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AROUNDTOWN FINANCE S.À R.L.

(a private limited liability company (société à responsabilité limitée) incorporated under the laws of the Grand Duchy of Luxembourg, having its registered office at 37, Boulevard Joseph II, L-1840 Luxembourg, Grand Duchy of Luxembourg and registered with the Luxembourg Trade and Companies Register (Registre de Commerce et des Sociétés) under number B284284)

€606,864,000
Undated Subordinated Notes with a First Reset Date in 2030
(ISIN: XS2799494120 / Common Code: 279949412)
Issue Price: 100 per cent.

and

€618,370,000
Undated Subordinated Notes with a First Reset Date in 2029
(ISIN: XS2799493825 / Common Code: 279949382)
Issue Price: 100 per cent.

each with an unconditional and irrevocable guarantee on a subordinated basis by

AROUNDTOWN SA

(a public limited liability company (société anonyme) established under the laws of the Grand Duchy of Luxembourg, having its registered office at 37, Boulevard Joseph II, L-1840 Luxembourg, Grand Duchy of Luxembourg and registered with the Luxembourg trade and companies register (Registre de Commerce et des Sociétés) under number B217868)

The €606,864,000 Undated Subordinated Notes with a First Reset Date in 2030 (the "**NC6 Notes**") and the €618,370,000 Undated Subordinated Notes with a First Reset Date in 2029 (the "**NC5.25 Notes**" and, together with the NC6 Notes, the "**Notes**" and each a "**Series**") will be issued by Aroundtown Finance S.à r.l. (the "**Issuer**") on 16 April 2024 (the "**Issue Date**") and each unconditionally and irrevocably guaranteed, on a subordinated basis, by Aroundtown SA (the "**Guarantor**") pursuant to a subordinated guarantee granted on the Issue Date (the "**Subordinated Guarantee**").

The Notes and Subordinated Guarantee will be governed by English law.

The NC6 Notes bear interest from (and including) the Issue Date to (but excluding) 16 April 2030 (the "**NC6 Notes First Reset Date**") at a fixed rate of 7.125 per cent. *per annum*. The NC5.25 Notes bear interest from (and including) the Issue Date to (but excluding) 16 July 2029 (the "**NC5.25 Notes First Reset Date**", and each of the NC6 Notes Reset Date and the NC5.25 Notes First Reset Date, a "**First Reset Date**") at a fixed rate of 5.000 per cent. *per annum*. Thereafter, unless previously redeemed, each Series of Notes will bear interest from (and including) the relevant First Reset Date to (but excluding) the date on which the Issuer redeems the relevant Series of Notes at a rate *per annum* equal to the Subsequent Reset Reference Rate for the relevant Reset Period (each as defined in the terms and conditions of the Notes (the "**Terms and Conditions**")) plus the applicable margin. Interest on the NC6 Notes will be payable annually in arrear on 16 April in each year (each, an "**NC6 Interest Payment Date**"), from (and including) 16 April 2025. Interest on the NC5.25 Notes will be payable annually in arrear on 16 July in each year (each, an "**NC5.25 Interest Payment Date**" and each NC6 Interest Payment Date and NC5.25 Interest Payment Date, an "**Interest Payment Date**"), from (and including) 16 July 2024. In respect of the NC5.25 Notes, the first payment of interest will be made on 16 July 2024 in respect of the period from (and including) the Issue Date to (but excluding) 16 July 2024 (short first coupon). See "*Terms and Conditions of the Notes — Interest*".

The Issuer is entitled, at its sole discretion, to defer interest payments under certain circumstances (as set out in Condition 4.1 of the Terms and Conditions) (such payments, "Deferred Interest Payments"). The Issuer may, at its option, at any time pay any amount in respect of the whole or any part of any Deferred Interest Payments ("Arrears of Interest") upon due notice (as set out in Condition 4.1 of the Terms and Conditions) and it shall pay such Arrears of Interest (in whole, but not in part) under certain other circumstances (as set out in Condition 4.2 of the Terms and Conditions). Any Arrears of Interest will not accrue or otherwise bear interest themselves.

The Notes have no final maturity date and shall not be redeemed except in accordance with the Terms and Conditions. The Notes of each Series are redeemable in whole but not in part at the option of the Issuer on or during a period of three months prior to the relevant First Reset Date (the "**Issuer Call Period**") or on any Interest Payment Date thereafter at an amount per Note equal to the Specified Denomination (as defined in the Terms and Conditions) plus any accrued and unpaid interest on the Note to (but excluding) the date of redemption and any

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remaining Arrears of Interest payable on the Note. The Issuer may also redeem each Series of Notes in whole but not in part at any time following the occurrence of a Rating Event, an Accounting Event or a Tax Deduction Event (each as defined in the Terms and Conditions) at an amount per Note equal to (i) 101 per cent. of the Specified Denomination, where such redemption occurs prior to the first day of the Issuer Call Period, or (ii) the Specified Denomination, where such redemption occurs on or after the first day of the Issuer Call Period, in each case plus any accrued and unpaid interest on the Note to (but excluding) the date of redemption and any remaining Arrears of Interest payable on the Note. Additionally, the Issuer may redeem the Notes in whole but not in part at any time following the occurrence of a Gross-up Event or a Repurchase Event (each as defined in the Terms and Conditions) at an amount per Note equal to the Specified Denomination plus any accrued and unpaid interest on the Note to (but excluding) the date of redemption and any remaining Arrears of Interest payable on the Note. Upon the occurrence of a Change of Control Event (as defined in the Terms and Conditions), the Issuer may redeem the Notes in whole but not in part at an amount per Note equal to the Specified Denomination plus any accrued and unpaid interest on the Note to (but excluding) the date of redemption and any remaining Arrears of Interest payable on the Note. See "*Terms and Conditions of the Notes — Redemption and Purchase*".

Application has been made for the Notes to be listed on the official list of the Luxembourg Stock Exchange (the "**Official List**") and admitted to trading on the Euro MTF Market operated by the Luxembourg Stock Exchange (the "**Euro MTF Market**"). References in this Offering Circular to the Notes being "listed" (and all related references) shall mean that the Notes have been admitted to the Official List and have been admitted to trading on the Euro MTF Market. The Euro MTF Market is a multilateral trading facility for the purposes of Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments, as amended ("**MiFID II**") and is not a regulated market for the purposes of MiFID II.

This Offering Circular constitutes a prospectus for the purpose of Part IV of the Luxembourg law on prospectuses for securities dated 16 July 2019. This Offering Circular does not constitute a prospectus for the purposes of Regulation (EU) 2017/1129 (the "**Prospectus Regulation**") or Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**EUWA**") (the "**UK Prospectus Regulation**"). Neither the Luxembourg Financial Supervisory Authority, the *Commission de Surveillance du Secteur Financier* nor any other "competent authority" (as defined in the Prospectus Regulation and the UK Prospectus Regulation, respectively) has approved this Offering Circular or reviewed information contained in this Offering Circular.

Each Series of Notes will initially be represented by a temporary global Note (the "**Temporary Global Notes**"), without interest coupons, which will be deposited with a common depositary on behalf of Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking S.A. ("**Clearstream, Luxembourg**") on or prior to the Issue Date. Each Temporary Global Note will be exchangeable for interests in a corresponding permanent global Note (the "**Permanent Global Note**") and, together with the Temporary Global Notes, the "**Global Notes**"), without interest coupons, on or after a date which is expected to be 12 June 2024, upon certification as to non-U.S. beneficial ownership. The Permanent Global Note will be exchangeable for definitive Notes in bearer form in the limited circumstances set out in it. See "*Form of the Notes*".

The Notes and the Subordinated Guarantee have not been, and will not be, registered under the United States Securities Act 1933, as amended (the "**Securities Act**"). The Notes are being offered outside the United States by Managers (as defined in *"Subscription and Sale"* below) in accordance with Regulation S under the Securities Act ("**Regulation S**"), and may not be offered or sold or delivered within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from the registration requirements of the Securities Act. The Notes are subject to U.S. tax law requirements.

The Guarantor has been rated BBB+ by S&P Global Ratings Europe Limited ("**S&P**"). The Notes are expected to be rated BBB- by S&P. A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating organisation. S&P is established in the European Union (the "**EU**") and is registered under Regulation (EC) No. 1060/2009, as amended (the "**CRA Regulation**"). As such, S&P is included in the list of credit rating agencies published by the European Securities and Markets Authority ("**ESMA**") on its website (at https://www.esma.europa.eu/credit-rating-agencies/cra-authorisation) in accordance with the CRA Regulation. Ratings issued by S&P have been endorsed by S&P Global Ratings UK Limited, which is a credit rating agency established in the United Kingdom (the "**UK**") and registered under Regulation (EC) No. 1060/2009 as it forms part of domestic law by virtue of the EUWA (the "**UK CRA Regulation**"), in accordance with the UK CRA Regulation and have not been withdrawn. As such, the ratings issued by S&P may be used for regulatory purposes in the UK in accordance with the UK CRA Regulation.

Amounts payable on the Notes may be calculated by reference to the Euro Interbank Offered Rate ("**EURIBOR**"). As at the date of this Offering Circular, European Money Markets Institute (as administrator of EURIBOR) is included in ESMA's register of administrators under Article 36 of Regulation (EU) No. 2016/1011 (the "**Benchmarks Regulation**) and in the register of administrators established and maintained by the UK Financial Conduct Authority pursuant to Article 36 of Regulation (EU) No. 2016/1011 as it forms part of domestic law by virtue of the EUWA (the "**UK Benchmarks Regulation**").

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

Managers

BofA Securities **Citigroup**

Goldman Sachs International **J.P. Morgan**

The date of this Offering Circular is 12 April 2024.

IMPORTANT NOTICES

This Offering Circular does not constitute a prospectus for the purposes of the Prospectus Regulation or the UK Prospectus Regulation. The Issuer and the Guarantor accept responsibility for the information contained in this Offering Circular. To the best of the knowledge of each of the Issuer and the Guarantor, the information contained in this Offering Circular is in accordance with the facts and this Offering Circular makes no omission likely to affect the import of such information.

This Offering Circular is to be read in conjunction with all the documents which are incorporated herein by reference (see "*Documents Incorporated by Reference*"). This Offering Circular shall be read and construed on the basis that those documents are incorporated and form part of this Offering Circular.

Other than in relation to the documents which are deemed to be incorporated by reference (see "*Documents Incorporated by Reference*"), the information on the websites to which this Offering Circular refers does not form part of this Offering Circular.

To the fullest extent permitted by law, the Principal Paying Agent, the Agent Bank and the Paying Agents (together the "**Agents**" and each an "**Agent**"), the Trustee and Managers, accept no responsibility whatsoever for the contents of this Offering Circular or for any other statement, made or purported to be made by a Manager, the Trustee or an Agent or on its behalf in connection with the Issuer, the Guarantor or the issue and offering of the Notes. Each Manager, the Trustee and each Agent accordingly disclaims all and any liability whether arising in tort or contract or otherwise (save as referred to above) which it might otherwise have in respect of this Offering Circular or any such statement.

Neither the Managers, the Trustee nor the Agents have independently verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by any Manager, the Trustee or any Agent as to the accuracy or completeness of the information contained or incorporated in this Offering Circular or any other information provided by the Issuer or the Guarantor in connection with the Notes or the Subordinated Guarantee.

Neither the Managers, the Trustee, the Agents nor any of their respective affiliates have authorised the whole or any part of this Offering Circular and none of them makes any representation or warranty or accepts any responsibility as to the accuracy or completeness of the information contained in this Offering Circular or any responsibility for any acts or omissions of the Issuer, the Guarantor or any other person (other than the relevant Manager, the Trustee or the relevant Agent itself) in connection with issue and offering of the Notes.

No person is or has been authorised to give any information or to make any representation not contained in this Offering Circular and any information or representation not so contained must not be relied upon as having been authorised by or on behalf of the Issuer, the Guarantor, the Managers, the Trustee or the Agents.

Neither this Offering Circular nor any other information supplied in connection with the Notes (a) is intended to provide the basis of any credit or other evaluation or (b) should be considered as a recommendation by the Issuer, the Guarantor, any of the Managers or the Trustee that any recipient of this Offering Circular or any other information supplied in connection with the Notes should purchase any Notes. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer and the Guarantor.

Neither the delivery of this Offering Circular nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer or the Guarantor since the date hereof or the date upon which this Offering Circular has been most recently amended or supplemented or that there has been no adverse change in the financial position of the Issuer or the Guarantor since the date hereof or the date upon which this Offering Circular has been most recently amended or supplemented or that the information contained in it or any other information supplied in connection with the

Notes is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

The Notes may not be a suitable investment for all investors. Each potential investor in the Notes must determine the suitability of the investment in light of its own circumstances. In particular, each potential investor should (a) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained in this Offering Circular or any applicable supplement; (b) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact such investment will have on its overall investment portfolio; (c) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including where the currency for principal or interest payments is different from the potential investor's currency; (d) understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant indices and financial markets; and (e) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

None of the Issuer, the Guarantor, the Managers or the Trustee, or any of their respective representatives, is making any representation to any offeree or purchaser of the Notes regarding the legality of an investment in the Notes by such offeree or purchaser under the laws applicable to such offeree or purchaser. Prospective investors should not construe anything in this Offering Circular as legal, tax, business or financial advice. Each investor should consult with his or her own advisors as to the legal, tax, business, financial and related aspects of a purchase of the Notes.

OFFER RESTRICTIONS

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

Neither the Issuer, the Guarantor nor any of the Managers nor any of their respective affiliates has or assumes responsibility for the lawfulness of the acquisition of the Notes by a prospective investor of the Notes, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates (if different), or for compliance by that prospective investor with any law, regulation or regulatory policy applicable to it. Any investor participating in the Exchange Offer (as defined in "*Use and Estimated Net Amount of Proceeds*" below) is solely responsible for ensuring that any offer or resale of the Notes occurs in compliance with applicable laws and regulations.

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

UK MiFIR PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPS ONLY TARGET MARKET – Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of each Series of Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("**COBS**"), and

professional clients, as defined in the UK MiFIR; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any distributor should take into consideration the manufacturers' target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of the Directive 2016/97/EU of the European Parliament and of the Council of 20 January 2016 on insurance distribution (recast), as amended (the "**Insurance Distribution Directive**" or "**IDD**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by the Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

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

SINGAPORE SFA PRODUCT CLASSIFICATION – In connection with Section 309B of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the "**SFA**") and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "**CMP Regulations 2018**"), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are 'prescribed capital markets products' (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Presentation of Financial Information

Unless otherwise indicated, the financial information in this Offering Circular relating to the Guarantor has been derived from the audited consolidated financial statements of the Guarantor for the financial years ended 31 December 2022 and 31 December 2023 (together, the "**Financial Statements**").

The Guarantor's financial year ends on 31 December, and references in this Offering Circular to any specific year are to the 12-month period ended on 31 December of such year. The Financial Statements have been prepared in accordance with International Financial Reporting Standards ("**IFRS**") issued by the International Accounting Standards Board, as adopted by the EU.

Forward-Looking Statements

This Offering Circular contains certain forward-looking statements. A forward-looking statement is a statement that does not relate to historical facts and events. They are based on analyses or forecasts of future results and estimates of amounts not yet determinable or foreseeable. These forward-looking statements are identified by the use of terms and phrases such as "*aim*", "*anticipate*", "*believe*", "*could*", "*estimate*", "*expect*", "*intend*", "*may*", "*might*", "*plan*", "*predict*", "*project*", "*will*", and similar terms and phrases, including references and assumptions. This applies, in particular, to statements in this Offering Circular containing information on future earning capacity, plans and expectations regarding the business and management of the Guarantor (and together with its subsidiaries, "**Aroundtown**" or the "**Group**"), the growth and profitability of the Group, and general economic and regulatory conditions and other factors that affect it.

