

Conclusion of the preliminary conditional sale and purchase agreement regarding “Skylight” and “Lumen” buildings located in Warsaw and amendment of the loan agreement

The Board of Directors of Globalworth Poland Real Estate N.V. (the “**Company**”) hereby announces that on 30 October 2018 the entities controlled by the Company, acting as the purchasers (jointly, the “**Purchasers**”) and WARSAW III S.Á.R.L., POLISH OFFICE HOLDING SCSP and Złote Tarasy Warsaw III S.Á.R.L. spółka jawna (“**ZT**”), the entities controlled by Rodamco Central Europe B.V., acting as the sellers (jointly, the “**Sellers**”), concluded a preliminary conditional sale and purchase agreement regarding the sale of all rights and obligations of the Sellers resulting from their current and/or future membership in Złote Tarasy Tower Warsaw III S.Á.R.L. spółka jawna (“**ZTT**”) (the “**Preliminary Agreement**”). The transaction regarding to the sale of all rights and obligations of the Sellers resulting from their membership in ZTT (the “**Transaction**”) envisages that as of the day of conclusion of the final agreement (the “**Final Agreement**”) ZTT will hold the ownership right to:

- (i) the office premises located in Warsaw which are known as “Skylight” building (currently owned by ZTT) and “Lumen” building (currently owned by ZT) (jointly, the “**Office Premises**”) together with the share in the co-ownership right to the land on which the Office Premises are located; and
- (ii) the share in the co-ownership right to the parking premises in which parking spaces related to the Office Premises are located (the “**Parking Premises**”) together with the share in the co-ownership right to the land on which the Parking Premises are located (currently, ZT is the sole owner of the Parking Premises)

(jointly the “**Properties**”).

The GLA (*gross leasable area*) of the Office Premises amounts to the total of 45,500 sqm over 18 (“Skylight” building) and 8 storeys (“Lumen” building), the annual contracted total rental income of the Office Premises generated by the occupancy ratio of approximately 89% amounts to approximately EUR 11.5 million, and their WALT (*weighted average lease term*) is nearly four years. The Office Premises are multi-tenanted, with a range of tenants including Pernod Ricard, Mars, PGE Energia Ciepła, InOffice, Regus and Cushman & Wakefield.

Execution of the Final Agreement is subject to fulfilment of, *inter alia*, the following conditions precedent:

- (i) the Company will obtain a competition clearance for the Transaction; and
- (ii) the relevant tax ruling related to the Transaction will be issued; and
- (iii) all Properties are owned by ZTT.

The Final Agreement is expected to be executed no later than 31 December 2018.

Under the Preliminary Agreement, the occurrence of a material adverse change (as regulated in the Preliminary Agreement) will authorize the Purchasers (acting jointly) and/or the Sellers (acting jointly) to withdraw entirely from the Preliminary Agreement.

The total Transaction consideration is set at EUR 190 million and is subject to working capital and other customary adjustments (the “**Consideration**”). The total Consideration consists of (i) EUR 26 million payable to the Sellers at closing of the Transaction (“**Closing**”) as a consideration for all rights and obligations of the Sellers resulting from their membership in ZTT (subject to working capital and other customary adjustments), and (ii) further EUR 164 million being the value of currently existing intra-group

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loans granted to ZT and ZTT which relate to “Skylight” and “Lumen” buildings which will be subrogated at Closing by the Company’s group.

Under the Preliminary Agreement, the Sellers granted standard representations and warranties as well as indemnities to the Purchasers on terms and conditions which are customary for this type of transaction.

At Closing, the Sellers will provide the Purchasers with, *inter alia*, a parent commitment letter granted by Rodamco Central Europe B.V. which will secure the Sellers’ obligations under the Final Agreement up to the Transaction value.

The Transaction will be financed from the Company’s existing cash resources, following the extension and increase of the available funds under the existing loan agreement with an affiliate of the main shareholder of the Company, i.e. Globalworth Finance Guernsey Limited initially concluded on 16 April 2018 (the “**Loan Agreement**”) (the Company informed about the conclusion of the Loan Agreement on 16 April 2018 in the current report no. 9/2018 (the “**Current Report**”)) by making available to the Company an aggregate amount equal to EUR 180,000,000 consisting of: (a) total unutilized parts of Tranche A and Tranche B (as defined in the Current Report) in an aggregate amount equal to EUR 96,700,000 and (b) additional amount equal to EUR 83,300,000 (the “**Tranche C Loan**”). Pursuant to the annex to the Loan Agreement concluded on 30 October 2018 the Tranche C Loan may be made available at the Company’s discretion until 31 January 2019. The Tranche C Loan shall be repaid seven years from its utilization. Other terms for granting the Tranche C Loan are the same as for the Tranche A Loan and the Tranche B Loan which have been presented in the Current Report.

Legal basis: Art. 17 section 1 MAR – inside information.

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