Company will have nearly 100 % of its properties maintained by its tenants or external managers. The management will therefore be in the position to focus on further developing its corporate strategy, asset management of the portfolio and its strategic portfolio options (refinancing, rebalancing, investment and divestment).

Amendment of the investment policy

The Company may amend its investment policy only in compliance with the FMSA. This means that, in principle, a proposal to change this policy must be published in a Dutch newspaper with a nationwide circulation and on the Company's website and on the NPEX website. The AFM must be separately notified of any such proposal. The change may, in principle, not become effective until 1 month following the date of publication of the proposed change.

Business plan

The Company's strategy is focused on excellent stewardship, creating a solid real estate company for investors, tenants and lenders in the long term. The guiding principles that the Company uses in realizing this strategy are to be thorough in its approach, with a realistic market view and a long term perspective for the Company.

The Company provides accessible, transparent investment opportunities with healthy corporate governance and accountability. The company is committed to deliver solid long-term, diversified returns to shareholders acting as a responsible, professional and transparent asset manager.

An active stakeholder dialogue is a key factor to success for the Company.

The Company's four main priorities in realizing its strategy are to:

- (i) improve and further optimize the Company's property portfolio;
- (ii) optimize and strengthen the Company's financial position;
- (iii) establish a solid and sustainable Company structure; and
- (iv) strengthen the relationship with investors, tenants and debt and equity providers.

Improve and further optimize the Company's property portfolio

The Company focuses on actively managing its assets. As a long term investor and holder, the Company focuses on active asset management of its real estate portfolio. The Company's policy is to have close relationships with its tenants, monitor their businesses carefully and continuously discuss user profiles with them. The asset management adheres to principles of sustainability, social responsibility and motivates its dedicated employees.

The Company will where realistic make investments in order to increase and ensure that certain properties remain attractive for the market in the long term and to optimize rental income and in order to further diversify the current property portfolio. The Company preferably invests in profitable quality assets, which fit the tenant's long-term occupational requirements.

The mix of assets is monitored, with a view to risk diversification, future lease contract expiries and property yields, and according to trends in the property markets. This also means that current assets can be divested and new property acquired when the right moment and opportunity present themselves.

The Company preferably invests in quality assets with sustainable income potential as well as in assets with solid growth and optimisation potential. Through individual, tenant focused asset management long-term value creation, profitability and stability is ensured. The focus is on strong tenant covenants in our core markets.

Geographically the Company focuses on the commercial real estate markets of Germany, Nordics, Baltics and the Benelux. It intends to invest in corporate real estate premises with a focus on office buildings and logistics facilities.

Redevelopments of existing properties or portfolio expansion are options the Company will explore when appropriate and functional.

Optimize and strengthen the Company's financial position

The Company works towards improving its financial position and decreasing vulnerability to adverse economic conditions by lowering its financial leverage. Maturities of loans will require refinancing within the coming years. The Company strives to refinance these loans at the best possible terms. The Company seeks to enhance and expand its relationship with potential financial providers in order to increase financing options and to reduce refinancing risks.

Establish a solid and sustainable Company structure

The Company holds a realistic and long term perspective in the interest of the Company and its stakeholders. As a result, the Company has put in place a highly experienced Management Board and Supervisory Board, as well as a solid organizational structure, in order to have an efficient and agile operation that meets applicable regulatory requirements. The Company actively reports to shareholders, its compliance is continuously and closely assessed by its Supervisory Board, external compliance management, the Company's depositary (Orangefield (Netherlands) B.V., "**Orangefield**") and its external auditors.

Strengthen the relationships with investors, tenants, and debt and equity providers

The Company values professional relationships and a transparent, constructive dialogue with its stakeholders. Therefore, the Company seeks to ensure timely, clear and transparent communications towards all stakeholders, in order to create a proper understanding of the Company's strategy, business objectives and progress made on these objectives.

The business plan is directed to diversify the current tenant base by adding additional commercial real estate assets in the Company's core markets. Currently the tenant base is centred around two to three major tenants and this could lead to imbalances on an aggregate base.

The acquisition focus is on offices and logistics premises serving corporate tenants as home to their businesses. A special attention is given to the long-term outlook and market share as well as corporate standing of the tenants. First, the dependency on specific tenants within the portfolio will thus be reduced. Second, the stability and growth of the respective businesses of the Company's tenant base will form the basis for a solid, accountable and stable company.

Key assumptions

The business plan of the Company is based on various assumptions. Key assumptions are that the Company:

- (i) will identify suitable new investment opportunities, including (re)development opportunities;
- (ii) will be sufficiently capitalised and able to attract sufficient debt financing to finance its investments;
- (iii) will successfully renegotiate certain credit facility agreements; and

- (iv) if any failings will arise in its portfolio, the Company will be able to contain these at the level of the relevant property companies.

Sensitivity analysis to variations in the key assumptions

Variations in the above key assumptions can have a material adverse effect on the Company's assets and liabilities and its prospects by severally affecting its solvency and profitability.

Without limiting the generality of the risks identified in the section "*Risk Factors*" in this Prospectus - in conjunction with which this paragraph should be read - the following effects can occur:

- (i) if the Company does not identify suitable new investment opportunities, for example due to competition or other market conditions, its ability to generate profit from the portfolio may materially decline and incidental or reoccurring losses may arise which may affect the liquidity and solvency of the Company, and lead to voluntary or involuntary winding-up, including through bankruptcy;
- (ii) if the Company does not become sufficiently capitalised or is not able to attract sufficient debt financing to finance its investments, the same consequences as set-out above in the previous item may occur since sufficient capitalisation and debt financing is a prerequisite for the Company's ability to invest and (re)develop if it is able to identify suitable opportunities;
- (iii) if the Company does not successfully renegotiate certain credit facility agreements, it may not be sufficiently attractive to continue to hold or invest further in certain parts of its property portfolio which could materially adversely affect the value thereof and require the Company to divest such parts in a distressed condition;
- (iv) if the Company cannot contain failings in its property portfolio within the relevant subsidiaries, the Company may be held liable by creditors of such subsidiaries despite the fact that the relevant assets and liabilities are not held by the Company.

Key individuals

The Company relies to a large extent on the experience and expertise of the Management Board, i.e. Wulf Meinel and Martien van Deursen, and attaches great value to the input of its Supervisory Board members. Martien van Deursen will retire from the Management Board on the date of the extraordinary general meeting, which is expected to take place on 18 December, scheduled in Amsterdam, but in any case he will retire on 31 December 2014. At the extraordinary general meeting, Wibo van Ommeren will be proposed by the Supervisory Board to be appointed as managing director and CFRO.

Investment restrictions

There are no investment restrictions established by the Company.

Use of leverage

Leverage stands for the use of debt financing compared to the total value of the assets of the Company. At the holding level the Company is unleveraged and, apart from a standard interest rate swap with respect to the financing of the Baltic property companies, no transactions in financial derivative instruments are outstanding. The main sources of leverage are loan agreements entered into by the property holding companies with European credit institutions. The leverage of the Company on a consolidated level is expressed as the ratio between the exposure and the net asset value (Loan-to-Value). The maximum level of

leverage that the Company has set for itself is a Loan-to-Value ratio of 75% on a consolidated level. If at any point in time the leverage ratio exceeds or threatens to exceed the maximum leverage ratio, the Management Board will take measures to reduce such leverage to below the maximum and consider all types of financing available to it. The Management Board, in accordance with the business plan of the Company, aims to achieve a LTV ratio below 60% on a consolidated level in accordance with its business plan and may incur further indebtedness in accordance with these objectives. The Management Board shall disclose, on a regular basis any changes to the maximum level of leverage which the company may employ as well as any right of the reuse of collateral or any guarantee granted under the leveraging arrangement, and the total amount of leverage employed by the company.

Any such information shall include:

- (a) the original and revised maximum level of leverage calculated whereby the level of leverage shall be calculated as the relevant exposure divided by the net asset value of the company;
- (a) the nature of the rights granted for the reuse of collateral;
- (b) the nature of guarantees granted; and
- (c) details of changes in any service providers which relating to one of the items above.

Information on the total amount of leverage calculated in accordance with the gross and commitment methods employed by the company shall be disclosed as part of the company's periodic reporting to investors, as required by the articles of association, or at the same time as the Prospectus and at least at the same time as the annual report is made available.

The Management Board shall make available a break-down between leverage arising from borrowing of cash or securities and leverage embedded in financial derivatives and the extent to which the company's assets have been reused under leveraging arrangements to the supervisory authorities. The information shall include the identity of the five largest sources of borrowed cash or securities and the amounts of leverage received from each of those sources. For a description of the risks associated with the use of leverage see "*Risk Factors - Risks Relating to the Financing of the Company's Activities*".

Taking into account the maximum levels as set out above, the Company may use leverage for its general corporate activities and special investments such as acquisitions of properties. No specific restrictions are in place.

Apart from the leverage present, which consists of loans with European credit institutions and other financial undertakings, the Company may, all in accordance with set maximum levels, attract new debt from, including but not limited to, financial institutions or other financial undertakings, its shareholders or one or more shareholder specifically. Furthermore, the Company may leverage itself by, *inter alia*, entering into loan agreements or derivative positions or attracting debt from the capital markets. Finally, the Company may leverage itself at the level of the Company itself or at any of its subsidiaries.

Liquidity risk management

Liquidity risk relates to the possibility of insufficient debt and equity available to refinance the current and long-term debts as they come due and to fund, if desired, the growth of the Company. It also relates to the potential for early retirement of debt.

The Company will monitor its liquidity risk in accordance with its risk management framework, as a part of which, the risk manager will perform regular stress tests under normal and exceptional liquidity conditions

and will monitor short and long term cash flow projections. At least once every year the Management Board will, in close consultation with the risk manager, review and approve the limits which are applied and implement mitigating measures as recommended by the risk manager.

The Company is a closed-end investment institution. Therefore, investors cannot apply for redemption, nor are there existing redemption arrangements with investors. As a result, there are no additional liquidity risks with respect to redemption rights of its investors.

The level of liquidity is closely monitored and tested by the Company. If the Company develops new arrangements for managing its liquidity, the Company will publish such arrangements on its website each time such new arrangements have been put in place.

Profile of a typical investor

An investment in the Shares is suitable to investors searching for long-term capital appreciation through exposure to the non-residential real estate markets of Germany, the Netherlands, Belgium, the Baltic States, Scandinavia, Finland and Poland with a focus on a mix of offices, industrial and retail properties. The Company's property holdings are diversified across asset classes (offices, retail and others) and geographically. An investment in the Shares is suitable only for investors who are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear a loss of their entire investment. See "*Risk Factors*".

LEGAL AND ARBITRATION PROCEEDINGS

Neither the Company nor any of its group companies are, or during the 12 months preceding the date of this Prospectus have been, involved in any governmental, legal or arbitration proceedings, which may have, or have had in the recent past significant effects on the Company's financial position or profitability or the financial position or profitability of the Company group, nor is the Company aware of any such proceedings being pending or threatened.

PROFESSIONAL LIABILITY INSURANCE

The Company has obtained professional insurance subject to customary franchises and limitations. Professional liability risks are the risks arising out of professional negligence including, but not limited to, risks of:

- loss of documents evidencing title of assets of the Company;
- misrepresentations or misleading statements made to the Company or its investors;
- acts, errors or omissions resulting in a breach of:
 - legal and regulatory obligations;
 - duty of skill and care towards the Company and its investors;
 - fiduciary duties;
 - obligations of confidentiality;
 - the Company's rules or instruments of incorporation; or
 - terms of appointment;
- failure to establish, implement and maintain appropriate procedures to prevent dishonest, fraudulent or malicious acts;
- improperly carried out valuation of assets or calculation of unit/share prices; or
- losses arising from business disruption, system failures, failure of transaction processing or process management.

SIGNIFICANT CHANGE IN THE COMPANY'S FINANCIAL OR TRADING POSITION

Reference is made to the paragraph headed "*Going concern analysis*" in the stated in "*Historical Financial Information - 27 March - 30 June 2014*". In addition to that, the negotiations referred therein with Catalyst Coop have resulted in an extension and amendment of the Shareholder Bridge Loan Agreement (see under "*Important Contractual Relationships*" under "*Shareholder bridge loans*" above).

Apart from the above, no significant change in the financial or trading position of the Company has occurred since 30 June 2014 up to the date of this Prospectus. Furthermore, no material change in the value of the Company's portfolio has occurred since the date of valuation of the Company's properties included in the Company's valuation reports up to the date of this Prospectus.

MANAGEMENT

MANAGEMENT AND SUPERVISORY BODIES

General

The Company has a two-tier board structure consisting of the Management Board, which manages its business and the Supervisory Board, which will supervise and advise the Management Board. Set out below is a summary of relevant information in respect of the Management Board and the Supervisory Board under Dutch law and the Articles of Association.

During the Initial Period, in order to provide stability in the governance structure of the Company and to protect the interests of minority shareholders, certain provisions of the Articles of Association relating to the governance of the Company, including among others the composition of the Supervisory Board and the appointment and dismissal of Management Board members and Supervisory Board members, as further set out below, can only be amended at the unanimous proposal of the Supervisory Board, pursuant to a resolution of the General Meeting adopted with Qualified Majority. Other amendments of the Articles of Association during the Initial Period require a proposal (by majority vote) of the Supervisory Board and a resolution of the General Meeting adopted with a Qualified Majority. *See "Risk Factors: Risks Relating to the Shares – The exercise of the shareholder rights of the Shareholders will be subject to constraints during the Initial Period".*

MANAGEMENT BOARD

Powers, composition and function

The Management Board is responsible for the day-to-day management under the supervision of the Supervisory Board. The Management Board is required to keep the Supervisory Board informed and consult with the Supervisory Board on important matters. The Supervisory Board may require certain resolutions of the Management Board to be subject to their approval. Such resolutions will be clearly specified and notified to the Management Board in writing.

Resolutions concerning a significant change in the Company's identity or character are subject to the approval of the General Meeting adopted with a Qualified Majority. These include:

- (a) the transfer of the Company's enterprise or virtually the entire enterprise of the Company;
- (b) the entry into or termination of a long-term cooperation of the Company or a subsidiary with another legal person or partnership or as a fully liable partner in a limited partnership or general partnership, if such cooperation or termination is of major significance for the Company; and
- (c) the acquisition or divestment by the Company or a subsidiary of a participation in the capital of a company having a value of at least one-third of the amount of the Company's assets according to its balance sheet and explanatory notes or, in case the Company prepares a consolidated balance sheet, according to its consolidated balance sheet and explanatory notes, in its last adopted annual accounts.

Additionally, the Management Board shall require the prior approval of the Supervisory Board for resolutions concerning, among others, certain resolutions which are proposed for adoption by the General Meeting. All policies and governance matters comply with the AIFMD and the Regulations promulgated thereunder.

The Articles of Association provide that the General Meeting appoints the members of the Management Board from a nomination drawn up by the Supervisory Board. A nomination made in time by the Supervisory Board shall be binding. The General Meeting can deprive a nomination of its binding character at any time by a resolution adopted with a Qualified Majority.

The Management Board will consist of at least two members. Each Management Board member may cast one vote. All resolutions of the Management Board shall be adopted with a simple majority of the votes cast. In case of a tie in voting the relevant matter shall be submitted for decision to the Supervisory Board.

The Management Board has established further rules regarding its decision making process and working methods, subject to the approval of the Supervisory Board. In this context, the Management Board may also determine the duties for which each Management Board member in particular shall be responsible.

The General Meeting will have the power to suspend or dismiss members of the Management Board at any time. A resolution to suspend or dismiss a Management Board member other than at the proposal of the Supervisory Board may only be adopted with a Qualified Majority. The Supervisory Board may also suspend (but not dismiss) members of the Management Board. A member may not be suspended for a period exceeding three months in aggregate.

The Management Board may delegate day-to-day bookkeeping and other administrative functions of the Company. It is expected that property management will be outsourced. The Management Board will also determine whether any limits will be placed on the incurrence of debt by the Company. For more information on these limits, please see "*Investment Objective and Policy - Use of leverage*"

The remuneration of the Management Board, as well as any management incentive plans, will be determined by the Supervisory Board taking into account the remuneration policy as adopted by the General Meeting upon the proposal from the Supervisory Board.

Members of the Management Board

The Management Board is composed of the following members:

Name	Age	Position	Member since
Wulf Meinel	53	Management Board Member, CEO	27 March 2014
Martien van Deursen	36	Management Board Member, CRO	Incorporation (11 July 2013), to be succeeded by Wibo van Ommeren
Wibo van Ommeren	42	Management Board Member, CFRO	18 December 2014, subject to approval by the general meeting

The business address of all members of the Management Board is Apollolaan 153, 1077 AS Amsterdam, the Netherlands.

Martien van Deursen will retire from the Management Board on the date of the extraordinary general meeting, which is expected to take place on 18 December, scheduled in Amsterdam, but in any case he will retire on 31 December 2014. At the extraordinary general meeting, Wibo van Ommeren will be proposed by the Supervisory Board to be appointed as managing director and CFRO.

The Supervisory Board has selected Wibo van Ommeren as successor of Martien van Deursen to take the role of Chief Risk Officer and Chief Financial Officer. His appointment has been approved by the AFM after having been successfully tested on suitability and integrity in accordance with the relevant AIFMD legislation on director testing of investment funds.

Wulf Meinel

Nationality: German

Academic background: Ph.D. in European Law (University of Freiburg, Germany), German lawyer, admitted to the bar in Munich, Law degrees (University of Freiburg) and Berlin), Master of Art in Political Science (University of Freiburg)

Career:

Year	Position
2001 – 2012	Managing Director/Partner at The Carlyle Group
2013	Founding Partner of StoneVest AG
2000	European Director at LaSalle Investment Management

Martien van Deursen

Nationality: Dutch

Academic background: Human Geography, Specialisation in Economic Geography & Real Estate (University of Groningen)

Career:

Year	Position
Current	Partner at Cyclus Property
2012	Member of Management Board of CBRE Netherlands
2010 – 2012	Director CBRE Rotterdam & Utrecht Office
2008 – 2010	German Desk – UK Capital Markets at CBRE London
2006 – 2008	Associate Director – EMEA Capital Markets at CBRE London
2003 – 2006	Investment Consultant at CBRE Netherlands
2003	Trainee at Fortis Real Estate Development

Wibo van Ommeren

Nationality: Dutch

Academic background: Business Economics, specialisation Financing & Controlling (University of Tilburg, the Netherlands), Postdoctoral Accountancy/Registered Accountant ('RA') (University of Tilburg, the Netherlands), Executive MBA (Warwick University, United Kingdom)

Career:

Year	Position
2014 – Current	Financial advisor to Geneba
2006 – Current	Teacher external reporting at Amsterdam School of Real Estate
2011 – 2014	Partner at Deloitte Accountants
2008 – 2011	Director at Deloitte Accountants
1996 – 2008	Several audit functions at Arthur Andersen/ Deloitte in Rotterdam, Paris and Amsterdam

SUPERVISORY BOARD

Powers, composition and functioning

The Supervisory Board is responsible for supervising the Management Board and the general affairs and business of the Company. The Supervisory Board assists the Management Board by giving advice. In performing their duties the Supervisory Board members shall act in accordance with the interests of the Company and its business.

Only individuals may be Supervisory Board members. Supervisory Board members will be appointed by the General Meeting. Supervisory Board members will be appointed by the General Meeting from a nomination drawn up by the Supervisory Board. A nomination for each vacancy shall be binding. The General Meeting can deprive a binding nomination of its binding character at any time by a resolution adopted with a Qualified Majority.

During the Initial Period, the Company shall have a Supervisory Board consisting of a minimum of three and a maximum of five members. At least half of the members of the Supervisory Board will be independent if the Supervisory Board consists of four members, in line with the Articles of Association. The Articles of Association provide that after the Initial Period, the Company shall have a Supervisory Board consisting of three or more members, as determined by the Supervisory Board.

As from the moment that five Supervisory Board members are in office, it shall be a requirement under the Articles of Association that at all times a majority of the Supervisory Board members are independent (as such term is defined in the Articles of Association). If (i) a Supervisory Board member who is independent ceases to be independent and (ii) as a consequence thereof the composition of the Supervisory Board no longer complies with the requirement to have a minimum number of independent members, such Supervisory Board member shall resign. If the Supervisory Board consists only of three members then the requirement shall be that at all times at least one Supervisory Board member is independent. If a Supervisory Board member who is independent ceases to be independent he shall resign.

Members of the Supervisory Board are appointed for a maximum period of four years, which appointment can be renewed for two additional periods. The General Meeting may determine that the Supervisory Board members must retire periodically in accordance with a rotation plan drawn up by the Supervisory Board. A resigning Supervisory Board member may only be reappointed twice.

The Supervisory Board shall appoint a chairperson and a deputy chairperson of the Supervisory Board from among the independent members of the Supervisory Board. If the chairperson or the deputy chairperson of the Supervisory Board ceases to be independent he or she shall resign as chairperson or deputy chairperson of the Supervisory Board.

The General Meeting may at any time suspend or dismiss members of the Supervisory Board by a resolution adopted with a Qualified Majority. A member may not be suspended for a period exceeding three months in aggregate.

The Supervisory Board has resolved to establish rules regarding its decision making process and working methods, pursuant to a resolution adopted with a simple majority of the votes cast, including a unanimous vote of all independent members of the Supervisory Board then in office.

Unless otherwise provided in the Articles of Association, the Supervisory Board will adopt resolutions with a simple majority of the total number of the votes cast. Each member of the Supervisory Board will be entitled to one vote. In case of a tie in voting the chairperson of the Supervisory Board shall have a casting vote. If the Supervisory Board consists of three members then, at a meeting, the Supervisory Board may only pass valid resolutions if at least half of the Supervisory Board members, including at least one independent member, then in office are present or represented and resolutions shall be adopted with a unanimous vote.

Subcommittees

Furthermore, the Supervisory Board is also divided into committees, focusing on specific aspects of the Company's operations. Currently, these are the following:

- Audit committee (Gerrit Littel, Joern Stobbe): the Audit committee is entrusted with supervision and advice on primarily financial matters, reporting obligations and valuations.
- Steering and Remuneration committee (Gabriel de Alba, Marian Hogeslag, Jochen Scharpe): the Steering and Remuneration committee is entrusted with supervision and advice on strategic decision-making, and remuneration for members of the management board of the Company.
- Asset Management committee (Gabriel de Alba, Jochen Scharpe): the Asset Management committee is entrusted with supervision and advice on, amongst others, in- and divestments decision-making and performance of the investments.

For more information on the members of the different subcommittees, please see below.

Members of the Supervisory Board

The Supervisory Board is composed of the following members:

Name	Age	Position	Member Since	Term
Gabriel de Alba	41	Member of the Supervisory Board	Incorporation (11 July 2013)	4 years
Marian Hogeslag	48	Member of the Supervisory Board	Incorporation (11 July 2013)	4 years

Gerrit Littel	64	Member of the Supervisory Board	27 March 2014	4 years
Jochen Scharpe	55	Member of the Supervisory Board	Incorporation (11 July 2013)	4 years
Joern Stobbe	48	Member of the Supervisory Board	27 March 2014	4 years

The business address of all members of the Supervisory Board is Apollolaan 153, 1077 AS Amsterdam, the Netherlands.

Gabriel de Alba

Nationality: American

Academic background: Economics & Finance (Stern Business School, NYU), MBA (Columbia Business School) and graduate studies in Information Technology (Harvard University).

Career:

Year	Position
2002 – Current	Managing Director and Partner at The Catalyst Capital Group Inc.
2014 - Current	President and Secretary of Advantage Holdco, Inc. Sole member of Advantage Opco, LLC d/b/a Advantage Rent A Car, Advantage Rent A Car,
2010 – Current	Executive Chairman, Sonar Entertainment
2010 – Current	Executive Chairman, Natural Market Restaurants Corp.
2009 – Current	Executive Chairman, Gateway Casinos & Entertainment
2007 – Current	Executive Chairman, Therapure Biopharma
2010 – 2011	Member of the Board of Directors Quad
2010 – 2011	Director at Worldcolor Press
2003 – 2006	Chairman of the Board and CEO, Cabovisao
2002	Director Business Operations at AT&T Latin America
1997 – 2001	Vice President, Merchant and Investment Bank at Bank of America
1995 – 1997	Associate/ Analyst at Bankers Trust

Marian Hogeslag

Nationality: Dutch

Academic background: French studies: Language and Liberal Arts (Utrecht University), NIMA-C marketing diploma, courses in negotiation, corporate restructuring, corporate governance, corporate Finance, M&A, valuation and negotiation.

Career:

Year	Position
2011 – 2013	Director at Stichting Homburg Bonds and Stichting Homburg Capital Securities
2012 – Current	Owner and director of Vodefamo Holding B.V.
2004 – Current	Founder of ActivInvestor Management B.V. which merged with Double Dividend April 2014 and was renamed DoubleDividend Management B.V
2004 – Current	Founder and consultant at Investor Voice B.V.
2007 – 2014	Director ActivInvestor Management Holding B.V. (merged into Vodefamo Holding July 2014)
2001 – 2004	Director Corporate Finance, focus real estate at Petercam Bank N.V.
1998 – 2001	Senior investment manager Paribas Deelnemingen N.V.
1997 – 1998	Senior advisor Paribas Advies N.V. Corporate Finance, focus real estate
1996 – 1997	"liaison" Paribas Département Conseil and Paribas Advies based in Paris
1991 – 1996	Investment Consultant at Paribas Deelnemingen N.V./Paribas Advies N.V.

Gerrit Littel

Nationality: Dutch

Academic background: Accountancy study NIVRA, graduated in September 1979

Career:

Year	Position
Current	Member of the Advisory Board of Scheer Management B.V.
Current	Member of the Advisory Board of sTN Telefact B.V.
Current	Member of the Supervisory Board of Zorggroep Haringvliet B.V.
2010 – Current	Board member Reinier Haga Groep
Until 2014	Advisory Board of Piecom BV
1983 – 2009	Partner at Deloitte Accountants

1970 – 1983 Several functions at Deloitte Accountants

Jochen Scharpe

Nationality: German

Academic background: PhD in strategic management in SME's (University of GH Siegen), Doctoral studies in strategic management (University of Innsbruck) and MBA (University of Münster)

Career:

Year	Position
2013 – Current	Member of the supervisory board of LEG Immobilien AG
2011 – Current	Vice Chairman of the supervisory board of FFIRE AG
2008 – Current	Chairman of the supervisory board of LEG Wohnen NRW GmbH
2006 – Current	Managing Director of Return GmbH
2005 – Current	Self-employed, 100% shareholder of AMCI GmbH
Until 2013	Managing Director at Jade Beteiligungs GmbH & CoKG
Until 2013	Vice Chairman of Supervisory Board at GSW Immobilien AG
1999 – 2004	Managing Director at Siemens Real Estate GmbH, Munich (Part of Siemens AG)
1996 – 1999	Managing Director at Eisenbahnmobilienmanagement GmbH (later Vivico GmbH, today: CA Immo Deutschland GmbH)
1989 – 1996	Senior Manager at the corporate finance department of KPMG Peat Marwick GmbH, Frankfurt am Main

Joern Stobbe

Nationality: German

Academic background: Law (University Kiel), French law (University Lyon).

Career:

Year	Position
Current	Chairman supervisory board CONRENLAND AG
Current	Chairman supervisory board VanCamel AG
Current	Supervisory board member 1. FC Köln

2013- Current	Managing Director at Deutsche Asset & Wealth Management
2013- Current	Chairman at RICS Europe
2000 – 2013	Partner at Clifford Chance LLP

LIABILITY, CONFLICT OF INTERESTS AND OTHER INFORMATION RELATING TO MEMBERS OF THE MANAGEMENT BOARD AND SUPERVISORY BOARD

Liability of members of the Management Board and the Supervisory Board

Under Dutch law, members of the Management Board and the Supervisory Board may be liable to the Company for damages in the event of improper or negligent performance of their duties. They can be jointly and severally liable for damages to the Company and to third parties for infringement of the Articles of Association or of certain provisions of the Dutch Civil Code. In certain circumstances, they can also incur additional specific civil and criminal liabilities. In order to attract and retain qualified and talented persons to serve as members of the Management Board and the Supervisory Board, the Company will maintain a directors' and officers' insurance policy. This policy will subject to certain limitations protect the present and future directors and officers against any claim made against any one of them for wrongful acts committed by them in their respective capacities.

In addition, the Articles of Association provide that the Company indemnifies each member of the Management Board and the Supervisory Board against all expenses (including reasonably incurred and substantiated attorneys' fees), financial effects of judgements, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding, provided he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Company or out of his mandate, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful.

Potential conflicts of interest

Martien van Deursen acts as managing director of Cyclus Property, a real estate focused advisory firm. Potential conflicts of interest may arise between his duties to the Company and his duties in connection with this other position. If any potential conflict of interest arises it will be dealt with and disclosed to the investors in accordance with the Company's conflict of interest policy.

Furthermore, Gabriel de Alba is, apart from a Supervisory Board member, also an executive director of Catalyst Coop, which at the time of this Prospectus is the holder of approximately 42% of the Shares in the Company. In that capacity, he is not independent as defined in the Articles of Association.

In accordance with the Articles of Association and the Plan and agreements related thereto, the majority of the Supervisory Board must be independent and two Supervisory Board members (Gabriel de Alba and Jochen Scharpe) were selected by Catalyst Coop to be appointed as members of the Supervisory Board. Such selection in itself does mean that they are not independent as defined in the Articles of Association (see the previous paragraph for Mr De Alba's status).

The Company is not aware of any other potential conflict of interest between the private interests or other duties of the members of the Management Board or the members of the Supervisory Board and their duties and responsibilities to the Company.

Directors' indemnification and insurance

In order to attract and retain qualified and talented persons to serve as members of the Management Board and the Supervisory Board or senior management, the Company maintains a directors' and officers' insurance policy. This policy protects the present and future directors and officers against any claim made against any one of them for wrongful acts committed by them in their respective capacities subject to certain limitations. The Company considers the insurance as appropriate to cover potential liability risks arising from professional negligence of its officers and directors.

Other information relating to members of the Management Board and the Supervisory Board

With respect to the members of the Supervisory Board and the Management Board, the Company is not aware of (i) any convictions for fraudulent offences in the last five years, (ii) bankruptcies, receiverships or liquidations of any entity in which any member held office, a directorship or senior management position in the last five years, or (iii) any official public incrimination and/or sanction of any member by statutory or regulatory authorities (including designated professional bodies), or disqualification by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer for at least the previous five years.

REMUNERATION OF THE MEMBERS OF THE MANAGEMENT BOARD AND SUPERVISORY BOARD

Remuneration policy – Management Board

The Supervisory Board will determine the remuneration of the Management Board within the scope of the remuneration policy adopted by the Supervisory Board.

The remuneration policy contains provisions as regards the remuneration of identified staff as referred to in the AIFMD, i.e., in short, categories of staff whose professional activities have a material impact on the alternative investment fund managers' risk profile or the risk profiles of the alternative investment fund that it manages, including the members of the Management Board. At present, identified staff members are remunerated on the basis of market standard fixed rates and no variable remuneration except for Wulf Meinel. However, if necessary to attract the right people to the Management Board, Supervisory Board, and senior positions with the necessary skills, the required background and experience in the field of property investment, the remuneration policy makes it possible to award variable remuneration within certain limits and in compliance with AIFMD as further set out below. The remuneration policy is applicable to all employees of the Company. In this paragraph only the relevant provisions as regards the Management Board are described; please see the paragraph headed "*Remuneration– Supervisory Board*" onwards for a description of the remuneration as regards the Supervisory Board.

The remuneration policy of the Company is consistent with and promotes sound and effective risk management and does not encourage risk-taking in a manner inconsistent with the risk policy, rules or Articles of Association. If members of the Management Board are entitled to variable remuneration, the total remuneration of such member of the Management Board will be composed of: (i) a fixed annual salary and (ii) variable remuneration. The annual remuneration is, in principle, equally split between fixed and variable remuneration. As a result the ratio of fixed remuneration to variable remuneration does not exceed 1:1 (100%). In fact, the actual variable remuneration may be decreased as described below.

Each year the funding of the overall variable remuneration pool for the Company is set by the Supervisory Board taking into account the advice of the risk manager of the Company. Prior to determining the actual overall size of the variable remuneration pool, ex ante measures are applied to reduce for current year and prior year increases in the risk profile, as well as for any known future potential risk profile changes. An ex

ante risk adjustment is made by the Supervisory Board, taking into account the advice of the risk manager of the Company, in order to ensure that the total variable remuneration pool is in line with the overall financial affordability of the variable remuneration taking into account the financial situation of the Company. Without prejudice to the above, any variable remuneration is set at a maximum of 100% of the fixed annual salary, is calculated annually and will be paid for 50% in cash ("**Cash Portion**") and for 50% in shares of the Company or equity-linked instruments ("**Equity Portion**"). The equity-linked instruments can consist of cash remuneration the amount of which is based on the performance of the shares of the Company. The goals to be achieved in order for a Management Board member to obtain variable remuneration will be decided annually by the Supervisory Board and must be based on a combination of the assessment of the performance of the relevant member of the Management Board, and when assessing individual performance, quantitative (financial) as well as qualitative (non-financial) criteria are taken into account. Whether the variable remuneration will be awarded, will be decided by the Supervisory Board based on a performance evaluation conducted at the end of the financial year. The variable remuneration is paid only if it is sustainable according to the financial situation of the Company as a whole, and justified according to the performance of the alternative investment fund it manages and the Management Board member concerned. The total variable remuneration shall generally be considerably contracted where subdued or negative financial performance of the Company or of the alternative investment fund it manages concerned occurs, taking into account both current compensation and reductions in pay-outs of amounts previously earned.

Both the Cash Portion and the Equity Portion are divided by an upfront part and a deferred part. The upfront part (50%) of the Cash Portion and the upfront part (50%) of the Equity Portion will in principle be paid in the year after the relevant performance year. The deferred part (50%) of the Cash Portion and the deferred part (50%) of the Equity Portion will be deferred for a period of 3 years and will progressively vest in accordance with the table below.

Years passed since award	% to be vested
1	33.3%
2	33.3%
3	33.3%

The further alignment of the remuneration with the long term interests of the Company is accomplished by the application of a one year retention period in relation to the Equity Portion (both upfront and deferred).