Forward-looking statements in this Offering Circular are based on current estimates and assumptions that the Guarantor based on its present knowledge. These forward-looking statements are subject to risks, uncertainties and other factors which could cause actual results, including the Group's financial condition and results of operations, to differ materially from and be worse than results that have expressly or implicitly been assumed or described in these forward-looking statements. The Group's business is also subject to a number of risks and uncertainties that could cause a forward-looking statement, estimate or prediction in this Offering Circular to become inaccurate. Accordingly, investors are strongly advised to read the following sections of this Offering Circular: "*Risk Factors*" and "*Description of the Guarantor*". These sections include more detailed descriptions of factors that might have an impact on the Group's business and the markets in which it operates. In light of these risks, uncertainties and assumptions, future events described in this Offering Circular may not occur. In addition, neither the Issuer nor the Guarantor assumes any obligation, except as required by law, to update any forward-looking statement or to conform these forward-looking statements to actual events or developments.

Certain Defined Terms and Conventions

Capitalised terms which are used but not defined in any particular section of this Offering Circular will have the meaning attributed to them in the Terms and Conditions of the Notes or any other section of this Offering Circular. In addition, the following terms as used in this Offering Circular have the meanings defined below:

In this Offering Circular, all references to:

- *"U.S. dollars"* refers to United States dollars;
- *"Sterling", "GBP"* and *"£"* refer to pounds sterling*;*
- *"euro"* and "*€"* refer to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended;
- *"yen"* refers to Japanese yen; and
- a "*billion"* are a thousand million.

Certain figures and percentages included in this Offering Circular have been subject to rounding adjustments; accordingly, figures shown in the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

The language of this Offering Circular is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

In this Offering Circular, unless the contrary intention appears, a reference to a law or a provision of a law is a reference to that law or provision as extended, amended or re-enacted.

SUITABILITY OF INVESTMENT

The Notes are complex financial instruments and may not be a suitable investment for all investors. Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor may wish to consider, either on its own or with the help of its financial and other professional advisers, whether it:

(i) has sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Offering Circular or any applicable supplement;

(ii) has access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;

(iii) has sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;

(iv) understands thoroughly the terms of the Notes and is familiar with the behaviour of any relevant indices and financial markets; and

(v) is able to evaluate possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Prospective investors should consult their tax advisers as to the tax consequences of the purchase, ownership and disposition of the Notes.

Legal investment considerations may restrict certain investments. The investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) Notes are legal investments for it, (2) Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

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RISK FACTORS

In purchasing Notes, investors assume the risk that the Issuer and/or the Guarantor may become insolvent or otherwise be unable to make all payments due in respect of the Notes or the Subordinated Guarantee. There is a wide range of factors which individually or together could result in the Issuer and/or the Guarantor becoming unable to make all payments due. It is not possible to identify all such factors or to determine which factors are most likely to occur, as the Issuer or the Guarantor may not be aware of all relevant factors and certain factors which it currently deems not to be material may become material as a result of the occurrence of events outside the Issuer's and/or the Guarantor's control. The Issuer and the Guarantor have identified in this Offering Circular a number of factors which could materially adversely affect its business and ability to make payments due. In addition, factors which the Issuer and the Guarantor believe may be material for the purpose of assessing the market risks associated with the Notes are also described below.

All of these factors are contingencies which may or may not occur. The Issuer and the Guarantor believe that the factors described below represent the principal risks inherent in investing in the Notes, but the Issuer may be unable to pay interest, principal or other amounts on or in connection with any Notes and/or the Guarantor may be unable to fulfil its obligations under the Subordinated Guarantee for other reasons, and neither the Issuer nor the Guarantor represent that the statements below regarding the risks of holding any Notes are exhaustive.

Prospective investors should also read the detailed information set out elsewhere in this Offering Circular (including any documents incorporated by reference herein) and reach their own views prior to making any investment decision.

Risk Factors Relating to the Issuer

The Issuer is dependent on the Guarantor and other entities of the Group.

The Issuer acts as a financing subsidiary of the Guarantor. The principal activity of the Issuer is the provision of loans to members of the Group financed with funds acquired from the capital market, bank loans and loans from other companies of the Group. Its assets mainly consist of financial investments in Group companies, receivables from loans to Group companies, and other receivables owed by Group companies. The Issuer may issue further notes in the future.

The ongoing business activities of the Issuer depend on the ability of the Guarantor and other companies of the Group to fulfil their payment obligations vis-à-vis the Issuer or the obligation to assume losses. If individual or all members of the Group were unable to meet their payment obligations to the Issuer in due time, this could considerably impair the ability of the Issuer to fulfil its obligations under the Notes or cause the market price for the Notes to decline.

Risk Factors Relating to the Guarantor and the Group

Risks Relating to Aroundtown's Industry and Business

Aroundtown's business could be adversely impacted by negative developments in the economy and in the commercial and residential real estate markets, primarily in Germany, the Netherlands and the UK.

Aroundtown is a specialist real estate company with a focus on, and an exposure to, value-add and income generating properties primarily in the German, Dutch, and UK real estate markets. Aroundtown invests in commercial and residential real estate assets.

Aroundtown's commercial properties are located primarily in Germany and the Netherlands, complemented by commercial properties in the UK and other European cities. In 2020, the Guarantor completed its voluntary public takeover of TLG Immobilien AG ("**TLG**"), a formerly stock listed company that focuses on commercial real estate in Germany. Through the TLG takeover, Aroundtown increased its commercial portfolio in Germany.

Aroundtown's residential properties are located primarily in Germany and in the UK. Aroundtown invests in residential real estate primarily through its subsidiary, Grand City Properties S.A. ("**GCP**"). GCP invests in residential real estate properties primarily in densely populated areas across Germany and in London, UK and its portfolio is also complemented by commercial units. Since 1 July 2021, GCP has been consolidated in the Guarantor's consolidated financial statements and GCP's properties form part of Aroundtown's portfolio. Aroundtown's shareholding in GCP amounted to 62.7% as of 31 December 2023, excluding shares of GCP held in treasury.

Based on its business model, Aroundtown relies significantly on rental income. General economic and demographic factors significantly impact demand for Aroundtown's properties, the rents that Aroundtown can achieve, the payment patterns of Aroundtown's tenants, the vacancy rate of Aroundtown properties, the valuation of Aroundtown's properties and other developments significant to the business of Aroundtown. The success of Aroundtown's business therefore significantly correlates with the development of the commercial real estate market in Germany, the Netherlands and the UK, and with the residential real estate market primarily in Germany and the UK. Real estate markets are generally susceptible to changes in the overall economy. Consequently, the Group's business is affected by factors affecting the general economic environment, such as interest rates, inflation rates, levels of public debt, gross domestic product ("**GDP**") growth and political and financial market conditions, primarily in Germany, the Netherlands, the UK and their various regional submarkets. These factors play an important role in determining property values, rent levels, re-letting periods, overall demand, vacancy rates and turnover rates in these markets and submarkets. In addition, local and regional variations of these factors may cause their impact to vary significantly across the Group's portfolio. The Group's business is therefore highly dependent on macroeconomic and political developments, including changes in legislation, as well as other general trends affecting Germany and the Netherlands. As export-driven economies, Germany, the Netherlands and the UK are particularly affected by the development of the world economy in general and Europe in particular.

A depression, recession or slowdown in the German, Dutch or UK real estate market or one or more regional real estate markets, and to a lesser extent, the global economy (or any particular segment thereof) could have a pronounced impact on Aroundtown, the value of Aroundtown's assets and Aroundtown's profitability, impede the ability of Aroundtown's assets to perform under or refinance their existing obligations, and impair Aroundtown's ability to effectively deploy its capital or realise investments on favourable terms. Aroundtown could also be affected by the overall weakening of, or disruptions in, financial markets.

In the last few years, the real estate markets in which Aroundtown operates have experienced an increase in rent levels and property valuations. However, the real estate markets in which Aroundtown operates are affected by overall economic and demographic conditions, especially in Germany, the Netherlands and the UK. Real estate markets are generally affected by numerous economic factors, such as interest rate levels (see also below "*Aroundtown depends on macroeconomic developments that impact, in particular, economic performance, interest rate levels and levels of inflation, which in turn could negatively affect the German, the Dutch and the UK real estate markets and the valuation of Aroundtown's real estate portfolio.*"), financing conditions, real income, economic confidence, inflation, unemployment rates, increases in taxes or perceived or actual declines in corporate investments and capital expenditure and demographic factors, such as population, migration and household growth. The recent economic environment characterised by elevated interest rates and inflation levels as well as the Russia-Ukraine War (as defined below) have resulted in a weakening of rent levels and property valuations. Further economic contraction and uncertainty could cause a decline in the demand for real estate and thereby influence market prices, rent levels, rental income and vacancy rates in the real estate market. Any developments in the general economic and demographic conditions of the German, Dutch or UK market can have significant effects on Aroundtown's business and operations.

As of the date of this Offering Circular, numerous factors are contributing to considerable economic uncertainty. The Russian military invasion of Ukraine in February 2022 ("**Russia-Ukraine War**") has already had a negative effect on both European and global markets and led to a high degree of uncertainty. The further development of the Russia-Ukraine War as well as its long-term repercussions on the global economy and markets are still unclear

and may result in a severe decline in growth of the overall economy. The sanctions imposed against Russia have resulted in a significant disruption of gas supplies to the EU and could lead to further unpredictable reactions from Russia. Germany has made efforts to replace Russian gas with other sources of gas. However, this has resulted in a significant increase in gas and energy prices in Germany and could result in shortages of energy supplies impacting businesses, particularly those which are energy-intensive such as the chemical industry, but also private households. This may further contribute to the currently high levels of overall inflation, a decline of the overall economy and widespread unemployment. As a consequence of this economic backdrop, there is a risk that tenants of the Group may not be able to afford higher costs of energy, suffer a loss of income as a result of, among others, unemployment or due to declining consumer demand for commercial tenants, and consequently become insolvent. If any of the aforementioned risks materialise, this could have a material adverse effect on the Group's business, cash flows, financial condition and results of operations.

In addition, the outbreak of the COVID-19 pandemic in 2020 has continued to negatively impact the global economy, disrupted global supply chains, created significant volatility and disruption in financial markets, and increased unemployment levels (see also "*The European real estate market and the Group's business may likely continue to be negatively affected by the effects of the COVID-19 pandemic.*"). In Europe, the most recent changes to monetary policy, renewed doubts about the future of the Eurozone, political uncertainty arising from populist movements, insufficient deleveraging in the private and public sectors, a halt in implementing structural and financial reforms, and an elevated level of political uncertainty could adversely affect Aroundtown's operations. In addition, increasing protectionism, trade embargoes, including additional trade restrictions between the People's Republic of China ("**PRC**") and the United States of America ("**United States**"), or other protectionist measures and the imposition of sanctions and restrictions could negatively impact international trade and regional economies. Other factors with a potential impact on European economies include the impact of Brexit (see "The UK's withdrawal from the EU may continue to cause significant political and economic uncertainty in the EU, in the Eurozone and in the UK and may cause a significant downturn in the UK's overall economy with negative impacts on the British real estate market and demand for hotel rooms from end users as well as demand for office space from companies and financial institutions."), uncertain economic prospects in the PRC and other parts of the world, the results of recent and future elections in a number of Eurozone countries, other current geopolitical crises such as in Syria and Israel, and other factors such as the fluctuation of raw material prices and currency fluctuations. Furthermore, increased trade barriers resulting from the imposition of tariffs could negatively impact the global and regional economies.

In addition, Aroundtown's activities are directly and indirectly influenced by economic conditions in regional submarkets as a result of Aroundtown's location of properties in Germany, the Netherlands and the UK and other European countries. Aroundtown's commercial portfolio in Germany is primarily concentrated in Berlin, various cities in Germany's most populous federal state, North Rhine-Westphalia (NRW), as well as in Frankfurt am Main, Munich, Hamburg, Dresden and Leipzig, Amsterdam and Rotterdam in the Netherlands as well as London, UK. Aroundtown's residential properties are located primarily in Germany with a focus on cities in NRW, Berlin, Dresden, Leipzig, Halle, Hamburg, Bremen, Frankfurt am Main, Mainz and Mannheim, as well as Munich, Nuremberg and Fürth, while properties are also located in London, UK. Thus, the overall performance of Aroundtown depends not only on general economic and demographic developments in Germany, the Netherlands and the UK, but also on the particular circumstances in the regional submarkets where the properties are located. The economic development of some locations in which Aroundtown has invested could depend heavily on a few companies or industries. An economic decline of large and/or regionally important companies or certain industries altogether could have a material adverse effect on the economic development of the relevant location and, therefore, on Aroundtown's portfolio.

As a result of the geographic focus of Aroundtown's real estate portfolio on Germany, the Netherlands and the UK, a negative development, contraction or lack of growth in the German, Dutch or UK economy or overall macroeconomic conditions as well as demographic developments could have a material adverse effect on Aroundtown's business, financial condition, cash flow and results of operations.

Aroundtown is subject to macroeconomic developments that impact, in particular, economic performance, interest rate levels and levels of inflation, which in turn could negatively affect the German, Dutch and UK real estate markets and the valuation of Aroundtown's real estate portfolio.

The global economy is currently characterised by volatility, uncertainty and weak growth propsects. The global financial and economic crisis and subsequent debt crisis increased uncertainty regarding future economic developments, particularly in the Eurozone. Moreover, in the current economic environment, various risks exist and new crises could emerge that may cause economic and financial market disturbances. For instance, the collapse of a number of regional banks in the United States and the subsequent takeover of a Swiss global systemically important bank have resulted in increased volatility in financial markets and raised concerns of an emerging global banking crisis, which could materially adversely affect macroeconomic conditions (including the sectors in which Aroundtown operates) and impair Aroundtown's ability to access external financing options. The uncertainty regarding the general economic outlook has made investment opportunities that provide stable and largely predictable cash flows, such as investments in German, Dutch or UK real estate, more popular. This trend has been supported by historically low interest rates in Europe and in the UK. As a result, property prices and the value of real estate have increased.

These developments could reverse themselves. Rising inflation as a result of supply-chain disruptions and the Russia-Ukraine War have prompted the European Central Bank ("**ECB**") to raise interest rate levels significantly to a rate of 4.50%, increasing the deposit facility rate to 4.0% as of September 2023, whereas prior to July 2022 the deposit facility rate had been negative since 2014. A further rise in interest rates in Europe could result in increased investor interest in investments with a different risk profile and a decrease in the attractiveness of real estate investments. The change in interest rate policy by the ECB may result in higher discount and capitalisation rates and have a negative impact on the fair value of Aroundtown's real estate portfolio. It can also negatively affect the willingness of potential buyers to make real estate purchases and therefore constrain Aroundtown's efforts to dispose of real estate properties. Additionally, financial institutions may require that borrowers meet more stringent requirements with regard to creditworthiness. This could lead potential buyers of commercial and residential properties to refrain from purchasing real estate due to less attractive financing terms or restricted availability of credit.

A significant increase in real estate loan interest rates and more stringent borrower qualification requirements may also require Aroundtown to postpone scheduled investments and delay, due to market conditions, planned disposals. Further, increases in interest rates may permanently impair Aroundtown's ability to finance real estate portfolio acquisitions through debt and may generally impact the Group's ability to refinance its liabilities. Consequently, Aroundtown may be forced to sell real estate portfolios at substantial discounts, due in large part to difficult financing conditions experienced by buyers, which may be further exacerbated by an increase in persons selling real estate assets, including Aroundtown's competitors. As a result, Aroundtown may be exposed to the risk of a reduction in the fair value of its total real estate portfolio and may be required to recognise the corresponding losses from the resulting fair value adjustments of the Group's investment properties in its consolidated profit and loss statement. The realisation of any of these risks could have a material adverse effect on the Group's net assets, financial condition and results of operations.

Given the Group's dependence on access to financial markets to refinance its liabilities, any increase in interest rates may increase the Group's cost to refinance existing and future liabilities.

Rising interest rates could adversely impact Aroundtown in a number of ways, including:

- The discount rate used to calculate the values of the Group's properties recorded on the Guarantor's balance sheet in accordance with International Accounting Standard ("**IAS**") 40 (such value hereinafter referred to as the fair value) tends to increase in an environment of rising interest rates, which in turn could result in the Group's properties having a lower fair value which, in turn, is relevant for Aroundtown's covenants and ratings.

- As a result, the Group's strategy of disposing mature and non-core assets at or around current fair value could be jeopardised. Income from the sale of properties constitutes an important source of both profit and cash flow for the Group. The Group's disposal strategy has benefitted from the low-interest environment and the prevailing perception of certain asset classes of real estate as a low-risk investment opportunity. If any of these factors change, the Group could be prevented from divestments of assets.

- In connection with its acquisition activities, such as the acquisition of TLG or the consolidation of GCP, the Group has acquired significant goodwill. Any acquired goodwill is subject to regular impairment tests potentially resulting in goodwill impairment write-downs. An increased discount rate could result in lower present values of the expected future cash flows and may require goodwill impairment write-downs. For instance, for the financial year ended 31 December 2023, Aroundtown recorded €137 million of goodwill impairment at the level of TLG and GCP, mainly as a result of revaluation losses and portfolio disposals. Further goodwill impairment could result from disposal activities and revaluation losses at the level of TLG and GCP and any impairment may negatively affect the consolidated financial statements and other key financial figures of the Guarantor as well as negatively impact the Guarantor's credit rating.

- Given the Group's dependence on its ability to access financial market to finance future acquisitions and/or refinance its debt, any further increase in interest rates could also further increase the costs of financing and refinancing its existing and future debt and impair its targeted profit. If the currently elevated interest rate environment remains, the Group's financing costs, including costs for hedging instruments, may remain elevated or even increase. Increasing cost of debt may negatively impact Aroundtown's profitability if Aroundtown is not able to increase its revenues from rental income (e.g. through rent increases which may be subject to economic limits due to solvency issues of tenants and legal limits due to regulatory limits, in particular in residential real estate).

- Some of the Group's loans include interest rate swaps. The valuation of the individual hedging instruments, which, in turn, depends on the level of interest rates, also impacts the Group's equity and results of operations. Any rise in interest rates and volatility may result in a decrease and may have a negative effect on its results of operations.

In addition to rising interest rates, increasing inflation is a macroeconomic risk that could also have a material adverse effect on the Group in a number of ways:

- When preparing real estate valuations, appraisers take into account a multitude of factors, including current market transactions. Higher inflation may lead to increased return requirements and capitalisation rates for properties. Appraisers will address higher return requirements accordingly in their valuations and, consequently, this could lead to adverse effects on the value of the Guarantor's real estate portfolio. Consequently, Aroundtown may need to revise the values of the total portfolio on the consolidated balance sheet downwards.

- The ability of landlords to increase rents under existing tenancy agreements is limited under German law. If the parties to a tenancy agreement have agreed on a stepped rent (*Staffelmiete*) or an indexation of rents (*Indexmiete*), or in case of residential properties in Germany where rent increases may be limited as a result of tenant protection regulations (see "*Through its interest in GCP, Aroundtown is exposed to tenant protection laws primarily for residential real estate in Germany. These laws limit among other things the ability of GCP to evict tenants, the levels of rent increases and the ability to pass on modernisation costs. Moreover, further regulatory developments are likely.*"), the inflation rate may exceed Aroundtown's ability to increase rents for certain properties. In addition, even if rent increases are contractually agreed, or legally permissible, enforcement may not be feasible in certain cases due to solvency issues of tenants that cannot afford such rent increases. In addition, operational costs for e.g. energy and heating, might increase substantially, which could result in the inability of tenants to pay contractually agreed rent or operating costs. This may affect residential tenants or commercial tenants with high energy consuming businesses such as hotels. In all such cases, Aroundtown may not be able to collect the rent, in full or in part, or even

the operating costs from tenants potentially resulting in a rent decline which would have a negative effect on Aroundtown's results of operations.

The occurrence of any of these risks may have a material adverse effect on the Group's future business, net assets, financial condition, cash flow and results of operations.

The European real estate market and the Group's business may likely continue to be negatively affected by the effects of the COVID-19 pandemic.

Pandemics, epidemics, outbreaks of infectious diseases or any other serious public health concerns, such as the COVID-19 pandemic, together with any measures aimed at mitigating an expansion thereof, have had and may continue to have a negative impact on the overall economic situation, including the European real estate market. In response to COVID-19, authorities in most countries imposed severe restrictions on travel, limitations on the size of gatherings, quarantines, and prolonged closures of workplaces, cancellation of events, including sporting events, conferences and meetings, curfews and other social distancing measures, including the preliminary closure of businesses, primarily those with high consumer attendance, such as hotels, restaurants, bars, clubs, retail stores, and others.

As a result, most of Aroundtown's tenants of hotel properties suffered a substantial decline in operating income in 2021, 2022 and 2023. As a result, Aroundtown's rent collection rate in 2021, 2022 and 2023 fell significantly below the level of previous periods, mainly due to hotel tenants using rent deferral options. In response, Aroundtown has been working with tenants on a case-by-case basis to collect deferred rent and recorded extraordinary expenses for the uncollected rent of €75 million and €33 million for the financial years ended 31 December 2022 and 31 December 2023, respectively.

The lasting implications of the COVID-19 pandemic or other international public health crises in the future depend on a number of evolving factors which Aroundtown may not be able to accurately assess, such as the spread of new variants of the virus, as well as the timing, suitability and effectiveness of measures imposed by authorities, the availability of effective vaccines against virus variants as well as the continued vaccination readiness of the population and the availability of resources, including human, material, infrastructure and financial (e.g. governmental stimulus packages and/or measures introduced by central banks) required to implement effective responses to the respective situation at the international, national and regional levels as well as the level of civic compliance with such measures.

The occurrence of any of these risks may have a material adverse effect on the Group's future business, net assets, financial condition, cash flow and results of operations.

Aroundtown is exposed to risks relating to the commercial real estate markets for office properties in Germany and in the Netherlands, including risks relating to work-from-home.

Demand for commercial real estate is driven by a range of factors such as changes in disposable income or industrial activity, the availability of credit financing, interest rates, taxation policies, economic growth, financial conditions, population growth, unemployment rates, and consumer confidence. A decline in population levels, particularly among younger segments of the working population, or a decline in purchasing power or higher unemployment rates at the national, regional or local level could reduce the demand for office properties in the corresponding markets.

Based on Aroundtown's aggregate portfolio value as of 31 December 2023, 40% of properties in Aroundtown's portfolio are office properties. Increased mobility and availability of remote working opportunities have been accelerated by the COVID-19 pandemic and are supported by widely available technology solutions which may dampen the demand for office space in the future. Working from home is considered one of the most challenging structural risks to the future demand for office space. Existing and prospective commercial tenants allowing a growing number of their staff to work from home could result in less office space required by them in the near and medium term. This could result in fewer extensions of existing leases and lesser demand for new office space,

shorter lease terms, a decline in rent levels and higher vacancies, and consequently result in a substantial decline in value for office properties.

In addition, the emergence of tax-friendly locations where Aroundtown does not have properties could influence the location, number of square metres, and services needed, resulting in an overall change in demand for office properties. In addition, negative demographic trends could lead to a decline in population levels, as has been experienced by certain regions in Germany, in particular in some eastern German cities and regions, and particularly among younger segments of the active working population. Such declines could reduce demand for commercial real estate, and thereby adversely affect rental income for Aroundtown's properties in those regions. By comparison, Berlin and Frankfurt am Main have benefited from positive demographic developments in recent years but have traditionally seen comparably high vacancy rates. If vacancy rates were to increase again, this could adversely affect Aroundtown's rental income. In addition, demand for office space is subject to rapid and occasionally unpredictable changes, including as a result of changes to economic conditions, interest rates and business confidence. If Aroundtown misjudges the change in demand, or fails to respond to changing demand, this may result in a decline in its rental income, an increase in its vacancy rate and a decline in its financial performance.

In addition, COVID-19 and the measures taken by authorities such as social-distancing measures and the temporary shut-down of businesses, including many operated by Aroundtown's commercial property tenants, has in many cases led to a decreased turnover for Aroundtown's tenants which has or could in the future negatively impact their ability to pay their rents and adversely affect Aroundtown's cash-flow, lead to lower demand for office space in Germany and in the Netherlands as well as higher vacancies (see "*The European real estate market and the Group's business may likely continue to be negatively affected by the effects of the COVID-19 pandemic.*").

In addition, regional economic and political developments as well as other trends in these markets have a significant impact on the demand for Aroundtown's commercial and residential real estate and the rents achievable, as well as on the valuation of its properties. Such local developments may differ considerably from overall developments in Germany, the Netherlands and the UK. For example, eastern Germany's regional centres have lagged behind western Germany in terms of absolute economic performance and consumer purchasing power in the past. While some cities and regions in eastern Germany have seen decreasing unemployment rates and growing purchasing power in recent years, there is no guarantee that this trend will continue.

Similarly, declines in economic and population growth rates in other areas of Germany, the Netherlands or the UK could lead to lower demand for both commercial and residential property, and as a result, may adversely affect Aroundtown's ability to achieve or maintain its desired occupancy rates, rent levels and average lease terms in those areas. Local economic conditions, such as employment conditions or significant income or liquidity problems for tenants in these areas, may lead to reduced rental income and increased vacancy or turnover rates. In such circumstances, Aroundtown may not be able to let or re-let properties on attractive terms or at all, or may only be able to do so after making significant additional investments.

Any of these factors may have a material adverse effect on Aroundtown's business, net assets, financial condition, cash flow and results of operations.

Aroundtown is exposed to risks relating to the hotel real estate market, primarily in Germany, the Netherlands and the UK.

The market for hotel properties depends on the demand for hotel rooms in those regions where hotels are located. Based on Aroundtown's aggregate portfolio value as of 31 December 2023, approximately 21% of Aroundtown's portfolio consisted of hotel properties. Aroundtown's hotel portfolio is mainly located in major cities and diverse regions in Germany as well as in other major European cities. Aroundtown's hotel properties are operated primarily by third-party tenants, the majority of which have entered into long-term lease agreements with Aroundtown. Aroundtown's ability to attract and retain effective, solvent and reliable tenants to manage its hotel properties depends on the broader development of the hotel market in the areas where its hotel properties are located, which is largely outside of Aroundtown's control.

The profitability of hotels and the attractiveness of Aroundtown's hotel properties may be adversely affected by a number of factors, including the availability of and demand for hotel rooms in general and in the regional markets, the desirability of particular locations and changes in travel patterns for commercial or leisure travel, or the impact of natural disasters or international public health crises, war, actual or threatened terrorist activity and heightened travel security measures instituted in response.

Profit margins in the hotel industry also decline, for example, due to increases in the cost of maintenance and renovation that are usually borne by the hotel operators. Ongoing maintenance and renovation and consumer demand for new or completely refurbished hotels also limits the profitability of hotel operators. The same applies to other increasing operating costs such as for energy and heating which hotel operators may not be able to pass over to their hotel customers. In addition, hotels are not able to operate at full capacity due to lack of sufficient personnel, either due to higher rates of absenteeism or as a result of employees having left the industry during the pandemic; such staff shortages may result in lower revenues and thereby reduce the profitability of Aroundtown's hotel tenants. Increased competition also reduces profitability for Aroundtown's existing hotel tenants by forcing them to reduce relative prices or decrease occupancy rates.

Any of the foregoing developments and factors may create financial difficulties for such tenants and limit their ability to pay their rents or fulfil other obligations under their leases. In addition, the number of potential tenants for hotel properties is limited, and suitable tenants must have sufficient experience with, and capacity for, operating hotels, as well be eligible to obtain the relevant permits in order to operate hotel properties. Competition for such tenants can be intense, particularly when the hotel industry is performing well, which may result in Aroundtown being unable to find suitable tenants to operate its properties.

The occurrence of any of the foregoing may have a material adverse effect on Aroundtown's business, net assets, financial condition, cash flow and results of operations.

Aroundtown is exposed to risks relating to the residential real estate market in Germany and London and the regional submarkets where its residential properties are located.

The Group, through GCP, is exposed to risks relating to the residential real estate market, primarily in Germany and London. As of 31 December 2023, GCP's portfolio comprised a total of 63,303 units, with 21% of the portfolio situated in NRW, 23% in Berlin, 14% in Dresden, Leipzig and Halle, 5% in Mannheim, Kaiserslautern, Frankfurt am Main and Mainz, 3% in Nuremberg, Fürth and Munich, 5% in Hamburg and Bremen, 19% in London and 10% primarily located in other densely populated regions in Germany. The market for residential real estate is heavily influenced by demographic and economic developments.

Certain studies have forecasted that demographic changes in Germany, resulting in a declining and ageing population, may cause the nationwide demand for accommodation to fall in the long term. In economically weak and rural areas, significant population declines have already led to an oversupply of housing, and increasing population declines in these areas is likely to result in decreased demand for residential real estate. Changes in other macroeconomic factors, such as GDP, unemployment rates, purchasing power and changes to average household size may also impact the demand for residential real estate. The current economic situation with increasing inflation and uncertain growth prospects exacerbated by the Russia-Ukraine War may further adversely affect the macroeconomic situation and may lead to an increase in unemployment in Germany and reduced purchasing power. As a result, tenants of the Group's residential portfolio could become unable to pay their rents or even the operating costs such as costs for heating when due. In addition, residential real estate is subject to a wide range of regulatory restrictions on rent increases and the questions surrounding affordable living form a major issue in political and social discussions that could lead to further restrictions for owners of residential property to continue to generate the envisaged profits (see "*Through its interest in GCP, Aroundtown is exposed to tenant protection laws primarily for residential real estate in Germany. These laws limit among other things the ability of GCP to evict tenants, the levels of rent increases and the ability to pass on modernisation costs. Moreover, further regulatory developments are likely.*"). Any of these factors may impact the performance of Aroundtown's residential portfolio.

Any of the foregoing factors could have a material adverse effect on the Group's business, net assets, financial condition, cash flow and results of operations.

Aroundtown is exposed to risks relating to the commercial real estate markets for logistics and retail properties in Germany and in the Netherlands.

Based on Aroundtown's aggregate portfolio value as of 31 December 2023, approximately 4% of Aroundtown's portfolio comprised retail properties. Retail properties are subject to a number of specific risks, including an increase in online purchases and the trend towards smaller, high-quality retailers. The ongoing increase in online sales and retail activity has and will continue to negatively affect the demand for brick and mortar retail locations. Losing key tenants may lead to substantial reductions in Aroundtown's revenue. In addition, the loss of "anchor" tenants or particularly large or important tenants could adversely affect retail sales of other stores operating in the retail properties because anchor tenants play an important role in generating customer traffic and making retail properties desirable locations for retailers generally.