The Supervisory Board shall ensure that the financial situation of the Company will not be adversely affected by the overall amount of variable remuneration that will be awarded for a specific year and the amount of variable remuneration that will be paid or vested in that year. Before paying out any deferred part of the variable remuneration, the Supervisory Board will reassess the performance and, if necessary, introduce adjustments required in order to align the variable remuneration to individual risks and errors in the performance and risk assessments that have appeared since the variable remuneration was awarded and which relate to the respective performance period. Under certain specific circumstances, the Company has the right to hold back from any (ex) member of the Management Board any unpaid or unvested variable remuneration and to claw back paid/vested variable remuneration from any (ex) member of the Management Board.

Next to the above, the remuneration policy of the Company contains general provisions in respect of the remuneration of other potential staff of the Company, guaranteed variable remuneration, severance payments, remuneration of the Supervisory Board, remuneration of persons with a control function such as

the compliance officer and risk manager of the Company and other AIFMD related matters in respect of remuneration.

Management remuneration information

The below table provides for an overview of the remuneration of the members of the Management Board. The Management Board members do not own Existing Shares or options thereon.

Name	Yearly remuneration	Paid between PID-30 June 2014
Wulf Meinel	An annual fixed salary of EUR 280,000 (including 8% holiday allowance) and variable remuneration of EUR 280,000 gross as further set out below.	EUR 70,000
Martien van Deursen	Hourly rate of EUR 200 and no variable remuneration	EUR 39,000
Wibo van Ommeren	It is proposed that he will receive an annual fixed salary of EUR 270,000, no variable remuneration	Not applicable.

Wulf Meinel is entitled to participate in the share value enhancement of the Company under a variable incentive plan. This variable incentive plan is in line with the remuneration policy adopted by the Supervisory Board and as further described under the paragraph "*Remuneration policy – Management Board*" above. Upon achievement of certain targets, Wulf Meinel shall be entitled to an annual performance bonus in a maximum amount of up to 100% of his gross annual fixed salary. The actual amount of the variable remuneration shall be determined in accordance with a target list to be decided on by the Supervisory Board, whereby a degree of achievement of more than 100% of the targets shall not result in a variable remuneration exceeding the maximum amount of 100% of the annual gross fixed salary. Both quantitative and qualitative targets apply. The determination and assessment of the degree of target achievement shall be carried out by the Supervisory Board immediately after the auditors' approval of the annual financial statements of the Company for the relevant business year of the Company and be completed before 30 June of the then on-going business year (the "**Determination Date**"). With regard to the first 12 months of service of Wulf Meinel, the maximum amount of the variable remuneration of 100% of the annual gross fixed salary is guaranteed, regardless of the degree of target achievement. Any variable remuneration shall for 50% be awarded in cash and for 50% in instruments linked to the Company's share price as set out below.

50% of the cash part of the variable remuneration shall be due and payable on the relevant Determination Date. 50% of the equity portion of the variable remuneration shall be awarded by the Company on the relevant Determination Date. The remaining 50% of the cash part of the variable remuneration and the remaining 50 % of the equity portion of the variable remuneration shall be subject to a deferral period of three years following the Determination Date during which the deferred portions are withheld by the Company. The deferred portions will progressively vest in accordance with the table set out in the paragraph "*Remuneration Policy – Management Board*" above.

Both the upfront and deferred part of the equity portion of the variable remuneration is subject to a separate further retention period of one year. This retention period begins (i) on the relevant Determination Date in case of the upfront part and (ii) upon vesting in case of the deferred part. During the retention period Wulf Meinel shall not be entitled to dispose of or convert the equity portion of the variable remuneration into cash. If the Company's share price upon expiry of the retention period is lower than at the beginning, the amount

or value of the equity portion of the variable remuneration as awarded by the Company will be reduced accordingly upon expiry of the retention period. A higher Company's share price shall have no impact thereon. The variable remuneration is subject to adjustment by the Supervisory Board under certain circumstances and to hold back and claw back provisions.

Martien van Deursen will receive no variable remuneration. His remuneration is determined with an hourly rate. This has taken place in order to maximise flexibility with respect to his required availability. Wibo van Ommeren, the successor of Martien van Deursen, will also not receive variable remuneration, but will be appointed on a full-time basis.

Benefits

Wulf Meinel is entitled to an additional monthly payment equalling 50% of his contribution to the health insurance and a general fixed expense allowance in the amount of EUR 3,333.33 excluding VAT each month to cover the expenses for housing/hotel in Amsterdam, the Netherlands and his travel between Amsterdam and Munich, Germany.

Pension contributions

Currently, the members of the Management Board are not entitled to pension, retirement or similar benefits.

Severance payments

The current members of the Management Board will not receive severance payments.

Remuneration– Supervisory Board

The General Meeting determines the remuneration of the members of the Supervisory Board. In accordance with the remuneration policy of the Company the remuneration of the members of the Supervisory Board does not depend on the Company's results and each member of the Supervisory Board is paid a fixed annual amount as determined by the General Meeting in line with the market standard taking into consideration the size and organization of the Company in relation to the other real estate companies operating in the same markets as the Company. Currently, each member of the Supervisory Board is paid a fixed annual amount of EUR 35,000. The members of the Supervisory Board do not receive Shares or options to obtain Shares.

The total current remuneration of members of the Supervisory Board amounts to EUR 277,500. The following table sets out the breakdown of the remuneration of the members of the Supervisory Board in 2014.

Supervisory Board remuneration information

Currently, the members of the Supervisory Board receive no benefits other than those described below.

The base remuneration for a member of the Supervisory Board is EUR 35,000. The remuneration for the chairperson (currently: Jochen Scharpe) amounts to EUR 70,000 per year. The remuneration for the deputy chairperson (currently: Gerrit Littel) amounts to EUR 52,500 per year. Furthermore, each Supervisory Board member that is in a committee (currently: all Supervisory Board members) receives additional remuneration amounting to EUR 10,000. The below remuneration is still subject to approval by the general meeting.

Name	Base remuneration	Subcommittees	Paid between PID- 30 June 2014
Gabriel de Alba	EUR 35,000	EUR 10,000	EUR 13,875
Marian Hogeslag	EUR 35,000	EUR 10,000	EUR 13,875
Gerrit Littel	EUR 52,500	EUR 10,000	EUR 13,875
Jochen Scharpe	EUR 70,000	EUR 10,000	EUR 13,875
Joern Stobbe	EUR 35,000	EUR 10,000	EUR 13,875
Total	EUR 227,500	EUR 50,000	EUR 69,375

Pension contributions

Currently, the members of the Supervisory Board are not entitled to pension, retirement or similar benefits.

Severance payments

The current members of the Supervisory Board will not receive severance payments.

MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

MAJOR SHAREHOLDERS

Stichting NPEX Bewaarbedrijf is the only registered shareholder of the Company and, as such, is the legal owner of all the issued ordinary shares in the equity capital of the Company. Stichting NPEX Bewaarbedrijf holds the Shares for the benefit of the relevant NPEX account holders. The persons so holding indirectly 3% or more of the Shares are indicated in the table below, below Stichting NPEX Bewaarbedrijf.

Entity	% interest of the total	Country
Stichting NPEX Bewaarbedrijf	100% (as registered shareholder of Shares (custodian))	Netherlands
Catalyst RE Coöperatief U.A.	Approximately 42% (as holder of Depositary Receipts)	Netherlands
Catalyst Fund Limited Partnership III	Approximately 14% (as holder of 1/3 of the membership rights in Catalyst RE Coöperatief U.A.)	Canada
Catalyst Fund Limited Partnership IV	Approx. 28% (as holder of 2/3 of the membership rights in Catalyst RE Coöperatief U.A.)	Canada

The Company is not aware of any other persons or entities that, directly or indirectly, have an interest of 3% or more of the Shares. Each Share gives the right to one vote at the General Meeting. Holders of Depositary Receipts may request proxies *pro rata* their holdings of Depositary Receipts. There are no differences in voting rights between majority and minority Shareholders. Catalyst Coop could potentially exercise control over the Company by controlling more than half of the votes cast at a General Meeting if the attendance is less than approximately 82% of the issued capital.

The Plan provides that the Plan Administrator or its designate shall not exercise any voting rights in respect of Existing Shares, including the Existing Shares held in the Disputed Claims (Newco Shares) Reserve (please see "*Business - Net Asset Value*"), amount to 19% of the issued capital. In fact, Catalyst Coop therefore controls 52% of the voting rights.

Catalyst Coop has committed itself to purchase the Offer Shares for which the rights are not exercised by other Shareholders in the Offering in the Backstop Period, subject to the terms and conditions of the Subscription Agreement and subject to applicable securities laws. As a result, Catalyst Coop could hold up to 83% of the issued capital following the Offering and the Backstop Period (if no other Shareholder exercises its Rights). The Plan provides that the Plan Administrator shall not exercise any voting rights in respect of the Existing Shares held in reserve. As a result, Catalyst Coop's maximum shareholding of 83% could entitle it to exercise 89% of the voting rights which may be freely exercised. In addition, cancellation or distribution of such reserved Existing Shares could lead to an increase in shareholding by Catalyst Coop to up to 89% including Offer Shares.

The Company is not aware of any other persons or entities that jointly or severally, directly or indirectly could control the Company. However, until the expiry of the period during which, according to the Articles of Association, rules aiming to protect minority shareholders apply (i.e. the period presently running until 1 September 2015, the "**Initial Period**"). In order to provide stability in the governance structure of the

Company and to protect the interests of minority shareholders, certain provisions of the Company's Articles of Association relating to the governance of the Company can only be amended at the unanimous proposal of the Supervisory Board, pursuant to a resolution of the Company's general meeting adopted with a qualified majority of two thirds of the votes cast representing more than half of the issued capital. Other amendments to the Company's Articles of Association during the Initial Period require a proposal (by majority vote) of the Supervisory Board and a resolution of the General Meeting adopted with a qualified majority of two thirds of the votes cast representing more than half of the issued capital. Catalyst Coop could potentially represent such a qualified majority at a General Meeting by controlling more than two thirds of the votes cast if the attendance is more than half of the issued capital but less than approximately 63%. Following the Offering, Catalyst Coop could hold up to 83%, which means that Catalyst Coop may be able to make decisions for which a qualified majority is required. See *"Risks Relating to the Shares – Certain Shareholders may hold a sufficient number of the Shares to materially affect the control of the Company"*.

During the Initial Period all unissued Shares in the authorised capital of the Company may be issued pursuant to a resolution of the Management Board, which resolution shall require the prior approval of the Supervisory Board. The price and other terms of the issue will be determined during the Initial Period by the Management Board and thereafter by the Company's body competent to issue shares in the capital of the Company at such time. Each holder of a Share has a pre-emptive right on any issue of Shares pro rata to the aggregate amount of his Shares. During the Initial Period this pre-emptive right may be restricted or excluded by a resolution of the Management Board in accordance with the Articles of Association. Section 2:96a of the Dutch Civil Code shall apply to the conditions of issue and to the pre-emptive right. After the Initial Period, the General Meeting may designate another corporate body as the body competent to issue the Shares and limit or exclude pre-emptive rights in respect of an issue of the Shares. In such a case, the holdings of existing shareholders of the Company may be diluted.

RELATED PARTY TRANSACTIONS

The Company entered into a Shareholder Bridge Loan Agreement with Catalyst Coop. For more information on this loan, please see *"Information on the Company - Important Contractual Relationships"*.

The Company and Catalyst Coop entered into a Subscription Agreement in connection with this Offering under which Catalyst Coop agreed to fully back-stop the Offering and purchase all Offer Shares not subscribed by other Shareholders. For more information on the Subscription Agreement, see *"Plan of Distribution"*.

Other than the above transactions, no transactions between the Company and a Shareholder owning 10% or more of the Shares have taken place since Plan Implementation Date up to the date of this Prospectus. The members of the Supervisory Board and Management Board have no personal interest in the investments made by the Company. The Company is not aware of any real estate investment or other transactions with persons or institutions that could be considered to have a direct relationship with the Company which took place during the period covered by the historical financial information contained in this Prospectus and to date.

REGULATORY MATTERS

REGULATORY STATUS

Status as licensed investment company

The Company, in its capacity as an internally managed investment company (i.e. without a separate manager), is subject to regulation by the AFM and DNB. On 7 March 2014, the Company obtained an AIFMD licence to operate as an investment company (*beleggingsmaatschappij*) as defined in section 1:1 of the FMSA. The Company complies with all organizational requirements under the AIFMD including, but not limited to, (i) the appointment of Orangefield as AIFMD depositary to the Company, (ii) the appointment of CLCS as external compliance officer and (iii) fulfilment of extensive reporting obligations towards investors and the competent authorities.

Orangefield as the AIFMD depositary

Currently, Orangefield is the AIFMD depositary of the Company. The Company will enable Orangefield to fulfil its tasks as set out in the applicable rules and the depositary services agreement concluded between Geneva and Orangefield.

INVOLVED THIRD PARTIES

LIST OF CURRENT RELEVANT PARTIES

Management Board Members	Wulf Meinel Martien van Deursen
Supervisory Board Members	Gabriel de Alba Marian Hogeslag Gerrit Littel Jochen Scharpe Joern Stobbe
Registered office of the Company	Apollolaan 153 1077 AS Amsterdam, the Netherlands
Auditors to the Company ⁵	PricewaterhouseCoopers Accountants N.V. Fascinatio Boulevard 350 3065 WB Rotterdam, the Netherlands
Valuators	UAB Colliers International Advisors Trade name: Colliers International Place of Registration: Vilnius Registration number: 302424118 Date of incorporation: 5 August 2009 Place of incorporation: Vilnius Country of incorporation: Lithuania Legal form: Limited joint-stock company Applicable law: The law of the Republic of Lithuania Registered address: A.Gostauto St. 40B, Vilnius Telephone number: +370 5 249 1212 Colliers International Advisors OÜ Trade name: Colliers International Place of Registration: Tallinn Registration number: 11330404 Date of incorporation: 13 December 2006 Place of incorporation: Tallinn Country of incorporation: Estonia Legal form: Limited joint-stock company Applicable law: The law of the Republic of Estonia Registered address: Lõõtsa Str. 2a, Tallinn, Estonia Telephone number: +372 6160 777 SIA Colliers International Advisors Trade name: Colliers International Place of Registration: Riga

⁵ Subject to being appointed as such by the Company's general meeting.

Registration number: 40103255403
Date of incorporation: 26 October 2009
Place of incorporation: Riga
Country of incorporation: Latvia
Legal form: Limited joint-stock company
Applicable law: The law of the Republic of Latvia
Registered address: 21 Kr.Valdemara street LV 1010 Riga,
Latvia
Telephone number: +371 67783333

DTZ Zadelhoff v.o.f.

Trade name: DTZ
Place of Registration: Amsterdam
Registration number: 33174864
Date of incorporation: 6 December 1983
Place of incorporation: Amsterdam
Country of incorporation: the Netherlands
Legal form: General Partnership
Applicable law: Dutch
Registered address: Parnassusweg 803,1070 BA Amsterdam,
the Netherlands
Telephone number: +31 206644644

Jones Lang LaSalle GmbH

Trade name: Jones Lang LaSalle GmbH
Place of Registration: Frankfurt am Main
Registration number: HRB Nr. 13139
Date of incorporation: 2 April 1973
Place of incorporation: Frankfurt am Main
Country of incorporation: Germany
Legal form: GmbH
Applicable law: German
Registered address: Wilhelm-Leuschner-Strasse 78, 60329
Frankfurt, Germany
Telephone number: +49 69 2003 0

Service Providers

MVGM Vastgoedmanagement B.V.

Trade name: MVGM Vastgoedmanagement B.V.
Place of Registration: MVGM Kantorenmanagement
Registration number: 24250181
Date of incorporation: 5 September 1994
Place of incorporation: Rijswijk
Country of incorporation: The Netherlands
Legal form: Private Company with Limited Liability
Applicable law: Dutch
Registered address: De Bruyn Kopsstraat 9k, 2288 EC Rijswijk
Telephone number: +31 708884000

UAB "VPH"

Trade name: UAB "VPH"

Place of Registration: Vilnius
Registration number: 302671403
Date of incorporation: 29 September 2011
Place of incorporation: Vilnius
Country of incorporation: Lithuania
Legal form: Private Stock Company
Applicable law: The law of the Republic of Lithuania
Registered address: Jogailos g. 9
Telephone number: +370 52618888

Depository	Orangefield (Netherlands) B.V. Teleportboulevard 140 1043 EJ Amsterdam, the Netherlands
Compliance Officer	CLCS B.V. Keizersgracht 433 1017 DJ Amsterdam
Agent	NPEX B.V.
Backstop provider	Catalyst RE Coöperatief U.A. Prins Bernhardplein 200 1097JB Amsterdam, the Netherlands

FEES

The following parties provide services to the Company:

DTZ Zadelhoff acts as appraiser of the Dutch and the German properties of the Company other than the Bochum asset for a fee to be paid per valuation report. The fees for the preparation of the latest valuation reports amounted to EUR 20,213.

As of 30 June 2014, Jones Lang LaSalle GmbH acts as appraiser of the Bochum asset of the Company for a fee to be paid per valuation report. The fees for the preparation of the latest valuation reports amounted to EUR 7,820.

As of 30 June 2014, Colliers International Advisors, SIA currently acts as appraiser of the Baltic properties of the Company for a fee to be paid per valuation report. The fees for the preparation of the latest valuation reports amounted to EUR 38,000.

Orangefield (Netherlands) B.V. acts as depository of the Company in accordance with the Alternative Investment Fund Managers Directive 2011/61/EU ("AIFMD") for an annual fee of EUR 75,000. These fees are subject to indexation annually according to the Dutch consumer price index. Furthermore, should the services provided at any time need to be tailored to the specific needs of the Company then Orangefield (Netherlands) B.V. may propose revisions to the fees.

CLCS B.V. acts as external Compliance Officer for a monthly fee of EUR 1,400.

Ernst & Young Accountants LLP has audited the financial information in the Company's admission memorandum dated 4 July 2014. The estimated fee for services provided and to be provided in 2014 will be in the range of EUR 100,000 to EUR 120,000.

PricewaterhouseCoopers Accountants N.V. has reviewed the interim financial information included in the this Prospectus. The estimated fee for services to be provided in 2014 will be approximately EUR 195,000.

NPEX charges secondary trading fees to the buyer and to the seller and is charged per transaction in accordance with the following schedule.

Transaction size (* EUR 1,000)	Total fee (* basis points, i.e. 0.01%)
≤ 100	150
> 100 ≤ 500	50
> 500 ≤ 1,000	25
> 1,000 ≤ 10,000	12.5
> 10,000	5

CUSTODY

The Company does generally not invest in assets that must be held in custody. Financial instruments held in custody will be held by Orangefield, in a manner compliant with applicable rules and regulations. Orangefield has not delegated, but may delegate the custody of financial instruments that can be held in custody to third parties.

Orangefield is a private company with limited liability (*besloten vennootschap*) (Chamber of Commerce No. 33135957), incorporated in the Netherlands under Dutch law on 27 March 1973. It has the following trade names:

- Orangefield Group;
- Orangefield Real Estate Services;
- Orangefield Trust (Netherlands);
- Orangefield Trust (Netherlands) B.V.;
- Orangefield (Netherlands);
- Orangefield (Netherlands) B.V.

The registered address of Orangefield is Teleportboulevard 140, 1043 EJ Amsterdam, the Netherlands (telephone number: +31 (02) 5405800).

Aside from holding financial instruments in custody, under the depositary agreement the main tasks of Orangefield as the AIFMD depositary are:

- Title verification and record keeping;
- Cash flow monitoring and reconciliation of cash flows;
- Verification of application procedures regarding valuation;
- Verification of compliance with investment restrictions (especially with respect to leverage);
- Settlement verification;

- Payments verification; and
- Compliance with investment guidelines.

Orangefield is and can be held responsible for the performance of its tasks towards the shareholders. However, except in the case of fraud, negligence or intentional failure to properly fulfil its obligations, Orangefield may seek indemnification from the Company in such instances. If Orangefield delegates any of its functions to third parties, this will not affect the rights of the shareholders towards Orangefield.

EXTERNAL COMPLIANCE OFFICER

The Company has outsourced the compliance function to CLCS. As an outsourced function, compliance remains the ultimate responsibility of the Company. In accordance with applicable rules and regulations, the Company has established and will maintain an effective compliance function which operates independently and has the following responsibilities:

- (a) monitoring and, on a regular basis, evaluating the adequacy and effectiveness of the measures, policies and procedures put in place and the actions taken to address any deficiencies in the Company's compliance with its regulatory obligations; and
- (b) advising the relevant persons responsible for carrying out services and activities and assisting them in complying with the Company's regulatory obligations.

RESPONSIBILITY AND REPORTS BY EXPERTS

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

The valuations were performed by Colliers International Advisors, SIA, Jones Lang LaSalle GmbH and DTZ Zadelhoff v.o.f., accredited independent valuers with a recognised and relevant professional qualification and with recent experience in the location and category of the investment property being valued.

Jones Lang LaSalle GmbH, whose registered office appears above, accepts responsibility for the information contained in the valuation report included on page V8-V10 of this Prospectus. The information contained in such valuation reports is, to the best of Jones Lang LaSalle GmbH's knowledge, in accordance with the facts and contains no omission likely to materially affect its import. Jones Lang LaSalle GmbH has given and not withdrawn its written consent to the inclusion of its reports in this Prospectus as well as any extracts of that report placed elsewhere in this Prospectus.

DTZ Zadelhoff v.o.f., whose registered office appears above, accepts responsibility for the information contained in the valuation report included on page V1-V7 of this Prospectus. The information contained in such valuation reports is, to the best of DTZ Zadelhoff v.o.f.'s knowledge, in accordance with the facts and contains no omission likely to materially affect its import. DTZ Zadelhoff v.o.f. has given and not withdrawn its written consent to the inclusion of its reports in this Prospectus as well as any extracts of that report placed elsewhere in this Prospectus.

Colliers International Advisors, SIA, whose registered office appears above, accepts responsibility for the information contained in the valuation report included on page V11-V20 of this Prospectus. The information contained in such valuation reports is, to the best of Colliers International Advisors, SIA's knowledge, in accordance with the facts and contains no omission likely to materially affect its import. Colliers

International Advisors, SIA has given and not withdrawn its written consent to the inclusion of its reports in this Prospectus as well as any extracts of that report placed elsewhere in this Prospectus.

The independent auditor has given and not withdrawn its written consent to the inclusion of its independent auditor's report on the financial statements of Geneba Properties N.V. in the 'Annual report 2013' section of this Prospectus. The auditor signing the independent auditor's report on behalf of Ernst & Young Accountants LLP is a member of the Netherlands Institute of Chartered Accountants (*Nederlandse Beroepsorganisatie van Accountants*).

The independent auditor has given and not withdrawn its written consent to the inclusion of its review report on the interim report for the period from 27 March 2014 to 30 June 2014. The auditor signing the review report on behalf of PricewaterhouseCoopers Accountants N.V. is a member of the Netherlands Institute of Chartered Accountants (*Nederlandse Beroepsorganisatie van Accountants*).

According to the Company, the above valuation, audit and review reports have been accurately reproduced and, as far as the Company is aware and is able to ascertain from information published therein, no facts have been omitted which would render the reproduced information inaccurate or misleading.

CHANGE OF AUDITOR

The 2013 financial statements have been audited by Ernst & Young Accountants LLP. The Company requested PricewaterhouseCoopers Accountants N.V. to review (but not audit) the 27 March 2014 to 30 June 2014 financial statements. Furthermore, the Company proposes to appoint PricewaterhouseCoopers Accountants N.V. to audit the 2014 financial statements. This is subject to appointment by the general meeting on 18 December 2014.

Ernst & Young Accountants LLP has not resigned, nor has it been removed. The engagement of Ernst & Young Accountants LLP terminated as scheduled and the Company decided not to renew it and instead engage PricewaterhouseCoopers Accountants N.V. for the review of the half-year 2014 financial statements.

DESCRIPTION OF SHARE CAPITAL AND DEPOSITARY RECEIPTS

ARTICLES OF ASSOCIATION

Authorized and issued Share capital

At the date of its incorporation, the Company had an authorised capital of EUR 225,000, divided into 9,000,000 ordinary shares and 2,250,000 preference shares with a nominal value of EUR 0.02 each.

Prior to the Plan Implementation Date, the authorised capital was increased to EUR 2,100,000 and is divided into 102,750,000 Shares and 2,250,000 preference shares with a nominal value of EUR 0.02 each.

On the Plan Implementation Date, the Company issued 30,542,639 Existing Shares.

Following the Plan Implementation Date, the preference shares were withdrawn.

The authorised capital of the Company equals EUR 2,100,000 and is divided into 105,000,000 Existing Shares with a nominal value of EUR 0.02 each. The currency of Existing Shares and Depositary Receipts is Euro.

The Company has proposed that its general meeting (i) increase the authorized capital of the Company to EUR 9,900,000, divided into 495,000,000 Shares with a nominal value of EUR 0.02 each, conditional on the completion of the Offering, and (ii) that shares released from the Disputed Claims (Newco Shares) Reserve (see "*Business - Net Asset Value*") for cancellation be cancelled by being withdrawn (*door intrekking*) and that the Company's management board be authorised to implement that resolution.

During the period during which, according to the Company's articles of association ("**Articles of Association**"), rules aiming to protect minority shareholders apply (i.e. the period presently running until 1 September 2015, the "**Initial Period**"), all unissued Shares in the authorized capital of the Company may be issued pursuant to a resolution of the Company's management board, which resolution requires the prior approval of the Company's supervisory board. The price and other terms of issue will be determined during the Initial Period by the Company's management board and thereafter by the company body competent to issue shares in the capital of the Company at such time. Each Shareholder has a pre-emptive right on any issue of shares pro rata to the aggregate amount of his Shares. During the Initial Period, this pre-emptive right may be restricted or excluded by a resolution of the Company's management board, which resolution requires the prior approval of the Company's supervisory board and thereafter this pre-emptive right may be excluded or limited by the competent Company body. Section 2:96a DCC shall apply to the conditions of issue and to the pre-emptive right.

The Company has issued 30,542,639 Shares excluding the Offer Shares which are fully paid up. Including the Offer Shares, the Company will have issued 104,156,836 Shares.

Registered Shares

The Shares are in registered form. The Company enters holders of Shares in its register of shareholders. The Depositary Receipts are issued with cooperation of the Company and are admitted to trading on NPEX. NPEX administers the accounts with respect to the Depositary Receipts. The holders of the Depositary Receipts has the rights conferred by law upon holders of Depositary Receipts issued with a company's cooperation. The Company does not issue Share certificates. However, a Shareholder may request an extract from the Shareholders' register regarding the Shares registered in his name. The Company is required to provide the extract free of charge. Dutch law requires that transfers of registered shares be recorded in a

notarial deed. Unless the Company is a party to the deed, the rights attributable to the Shares can only be exercised after the Company has acknowledged the transfer or the deed has been served upon the Company.

Issue of Shares/ Pre-emption rights

During the Initial Period all unissued shares in the authorized capital of the Company may be issued pursuant to a resolution of the Management Board, which resolution shall require the prior approval of the Supervisory Board. The price and other terms of issue will be determined during the Initial Period by the Management Board and thereafter by the company body competent to issue shares in the capital of the Company at such time. Each Shareholder has a pre-emptive right on any issue of shares pro rata to the aggregate amount of his Shares. During the Initial Period this pre-emptive right may be restricted or excluded by a resolution of the Management Board, which resolution shall require the prior approval of the Supervisory Board, and thereafter this pre-emptive right may be excluded or limited by the competent Company body. Section 2:96a DCC shall apply to the conditions of issue and to the pre-emptive right.

Issues of Shares and Rights may take place up to the authorised capital of the Company. The Offering includes the offer of Rights which provide the right to Shareholders to subscribe for the Offer Shares.

Acquisition by the Company of Shares

The Company may not subscribe for its own shares on issue. An acquisition of fully paid up Shares in its own capital can only occur if the General Meeting has authorized the Management Board to such ends in accordance with the Articles of Association and with due observance of the limitations prescribed by law.

Reduction of Share capital

The General Meeting may resolve to reduce the Company's issued capital in accordance with the relevant provisions prescribed by law.

DEPOSITARY RECEIPTS

Admission to trading of the Shares on NPEX

NPEX is not a regulated trading platform. The rules and regulations for admission to trading on NPEX are promulgated by NPEX and are in the Netherlands not subject to securities laws or regulatory review. The trading of Shares admitted to trading on NPEX will have certain characteristics that differ from the characteristics of a regulated trading platform. Such differences include:

- The depositary receipts that are admitted to trading on NPEX are legally not Shares and are not governed by the legal regime governing Shares. Such depositary receipts are contractually defined economic participations in the Shares. The Shares that are traded on NPEX are issued to, registered in the name of and legally owned by Stichting NPEX Bewaarbedrijf, the custodian for NPEX. Such custodian, in turn, issues a depositary receipt for each such Share which is credited to the NPEX account of the relevant account holder that, as a result, is the beneficial owner of the Share. Shares traded on NPEX are, in effect, held in book-entry form. Holders of the depositary receipts admitted to trading on NPEX may therefore have fewer legal protections than a (direct) holder of shares would ordinarily have. Holders of such depositary receipts may also be required to bring legal action against Stichting NPEX Bewaarbedrijf, as holder of the shares, rather than against the Company or another party directly, which may make such claims more complicated and more expensive.
- NPEX does not qualify as a "multilateral trading facility" or "regulated market" within the meaning of the FMSA. Therefore, Dutch regulatory and civil rules and regulations on corporate governance, market

abuse, publication of insider information, prohibitions on insider trading, transparency requirements, mandatory disclosure of substantial holdings, public takeover rules, mandatory offer rules and other rules and regulations applicable to a multilateral trading facility or regulated market do not by operation of law apply to the Company or Shares. Nonetheless, the Company is required to share relevant information with (potential) Shareholders. For more information on this, please see *"Information on the Company - Important Contractual Relationships"*.

- However, once the Markets in Financial Instruments II Directive (2014/65/EU) is implemented (which may take a further year to year-and-a-half), NPEX may qualify as an "organised trading facility". As a result, NPEX may be obliged to obtain a licence. If NPEX does not obtain such licence, it may no longer facilitate trading in shares.
- The Shares are traded via NPEX on the basis of an auction system whereby holders of Shares can ask and bid prices for Shares admitted to trading on NPEX. For this reason, investors may have difficulty selling their Shares if there are no other investors who will reflect on a bid offered. The Company has chosen not to appoint market makers (entities that will on a continuous basis offer to buy and sell) and as a consequence there will be no market price that is continuously formed nor will liquidity be maintained in the Depositary Receipts.
- NPEX will provide information on the latest trades on its website subject to its rules and procedures. The Company is required to publish its most recent net asset value and its most recent net asset value per Depositary Receipt by notification to NPEX which will publish it on NPEX's website subject to its rules and procedures. This net asset value provided by the Company is not independently verified, unless expressly stated otherwise.
- Only members of NPEX can trade on NPEX. Becoming a member of NPEX requires fulfilling certain administrative requirements. This may limit the number of potential purchasers of Depositary Receipts and result in a lower sale price for such Depositary Receipts. A bankruptcy of Stichting NPEX Bewaarbedrijf or a third party making a general attachment on its assets could result in holders of the Depositary Receipts not being able to successfully claim damages or compensation against Stichting NPEX Bewaarbedrijf in such circumstances.
- Stichting NPEX Bewaarbedrijf is not regulated by the Dutch Act on Dematerialised Securities Trading (*Wet giraal effectenverkeer*) and investors trading through NPEX therefore are not protected from a bankruptcy of Stichting NPEX Bewaarbedrijf or third parties making general attachments on the assets of Stichting NPEX Bewaarbedrijf.
- There have not been sold substantial numbers of Shares on the NPEX platform following the admission to trading on NPEX. Future sales of Shares in excess of demand, or the perception that such sales will occur, could cause a decline in the price of the Shares. This could materially and adversely affect the price of the Shares and could also impede the Company's ability to raise capital through the issue of equity securities in the future. Following the Offering, Catalyst Coop may have significantly increased its stake in the Company. As a result, liquidity of the market for the Shares may be further diminished.
- Only holders of an account with NPEX can trade in securities traded on NPEX and NPEX at its sole discretion decides whether or not to open an account. Presently, NPEX does not open an account for Mr Richard Homburg.

There can be no assurance that an admission of the Depositary Receipts to trading on NPEX can be maintained. Trading of the Depositary Receipts on NPEX may entail certain risks, including risks due to the differences between NPEX on the one hand and a regulated market and multilateral trading facility on the other hand, as described above. See *"Risk Factors – There has been no public market for the Depositary*

Receipts and an active market may not develop" and "Risk factors - If NPEX loses its licence or is unable to obtain a licence from the AFM there may be no trading platform for the Depositary Receipts".

Stichting NPEX Bewaarbedrijf

The Shares are and the Offer Shares will be traded on NPEX. The Shares are and the Offer Shares will be legally held by Stichting NPEX Bewaarbedrijf, the custodian for NPEX, which will credit to the NPEX account of the beneficial owner of the Shares and Offer Shares a number of Depositary Receipts for such shares in book-entry form.

Stichting NPEX Bewaarbedrijf has its registered address on Saturnusstraat 60-75, 2516 AH 's-Gravenhage, the Netherlands. It was incorporated on 23 December 2008. It has the legal form of a foundation (*stichting*) under Dutch law.

Exchange of Depositary Receipts for Shares

Each holder of a Depositary Receipt shall have the right to exchange its Depositary Receipt for Shares in accordance with the relevant provisions of the NPEX Beleggersgiro Regulations dated May 2013 (as amended from time to time). Any such holder requesting such exchange shall bear any and all costs relating to such exchange in accordance with the relevant provisions of such regulations. This right of exchange is based on the shareholder rights agreement entered into by, *inter alia*, the Company, on 24 March 2014, and as supplemented by an addendum dated 4 July 2014, (the "**Shareholder Rights Agreement**") in conjunction with the Listing Agreement and the aforementioned regulations.