Department stores and other brick and mortar retailers have experienced significant competition from online retailers. As commercial pressure on these retailers increases, their ability to maintain their stores, meet their obligations both to Aroundtown and to their external lenders and suppliers, withstand takeover attempts by investors or rivals or avoid bankruptcy and/or liquidation may be impaired and result in closures of their stores. This already difficult situation has been exacerbated by the COVID-19 pandemic and the measures taken by authorities such as the temporary shut-down of businesses and other social-distancing measures. As a result, many retail tenants continue to face a decrease in turnover which in turn could negatively impact their ability to pay their rents and thereby adversely affect Aroundtown's cash-flow. A number of retail businesses have already announced insolvency proceedings as a result of the COVID-19 pandemic. Continuing shutdowns and insolvencies of retail businesses may also lead to lower demand for retail properties in Germany and in the Netherlands as well as higher vacancies (see "*The European real estate market and the Group's business may likely continue to be negatively affected by the effects of the COVID-19 pandemic.*"), ultimately resulting in a decline in property valuations.

Based on Aroundtown's aggregate portfolio value as of 31 December 2023, approximately 2% of Aroundtown's portfolio is categorised as logistics/other. Logistics properties are subject to a number of specific risks, including potential oversupply of logistics facilities in certain regions where Aroundtown's logistics properties are located. Most of Aroundtown's logistics properties are located in large cities and are tailored to the specific needs of their tenants, oftentimes for warehousing. Tenants may relocate their warehousing to other regions, which might reduce the demand for Aroundtown's logistics properties. Re-fitting vacant logistics properties for new tenants may require significant additional investment. In addition, operational challenges such as energy shortages may prevent operators from continuing their operations, resulting in insolvencies and lost rent for Aroundtown.

Any of the foregoing factors could have a material adverse effect on Aroundtown's business, net assets, financial condition, cash flow and results of operations.

The loss of rent, reductions in rent, higher vacancy rates and shorter lease terms may have a negative effect on Aroundtown's business, net assets, cash flows, financial condition, results of operations, net profits and prospects.

The business of the Group strongly depends on the rental income generated by its properties, which is influenced by rent levels, vacancy rates and the weighted average lease terms ("**WALTs**") of such properties. Any decrease in demand for commercial or residential real estate (whether due to general economic, demographic, political or market developments or due to conditions in particular regions or at particular properties) may result in a loss of rent, reductions in rent, higher vacancy rates or shorter lease terms. Changes in any one of these factors could result in a substantial decline in the overall rental income of the Group.

The risks associated with the loss or reduction of rental income are exacerbated by the impact of the current economic environment, inflation and a possible recession, which may result in financial difficulties for tenants of

Aroundtown's properties. Aroundtown has already been forced to negotiate rent reductions or suspensions in individual cases as a result of the COVID-19 pandemic and has experienced losses or reductions in rent as of the date of this Offering Circular. In addition, high energy prices caused primarily by the Russia-Ukraine War and the current economic climate may also result in tenants' inability to bear higher operating costs. It cannot be ruled out that further losses of rent will occur in the future or that Aroundtown will be unable to collect operating costs from tenants and that Aroundtown will lose considerable rental income.

If tenants fail to meet their rent payment obligations in whole or in part, or if a large numbers of tenants or certain key tenants terminate their leases, the Group could suffer a substantial decrease in overall rental income. Even if the Group is able to re-let the affected properties, there is no guarantee that they will be able to do so in a timely fashion or on attractive terms. Furthermore, the Group is required to provide the quality, layout and characteristics of the properties as required by potential tenants, and to maintain the properties in the conditions required by their respective lease agreements and pursuant to the applicable regulatory framework, as well as the provisions of certain of its existing financing or loan agreements. If the required refurbishment or maintenance measures are not performed in time, or at all, the rent that the Group is able to charge for the affected properties may be reduced, in some cases substantially. The COVID-19 pandemic has resulted in ongoing supply-chain shortages and refurbishment or maintenance measures have been postponed or suspended which may result in a delay or loss of rental income.

The occurrence of any of these factors may have a material adverse effect on the Group's business, net assets, cash flows, financial condition and results of operations.

Rent indexation clauses in Aroundtown's lease agreements could adversely affect Aroundtown's rental income.

Some of Aroundtown's lease agreements include clauses providing for full or partial indexation of the applicable rent in line with a reference index, such as the German or Dutch consumer price indexes. Rent levels under these leases will fluctuate based on changes in the reference index, and rental income may decrease as a result. If a lease agreement does not contain an indexation or equivalent adjustment clause, or if such clauses are found to be invalid, the applicable rent may remain constant for the term of the lease agreement, while Aroundtown's costs of maintaining the respective property may increase over time due to inflation. This risk is compounded by the fact that many of Aroundtown's lease agreements are long term. Even if rent levels increased and provided for an upward adjustment of the rent, tenants may not be able to afford higher rent due to financial problems.

Any of the foregoing factors may have a material adverse effect on Aroundtown's business, net assets, financial condition, cash flows, results of operations, net profits or prospects.

Aroundtown may not succeed in improving or adding value to its properties, such as increasing occupancy rates, rent levels and/or average lease terms.

Aroundtown focuses on acquiring properties which it believes have upside potential, primarily through operational improvements such as increased occupancy rates, rent levels and/or duration of lease terms. The success of Aroundtown's strategy depends significantly on its ability to improve and add value to the properties it acquires, primarily by reducing vacancy rates and operating costs while increasing rent levels and average lease terms.

Aroundtown's ability to increase its rental income and average lease terms from new and existing tenancies and to reduce vacancy rates depends on many factors, including, in particular, the demand for its properties, local market rents, the condition and location of its properties, required capital expenditure ("**capex**"), refurbishment and modernisation measures and tenant turnover rates. Even if increased capex, refurbishment or maintenance measures would merit increases in rents as a commercial matter, Aroundtown's ability to increase rents is subject to certain limitations, including competition. Refurbishment and modernisation works might temporarily see delays and certain constraints, such as delays of required permits from state authorities, delays of and difficulties with the supply of raw materials, disruption of supply chains, as well as possible limitations of construction workers permitted on site. Rent levels for properties held by Aroundtown might be subject to contractual

restrictions under purchase or financing arrangements in connection with the property, specific terms agreed with tenants under their leases, or conditions imposed as a consequence of having received government funding or public subsidies. In addition, the residential real estate held by the Group primarily through GCP is subject to strict statutory limits on rent increases for residential real estate in Germany (see "*Through its interest in GCP, Aroundtown is exposed to tenant protection laws primarily for residential real estate in Germany. These laws limit among other things the ability of GCP to evict tenants, the levels of rent increases and the ability to pass on modernisation costs. Moreover, further regulatory developments are likely.*").

As a consequence, the Group might not be able to reduce vacancy rates and increase rental income and average lease terms in a manner or to the extent that the Group expects. Further, they might be required to engage in excessive capex spending and might experience increasing vacancy rates in properties. Any of the foregoing factors may have a material adverse effect on the Group's business, net assets, financial condition, cash flow and results of operations.

Aroundtown is exposed to risks related to capex, maintenance, repositioning, repair and development of properties in Aroundtown's portfolio. The capex, modernisation, repositioning and development of properties, as well as their ongoing maintenance, may take more time, be more expensive or ultimately be less effective than originally anticipated.

Aroundtown is required to maintain, repair and renovate the properties in its portfolio for several reasons, including regulatory requirements (such as provisions relating to safety features and energy savings), obligations under relevant lease agreements and, in some cases, requirements under financing agreements. Aroundtown must also meet or exceed the quality of similar properties owned by its competitors in the regions where its properties are located, which is necessary to maintain existing tenants and attract new tenants. Typically, the costs associated with such measures are borne by the property owner.

As a result, Aroundtown routinely performs maintenance and repair works and undertakes capital expenditures with respect to its properties. Although such measures are intended to increase value, avoid loss of value and to maintain or increase demand for its properties, the related costs can be substantial.

In order to offer safe and attractive properties that are profitable over the long term, Aroundtown's properties must be maintained or improved to a standard that satisfies technical and regulatory requirements, including health and safety, and which meets the demands of current and future tenants. Failure to maintain a building in such condition may pose a health and safety risk to Aroundtown's tenants and employees. It could also have a negative impact on the ability to attract new tenants and lead to rent reductions by existing tenants. Typically, the costs associated with maintaining a rental property at market standards are borne primarily by the owner of the relevant property. As a result of changing legal or market requirements (e.g. with regard to energy efficiency or health or safety requirements), Aroundtown as property owner may be burdened with substantial additional costs for maintenance and modernisation. For instance, due to certain market developments primarily caused by or related to the COVID-19 pandemic and the Russia-Ukraine War, prices for certain construction materials have increased substantially or some have been been impacted by very limited availability. In countries in which Aroundtown operates, rent increases according to current regulation may be introduced to compensate for these expenses only under certain conditions, and these rent increases usually may not exceed a certain percentage of the costs incurred in connection with certain modernisation measures. In addition, Aroundtown may not be able to increase rents to the extent permitted by current law as a result of market conditions or the inability of tenants who receive state support (this concerns certain of Aroundtown's tenants) to afford these increased rents.

In addition, certain properties held by Aroundtown may from time to time require unusually high levels of investment. Some of these properties were acquired by Aroundtown following periods of mismanagement and may not have received adequate investment from previous owners, resulting in significant modernisation, repositioning, capex and fit-out costs, which could well exceed the costs of routine upgrades or general maintenance.

Aroundtown, through lease agreements with tenants, has assumed a number of obligations to invest in the leased properties. In general, the lease agreements stipulate that the tenant may terminate the lease agreement if Aroundtown fails to meet these obligations. In such cases, Aroundtown could suffer significant losses following loss of rental income.

In addition, with respect to some of the properties in its portfolio, Aroundtown has also entered into obligations under its loan and purchase agreements and social charters to spend minimum average amounts per square metre on maintenance and modernisation. This may restrict Aroundtown's ability to focus on other planned maintenance measures and may thus result in a sub-optimal allocation of funds.

Although Aroundtown takes steps to predict and plan for the various expenses that it will incur in connection with its properties, there is no guarantee that Aroundtown has predicted, or will correctly predict in the future, the amount of resources Aroundtown needs to spend on maintenance, repairs, modernisation, repositioning, or capex and development of its properties. The originally budgeted costs may increase substantially as a result of many factors, such as increased costs of materials, increased labour costs, increased energy costs, poor weather conditions, unexpected safety requirements or unforeseen complexities and developments at the building site. Aroundtown may be unable to undertake necessary work on its properties in a timely fashion or at all for many reasons, including availability of skilled labour due to strong demand, poor weather conditions or the failure of contractors or subcontractors to adhere to agreed-upon time schedules or continue as going concerns during the course of necessary work. Contractors or subcontractors may perform work that fails to meet Aroundtown's standards, leading to quality problems with properties, further costs to correct such problems, and reputational damage. If Aroundtown was to become subject to unexpected costs for capex and modernisation, this could reduce the profitability of Aroundtown.

Further, necessary building or other permits may be delayed or denied, or only issued subject to further restrictions or with fewer rights than anticipated by Aroundtown. In addition, the impact of these factors may be more significant for Aroundtown, which invests from time to time in properties that may have experienced periods of mismanagement, than for investors in properties that have been better maintained. In the case of acquired property portfolios, Aroundtown may not be contractually protected against these costs and may not have been able to adequately predict or foresee these prior to the acquisition of the relevant properties.

Any of the foregoing factors may have a material adverse effect on Aroundtown's business, net assets, financial condition, cash flow and results of operations.

Aroundtown has opportunistically engaged from time to time in real estate development projects that primarily relate to the expansion of existing properties or to the conversion of existing properties for a different future usage. As of 31 December 2023, Aroundtown held properties classified as development rights and invest with a value of €1.9 billion. Subject to the impact of the current economic environment on the demand for commercial real estate, Aroundtown may extend its development activities based on potential and/or ongoing development opportunities in its portfolio or engage in other development projects that it considers attractive or provide upside potential.

Such developments are typically long-term in nature and involve numerous risks, including cost overruns, which may result in projects becoming unprofitable, and changes in the economic environment, which may make it difficult or impossible to fully lease projects upon completion. Aroundtown undertakes these developments at its own risk and Aroundtown faces the risk that developments it undertakes may not be profitable. This may also result in Aroundtown failing to complete construction and delivery of project developments within the scheduled timeframe.

During the initial phases of its development projects, Aroundtown normally carries the costs of the project and begins to receive revenues in the form of rental income or from a sale of the property only at a later point in time. In the past, certain development projects have been subject to cost overruns and delays in completion, both of which are caused by factors that are not directly within the control of the developer. Aroundtown is dependent on third-party contractors to provide construction and other services for the realisation of its development projects.

Outsourced services include architectural and technical design, concept design and construction. Due to the competitive environment in the German construction sector, particularly in Germany's key metropolitan areas, qualified and reliable construction partners are in great demand. If Aroundtown is unable to find or hire qualified and reliable contractors for any of its development projects, the successful completion of projects in time or with the required quality is at risk. Contractors may also fail to meet agreed-upon standards and deadlines. If any third party fails to provide its services, labour, equipment or materials in a timely and/or adequate manner, Aroundtown may be required to source these services or materials at a higher price than anticipated and may face material delays at its project sites until it is able to identify appropriate alternative third parties. In addition, third-party contractors can be adversely affected by economic downturns or poor management decisions. Aroundtown may hire a contractor that subsequently becomes insolvent, causing cost overruns and project delays and increasing the risk that Aroundtown will be unable to recover costs in relation to any defective work performed by such contractor. Lack of familiarity with local regulations, delays in obtaining construction permits or contract and labour disputes with construction contractors or subcontractors and unforeseen site conditions may require additional work and involve construction delays. The decreased availability of foreign construction workers may also have a negative impact on the success of development projects. Failure of property developments to proceed as expected or the cost of unforeseen significant capital improvements could decrease Aroundtown's cash flows. Aroundtown could also underestimate the cost of improvements needed to market the property effectively to potential tenants. Furthermore, the ability to develop or modernise certain properties depends on agreements with the local authorities (including with respect to the acquisition of necessary plots of land) or the land-use regulation applicable to the respective property, in particular local development plans (*Bebauungspläne*). Local authorities might attempt to influence the nature and extent of future buildings during the relevant permit process. In this case, Aroundtown may be unable to either partially or fully realize the potential of such locations, which would affect the rental income generated through a potential development and may therefore affect the economic viability of such developments.

When considering property development opportunities, Aroundtown makes certain estimates as to the economic, market and other conditions, including estimates relating to the value or potential value of a property and the potential return on investment. These estimates may prove to be incorrect, rendering Aroundtown's strategy inappropriate, resulting in negative effects on Aroundtown's business, results of operations, financial conditions and prospects. An increase in development activities may also have a negative impact on Aroundtown's credit rating.

Any of the foregoing factors may have a material adverse effect on Aroundtown's business, net assets, financial condition, cash flow and results of operations.

Aroundtown may be unable to find or retain suitable tenants on acceptable terms, and existing tenants may be unable to meet their payment obligations.

The letting of properties is one of the most important aspects of Aroundtown's business. Aroundtown's rental income depends on its ability to let its properties at profitable rent levels and attractive overall terms. Such efforts are influenced by a number of factors, including the remaining term of existing lease agreements, the commercial conditions of current tenants and the attractiveness of properties for new or existing tenants. The Group may be unable to renew expiring lease agreements on acceptable terms or find suitable tenants willing to enter into new lease agreements. There is also no guarantee that the Group will be able to successfully compete for suitable tenants with other landlords, who may be able to offer more attractive properties, lease terms and/or rent levels. If the Group misjudges the attractiveness of its properties, it may be difficult to find suitable tenants that are willing to rent its properties at rent levels and/or time periods anticipated by the Group.

Due to the current economic environment, many businesses including Aroundtown's commercial tenants may face economic difficulties which ultimately could result in their inability to fulfil their obligations under the lease agreements with Aroundtown (see "*Aroundtown's business could be adversely impacted by negative developments in the economy and in the commercial and residential real estate markets, primarily in Germany, the Netherlands and the UK.*"). Failure to find and retain suitable tenants may prevent the Group from maintaining its current

vacancy rate or renting vacant space, or may force the Group to reduce the rent levels it demands from current and future tenants and/or increase rent-free periods for current and future tenants, or require increased investment in tenant improvements.

In particular, with respect to the Group's hotel properties, the number of potential tenants is limited, and suitable tenants must have sufficient experience and capacity to operate hotels, including the procurement of required licenses. The Group's ability to find new tenants for its hotel properties depends on many factors, including factors that are beyond its control, such as demand for hotel rooms in the relevant regions, profit margins of hotels in the relevant regions and the hotel industry generally, and the level of competition in the hotel sector. Finding new hotel tenants has become increasingly challenging for the Group as hotel operators are faced with potentially lower profitability as a result of lower occupancy rates and higher costs.

With respect to the Group's office tenants, increasing opportunities for remote work or work from home offered by businesses to their employees are expected to lower the overall demand for commercial real estate, in particular for office space. Consequently, less office space could be required by commercial tenants in the near and medium term. This would make it more difficult for Aroundtown to find new tenants or to extend leases with existing tenants.

In addition, the financial capacity or creditworthiness of the tenants of the properties in the Group portfolio may deteriorate over time, reducing their ability to make payments under their leases on time or at all. This may force the Group to reduce rent levels for the relevant properties, resulting in significantly lower rental income while the Group's operating costs might remain largely fixed or even increase. The Group's results may also be adversely affected if it is unable to pass on fixed operating costs for vacant space, including local taxes and service charges. The Group may also be forced to engage in expensive and time-consuming administrative or legal proceedings in order to evict certain tenants, or as a result of insolvency or other restructuring activities undertaken by its tenants, which may result in modifications to the terms of the Group's leases with or without its consent. Although the Group takes steps to verify the financial capacity of its tenants prior to entering into leases with them, the Group cannot predict the financial stability and commercial viability of its tenants going forward.

Moreover, portfolios and companies that may be acquired in the future may not develop as favourably as expected. For example, targeted rent increases may not be implemented as planned due to a lack of tenants who are willing or able to pay increased rents, or vacancy rates may increase due to unfavourable demographic or economic developments.

Any of the foregoing factors may have a material adverse effect on Aroundtown's business, net assets, financial condition, cash flows and results of operations.

Most tenants of Aroundtown's hotel properties are operating hotels under well-known hotel brands on the basis of franchise agreements. Should tenants be unable to extend or renew existing franchise agreements with brand owners when they expire or if tenants violate the terms of franchise agreements, the Guarantor may face unforeseen expenses and potential losses resulting from a potential re-branding of the respective hotels.

Aroundtown has entered into long-term lease agreements with the tenants of its hotel properties that operate these hotels as franchisees under well-known brands and trademarks, such as "Marriott", "Wyndham", "IHG", "Accor", "Center Parcs", "Radisson" and "Hilton", on the basis of franchise agreements entered into with the respective brand owners. The underlying franchise agreements relating to the brands and trademarks provide for certain standards of the respective hotels and other covenants with which the respective franchisees must comply. These franchise agreements may be terminated in the event of breach and the respective hotel operator that is Aroundtown's tenant might lose the right to operate the hotel under the respective brand. Franchise agreements also have a specific term. If a franchise agreement is terminated or expires without renewal, the Guarantor may incur unexpected expenses relating to any required re-branding of the respective hotel, including the requirement

of capex or refurbishing expenses. If multiple franchise agreements are terminated or expire without renewal in the same timeframe, the Guarantor may be required to make material investments to resolve these issues.

The occurrence of any of the aforementioned risks could have a material adverse effect on Aroundtown's business, net assets, financial condition, cash flow and results of operations.

The future growth of Aroundtown depends on the availability of real estate properties with value-add potential at reasonable prices, and growing competition and other factors may lead to increased prices and lower availability.

Aroundtown seeks to acquire properties which it believes have value-add potential, and the future growth of Aroundtown depends on the availability of such properties for purchase at attractive prices. Depending on market conditions, such properties or portfolios of such properties may be unavailable or available only on unfavourable terms or prices at the relevant time. While Aroundtown is focused on the acquisition of commercial and residential properties, many of the properties available in the market may not fit Aroundtown's investment criteria.

In addition, a number of factors beyond Aroundtown's control influence the availability of offices, hotels, logistics, retail, and residential properties generally, including the overall development of real estate markets, construction activity as well as zoning and planning laws. There is no guarantee that Aroundtown will be able to continue to identify or acquire a sufficient number of suitable properties at reasonable prices that will allow it to successfully implement its business strategy or grow its business effectively.

The supply of real estate properties and portfolios available for sale may also be reduced due to fewer sales by private or public sellers. If for instance state-owned entities reduce or cease privatising or selling their real estate holdings, as they have done over the past years, then supply, in particular for residential real estate, could be reduced, which may result in increased competition for acquisitions of suitable properties and may motivate potential sellers to sell properties through an auction process. The use of auction processes for the sale of properties has grown increasingly common in the regions where Aroundtown's properties are located and may increase in the future. Any of these factors may result in increased prices for the types of properties which are the strategic focus of Aroundtown. As a result, it could be more difficult for Aroundtown to successfully acquire properties, which could limit their ability to grow their businesses effectively.

Aroundtown faces competition from other investors to acquire attractive properties, such as international real estate funds, German open-ended and closed-ended funds, publicly listed German real estate companies (such as Aktiengesellschaft or REIT-AG companies), Dutch real estate companies, pension funds and other European and international companies, any of which may have greater resources, better information or better access to properties or financing than Aroundtown. Aroundtown also competes with other property companies, investment funds, institutional investors, building contractors, individual owners and other entities to attract and retain suitable tenants on favourable terms. Competition in the real estate markets that Aroundtown targets is generally intense and could further intensify in the future. There is no guarantee that Aroundtown will be able to successfully compete in any of the regions within its strategic focus or will be able to enter new regions successfully. Changes in law or regulations may also create environments in which Aroundtown can no longer effectively compete.

Any of the foregoing factors may have a material adverse effect on Aroundtown's future business, financial condition, cash flows and results of operations.

Aroundtown may be unable to make acquisitions if it is unable to obtain the necessary funds.

Aroundtown's ability to make future acquisitions may be limited if Aroundtown is unable to obtain the necessary funds through additional debt or equity financing or disposals of properties, in each case on acceptable terms. Further, additional debt incurred in connection with future acquisitions could have a significant negative impact on Aroundtown's financial performance indicators, such as its loan-to-value ratio ("**LTV-ratio**") and could result in lenders demanding higher interest rates for future financings. Financial covenants under existing or future financing agreements, including Outstanding Senior Bonds (as defined below), might prohibit the incurrence of additional debt for acquisitions depending on the financial performance of Aroundtown at the time that it intends

to make an acquisition. The availability and terms of debt and equity financing available to Aroundtown depends on a number of factors, including interest rate levels, Aroundtown's credit rating and the overall state of financial markets. Rising interest rates and the market downturn already limit Aroundtown's ability to obtain acquisition financing at acceptable terms. If Aroundtown is no longer able to obtain the debt or equity financing it needs to acquire additional property portfolios, or if it is able to do so only on onerous terms, its future growth, business development and competitiveness could be severely constrained.

Similarly, Aroundtown may not be able to raise funds for acquisitions through the sale of properties which it considers to no longer meet its strategic criteria or may be able to do so only on unfavourable terms. The disposal of properties on acceptable terms depends on numerous factors, many of which are outside of Aroundtown's control (see "*Aroundtown's investments are predominantly in real estate. Due to the potentially illiquid nature of the real estate market, Aroundtown may not be able to sell any portion of its portfolio or investments in a timely fashion, on favourable terms or at all. In addition, Aroundtown may not be able to collect deferred sale price payments granted as vendor loans due to solvency issues of buyers.*").

Any of the foregoing factors could limit Aroundtown's ability to fund acquisitions and thereby limit its growth, which in turn could have a material adverse effect on Aroundtown's business, net assets, financial condition, cash flows, results of operations, net profits and prospects.

Aroundtown may fail in its ability to source or acquire suitable properties.

Aroundtown relies on its sourcing network, including the contacts of its key personnel, to source property acquisition and disposal opportunities and to identify suitable properties for the reinvestment of disposal proceeds. There is no guarantee that Aroundtown's sourcing network will provide it with sufficient opportunities in the future or that Aroundtown will be able to maintain its sourcing network in the future. In addition, Aroundtown's competitors may succeed in gaining access to the same sources of information and/or properties that Aroundtown has relied on in the past, thereby undermining the value of Aroundtown's sourcing network.

Aroundtown acquires properties through transactions in a variety of forms, including without limitation, asset-based transactions, share deals and acquisitions of non-performing loans ("**NPLs**"). In these transactions, Aroundtown seeks to acquire indebtedness of distressed or insolvent companies holding a property or properties from their original lenders that would allow an enforcement of mortgages or land charges granted in favour of such indebtedness and eventually result in the acquisition of the underlying property. In the case of acquisitions of properties via NPLs, Aroundtown may be unable to gain access to the underlying property in the time period anticipated by Aroundtown, and therefore may fail to gain access to the property at all, or may only do so at a significantly greater cost than anticipated. In addition, Aroundtown invests in real estate and real estate related funds ("**Funds**") and provides asset-backed financing to property developers of real estate and other real estate owners ("**Loans-to-own**"). These transactions are typically made mainly to increase the ability of Aroundtown to source attractive deals in a low yield market environment. In these transactions, Aroundtown seeks to acquire equity interests in Funds or provide Loans-to-own to property developers or property owners at attractive interest rates. The Loans-to-own are secured with the underlying property and in case of default, Aroundtown is able, under certain conditions, to take over the property at attractive prices. In these cases, Aroundtown's access to the underlying property is limited, and the value of such underlying property is not guaranteed, therefore Aroundtown risks losing part or all of its investments made through investments in Funds or through Loans-to-own transactions.

Any of the foregoing factors may have a material adverse effect on the future business, net assets, cash flows, financial condition, results of operations, net profits and prospects of Aroundtown.

The UK's withdrawal from the EU may cause a significant downturn in the UK's overall economy with negative impacts on the British real estate market and demand for hotel rooms which could have a significantly negative effect on Aroundtown's hotel portfolio in London.

On 31 January 2020, the UK withdrew from the EU ("**Brexit**"). It is widely expected that the overall economic activity between the EU and the UK may diminish, resulting in a general economic downturn throughout the UK,

the EU or both. The negative impact on the EU and UK economies may be exacerbated by the current economic environment. Aroundtown's real estate portfolios in the UK consist primarily of residential properties, hotel properties and, to a lesser extent, office properties. Aroundtown believes that its real estate portfolios in the UK are well diversified, with its hotel portfolio attracting both international and domestic business and leisure travellers. However, an overall downturn in the UK's economy may significantly impact the demand for business travel within, and to, the UK, and hence reduce demand for hotel rooms by end-users. As of 31 December 2023, approximately 1% of Aroundtown's hotel portfolio consisted of hotel properties located in London. This portion of the property portfolio may be particularly exposed to the economic and political impact of Brexit.

Further, an overall downturn in the UK's economy may impact the number and size of departments and business units located in the UK, and hence reduce demand for office space. As no agreement has been reached between the UK and the EU on future co-operation in the financial sector, it is possible that financial institutions will continue to move certain departments or business units from the UK to the EU. This could negatively impact the demand for hotel rooms and office space in the UK, in particular in its business centres. A negative development of the economy of the UK may also negatively impact labour markets and demographic trends, and as a result may negatively impact the residential real estate market in London, which in turn can have negative consequences for Aroundtown's residential London portfolio.

Furthermore, a downturn in the overall economy and a rise in unemployment rates in the UK could depress consumer spending, which may reduce domestic tourism within the UK, which may further negatively impact the demand for hotel rooms. Due to the increase in immigration restrictions for workers from the EU, Brexit has also had and is expected to continue to have an impact on the supply of labour which, in turn, may negatively impact the quality of hotels due to the scarcity of labour available for repair, maintenance and, in particular, hotel operation services. This may additionally increase the overall costs of labour for hotel personnel. Any of these factors may negatively affect the profitability of hotel operators, which as tenants of Aroundtown's hotel properties, could have a detrimental impact on Aroundtown's business.

Brexit may have contributed and continues to contribute to a devaluation of GBP, impacting both the Guarantor's portfolio located in the UK as well as the Guarantor's revenues and liabilities denominated in GBP (see "*Aroundtown is subject to foreign exchange rate fluctuations.*"). As of 31 December 2023, Aroundtown had issued perpetual notes and straight bonds with an aggregate nominal value of GBP 1,300 million, of which GBP 500 million of straight bonds are classified as a non-derivative financial instrument used to hedge Aroundtown's foreign currency exposure and GBP 400 million are hedged through foreign exchange rate and interest rate swap agreements.

The occurrence of any of these risks may have a material adverse effect on Aroundtown's business, net assets, financial condition, cash flow and results of operations.

The geographic and/or asset type composition of the property portfolio might change in the future due to further acquisitions or divestitures.

The geographic and asset class composition of Aroundtown's property portfolio might change in the future. Aroundtown follows an opportunistic approach to acquisitions and focuses on real estate which it believes has upside potential. Consequently, Aroundtown continuously seeks investment opportunities throughout the regions of its strategic focus but also in other markets that it believes might meet its investment criteria. Therefore, the geographical composition of the property portfolio of Aroundtown may change, either as a result of new acquisitions, divestitures of existing properties by Aroundtown or a strategic shift towards focusing on new markets. A change in the geographical composition of the property portfolio may lead to increased concentration in certain geographical areas or introduce or increase dependencies on regional market conditions in new or different geographical areas. These may have different fundamentals, trends or legal, regulatory and tax regimes than the current regions where the properties are located. A broader geographical distribution may also result in additional costs in connection with the management of the properties and reduce the benefits of economies of

scale. A different geographical distribution of the property portfolio may result in reduced availability of market data, which could limit Aroundtown's ability to accurately predict the performance of its investments.

Any of the foregoing factors may have a material adverse effect on Aroundtown's business, net assets, financial condition, cash flow and results of operations.

Aroundtown is exposed to concentration risks and negative commercial developments which could affect demand for its properties or have significant impacts on key tenants or properties, any of which could have a material adverse effect on Aroundtown's business.

Aroundtown is exposed to concentration risks due to its focus on certain categories of real estate and its focus on certain geographic locations. The performance of Aroundtown may be disproportionately impacted by negative market developments occurring in those regions where it holds substantial portions of its property portfolio, such as Berlin, Munich, Frankfurt am Main, NRW, Dresden and Leipzig as well as London. In the event of developments that impact a number of key tenants, Aroundtown may be unable to find suitable replacement tenants or only find replacements at unattractive rental rates. Any of these developments may result in increased vacancy rates and decreased rent levels for the properties held by Aroundtown and have a significant negative effect on Aroundtown.

In addition, demand for offices, hotels and retail properties is not only affected by the overall development of the commercial real estate market, but also by commercial developments affecting existing and potential tenants for these types of properties. Such developments include an increase in food and other retail purchases over the internet including online food delivery services; the trend towards smaller, high-quality retailers and an ongoing consolidation within the food retail sector, which has adversely affected rental demand for Aroundtown's retail properties; the trend towards opportunities to work remotely; a tendency to work from home offices or from tax-friendly headquarters located away from city centres, which may adversely affect rental demand for Aroundtown's office properties; and the development of new or increased taxes, such as city tourism and hotel taxes and alternative models of accommodation, such as Airbnb, which have adversely affected tourism and travel, impacting demand for hotel rooms and therefore adversely affecting Aroundtown's hotel properties. There is no guarantee that Aroundtown will be able to successfully predict or adapt to changes that may impact tenant demand for its commercial properties.