SUBSTANTIAL HOLDINGS REQUIRE AFM APPROVAL

According to Dutch financial supervision law, investors that, directly or indirectly, will hold a substantial holding in the Company must have been tested on integrity by the AFM and such test must have a favourable outcome before such substantial holding is acquired. A "substantial holding" within the foregoing meaning is (a) a holding of at least 10% of the outstanding capital, (b) the ability to exercise at least 10% of the votes in the Company or (c) the ability to exercise control in a comparable manner. For the purpose of calculating the number of votes, the following interests must be taken into account: (i) voting rights directly held by any person; (ii) voting rights held by such person's controlled entity or by a third party for such person's account or by a third party with whom such person has concluded an oral or written voting agreement; (iii) voting rights acquired pursuant to an agreement providing for a temporary transfer of voting rights against payment; (iv) a fund manager will be deemed to hold the votes attached to shares held by the custodian for the fund; and (iv) a person will be deemed to hold the voting rights which it may exercise at its own discretion under a power of attorney. Special attribution rules apply to voting rights which are part of the property of a partnership or other community of property. A holder of a pledge or right of usufruct in respect of shares will be deemed to hold the votes it is entitled to exercise.

WORKING CAPITAL, CAPITALISATION AND INDEBTEDNESS

WORKING CAPITAL

The Company does not have sufficient working capital for its present requirements.

The Company has a net working capital deficit of EUR 83 million at 30 September 2014. The Company is planning to reduce the working capital deficit to a positive amount through:

- Repaying the Shareholder Bridge Loan of EUR 40 million with the proceeds of the Offering. This loan matures in January 2015;
- Settlement of the EUR 13.8 million interest rate swap with operational cash flows. The negative fair value of this interest swap is included in the deficit and is settled periodically up till 2023;
- Refinancing the EUR 22.5 million loan provided to Geneba 1 with new bank loans. This loan matures in October 2015;
- Extending, refinancing or possibly entering into insolvency proceedings with respect to the EUR 24.5 million loan on the level of VRE 2, which has matured already (for more information on this loan, please see "*Risk factors - The Company may not successfully renegotiate certain credit facility agreements.*").

If and when the Offering is completed and the above actions are taken, the Company will have sufficient working capital for at least the next twelve months. The Company is confident that the Offering will be completed and will provide the Company with sufficient working capital.

If the Offering will not be completed, the Company will need to enter into negotiations with its Shareholders and/or other financiers to secure an alternative source of financing.

CAPITALISATION

The following tables in accordance with the Prospectus Regulation (No 809/2004, as amended) concerns values as per 30 September 2014 which are unaudited, nor have they been reviewed by an auditor. The interim financial statements for 2014 included on the F-pages of this Prospectus are as per 30 June 2014 and these are the source of the selected historical financial information.

	As at 30 September 2014
	EUR (MILLION) (unaudited)
Current debt ⁽¹⁾	
Guaranteed ⁽²⁾	-
Secured.....	99.603
Unguaranteed/unsecured.....	23.248
Total current debt	122.851
Non-current debt ⁽³⁾	
Guaranteed ⁽²⁾	-
Secured debt ⁽⁴⁾	323.868
Unguaranteed/unsecured.....	6.933
Total non-current debt	330.801
Total debt	453.652
Shareholders' equity	
Share capital	611
Share premium account.....	94.452
Retained earnings	-4.964
Non-controlling interest	7.537
Total capitalisation	97.637
Total capitalisation and indebtedness	551.289

⁽¹⁾ Includes current portion of long term debt.

⁽²⁾ There is no debt which is guaranteed by a third party.

⁽³⁾ Excludes current portion of long term debt.

⁽⁴⁾ Security includes mortgages on real estate, pledges on shares in property and/or intermediate holding companies and pledges on receivables such as insurance, trade, lease and bank account receivables.

INDEBTEDNESS

	As at 30 September 2014
	EUR (MILLION)
	(Unaudited)
Cash at bank	39.455
Cash equivalents	-
Securities held for trading	-
Liquidity	39.455
Trade and other receivables.....	630
Current debt.....	-122.851
Net current financial funds	-82.766
Non-current bank loans	-323.868
Other non-current loans	-
Non-current financial indebtedness	-323.868
Net financial indebtedness	-406.634

DIVIDENDS AND DIVIDEND POLICY

Dividend policy in general

There can be no certainty that the Company will pay dividends with respect to the Shares on an annual basis. The decision to declare or pay dividends will be at the discretion of the Management Board, subject to the approval of the Supervisory Board, and will be dependent on the existing conditions, including the financial condition, results of operations, capital requirements, contractual restrictions, business prospects, and other factors that the Management Board and Supervisory Board consider relevant. Additionally, the distribution of profits can only take place following the adoption of the annual accounts from which it appears that such distribution is allowed. The Management Board may also, subject to the approval of the Supervisory Board, determine to reserve a part of the profits.

Dividend ranking of the Shares

All Shares rank equally in all respects and will be eligible for any dividend which the Company may declare on the Shares. The Offer Shares will have dividend rights starting from 6 January 2015.

Manner and time of dividend payments

Cash dividends on the Shares will be paid in Euro. Dividends will be credited automatically to the Shareholders' accounts on NPEX.

Uncollected dividends

A claim for any dividend declared lapses five years after the start of the second day on which it becomes payable. Any dividend that is not collected within this period reverts to the Company.

Taxation on dividends

In principle, dividend payments are subject to withholding tax in the Netherlands. For a discussion of certain aspects of Dutch, taxation of dividends and refund procedures see "*Taxation*". The Company will not assume responsibility for withholding taxes.

Dividend history

Since incorporation of the Company on 11 July 2013, it has not paid any dividend on the Shares.

NETHERLANDS TAXATION

General

The following is a general summary of certain material Netherlands tax consequences of the holding and disposal of the **Securities** (Shares and Rights). This summary does not purport to describe all possible tax considerations or consequences that may be relevant to all categories of investors, some of which may be subject to special treatment under applicable law (such as trusts or other similar arrangements), and in view of its general nature, it should be treated with corresponding caution. Holders should consult with their tax advisors with regard to the tax consequences of investing in the Securities in their particular circumstances. The discussion below is included for general information purposes only.

Withholding Tax

Dividends distributed by us generally are subject to Netherlands dividend withholding tax at a rate of 15%. The expression "dividends distributed" includes, among other things:

- distributions in cash or in kind, deemed and constructive distributions and repayments of paid-in capital not recognised for Netherlands dividend withholding tax purposes;
- liquidation proceeds, proceeds of redemption of Shares, or proceeds of the repurchase of Shares by us or one of our subsidiaries or other affiliated entities to the extent such proceeds exceed the average paid-in capital of those Shares as recognised for purposes of Netherlands dividend withholding tax;
- an amount equal to the par value of Shares issued or an increase of the par value of Shares, to the extent that it does not appear that a contribution, recognised for purposes of Netherlands dividend withholding tax, has been made or will be made; and
- partial repayment of the paid-in capital, recognised for purposes of Netherlands dividend withholding tax, if and to the extent that we have net profits (*zuivere winst*), unless the holders of Shares have resolved in advance at a general meeting to make such repayment and the par value of the Shares concerned has been reduced by an equal amount by way of an amendment of our Articles of Association.

If a holder of Shares is a resident of the Netherlands, Netherlands dividend tax which is withheld with respect to proceeds from the Shares will generally be creditable for Netherlands corporate income tax or Netherlands income tax purposes if the Shareholder is the beneficial owner (as described below) thereof.

If a holder of Shares is a resident of a country other than the Netherlands and if a treaty for the avoidance of double taxation with respect to taxes on income is in effect between the Netherlands and that country, and such Shareholder is the beneficial owner (as described below) of the proceeds from the Shares and a resident for the purposes of such treaty, such Shareholder may, depending on the terms of that particular treaty, qualify for full or partial relief at source or for a refund in whole or in part of the Netherlands dividend tax.

A refund of the Netherlands dividend tax is available to entities resident in another Member State, Norway, Iceland, or Liechtenstein provided (i) these entities are not subject to corporate income tax there and (ii) these entities would not be subject to Netherlands corporate income tax, if these entities would be tax resident in the Netherlands and (iii) these entities are not comparable to fiscal investment institutions (*fiscale beleggingsinstellingen*) or exempt investment institutions (*vrijgestelde beleggingsinstellingen*).

Furthermore, a similar refund of Netherlands dividend tax may be available to entities resident in other countries, under the additional condition that (i) the Shares are considered portfolio investments and (ii) the Netherlands can exchange information with this other country in line with the international standards for the exchange of information.

In general, we will be required to remit all amounts withheld as Netherlands dividend withholding tax to the Netherlands tax authorities. However, under certain circumstances, we are allowed to reduce the amount to be remitted to the Netherlands tax authorities by the lesser of:

- 3% of the portion of the distribution paid by us that is subject to Netherlands dividend withholding tax; and
- 3% of the dividends and profit distributions, before deduction of foreign withholding taxes, received by us from qualifying foreign subsidiaries in the current calendar year (up to the date of the distribution by us) and the two preceding calendar years, as far as such dividends and profit distributions have not yet been taken into account for purposes of establishing the above mentioned reduction.

Although this reduction reduces the amount of Netherlands dividend withholding tax that we are required to remit to the Netherlands tax authorities, it does not reduce the amount of tax that we are required to withhold on dividends distributed.

Pursuant to legislation to counteract "dividend stripping", a reduction, exemption, credit or refund of Netherlands dividend withholding tax is denied if the recipient of the dividend is not the beneficial owner as described in the Netherlands Dividend Withholding Tax Act 1965. This legislation generally targets situations in which a shareholder retains its economic interest in shares but reduces the withholding tax costs on dividends by a transaction with another party. It is not required for these rules to apply that the recipient of the dividends is aware that a dividend stripping transaction took place. The Netherlands State Secretary of Finance takes the position that the definition of beneficial ownership introduced by this legislation will also be applied in the context of a double taxation convention.

Please note that this summary does not describe the tax considerations for:

- (i) holders of Securities if such holders, and in the case of individuals, his/her partner or certain of their relatives by blood or marriage in the direct line (including foster children), have a substantial interest or deemed substantial interest in us under the Netherlands Income Tax Act 2001 (*Wet inkomstenbelasting 2001*). Generally speaking, a holder of securities in a company is considered to hold a substantial interest in such company, if such holder alone or, in the case of individuals, together with his/her partner (statutorily defined term), directly or indirectly, holds (i) an interest of 5% or more of the total issued and outstanding capital of that company or of 5% or more of the issued and outstanding capital of a certain class of shares of that company; or (ii) rights to acquire, directly or indirectly, such interest; or (iii) certain profit sharing rights in that company that relate to 5% or more of the company's annual profits and/or to 5% or more of the company's liquidation proceeds. A deemed substantial interest arises if a substantial interest (or part thereof) in a company has been disposed of, or is deemed to have been disposed of, on a non-recognition basis;
- (ii) holders of Securities in us that qualify or qualified as a participation for purposes of the Netherlands Corporate Income Tax Act 1969 (*Wet op de vennootschapsbelasting 1969*). Generally, a taxpayer's shareholding of 5% or more in a company's nominal paid-up share capital qualifies as a participation. A holder may also have a participation if such holder does not have a 5% shareholding but a related entity (statutorily defined term) has a participation or if the company in which the shares are held is a related entity (statutorily defined term);
- (iii) holders of Securities who are individuals for whom the Securities or any benefit derived from the Securities are a remuneration or deemed to be a remuneration for activities performed by such holders or certain individuals related to such holders (as defined in the Netherlands Income Tax Act 2001); and
- (iv) pension funds, investment institutions (*fiscale beleggingsinstellingen*), exempt investment institutions (*vrijgestelde beleggingsinstellingen*) and other entities that are exempt from corporate income tax in

the Netherlands, as well as entities that are exempt from corporate income tax in their country of residence, such country of residence being another state of the European Union, Norway, Liechtenstein, Iceland or any other state with which the Netherlands have agreed to exchange information in line with international standards.

Except as otherwise indicated, this summary only addresses Netherlands national tax legislation and published regulations, whereby the Netherlands means the part of the Kingdom of the Netherlands located in Europe, as in effect on the date hereof and as interpreted in published case law until this date, without prejudice to any amendment introduced at a later date and implemented with or without retroactive effect.

Taxes on Income and Capital Gains

Netherlands Resident Individuals

If a holder of Securities is an individual resident or deemed to be resident in the Netherlands for Netherlands tax purposes (including the non-resident individual holder who has made an election for the application of the rules of the Netherlands Income Tax Act 2001 as they apply to residents of the Netherlands), any benefit derived or deemed to be derived from the Securities is taxable at the progressive income tax rates (with a maximum of 52%), if:

- (a) the Securities are attributable to an enterprise from which the Netherlands Resident Individual derives a share of the profit, whether as an entrepreneur or as a person who has a co-entitlement to the net worth of such enterprise, without being an entrepreneur or a shareholder, as defined in the Netherlands Income Tax Act 2001; or
- (b) the holder of the Securities is considered to perform activities with respect to the Shares that go beyond ordinary asset management (*normaal, actief vermogensbeheer*) or derives benefits from the Securities that are (otherwise) taxable as benefits from other activities (*resultaat uit overige werkzaamheden*).

If the above-mentioned conditions (a) and (b) do not apply to the individual holder of Securities, the Securities are recognised as investment assets and included as such in such holder's net investment asset base (*rendementsgrondslag*). Such holder will be taxed annually on a deemed income of 4% of his or her net investment assets for the year at an income tax rate of 30%. The net investment assets for the year are the fair market value of the investment assets less the allowable liabilities on 1 January of the relevant calendar year. A tax free allowance may be available. Actual benefits derived from the Securities are as such not subject to Netherlands income tax.

Netherlands Resident Entities

Any benefit derived or deemed to be derived from the Securities held by Netherlands Resident Entities, including any capital gains realised on the disposal thereof, will generally be subject to Netherlands corporate income tax at a rate of 25% (a corporate income tax rate of 20% applies with respect to taxable profits up to EUR200,000).

Non-residents of the Netherlands

A holder of Securities will not be subject to Netherlands taxes on income or on capital gains in respect of any payment under the Securities or any gain realised on the disposal or deemed disposal of the Securities, provided that:

- (i) such holder is neither a resident nor deemed to be resident in the Netherlands for Netherlands tax purposes and, if such holder is an individual, such holder has not made an election for the application of the rules of the Netherlands Income Tax Act 2001 as they apply to residents of the Netherlands;

- (ii) such holder does not have an interest in an enterprise or a deemed enterprise (statutorily defined term) which, in whole or in part, is either effectively managed in the Netherlands or is carried out through a permanent establishment, a deemed permanent establishment or a permanent representative in The Netherlands and to which enterprise or part of an enterprise the Shares are attributable; and
- (iii) in the event such holder is an individual, such holder does not carry out any activities in the Netherlands with respect to the Shares that go beyond ordinary asset management and does not derive benefits from the Shares that are (otherwise) taxable as benefits from other activities in the Netherlands.

Gift and Inheritance Taxes

Residents of the Netherlands

Generally, gift and inheritance tax will be due in the Netherlands in respect of the acquisition of the Securities by way of a gift by, or on behalf of, or on the death of, a Shareholder that is a resident or deemed to be a resident of the Netherlands for the purposes of Netherlands gift and inheritance tax at the time of the gift or his or her death. A gift made under a condition precedent is deemed to be made at the time the condition precedent is fulfilled and is subject to Netherlands gift and inheritance tax if the donor is, or is deemed to be a resident of the Netherlands at that time.

For purposes of Netherlands gift or inheritance tax, amongst others, a person that holds the Netherlands nationality will be deemed to be resident in the Netherlands if such person has been resident in the Netherlands at any time during the ten years preceding the date of the gift or his/her death. Additionally, for purposes of Netherlands gift tax, amongst others, a person not holding the Netherlands nationality will be deemed to be resident in the Netherlands if such person has been resident in the Netherlands at any time during the twelve months preceding the date of the gift.

Non-residents of the Netherlands

No gift or inheritance taxes will arise in the Netherlands in respect of the acquisition of the Securities by way of a gift by, or as a result of, the death of, a holder of Securities that is neither a resident nor deemed to be a resident of the Netherlands for the purposes of Netherlands gift and inheritance tax, unless in the case of a gift of the Securities by, or on behalf of, a holder of Securities who at the date of the gift was neither a resident nor deemed to be a resident of the Netherlands, such holder of Securities dies within 180 days after the date of the gift, and at the time of his or her death is a resident or deemed to be a resident of the Netherlands. A gift made under a condition precedent is deemed to be made at the time the condition precedent is fulfilled.

Other Taxes and Duties

No Netherlands VAT and no Netherlands registration tax, stamp duty or any other similar documentary tax or duty will be payable by a holder of Shares on any payment in consideration for the holding or disposal of the Shares.

THE OFFERING

With the Offering, the Company is offering 74,397,740 Offer Shares with a nominal value of EUR 0.02 each at the Issue Price of EUR 2.78 per Offer Share. Subject to applicable securities laws and the terms and conditions set out in this Prospectus, Shareholders as at the Record Date are being granted the Rights *pro rata* to their shareholding in the Company. The total gross proceeds from this Offering will amount to up to EUR 206 million. As a result of the Offering, the holdings of a Shareholder may be diluted with 71% to 29% if such Shareholder decides not to exercise its Rights. The issue currency of the Offer Shares will be Euro.

Any Offer Shares not subscribed for through the exercise of Rights in the Offering, regardless of the reasons for such non-exercise, will be subscribed and paid for by the Catalyst Coop in the Backstop Period conditional on investment proposals being approved by the Supervisory Board and if the Company decides to request subscription by Catalyst Coop, subject to the terms and conditions of the Subscription Agreement and subject to applicable securities laws. See "*Plan of Distribution*". Catalyst Coop has also agreed to fully exercise its Rights in the Offering.

The total costs of the Offering are expected to amount to approximately EUR 1 million.

For information on applicable selling and transfer restrictions in respect of the Offer Shares, see "*Selling and Transfer Restrictions*".

Pricing, amount of Offer Shares and conversion ratio

The price, amount and conversion ratio of the Offer Shares have been determined by the Company in the following way.

No active market in the Existing Shares developed since the Existing Shares were listed on NPEX on 7 July 2014. The majority of Existing Shares traded were trading at EUR 2.40 as a result of the put right that was attached to the Existing Shares until and including 6 October 2014. Therefore, the Company is of the view that the market price would not be a reliable indicator and therefore takes the net asset value per Existing Share as per 30 June 2014 corrected for Existing Shares to be cancelled as the basis for the Offer Share price: EUR 3.16. For more information on this price, please see "*Business - Net Asset Value*". The Offer Shares are priced at a 12% discount to this net asset value per Existing Share, or EUR 2.78. This discount will be available to all Shareholders. Catalyst Coop will not receive a further discount or fee for providing the backstop under the Subscription Agreement.

The Company aims to raise approximately EUR 206 million with the Offering, which proceeds will be used in accordance with what is stated under "*Reasons for the Offering and Use of Proceeds*". With a price of EUR 2.78 per share, and 29,759,096 Existing Shares currently outstanding (excluding the released Shares that are to be cancelled), a ratio of 5 Offer Shares for each 2 Rights would amount to a number of 74,397,740 Offer Shares and approximately EUR 206 million in proceeds. Due to the backstop, the Company has some degree of certainty that this amount will be received with the Offering (see under "*Plan of Distribution*" for a description of the Subscription Agreement).

Resolutions, powers of attorney and approvals

According to the Articles of Association, during the Initial Period an issue of Shares may take place by resolution of the Management Board and with approval of the Supervisory Board. The same bodies are responsible for determining the price and other conditions. Should the Management Board fail to resolve on the Offering or should the Supervisory Board refuse to provide its approval, then the Offering will not take place.

The issuance of Offer Shares takes place by notarial deed by which Stichting NPEX Bewaarbedrijf shall acquire the Offer Shares as custodian to facilitate trade on NPEX. Stichting NPEX Bewaarbedrijf shall issue depositary receipts for Offer Shares acquired by it to the relevant NPEX accountholders.

The pre-emptive rights of all Shareholders will be excluded through a resolution by the Management Board with approval of the Supervisory Board.

Timetable

The timetable below lists certain expected key dates for the Offering. All times referred to are CEST.

Record Date	3 December 2014
Exercise Period commences	9 December 2014
General Meeting ⁶	18 December 2014
End of Exercise Period	31 December 2014
Payment for and delivery of the Offer Shares (Settlement Date)	6 January 2015
Listing of, and start of trading in, the Offer Shares commences on NPEX	6 January 2015

The results of the Offering will be made public through publication on the Company's website and notified to NPEX one trading day after the end of the Settlement Date.

The Company may adjust the dates, times and periods given in the timetable through publication on the Company's website and notified to NPEX. Any other material alterations will be published in a press release and on the Company's website, notified to NPEX and, to the extent required by applicable law, in a supplement to this Prospectus.

Rights

Subject to applicable securities laws and the terms and conditions set out herein, the Shareholders as at the Record Date are granted Rights to subscribe for Offer Shares at the Issue Price. Each Share held at 9:00 hours CET on 3 December 2014, which is the Record Date, will entitle its holder to 1 Right, which cannot be transferred. An Eligible Person will be entitled to subscribe for 5 Offer Shares for every 2 Rights held against payment of the Issue Price for each Offer Share by exercising their Rights from 9:00 hours CET on 9 December 2014 until 16:00 hours CET on 31 December 2014 (the "**Exercise Period**"). Accordingly, Eligible Persons will be entitled to subscribe for 5 Offer Shares for every 2 Shares held on the Record Date against such payment. Rights can only be exercised in multiples of 2. No fractional Offer Shares will be issued and no compensation will be offered for unissued fractions.

The statutory pre-emptive rights of holders of Existing Shares have been excluded with respect to the Offering. This measure is taken because the Company is not taking any action to permit a public offering of the Rights or the Offer Shares in any jurisdiction outside the Netherlands. Instead, Shareholders, as of the

⁶ During the general meeting Shareholders will be given the opportunity to ask questions on the Offering.

Record Date are being granted Rights that will entitle them, if they are Eligible Persons, to subscribe for the Offer Shares at the Issue Price.

Record Date

The Record Date for determining the holders of the Existing Shares who will receive Rights (subject to applicable securities laws) is at 9:00 hours CET on 3 December 2014.

Trading in Offer Shares

The Company has applied for admission to trading of the Offer Shares on NPEX, where the Existing Shares are already trading. Since the Rights are not transferable, there will be no trading in the Rights.

Trading of the Offer Shares is expected to commence on NPEX on 6 January 2015, barring unforeseen circumstances.

Persons interested in trading or purchasing Shares should be aware that the exercise of Rights by holders who are located in countries other than the Netherlands is not allowed unless the conditions therefor, as described under the chapter headed "*Selling and Transfer Restrictions*", are met.

Exercise Period

Subject to the restrictions set out below, if you are an Eligible Person, you may subscribe for Offer Shares by exercising your Rights from 9:00 hours CET on 9 December 2014 up to 16:00 hours CET on 31 December 2014, which is the end of the Exercise Period. The last date and/or time before which notification of exercise instructions may be validly given by you may be earlier, if you exercise your Rights through an intermediary other than or in addition to NPEX. If you have not exercised your Rights by the end of the Exercise Period, you will no longer be able to exercise your Rights. Once you have exercised your Rights, you cannot revoke or modify that exercise unless the Company publishes a supplement to this Prospectus within the meaning of section 5:23 of the FMSA, in which event the holder will have the right to revoke the exercise subject to section 5:23 of the FMSA. Even if the market price of Shares fluctuates below the Issue Price, if you have exercised your Rights, you will be obliged to pay the Issue Price for any Offer Shares being subscribed for.

The Company urges you to carefully study the restrictions described under the chapter headed "*Selling and Transfer Restrictions*". The Company reserves the right, with sole and absolute discretion, to treat as invalid any subscription or purported subscription which appears to the Company to have been executed, effected or dispatched in a manner that may involve a breach or violation of the laws of any jurisdiction or if the Company believes that the same may violate applicable legal or regulatory requirements or may be inconsistent with the procedures and terms set out in this Prospectus or in breach of the representations and warranties to be made by an accepting holder, as described herein.

Subscription

If you are an Eligible Person and you wish to exercise your Rights, you should instruct NPEX by completing a form that you will find on the Company's page of the NPEX website. In order to obtain this document, you must make the representations confirming that you are an Eligible Person. NPEX will be responsible for collecting exercise instructions from you.

All questions concerning the timelines, validity and form of instructions to NPEX in relation to the exercise, sale or purchase of Rights will be determined by NPEX in accordance with its usual customer relations procedures or as it otherwise notifies you.

The Company is not liable for any action or failure to act by NPEX in connection with any subscriptions or purported subscriptions.

Method of payment

The amount of Offer Shares to which you will be entitled corresponds with the amount of Rights you have multiplied by 5 and divided by 2, rounded down. During the Exercise Period, trading in the Shares may continue. However, you cannot trade in the Rights. Payment for the Offer Shares must be on your NPEX account before the end of the Exercise Period, which is expected to be 31 December 2014. If after the end of the Exercise Period there are insufficient funds in your NPEX account to pay for exercising all Rights you subscribed for, you will not receive any Offer Shares. All Rights the exercising of which cannot be paid for with the funds at the NPEX accounts will lapse.

Unexercised Rights

Rights can no longer be exercised after 16:00 hours CET on 31 December 2014, which is the end of the Exercise Period.

Any Offer Shares not subscribed for through the exercise of Rights in the Offering will be subscribed for by Catalyst Coop in the Backstop Period conditional on investment proposals being approved by the Supervisory Board and if the Company decides to request subscription by Catalyst Coop, subject to the terms and conditions of the Subscription Agreement. See the chapter headed "*Plan of Distribution*".

Payment for and delivery of the Offer Shares

Payment for and delivery of the Offer Shares issued pursuant to the Offering is expected to take place on 6 January 2015. The Company will publish the results of the Offering on its website.

Charges by NPEX

NPEX will charge commission to the Company. The Company will not charge the Shareholders for exercising Rights.

Payment and delivery

Payment for and delivery of the Offer Shares is expected to take place on 6 January 2015. Delivery of Offer Shares will take place via the NPEX accounts of the Shareholders that exercise their Rights.

Ranking and dividends

The Offer Shares will, upon issue, rank equally in all respects with currently outstanding Shares and will be eligible for any dividends which the Company may declare on the Shares in the future. See the chapter headed "*Dividends and Dividend Policy*".

Conditions to the Offering

The Offering will not occur if Catalyst Coop as back-stop provider withdraws its commitment to fully subscribe and pay for the Rights of Catalyst Coop and for any Rights not timely exercised by other Shareholders in accordance with the terms of the Subscription Agreement. For more information on this, including the conditions of the Subscription Agreement with Catalyst Coop, please see "*Plan of Distribution*" for a further description".

Upon withdrawal of the Offering, the Rights granted will be forfeited without compensation to their holders or the persons entitled to the rights attached thereto and the Offer Shares will not be offered and sold. Any subscription payment received by the Company will be returned promptly, without interest. Any such forfeiture of Rights will be without prejudice to the validity of any settled trades in the Rights. There will be no refund or compensation in respect of any Rights purchased in the market.

Governing law and competent courts

The Rights, their terms and conditions and the Offering shall be governed by and construed in accordance with the laws of the Netherlands. Any dispute arising out of or relating to the Rights or the Offering shall be finally and exclusively settled by the competent courts in Amsterdam, the Netherlands.

FREQUENTLY ASKED QUESTIONS

In the below, you will find some frequently asked questions on the Offering. It is stressed that the complete Prospectus must be read for a complete overview of the Offering and Shareholders should only base their decisions on the Prospectus as a whole.

Q1: What are the reasons for the Offering?

With the Offering, the Company intends to obtain new funds from its Shareholders to (i) stabilize and optimize the current portfolio, by growing the portfolio and taking advantage of interesting investment opportunities and (ii) strengthen the financial position of the Company. Without completing the Offering, the Company will not have sufficient funds to repay loans extended to it as they fall due on 17 January 2015.

Based on the Offering, Shareholders qualifying as Eligible Persons (see Q2 below) may choose to obtain per two Existing Shares five Offer Shares. The price for these additional shares is EUR 2.78 per Offer Share, which equals 88% of the net asset value per Existing Share as per 30 June 2014, corrected for Existing Shares that will be cancelled (EUR 3.16). With the Offering, the Company aims to obtain a maximum of approximately EUR 206 million.

Q2: Who can participate in the Offering?

The Offering is open to Eligible Persons. If you are a resident of or registered in the Netherlands, you are an Eligible Person, and therefore you can participate in the Offering. If you are not resident of or registered in the Netherlands, you may not participate in the Offering, unless you can satisfy the Company that an offer to participate can be legally made to you without any registration, prospectus or other legal requirements.

Q3: To how many Rights and Offer Shares am I entitled?

NPEX will award you a number of Rights that is equal to the number of Existing Shares you hold on the Record Date.

If you choose to exercise the Rights allocated to you, and provided you are an Eligible Person and pay the Issue Price, you will obtain on the Settlement Date 5 Offer Shares for each 2 Rights you have on your NPEX account. You may choose to exercise all your Rights, a part of them, or none at all. The number of Offer Shares you receive will be rounded downwards. This means that if you have an uneven number of Rights, the number of Shares you will receive will correspond with your number of Rights minus 1. You will not be compensated for this rounding down. See Q7 for an example calculation.

Please see the answer to Q9 in case you choose not to exercise your Rights.

Q4: Where can I find my Rights?

You will receive from the Company a notice with the number of Rights you have.

Q5: How do I exercise my Rights?

You can exercise your Rights by going to the Geneva page of the NPEX website: www.npex.nl. There you can access a form with which you can exercise your Rights. You then complete that form and submit it to NPEX.

Alternatively, you can request the form in writing from NPEX. NPEX will then send you the form after receipt of your letter.

The form, either via the NPEX website or via a written request, should be received by NPEX before the end of the Exercise Period. Furthermore, the payment for exercising your Rights should be on your NPEX account before the end of the Exercise Period as well.

Q6: When do I have to exercise my Rights?

In order to exercise your Rights, the form completed by you in a satisfactory manner should be received by NPEX within the Exercise Period, which runs from 9:00 hours CET on 9 December 2014 until 16:00 hours CET on 31 December 2014. If the form is received at a later time, you will not be able to exercise your Rights and you will therefore not receive any Offer Shares.

Furthermore, the payment for exercising your Rights should be on your NPEX account before the end of the Exercise Period as well. If the required amount is not on your NPEX account by that time, you will not be able to exercise your Rights and you will not receive any Offer Shares.

Q7: How do I pay for exercising my Rights?

You can pay for exercising your Rights by placing sufficient funds on your NPEX account. If you do not know how to do this, please contact NPEX. Please note that the funds must be on your NPEX account ultimately by the end of the Exercise Period.

You can calculate the amount that is required to be on the NPEX account by multiplying the number of Offer Shares that you wish to acquire by EUR 2.78. The maximum number of Offer Shares you can acquire (assuming eligibility and payment) can be calculated by multiplying the number of Rights allocated to you by 2.5. The number of Offer Shares you will obtain is rounded down, which means that if you have an uneven number of Rights, the number of Shares you will receive will correspond with your number of Rights minus 1, and the resulting total times 2.5.

For example (in each case, it is assumed that you are an Eligible Person and that you will exercise all Rights and timely pay the subscription price):

	Number of Rights *5/2	Rounded down
4 Existing Shares = 4 Rights	4 Rights*5/2	10 Offer Shares = 10 Offer Shares
5 Existing Shares = 5 Rights	5 Rights *5/2	12.5 Offer Shares = 12 Offer Shares

If you require assistance with calculating the required amount, please contact NPEX.

Q8: What will happen if I do not have sufficient funds on my NPEX account?

The funds for exercising your Rights should be on your NPEX account before the end of the Exercise Period. If the required amount is not on your NPEX account by that time, you will not be able to exercise your Rights and you will therefore not receive any Offer Shares

Q9: What will happen if I do not exercise my Rights?

If you do not exercise your Rights, your relative shareholdings in the Company may decrease up to 71% to 29% of your current proportionate ownership. In that case, you will also suffer a substantial dilution of your relative voting rights. Furthermore, due to the fact that the Offer Shares are offered at a 12% discount to the net asset value per Existing Share per 30 June 2014, adjusted for Existing Shares to be cancelled, the net

asset value of your Shares will decrease, and therefore, the total net asset value of your holdings will decrease as well.

Q10: How can I buy or sell Rights?

The Rights are not transferable. As a result, you cannot buy or sell Rights, via the NPEX platform or otherwise.

Therefore, you can either choose to exercise your Rights, or to let them lapse.

Q11: I have stated that I want to exercise my Rights, but can I still revoke that wish?

Once you have completed and submitted the form for exercising Rights to NPEX, you cannot revoke or modify that exercise unless the Company publishes a supplement to the Prospectus within the meaning of section 5:23 of the FMSA, in which event you will have the right to revoke the exercise subject to section 5:23 of the FMSA

Q12: Are there costs attached to exercising my Rights?

The Company pays for the transaction cost of exercising the Rights. As a result, no transaction fees are incurred by exercising Shareholders.

Q13: If I exercise my Rights, will that change my relative shareholdings in the Company?

If you exercise each of your Rights, your relative shareholdings in the Company will remain the same. This is because 1 Right is allocated per Existing Share. You will be able to take advantage of the 12% discount on the Offer Shares, which will allow you to obtain Offer Shares at a discount.

Q14: How will the Offering affect the net asset value per Share?

Due to the fact that the Offer Shares are offered at a 12% discount to the net asset value per Existing Share per 30 June 2014, adjusted for Existing Shares to be cancelled, the net asset value per Share will decrease.

Q15: What will happen if a lot of Shareholders other than Catalyst Coop do not exercise their Rights?

If a lot of Shareholders other than Catalyst Coop do not exercise their Rights, the Company will, subject to certain conditions, still be able to raise the funds that it intends to raise (approximately EUR 206 million). This is because Catalyst Coop will, subject to certain conditions and requests by the Company, subscribe for any Offer Shares that are not exercised by Shareholders in a period up to 3 December 2015 following the Rights Offering.

Q16: When will I receive my Offer Shares?

If you are an Eligible Person that has timely exercised and paid, you will receive your Offer Shares at the Settlement Date, which will be 6 January 2015. At the same time, the payment for your Offer Shares will be debited from your NPEX account.

Q17: When will the Offer Shares start trading?

You can start trading in the Offer Shares on the NPEX platform as of the Settlement Date (6 January 2015).