As at 31 December 2023, Aroundtown's ten largest tenants accounted for less than 20% of its annualised rent. If such major tenants in Aroundtown's portfolio were to face financial difficulties or default on their lease obligations, reduce or abandon their operations in Aroundtown's markets, attempt to renegotiate lease agreements to Aroundtown's disadvantage, fail to extend their lease agreements or terminate them prematurely, Aroundtown could lose a substantial portion of its rent payments.

Negative developments such as the loss of major tenants, prolonged vacancies, restrictive government orders limiting the use of a property, construction work allowing for rent reductions, fire and other catastrophes could have a material adverse effect on any single property. If one of Aroundtown's most valuable properties were to be affected by such developments, this could have a material adverse effect on Aroundtown's overall portfolio.

Any of the foregoing factors may have a material adverse effect on Aroundtown's business, net assets, financial condition, cash flow and results of operations.

Aroundtown may acquire properties with undisclosed or unforeseen legal and other defects which can prove costly to address and can lead to lower rental income or resale problems. Undetected defects may cause substantial liability not covered by insurance in the event of fatal accidents.

Before acquiring a property or portfolio of properties, Aroundtown generally performs a due diligence exercise in order to evaluate the properties and to identify risks connected with the properties. There can be no assurance as to the adequacy or accuracy of information provided during any due diligence exercise or that such information will remain accurate following the conclusion of the due diligence exercise until the acquisition of the relevant

properties. In certain situations, Aroundtown may enter into transactions with limited time to conduct due diligence and/or on the basis of limited, missing, inconsistent or incomplete information.

Particularly in the case of properties or property portfolios that were mismanaged by previous owners, have deteriorated or were sold under financial, legal or time pressure, information regarding properties may be limited, missing, inconsistent or incomplete. As a result, the Group may overpay for properties with structural or other defects or problems that may be expensive to repair or address.

Aroundtown purchases property through transactions in a variety of forms, such as asset purchases, stock purchases and the purchase of NPLs. These types of transactions may differ in the amount of information that can be provided to Aroundtown and the time that Aroundtown is given to review it. It is possible that Aroundtown may not recognise or may not receive information regarding certain risks. These risks, among others, relate to title and security searches, planning permissions and conditions, building permits, revisions to zoning plans, licences, fire, health and safety certificates, compliance with related regulations as well as restrictions in connection with historic preservation laws, subsidised housing or contractual limitations imposed by the seller of the respective property that may relate to investment obligations, limitations as to rent increases, or other provisions for extra-statutory tenant protection. In the case of environmental risks, Aroundtown or the original acquirers, as the case may be, may not have been able to undertake (or obtain results for) inspections and surveys (including labour and time intensive environmental and asbestos investigations and technical surveys) that Aroundtown would otherwise have carried out in the course of comparable acquisitions. In respect of certain properties in Aroundtown's portfolio, only limited investigation or review may have been undertaken prior to purchase as to the existence of harmful environmental contamination. It is therefore possible that Aroundtown has acquired, and may in the future acquire, properties with severe legal defects or which are not in compliance with applicable legal requirements. In addition, real estate transfer tax ("**RETT**") may inadvertently be, or have been, triggered in the course of such acquisitions of real estate.

Even where the Group is supplied with sufficient information, there is no guarantee that it will be able to correctly evaluate and predict the impact of the risks and information that it receives. It is possible that damage or quality defects could remain entirely undiscovered or misunderstood, or that the scope of such problems may not be fully apparent in the course of Aroundtown's due diligence exercise, and/or that defects may only become apparent at a later time. Undetected defects could include the use of illicit building materials that can cause health hazards for the tenants or cause fatal accidents which are not covered by insurance (see "Aroundtown could sustain substantial losses not covered by, or exceeding the coverage limits of, its insurance policies."). In general, sellers exclude liability for hidden defects in properties which they sell, which would prevent a claim for any loss incurred by the Group in connection with the acquisition of such property. Even if liability for hidden defects has not been fully excluded, it is possible that the representations and warranties made by the seller in the course of the sale of the property fail to cover all risks and potential problems. In addition, warranty claims may be unenforceable due to a seller’s insolvency or for other reasons.

Accordingly, in the course of acquiring a property portfolio, specific risks might not be, or might not have been, recognised or correctly evaluated which could lead to additional costs and could have an adverse effect on the proceeds from rental income and sales of the relevant properties. Any of the foregoing factors could have a material adverse effect on Aroundtown’s business, net assets, financial condition, cash flow and results of operations.

There is a risk that Aroundtown may incorrectly appraise the value of acquired properties or property portfolios, real estate companies or NPLs before, during and after an acquisition.

Prior to acquisitions of properties, property portfolios, real estate companies or NPLs and/or other real estate related investments such as investments in real estate investment funds or Loans-to-own, Aroundtown carries out an examination and evaluation of the underlying properties to be acquired, which typically includes developing an initial business plan for the properties after taking into account required maintenance, refurbishment, modernisation, repositioning or capex measures.

The assumptions, estimates and judgements made by Aroundtown in connection with these acquisitions may however be mistaken, inaccurate or incorrect, particularly with respect to anticipated rent and vacancy levels, commercial attractiveness, relevant costs and timeframes, and any other liabilities associated with the acquisition. During periods of reduced activity in the real estate markets, or periods of economic, political or market volatility, market prices for properties may be difficult to assess which can lead to the risk that Aroundtown overpays for properties. This may result in certain assumptions in appraisal reports turning out to be inaccurate or incorrect. In addition, the valuation methods Aroundtown relies on could subsequently be found to have been unsuitable for the acquired properties.

Accordingly, the actual performance of acquired properties may differ substantially from the performance predicted by Aroundtown at the time of acquisition. It may be more difficult than anticipated to lease or sell such properties, market rents could decline or fail to achieve the levels anticipated by Aroundtown, and capex requirements and/or vacancy rates may exceed Aroundtown's projections or even increase following the acquisition. Incorrect and erroneous valuations in connection with the acquisition of property portfolios and other unforeseeable events could result in Aroundtown being unable to achieve its projected yields, leading to the risk that valuations of the properties at their acquisition or later on have to be adjusted downwards (see "*In the event of a downturn or other developments in the real estate markets of Germany, the Netherlands and other European countries in which the Group's properties are located, in particular in the UK, or in the interest rate environment, the fair values of the properties in the Group's portfolio may decline, which may have material adverse effects on the valuation of its property portfolio.*").

Any of the foregoing factors could result in reduced revenue, profits or cash flow and may negatively affect the value of the property portfolio of Aroundtown as reported in its financial statements and may lead to negative impacts on Aroundtown's business, net assets, financial condition, cash flow and results of operations.

Aroundtown's investments are predominantly in real estate. Due to the potentially illiquid nature of the real estate market, Aroundtown may not be able to sell any portion of its portfolio or investments in a timely fashion, on favourable terms, or at all. In addition, Aroundtown may not be able to collect deferred sale price payments granted as vendor loans due to solvency issues of buyers.

Aroundtown primarily invests in real estate or in real estate companies. While the general strategy of Aroundtown is to hold properties that it acquires, Aroundtown will from time to time sell properties or portfolios of properties if attractive opportunities or market conditions arise, or for strategic reasons. The ability of Aroundtown to sell its properties generally depends on the liquidity of the real estate markets at the time of the potential sale. The demand for real estate assets is influenced by, among other factors, the quality of the property, vacancy rates, the overall economic and market situation at the time of the sale, the level of interest rates and the availability of debt financing to market participants.

As a result, if Aroundtown were required to sell parts of its portfolio, particularly on short notice or under legal, financial or time pressure, there is no guarantee that Aroundtown would be able to do so in a timely fashion, or on favourable terms, or at all. For example, in the event of a forced sale, as a result of collateral enforcement by creditors, there would likely be a significant shortfall between the fair value and/or market value of (i) the property, (ii) property portfolio or (iii) the shares held by Aroundtown in an investee real estate company, as the case may be, and the price achievable upon the sale of any of the foregoing, and there can be no guarantee that the price obtained by Aroundtown would represent fair value or market value for such assets.

When selling properties, Aroundtown from time to time may agree with the respective buyer to defer parts of the purchase price and grant a vendor loan for the deferred portion of the purchase price. There is no guarantee that the buyer will be able to repay the vendor loan in full or at all at maturity. While vendor loans are usually secured by the real estate assets underlying the sale, there is a risk that the value of the underlying assets has deteriorated since the transaction was entered into due to poor performance or a change in the market environment, which may have a negative financial impact on Aroundtown.

The current economic environment could lead to an increased supply of real estate properties, as owners may be forced to sell real estate properties to gain liquidity. At the same time, the demand for real estate could decrease due to a possible downturn in the overall economic situation and other effects. This could have a negative effect on property prices as well as Aroundtown's portfolio and thus impair Aroundtown's ability to sell its real estate properties on favourable terms. Due to the effects of the current economic situation, any future negative impact on property prices remains uncertain (see "*Aroundtown depends on macroeconomic developments that impact, in particular, economic performance, interest rate levels and levels of inflation, which in turn could negatively affect the German, Dutch and UK real estate markets and the valuation of Aroundtown's real estate portfolio.*").

Aroundtown further relies on its network, including the contacts of its key personnel, to generate opportunities for the sale of its properties. There is no guarantee that Aroundtown's network will provide it with sufficient opportunities in the future or that Aroundtown will be able to utilise its network for the sale of real estate in the future.

Any of the foregoing factors could have a material adverse effect on Aroundtown's business, net assets, financial condition, cash flow and results of operations.

Aroundtown may not be able to efficiently and effectively integrate newly acquired properties into its portfolio.

After the acquisition of properties or a property portfolio, the properties must be integrated into Aroundtown's existing management platform. Although Aroundtown has developed an information technology ("**IT**") based platform that is intended to efficiently integrate newly acquired properties or real estate companies, the platform may fail to perform as expected. The integration of acquired properties and portfolios may be more difficult or take longer than anticipated and cost savings and synergies may not develop as expected, resulting in higher administrative and management costs than anticipated by Aroundtown.

The integration of IT systems of newly acquired property portfolios or real estate companies into the existing IT platform of Aroundtown or transmission of the respective data into the IT system of Aroundtown could require significant time, effort and related costs. As Aroundtown continues to grow, further acquisitions could cause a significant increase in such costs, or in other costs related to the growth and development of Aroundtown's IT systems.

Any of the foregoing factors may have a material adverse effect on Aroundtown's business, net assets, financial condition, cash flow and results of operations.

The board of directors of GCP may take resolutions or implement measures that are not supported by the Guarantor or that are contrary to Aroundtown's strategy, policies or objectives.

Although the Guarantor is currently the largest single shareholder of GCP with a 62.7% interest in GCP as of 31 December 2023, other shareholders of GCP may block resolutions in the general meeting of GCP that require a majority of two-thirds of the votes cast and thereby prevent the Guarantor from implementing measures that are in line with Aroundtown's strategy, policies or objectives.

Further, GCP's board of directors may take resolutions or implement measures that are not supported by the Guarantor or that are contrary to Aroundtown's strategy, policies or objectives, and which could negatively impact the strategy of Aroundtown.

There is no guarantee that GCP will be able to successfully manage these risks or additional risks relevant to its business, or to manage or develop its business going forward. Any negative developments with respect to the risks facing GCP or any misjudgement, miscalculation, failure or inability of GCP to react to such developments or to manage or develop its business successfully may have a material adverse effect on the business, net assets, cash flows, financial condition, results of operations, net profits and prospects of Aroundtown.

Any of the foregoing factors may have a material adverse effect on Aroundtown's business, net assets, financial condition, cash flow and results of operations.

The Guarantor is exposed to risks with respect to its investments in Globalworth Real Estate Investments Limited.

As of the date of this Offering Circular, the Guarantor indirectly holds 30.4% of the voting rights in Globalworth Real Estate Investments Limited, Guernsey ("**GWI**"). GWI, which is listed on the Alternative Investment Market of the London Stock Exchange plc, is a real estate company whose portfolio consists mainly of office properties in Central and Eastern Europe, in particular Poland and Romania. Aroundtown holds its interest in GWI through a 50/50 joint venture structure with CPI Property Group S.A. While the joint venture company is the majority shareholder of GWI, holding 61% of GWI, it cannot be guaranteed that the joint venture partner agrees fully or in part with Aroundtown's strategy and objectives regarding GWI, which may adversely affect the value of Aroundtown's interest in GWI. Furthermore, the remaining shareholders of GWI may take decisions or actions that influence GWI and which are not supported by Aroundtown or that are contrary to the strategy or objectives of Aroundtown and which may adversely affect the value of the Guarantor's interest in GWI.

Due to GWI's focus on office properties in Poland and Romania, GWI is exposed to demographic, legal, economic and political market developments in these markets. As direct neighbours to Ukraine, Poland and Romania have significant exposure to the negative impacts of the Russia-Ukraine War and both countries are currently hosting a high number of refugees. The associated risks include, in particular, economic and political developments in these countries, uncertainty in Europe and related currency fluctuations, as well as the potential effects of changes in interest rates. Similar to the COVID-19 related risks to which Aroundtown is exposed (see "*The European real estate market and the Group's business may likely continue to be negatively affected by the effects of the COVID-19 pandemic.*"), GWI may also face risks caused by the COVID-19 pandemic as regards the economy, the real estate market and its business operations, in particular the risk of a significant decrease in revenues from rental payments, difficulties in finding new tenants willing to enter into lease agreements on favourable terms and a restricted environment for financing and funding. Other risks include the availability of properties for acquisition, GWI's ability to successfully manage its properties, potential changes in the geographical composition and concentration risks in GWI's property portfolio, GWI's ability to find and retain suitable tenants for its properties, the effects of capex, maintenance, new positioning and repair of its properties, the availability of funds and GWI's ability to access the capital markets on favourable conditions. There are also risks relating to legal, regulatory, tax or administrative obligations in connection with GWI's properties. As GWI generates revenues from its portfolio in currencies other than euros, there are also risks with regard to possible currency fluctuations.

It cannot be guaranteed that GWI will be able to successfully manage these or other risks relevant to its business. Negative developments with respect to GWI's risks or misjudgements, miscalculations, GWI's failure or inability to respond to such developments or to successfully manage or develop its business could have material adverse effects on GWI's business, financial position, results of operations, cash flows, net income and prospects and, in turn, could have material adverse effects on GWI's share price, the value of the Guarantor's interest in GWI and GWI's potential future dividend distributions.

Any of the foregoing factors may have a material adverse effect on Aroundtown's business, net assets, financial condition, cash flow and results of operations.

Minority interests of third parties in subsidiaries of Aroundtown or the interests of partners in joint ventures or co-investments may make it difficult to implement significant structural changes or take other material actions with regard to these entities, in particular where those actions require a qualified majority or the unanimous consent of all shareholders of these entities.

The Guarantor and/or its subsidiaries do not own all shares and/or do not hold all voting rights in certain subsidiaries, joint ventures and co-investments, and are thus exposed to the influence of other shareholders or joint venture partners in the respective entities, including the holdings of minority shareholders. In some cases, significant structural changes or other material decisions with respect to such entities may only be implemented with qualified majority consent and/or the consent of the remaining shareholders or the joint venture partner under the terms of the joint venture or shareholder agreement. Such provisions may limit Aroundtown's flexibility to

implement its strategy, policies or objectives with respect to the entity in question or even with respect to Aroundtown itself. This could affect the distribution of dividends from such subsidiary or the sale of shares in such subsidiary or related properties. Furthermore, a joint venture partner or minority shareholder may have economic or business interests or goals that are inconsistent with those of Aroundtown, take actions contrary to Aroundtown's strategy, policies or objectives, experience financial or other difficulties, or be unable or unwilling to fulfil their obligations under the relevant co-investment agreement.

Any of the foregoing factors may have a material adverse effect on Aroundtown's business, net assets, financial condition, cash flow and results of operations.

The Guarantor is subject to certain obligations and restrictions due to its own stock listing and those of its subsidiaries GCP, WCM AG and GWI.

The Guarantor's and GCP's shares are admitted to trading on the regulated market of the Frankfurt Stock Exchange with simultaneous admission to the sub-segment of the regulated market with additional post-admission obligations (Prime Standard). The shares of the Group's subsidiary WCM Grundbesitz- und Beteiligungs AG ("**WCM AG**") are also admitted to trading on the regulated market of the Frankfurt Stock Exchange. Consequently, the Guarantor, GCP and WCM AG are exposed to the restrictions and obligations arising from the applicable laws and regulations in Germany as well as the requirements of the Frankfurt Stock Exchange. Furthermore, the shares of GWI are listed on the London Stock Exchange in the Alternative Investment Market segment (see "*The Guarantor is exposed to risks with respect to its investments in Globalworth Real Estate Investments Limited.*"). These stock listings impose obligations and restrictions on the Guarantor, GCP, WCM AG and GWI under the applicable capital markets provisions, such as the European Market Abuse Regulation, including the prohibition of insider trading and obligations to draw up insider lists and disclose inside information as well as under the applicable rules of the relevant stock exchange. In addition, the Guarantor, as a result of being a direct or indirect shareholder of GCP, WCM AG and GWI, is subject to applicable capital markets laws and regulations, such as certain notification obligations on shareholding, public takeover regulations and squeeze-out provisions.

Any violation or breach of these laws and regulations could affect the overall reputation of the Guarantor and, depending on the breach, expose the Guarantor to administrative or judicial proceedings, which could result in adverse judgements and administrative fines. Furthermore, there is a risk that the obligations and restrictions arising from such laws and regulations may restrict or adversely influence Aroundtown's ability to take material decisions with respect to the Guarantor's interest in GCP, WCM AG and/or GWI.

Any of the foregoing factors may have a material adverse effect on Aroundtown's business, net assets, financial condition, cash flow and results of operations.

Aroundtown's business is exposed to risks from possible violations of building codes and other such regulations in Germany, the Netherlands and the UK as well as in other regions that it holds real estate.

Aroundtown's business is exposed to the risk of non-compliance with building codes and other regulations with respect to the construction and maintenance of buildings. Such codes and regulations tend to become stricter over time. As a result, in addition to the risk that properties do not comply with such regulations at the time of acquisition, the Guarantor could be required to upgrade fire, health and safety, environmental as well as other protective standards of properties, which could require refurbishments and various maintenance and modernisation measures. Further, the estimated cost of implementing these measures is based on the assumption that the required permits are issued promptly and are consistent with Aroundtown's expectations and schedules. It is possible, however, that the required building permits are not issued as scheduled or are issued only subject to conditions, which may lead to substantial delays in the completion of such modernisation measures and result in higher than projected costs and lower rental income for the relevant properties.

Any of the foregoing factors may have a material adverse effect on Aroundtown's business, net assets, financial condition, cash flow and results of operations.

The Group may incur environmental liabilities, such as from residual pollution including wartime ordinance, soil conditions and contaminants in building materials.

Properties owned or in the process of acquisition by the Group may contain ground contamination, hazardous substances, wartime relics (including potentially unexploded ordnance) and/or other residual pollution and environmental risks. The Group's properties and their fixtures might contain asbestos or other hazardous substances such as polychlorinated biphenyl, dichlorodiphenyltrichloroethane, pentachlorophenol or lindane in excess of allowable or recommended thresholds, or the buildings could bear other environmental risks.

The Group bears the risk of cost-intensive assessment, remediation or removal of environmental and other hazards. The discovery of any hazardous materials on the sites and/or in the buildings, particularly in connection with the letting or sale of properties or borrowing using the real estate as security, could trigger claims for rent reductions or termination of lease agreements for cause, for damages and other breach of warranty claims against Aroundtown.

Moreover, environmental laws in Germany, the Netherlands, the UK and other regions where Aroundtown's properties are located, such as the German Federal Soil Protection Act (*Bundesbodenschutzgesetz*), typically impose actual and contingent liabilities to undertake remedial action on contaminated sites and in contaminated buildings or to compensate for damages. The liability need not be based on fault, i.e., the competent authority does not have to establish either negligence or intent on the part of the parties held liable. These obligations may relate to properties that the Group currently owns, properties that it acquires in the future or properties that the Group formerly owned because environmental laws typically impose liability not only on the polluter but also on its legal successor, the owner of the contaminated site and in some cases certain previous owners. For soil contamination, the German Federal Soil Protection Act (*Bundesbodenschutzgesetz*) provides for an ongoing responsibility of previous property owners if the property has been sold or transferred after 1 March 1999 and the contamination was, or should have been, known to the previous owner. There is no general ranking as to which of the parties is primarily liable. It is within the discretion of the relevant authority to decide which party should be held liable. The party most likely to be held liable is the current owner of the contaminated site, because it is legally entitled to carry out the required remedial measures.

The Group has sold various properties in the past and plans to sell further properties in the future. The Group could thus be held liable as a previous owner, but also as the responsible party having caused the contamination. Some of the properties sold by Aroundtown in the past were affected by soil contaminations. While Aroundtown has received declarations of indemnification by federal states and from several purchasers, there is no guarantee that all costs incurred by Aroundtown will ultimately be covered by declarations of indemnification or purchase agreements, or that the purchasers will be able to fulfil their indemnification obligations.

Further, even if Aroundtown itself is not responsible for existing contamination or pollution of the soil or buildings, it might be legally or practically difficult or impossible to force the responsible parties to remedy or remove the damage or take recourse against such parties. Even if Aroundtown performs customary due diligence with regard to soil contamination prior to acquiring new real estate, this due diligence may not expose all environmental issues such that Aroundtown may remain liable.

The costs of any investigation, remediation or removal of any residual pollution on such sites or in such buildings as well as costs related to legal proceedings, including potential damages, may be substantial, and it may be impossible, for a number of reasons, for Aroundtown to have recourse against a former seller of a contaminated site or building or the party that may otherwise be responsible for the contamination, for example, because the former seller or polluter cannot be identified, no longer exists or has become insolvent. Moreover, 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 ability to let or sell such a property.

Laws and regulations 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 parties for personal injury or other damages. In addition, if Aroundtown's officers or employees infringe or have infringed environmental

protection laws, Aroundtown could be exposed to civil or criminal damages. Aroundtown may be required to provide for additional reserves with respect to its potential obligations to remove and dispose of any hazardous and toxic substances.

Any of the foregoing factors may have a material adverse effect on the business, net assets, cash flows, financial condition, results of operations, net profits and prospects of the Group.

Aroundtown may not achieve its sustainability goals, particularly those related to climate protection.

Aroundtown's sustainability strategy incorporates self-set environmental, social and corporate governance matters ("**ESG**").

Aroundtown's reputation may be damaged if it fails to achieve its self-set ESG goals. In addition, market participants and lenders are increasingly focused on sustainability and "green financing" and failure to achieve self-set ESG goals may have a negative impact on Aroundtown's ability to access capital markets and bank finance options on attractive terms or at all, and make the Guarantor's existing securities less attractive for investors. If Aroundtown fails to meet expectations and trends related to sustainability in a timely manner or at all, there could be a decline in demand from tenants.

From a regulatory perspective, failure to achieve the sustainability goals may also have a negative impact on Aroundtown. For example, the introduction of a CO2 levy or other tightening of regulatory requirements in connection with sustainability could directly or indirectly increase Aroundtown's costs.

Failure to achieve its own goals or regulator-imposed requirements in respect of ESG matters could have an indirect adverse effect on the business, net assets, cash flows, financial condition, results of operations, net profits and prospects of the Group.

Aroundtown could sustain substantial losses not covered by, or exceeding the coverage limits of, its insurance policies.

The properties held by Aroundtown are generally insured in line with industry standards for such properties against losses due to fire, flooding, earthquakes and other natural hazards, operational interruptions and third-party liability, as well as terrorism. Aroundtown's insurance policies are, however, subject to exclusions and limitations of liability. Aroundtown may, therefore, have limited or no coverage relating to third-party liability, other natural disasters and other environmental risks or war. Aroundtown may also have limited or no coverage relating to inflation, changes in planning laws or regulations, building codes and ordinances, title defects and defective construction. In addition, Aroundtown may not be able to renew its current insurance arranagements on favourable terms or Aroundtown's insurance providers could become insolvent and thus unable to fulfil their obligations to Aroundtown.

Aroundtown does not maintain separate funds or otherwise set aside reserves to cover losses or third-party claims from uninsured events. Should an uninsured loss or a loss in excess of Aroundtown's insurance limits occur, Aroundtown could lose capital invested in the affected property, as well as anticipated income and capital appreciation from that property. In such circumstances Aroundtown may incur further costs to repair damage caused by uninsured risks. Aroundtown could also remain liable for any debt or other financial obligation related to such property and may experience material losses in excess of insurance proceeds.

Any of the foregoing factors may have a material adverse effect on the business, net assets, cash flows, financial condition, results of operations, net profits and prospects of Aroundtown.

Aroundtown may face difficulties in replacing key personnel if it loses them.

The success of Aroundtown depends on the performance of its management executives and qualified employees in key positions, particularly employees active in the management of Aroundtown with substantial expertise as to the sourcing of new property portfolios and the value-add and repositioning process for real estate. The loss of one or more members of the Board of Directors, the management body, advisory board or other key employees of

Aroundtown could impair Aroundtown's ability to manage its operations effectively, in particular if Aroundtown fails to attract new highly qualified management executives or qualified employees in key positions. Aroundtown also faces competition for highly qualified employees from competing real estate companies and other types of companies, and may not be able to recruit, retain or replace key employees in a timely fashion or at all.

The failure to provide the necessary management resources or to recruit, retain or replace key employees may have a material adverse effect on Aroundtown's business, net assets, financial condition, cash flow and results of operations.

Damage or interruptions to Aroundtown's IT systems could lead to diminished data security and limit Aroundtown's business operations.

Aroundtown's proprietary IT systems are an important part of its business model. Any interruptions in, failures of or damage to Aroundtown's IT systems could lead to business process delays or interruptions. Aroundtown's IT systems may be vulnerable to security breaches and cyber-attacks from unauthorised persons both outside and within Aroundtown. If Aroundtown's IT systems were to fail and back-ups were not available, it would have to recreate existing databases, which would be time-consuming and expensive as well as potentially unsuccessful. Aroundtown may also have to expend additional funds and resources to protect against or to remedy potential or existing security breaches and related consequences. Any malfunction or impairment of Aroundtown's IT systems could interrupt its operations, including its monitoring, controlling and reporting operations, which may result in increased costs and potentially lost revenue. Aroundtown cannot guarantee that anticipated and/or recognised malfunctions can be avoided or remedied by appropriate preventative, maintenance or security measures in every case. Damage, malfunction or interruptions in Aroundtown's IT systems may have a material adverse effect on Aroundtown's business, net assets, financial condition, cash flow and results of operations.

A loss of reputation or harm to the brand name of the Guarantor, GCP or insufficient levels of tenant satisfaction may reduce the demand for Aroundtown's properties, shares or debt and make it more difficult for Aroundtown to raise equity capital or debt on attractive terms.

If Aroundtown is unable to maintain its good reputation, brand names and high levels of client service, tenant satisfaction and the demand for Aroundtown's properties may decline. In particular, any damage to the reputation or brand names of Aroundtown including the Guarantor's name and the brand names of GCP may make it more difficult for Aroundtown and GCP to rent properties on favourable terms or at all or to attract or retain tenants. The misuse, misrepresentation or abuse of Aroundtown's or GCP's reputation or brand names may also occur due to the actions or omissions of third parties without the respective consent or awareness of Aroundtown or GCP and may occur even if the alleged events or actions are false, misleading or did not occur.

Any loss of reputation or harm to these brand names may restrict Aroundtown's ability to attract or retain tenants and business partners, and may limit the ability to source new business opportunities or acquire new property on favourable terms or at all. Moreover, it may make it more difficult, expensive or impossible for Aroundtown to raise equity capital, issue debt or gain access to financing from banks or the capital markets.

Any of the foregoing factors could result in a material decline in the share price of the Guarantor or the trading prices of its bonds, and may have a material adverse effect on Aroundtown's business, net assets, financial condition, cash flow and results of operations.

Risks relating to the shareholding structure of the Guarantor.

The Guarantor's share capital as at the date of this Offering Circular amounts to €15,370,256.09 and is divided into 1,537,025,609 shares having a nominal value of €0.01 each. Based on the information available to the Guarantor, the current largest shareholders of the Guarantor are Avisco Group/Vergepoint with approximately 15% of the share capital, Stumpf Capital GmbH with approximately 10% of the share capital, and TLG with approximately 12% of the share capital (subject as further described below). Depending on its attendance at the Guarantor's general meetings, Avisco Group/Vergepoint may be able to exercise significant influence in the Guarantor's general meeting.

In addition, the Guarantor holds approximately 29% of share capital as treasury shares, including shares held by its subsidiary, TLG. Treasury shares are exempt from voting in the general meeting and thereby increase the proportional amount of the voting rights of all other shareholders. As a consequence, approximately 35% of the outstanding shares are sufficient to adopt resolutions that require the majority of the votes in the general meeting. Such percentage may be further reduced depending on the attendance of the Guarantor's general meetings.

Each shareholder or group of shareholders who controls more than 50% of the voting rights represented at a general meeting is in a position to exert a significant influence on the resolutions of the general meeting. The articles of association of the Guarantor (the "**Articles of Association**") provide for a simple majority, i.e. more votes in favour than against, and the requirement of a two-thirds majority for certain other resolutions, in particular for amendments to the Articles of Association. With a corresponding majority of the voting rights, such shareholders could also actively prevent certain resolutions of the general meeting which require a simple majority by voting against them. Depending on the attendance at the general meeting, these shareholders may also represent a majority of more than two-thirds of the share capital. In this case, such shareholders could also initiate structural change measures. Such conduct could lead to resolutions at the Guarantor's general meetings which are not in line with the interests of the Guarantor or the interests of the other shareholders or bondholders of the Guarantor. Moreover, the amount of treasury shares currently held by the Guarantor, may also prevent an extraordinary general meeting of the Guarantor from adopting resolutions that require a quorum of one half of the Guarantor's share capital to be represented. In such a scenario, the Guarantor would have to convene a further extraordinary general meeting that could adopt resolutions regardless of a certain quorum.

Valuation Risks

In the event of a downturn or other negative developments in the real estate markets of Germany, the Netherlands, the UK and other European countries in which the Group's properties are located, or a deterioration in the interest rate environment, the fair values of the properties in the Group's portfolio may decline, which may have material adverse effects on the valuation of its property portfolio.

The Group accounts for its investment properties at fair value. 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, other than in a forced or liquidation sale. Fair value is primarily based on trends in the real estate market, including regional market developments, as well as based on general economic conditions, rent levels and, to a lesser extent, on interest rate levels. The general economic conditions, the conditions of the real estate market and interest rate levels have already been adversely affected by the impact of the current global economic environment such as the impacts of the Russia-Ukraine War and the COVID-19 pandemic (see "*Aroundtown's business could be adversely impacted by negative developments in the economy and in the commercial and residential real estate markets, primarily in Germany, the Netherlands and the UK.*" and "*The European real estate market and the Group's business may likely continue to be negatively affected by the effects of the COVID-19 pandemic.*") as well as other developments. For the year ended 31 December 2023, the Guarantor recorded negative property revaluations in the amount of €3.2 billion, mainly as a result of higher discount and capitalisation rates primarily driven by the higher interest rates. For 2024, the Guarantor expects that negative pressures on valuations will remain, which could outweigh positive portfolio developments and may result in additional and potentially substantial negative property revaluations. In addition, it cannot be excluded that, depending on future developments and market conditions, substantial valuation adjustments may arise which would then have a further negative impact on the Guarantor.