Q18: I did not receive the number of Rights or Offer Shares to which I was entitled, what do I do?

If you are entitled to Rights and you wish to exercise them, but you did not receive a notice indicating your Rights or the amount stated on that notice was incorrect, you must contact NPEX before the end of the Exercise Period.

If you validly exercised your Rights but you did not receive the corresponding Offer Shares, please contact NPEX.

VEELGESTELDE VRAGEN

In het onderstaande vindt u een aantal veelgestelde vragen met betrekking tot de Aanbieding. De Onderneming benadrukt dat u voor een complete beeld van de Aanbieding het gehele Prospectus moet lezen en dat u beslissing alleen zou moeten nemen op basis van het gehele Prospectus.

V1: Waarom wordt de Aanbieding gedaan?

Met de Aanbieding beoogt de Onderneming nieuwe gelden van haar Aandeelhouders te verkrijgen om (i) de portfolio te stabiliseren en te optimaliseren door de portfolio uit te breiden en gebruik te maken van interessant investeringsmogelijkheden en (ii) de huidige financiële positie van de Onderneming te verbeteren. Zonder afronding van de Aanbieding, beschikt de Onderneming over onvoldoende middelen om leningen af te lossen die aan haar zijn verstrekt en afgelost dienen te worden uiterlijk op 17 januari 2015.

Op basis van de Aanbieding kunnen Aandeelhouders die als In Aanmerking Komende Personen kwalificeren (zie V2 hieronder) ervoor kiezen per twee Bestaande Aandelen vijf Aangeboden Aandelen te verkrijgen. De prijs voor zulke additionele aandelen is EUR 2,78 per Aangeboden Aandeel, wat gelijk staat aan 88% van de netto vermogenswaarde per Bestaand Aandeel per 30 juni 2014, met daarin verdisconteerd de Bestaande Aandelen die zullen worden ingetrokken (EUR 3,16). De Onderneming is voornemens om met de Aanbieding ongeveer EUR 206 miljoen te verkrijgen.

V2: Wie kan deelnemen in de Aanbieding?

De Aanbieding staat open voor In Aanmerking Komende Personen. Als u woonachtig of geregistreerd bent in Nederland, dan bent u een In Aanmerking Komend Persoon, en kunt u deelnemen in de Aanbieding. Als u niet woonachtig of geregistreerd bent in Nederland, dan kunt u niet deelnemen in de Aanbieding, tenzij u de Onderneming kunt overtuigen dat een aanbieding aan u kan worden gedaan zonder registratie, prospectus of andere juridische vereisten.

V3: Op hoeveel Rechten en Aangeboden Aandelen heb ik recht?

U zult door NPEX een aantal Rechten toegewezen krijgen die gelijk is aan het aantal Bestaande Aandelen die u heeft op de Datum van Vaststelling.

Indien u ervoor kiest om uw Rechten uit te oefenen, en op voorwaarde dat u een In Aanmerking Komend Persoon bent en de Uitoefeningsprijs betaalt, verkrijgt u op de Afwikkelingsdatum 5 Aangeboden Aandelen voor elke 2 Rechten die u op uw NPEX rekening hebt staan. U kunt ervoor kiezen om al uw Rechten uit te oefenen, een gedeelte ervan, of geen enkel Recht. Het aantal door u te ontvangen Aangeboden Aandelen zal naar beneden worden afgerond. Dit betekent dat, als u een oneven aantal Rechten hebt, het aantal Aangeboden Aandelen dat u kunt ontvangen is gebaseerd op uw aantal Rechten min 1. De Onderneming zal u geen vergoeding bieden voor deze afronding. Zie V7 voor een voorbeeldberekening.

Wij verwijzen u naar het antwoord op V9 voor het geval u uw Rechten niet uitoefent.

V4: Waar kan ik mijn Rechten vinden?

U zult van de Onderneming een bericht krijgen waarop het aantal Rechten dat u heeft zal staan weergegeven.

V5: Hoe oefen ik mijn Rechten uit?

U kunt uw Rechten uitoefenen door naar de Geneba pagina van de NPEX website (<http://www.npex.nl/>) te gaan. Daar kunt u een formulier verkrijgen waarmee u uw Rechten kunt uitoefenen. U dient dat formulier volledig in te vullen en het aan NPEX te sturen.

In plaats van bovenstaande weg te volgen, kunt u ook schriftelijk het formulier opvragen. NPEX zal u dan het formulier sturen na ontvangst van uw brief.

Het formulier, ingestuurd via de NPEX website of door middel van een schriftelijk verzoek, moet zijn ontvangen door NPEX voor het einde van de Uitoefeningsperiode. Daarbij dient de betaling voor het uitoefenen van uw Rechten ook voor het einde van de Uitoefeningsperiode op uw NPEX rekening te staan.

V6: Wanneer kan ik mijn Rechten uitoefenen?

Om uw Rechten te kunnen uitoefenen, moet het door u volledig ingevulde formulier door NPEX in de Uitoefeningsperiode zijn ontvangen, welke loopt van 9 december 2014 om 9:00 uur CET tot 31 december 2014 om 16:00 uur CET. Indien het formulier op een later moment wordt ontvangen, dan kunt u uw Rechten niet uitoefenen en zult u dus geen Aangeboden Aandelen ontvangen.

Daar komt bij dat ook de prijs voor het uitoefenen van uw Rechten op uw NPEX rekening moet staan voor het einde van de Uitoefeningsperiode. Indien de benodigde geldsom op dat moment niet op uw NPEX rekening staat, dan kunt u uw Rechten niet uitoefenen en zult u dus geen Aangeboden Aandelen ontvangen.

V7: Hoe betaal ik voor het uitoefenen van Rechten?

U kunt betalen voor het uitoefenen van Rechten door voldoende gelden op uw NPEX rekening te plaatsen. Als u niet weet hoe dit te doen, neemt u dan alstublieft contact op met NPEX. Let u daarbij op dat u de gelden uiterlijk op het einde van de Uitoefeningsperiode op uw NPEX rekening plaatst.

U kunt het bedrag dat op de NPEX rekening moet staan berekenen door het aantal Aangeboden Aandelen die u wenst te verkrijgen te vermenigvuldigen met EUR 2,78. Het maximum aantal Aangeboden Aandelen dat u kunt verkrijgen (er van uitgaande dat u in aanmerking komt en tijdig betaalt) kunt u berekenen door het aantal Rechten dat u heeft verkregen te vermenigvuldigen met 2,5. Het aantal door u te ontvangen Aangeboden Aandelen zal naar beneden worden afgerond. Dit betekent dat, als u een oneven aantal Rechten hebt, het aantal Aangeboden Aandelen dat u kunt ontvangen gebaseerd is op uw aantal Rechten min 1. De Onderneming zal u geen vergoeding bieden voor deze afronding.

Als voorbeeld (er van uitgaande dat u een In Aanmerking Komende Persoon bent en tijdig de deelnemingsprijs betaalt):

	Aantal Rechten *5/2	Afgerond
4 Bestaande Aandelen = 4 Rechten	4 Rechten*5/2	10 Aangeboden Aandelen = 10 Aangeboden Aandelen
5 Bestaande Aandelen = 5 Rechten	5 Rechten *5/2	12.5 Aangeboden Aandelen = 12 Aangeboden Aandelen

Als u hulp nodig heeft bij het berekenen van het vereiste bedrag, neemt u dan contact op met NPEX.

V8: Wat gebeurt er als ik onvoldoende gelden op mijn NPEX rekening heb?

De gelden benodigd voor het uitoefenen van uw Rechten moeten op uw NPEX rekening staan. Indien de benodigde geldsom op dat moment niet op uw NPEX rekening staat, dan kunt u uw Rechten niet uitoefenen en zult u dus geen Aangeboden Aandelen ontvangen.

V9: Wat gebeurt er als ik mijn Rechten niet uitoefen?

Als u uw Rechten niet uitoefent, dan zal uw relatieve aandelenbelang in de Onderneming afnemen met maximaal 71% tot 29% van uw relatieve aandelenbelang. In dat geval zal er ook sprake zijn van een aanzienlijke verwatering van uw stemrechten. Daar komt bij dat, doordat de Aangeboden Aandelen worden aangeboden tegen een korting van 12% op de intrinsieke vermogenswaarde per Aangeboden Aandeel per 30 juni 2014 (gecorrigeerd voor Bestaande Aandelen die worden ingetrokken), de intrinsieke vermogenswaarde van uw Aandelen zal afnemen en daardoor zal de totale intrinsieke vermogenswaarde van uw portefeuille ook afnemen.

V10: Hoe kan ik Rechten kopen of verkopen?

De Rechten zijn niet verhandelbaar. Als gevolg daarvan kunt u geen Rechten kopen of verkopen via het NPEX platform of op andere wijze.

Hieruit volgt dat u kunt kiezen ofwel uw Rechten uit te oefenen, ofwel deze te laten verlopen.

V11: Ik heb verklaard dat ik mijn Rechten wil uitoefenen, maar kan ik deze verklaring nog intrekken?

Indien u het formulier voor het uitoefenen van Rechten hebt ingevuld en opgestuurd naar NPEX, dan kunt u de uitoefening niet intrekken of aanpassen tenzij de Onderneming een supplement bij het Prospectus publiceert zoals vermeld in artikel 5:23 van de Wet op het financieel toezicht, in welk geval u het recht heeft om de uitoefening in te trekken onder de voorwaarden genoemd in artikel 5:23 van de Wet op het financieel toezicht.

V12: Zijn er kosten verbonden aan het uitoefenen van Rechten?

De Onderneming betaalt de transactiekosten verbonden aan het uitoefenen van Rechten. Als gevolg daarvan dienen Aandeelhouders geen transactiekosten te betalen.

V13: Als ik mijn Rechten uitoefen, zal dat mijn relatieve belang in de Onderneming veranderen?

Als u al uw Rechten uitoefent zal uw relatieve belang gelijk blijven. Dit is het geval om dat 1 Recht per Bestaand Aandeel wordt uitgegeven. U zult in staat zijn gebruik te maken van de 12% korting op de Aangeboden Aandelen, welke u in staat stelt Aangeboden Aandelen tegen een korting te verkrijgen.

V14: Hoe zal de Aanbieding de intrinsieke vermogenswaarde per Aandeel beïnvloeden?

Doordat de Aangeboden Aandelen worden aangeboden tegen een korting van 12% op de intrinsieke vermogenswaarde per Aangeboden Aandeel per 30 juni 2014 (gecorrigeerd voor in te trekken Bestaande Aandelen), zal de intrinsieke vermogenswaarde per Aandeel omlaag gaan.

V15: Wat gebeurt er als veel andere Aandeelhouders hun Rechten niet uitoefenen?

Als veel andere Aandeelhouders hun Rechten niet uitoefenen zal de Onderneming, onder bepaalde voorwaarden, alsnog de gelden kunnen verkrijgen die zij beoogt te verkrijgen (ongeveer EUR 206 miljoen).

Dit komt doordat Catalyst Coop onder bepaalde omstandigheden Aangeboden Aandelen die niet zijn verkregen door Aandeelhouders op zal nemen.

V16: Wanneer ontvang ik mijn Aangeboden Aandelen?

Als u een In Aanmerking Komend Persoon bent en u heeft tijdig uw Rechten uitgeoefend en gelden gestort, dan zult u uw Aangeboden Aandelen verkrijgen op de Afwikkelingsdatum, welke zal vallen op 6 januari 2015. De betaling voor uw Aangeboden Aandelen zal tegelijkertijd van uw NPEX rekening worden gedebiteerd.

V17: Vanaf wanneer zullen de Aangeboden Aandelen worden verhandeld?

U kunt de handel in Aangeboden Aandelen aanvangen op het NPEX platform vanaf de Afwikkelingsdatum (6 januari 2015).

V18: Ik heb niet de Rechten of Aangeboden Aandelen ontvangen waar ik recht op heb, wat moet ik nu doen?

Indien u recht heeft op Rechten en u deze wilt uitoefenen maar u heeft het bericht van NPEX met het aantal Rechten niet ontvangen, of het in het bericht genoemde aantal is incorrect, dan dient u contact op te nemen met NPEX voor het einde van Uitoefeningsperiode.

Als u op geldige wijze uw Rechten heeft uitgeoefend maar u heeft de corresponderende Aangeboden Aandelen niet ontvangen, dan dient u contact op te nemen met NPEX.

PLAN OF DISTRIBUTION

Subscription Agreement

On 2 December 2014, the Company entered into a Subscription Agreement with Catalyst Coop, under which Catalyst Coop, subject to certain conditions, commits itself to:

- (i) first exercise the Rights allocated to it in its capacity as 42% Shareholder of the Company (the take-up by Catalyst Coop); and
- (ii) thereafter as and when the Company requests subscribe and pay for the Offer Shares for which Rights have not been timely or duly exercised by other Shareholders (the back-stop by Catalyst Coop) within a period following the Rights Offering and ending on 3 December 2015.

The conditions are described in the following paragraphs.

Take-up by Catalyst Coop

The obligations of Catalyst Coop under the Subscription Agreement to exercise its Rights, which amount to a payment of EUR 87 million, are subject to the fulfilment, or discretionary waiver by Catalyst Coop, of a number of conditions for the benefit of Catalyst Coop, including, but not limited to, in brief:

- The absence of a material adverse change in the prospects, financial condition, business, liabilities, assets, or continuing results of operations of the Company and its subsidiaries;
- Consummating the transactions contemplated under the Subscription Agreement would not contravene any order or direction of any court or regulatory body;
- No default has occurred under any indebtedness of the Company and its subsidiaries which is at least 10% of the aggregate indebtedness of the Company and its subsidiaries;
- No change of control clause being triggered in a financing agreement with Geneba Baltics S.à r.l. by Catalyst Coop exercising its Rights;
- This Prospectus complies with the Prospectus Directive and all and any information that would be relevant for potential investors is timely published; and
- The consolidated net asset value of the Company have not fallen more than 10% below €4.15 million (net asset value as per the interim report for the period from 27 March 2014 to 30 June 2014).

Back-stop provision by Catalyst Coop

Subject to the terms and conditions of the Subscription Agreement, Catalyst Coop has agreed with the Company to subscribe and pay for the Offer Shares for which Rights have not been timely or duly exercised by other Shareholders. This could amount to a total of EUR 119 million, if no other Shareholder exercises its Rights. Catalyst Coop will not receive a fees for the provision of the back-stop.

The obligations of Catalyst Coop under the Subscription Agreement to subscribe for Shares for which Rights have not been timely or duly exercised by other Shareholders are subject to the fulfilment, or discretionary

waiver by Catalyst Coop, of a number of conditions for the benefit of Catalyst Coop, including, but not limited to, in brief:

- The funds raised by the Company from its shareholders who have exercised their Rights in the Rights Offering have been fully utilised or invested by the Company or are insufficient to meet the costs of the relevant investment, with the exception that up to 10% of the proceeds from the Rights Offering may not be fully utilized or invested yet;
- There is an investment proposal which has been approved by the Company's Supervisory Board in a meeting convened to approve the investment and which is held at least 10 days after Catalyst Coop and the Supervisory Board have received details about the proposed investment; additionally, Catalyst Coop is allowed to present its views on the proposed investment to the Company's management prior to the Supervisory Board meeting that shall approve the investment proposal;
- The absence of a material adverse change in the prospects, financial condition, business, liabilities, assets, or continuing results of operations of the Company and its subsidiaries;
- Consummating the transactions contemplated under the Subscription Agreement would not contravene any order or direction of any court or regulatory body;
- The absence of default under any indebtedness of the Company and its subsidiaries which is at least 10% of the aggregate indebtedness of the Company and its subsidiaries taken as a whole;
- With respect to the current financing at the level of the Baltics portfolio, Catalyst Coop performing its obligations under the Subscription Agreement does not (i) cause a cross-default under any other material financing agreement or (ii) otherwise cause a material adverse effect on the financial condition, business or reputation of the Company and/or Catalyst Coop or otherwise cause a material risk to the Company and/or Catalyst Coop of liability, claims, regulatory compliance, insolvency related investigations, or reputational damage;
- The Prospectus complies with the Prospectus Directive and all and any information that would be relevant for potential investors is timely published; and
- The price of the Offer Shares to be taken up by Catalyst Coop shall be equal to the Issue Price, unless the total net asset value reduces by more than 10% below the aggregate of (i) €4.15 million, (ii) the net proceeds of the Offering and (iii) the net proceeds of any following subscription, in which case the Company may, at its sole discretion, send a call notice to Catalyst Coop and Catalyst Coop shall subscribe for the related Offer Shares provided that the Company has revised the issue price (which for the avoidance of doubt will not be the Issue Price) based on a 12% discount to the reduced net asset value per Offer Share.

The Company may only ask Catalyst Coop to subscribe for Offer Shares in a period starting with the end of the Rights Offering and ending 12 months after the publication date of this Prospectus, that is on 3 December 2015. As a result, Catalyst Coop no longer has the obligation to adhere to a request for funding by the Company to subscribe and pay for the Offer Shares for which Rights have not been timely or duly exercised after this date.

Consequences of structuring

As described in the above conditions, Catalyst Coop has to subscribe for Offer Shares not taken up by other Shareholders once an investment proposal has been approved by the Supervisory Board (subject to the other conditions being met as well, as set out above). At such time, Catalyst Coop will only subscribe for Offer Shares for the amount required for the relevant proposed investment.

This has the following consequences:

- All Shareholders have the opportunity to participate in the Offering pro rata to their current shareholdings, and to capitalise the 12% discount that is offered.
- If not all Shareholders exercise their Rights, the full amount of the estimated EUR 206 million in gross proceeds will not become available to the Company on the Settlement Date. On the Settlement Date, Catalyst Coop has committed to provide to the Company the amount for exercising its own Rights, being approximately EUR 87 million. The provision of this amount is subject to the conditions stated under "*Plan of Distribution - Take-up by Catalyst Coop*". Also, part of this amount may be set-off against the amounts due under the Shareholder Bridge Loan Agreement.
- As a result of Catalyst Coop only being required to take up Offer Shares not subscribed by other Shareholders if the Supervisory Board approves new investments and subject to other conditions set out in the Subscription Agreement, non-exercising Shareholders will not be diluted for the full amount of Offer Shares on the Settlement Date. Dilution as a result of the back-stop provision will not occur until the Company actually needs financing for investments. In any case, after 12 months after the publication of this Prospectus, the option for the Company to submit further requests to Catalyst Coop to take up Offer Shares terminates.
- The conditions stipulated for providing the back-stop remain largely within control of the Company's Management Board and Supervisory Board, and with that ensuring that a reliable capital source is available if and when the Company requires it. If the conditions stated in the Subscription Agreement, which are not under the control of Catalyst Coop, are met, Catalyst Coop has no discretion and is required to take up Offer Shares upon request. As a result, Catalyst Coop subscribing for any Offer Shares not taken up does not constitute a separate offering. With the chosen structure, the Company ensures that such capital source is available not only under usual or favourable circumstances, but also in unfavourable circumstances (provided all conditions are met), when the net asset value of the Company decreases. As a result, even in such situations, the Company will remain able to capitalise on investment opportunities if and when they arise.
- The Company's Management Board will at all times have the liberty to consider whether requiring Catalyst Coop to subscribe to Offer Shares which are not subscribed for is the optimal manner of financing an investment.
- The pricing of the back-stop provision by Catalyst Coop is under normal circumstances equal to the Issue Price (EUR 2.78 per Offer Share) so that Catalyst Coop will pay the same Issue Price as Shareholders exercising their Rights. The Company however notes that, should the net asset value per Offer Share increase beyond the current net asset value per Existing Share at the time a request for

capital is made, Catalyst Coop could still obtain the Offer Shares at a price equal to the Issue Price. Finally, if the net asset value of the Company decreases by 10% or more, Catalyst Coop can also be required by the Company to take up Offer Shares, but Catalyst Coop is in such a case only required to pay such Offer Shares at a 12% discount to the then prevailing net asset value.

Decision-making on structuring

Considering the above, the Company's Management Board deems the structure chosen to be preferable for the Company's needs and those of Shareholders. This structure is deemed preferable compared to other options due to the following considerations:

- ***Debt financing:*** The Company has considered entering into debt financing arrangements, but such arrangements (i) were not available at commercially interesting conditions and (ii) would not improve the Company's LTV Ratio. As a result, an equity offering was deemed preferable.
- ***Equity financing - several offerings:*** The Company has considered doing several separate offerings, allowing all Shareholders to decide whether or not to invest each time. With the chosen structure, and opposed to doing several rights offerings, no additional offerings need to be made in order to obtain funds for investments in the near future, whereas such subsequent offerings would involve additional uncertainty of funds and significant additional costs, management time and delay in funding.
- ***Equity financing - full payment at once:*** Providing the full back-stop on the Settlement Date, which would result in the Company obtaining the full EUR 206 million, was not deemed desirable because those funds could not be deployed immediately, and would immediately dilute Shareholders for the full amount. Therefore, including a Backstop Period until 3 December 2015 on a per investment opportunity basis was deemed the best offering structure.
- ***Equity financing - back-stop for all Shareholders:*** It was determined that it is not a workable solution to extend the back-stop obligation to all Shareholders. This is because it would be overly demanding from an administrative perspective, costing both time and resources while it would also be technically challenging. More importantly however, ensuring, and, if necessary, enforcing payment by participating Shareholders as and when capital would have to be paid by them would be a near-impossible task for the Company. As a result, the back-stop obligation is only provided to Catalyst Coop, which, under the conditions described above must provide the back-stop (it has no discretion) and will only subscribe for Offer Shares to the extent not taken up by other Shareholders.

Although the Offering is not subject to Shareholder approval, the Company would like to offer Shareholders the opportunity to ask questions on the Offering at the extraordinary general meeting, which takes place on 18 December 2014.

SELLING AND TRANSFER RESTRICTIONS

THE OFFERED SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT") AND WILL NOT BE REGISTERED WITH ANY AUTHORITY COMPETENT WITH RESPECT TO SECURITIES IN ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. THE OFFERED SHARES MAY NOT BE OFFERED OR SOLD IN THE UNITED STATES OF AMERICA ABSENT REGISTRATION OR AN EXEMPTION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT. THE COMPANY HAS REGISTERED NO PART OF THE OFFERING OF THE OFFERED SHARES IN THE UNITED STATES OR ANY OTHER JURISDICTION, NOR HAS IT THE INTENTION TO DO SO. THE COMPANY HAS NO INTENTION TO MAKE A PUBLIC OFFERING OF THE OFFERED SHARES IN THE UNITED STATES OR IN ANY OTHER JURISDICTION OTHER THAN THE NETHERLANDS.

General

The Company is not taking any action to permit a public offering of the Offer Shares in any jurisdiction outside the Netherlands. This Prospectus may not be distributed into the United States, Australia, Canada or Japan.

The Company only offers the Offer Shares to persons qualifying as Eligible Persons as set out in the following paragraph provided they are Shareholders at 9:00 hours CET on the Record Date. For example, a person residing in the Netherlands qualifies as an Eligible Person.

An eligible person ("**Eligible Person**") is any person to whom the Offering can lawfully be made without contravention of any registration, prospectus (other than this prospectus) or other legal requirements, in each case without imposing any obligations or costs upon the Company, unless the Company consents in writing thereto. Consequently, an Eligible Person includes (i) any legal entity which is a qualified investor as defined in the Prospectus Directive; or (ii) any person in respect of which the Offering falls within Article 3(2) of the Prospectus Directive.

For the purpose of the previous paragraph, the expression "offer to the public" in relation to any Offer Shares in any member state of the European Economic Area, other than the Netherlands, and which has implemented the Prospectus Directive (each a "**Member State**") means the communication in any form and by any means of sufficient information on the terms of the Offering and the Offer Shares to be offered so as to enable the investor to decide to exercise the Rights and subscribe for the securities, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Member State.

Receipt of this Prospectus will not constitute an offer outside the Netherlands unless the recipient qualifies as an Eligible Person and in such case it will only constitute an offer to such recipient. Accordingly, if you receive a copy of this Prospectus outside the Netherlands, you shall, unless you are an Eligible Person, treat this document as sent for information purposes only and this document shall not be copied or redistributed.

If you are outside the Netherlands and choose to seek to exercise Rights, the Company will only accept such exercise if you can satisfy the Company that you are an Eligible Person. In any such case, neither the Company nor NPEx accepts any liability for any actions that you take or for any consequences that you may suffer by the Company accepting your exercise of Rights.

The grant of Rights and the offer of Offer Shares upon exercise of Rights to persons located in, resident in, or who are citizen of, countries other than the Netherlands, may be affected by the laws of the relevant jurisdiction. If you are outside the Netherlands, you should consult your professional advisors as to whether, to enable you to seek to exercise Rights, to subscribe for the Offer Shares or to deal in Offer Shares, you require any governmental or other consents, need to observe any other formalities or shall pay any issue, transfer or other taxes.

If you receive a copy of this Prospectus you should not distribute or send the same, or transfer Offer Shares to any person, in or into a jurisdiction other than the Netherlands. If you forward this Prospectus into any such territories (whether under a contractual or legal obligation or otherwise), you should draw the recipient's attention to the contents of this chapter. This Prospectus may not be distributed into the United States, Australia, Canada or Japan.

Summary

- The Rights may be exercised only by an Eligible Person provided they are Shareholders at 9:00 am CET on the Record Date, and subject to applicable securities laws.
- The Offer Shares being offered in the Offering may not be offered, sold, resold, transferred or delivered, directly or indirectly, in or into, jurisdictions outside the Netherlands unless in accordance with applicable securities laws. The Rights cannot be transferred.
- This Prospectus may not be sent to any Shareholder or other person residing outside the Netherlands unless such Shareholder or other person is an Eligible Person and provided that this Prospectus may not be distributed into the United States, Australia, Canada or Japan.
- The crediting of Rights to an account of an Ineligible Person does not constitute an offer of the Offer Shares to such person.

In this Prospectus, persons who are not Eligible Persons are referred to as Ineligible Persons.

Representations and warranties by investors in the Offering

If you exercise Rights, you will be required to make, the following representations and warranties to the Company, NPEX and any person acting on the Company's or their behalf, unless such requirement is waived by the Company:

- (a) you are an Eligible Person;
- (b) you are not acting, and have not acted, for the account or benefit of an Ineligible Person; and
- (c) you held Shares at 9:00 hours CET on the Record Date.

The Company and any persons acting on behalf of the Company will rely upon your representations and warranties. Any provision of false information or subsequent breach of these representations and warranties may subject you to liability. The Company and NPEX reserve the right, in their sole and absolute discretion, to reject any exercise of Rights that the Company or NPEX believe may give rise to a breach or violation of any law, rule or regulation.

If you are a person acting on behalf of an Eligible Person who is a holder of Rights (including, without limitation, as a nominee, custodian or trustee), you will be required to provide the foregoing representations and warranties to the Company and NPEX with respect to the exercise of such Rights on behalf of such Eligible Person. If you do not or are unable to provide the foregoing representations and warranties, neither the Company nor NPEX will be bound to authorise the allocation of any of the Offer Shares being offered in the Offering to you or the person on whose behalf you are acting.

If you (including, without limitation, your nominees and trustees) are outside the Netherlands and wish to exercise your Rights, subscribe for the Offer Shares or deal in Offer Shares, you must, in addition to the obligations set out above, consult your professional advisors as to whether you require any governmental or other consents, need to observe any other formalities or shall pay any issue, transfer or other taxes.

The comments set out in this chapter are intended as a general guide only. If you are in any doubt as to whether you are eligible to exercise your Rights or subscribe for the Offer Shares being offered in the Offering, you should consult your professional advisors without delay.

NPEX may not exercise any Rights on behalf of any Ineligible Persons. NPEX is not permitted to send this Prospectus or any information about the Offering outside the Netherlands except to an Eligible Person. The crediting of Rights to the account of Ineligible Persons does not constitute an offer of the Offer Shares to such persons.

Exercise instructions or certifications sent from or postmarked outside the Netherlands may be deemed to be invalid unless the relevant person can demonstrate that he or she is an Eligible Person. Furthermore, the Company reserves the right, with sole and absolute discretion, to treat as invalid any exercise or purported exercise of Rights, which appears to the Company to have been executed, effected or dispatched in a manner that may involve a breach or violation of the laws or regulations of any jurisdiction or if the Company believes that the same may violate or be inconsistent with applicable legal or regulatory requirements, the procedures and terms set out in this Prospectus or in breach of the representations and warranties to be made by an exercising holder, as described herein.

DOCUMENTS ON DISPLAY

Subject to applicable laws and once available, the following documents (or copies thereof) may be obtained free of charge from the Company's website (www.geneba.com):

- (a) the adopted annual accounts, including the annual report, or if the adoption has not yet occurred, the prepared annual accounts;
- (b) any half-year report that will be compiled in the future, which will include (as will the annual report):
 - (a) the latest net asset value of the Company;
 - (b) any changes to the maximum level of leverage which the Company may employ as well as any right of the reuse of collateral or any guarantee granted under the leveraging arrangement;
 - (c) the total amount of leverage currently employed by the Company;
 - (d) the disclosure of any new arrangements for managing the liquidity of the Company; and
 - (e) the disclosure of an investor obtaining preferential treatment or the right to obtain preferential treatment, a description of that preferential treatment, the type of investors who obtain such preferential treatment and, where relevant, their legal or economic links with the Company.
 - (f) the total assets under management;
 - (g) an overview of the composition of the portfolio;
 - (h) the amount of outstanding shares;
 - (i) the most recent net asset value;
 - (j) any change in the percentage of the Company's assets which are subject to special arrangements arising from their illiquid nature; and
 - (k) any change in the current risk profile of the Company;
- (c) this Prospectus;
- (d) the licence granted by the competent authorities to operate as an Investment Company without a separate manager;
- (e) the contact details of the Company and the Depositary;
- (f) the historical performance of the Company ;
- (g) the Articles of Association;
- (h) the Shareholder Rights Agreement; and

- (i) any proposed amendment to the articles of association and any other agreement concerning investors' rights.

In addition, copies of the documents mentioned above are available free of charge at the Company's offices during normal business hours (9:00 - 17:30).

DEFINITIONS AND GLOSSARY

"AFM"	means the Netherlands Authority for the Financial Markets (<i>Stichting Autoriteit Financiële Markten</i>)
"AIF"	means an alternative investment fund under the AIFMD.
"AIFMD"	means directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on alternative investment fund managers and amending directives 2003/41/EC and 2009/65/EC and regulations (EC) No 1060/2009 and (EU) No 1095/2010 and further regulations thereto.
"Articles of Association"	means the articles of association of the Company.
"Backstop Period"	means the period that starts with the end of the Rights Offering and ends 12 months after the approval of this Prospectus (3 December 2015).
"Big 7 cities"	means the seven German property strongholds Berlin, Düsseldorf, Hamburg, Frankfurt, Cologne, Munich and Stuttgart.
"Cash Portion"	means the portion of the remuneration that is to be made in cash.
"Catalyst Coop"	means Catalyst RE Coöperatief U.A.
"CCAA"	means the Companies' Creditors Arrangement Act (Canada), as amended.
"CEST"	means Central European Summer Time.
"CLCS"	means CLCS B.V., the (external) compliance officer of the Company as required under the AIFMD as implemented in the legislation of the Netherlands.
"Colliers"	means Colliers International Advisors, SIA.
"Company"	means Geneba Properties N.V., a closed-end investment company without a separate manager (<i>beleggingsmaatschappij zonder aparte beheerder</i>) incorporated as a public limited liability company under the laws of the Netherlands, with its corporate seat in Amsterdam, the Netherlands.
"Control Transfer"	means a Transfer as a result of which a Purchaser would acquire from Catalyst Coop Existing Shares which, together with any other Existing Shares, held by such person, constitutes in the aggregate 30% or

	more of the outstanding Existing Shares as of the effective date of the Transfer.
"DCC"	means the Dutch Civil Code (<i>burgerlijk wetboek</i>).
"Depository Receipt"	means a depository receipt as issued by Stichting NPEX Bewaarbedrijf, corresponding to a Share held in the Company by Stichting NPEX Bewaarbedrijf for the benefit of the Shareholder.
"Determination Date"	means the date of the determination and assessment of the degree of target achievement with respect to remuneration, which shall be carried out by the Supervisory Board immediately after the auditors' approval of the annual financial statements of the Company for the relevant business year of the Company and be completed before 30 June of the then on-going business year.
"Disposition Notice"	means a notice in writing to the Supervisory Board of the number of Shares to be subject to the Control Transfer.
"DNB"	means De Nederlandsche Bank, the central bank of the Netherlands.
"DTZ"	means DTZ Zadelhoff v.o.f. in their capacity as external independent valuers of the Company.
"EIR"	means the effective interest rate.
"Eligible Persons"	means Persons to which the Offering is made.
"Enterprise Chamber"	means the Dutch enterprise chamber of the court of appeals in Amsterdam (<i>Ondernemingskamer van het Gerechtshof te Amsterdam</i>).
"Equity Portion"	means the portion of the remuneration that is to be made in equity instruments.
"Euro or EUR"	means the currency referred to in Article 2 of Council Regulation (EU) No. 974/98.
"Existing Shares"	means the existing ordinary shares in the capital of the Company.
"FMSA"	means the Dutch Financial Markets Supervision Act (<i>Wet op het financieel toezicht</i>).
"Geneba 1"	means Geneba RE 1 B.V., formerly known and referred to in the annual report and the interim

	financial results included in this Prospectus as Coët B.V.
" VRE 2 "	means Valbonne Real Estate 2 B.V.
"Geneba 3"	means Geneba RE 3 B.V., formerly known and referred to in the annual report and the interim financial results included in this Prospectus as Valbonne Real Estate 5 B.V.
"Geneba 4"	means Geneba RE 4 B.V., formerly known and referred to in the annual report and the interim financial results included in this Prospectus as Homco Realty Fund (86) B.V.
"Geneba 5"	means Geneba RE 5 B.V., formerly known and referred to in the annual report and the interim financial results included in this Prospectus as Homco Realty Fund (87) B.V.
"General Meeting"	means the general meeting of Shareholders of the Company.
"GLA"	means gross leased area.
"Group"	means the Company and its subsidiaries.
"HII"	means Homburg Invest Inc.
"IASB"	means the International Accounting Standards Board.
"IFRS"	means International Financial Reporting Standards.
"Ineligible Jurisdictions"	means the jurisdictions outside the Netherlands wherein the Rights and the Offer Shares may not be offered, including, without limitation, the United States, Canada and Japan.
"Ineligible Persons"	means Shareholders or other persons residing in an Ineligible Jurisdiction.
"Infineon"	means Infineon Technologies AG.
"Initial Business"	means the assets of HII and its subsidiaries which were transferred to the Company upon Plan Implementation Date. The assets are indicated in section titled " <i>Business – Overview of the Portfolio</i> ". The Initial Business is not a legal entity.

"Initial Period"	means the period ending on 1 September 2015, during which measures are in place to provide stability in the governance structure of the Company and to protect the interests of minority shareholders.
"Interim Report"	means the interim report for the period from 27 March 2014 to 30 June 2014.
"Issue Price"	means the issue price of EUR 2.78 per share (the "Issue Price"), which is based on (i) the net asset value per Existing Share as per the interim report for the period from 27 March 2014 to 30 June 2014 and adjusted for shares to be cancelled (EUR 3.16) (ii) at a 12% discount.
"JLL"	means Jones Lang LaSalle GmbH.
"Listing Agreement"	means the listing agreement entered into by the Company and NPEX on 11 October 2013.
"LTV ratio"	means the loan-to-value ratio.
"Management Board"	means the management board (<i>het bestuur</i>) of the Company.
"Managing Partners"	means the managing partners of MoTo, being Molendra Vermietungsgesellschaft mbH.
"MoTo"	means MoTo Object Campeon GmbH & Co. KG
"NPEX"	means Nederlandsche Participatie Exchange B.V., having its registered office at Saturnusstraat 60 unit 75, 2516 AH 's-Gravenhage and its online platform.
"Offer Shares"	means the shares in the capital Company offered on the basis of this Prospectus, including the corresponding Depositary Receipts.
"Offering"	means the offer to subscribe for Offer Shares through the exercise of Rights
"Orangefield"	means Orangefield (Netherlands) B.V., the depositary (<i>bewaarder</i>) of the Company as required under the AIFMD as implemented in the legislation of the Netherlands.
"Ordinary Shares"	means the outstanding amount of shares in the capital of the Company at the time of this Prospectus, including the corresponding Depositary Receipts.

"Partnership Agreement"	means the partnership agreement entered into by the partners of MoTo.
"PE"	means permanent establishment.
"Plan"	means the plan of compromise or arrangement under the CCAA, submitted by HII and its affiliates and subsidiaries, dated 6 February 2014, as amended and restated thereafter.
"Plan Administrator"	means the Court-appointed monitor for the CCAA proceedings, Samson Bélair/Deloitte & Touche Inc.
"Plan Implementation Date" or "PID"	means 27 March 2014.
"Prospectus"	means this document relating to the Company including its schedules and annexes that form an integral part thereof, as amended or supplemented from time to time.
"Purchaser"	means a person that, individually or together with its affiliates and persons acting jointly or in concert therewith, would acquire from Catalyst Coop Shares in an amount that leads to a Control Transfer.
"Qualified Majority"	means a majority of at least two thirds of the votes cast representing more than half of the issued capital.
"Record Date"	means 9:00 hours Central European Summer Time ("CEST") on 3 December 2014.
"RETT"	means Real Estate Transfer Tax.
"Rights"	means the rights to subscribe for Offer Shares.
"Securities"	means the Shares and the Rights.
"Settlement Date"	means 6 January 2015.
"Shareholder Bridge Loan Agreement"	means the shareholder bridge loan agreement entered into by the Company and Catalyst Coop, entered into on 17 September 2014.
"Shareholder Rights Agreement"	means the agreement between the Company and The Catalyst Capital Group Inc., acting for and on behalf of Catalyst Fund Limited Partnership III and Catalyst Fund Limited Partnership IV dated 24 March 2014, including the addendum dated 4 July 2014 among the Company, The Catalyst Capital Group Inc., acting for and on behalf of Catalyst Fund Limited Partnership III and Catalyst Fund Limited

	Partnership IV, Catalyst Coop and NPEX, that provides certain rights that attach to Existing Shares issued pursuant to the Plan.
"Shareholders"	means the holders of Shares or Depositary Receipts in the Company, excluding Stichting NPEX Bewaarbedrijf.
"Shares"	means the Ordinary Shares and Offer Shares in the Company, including Depositary Receipts of Ordinary Shares and Offer Shares.
"Subscription Agreement"	means the subscription agreement the Company entered into a with Catalyst Coop on 1 December 2014 in respect of the Offering.
"Supervisory Board"	means the supervisory board (<i>raad van commissarissen</i>) of the Company.
"Stichting NPEX Bewaarbedrijf"	means the foundation which acts as custodian for NPEX.

SELECTED HISTORICAL FINANCIAL INFORMATION

The following selected consolidated financial information is derived from the Company's unaudited condensed consolidated financial information included in the interim report for the period from 27 March 2014 to 30 June 2014 that has been included in this Prospectus.

Rental Income

<i>(in millions of Euros; Thousands – m2)</i>	Germany	Netherlands	Baltic States	Total
Rental income	10.5	0.7	3.1	14.3
Property operating expenses	0.1	0.1	0.8	1.0
Net rental income	10.4	0.6	2.3	13.3
Occupancy rate	100.0%	100.0%	81.7%	95.0%
Number of buildings	5	3	53	61
Gross m2	215	29	90	334
Weighted Average Lease Term (in years /(approx.))	7	18	*	

- * The average remaining lease term in the Baltic States for the SEB headquarter buildings (which represents 60% of the gross rental income of the Baltic portfolio) is 9 years. The average remaining lease term for the other properties in the Baltic portfolio is significantly shorter and varies per property.

OPERATIONAL RESULTS

PERIOD: 27 March 2014 – 30 June 2014

(Per share information in Euros, else in thousands of Euros)

Net rental income:	13,353
Direct Investment Result:*	6,216
Direct Investment Result per share:	0.20
Indirect Investment Result:**	-5,556
Indirect Investment Result per share:	-0.18
Net result before income tax:	660
Net result before income tax per share:	0.02
NAV per share (IFRS):	3.08
Loan to Value:	77.6%

* The Direct Investment Result is calculated as the net rental income minus general and administrative expenses plus other income and minus finance cost.

** The Indirect Investment Result is calculated as the total of the net adjustments to the fair value of investment properties and derivative financial instruments.

DIRECT INVESTMENT RESULTS

PERIOD: 27 March 2014 – 30 June 2014

(In Thousands of Euros)

Net rental income	13,353
General and administrative expense	-2,388
Other income	1,034
Interest expense	-5,783
	<hr/>
Direct investment result	6,216
	<hr/>

Valuations

Property values as per 30 June 2014

(Millions –Fair Value; Thousands – m²)

	Buildings	Gross m ²	Fair Value	Percentage
By geographical segment				
Germany	5	215	391.5	76%
The Netherlands	3	29	31.1	6%
Baltic States	53	90	92.3	18%
Total	61	334	514.9	
By property type				
Office	51	251	467.1	91%
Retail	6	15	13.0	2%
Industrial	4	68	34.8	7%
Total	61	334	514.9	

CONSOLIDATED BALANCE SHEET

(In Thousands of Euros)

30 June 2014

Assets

Investment properties	514,900
Other (in)tangible assets	64
Cash and Cash equivalents	12,126
Receivables and other	545
Total Assets	527,635

Liabilities

Long term debt	348,021
Current portion of long term debt	51,904
Deferred tax liabilities	5,821
Accounts payable and other liabilities	5,060
Income taxes payable	3,082
Derivative financial instruments	12,118
Total Liabilities	426,004
Non controlling interest*	7,479
Total equity in net assets	94,150
Total equity	101,630

Total equity and liabilities	527,635
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* Reflects the share in a German property holding company Geneba does not control.

Condensed interim statement of comprehensive income

(In Thousands of Euros)

Six month ended 30 June 2014

Gross rental income	14,338
Property operating expenses	-985
Net rental income	13,353

Net adjustment to fair value of:

Investment properties	-4,613
Derivative financial instruments	-943

General and administrative expense	-2,388
Other income	1,034
Operational result	6,443
Finance income	
Finance costs	-5,783
Net finance costs	-5,783
Net result before income tax	660
Income tax	-1,214
Net result for the period	-553
Total comprehensive income (loss) for the period	-553
Net result attributable to:	
Equity holders of the Company	-913
Non-controlling interest	360
	-553
Total comprehensive income (loss) attributable to:	
Equity holders of the Company	-913
Non-controlling interest	360
	-553
Per share information (in €)	
Basic and diluted net result per share attributable to the equity holders of the Company	-0,03

HISTORICAL FINANCIAL INFORMATION - 27 MARCH - 30 JUNE 2014

First Interim Financial Results of Geneba Properties N.V.

Amsterdam, 29 August 2014, Geneba Properties N.V. ("Geneba") presents its first interim financial results since it became operational on 27 March 2014. From that day until 30 June 2014 Geneba realized a positive, direct investment result of € 6.2 million, or € 0.20 per share. Updated property valuations have led to an indirect investment result of € -5.6 million, or € -0.18 per share. The NAV per share at 30 June 2014 is € 3.08.

Key elements:

- First interim financial results of Geneba, with updated property valuations by external valuers
- Direct investment result of € +6.2 million
- Indirect investment result of € -5.6 million, primarily based on updated valuations of the portfolio and related to specific property issues
- Management in close contact with key tenants and lending banks
- Seven-year lease extension with major tenant and development of a new storage facility in Germany
- Rental income full year 2014 expected to remain stable
- Management is preparing rights issue prospectus to raise new equity for new real estate acquisitions and deleveraging

Wulf Meinel, CEO of Geneba:

"Today, Geneba presents its first interim financial results, since we have become operational on 27 March 2014, following the AIFMD license we obtained, as one of the first Dutch real estate companies. From the start, it has been our goal to be close to our tenants. We have met with a substantial number of tenants personally, discussing their business needs and opportunities to help them drive their business objectives. This active asset-management approach has been well received and has so far led to an important seven-year lease extension of over 50,000m² in our German and Dutch portfolios, signed in July.

In addition, it is our goal to create a transparent and fair valuation of our portfolio. We follow a thorough asset valuation approach and have instructed external valuers to assess all properties within our portfolio.

The financial results we present today show a positive direct investment result, which is the reflection of the business operations. However, the indirect investment result is negatively impacted by the fair value adjustment we made as per the end of June 2014. For the remainder of the year we expect a stable rental income.

In the mid- to long term we will explore market opportunities in order to diversify our portfolio, mainly through new property acquisitions, with a focus on our key markets Germany and the Netherlands. For this purpose, as well as to refinance some of the loans that will expire, Geneva is preparing to raise new equity through a rights issue, once the prospectus is approved by the AFM.

We are confident that the team's hard work, thorough, client-centric approach and realistic market view will contribute to creating a solid real estate company for investors, tenants and lenders in the long term. We are strongly committed to achieving that objective."

Key Financials for the period

The condensed consolidated interim financial information included in this report is prepared by Geneva and reviewed by Geneva's new audit firm PricewaterhouseCoopers Accountants N.V.

Rental Income

Total gross rental income for the period 27 March 2014 – 30 June 2014 was € 14.3 million mainly generated from the German portfolio with € 10.5 million. The German portfolio has an average remaining lease term of 7 years. The average remaining lease term in the Netherlands is 18 years. The average remaining lease term in the Baltic States for the SEB headquarter buildings (which represents 60% of the gross rental income of the Baltic portfolio) is 9 years. The average remaining lease term for the other properties in the Baltic portfolio is shorter and varies per property.

<i>(in Millions of Euros; Thousands – m²)</i>	Germany	Netherlands	Baltic States	Total
Rental income	10.5	0.7	3.1	14.3
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Occupancy rate	100.0%	100.0%	81.7%	95.0%
Number of buildings	5	3	53	61
Gross m ²	215	29	90	334
Weighted Average Lease Term (in years/(approx.))	7	18	(see text above)	

OPERATIONAL RESULTS

PERIOD: 27 March 2014 – 30 June 2014

(In Thousands of Euros, except for per share information)

Net rental income:	13,353
Direct Investment Result:	6,216
Direct Investment Result per share:	0.20
Indirect Investment Result:	-5,556
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Loan to Value:	77.6%

DIRECT INVESTMENT RESULTS

PERIOD: 27 March 2014 – 30 June 2014

(In Thousands of Euros)

Net rental income	13,353
General and administrative expense	-2,388
Other income	1,034
Finance cost	-5,783
Direct investment result	6,216

The Direct Investment Result is calculated as the net rental income minus general and administrative expenses plus other income and minus finance cost. The majority of Geneba's lease agreements are "triple net" with the effect that property related expenses are essentially born by the tenant. The property operating expenses in the Baltic States were € 0.8 million, which reflects maintenance expenditures that are agreed with the tenants. In addition, management fees for the external operator in the Baltic States are included in this amount.

For the period 27 March 2014 – 30 June 2014 Geneba posted a Direct Investment Result of € 6.2 million or € 0.20 per share.

General and Administrative Expense

General and administrative expenses were € 2.39 million for the first half year of 2014. This includes professional fees related to Geneba acquiring the business.

Other Income

Other income was € 1.03 million. This includes the recharge of expenses related to plan implementation and insurance recoveries.

Finance cost

Interest expense on long-term debt was € 5.8 million for the period 27 March 2014 – 30 June 2014. The weighted average interest rate on long-term debt was 4.1%. This percentage could change during the second half of 2014 due to refinancing of several loans.

Portfolio

Geneba owns a portfolio consisting of 61 properties with a fair value of € 514.9 million and 334 thousand square meters of space per 30 June 2014. The properties are split in three main geographical areas (Germany, the Netherlands and the Baltic States) and in three main asset classes (office, retail and industrial). All external valuations are performed in compliance with the valuation standards in the 'Red Book' of the Royal Institute of Chartered Surveyors (RICS) and the International Valuation Standards of the International Valuation Standard Committee (IVSC) and have been finalized under the rules set forth by Geneba's Policies & Procedures with respect to the AIFMD regulations.

Valuations

The property values as per 30 June 2014 are reflected in the table below. These are the result of updated valuations obtained from external valuers, which are explained in more detail further in this report.

Property values as per 30 June 2014

(Millions of Euros; Thousands – m²)	# of Buildings	Gross m²	Fair Value	Percentage
By geographical segment				
Germany	5	215	391.5	76%
The Netherlands	3	29	31.1	6%
Baltic States	53	90	92.3	18%
Total	61	334	514.9	
By property type				
Office	51	251	467.1	91%
Retail	6	15	13.0	2%
Industrial	4	68	34.8	7%
Total	61	334	514.9	

Outlook

Geneba will continue to focus on actively managing the assets and financing as well as deepening tenant relations. The company will pay special attention to the quality of the current assets in order to achieve stable occupancy rates and rental income levels. It is our expectation that the current rental income remains stable during the second half of the year.

Current market conditions can also offer interesting investment opportunities, which the company explores on a case by case basis. In the assessment of new investment opportunities, Geneba will take into account the current mix of assets and trends in the property markets. The company will aim to diversify the portfolio, whereby the focus will initially be on Geneba's key markets: Germany and the Netherlands.

Some of the loans that will expire this year need to be refinanced, which could have an impact on the weighted average interest rate and the loan-to-value ratio.

We will continue to put further effort into exploring opportunities to raise new equity through a rights issue in order to strengthening the balance sheet.

Finally, management will further enhance the team spirit amongst the employees and deepen the constructive dialogue with our Supervisory Board composed of five senior, experienced professionals.

Acquisition of Core Business

Chronology

Geneba was incorporated 7 July 2013.

On 7 March 2014 the Netherlands Authority for the Financial Markets (AFM) issued a licence to Geneba under the rules set forth by the European Directive for Alternative Investment Fund Managers (AIFMD) to operate as an investment company (*beleggingsmaatschappij*) without external manager (*zonder externe beheerder*) under the FMSA (*Wet op het financieel toezicht*) and the regulations promulgated thereunder.

As a consequence thereof, Geneba took on a real estate portfolio from Homburg Invest Inc. consisting of commercial real estate located in Germany, the Netherlands and the Baltic States (Estonia, Latvia and Lithuania). The transfer took place on 27 March 2014 (Plan Implementation Date, "PID").

Restructuring Plan

On 9 September 2011, Homburg Invest Inc. ("HII") and its affiliates and subsidiaries became insolvent and filed and obtained protection under the Canadian Companies' Creditors Arrangement Act

("CCAA"). On 6 February 2013, Homburg Invest Inc. filed the Restructuring Plan under and pursuant to the CCAA, which was subsequently amended and restated several times ("the Restructuring Plan"). Samson Bélair/Deloitte & Touche Inc. was appointed to act as the Monitor in the CCAA proceedings.

Based on the Restructuring Plan, a to be incorporated company (Geneba), would acquire certain assets and liabilities from HII (the "Core Business "). Holders of debt claims against HII (creditors of HII) voted to obtain shares in Geneba, or depositary receipts issued therefor, for part of their claims on HII at the amount considered under the Restructuring Plan (a debt for equity swap). Alternatively, creditors could vote for a cash out option provided by funds managed by investment firm Catalyst. The cash out price was based on an aggregate maximum price of € 95 million for the entire Core Business.

Purchase of Core Business

On 27 March 2014, all of HII's rights, title and interest in and to the Core Business, i.e. the shares in companies directly or indirectly holding mainly long-term leased commercial real estate, were transferred to and vested in Geneba pursuant to the Restructuring Plan.

Former debt claim holders of HII obtained depositary receipts issued for shares in Geneba, ("Depositary Receipts") which were admitted to trading on NPEX (Nederlandse Participatie Exchange B.V.) in the Netherlands. NPEX is an alternative trading platform whereby Depositary Receipts can be auctioned online. NPEX is not a regulated market or multilateral trading facility.

On 11 October 2013, the Company and NPEX had entered into a listing agreement ("Listing Agreement"). Based on this Listing Agreement, the holders of Depositary Receipts are allowed to trade on the NPEX platform since 7 July 2014.

The acquisition price was settled without cash and financed fully with equity provided by shareholders who had approved any valuation between € 75 million and € 225 million.

The acquisition price of € 152,738,000 (the "Initial NAV") for which HII sold the business to Geneba was within the creditor approved bandwidth. Thereby the Core Business was in fact contributed to Geneba by its shareholders (HII's creditors) to pay-up their shares in Geneba as part of the debt-for-equity swap.

Fair Market Value of Core Business at Start of Business

Geneba acquired the Core Business on 27 March 2014 at the Initial NAV of € 152,738,000. The Purchase Price was subject to a consideration of Geneba as per 27 March 2014. In order to determine the fair market value of the acquired assets and liabilities, the properties were valued based on external valuation reports procured by Geneba's management. The fair value of the debt and a related interest rate swap was also assessed by management. As a result, the net asset value

was adjusted to € 95,063 million as per 27 March 2014 ("the Purchase Price Allocation"), which represents a decrease of 37.8% compared to the Initial NAV.

The following table shows the balance sheets at different times: (1) Opening Balance per 1 January 2014, (2) the Initial NAV, (3) the Purchase Price Allocation by Geneba as per 27 March 2014, and (4) the consolidated Geneba financial statements per 30 June 2014:

Balance Sheet

<i>(In Thousands of Euros)</i>	Opening Balance (1)	Initial NAV (2)	Purchase Price Allocation (3)	Consolidated FS (4)
	<u>01-01-2014</u>	<u>27-03-2014</u>	<u>27-03-2014</u>	<u>30-06-2014</u>
Assets				
Investment properties	-	596,805	519,384	514,900
Other (in) tangible assets	66			64
Cash and cash equivalents	400	9,080	11,721	12,126
Receivables and other	336	876	912	545
Total assets	802	606,761	532,017	527,635
Liabilities				
Long term debt	254	416,602	405,921	399,924
Deferred tax liabilities		11,398	5,000	5,821
Accounts payable and other liabilities	248	5,843	7,076	5,060
Income taxes payable		2,213	2,246	3,082
Derivative financial instruments		9,083	9,335	12,118
Total liabilities	502	445,139	429,578	426,004
Non controlling interest*	-	8,884	7,376	7,479
Total equity in net assets	300	152,738	95,063	94,150
Total equity	300	161,622	102,439	101,630
Total equity and liabilities	802	606,761	532,017	527,635

*Reflects the share in a German property holding company Geneba does not control

Net Adjustments to Fair Values

The schedules below show the difference in valuation between the initial valuation underlying the Initial NAV and the Fair Market Value attributed to the acquisition of the Core Business as determined by Geneba on 27 March 2014 for the purpose of the Purchase Price Allocation. The changes mainly relate to the re-valuations of the investment properties and to a lower degree to the re-valuation of the loans and derivative financial instruments.

As per Initial NAV the investment properties were valued at € 596.8 million compared to Geneba's calculation of € 519.4 million as per 27 March 2014 as part of the Purchase Price Allocation, which represents a decrease of 13%.

<i>(In Thousands of Euros)</i>	Initial NAV	Purchase Price Allocation Geneba	Fair value adjustment (%)	Consolidated FS
	<u>27-03-2014</u>	<u>27-03-2014</u>		<u>30-06-2014</u>
Germany	429,635	394,310	-8.2%	391,526
The Netherlands	32,800	32,800	0%	31,100
Baltic States	134,370	92,274	-31.3%	92,274
Total	596,805	519,384	-13.0%	514,900

The fair market valuations are based on valuation reports obtained from external appraisers DTZ, JLL (Jones Lang LaSalle) and Colliers. All external valuations are performed with valuation date 30 June 2014, in compliance with the valuation standards RICS and the IVSC. These valuations have been finalized by management in accordance with Geneba's Policies & Procedures.

The external valuations of the Consolidated Financial Statements as per 30 June 2014 resulted in a negative revaluation of investment properties of 0.9% compared to the fair value from the Purchase Price Allocation which relates mainly to one German asset.

Long term debt and derivative financial instruments

<i>(In Thousands of Euros)</i>	Initial NAV	FMV Purchase Price Allocation	Consolidated FS
	<u>27-03-2014</u>	<u>27-03-2014</u>	<u>30-06-2014</u>
Long term debt	416,602	405,921	399,924
Derivative financial instruments	9,083	9,335	12,118

- The long term debt was valued at € 416.6 million to arrive at the Initial NAV and € 405.9 million according to Geneba as per 27 March 2014. The difference is explained by:
 - o A € 0.6 million effectively lower repayment of mortgage loan in Germany
 - o Fair market valuations of the long term debt and derivative financial instruments were updated based on interest rates, future repayments and the valuation of the underlying mortgages

Start of Business - 27 March 2014

- (1) On 27 March 2014 Geneba took over control of the Core Business. Since then Geneba:
- (2)
 - repaid a loan as it fell due because of a change of control over the tenant with a new bridge loan provided by Catalyst at favourable market terms
 - instructed external valuers to value the portfolio in Germany, the Netherlands and the Baltic States as of 30 June 2014
 - received technical and environmental reports from a previously instructed engineering firm, which disclosed asbestos in one of the German properties
 - received termination notice of a lease agreement for a German property
 - actively worked together with its service provider to prepare a strategy for the Baltic States portfolio

Cancellation of Shares and Adjustment of NAV per share

The Monitor initially held 7,117,482 shares to be attributed to claim holders in case the claims are successful. In case claims are ultimately rejected the respective portion of shares will be cancelled. Consequently the NAV per share will increase. On 12 June 2014 569,518 shares were distributed to claim holders. On 13 August 2014 783,543 shares were cancelled as respective claims were ultimately rejected. This lead to a pro-forma upward adjustment of the NAV per share of 2.6% (€ 3.16/per share) based on the 30 June 2014 NAV. The Monitor continues to hold 5,764,781 shares, which can either be cancelled or assigned to claimholders.

Amsterdam, 29 August 2014

W. Meinel, CEO

M. van Deursen, Managing Director

CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION

Condensed interim balance sheet

<i>(In Thousands of Euros)</i>	Note	30 June 2014	31 December 2013
Assets			
Non-current assets			
Investment properties	6	514,900	
Intangible assets		56	46
Other tangible assets		8	20
		514,964	66
Current assets			
Trade and other receivables		545	336
Cash and cash equivalents		12,126	400
		12,670	736
Total Assets		527,635	802
Equity and liabilities			
Equity			
Share capital	7	611	45
Share premium	7	94,452	255
Reserves		-913	
		94,150	300
Non-controlling interests		7,479	
Total equity		101,629	300
Non-current liabilities			
Long term debt	8	348,021	254
Deferred income tax liabilities	9	5,821	
		353,842	254
Current liabilities			
Trade and other payables		5,060	248
Current portion of long term debt	8	51,904	
Income tax payable	9	3,082	
Derivative financial instruments	10	12,118	
		72,164	248
Total liabilities		426,006	502
Total equity and liabilities		527,635	802

Notes are an integral part of the condensed interim financial information.

Condensed interim statement of comprehensive income

<i>(In Thousands of Euros)</i>	Note	Six month ended 30 June 2014
Gross rental income	13	14,338
Property operating expenses		-985
Net rental income		13,353
Net adjustment to fair value of:		
Investment properties	6	-4,613
Derivative financial instruments	10	-943
General and administrative expense		-2,388
Other income		1,034
Operational result		6,443
Finance costs		-5,783
Net finance costs		-5,783
Net result before income tax		660
Income tax	9	-1,214
Net result for the period		-553
Total comprehensive income (loss) for the period		-553
Net result attributable to:		
Equity holders of the Company		-913
Non-controlling interest		360
		-553
Total comprehensive income (loss) attributable to:		
Equity holders of the Company		-913
Non-controlling interest		360
		-553
Per share information (in €)		
Basic and diluted net result per share attributable to the equity holders of the Company		-0,03

Notes are an integral part of the condensed interim financial information.

Condensed interim statement of changes in equity

<i>(In Thousands of Euros)</i>	Share capital	Share premium	Retained Earnings	Attributable to shareholders	Non- Controlling interest	Total Equity
As at 1 January 2014	45	255		300		300
Share premium contribution		62		62		62
Share capital and share premium distribution	-45	-317		-362		-362
Impact of business combination	611	94,452		95,063	7,376	102,439
Dividend payments					-257	-257
Earnings for the period			-913	-913	360	-553
Total Comprehensive income			-913	-913	360	-553
As at 30 June 2014	611	94,452	-913	94,150	7,479	101,630

Notes are an integral part of the condensed interim financial information.

Condensed interim statement of cash flows*(In Thousands of Euros)***Note****Six month
ended 30
June 2014****Cash flows from operating activities**

Net result for the period		-913
Adjustments for:		
- Fair value change on investment properties		4,613
- (Gain) / Loss on derivative instruments		943
- Amortization of long term debt		
- Deferred rent	6	-59
- Deferred taxes		-821
- Financing expenses		5,783
Interest paid		-4,532
Interest received		4
Income taxes paid		-937
		4,081
Change in non-cash working capital and other		2,415
Cash generated from operations		6,496

Investing activities

Investment in investment properties	6	-70
Cash obtained from business combination		11,721
Net cash used in investing activities		11,791

Financing activities

Share issue	7	62
Repayment of long term debts	8	-20,391
Proceeds from new long term debts	8	14,025
Dividend to non-controlling interest		-257
Net cash used in financing activities		-6,561

Net (decrease)/increase in cash and cash equivalents

Cash, beginning of period		400
Cash, end of period		12,126

Notes are an integral part of the condensed interim financial information.

Notes to the Condensed consolidated interim financial information

1. General information

Geneba Properties N.V. ('Geneba' or 'the Company') was incorporated in the Netherlands by Stichting Oprichting Geneba Properties under the laws of the Netherlands on 11 July 2013.

The corporate seat of the Company is in Amsterdam, the Netherlands and its registered office is at Wamberg 37, 1083 CW in Amsterdam, the Netherlands

Geneba operates and leases, office, industrial and retail properties located in the Netherlands, Germany and the Baltic states. As per 27 March 2014, the Company acquired business from Homburg Invest Inc.

The Company is a closed-end investment institution licensed under the Dutch Financial Markets Supervision Act and domiciled in Amsterdam, the Netherlands.

This condensed consolidated interim financial information has been prepared by the Management Board and was authorised for publication on 29 August 2014. These condensed consolidated interim financial statements have been reviewed, not audited.

Going concern analysis

The loan agreement for Valbonne Real Estate 2 B.V. (€€ 24.7 million) expired as per 1 June 2014. Since the value for the asset is revaluated to a level below the nominal outstanding amount of the loan, management started discussions with the lender. The discussions between the lender and the borrower are focussed on two issues: (a) an extension of the loan in order to allow for sufficient time to negotiate a new lease agreement with the current tenant and (b) measures to be taken in view of the recent findings of asbestos in parts of the building structure. The loan facility is in first instance extended from 1 June 2014 until 1 September 2014. Based on the discussions with the lender, management expects a further extension of the loan term. If further extension or refinancing cannot be arranged prior to the maturity date of 1 September 2014 and the lender decides to claim the mortgage loan due at this date, this will in principle only affect the operations of Valbonne Real Estate 2 B.V. and, on that basis, not impact Geneba's ability as a whole to continue as a going concern.

Regarding the loan for Homco Realty Fund 86 B.V. and Homco Realty Fund 87 B.V. which was due 30 June 2014 for an amount of € 14 million, management has a full refinancing in place as per 30 June 2014, facilitated by Catalyst RE Coöperatief UA. This refinancing by Catalyst RE Coöperatief UA constitutes a short term loan facility with a maximum term of 8 weeks (until 1 September 2014) against an interest rate equal to 1 month Euribor +3% margin, upon which third party refinancing

should be obtained. Management already instructed a capital markets advisor to refinance this loan. Management is also negotiating with Catalyst RE Coöperatief UA for a short term extension until new financing is in place. If further extension or refinancing cannot be arranged prior to the maturity date of 1 September

2014 and the lender decides to claim the mortgage loan due at this date, this will in principle only affect the operations of Homco Realty Fund 86 B.V. and Homco Realty Fund 87 B.V. and on that basis not impact Geneba's ability as a whole to continue as a going concern.

In view of the considerations outlined above, accounting policies applied in this financial information are based on the expectation that Geneba will be able to continue as a going concern.

2. Basis of preparation

STATEMENT OF COMPLIANCE

The condensed consolidated interim financial statements for the six months ended 30 June 2014 have been prepared in accordance with IAS 34, 'Interim financial reporting'. The condensed consolidated interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2013 which have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("EU IFRS").

BASIS OF MEASUREMENT

The condensed consolidated interim financial information has been prepared on the basis of historical cost except for investment property, financial assets at fair value through income statement and derivatives, which are recognised at fair value. Unless otherwise stated, the figures are presented in thousands euros rounded to one decimal place.

FUNCTIONAL AND PRESENTATION CURRENCY

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The condensed consolidated interim financial information is presented in euros, which is the Company's functional currency and the Group's presentation currency.

Only one other functional currency used in the operations is the Lithuanian Litas. The exchange rate is fixed to the Euro (1 Euro = 3,4528 Litas), therefore no exchange gain or loss shows up in statement of comprehensive income.

USE OF ESTIMATES AND ASSUMPTIONS

The preparation of the condensed consolidated interim financial information in accordance with EU IFRS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and related assumptions are based on historical experience and various

other factors considered appropriate. Actual results may differ from these estimates. The estimates and underlying assumptions are constantly reviewed. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The estimates, assumptions and management judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period relate to

- The fair value of the investment property
- The fair value of derivatives
- The fair value of acquired business for the purpose of the purchase price allocation

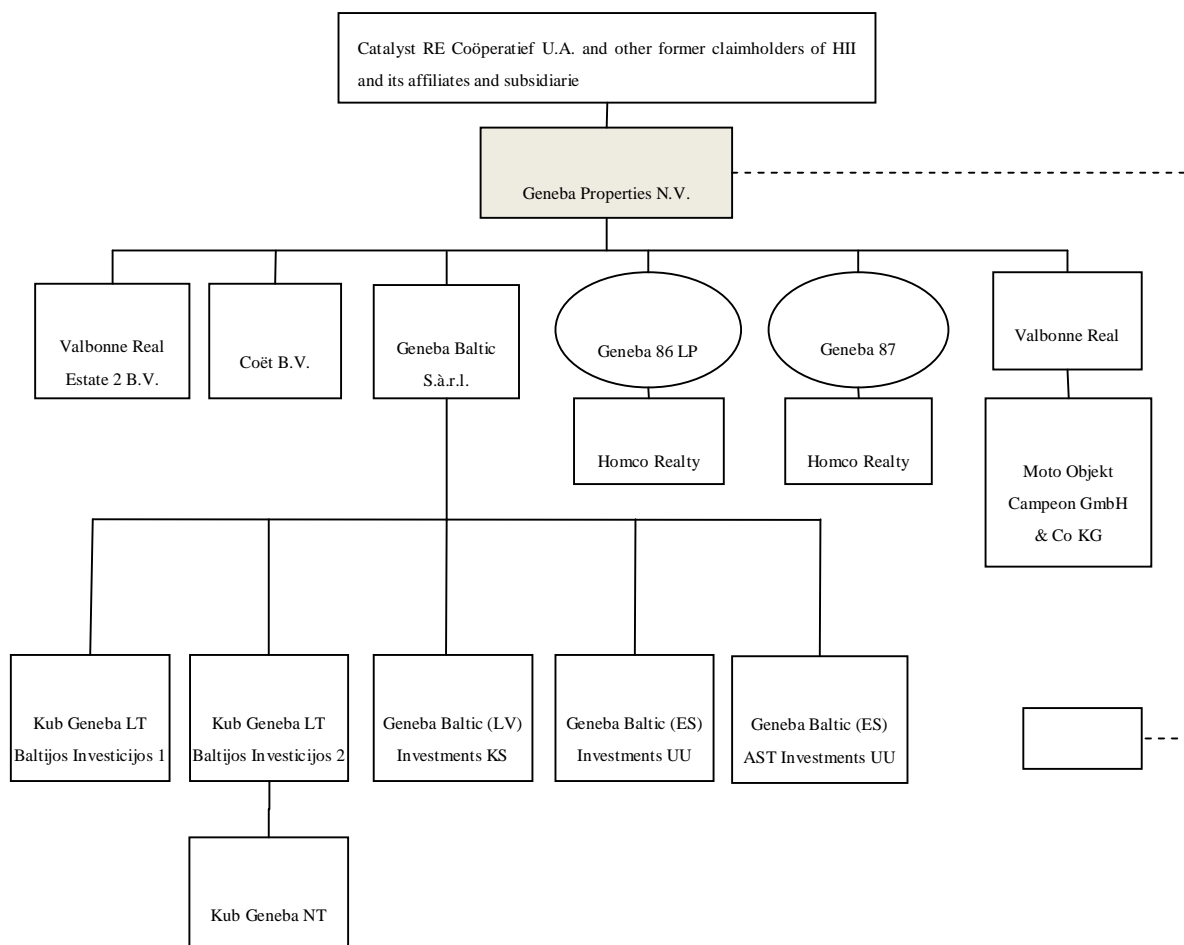
3. Summary of Significant Accounting Policies

Due to the business combination the following accounting policies, as described below, were adopted and not previously applicable:

Consolidation:

SUBSIDIARIES

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date of which control is gained.



The list of subsidiaries is as follows:

Name	Country of incorporation	Ownership
Coët B.V.	The Netherlands	94,89%***
Valbonne Real Estate 2 B.V.	The Netherlands	94,89%***
Geneba Baltic S.à.r.l	Luxembourg	100,00%***
Kub Geneba LT Baltijos Investicijos 1	Lithuania	100,00%***
Kub Geneba LT Baltijos Investicijos 2*	Lithuania	100,00%***
Kub Geneba NT	Lithuania	100,00%***
Geneba Baltic (LV) Investments KS	Latvia	100,00%***
Geneba Baltic (ES) AST Investments UU	Estonia	100,00%***
Geneba 86 LP*	Canada	99,98%***
Homco Realty Fund (86) B.V.	The Netherlands	99,98%***
Geneba 87 LP*	Canada	99,98%***

	The Netherlands	99,98%***
Homco Realty Fund (87) B.V		
Valbonne Real Estate 5 B.V*	The Netherlands	100,00%***
Moto Objekt Campeon GmbH & Co KG	Germany	93,27%***
Homburg Invest Inc**	Canada	100,00%***

* Sub holding company

** Following its emergence from CCAA protection, HII will remain a distinct entity from Geneva and will be controlled by the Plan Administrator (Deloitte) for the sole purpose of selling off remaining assets in order to repay creditors. Despite owning the shares of HII, Geneva has no control of HII and no entitlement to any proceeds from the disposition of its assets. Therefore HII is not consolidated, nor included as an investment entity.

*** acquired on 27 March 2014

TRANSACTIONS ELIMINATED ON CONSOLIDATION

Intragroup balances and any unrealised gains and losses arising from intragroup transactions are eliminated in preparing the consolidated financial statements.

FOREIGN CURRENCY TRANSACTIONS AND BALANCES

Transactions in foreign currencies are translated into the functional currency at the spot exchange rate on the transaction date. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the exchange rate prevailing at that date. Exchange differences arising on translation are recognised in the income statement, except when deferred in other comprehensive income as qualifying cash flow hedges and qualifying net investment hedges.

BUSINESS COMBINATIONS

Geneva applies the acquisition method to account for business combinations. The consideration for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred from the former owners of the acquiree and the equity interests issued by the group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets. Acquisition related costs are expensed as incurred. If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at each new acquisition date through income statement. Goodwill is initially measured as the excess of the aggregate of the consideration transferred and the fair value of non-controlling interest over the net identifiable assets acquired and liabilities assumed.

INVESTMENT PROPERTY

Investment property covers investments in property held for the purpose of generating rental income, for capital appreciation or for a combination of both. Investment property is carried at fair value. Gains and losses arising from changes in fair value are recognised in income statement. The portfolio is appraised every six months (30 June and 31 December) by external valuers who hold a recognised and relevant professional qualification and have experience relating to the location and category of the property being appraised. The fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Market values have been determined on the evidence of recent market transactions for similar properties in similar locations to Geneva's investment property. Appraisals require the use of both the conventional method and the net present value method. The conventional method involves valuation based on capitalisation at net initial yields for similar transactions. The net present value method gives an amount derived from the projected cash flows for at least the next ten years and end after ten years an exit value based on a yield. Estimated costs a purchaser will necessarily incur to acquire the property are deducted from the property value. Investment properties that are expected to be sold and that are in very advanced stage of negotiation are valued at the expected selling price. A number of inputs to the valuation process are not directly observable in the market and significantly impact the valuation. Therefore valuations are considered to be Level 3 in the fair value hierarchy.

The fair value of investment property reflects, among other things, rental income from current leases and assumptions about rental income from future leases in the light of current market conditions. The fair value also reflects, on a similar basis, any cash outflows that could be expected in respect of the property. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to Geneva and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

An investment property shall be derecognised on disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal.

INTANGIBLE FIXED ASSETS

Intangible assets relate to software, which have finite useful lives and are measured at cost less accumulated amortisation and accumulated impairment losses. Software is generally amortised over a period of three years. Amortisation is recognised within the administrative expenses.

TANGIBLE FIXED ASSETS

Tangible fixed assets consist of office equipment, computer equipment and software. Valuation is made at cost, after application of depreciation and any impairment losses. Depreciation is applied on a linear basis to profit and loss on the basis of expected length of use and the residual value of the asset concerned. Depreciation is provided from the date the asset come into use.

The applied methodology of depreciation, length of use and the residual value is assessed at the end of every book year and adapted if necessary.

Depreciation percentages: 20-33%

IMPAIRMENT OF NON-FINANCIAL ASSETS

Intangible assets that have an indefinite useful life or intangible assets not ready to use are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). Prior impairments of nonfinancial assets (other than goodwill) are reviewed for possible reversal at each reporting date.

DERIVATIVE FINANCIAL INSTRUMENTS

The sole purpose of the derivative financial instruments contracted by the Company is to cover interest rate risks arising from operating, financing and investing activities. Geneva does not hold any derivatives for trading purposes. Derivative financial instruments are carried at fair value. Transaction expenses related to derivative financial instruments are accounted for in the income statement. No hedge accounting has been applied. Changes in the fair value of derivatives are recognised in the income statement as they arise.

DEFERRED TAX / INCOME TAX

Income taxes

Geneva follows the tax liability method for determining income taxes. Under this method, deferred tax assets and liabilities are determined based on temporary differences between the carrying amounts and tax bases of specific balance sheet items.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable

that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured based on enacted or substantively enacted tax rates and laws at the date of the financial statements for the years in which these temporary differences are expected to reverse, and adjustments are recognized in earnings as they occur.

FINANCIAL ASSETS

Financial assets within the scope of IAS 39 are classified as financial assets at fair value through profit or loss, loans and receivables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. Geneva determines the classification of its financial assets at initial recognition. All financial assets are recognised initially at fair value plus transaction costs, except in the case of financial assets recorded at fair value through profit or loss.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value presented as finance costs (negative net changes in fair value) or finance income (positive net changes in fair value) in the income statement. Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortised cost using the EIR method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the income statement. The losses arising from impairment are recognised in the income statement in finance costs for loans and in cost of sales or other operating expenses for receivables.

For financial assets carried at amortised cost, Geneva first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment. If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the assets' carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current EIR. The carrying amount of the asset is reduced through the use of an allowance account and the loss is recognised in profit or loss. Interest income continues to be accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. The interest income is recorded as finance income in the income statement. Loans together with the associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to Geneva. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a write-off is later recovered, the recovery is credited to finance costs in the income statement.

IMPAIRMENT OF FINANCIAL ASSETS

The group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event')

and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

For loans and receivables category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the consolidated income statement. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the group may measure impairment on the basis of an instrument's fair value using an observable market.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the consolidated income statement.

TRADE AND OTHER RECEIVABLES

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less impairment losses.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash on hand and balances with banks, net of bank overdrafts with a right of offset, and highly liquid temporary money market instruments with original maturities of three months or less. Bank borrowings are considered to be financing activities.

EQUITY

Share capital is classified as equity. External costs directly attributable to the issue of new shares are deducted from the proceeds. Dividends are recognised as a liability in the period in which they are declared.

The Company measures the non-controlling interest at the non-controlling interest's proportionate share of the acquiree's identifiable assets and liabilities.

LONG TERM DEBTS

Long term debt is initially recognized at fair value less directly attributable transaction costs. After initial recognition, long term debt is subsequently measured at amortized cost using the effective interest rate ("EIR") method. Gains and losses are recognized in the consolidated statement of earnings and comprehensive earnings when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR calculation. The amortization is included in interest expense in the combined statement of earnings and comprehensive earnings.

EMPLOYEE BENEFITS DEFINED CONTRIBUTION PLANS

Obligations to pay contributions under defined contribution plans are charged to income statement as incurred.

TRADE AND OTHER PAYABLES

Trade and other payables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method.

REVENUE RECOGNITION

Management has determined that all leases with its various tenants are operating leases. Minimum rents are recognized on a straight-line basis over the terms of the related leases. Initial direct costs incurred in negotiating and arranging an operating lease are recognised as an expense over the lease term on the same basis as the lease income. Incentives for lessees to enter into lease agreements are spread evenly over the lease term, even if the payments are not made on such a basis. The lease term is the non-cancellable period of the lease together with any further term for which the tenant has the option to continue the lease, where, at the inception of the lease, the directors are reasonably certain that the tenant will exercise that option. Amounts received from tenants to terminate leases or to compensate for overdue maintenance are recognised in the statement of comprehensive income when the right to receive them arises.

4. Changes in accounting policies

The following new standards, amendments to standards and interpretations relevant to Geneba are applied for the first time for the financial year beginning 1 January 2014. As the company did not previously had any activities these accounting policies did not have any impact on the company financial information.

(A) **CHANGES IN ACCOUNTING POLICIES**

Geneba did not change its accounting policies.

(B) **NEW AND AMENDED STANDARDS ADOPTED BY GENEBA**

Geneba did not adopt any new or amended standards as the company did not previously had any activities.

- (C) NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS ISSUED BUT NOT EFFECTIVE FOR THE FINANCIAL YEAR BEGINNING 1 JANUARY 2014 AND EARLY ADOPTED
Geneba has not early adopted new and amended standards.
- (D) NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS ISSUED BUT NOT EFFECTIVE FOR THE FINANCIAL YEAR BEGINNING 1 JANUARY 2014 AND NOT EARLY ADOPTED

IFRS 9, 'Financial instruments', addresses the classification, measurement and recognition of financial assets and financial liabilities. IFRS 9 was issued in July 2014. It replaces the parts of IAS 39 that relate to the classification and measurement of financial instruments. IFRS 9 requires financial assets to be classified into two measurement categories: those measured as at fair value and those measured at amortised cost. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch. Geneba intends to adopt IFRS 9 no later than the accounting period beginning on or after 1 January 2018.

IFRIC 21, 'Levies' provides guidance on when to recognise a liability for a levy imposed by a government, both for levies that are accounted for in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets and those where the timing and amount of the levy is certain. The interpretation clarifies that an entity recognises a liability for a levy no earlier than when the activity that triggers payment, as identified by the relevant legislation, occurs. It also clarifies that a levy liability is accrued progressively only if the activity that triggers payment occurs over a period of time, in accordance with the relevant legislation. IFRIC 21 is endorsed for financial periods starting after 17 June 2014. Geneba intends to adopt IFRIC 21 no later than the accounting period beginning on or after starting 1 January 2015. Geneba is currently analysing the impact of IFRIC 21 on the financial position and performance of Geneba.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the group.

5. Business combinations

On 27 March 2014 Geneba Properties N.V. acquired subsidiaries that own real estate of Homburg Invest Inc. consisting of commercial real estate located in Germany, the Netherlands and The Baltic states (Estonia, Latvia and Lithuania). This acquisition is the result of the execution of the restructuring plan of Homburg Invest Inc. Control is obtained by acquiring the majority of the shares resulting in control over the real estate portfolio.

Summary of recognised amounts

(In Thousands of Euros)

Description	Acquisition date	Ownership %	Consideration
Core Business	27 March 2014	100.0%	95.063

The consideration disclosed above comprises shares issued for a total fair value of € 95.1 million. The consideration consists of the receivables on Homburg Invest Inc. that were given up in exchange for the acquired business. The fair value of these receivables at the date of the transaction has been determined by reference to the fair value of the Geneva Properties N.V. shares that bondholders have received in exchange for their receivables on Homburg Invest Inc. This fair value was derived from an offer made by Catalyst at a price of € 95 million for all shares.

Summary of the rental income and net income for the half year ended as at 30 June 2014

(In Thousands of Euros)

Description	Rental income	Net income
Core Business	29,246	12,438

Summary of the rental income and net income as from date of acquisition

(In Thousands of Euros)

Description	Rental income	Net income
Core Business	14,338	6,612

Purchase Price Allocation at 27 March 2014

The amounts of the assets, liabilities recognised on the acquisition date concern the estimated fair value on the basis of the accounting policies applied.

Net assets and liabilities of the business combination on date of acquisition
(In Thousands of Euros)

Investment property	519,384
Trade and other receivables (including an allowance for doubtful debt of 66)	912
Cash and cash equivalents	11,721
Total assets	532,017
Long term debts	-405,921
Deferred income tax liabilities	-5,000
Trade and other payables	-7,076
Income tax payable	-2,246
Deferred financial instruments	-9,335
Net assets and Liabilities (Equity)	102,439
Non-controlling interest	-7,376
Consideration Equity instruments	95,063

The valuation of investment properties was performed by external valuers, with experience of the relevant market. Fair value of cash and cash equivalents, trade and other receivables was considered to be the carrying value. The fair value of long term debts and trade and other payables was calculated based on discounted cash flow models.

The non-controlling interest has been recognized as a proportion of net assets acquired.

The fair values were determined by using Level 3 ("L3") – techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data. The fair value of the consideration was determined by using Level 1 techniques.

Further description of fair value determination techniques can be found in note 11.

6. Investment Properties

(In Thousands of Euros)

Balance, as at 1 January 2014	-
Acquired through business combination	519,384
Capital expenditures	70
Deferred rental receipts	59
Fair value adjustment	-4,613
Balance, as at 30 June 2014	514,900

The Investment Properties were financed by mortgages with a current outstanding debt balance € 420 million. Under these mortgage agreements, Investment Properties serve as collateral to financiers.

Investment properties are stated at fair value. All properties are valued by external valuers.

Geneba utilized the following weighted average capitalization rates and has determined that an increase (decrease) in the applied discount rate of 0.10% in any geographical segments would result in an increase or decrease in the fair value of the investment properties as follows:

(In Thousands of Euros)

June 30 2014			
	Average Discount Rate	Impact of 0.1% change	
		Increase	Decrease
Germany	5.27%	7,287	7,568
The Netherlands	6.59%	468	482
The Baltic States	7.88%	1,156	1,186
Total	5.93%	8,911	9,237

Geneba has assessed, based on the average discount rates in the table above that an increase (decrease) in these rates of 0.1% in any geographic segment would result in an increase (decrease) in the fair value for that segment ranging between € 8,911 and € 9,237.

Specific circumstances

Investment properties include one property with a fair value of € 348 million, where there is a purchase option exercisable by the tenant in 2020 for € 274 million. Based upon management's current assessment, it is possible that the tenant will exercise the option. In the DCF valuation model for the property, the purchase option amount (including a fee payable) is included as the terminal cash flow.

In April 2014 the tenant of the subsidiary Valbonne Real Estate 2 B.V. formally terminated the lease agreement as of 2018.

7. Share capital

(In Thousands of Euros)	Number of shares (thousands)	Ordinary shares (Euros)	Share Premium (Euros)	Total (Euros)
As at 1 January 2014	2,250	45	255	300
Share premium contribution			62	62
Share capital and share premium distribution	-2,250	-45	-317	-362
Impact of acquisition of business combination	30,542	611	94,452	95,063
As at 30 June 2014	30,542	611	94,452	95,063

The authorised capital comprises 30.542.639 ordinary shares each with a nominal value of € 0.02 per share (total: € 611,000).

As at 30 June 2014, 30.542.639 shares were issued. As per 31 December 2013: 2.250.000 preference shares were outstanding which have been withdrawn prior to 30 June 2014. The shareholders are entitled to cast one vote per share at meetings of the Company.

8. Long term debt

(In Thousands of Euros)	<u>30 June 2014</u>
Balance, beginning of period	-
Acquired through business combination	405,921
Amortization	377
Repayments	-20,399
New loans	14,025
	399,924
Less: current portion	51,903
Balance, end of period	348,021

The current portion of long term debts falling due within one year is € 51.9 million. This amount is due within one year due to both financial covenant breaches and principal maturities on mortgages. The nominal value of the loans as per 30 June 2014 is € 420 million.

On 30 June 2014 the mortgage loan held by Valbonne Real Estate 2 B.V. is in breach of financial covenants. This mortgage was due in full on 1 June 2014. The lender has given Geneva an extension period until 1 September 2014. Based on the discussions management expects a further extension of the loan until at least the end of 2014.

Geneva has paid down the mortgage loan on the two properties held in Homco Realty Fund (86) B.V. and Homco Realty Fund (87) B.V. on 30 June 2014 through refinancing of the loan by a company controlled by the major shareholder.

This refinancing is a short term loan facility with a maximum term of 8 weeks (until 1 September 2014) against an interest rate equal to 1-month Euribor + 3% margin, upon which third party refinancing should be obtained. Management instructed a capital markets advisor to refinance this loan. Management is also negotiating with Catalyst RE Coöperatief UA for a short term extension until new financing is in place.

The loan covenants of the existing agreement with SEB for the Baltic States have been met as per 30 June 2014.

9. Income Taxes

Corporate income tax is calculated at the applicable rate of the country on the result for the financial year, taking into account permanent and temporary differences between profit calculated according to the financial statements and profit calculated for taxation purposes. Deferred income tax assets (liabilities) represent these temporary differences between the tax basis of assets and liabilities and the carrying amount of assets and liabilities for financial reporting purposes. As a result of the decrease in property value the differences between the value for tax basis and the carrying amount became smaller or negative, which also decreased the deferred tax amount

10. Financial Instruments and financial risk management

Geneva does not acquire, hold or issue derivative financial instruments for trading purposes. The following table presents the classification, subsequent measurement, carrying values and fair values (where available) of financial assets and liabilities.

(In Thousands of Euros)

Classification	Subsequent Measurement	Carrying Value	Fair Value
		Jun. 30, 2014	Jun. 30, 2014
Held for trading			
Cash and equivalents (a)	Fair value	12,126	12,126
Derivative instrument liability (a)	Fair value (L2)	-12,118	-12,118
Loans and receivables			
Receivables and others (b)	Amortized cost (L2)	545	545
Other financial liabilities			
Trade and other payables (b)	Amortized cost (L2)	4,931	4,931
Long term debt	Amortized cost (L2)	420,113	399,924

Geneba uses the following hierarchy for determining the fair value of financial instruments: Level 1 ("L1") – quoted (unadjusted) prices in active markets for identical assets or liabilities; Level 2 ("L2") – other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly; and Level 3 ("L3") – techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data. There were no transfers in or out of financial instruments classified as L3 in H1 2014 or 2013.

- (a) Cash and cash equivalents and derivative instrument liabilities are classified as held for trading and carried at their fair values. Geneba recorded a loss of € 2.2 million related to the derivatives during the half year ended June 30, 2014. Geneba enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Derivatives valued using valuation techniques with market observable inputs are interest rate swaps. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties and interest rate curves. As at 30 June 2014, the marked to market value of derivative positions is net of a valuation adjustment attributable to own credit risk.
- (b) Geneba's short term financial instruments, comprising restricted cash, trade receivables, trade payables, and security deposits are carried at amortized cost. The carrying value of short term financial assets, due to their short term nature, approximates their fair value.

- (c) Long term financial instruments include mortgages and long term payables. The fair values of these financial instruments were based upon discounted future cash flows using discount rates, adjusted for Geneba's own credit risk, that reflected current market conditions for instruments with similar terms and risks. Such fair value estimates were not necessarily indicative of the amounts Geneba might pay or receive in actual market transactions.

Financial Risk management

Geneba's principal financial liabilities, other than derivatives, are loans and borrowings. The main purpose of Geneba's loans and borrowings is to finance the acquisition and development of the property portfolio. Geneba has rent and other receivables, trade and other payables and cash and short-term deposits that arise directly from its operations. In the normal course of its business, Geneba is exposed to a number of risks that can affect its operating performance. Geneba is exposed to liquidity risk, interest rate risk, credit risk and real estate risk.

These risks, and the actions taken to minimize them, are discussed below.

a) Liquidity risk

Liquidity risk relates to the possibility of insufficient debt and equity financing available to fund the desired growth and to refinance the current and long term debts as they come due. As a result of global capital market conditions, lenders have tightened their lending standards, and may continue to do so. Some of Geneba's debt agreements have covenants including maximum loan to value ratio, net worth, interest coverage ratio, and/or reserve account balance requirements.

Geneba will monitor its liquidity risk in accordance with its risk management framework, as a part of which, the risk manager will perform regular stress tests under normal and exceptional liquidity conditions and will monitor short and long term cash flow projections. At least once every year the Management Board will, in close consultation with the risk manager, review and approve the limits which are applied and implement mitigating measures as recommended by the risk manager.

The following table presents Geneba's contractual obligations at June 30, 2014.

<u>Contractual Obligations</u> <u>(In Thousands of Euros)</u>	<u>Within 1 year</u>	<u>1-2 Years</u>	<u>2-3 Years</u>	<u>3-4 Years</u>	<u>4-5 Years</u>	<u>Later</u>
Mortgages:						
Normal principal instalments	13,303	17,959	17,930	17,930	14,181	25,944
Interest	18,825	17,087	16,311	11,774	11,000	15,132
Principal maturities	38,600	22,500				251,766
Derivative financial	12,118					

instrument						
Current liabilities	7,791					
	90,637	57,546	34,241	29,704	25,181	292,842

Normal principal maturities (i.e. annual principal payments as per the debt agreements) are the scheduled amortization amounts payable under the various loan agreements. Principal maturities reflect the (amortized) loan balances that become payable in full in any given year (i.e. the payments at final maturity of the loans).

b) Interest rate risk

The borrowings of Geneba have fixed and floating interest rate components resulting in an exposure to interest rate movements. Geneba's debt consists of € 237.4 million in fixed rate debt and € 182.7 million in floating rate debt (before deferred financing charges). Geneba has entered into interest rate swaps in order to manage the impact of fluctuating interest rates on € 82,400 of its long term debt.

c) Credit risk

Geneba's principal assets are commercial properties. Credit risk on tenant receivables of € 0.6 million at June 30, 2014 arises from the possibility that tenants may not fulfil their lease obligations. Management mitigates this credit risk by performing credit checks on prospective tenants, having a large diverse tenant base with varying lease expirations, requiring security deposits on high risk tenants and ensuring that a considerable portion of its rental income is earned from international, national and large anchor tenants.

d) Real estate risk

Geneba has identified the following risk related to its property portfolio:

- The exposure of the fair values of the portfolio to market and occupier fundamentals (note 6)
- Concentration risk (note 13)

As indicated above, these risks are further described in other notes.

e) Concentration risk

Certain of the Geneba's larger investment properties are leased to single tenants, and the recovery of the carried value of these investments is dependent upon the continuation of rental income on

these properties from existing or new tenants. Geneba's largest single tenant represented approximately 63% of rental income for the year, the property is included in the Germany segment above. The risk relates to the ability of management to replace this revenue stream on a timely basis while maintaining the related property costs. Geneba mitigates this risk by entering into long term leases; reviewing the financial stability of the tenant and obtaining security or guarantees where appropriate; and seeking geographic and industry diversity of tenants. Geneba's largest tenant has issued a letter of guarantee to the primary lender on the specific property, in an amount representing in excess of 2 years rental income from this tenant. The property leased to this tenant has a fair market value of € 348.3 million at 30 June 2014.

11. Related party transactions

- Included in long term debts is a short term loan facility of € 14 million for refinancing of the property in Homco Realty Fund (86) B.V. and Homco Realty Fund (87) B.V. provided by a company controlled by the major shareholder.
- Includes expenses Geneba Properties N.V. recharged to Homburg Invest Inc. Geneba can recharge all expenses related to the period until Plan implementation Date.

12. Rental income under operating leases

Geneba's operations include leasing commercial real estate. The following is a schedule of minimum future gross rental income on non-cancellable operating leases having initial terms in excess of one year:

(In Thousands of Euros)

			<u>H2 2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Future	minimum	rental	€ 28,056	€ 60,227	€ 59,416	€ 58,910	€ 58,569

13. Segmented information

Geneba is predominately organized and managed on a geographical basis.

The Operating performance is evaluated by the Management Board primarily based on the net operating income of completed investment properties, which is defined as rental incomes less property operating expenses, aggregated into operating segments with similar economic characteristics represented by the following geographical areas – Germany, The Netherlands and the Baltic States. Centrally managed expenses such as interest, amortization, and general and administrative costs are not included or allocated to operating segment results.

The Management Board also regularly reviews the carrying value of investment properties, on a property by property basis and also on an aggregated basis by geographical operating segment.

Operating segment liabilities regularly reviewed by the Management Board on an aggregated basis by geographical operating segment include mortgages and mortgage bonds payable to the extent these can be allocated to specific geographical operating segments.

Geographical segment information

<i>(In Thousands of Euros)</i>	Germany	Netherlands	Baltic States	Total
Period ended June 30, 2014				
Rental income	10,505	715	3,118	14,338
Property operating expenses	-65	-79	-841	-985
	10,440	636	2,277	13,353
Fair value changes	-3,150	-1,700	€ 237	-4,613
Net property result	7,290	-1,064	2,514	8,740

Reconciliation to the net result before the period is provided as follows:

(In Thousands of Euros)

Net property result according to segments	8,740
Net adjustment for fair value of derivative	
Financial instruments	-943
General and administrative expense	-2,388
Other income	1,034
Finance cost	-5,783
Net result before income tax	660
Income tax	-1,214
Net result for the period	-553

Geographical segment Balance sheet information:

(In Thousands of Euros)

	Germany	Netherlands	Baltic States	Total
Investment properties	391,326	31,300	92,274	514,900
Other segment assets	6,650	2,925	3,096	12,671
Mortgages payable	300,877	18,891	80,156	399,924

Total other liabilities	7,885	2,262	15,805	25,952
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14. Environmental risk

As an owner and manager of real estate properties, Geneba is subject to various European federal, provincial, state and municipal laws relating to environmental matters. These laws could hold Geneba liable for the costs of removal and remediation of certain hazardous substances or wastes released or deposited on or in its properties or disposed of at other locations. Failure to remove or remediate such substances, if any, could adversely affect the ability to sell its real estate or to borrow using real estate as collateral, and could potentially result in claims or other proceedings. Except for the case described below management is not aware of any material non-compliance with environmental laws at any of its properties. Management is also not aware of any pending or threatened investigations or actions by environmental regulatory authorities in connection with any of its properties or any material pending or threatened claims relating to environmental conditions at its properties. Management has policies and procedures to review and monitor environmental exposure, and has made, and will continue to make, the necessary capital expenditures for compliance with environmental laws and regulations. Environmental laws and regulations can change rapidly and the entity may become subject to more stringent environmental laws and regulations in the future. Compliance with more stringent environmental laws and regulations could have an adverse effect on its business, financial condition or results of operation.

From a property survey held in March 2014 it appeared that in parts of the Bochum building asbestos had been used during construction. Management considered the implications for the fair value and concluded that the fair value should be reduced compared to previous valuations presented by Geneba to reflect expected removal and renovation costs.

15. Contingencies and commitments

Geneba holds two properties in Rotterdam which are subject to leasehold. The ground lease of Benthemstraat is a perpetual right (end date 29-01-2097) which has been bought off until 2047 and will be extended at that time. The ground lease of Energieweg is a perpetual right (end date 13-11-2100, which will be extended at that time) with a fixed annual payment of € 56,135 (CPI indexation). In the Baltic Portfolio 19 properties are subject to leaseholds with a fixed annual payment of € 120,860.

16. Subsequent events

The agreement with one of the tenants of the subsidiary Coët B.V. to extend the existing leases, signed on 30 July 2014 and engaging in the construction of an additional warehouse construction with 3,100m² will lead to a higher rental income for the new premise and to a longer stable income period.

The Monitor initially held 7,117,482 shares to be attributed to claim holders in case the claims are successful. In case claims are ultimately rejected the respective portion of shares will be cancelled. Consequently the NAV per share will increase. On 12 June 2014 569,518 shares were distributed to claim holders. On 13 August 2014 783,543 shares were cancelled as respective claims were ultimately rejected.

The Monitor continues to hold 5,764,781 shares, which can either be cancelled or assigned to claimholders.

Review report⁷

To: the Management Board and Supervisory Board of Geneva Properties N.V.

Introduction

We have reviewed the condensed consolidated interim financial information for the six-month period ended 30 June 2014 as set out on pages 12 to 39 of Geneva Properties N.V., Amsterdam, which comprises the condensed balance sheet as at 30 June 2014, the condensed statement of comprehensive income, the condensed statement of changes in equity, the condensed statement of cash flows and the selected explanatory notes for the six-month period then ended. The Management Board is responsible for the preparation and presentation of this condensed interim financial information in accordance with IAS 34, 'Interim Financial Reporting' as adopted by the European Union. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope

We conducted our review in accordance with Dutch law including standard 2410, Review of Interim Financial Information Performed by the Independent Auditor of the company. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information as at 30 June 2014 is not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting' as adopted by the European Union.

Rotterdam, 29 August 2014

PricewaterhouseCoopers Accountants N.V.

⁷ The above review report is the original review report that was issued on 29 August 2014. The page reference as set out above make reference to the original condensed consolidated interim financial information. The page reference compares to pages F16 to F43 in this prospectus.

HISTORICAL FINANCIAL INFORMATION - ANNUAL FINANCIAL STATEMENTS 2013

The below annual report of 2013 concerns the Company as of 31 December 2013. The 2013 financial statements as stated below are not representative of the current financial position of the Company, which changed considerably following the acquisition of the Initial Business as per 27 March 2014.



GENEBA PROPERTIES N.V.

Annual report and financial statements 2013

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Management's discussion and analysis of operations and financial condition

Year Ended December 31, 2013

The following should be read in conjunction with the consolidated financial statements and accompanying notes for the year ended December 31, 2013 of Geneva Properties N.V. "Geneva" prepared under International Financial Reporting Standards as adopted by the European Union ("IFRS – EU") and with Part 9 of Book 2 of the Dutch Civil Code.

Geneva Properties N.V.

Geneva Properties N.V. (the '**Company**' or '**Geneva**'), a public company under the laws of the Netherlands (*naamloze vennootschap*), having its official seat in Amsterdam, the Netherlands, and its registered office address at Wamberg 37, 1083 CW Amsterdam, the Netherlands. Geneva was incorporated on 11 July 2013 and will operate under licence and supervision of the Authority for the Financial Markets ('**AFM**') and the Netherlands Central Bank ('**DNB**') as closed-end property investment company without a separate manager (*beleggingsmaatschappij zonder aparte beheerder*). This licence has been issued by the AFM on March 7, 2014.

The Company has a two-tier board structure consisting of a management board (*raad van bestuur*) (the "**Management Board**"), which will manage its business and a supervisory board (*raad van commissarissen*) (the "**Supervisory Board**"), which will supervise and advise the Management Board. The Management Board and Supervisory Boards bring together people with diverse experiences, skills and knowledge. Geneva embraces this variety and believes it makes a positive contribution to the assessment of situations and the decision-making process. Geneva is aware that females are underrepresented in both the Management Board and the Supervisory Board. Geneva is taking this into account with regard to future appointments and will make serious efforts to comply with the equal gender targets set by the European Commission in order to ensure a more equal gender representation in the Boards in the future.

The objectives of the company are to acquire, alienate, manage and exploit registered property and items of property in general; and with respect to the forgoing also:

- a. to incorporate, to participate in any way whatsoever in, to manage, to supervise businesses and companies;
- b. to finance businesses and companies;
- c. to borrow, to lend and to raise funds, including the issue of bonds, promissory notes or other securities or evidence of indebtedness as well as to enter into agreements in connection with aforementioned activities;
- d. to implement the Plan,

and to do all that is connected therewith or may be conducive thereto, all to be interpreted in the broadest sense.

The Plan as mentioned above under sub d. refers to 'A plan of compromise and reorganization of Homburg Invest Inc. ('HII') and Homburg Shareco Inc. ('Shareco') pursuant to the Canadian Companies' Creditors Arrangement Act (Canada) and the business corporations act (Alberta)' which provides for an orderly restructuring of HII's and Shareco's business and financial affairs. As an outcome of the Plan, Geneba will acquire a portfolio of investment properties, worth approximately € 600 million and the related debt amounting to € 450 million. As of Plan implementation Geneba will seek to optimize rental income from its properties while also searching for value adding portfolio improvements and growth opportunities. Geneba intends to create value within the existing portfolio by investing in properties already owned and where necessary developing or redeveloping these properties. The redevelopment approach includes expanding retail properties, improving the profile of offices and retail properties, restructuring properties, improving operational efficiencies and investing in sustainability, all with the aim to increasing satisfaction of tenants, minimizing operating expenses and securing maximum rental income.

The Plan was approved by the HII's creditors on 30 May 2013 and the envisaged Plan implementation date is 31 March 2014. Geneba Properties N.V. was incorporated on 11 July 2013 to effectuate the envisaged restructuring of HII and Shareco.

Following the award of the license, the Company is finalizing the process in which Geneba will acquire all of HII's rights, title and interest in and to certain non-insolvent assets. These assets will be transferred to and vested in Geneba free and clear of all encumbrances, pursuant to the Plan (the '**Plan Implementation Date**'). The Company's group will comprise the parent company Geneba and a group of entities of which it will be the sole or majority shareholder, in the case of corporate entities, or sole or majority limited partner, in the case of limited partnerships.

Developments in 2013

Incorporation of Geneba Properties N.V.

Geneba Properties N.V. has been incorporated on 11 July 2013 as part of the Plan. The envisaged Plan implementation date was 30 October 2013, but this date had to be rescheduled as Plan implementation can only occur once Geneba is granted a license from the AFM. This license has been granted on March 7, 2014 and Geneba is in the final stages of planning for Plan Implementation.

In 2013 Geneba prepared for Plan implementation in cooperation with HII, Deloitte (the '**Monitor**') and their advisors. In preparation for Plan implementation Geneba incorporated on 1 October 2013 GRF 86 Holding B.V. having its registered office in Amsterdam, the Netherlands as a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) under the laws of the Netherlands. With regard to Plan implementation Geneba incorporated on 1 October 2013 GRF 87 Holding B.V. having its registered office in Amsterdam, the Netherlands as a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) under the laws of the Netherlands.

It has been agreed upon under the Plan that all costs related to the startup of Geneba until Plan implementation date will be borne by HII.

Results and capital

The profit for the year 2013 (started as of July 11, 2013) is EUR €0, as all expenditures of Geneba related to preparation for Plan Implementation and these expenses have been or will be recharged to HII.

Risk management

As at the balance sheet date, Geneva is exposed to very limited risks, as it holds no operating assets and is only the sole shareholder of two subsidiaries with no activities. The only more significant risk of Geneva relates to credit risk on its receivable from HII. This risk is mitigated due to the fact that repayment of the expenditures related to the set-up of Geneva is an integral part of the Plan of compromise and arrangement as detailed above.

After the HII restructuring Plan is implemented which is currently expected to occur on or before March 31, 2014 Geneva will be exposed to a number of risks related to its normal course of business. In the Outlook section below we will focus on some of these risks.

Staff

The average number of staff of Geneva is nil during 2013. The average number of staff of Geneva is expected to grow in 2014 to 5 FTE. During 2013, services were provided to Geneva through service contracts with third parties.

In 2013 Geneva hired Dr. W. Meinel to replace Mr. De Jong as CEO at Plan implementation, which is expected to occur in 2014.

Analysis of operations

We will discuss and analyze our operations and financial conditions below for the period July 11 – December 31, 2013. During the period since incorporation, Geneva incurred € 0,3 million of expenses which were recharged to HII. Based upon agreements in place, this did not have any tax consequences for Geneva, and its result amounted to nil.

Outlook

In 2014 the HII restructuring Plan will be implemented, which is currently expected to occur on or before March 31, 2014. As a consequence Geneva will have property holdings (and related (mortgage) financing) in Germany, the Netherlands and the Baltics. The value of the portfolio is currently estimated at approximately € 600 million. Geneva will obtain control over the portfolio as of Plan Implementation.

As of Plan implementation Geneva will seek to optimize rental income from its properties while also searching for value adding portfolio improvements and growth opportunities. Geneva intends to create value within the existing portfolio by investing in properties already owned and where necessary developing or redeveloping these properties. The redevelopment approach includes expanding retail properties, improving the profile of offices and retail properties, restructuring properties, improving operational efficiencies and investing in sustainability, all with the aim to increasing satisfaction of tenants, minimizing operating expenses and securing maximum rental income.

Property and asset management

Property and asset management is mainly outsourced to external managers or under responsibility of the tenants in case triple net leases are in place. Geneva will enhance and expand its relationship with the tenants.

Refinancing

In 2014, due to maturity Geneva will arrange the refinancing of a property, which will become a part of its future portfolio, with a remaining debt of EUR 25 million as per year end 2013. Geneva will strive to refinance these loans in the best terms possible and discussions have been started with the lenders. Geneva will enhance and expand its relationship with potential finance providers in order to increase its financing options and reduce refinancing risks.

Capital Expenditures

Due to the structure of the leases (mostly triple net), and tenants being responsible for maintenance, Geneva will initially have a limited capital expenditure program.

Following the request of one of its future tenants Geneva started negotiations In 2013 on a property expansion plan, these plans, which are in a well-developed stage, would see Geneva invest € 2,6 million in the property, in return for an extension of the lease and an increase in the rent payments.

Baltic Restructuring

Part of the Plan implementation is the restructuring of the portfolio Geneva will hold in the Baltics. It is expected that Geneva will initially hold on to the portfolio, with the exception of pre identified Baltic assets which will be disposed of. This disposal is expected to occur gradually following Plan implementation. It is expected to generate proceeds in the amount of € 20,5 Mio. Proceeds will be applied towards further reduction of the SEB bank debt.

Future risk management

After the HII restructuring Plan is implemented which is currently expected to occur on or before March 31, 2014 Geneva will be exposed to a number of risks related to its normal course of business. In the sections below we will focus on some of these risks.

Liquidity risk management

Liquidity risk relates to the possibility of insufficient debt and equity available to refinance the current and long-term debts as they come due and to fund, the possible future growth of Geneva.

Interest rate risk

The assets and liabilities of the Company (including the mortgages secured by the Company's properties) have fixed and floating interest rate components resulting in an exposure to interest rate fluctuations. These fluctuations in interest rates will have an impact on the earnings of the Company. Increases in interest rates generally cause a decrease in demand for properties. Higher interest rates and more stringent borrowing requirements, whether mandated by law or required by banks, could have a significant negative effect on the Company's ability to sell any of the Company's properties. As a result, the Company's financial results and condition or operating results could be materially adversely affected.

Currency risk

The Company conducts its business primarily in Euros, as well as other currencies that maintain a fixed exchange rate with (or are "pegged" to) the Euro (the Lithuanian lita). Given the high volatility of currency exchange rates, there can be no assurance that these currencies will remain pegged to the euro. If such currency ceases to be pegged to the Euro, this may lead to a significant devaluation of the currency, and may have a materially adverse effect on the Company's business, financial condition, results of operations or cash flows.

Concentration risk

Concentration of tenants may adversely affect the Company's financial performance. If for any reason the Company is unable to collect rents from one or more of its key tenants, the Company's revenues and its ability to pay the property costs associated with the relevant property could be materially adversely affected.

Also concentration of properties in Europe may adversely affect the Company's financial performance

Environmental risk

As an owner and manager of real property, the Company is subject to various laws and regulations in the Netherlands, Germany and the Baltic States concerning the protection of the environment, including regulations governing air and water quality, the release of hazardous or toxic substances and guidelines regarding health and safety. Under these laws, the Company could be held liable for the costs, which may be significant, of removal or remediation of certain hazardous substances or wastes released or deposited on or in its properties or disposed of at other locations.

Amsterdam, March 20, 2014

Board of Management

P.P.G. de Jong

M.A.H. van Deursen

Supervisory Board

G. de Alba

J.M. Hogeslag

J. Scharpe

Consolidated Financial Statements

Consolidated Statement of Comprehensive Income

For the period July 11, 2013 through December 31, 2013

All amounts in EURO

	Notes	2013
Revenue		
Expenses recharged to Homburg Invest Inc.	4	345.075
Total Revenue		345.075
General and administrative	5	(341.547)
Operating profit		3.528
Finance costs	6	(3.528)
Profit before tax		-
Income tax (income)/ expense	7	-
Profit for the period		-
Other comprehensive income for the period		-
Total comprehensive income for the period		-
Attributable to:		
Equity holders of the parent		-

Consolidated Statement of Financial Position

As at December 31, 2013 before appropriation of the result for the period

All amounts in EURO

	Notes	2013
Assets		
Non-current assets		
Other tangible fixed assets	8	65.500
		65.500
Current assets		
Receivables and others	9	335.905
Cash and cash equivalents	10	400.495
		736.400
Total assets		801.900
Equity and liabilities		
Issued capital		45.000
Share premium		255.000
Profit/(loss) for the year		-
Total equity	11	300.000
Long term liabilities		
Interest-bearing loans and borrowings	12	253.528
Current liabilities		
Accounts payable and other liabilities	13	248.372
Total liabilities		501.900
Total equity and liabilities		801.900

Consolidated statement of changes in equity

For the period ended 31 December 2013

	Issued capital	Share premium	Profit/(loss) for the period	Retained earnings	Total	Non Controlling Interest	Total equity
At July 11, 2013	-	-	-	-	-	-	-
Initial paid in capital	45,000	255,000	-	-	300,000	-	300,000
Profit for the period	-	-	-	-	-	-	-
Total income and expense	45,000	255,000	-	-	300,000	-	300,000
Appropriation of result	-	-	-	-	-	-	-
At December 31, 2013	45,000	255,000	-	-	300,000	-	300,000

Consolidated Statement of Cash Flows

All amount in EURO

	Notes	2013
Profit for the period 11 July 2013 – 31 December 2013		-
Funds from Operations		-
Changes in working capital		
- change in operating accounts receivable	9	(335.905)
- change in operating accounts payable	12	251,900
Cash flow from operating activities		(84,005)
Additions to tangible fixed assets	7	(65.500)
Acquisition/disposals of group company		
Net cash flow used in investing activities		(65.500)
Received from issuing of shares	10	300,000
(Decrease)/increase in interest bearing loans	11	250,000
Net cash flows used in financing activities		550,000
Net increase/(decrease) in cash		400,495
Cash, beginning of period		-
Cash, end of period		400,495
Movements in cash		400,495

Notes to the IFRS Consolidated Financial Statements

(All amounts are in €, unless indicated otherwise, except per share amounts)

1. Corporate information

Geneba Properties N.V. ("Geneba") was incorporated under the laws of the Netherlands on 11 July 2013. Stichting Oprichting Geneba Properties is the sole shareholder. These financial statements include the consolidated financial statements of Geneba and its subsidiaries (together: the 'Group').

The corporate seat of Geneba is in Amsterdam, the Netherlands and its registered office is at Wamberg 35-37, 1083 CW in Amsterdam, the Netherlands. Geneba Properties N.V. is a closed-end property investment company without a separate manager (*beleggingsmaatschappij zonder aparte beheerder*) which will operate under licence and supervision of the AFM and the DNB and has the legal form of a public limited liability company (*naamloze vennootschap*). The Company will comply in all material respects with the requirements of its license.

The objective of Geneba is to acquire, alienate, manage and exploit registered property and items of property in general, all to be interpreted in the broadest sense.

The financial year of the Group will coincide with the calendar year. The first financial statements of the Group include the period 11 July to 31 December 2013.

2. Basis of preparation

The consolidated financial statements have been prepared on a historical cost basis. The consolidated financial statements are presented in EURO.

a) Statement of compliance

These financial statements are prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("EU IFRS") and with Part 9 of Book 2 of the Dutch Civil Code.

Geneba has applied the IFRS standards as in effect per December 31, 2013. In addition, Geneba has early adopted the following standards.

IFRS 10 Consolidated Financial Statements, IAS 27 Separate Financial Statements

IFRS 10 replaces the portion of IAS 27 Consolidated and Separate Financial Statements that addresses the accounting for consolidated financial statements. It also addresses the issues raised in SIC-12 Consolidation — Special Purpose Entities. IFRS 10 establishes a single control model that applies to all entities including special purpose entities. The changes introduced by IFRS 10 requires management to exercise significant judgement to determine which entities are controlled and therefore are required to be consolidated by a parent, compared with the requirements that were in IAS 27.

IFRS 11 Joint Arrangements

IFRS 11 replaces IAS 31 Interests in Joint Ventures and SIC-13 Jointly-controlled Entities — Non-monetary Contributions by Venturers. IFRS 11 removes the option to account for jointly controlled entities (JCEs) using proportionate consolidation. Instead, JCEs that meet the definition of a joint venture must be accounted for using the equity method.

IFRS 12 Disclosure of Interests in Other Entities

IFRS 12 includes all of the disclosures that were previously in IAS 27 related to consolidated financial statements, as well as all of the disclosures that were previously included in IAS 31 and IAS 28. These disclosures relate to an entity's interests in subsidiaries, joint arrangements, associates and structured entities.

b) Standards issued but not yet effective

The following new standards, amendments and interpretations are issued but not yet effective or endorsed by the European Union for the financial year ending December 31, 2013 and are not early adopted:

- IAS 32 'Offsetting Financial Assets and Financial Liabilities - Amendments to IAS 32'
- IFRS 9 'Financial instruments'
- 'Novation of Derivatives and Continuation of Hedge Accounting - Amendments to IAS 39'

The amendments to IAS 32 are effective for annual periods beginning on or after 1 January 2014 and clarify that rights to offset must not only be legally enforceable in the normal course of business, but must also be enforceable in the event of default and the event of bankruptcy or insolvency of all of the counterparties to the contract, including the reporting entity itself. The amendments also clarify that rights to offset must not be contingent on a future event. The Company does not expect that these changes will impact its financial statements.

IFRS 9, 'Financial instruments', addresses the classification, measurement and recognition of financial assets and financial liabilities. It replaces the parts of IAS 39 that relate to the classification and measurement of financial instruments and requires financial assets to be classified into two measurement categories: those measured at fair value and those measured at amortised cost. For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the profit-and-loss account, unless this creates an accounting mismatch. The Company is yet to assess the full impact of the new standard. The effective date of IFRS 9 is not yet decided upon.

The amendments to IAS 39 are effective for annual periods beginning on or after 1 January 2014 and provide an exception to the requirement to discontinue hedge accounting in certain circumstances in which there is a change in counterparty to a hedging instrument in order to achieve clearing for that instrument. Currently, the Company does not hold any derivative instruments. Consequently, this amendment will not the financial position, performance or disclosures.

c) Comparative figures

The Group has been established on 11 July 2013 and the financial period ending 31 December 2013 is the first financial period of the Group. Hence no comparatives have been included in the financial statements.

d) Basis of consolidation

The consolidated financial statements comprise the financial statements of Geneva and its subsidiaries as at 31 December each year. Subsidiary companies are fully consolidated from the date of acquisition, being the date on which Geneva obtains control, and continue to be consolidated until the date that such control ceases. The financial statements of the subsidiaries are prepared for the same reporting period as the

parent company, using consistent accounting policies. All intra-group balances, income and expenses and unrealized gains and losses resulting from intra-group transactions are eliminated in full.

e) **Subsidiary companies**

An overview of our subsidiaries is as follows:

Name	Registered office	Ownership 31-12-2013
Geneba Realty Fund 86 B.V.*	Amsterdam, The Netherlands	100%
Geneba Realty Fund 87 B.V.*	Amsterdam, The Netherlands	100%

* intermediate holding company

3. Summary of significant accounting policies.

Fair value

The Group discloses fair values of financial instruments measured at amortised cost in each of the relevant not disclosures below.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Tangible fixed assets

Tangible fixed assets consist of office equipment, computer equipment and software. Valuation is made at cost, after application of depreciation and any impairment losses. Depreciation is applied on a linear basis to profit and loss on the basis of expected length of use and the residual value of the asset concerned. Depreciation is provided from the date the asset come into use.

The applied methodology of depreciation, length of use and the residual value is assessed at the end of every book year and adapted if necessary.

Depreciation percentages: 20-33%

Receivables

Receivables are recognised at the lower of their original invoiced value. Where the time value of money is material, receivables are carried at amortised cost. Provision is made when there is objective evidence that the Group will not be able to recover balances in full. Balances are written off when the probability of recovery is assessed as being remote.

Cash and cash equivalents

Cash and short-term deposits in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less.

For the purpose of the consolidated cash flow statement, cash and cash equivalents consist of cash and short-term deposits as defined above, net of outstanding bank overdrafts.

Interest-bearing loans and borrowings

Interest-bearing loans and borrowings are initially included at fair value, after deduction of attributable transaction costs. After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Any redemptions of interest-bearing debt within one year are recognised under current liabilities.

Accounts payable and other liabilities

Accounts payables and other liabilities are recognized for amounts to be paid in the future for goods or services received, whether billed by the supplier or not.

Contingencies

Contingent liabilities are not recognized in the financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the consolidated financial statements but disclosed when an inflow of economic benefits is probable.

Revenue

Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates and sales taxes or duty.

Other income

Until Plan Implementation Date all expenses are recharged to Homburg Invest Inc. These recharges are shown as Other income.

Expenses

Expenses are allocated to the period they relate to, losses are reported when they are foreseeable Until Plan Implementation Date all these expenses are charged to Homburg Invest Inc .

General and administrative expenses

Administrative expenses include professional and advisory costs, office expenses, travel expenses and the remuneration of supervisory board.

Until Plan Implementation Date all these expenses are charged to Homburg Invest Inc.

Borrowing costs

Borrowing costs directly attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Taxation

Corporate income tax

Corporate income tax is calculated at the applicable rate on the result for the financial year, taking into account permanent differences between profit calculated according to the financial statements and profits calculated for taxation purposes.

Sales tax / Value added tax

Other income, expenses and assets are recognized net of the amount of sales tax except:

- where the sales tax/value added tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax / value added tax is recognized as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax/valued added tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

Foreign currency

Assets and liabilities denominated in foreign currency are converted into euros on the balance sheet date at the exchange rate prevailing on the balance sheet date. Transactions in foreign currency are converted into euros at the exchange rate prevailing on the transaction date. Exchange-rate differences arising from the conversion are recognised in the total result statement.

Use of estimates and measurement uncertainty

The preparation of financial statements in conformity with International Financial Reporting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of the revenues and expenses during the reporting period. As per year end 2013, there

were no significant estimates made by management that could result in actual results that are materially different from those estimates.

Cash flow statement

Operating cash flows are reported on the basis of the indirect method. The funds in the cash flow statement consist of cash and cash equivalents.

For the purpose of the consolidated cash flow statement, cash and cash equivalents consist of cash and short-term deposits as defined above, net of outstanding bank overdrafts.

4. Revenue

All amounts in Euro	2013
Recharged expenses	345.075
Total Revenue	345.075

Until Plan Implementation Date all expenses are recharged to Homburg Invest Inc.

5. General and administrative expenses

All amounts in Euro	2013
Professional fees	190.245
Office expenses	40.270
Licence fees	49.400
Remuneration supervisory board	57.438
Other	4.194
Total	341.547

The remuneration of the Management Board has been directly borne by HII during 2013.

6. Finance cost

All amounts in Euro	2013
Interest on debts and borrowings	3,528
Total finance charges	3,528

7. Income tax

During the year, the company did not have a taxable result as all expenses are being reimbursed by HII. Furthermore, its tangible fixed assets were only put into service as per January 2, 2014, and consequently, the depreciation commenced in 2014.

8. Other tangible fixed assets

Other tangible assets

All amounts in Euro

At 11 July 2013	
Additions	65.500
Depreciation	-
At 31 December 2013	65.500

As the assets have been acquired just before year end, no depreciation charge has been included in these financial statements

9. Receivables and others

31.12.2013

All amounts in Euro

Receivable from Homburg Invest Inc.	250.090
Prepaid expenses	46.439
Vat receivable	39.376
Total trade and other receivables	335.905

All trade and other receivables mature within one year. The fair value of the receivable from Homburg Invest Inc. amounts to € 250,090 as its maturity is less than 3 months (Level 3 valuation).

10. Cash

All cash is at the free disposal of the Company. Cash is measured at fair value (Level 1).

11. Equity

As at 31 December the share structure was as follows:

	2013 Number of shares	2013 Total value In Euro
Ordinary shares (par value EURO 0,02)	2.250.000	45.000

The holders of shares are entitled to receive the dividend declared by the Company and are entitled to cast one vote per share at the shareholders' meetings. As per 31 December 2013 Stichting Oprichting Geneva Properties is the sole shareholder.

12. Interest bearing loan and borrowings

All amounts in Euro

31.12.2013

Payable to a subsidiary of Homburg Invest Inc.

253.528

The loan, with a principal amount of EUR 250.000, has a 4% interest rate and a final payment date of 1 January 2015. The Group estimates that the fair value of the loan approximates the carrying value of the loan as the interest charged is in line with market interest charged on intercompany financing. The amount as presented includes the nominal amount and the interest expense for 2013.

13. Accounts payable and other liabilities

All amounts in Euro

31.12.2013

Accounts payable trade

65.953

Other liabilities

182.419

Total

248.372

All current liabilities mature within one year. The estimated fair value of the accounts payable trade amounts to € 65,953 as their maturities are less than 3 months (Level 2 valuation).

14. Related party transactions / Transactions with Homburg Invest Inc.

- a) Total revenue relate to expenses recharged to Homburg Invest Inc.
- b) Finance cost amounting to € 3.528 are interest charges on the loan received from a subsidiary of Homburg Invest Inc.
- c) In receivable and others an amount of € 250.090 relates to a receivable of Homburg Invest Inc. in relation to expenses incurred by Geneva that are reimbursed by HII.
- d) Interest bearing loan and borrowings amounting to € 253,528 relate to a loan from a subsidiary of Homburg Invest Inc. This entity will become a subsidiary of the Company following Plan implementation.

15. Employees

The company employed no personnel in the current year.

16. Remuneration of Management and Supervisory board

Until Plan Implementation Date all expenses are charged to Homburg Invest Inc, including remuneration of Management and Supervisory board. Geneva did not pay any remuneration to the management board in 2013 as these costs, amounting to € 219.934 were directly charged to HII. The remuneration of the Supervisory Board amounted to € 57.438. These amounts are all paid based upon service contracts and hence no allocation to salary, pension and social security amounts is presented.

17. Commitments

Operating lease commitments, payments due by period are as follows:

All amounts in Euro	2013
Within one year	23.790
After one year but no more than five years	-
More than five years	-
Total	23.790

The operating commitment relates to office space rental

Plan Implementation

The Plan of compromise and reorganization of Homburg Invest Inc. and Homburg Shareco Inc pursuant to the Canadian Companies' Creditors Arrangement Act (Canada) and the business corporations act (Alberta)' which provides for an orderly restructuring of HII's and Shareco's business and financial affairs. As an outcome of the Plan, Geneva will acquire, through the issuance of shares to the current creditors of Homburg Invest Inc., a portfolio of investment properties, worth approximately € 600 million and the related debt amounting to € 450 million. Geneva plans to manage the portfolio and will seek to further optimize the portfolio. Geneva will not pay any cash consideration on Plan Implementation.

18. Risk management

As at the balance sheet date, Geneva is exposed to very limited risks, as it holds no operating assets and is only the sole shareholder of two subsidiaries with no activities. The only more significant risk of Geneva relates to credit risk on its receivable from HII. This risk is mitigated due to the fact that repayment of the expenditures related to the set-up of Geneva is an integral part of the Plan of compromise and arrangement as detailed above.

After the HII restructuring Plan is implemented which is currently expected to occur on or before March 31, 2014 Geneva will be exposed to a number of risks related to its normal course of business, these are discussed in more detail in the 'Management's Discussion and Analysis"

19. Capital management

For the purpose of the Group's capital management, capital includes issued capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Group's capital management is to maximise the shareholder value. In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements (currently, such covenants are not in place).

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

20. Subsequent events

On March 7 AFM has granted the AIFMD licence to Geneba. Following licence award, the Company expects that the Plan will be implemented on or before 31 March 2014. Until the date of the preparation of these financial statements, Geneba has not performed any activities that would be subject to the provisions of the license. This will change following Plan Implementation.

Endorsed and approved,

Amsterdam, 20 March 2014

Board of Management

P.P.G. de Jong

M.A.H. van Deursen

Separate financial statements 2013

Separate Profit and Loss account

For the period ended December 31, 2013

All amounts in EURO

	Notes	2013
Revenue		
Expenses recharged to Homburg Invest Inc.	2	345.075
Total Revenue		345.075
General and administrative	3	(341.547)
Operating profit		3.528
Finance costs	4	3.528
Profit before tax		
Income tax (income)/ expense	5	-
Profit for the period		
Attributable to:		
Equity holders of the parent		-

Separate Statement of Financial Position

As at December 31, 2013 before appropriation of the result for the period

All amounts in EURO

	Notes	2013
Assets		
Non-current assets		
Investment in group companies	6	2
Other tangible fixed assets	7	65.500
		65.502
Current assets		
Receivables and others	8	335.905
Cash and cash equivalents	9	400.493
		736.398
Total assets		801.900
Equity and liabilities		
Equity attributable to equity holders of the parent		
Issued capital		45.000
Share premium		255.000
Profit/(loss) for the year		-
	10	300.000
Minority interests		
Total equity		300.000
Long term liabilities		
Interest-bearing loans and borrowings	11	253.528
Current liabilities		
Accounts payable and other liabilities	12	248.372
Total liabilities		501.900
Total equity and liabilities		801.900

Notes to the separate financial statements

1. General accounting principles for the preparation of the financial statements

General

For the determination of the principles for valuation of assets and liabilities and the determination of the result of its separate financial statements, Geneba Properties N.V. avails itself of the option provided in Book 2, Article 362 paragraph 8 of the Dutch Civil Code. This means that the principles for the valuation of assets and liabilities and the determination of the results (hereinafter referred to as 'accounting principles') of Geneba Properties N.V. are identical to those that have been applied for the consolidated IFRS financial statements. Under these principles the investments in group companies over which significant control is exercised are valued based on the equity method. Reference is made to pages 14 through 16 for a description of the accounting principles of the group.

The financial year of the Company will coincide with the calendar year. The first financial statements of the Company include the period 11 July to 31 December 2013.

Investments in group companies

Investments in group companies, comprised of investments in subsidiary companies, are accounted for using the equity method. Under the equity method, the investment is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the group company since the acquisition date. Goodwill relating to the group company is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment.

2. Revenue

All amounts in Euro	2013
Recharged expenses	345.075
Total Revenue	345.075

Until Plan Implementation Date all expenses are recharged to Homburg Invest Inc.

3. General and administrative expenses

All amounts in Euro	2013
Professional fees	190.245
Office expenses	40.270
Licence fees	49.400
Supervisory board fees	57.438
Other	4.194
Total	341.547

4. Finance cost

All amounts in Euro	2013
Interest on debts and borrowings	3.528
Total finance charges	3.528

5. Income tax

During the year, the company did not have a taxable result as all expenses are being reimbursed by HII. Furthermore, its tangible fixed assets were only put into service as per January 2, 2014, and consequently, the depreciation commenced in 2014.

6. Investment in group companies

All amounts in Euro	31.12.2013
Book value 11 July	
Acquisitions	2
Result for the period	-
Book value 31 December	2

7. Other tangible fixed assets

All amounts in Euro	Other tangible assets
At 11 July 2013	
Additions	65.500
Impairment	-
Depreciation	
At 31 December 2013	65.500

8. Receivables and others

All amounts in Euro	31.12.2013
Receivable from Homburg Invest Inc.	250.090
Prepaid expenses	46.439
Vat receivable	39.376
Total trade and other receivables	335.905

All trade and other receivables mature within one year. The repayment of the receivable from Homburg Invest Inc. is guaranteed through the mechanisms of the plan.

9. Cash

All cash is at the free disposal of the Company.

10. Equity

For the equity statement reference is made to the consolidated statement of changes in equity.

11. Interest bearing loan and borrowings

All amounts in Euro	31.12.2013
Payable to a subsidiary of Homburg Invest Inc.	253,528

The loan has a 4% interest bearing with no set terms of repayment. The entity that has provided the loan will become a subsidiary of Geneva following Plan Implementation. The amount presented consists of the nominal amount and the interest expense for 2013.

12. Accounts payable and other liabilities

All amounts in Euro	31.12.2013
Accounts payable trade	65.953
Other liabilities	182.419
Total	248.372

All current liabilities mature within one year

13. Related party transactions / Transactions with Homburg Invest Inc.

- a) Other income relates to expenses recharged to Homburg Invest Inc.
- b) Finance cost amounting to € 3.528 are interest charges on a loan received from a subsidiary of Homburg Invest Inc.
- c) In receivable and others an amount of € 250.090 relates to a receivable from Homburg Invest Inc. in relation to expenses incurred by Geneva that are reimbursed by HII under the arrangements made between the parties.
- d) Interest bearing loan and borrowings amounting to € 253,528 relate to a loan from a subsidiary of Homburg Invest Inc. This entity will become a subsidiary of the Company following Plan implementation.

14. Remuneration of Management and supervisory board

Until Plan Implementation Date all these expenses are charged to Homburg Invest Inc, including remuneration of Management and supervisory board. Geneva did not pay any remuneration to the management board in 2013, these expenses have been directly borne by Homburg Invest Inc. The remuneration of the Supervisory Board amounted to € 57.438. These amounts are all paid based upon service contracts and hence no allocation to salary, pension and social security amounts is presented.

15. Employees

The company employed no personnel in the current year.

16. Commitments

Operating lease commitments, payments due by period are as follows:

All amounts in Euro	2013
Within one year	23.790
After one year but no more than five years	-
More than five years	-
	<hr/>
	23.790

The operating commitment relates to office space rental.

Plan Implementation

The Plan of compromise and reorganization of Homburg Invest Inc. and Homburg Shareco Inc. pursuant to the Canadian Companies' Creditors Arrangement Act (Canada) and the business corporations act (Alberta) which provides for an orderly restructuring of HII's and Shareco's business and financial affairs. As an outcome of the Plan, Geneva will acquire, through the issuance of shares to the current creditors of Homburg Invest Inc., a portfolio of investment properties, worth approximately € 600 million and the related debt amounting to € 450 million. Geneva plans to manage the portfolio and will seek to further optimize the portfolio. Geneva will not pay any cash consideration on Plan Implementation.

17. Audit fees

The audit fees of Ernst & Young Accountants LLP amount to € 10,000. The external auditor did not charge any fees for any other services.

18. Risk management

As at the balance sheet date, Geneva is exposed to very limited risks, as it holds no operating assets and is only the sole shareholder of two subsidiaries with no activities. The only more significant risk of Geneva relates to credit risk on its receivable from HII. This risk is mitigated due to the fact that repayment of the expenditures related to the set-up of Geneva is an integral part of the Plan of compromise and arrangement as detailed above.

After the HII restructuring Plan is implemented which is currently expected to occur on or before March 31, 2014 Geneva will be exposed to a number of risks related to its normal course of business, these are discussed in more detail in the 'Management's Discussion and Analysis'

19. Subsequent events

On March 7 AFM has granted the AIFMD licence to Geneva. Until the date of the preparation of these financial statements, Geneva has not performed any activities that would be subject to the provisions of the license. This will change following Plan Implementation.

20. Signing of the financial statements

Amsterdam, March 20, 2014

Board of Management

P.P.G. de Jong

M.A.H. van Deursen

Other information

Auditors' report

Reference is made to the auditors' report as included hereinafter.

Statutory rules concerning appropriation of result

In Article 18 of the company statutory regulations the following has been presented concerning the appropriation of result:

Appropriation of result for the financial year 2013

The Annual Report 2013 is adopted in the general meeting of shareholders held on March 20, 2014. The general meeting of shareholders has determined the appropriation of result in accordance with the proposal being made to that end.

Subsequent events

On March 7 AFM has granted the AIFMD licence to Geneva.



Independent auditor's report

To: board of directors of Geneva Properties N.V.

Report on the financial statements

We have audited the financial statements 2013 of Geneva Properties N.V., Amsterdam. The financial statements include the consolidated financial statements and the separate financial statements. The consolidated financial statements comprise the consolidated statement of financial position as at 31 December 2013, the consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of the significant accounting policies and other explanatory information. The separate financial statements comprise the company balance sheet as at 31 December 2013, the company profit and loss account for the year then ended and the notes, comprising a summary of the accounting policies and other explanatory information.

Management's responsibility

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and with Part 9 of Book 2 of the Dutch Civil Code, and for the preparation of the management board report in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore management is responsible for such internal control as it determines is necessary to enable the preparation of the 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 these financial statements based on our audit. We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 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 financial statements.

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

Opinion with respect to the consolidated financial statements

In our opinion, the consolidated financial statements give a true and fair view of the financial position of Geneva Properties N.V. as at 31 December 2013 and of its result and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union and with Part 9 of Book 2 of the Dutch Civil Code.

Opinion with respect to the separate financial statements

In our opinion, the separate financial statements give a true and fair view of the financial position of Geneva Properties N.V. as at 31 December 2013 and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

Report on other legal and regulatory requirements

Pursuant to the legal requirement under Section 2:393 sub 5 at e and f of the Dutch Civil Code, we have no deficiencies to report as a result of our examination whether the management board report, to the extent we can assess, has been prepared in accordance with Part 9 of Book 2 of this Code, and whether the information as required under Section 2:392 sub 1 at b-h has been annexed. Further we report that the management board report, to the extent we can assess, is consistent with the financial statements as required by Section 2:391 sub 4 of the Dutch Civil Code.

Zwolle, 20 March 2014

Ernst & Young Accountants LLP

signed by M. Rooks

GERMAN AND DUTCH PROPERTIES

Geneba Properties N.V.
Attention: Mr. Wulf Meinel
Wamberg 37A
1083 CW Amsterdam
The Netherlands

Re
Reliance valuation properties
Geneba Properties N.V.

Telephone
+31(0)20 6 644 644

Our ref.
Lwi/Bka/T54663

Client manager
L.N. Willems

Date
2 December 2014

E-mail
LWillems@dtz.nl

Dear Sirs,

Valuation Properties owned by Geneba Properties N.V.

Introduction

We, DTZ Zadelhoff v.o.f., Chartered Surveyors, have considered the properties owned by Geneba Properties N.V. ("**Geneba**") referred to in the below schedule (the "**Schedule**") and attached calculation models (the "**Calculation models**"), in order to advise you of our opinion of the Market Value (as defined below) as at their respective valuation dates, of the freehold or leasehold interests (as appropriate) of Geneba in each of these properties (the "**Properties**", and each a "**Property**") (the "**Valuation**").

Schedule

City	Address	Q2 2012	Q4 2012	Q3 2013	Q1 2014	Q2 2014
Hassmersheim (D)	Industriestrasse 19	Full valuation		Update valuation	Update valuation	Update valuation
Marl (D)	Elbestrasse 1-3	Full valuation		Update valuation	Update valuation	Update valuation
Schwerte (D)	Binnerheide 25	Full valuation		Update valuation	Update valuation	Update valuation
Wolvega (NL)	Wolfraamweg 2	Full valuation		Update valuation	Update valuation	Update valuation
Rotterdam (NL)	Benthemstraat 10		Full valuation	Update valuation	Update valuation	Update valuation
Rotterdam (NL)	Energieweg 9		Full valuation	Update valuation	Update valuation	Update valuation
Neubiberg (D)	Am Campeon 1-12		Full valuation	Update valuation	Update valuation	Update valuation

The effective dates of the (full and update) valuations were:

- Q2 2012: 2012/06/30
- Q4 2012: 2012/12/31
- Q3 2013: 2013/09/30
- Q1 2014: 2014/03/31
- Q2 2014: 2014/06/30

Purpose of Valuation

We understand that this reliance letter and calculation models (together, the "**Valuation**") are required for accounting purposes. We can confirm that we have prepared our Valuation as independent external valuers as defined in the Royal Institution of Chartered Surveyors Appraisal and Valuation Standards.

Basis of Valuation and Assumptions

We set out below the basis and assumptions we have used in preparing our Valuation followed by a summary of the aggregate values of the freehold and leasehold interests in the Properties described in the Schedule and located in the Netherlands and Germany. A schedule of the individual Properties is included in this Valuation Letter.

We confirm that the value of the Properties has been assessed on the basis of Market Value in accordance with the appropriate sections of the current Valuation Practice Statements (VPS 4.1.2) within the RICS Valuation Standards (the "**Red Book**"). This is an internationally accepted method of valuation.

Market Value is defined as:

"The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion."

We can confirm that Market Value is entirely consistent with the normal valuation basis followed in The Netherlands and Germany. Our Valuation has been undertaken by us as External Valuers as defined in the RICS Valuation Standards. The Properties are held as investments and we have therefore used the appropriate property investment valuation methodology to calculate the Market Values.

DTZ has valued the full ownership of all the subject properties, irrespective if Geneba holds all the shares in the subject properties.

Valuation approach

For the Valuation the following methods are used:

Comparative method

The comparative method compares sales and/or letting transactions of similar properties. This method is used for immovable properties of which sufficient transaction data are known. The comparative method is based on assessments of the market, the location and the immovable property itself and is based on factors that include the following:

Market

- market supply and demand
- trends in yields
- expected inflation
- level and trend of interest rates

Location

- locational factors
- parking facilities
- infrastructure
- accessibility by private and public transport
- facilities such as shops, housing, catering establishments, banks and schools
- (building) developments of comparable immovable properties

Immovable property

- property charges and other charges
- type of construction and quality standard
- state of repair
- age
- location
- possibilities of use

Rental value capitalization method

The value when sold by private treaty was determined on the basis of the gross market rental value of the lettable floor areas of the buildings and/or grounds, minus the property-related charges and other charges provided by the client and/or estimated by us, and related to a net yield which is considered realistic in the current market circumstances. This yield is based on assessments of the market, the location and the immovable property itself and is based, inter alia, on the factors described above.

Any difference between the actual rental income and the market rent is discounted over the remaining term of the lease(s) (cash value).

Costs of vacancy, including loss of rent, service costs payable by the owner, letting costs, as well as the costs of marketing, property management, property taxes, maintenance and modification and/or renovation have been taken into account where applicable.

The value of the land available for extending the company's premises has been determined on the basis of the realistic market value in relation to the potential use under the zoning plan where applicable.

We have reported Net Market Values. Transfer tax, notary costs and land registry charges (assuming properties are sold in an asset deal and not in a shares deal) have been deducted to get to Net Market Values.

Discounted cash flow (DCF) method

In this method, future income and expenses are calculated at net present value as at the value reference date. The expected cash flows during the holding period are estimated, as is the exit value of the immovable property in the last year. The net present value is calculated on the basis of the yield required by the market (discount rate). In determining the value, the following factors are also taken into account:

- a certain holding period
- an estimated average percentage increase in the rent
- an estimated probability of prolongation of the lease contract
- an estimated probability of vacancy after expiration of a lease contract
- an estimated term of vacancy after expiration of a lease contract
- an estimated average percentage increase in the operating costs
- the exit value, which is the estimated realizable value at the end of the holding period
- rent payments quarterly in advance
- expenses are incurred halfway through the year

The estimated required yield is based on the average yield on the most recent 10-year government bonds, plus a risk premium which depends on the degree of risk inherent in the appraised property.

Valuation

On the basis outlined in this Valuation Letter, we are of the opinion that the aggregate of the individual Net Market Values as at 2014/06/30, of the interests subject to and with the benefit of various occupational leases, as summarised in the attached Calculation models is:

EUR 407,890,000 purchasing costs payable by the purchaser

In words: four hundred seven million eight hundred and ninety thousand euros, purchasing costs payable by the purchaser

City	Address	Net Value (EUR) (rounded)
Hassmersheim (D)	Industriestraße 19	
Marl (D)	Elbestraße 1-3	
Schwerte (D)	Binnerheide 26	
Neubiberg (D)	Am Campeon 1-12	
Subtotal Germany		376,790,000
Wolvega (NL)	Wolfraamweg 2	
Rotterdam (NL)	Benthemstraat 10	
Rotterdam (NL)	Energieweg 9	
Subtotal The Netherlands		31,100,000
Total		407,890,000

Realisation Costs

Our Valuation is exclusive of VAT and no allowances have been made for any expenses of realisation nor for financing nor for taxation which might arise in the event of a disposal of any Property. Our Net Market Value is, however, net of purchaser's acquisition costs which vary between countries.

Assumptions and Sources of Information

An assumption is stated in the Glossary to the Red Book to be a "supposition taken to be true" ("**assumption**"). Assumptions are facts, conditions or situations affecting the subject of, or approach to, a valuation that, by agreement, need not be verified by a valuer as part of the valuation process. In undertaking our Valuations, we have made a number of assumptions and have relied on certain sources of information. We believe that the assumptions we have made are reasonable, taking into account our knowledge of the Properties, and the contents of reports made available to us. However, in the event that any of these assumptions prove to be incorrect then our Valuations should be reviewed. The general assumptions we have made for the purposes of our Valuations are referred to below.

Inspections

In June 2012, January 2013 and May 2014 DTZ has made (re)-valuations including internal inspections. Full or re-valued properties were inspected externally as well as internally. With regards to the properties that were not re-inspected internally (in the case of update valuations), DTZ assumed that there have been no internal changes compared to the last internal inspection. Each valued property mentioned in this letter has been inspected by DTZ approximately 4 weeks before finalisation of the respective full or re-valuation.

We have been advised by the Directors of Geneva that there have been no material changes to any of the Properties since our last inspections.

Information

We have made an assumption that the information which Geneva and its professional advisers have supplied to us in respect of the Properties is both full and correct.

It follows that we have made an assumption that details of all matters likely to affect value within their collective knowledge such as rent reviews, outstanding requirements under legislation and planning decisions have been made available to us and that the information is up to date.

Title

We have only had access to the title deeds of the Properties for the full Valuations that took place during 2012 and January 2013. For this Valuation DTZ Zadelhoff v.o.f. was not instructed to investigate the title deeds in full depth again. With regard to the title deeds and the land registry information we have assumed that there are no impediments that affect the value and that the title is marketable and the Properties are free from encumbrances, mortgages and charges.

Floor Areas

We have not measured the Properties and we have relied on the areas which have been supplied to us by Geneva and on the provided measured surveys which have been carried out on certain Properties to verify floor areas. All provided area specifications are assumed to be in line with NEN 2580 / DIN 277.

Plant and Machinery

Landlords' fixtures such as lifts, escalators, air-conditioning and other normal service installations have been treated as an integral part of each Property and are included within our Valuations. Plant and machinery, tenant's fixtures and specialist trade fittings have been excluded from our Valuations.

No specialist tests have been carried out on any of these service systems and for the purposes of our Valuations we have assumed that all are in good working order and in compliance with any relevant statute by-law or regulation.

Maintenance

The state of repair of the immovable property and the essential systems has been assessed only within the framework of a value assessment. This Valuation Letter nor the full Valuations were a technical survey, and we do not accept any liability with respect to the state of repair itself and/or possible hidden defects.

It has been assumed for the purpose of this Valuation that, unless stated otherwise, the building services function properly and are in a good state of repair such that no unforeseen expenditure will be incurred in connection with any required permits, including the statutory permits. Such systems include central heating, climate control, electrical systems and facilities in accordance with the requirements of the local fire brigade. The non-essential building systems have not been taken into consideration.

Environmental Investigations and Ground Conditions

We were not instructed to carry out site surveys or environmental assessments nor have we investigated any historical records, to establish whether any land or premises are or have been, contaminated. Unless we have been provided with information proving the contrary, we have assumed that the Properties are not, nor are likely to be, affected by land contamination and that there are no ground conditions which would affect the present or future use and/or value of the Properties.

We were not instructed to carry out structural surveys of the Properties but we have reflected any apparent wants of repair in our opinion of the value as appropriate. The Valuation is not a technical survey, and we do not accept any liability with respect to the state of repair itself and/or possible hidden defects.

Properties have been valued on the basis that no deleterious materials have been used in the construction of any of the subject buildings unless specified otherwise by Geneva.

No investigation was carried out into whether materials had been used during its construction which according to current insights and standards could be harmful to the environment and/or the health of people and animals, such as in particular asbestos and materials containing asbestos. It has been assumed that such materials have not been used unless specified otherwise by Geneva.

Planning

We have not investigated planning consents (including zoning plans) and have assumed that the Properties have been erected and are being occupied and used in accordance with all necessary consents and that there are no outstanding statutory notices. We have assumed that all buildings comply with all statutory and Local Authority requirements including building, fire and health and safety regulations. We have assumed further that the present use is the highest and best use for the subject property. Alternative uses or extension possibilities have not been investigated.

Tenure and Tenancies

We have not been instructed to read copies of the leases. The Valuations are only based on the provided rent roll information by Geneva. We have relied on these tenancy summaries for the purposes of our Valuation.

We have not conducted credit enquires into the financial status of neither the landlord nor the tenants. However, in undertaking our Valuations we have reflected our understanding of the market perception of the financial status of the tenants. We have also assumed that each tenant is capable of meeting its lease obligations and that there are no undisclosed breaches nor rent arrears of the tenants' covenants.

No survey has been undertaken of any regulations, conditions and/or permits required that may concern the (specific) use of the property. Unless stated otherwise, it is assumed that use in accordance with the designated use is permitted without further impediments.

Assumptions per property

Besides above 'general' assumptions for all properties there may be additional specific assumptions applicable per individual property. These 'specific' assumptions together with all the provided appendices form an integral part of the Valuation calculations and are included in the first page of the calculations.

Responsibility

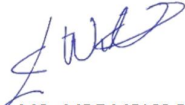
This reliance letter and Calculation models are provided to the addressees as set out on the first page of this certificate for the specific purpose to which they refer. The Valuation is not to be used for any purpose other than the defined purpose. The addressee of the Valuation Letter may rely on it, as may investors in Geneva Properties N.V.

Neither the whole nor any part of this Valuation Letter nor any reference thereto may be included in any other published document, circular or statement, nor published in any way without our written approval of the form and context in which it is to appear.

For the avoidance of doubt, such approval is required whether or not DTZ Zadelhoff v.of. is referred to by name and whether or not the contents of our Valuation Letter are combined with other reports.

The Valuation Letter has been prepared for our client based on the instruction(s) given by our client, and is subject to all the terms, conditions and assumptions as agreed between DTZ Zadelhoff v.o.f. and the client with respect to each full Valuation report by DTZ Zadelhoff v.o.f.

Yours faithfully,

A handwritten signature in blue ink, appearing to be 'L.N. Willems', written in a cursive style.

L.N. Willems MSc MRE MRICS RT

A handwritten signature in blue ink, appearing to be 'B.J. Kamperman', written in a cursive style.

B.J. Kamperman MSc RT

For and on behalf of
DTZ Zadelhoff v.o.f.

Private / Confidential

Geneba Properties N.V.
Mr. Rico Tel
Wamberg 37a
1083 CW Amsterdam

18 August 2014
+49 (0) 69 / 2003 - 1283

The Netherlands

achille.simo@eu.jll.com

**Valuation of Deutsche Annington Headquarter
Philippsstrasse 3
44803 Bochum**

Dear Mr Tel,

As instructed, we have valued the above-mentioned property, held as at 30 June 2014, for internal decision-making and for no other purpose.

In preparing this valuation report, we have relied upon information provided by you and your representatives relating to tenure, tenancies, building and site areas, and building description. If this information proves to be incorrect or additional information is made available to us, the accuracy of the valuation could be affected. In such case, we reserve the right to amend our opinion of value accordingly. Furthermore, we have also had the opportunity to inspect the property

We confirm that the valuation has been carried out by us as external valuers, qualified for the purposes of providing valuations in accordance with the Appraisal and Valuation Manual published by the Royal Institution of Chartered Surveyors, and that they represent our opinion of the market value as at 30 June 2014 of the relevant interest in the above property. No allowance has been made for any expenses of realisation, value-added tax or for taxation, which might arise in the event of a disposal. Costs associated with a disposal, such as legal and agency fees, also have not been considered.

Our valuation has been prepared in accordance with the RICS Valuation – Professional Standards published by the Royal Institution of Chartered Surveyors and in accordance with IVSC International Valuation Standards (IVS) on the basis of Market Value.

COPY

Jones Lang LaSalle GmbH
Sitz: Frankfurt am Main
Amtsgericht Frankfurt am Main, HRB NR. 13139
Zertifiziert nach ISO 9001
CEO: Dr. Frank Pörschke

Market Value (MV)

According to the RICS Valuation – Professional Standards, “Market Value” is defined as:

“The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion.”

Furthermore, the property is considered as if free and clear of all encumbrances, i.e. easements, pre-emption clauses, liens or any other restrictions on title. We have not taken into account any liability of the property owner regarding taxes, single or recurring public or private charges, local community taxes and costs.

Having regard to the foregoing and to our General Principles Adopted in the Preparation of Valuations and Reports and Standard Terms of Business for Advisory Services, which are attached to this report, we are of the opinion that the Market Value of the previously mentioned property as at 30 June 2014 was in the region of

€ 19,000,000

(IN WORDS: NINETEEN MILLION)

The above valuation represents a rounded net figure; i.e. a deduction has been made for land transfer tax, legal costs and agent's fees normally incurred by the purchaser. No allowance has been made for any expenses of realisation or for taxation, which might arise in the event of a disposal. The property is considered as if free and clear of all mortgages or other charges, which may be secured thereon.

In accordance with our standard practice, we must state that the content of this report, including the valuation, has been prepared exclusively for Geneva Properties N.V. to value its assets as at 30 June 2014 for internal decision-making and for no other purpose.

In addition, the Client guarantees that all valuations, reports, plans, drafts, renderings, tables and calculations arising within the scope of this instruction will only be used for those purposes specified in the contract. Neither the total report nor any part of the report or any reference to the report may be published in any document, circular letter or paper, without the express prior written consent of the Advisor regarding the form as well as the connection in which it will be published.

Jones Lang LaSalle GmbH's liability for any loss or damage caused by negligence on our part, irrespective of the legal reason, in relation to the valuation services provided is limited to a maximum of 10% of the respective and reported Market Value per property, and may not exceed a maximum liability cap of € 7.5 million (euros) in aggregate for any case of damages caused by negligence, irrespective of the legal reason.

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Naturally, this limitation is not intended to apply if the damage was wilfully caused by one of our employees, governing bodies or vicarious agents.

In the case of damages suffered from several offences brought about by the same technical error or several similar professional errors or an error has resulted in different types of damage and/or there is more than one claimant, the foregoing maximum liability amount shall also apply.

Finally, to the fullest extent permitted by law, we do not accept or assume responsibility or liability in respect of the whole or any part of the report or valuation for any other purpose than stated above nor to any other person or entity to whom the report or valuation is shown or disclosed or into whose hands it may come, whether published with our consent or otherwise, except where expressly agreed by our prior consent in writing.

Yours faithfully,

Jones Lang LaSalle GmbH



ppa. Carsten Meinhardt MRICS
National Director
Valuation & Transaction Advisory



ppa. Honoré Achille Simo MRICS
Associate Director
Valuation & Transaction Advisory

Encl.

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BALTIC PROPERTIES

20th of October, 2014

To: **Mr Martinus Adrianus Hendrikus van Deursen**, Managing Director

Mr. Riemer Theodoor Tel, Financial Director

Geneba Baltic (LV) Investments KS

Pursuant to the Valuation Services Provision Agreement No. VD/165-LT1/14 from from **10th of July 2014** between **KŪB "Geneba LT Baltijos Investicijos 1"** (hereinafter referred to as Client) and **UAB Colliers International Advisors** (hereinafter referred to as Valuer), the latter has performed the estimation of the Market Value of the specified real properties located in **Lithuania** (hereinafter referred to as the Portfolio) for financial reporting purposes.

As agreed with the Client, **the date of valuation is the 30th of June 2014**.

The Market Value is determined in accordance with the International Valuation Standards (IVS), European Valuation Standards (EVS) and the appropriate methodology as applied on the local (Lithuanian) market – the Republic of Lithuania Law on the Fundamentals of the Property and Business Valuation, Property and Business Valuation Methodology, Property and Business Valuers Code of Conduct, etc. We have also relied on International Financial Reporting Standards (IFRS) fair value disclosure requirements and on the general principles of RICS Red Book.

The Market Value estimate is based on the analysis of the information provided by the Client, which is compared with market information as of the day of valuation, and is prepared using the Income Approach, which is applied through the Discounted Cash Flow (DCF) method, considering the assumptions and limiting conditions discussed in this report.

Valuation Assignment Summary

Client	KŪB "Geneba LT Baltijos Investicijos 1"
Subject Properties	At various locations in Lithuania as described in the report
Purpose of the valuation	Estimation of the <u>Market Value</u> for financial reporting purposes
The date of valuation	30 th of June 2014

Portfolio Summary

No.	ID	Town	Street	Land Area, sqm	Right to land	Property type	Building's NBA, sqm	Inspection date
1	LT101	Vilnius	Laisves Av. 75	10 000	owned	logistics	6 430	July 17, 2014
2	LT102	Vilnius	Jogailos St. 9	1 728	leased	office	3 589	July 17, 2014
3	LT104	Vilnius	Gedimino Av. 10	3 062	leased	office/retail	3 634	July 17, 2014
4	LT109	Kaunas	Maironio St. 19	1 797	leased	retail	5 497	July 16, 2014
5	LT112	Klaipeda	Turgaus St. 15*			office	925	July 21, 2014
6	LT113	Klaipeda	Turgaus St. 19*	770	leased	office	383	July 21, 2014
7	LT114	Klaipeda	Turgaus St. 17*			office	366	July 21, 2014

* - Properties LT112, LT113, LT114 are located on the one land plot at the address Turgaus St. 19 (Turgaus St. 15, 17, Turgaus / Tiltu St. 19 / 10, 8), Klaipeda city.

Opinion on the Subject Properties' Market Value

The Market Value estimate is based on the analysis of the information provided by the Client, and it comprised information on the Object and the factors that influenced its value as of the date of valuation and is prepared using Income Approach (Discounted Cash Flow method), considering the assumptions and limiting conditions discussed in the report.

The sum total of the estimated Market Values of the individual Properties as of

30th of June 2014 is

15,730,000 EUR (fifteen million seven hundred thirty thousand Euro)

Aleksej Kalev



Associate Appraisal Director
Certified Lithuanian Real Property
Valuer No. A 000356
UAB Colliers International Advisors

Ramunė Aškinienė



Head of Consulting and Valuation
Certified Lithuanian Real Property Valuer's
Assistant No. A 001487
Company's certificate No. 000081 of the recording
to the External list of persons, entitled to provide
property or business valuation
UAB Colliers International Advisors

Janis Ozols



MRICS, Acting Director
Valuation Department
Colliers International Advisors, SIA

20th of October, 2014

To: **Mr Martinus Adrianus Hendrikus van Deursen**, Managing Director

Mr. Riemer Theodoor Tel, Financial Director

Geneba Baltic (LV) Investments KS

Pursuant to the Valuation Services Provision Agreement No. VD/165-LT2/14 from from **10th of July 2014** between **KŪB "Geneba NT"** (hereinafter referred to as Client) and **UAB Colliers International Advisors** (hereinafter referred to as Valuer), the latter has performed the estimation of the Market Value of the specified real properties located in **Lithuania** (hereinafter referred to as the Portfolio) for financial reporting purposes.

As agreed with the Client, **the date of valuation is the 30th of June 2014.**

The Market Value is determined in accordance with the International Valuation Standards (IVS), European Valuation Standards (EVS) and the appropriate methodology as applied on the local (Lithuanian) market – the Republic of Lithuania Law on the Fundamentals of the Property and Business Valuation, Property and Business Valuation Methodology, Property

and Business Valuers Code of Conduct, etc. We have also relied on International Financial Reporting Standards (IFRS) fair value disclosure requirements and on the general principles of RICS Red Book.

The Market Value estimate is based on the analysis of the information provided by the Client, which is compared with market information as of the day of valuation, and is prepared using the Income Approach, which is applied through the Discounted Cash Flow (DCF) method, considering the assumptions and limiting conditions discussed in this report.

Valuation Assignment Summary

Client	KŪB "Geneba NT"
Subject Properties	At various locations in Lithuania as described in the report
Purpose of the valuation	Estimation of the <u>Market Value</u> for financial reporting purposes
The date of valuation	30 th of June 2014

Portfolio Summary

No.	ID	Town	Street	Land Area, sqm	Right to land	Property type	Building's NBA, sqm	Inspection date
1	LT01	Vilnius	Gedimino Av. 12	985	leased	office	2 884	July 17, 2014
2	LT02	Vilnius	Vokieciu St. 9*			office	194	July 17, 2014
3	LT03	Kaunas	Laisves Al. 82	1 519	leased	office	3 888	July 16, 2014
4	LT04	Siauliai	Tilzes St. 157	2 000	leased	office	3 554	July 21, 2014
5	LT05	Panevezys	Ukmerges St. 20	2 622	leased	office	2 189	July 22, 2014
			Ukmerges St. 18**	100	leased			
6	LT06	Mazeikiai	Burbos St. 3	1 200	owned	office	1 319	July 21, 2014
			Burbos St. 3A	1 909	owned			
7	LT07	Kedainiai	Basanaviciaus St. 51	1 442	leased	office	1 232	July 16, 2014
8	LT08	Marijampole	Vytauto St. 11	971	leased	office	1 048	July 16, 2014
9	LT09	Alytus	Pulko St. 4	1 294	leased	office	1 035	July 16, 2014
10	LT10	Birzai	Rotuses St. 8	2 970	leased	office	991	July 22, 2014
11	LT11	Utena	Utenio sq. 15*			office	562	July 22, 2014
12	LT12	Joniskis	Vilniaus St. 1	247	leased	office	187	July 21, 2014
13	LT103	Vilnius	Jogailos St. 9A	940	leased	office	1 640	July 17, 2014
14	LT106	Vilnius	Zirmunu St. 70	2 360	leased	office	1 189	July 21, 2014
15	LT107	Vilnius	Kalvariju St. 98***			office	152	July 17, 2014
16	LT108	Vilnius	Saltoniskiu St. 29***			office	373	July 17, 2014
17	LT110	Kaunas	Kestucio St. 38	1 005	leased	office	1 708	July 16, 2014
18	LT111	Klaipeda	Darzu St. 13	808	leased	office	1 093	July 21, 2014

* - Land plot is not formed.

** - In accordance with 2000-04-20 State-owned land plot lease agreement No. N27/00-0046 and Land plot plan M 1:500 provided.

*** - Land plot is formed but KŪB "Geneba NT" is not an owner of the land plot or its part, also there are no registered land plot lease / sublease agreements.

Opinion on the Subject Properties' Market Value

The Market Value estimate is based on the analysis of the information provided by the Client, and it comprised information on the Object and the factors that influenced its value as of the date of valuation and is prepared using Income Approach (Discounted Cash Flow method), considering the assumptions and limiting conditions discussed in the report.

The sum total of the estimated Market Values of the individual Properties as of

30th of June 2014 is

20,240,000 EUR (twenty million two hundred forty thousand Euro)

Aleksej Kalev



Associate Appraisal Director
Certified Lithuanian Real Property
Valuer No. A 000356
UAB Colliers International Advisors

Ramunė Aškinienė



Head of Consulting and Valuation
Certified Lithuanian Real Property Valuer's
Assistant No. A 001487
Company's certificate No. 000081 of the recording
to the External list of persons, entitled to provide
property or business valuation
UAB Colliers International Advisors

Janis Ozols



Director
Valuation Department
Colliers International Advisors, SIA

MRICS, Acting

20th of October, 2014

To: **Mr Martinus Adrianus Hendrikus van Deursen**, Managing Director

Mr. Riemer Theodoor Tel, Financial Director

Geneba Baltic (ES) Investments UÜ

Pursuant to the agreement No. VD/165-EE1/14 from **10th of July 2014** between **Geneba Baltic (ES) Investments UÜ** (hereinafter referred to as Client) and **Colliers International Advisors OÜ** (hereinafter referred to as Valuator), the latter has performed the estimation of the Market Value of the specified real properties located in **Estonia** (hereinafter referred to as the Portfolio) for financial purposes.

As agreed with the Client, **the date of valuation is the 30th of June 2014**.

The Market Value is determined in accordance with the Estonian Property Valuation Standard *EVS 875* (based on the International Valuation Standards - *IVS* and on the European Valuation Standards - *EVS* and recommendations/ instructions prepared by the European Group of Values Association - *TEGoVA*), International Finance Reporting Standards (IFRS), general principles of RICS Red Book and the appropriate methodology as applied on the local market.

The method of appraisal of the Objects is the Income Approach (Discounted Cash Flow method) based on the Client's data that will be compared with Estonian market information.

Another alternative approach to appraisal, Sales Comparison Approach, is not used in present report due the lack of similar transactions that have occurred in the local markets recently.

Valuation assignment summary

Client	Geneba Baltic (ES) Investments UÜ
Subject Properties	At various locations in Estonia, as described in this report.
Purpose of the valuation	Estimation of the <u>Market Value</u> for financial purposes.
The date of valuation	30 th of June 2014

Portfolio summary

Property address	Site area, m ²	Building's NBA, m ²	Property type	Right to land	Inspection
Tartu Rd. 13, Tallinn	2,387	5,043,8	office	owned	July 16, 2014
Maleva Str. 1, Tallinn	9,039	1,250,3	office	leased	July 16, 2014
In total	11,426	6,307,1			

Opinion on the Subject Properties' Market Value

The Market Value estimate is based on the analysis of the information provided by the Client, and it comprised information on the Object and the factors that influenced its value as of the date of valuation and is prepared using Income Approach

(Discounted Cash Flow method), considering the assumptions and limiting conditions discussed in this report. The estimate may not be used for needs of other legal or physical persons without our written approval.

**The total estimated Market Value of the Subject Properties as of
30th of June 2014 is
3,530,000 EUR (three million five hundred and thirty thousand Euro)**

Compiled by:



Inga Vatter

Senior Consultant
Certified Appraiser No VH171213
Member of the Estonian Association of
Appraisers
Colliers International Advisors OÜ

Verified by:



Maile Kajak

Senior Consultant
Certified Appraiser No VH040610
Member of the Estonian Association of
Appraisers
Colliers International Advisors OÜ



Margus Tinno

MRICS,
Partner, Head of Investment Advisory and
Valuation
Colliers International Advisors OÜ

20th of October, 2014

To: **Mr Martinus Adrianus Hendrikus van Deursen**, Managing Director

Mr. Riemer Theodoor Tel, Financial Director

Geneba Baltic (ES) Ast Investments UÜ

Pursuant to the agreement No. VD/165-EE2/14 from **10th of July 2014** between **Geneba Baltic (ES) Ast Investments UÜ** (hereinafter referred to as Client) and **Colliers International Advisors OÜ** (hereinafter referred to as Valuator), the latter has performed the estimation of the Market Value of the specified real properties located in **Estonia** (hereinafter referred to as the Portfolio) for financial purposes.

As agreed with the Client, **the date of valuation is the 30th of June 2014**.

The Market Value is determined in accordance with the Estonian Property Valuation Standard *EVS 875* (based on the International Valuation Standards - *IVS* and on the European Valuation Standards - *EVS* and recommendations/ instructions prepared by the European Group of Values Association - *TEGoVA*), International Finance Reporting Standards (IFRS), general principles of RICS Red Book and the appropriate methodology as applied on the local market.

The method of appraisal of the Objects is the Income Approach (Discounted Cash Flow method) based on the Client's data that will be compared with Estonian market information.

Another alternative approach to appraisal, Sales Comparison Approach, is not used in present report due the lack of similar transactions that have occurred in the local markets recently.

Valuation assignment summary

Client	Geneba Baltic (ES) Ast Investments UÜ
Subject Properties	At various locations in Estonia, as described in this report.
Purpose of the valuation	Estimation of the <u>Market Value</u> for financial purposes.
The date of valuation	30 th of June 2014

Portfolio summary

Property address	Site area, m ²	Building's NBA, m ²	Property type	Right to land	Inspection date
Tornimäe Str. 2, Tallinn	1,672	18,925,0	office	owned	July 16, 2014
Rüütli Str. 40A, Pärnu	2,295	3,739,7	office	owned	July 21, 2014
Aia Str. 5, Valga	2,911	1,556,8	office	owned	July 22, 2014
Vainu Str. 11, Paide	1,951	1,407,9	office	owned	July 22, 2014
Vaksali Str. 2, Viljandi	3,148	1,196,8	office	owned	July 21, 2014
Tallinna Rd. 28, Narva	3,515	1,269,2	office	owned	July 17, 2014
Tallinna Rd. 12, Rapla	1,160	771,5	office	owned	July 22, 2014

Property address	Site area, m ²	Building's NBA, m ²	Property type	Right to land	Inspection date
Rakvere Str. 3A, Jõhvi	854	952,0	office	owned	July 17, 2014
Suur Str. 4, Jõgeva	449	348,5	office	owned	July 22, 2014
Keskväljak 7, Kärdla	504	146,2	office	owned	July 18, 2014
In total	18,459	30,313,6			

Opinion on the Subject Properties' Market Value

The Market Value estimate is based on the analysis of the information provided by the Client, and it comprised information on the Object and the factors that influenced its value as of the date of valuation and is prepared using Income Approach (Discounted Cash Flow method), considering the assumptions and limiting conditions discussed in this report. The estimate may not be used for needs of other legal or physical persons without our written approval.

**The total estimated Market Value of the Subject Properties as of
30th of June 2014 is
36,130,000 EUR (thirty six million one hundred and thirty thousand Euro)**

Compiled by:



Inga Vatter

Senior Consultant
Certified Appraiser No VH171213
Member of the Estonian Association of
Appraisers
Colliers International Advisors OÜ

Verified by:



Maile Kajak

Senior Consultant
Certified Appraiser No VH040610
Member of the Estonian Association of
Appraisers
Colliers International Advisors OÜ



Margus Tinno

MRICS,
Partner, Head of Investment Advisory and
Valuation
Colliers International Advisors OÜ

20th of October, 2014

To: **Mr Martinus Adrianus Hendrikus van Deursen**, Managing Director

Mr. Riemer Theodoor Tel, Financial Director

Geneba Baltic (LV) Investments KS

Pursuant to the agreement No. VD/165-LV/14 from **10th of July 2014** between **Geneba Baltic (LV) Investments KS** (hereinafter referred to as Client) and **Colliers International Advisors SIA** (hereinafter referred to as Valuer), the latter has performed the estimation of the Market Value of the specified real properties located in **Latvia** (hereinafter referred to as the Portfolio) for financial reporting purposes.

As agreed with the Client, **the date of valuation is the 30th of June 2014**.

The Market Value is determined in accordance with the International Valuation Standards (IVS 2013) and the appropriate methodology as applied on the local market, the national valuation standards (Latvian Property Valuation Standards; LVS 401:2013). We have also relied on IFRS (International Financial Reporting Standards), IAS 40 (International Accounting Standards) fair value disclosure requirements and on the general principles of RICS Red Book.

The Market Value estimates are prepared using Income Approach (Discounted Cash Flow method) and Market Approach (or a combination thereof), depending on the specific physical and legal characteristics of the individual objects, as well as the property market in the particular locations.

Valuation Assignment Summary

Client	Geneba Baltic (LV) Investments KS
Subject Properties	16 (sixteen) properties at various locations in Latvia, as described in this report
Purpose of the valuation	Estimation of the <u>Market Value</u> for financial reporting purposes
The date of valuation	30 th of June 2014

Portfolio Summary

No.	ID	Town	Street	Land Area, sqm	Right to land	Property type	Closed net area (buildings), sqm	Inspection date
1	LV01	Rīga	Meistaru iela 1, Valdlauči, Ķekavas pag., Ķekavas nov.	16 473	owned /leased	Office	10 357	July 24, 2014
2	LV03	Liepāja	Baznīcas iela 4/6	1 096	owned	Office	1 736	July 17, 2014
3	LV04	Gulbene	Ozolu iela 1	1 892	owned	Office	1 293	July 22, 2014
4	LV05	Saldus	Rīgas iela 9	1 446	leased /owned	Office	1 186	July 17, 2014
5	LV07	Dobele	Brīvības iela 12	1 673	leased	Office	994	July 17, 2014
6	LV09	Jēkabpils	Andreja Pormaļa iela 11	1 705	owned	Office	866	July 23, 2014
7	LV12	Ventspils	Kuldīgas iela 3	3 575	owned	Office	735	July 18, 2014
8	LV13	Sigulda	Rīgas iela 1	2 877	owned	Office	654	July 25, 2014
9	LV14	Kuldīga	Dzirnavu iela 5	1 363	owned	Office	702	July 17, 2014
10	LV15	Preiļi	Talsu iela 3	2 097	owned	Office	615	July 23, 2014

11	LV16	Limbaži	Burtnieku iela 8	2 732	leased /owned	Office	587	July 22, 2014
12	LV18	Aizkraukle	Lāčplēša iela 2	988	owned	Office	375	July 23, 2014
13	LV19	Valka	Rīgas ielā 25	4 436	owned	Office	377	July 22, 2014
14	LV20	Balvi	Bērzpils iela 6	908	owned	Office	337	July 22, 2014
15	LV21	Krāslava	Studentu iela 2	399	owned	Office	358	July 23, 2014
16	LV22	Kandava	Lielā ielā 11	1 890	owned	Office	143	July 17, 2014

Opinion on the Subject Properties' Market Value

The Market Value estimate is based on the analysis of the information provided by the Client, and it comprised information on the Object and the factors that influenced its value as of the date of valuation and is prepared using Income Approach (Discounted Cash Flow method) and Market Approach (or a combination thereof), considering the assumptions and limiting conditions discussed in the report.

**The sum total of the estimated Market Values of the individual Properties as of
30th of June 2014 is**

16,881,000 EUR (sixteen million eight hundred eighty one thousand Euro)

Yours faithfully,

Janis Ozols MRICS
Acting Director I Valuation I
Latvian certified real property valuer (cert. No. 98)



Deniss Kairans
Chairman of the Board



For and on behalf of
Colliers International Advisors SIA