Should the current economic situation characterised by high inflation, rising interest rates and the threat of a potential recession in the Eurozone, continue, further, and even substantial downward adjustments of the fair values of Aroundtown's properties may become necessary. Such further downward adjustments, if substantial, are likely to have material adverse effects on Aroundtown's business, net assets, financial condition, cash flow and results of operations.

As a consequence, the Group's most recent financial statements may not reflect declines in value of the Group's property portfolio which have occurred since then.

Any change in fair value must be recognised as a profit or loss under the fair value adjustment. Any significant negative fair value adjustments that Aroundtown is required to make could therefore have significant adverse effects on Aroundtown's financial condition and results of operations. Additionally, there would be negative effects on certain performance indicators, particularly with respect to net asset value ("**NAV**") and LTV-ratio, which may have a negative influence on the credit rating of the Guarantor and may constitute a covenant breach under certain financing agreements or debt securities. (see "*There are risks of foreclosure if the borrowing group entities of Aroundtown do not fulfil their obligations under loans granted by banks. A breach of covenants or undertakings under loan agreements, such as a change of control within Aroundtown or a material decline in the collateral securing the loan, could result in substantial payment obligations for Aroundtown and could lead to the enforcement of the related collateral including sales at prices substantially below fair value.*").

Establishing the valuation parameters involves substantial judgement and such judgements may prove to be inaccurate. The valuation model is predominantly based on the present value of net cash flows to be generated from the property in question, taking into account expected rental growth rates, void periods, occupancy rates, lease incentive costs such as rent-free periods and other costs not paid by tenants, as well as capex and maintenance expenses related to the property. In specific cases, the appraisers use special assumptions, assuming facts that differ from the actual facts existing at the valuation date or that would not be made by a typical market participant in a transaction on the valuation date. The expected net cash flows are discounted using risk-adjusted discount rates. Among other factors, the discount rate estimation considers the quality of a building and its location, tenant credit quality, lease duration and terms, and the interest rate environment. In addition, some of the most recent valuations and judgements by third party appraisers were reported on the basis of 'material valuation uncertainty' due to the impacts of the COVID-19 pandemic and thus, less certainty and a higher degree of caution should be attached to such valuations than would normally be the case (see also "*Real estate valuation is based on assumptions that may change and are inherently subjective and uncertain. The values recorded in the Guarantor's consolidated financial statements may not reflect the value of Aroundtown's property portfolio or development rights held by Aroundtown.*").

In addition, any change to valuation methodology may result in gains or losses in Aroundtown's financial statements, based on the change to each property's valuation compared with prior valuations. When evaluating its properties, Aroundtown engages third party appraisers. The valuations given to its properties by third party appraisers and reflected in Aroundtown's financial statements and in this Offering Circular may exceed or fall below the actual amount of net proceeds which would be realised on the relevant property at the time of any sale, and are subject to fluctuation over time. Such variations may be driven by factors outside the control of Aroundtown and Aroundtown may not be able to realise the full property value reflected in any valuation report.

Any of the foregoing factors could have a material adverse effect on Aroundtown's business, net assets, financial condition, cash flow and results of operations.

Real estate valuation is based on assumptions that may change and are inherently subjective and uncertain. The values recorded in the Guarantor's consolidated financial statements may not reflect the value of Aroundtown's property portfolio or development rights held by Aroundtown.

Valuation reports are based on standardised valuation approaches and represent the opinion of the respective independent expert who prepared the reports. Valuation reports are based on customary assumptions which have only been verified by random sampling. In valuing a property, an appraiser may consider factors such as real estate tax rates, operating expenses, potential environmental liabilities and the risks associated with certain construction materials, in addition to expected rental income, the property's condition and its historic vacancy level. Therefore, property valuations may be based on assumptions or models that may not be correct or may contain mistakes. An adverse change, or a mistake, in one of the assumptions used or factors considered in valuing a property can decrease the assessed value of the property.

Development rights held by Aroundtown are typically valued using a residual value model, based on various factors such as expected rent of the property or sale price of the completed units, operational expenses after completion, construction costs, timing of construction, financing expenses during the development stage and after completion, capitalisation rates and assumptions on utilisation and approval of building rights. Any change in the assumptions used or factors considered in valuing these development rights may lead to a change in the fair value of these development rights, which may result in a write down of the value of such rights for the relevant accounting periods.

Important assumptions used by independent real estate appraisers are based on information prepared by Aroundtown, such as vacancy rates, average rental periods and current rental income. The valuation reports are therefore based in part on so-called special assumptions that have not yet occurred at the time the property was valued. A change in the factors taken into account and the assumptions used may lead to lower valuation results. If several of the special assumptions later prove to be incorrect, then this can have a material adverse effect on the fair value of the respective property. In addition, the valuations are carried out by independent appraisers on different valuation dates and generally, the further back the valuation date of a valuation report, the greater the risk that the values determined therein may have changed due to a wide variety of factors.

The valuation of Aroundtown's portfolio may not reflect the actual sale or market prices that Aroundtown could generate on a sale of its property, even where any such sales occur shortly after the relevant valuation date, or the estimated yield and annual rental income of any such property. In particular, during times of reduced real estate transaction levels, market prices for properties may be difficult to assess.

Any re-valuation of the portfolio of Aroundtown could also cause the fair values determined for the respective valuation date to fall short of the book values of the relevant properties, resulting in a fair value loss. Under such circumstances, Aroundtown would be required to immediately write down the value of the relevant properties for the relevant accounting period.

Any of the foregoing factors could have a material adverse effect on Aroundtown's business, net assets, financial condition and results of operations.

Financial Risks

Aroundtown may not be able to extend its existing credit arrangements, refinance its debt on attractive terms when it matures or obtain acquisition financing on financially attractive terms as and when needed.

Aroundtown may require additional funds to finance or refinance its debt, capex, future acquisitions and working capital requirements. Aroundtown may likewise need to borrow additional funds or raise additional equity or debt capital. The extent of Aroundtown's future capital requirements will depend on many factors which may be beyond Aroundtown's control, and its ability to meet its capital requirements will depend on its future operating performance and ability to generate cash flows. Additional sources of financing may include equity, hybrid debt/equity instruments, debt financing or other arrangements. There can be no assurance, however, that Aroundtown will be able to obtain additional financing on acceptable terms when required.

In particular, a further deterioration of the economic environment, persistently high inflation rates, rising interest rates and volatile capital markets may limit Aroundtown's ability to refinance its existing or future liabilities, or gain access to new financing, including debt and equity financing, on attractive terms or at all.

Provided capital markets remain generally open to issuers like the Guarantor, they are more volatile and could even be shut on a temporary basis. In case of such adverse market conditions, the Guarantor's ability to access capital markets could be limited, which would result in increased funding costs, thereby resulting in an adverse impact on its earnings and financial position and the Guarantor's ability to refund maturing liabilities.

If Aroundtown does not generate sufficient cash flows or if Aroundtown is unable to obtain sufficient funds from future equity or debt financings at affordable conditions, Aroundtown may not be able to pay its debts as they come due or to fulfil its liquidity requirements.

A rise in general interest rate levels could increase Aroundtown's financing costs. When it attempts to mitigate interest rate risk or currency exchange rate fluctuations by entering into hedging agreements, Aroundtown also becomes exposed to the risks associated with the valuation of hedge instruments and the hedging counterparties.

When entering into financing agreements or extending such agreements, Aroundtown depends on its ability to agree on terms for interest payments that will not impair its desired profit and amortisation schedules. Aroundtown's activities are subject to financing risks arising from changes in interest rates. For instance, the ECB has raised its key interest rates materially by several decisions since July 2022 (see also "*Aroundtown is subject to macroeconomic developments that impact, in particular, economic performance, interest rate levels and levels of inflation, which in turn could negatively affect the German, Dutch and UK real estate markets and the valuation of Aroundtown's real estate portfolio.*"). Rising interest rates would lead to higher financing costs in the future and may have a material adverse effect on the business, financial condition and results of operations of Aroundtown. Aroundtown regularly enters into financing agreements with variable interest rates while hedging such variable interest rate with customary market hedging instruments, such as interest swaps, floors or caps. However, the hedging instruments that Aroundtown uses may not be completely effective, and Aroundtown may be unable to enter into necessary extensions or renegotiations of financing agreements or hedging instruments at their current terms, including associated costs, or to the extent planned. As a result, Aroundtown expects to incur additional significant costs as a result of increased exposure to interest rate risks.

Additionally, the hedging agreements that Aroundtown enters into may generally not completely counterbalance a potential change in interest rates, whereby the remaining interest rate fluctuations may have a negative impact on Aroundtown's equity. In addition, Aroundtown is exposed to the risk that its hedging counterparties will not perform their obligations as established by the hedging agreements. Hedging counterparties may default on their obligations to Aroundtown due to lack of liquidity, operational failure, bankruptcy or other reasons.

The occurrence of any of these factors could have a material adverse effect on the business, net assets, cash flows and financial condition and results of operations of Aroundtown.

A downgrade or withdrawal of the Guarantor's or GCP's current credit rating may impact Aroundtown's ability to obtain financing or issue further debt and may have a negative impact on Aroundtown's debt costs and on the share price of the Guarantor and/or GCP.

As of the date of this Offering Circular, the Guarantor is assigned a "BBB+" investment grade rating with a negative outlook by S&P. Additionally, GCP is assigned an investment grade credit rating of "BBB+" with a negative outlook from S&P and an investment grade credit rating of "Baa1" with a negative outlook from Moody's Investors Service Ltd. ("**Moody's**") (on an unsolicited basis).

The credit ratings of the Guarantor and/or GCP may be downgraded or withdrawn in future as a result of factors that are beyond the Guarantor's control, such as a deterioration in the real estate or financial markets, value decline of the Group's assets, goodwill impairment or due to weakened financial performance by the Guarantor, GCP or Aroundtown. Any negative change in the credit rating of the Guarantor or GCP may, when accessing future financing, require the Guarantor and other members of the Group to, among other things, pay higher interest rates and/or provide increased collateral or other security if they are able to access such additional financing at all. If the Guarantor and/or GCP were to lose its investment grade rating, this would significantly restrict refinancing options in the capital markets and significantly increase refinancing costs. In particular, future issuances of unsecured bonds and notes may become substantially more expensive or may not be possible in the targeted amounts. A downgrade or withdrawal of the credit ratings of the Guarantor and/or GCP may also result in a breach of certain financial covenants in their respective credit lines, financing arrangements and/or debt issuances, and may have a material adverse effect on their respective businesses. A downgrade or withdrawal of the credit ratings of the Guarantor and/or GCP may also result in a significant decline in the share price of the Guarantor and/or GCP (see "*Aroundtown's business could be adversely impacted by negative developments in the economy and in the commercial and residential real estate markets, primarily in Germany, the Netherlands and the UK.*").

Any of the foregoing factors may have a material adverse effect on Aroundtown's business, net assets, financial condition, cash flow and results of operations.

The breach of covenants contained in the terms and conditions by Aroundtown under its outstanding bonds or a default of other obligations of Aroundtown under its outstanding bonds may result in substantial payment obligations for Aroundtown.

The Group has borrowed a significant amount of debt through the issue of unsecured bonds (the "**Outstanding Senior Bonds**"). As of 31 December 2023, the total aggregate carrying amount of Outstanding Senior Bonds was €12.0 billion (including Outstanding Senior Bonds in currencies other than euro converted into euro as of 31 December 2023). The terms and conditions of the Outstanding Senior Bonds contain customary financial covenants such as maintaining debt service coverage ratios, leverage ratios and unencumbered asset ratios. Any breach of such covenants may trigger an event of default under the corresponding bonds as well as a cross-default under the other Outstanding Senior Bonds and the other financing arrangements of Aroundtown. Failure to make payments of principal or interest as they come due will also result in events of default under the Outstanding Senior Bonds provided that applicable cure periods have elapsed.

If the Guarantor is unable to cure or avoid the occurrence of an event of default, significant amounts of indebtedness may become immediately due and repayable. An inability to satisfy these debts may result in the insolvency of the Guarantor.

Any of the foregoing factors might have a material adverse impact on Aroundtown's business, net assets, financial condition, cash flow and results of operations.

A change of control in the Guarantor or certain kinds of mergers may result in a substantial payment obligation for the Guarantor with respect to its Outstanding Senior Bonds.

According to the conditions of the Outstanding Senior Bonds, the holders of such bonds are entitled to request redemption of their bonds in the event of a Change of Control (as defined in the relevant terms and conditions) of the Guarantor. A Change of Control is generally deemed to occur if a third party acquires more than 50% of the voting rights in the Guarantor (subject to limited exceptions for existing shareholders) or the right to appoint and/or remove the majority of the members of the Board of Directors. Furthermore, the holders of these bonds are entitled to demand repayment of the bonds in the event of special mergers ("**Special Merger**") under Luxembourg law in which the company is dissolved without liquidation and absorbed by another company.

In the event of a Change of Control or Special Merger, the Guarantor may face substantial repayment obligations or an event of default under the Outstanding Senior Bonds, and there is no guarantee that the Guarantor will have access to sufficient funds or additional financing in order to satisfy such repayment obligations. Such failure would be an event of default under the related debt instruments, which could have a material adverse effect on the business, net assets, cash flows, financial condition and results of operations of the Guarantor, and could result in the insolvency of the Guarantor.

The Guarantor's cash flow requirements and possible future interest payments are dependent on the profitability of Aroundtown or may be met with borrowed funds or by selling property. Aroundtown may also suffer losses from investment in short-term traded securities.

The Guarantor is the parent company of the Group and conducts its business primarily through other entities of Aroundtown. In order to service the Guarantor's and the Group's debt, Aroundtown needs to continue to achieve positive cash flows from operating activities. Aroundtown generally generates its cash flow from rental and operating income as well as proceeds from disposals. If Aroundtown is unable to generate positive cash flows from its operating activities in the future, Aroundtown could be forced to sell properties irrespective of the market situation and possibly on terms unfavourable to Aroundtown or be forced to borrow money on financially unattractive terms (if it is able to do so at all) in order to meet its obligations (see "*Aroundtown's investments are predominantly in real estate. Due to the potentially illiquid nature of the real estate market, Aroundtown may not be able to sell any portion of its portfolio or investments in a timely fashion, on favourable terms or at all. In*

addition, Aroundtown may not be able to collect deferred sale price payments granted as vendor loans due to solvency issues of buyers.").

Aroundtown will from time to time invest in short term-traded securities, primarily to generate returns from excess cash. There can be no guarantee that Aroundtown will not suffer losses related to these investments, which may cause its financial results to fluctuate.

Any of the foregoing factors may have a material adverse effect on Aroundtown's business, net assets, financial condition, cash flow and results of operations.

Decisions of the Group not to redeem its outstanding Perpetual Notes on their relevant first-interest reset date or decisions of the Group to defer interest payments under the Perpetual Notes may have material adverse impacts on investor confidence in capital markets instruments issued by the Group and may significantly impact the Group's ability to fundraise in future.

The Group has issued a significant amount of perpetual notes which are accounted for as equity in the Guarantor's consolidated balance sheet under IFRS and which are treated by certain credit rating agencies for a certain time period at 50% of their outstanding principal amount as equity when awarding credit ratings (the "**Perpetual Notes**"). As of 31 December 2023, the total aggregate carrying amount of Perpetual Notes of the Group was approximately €4.8 billion. The Perpetual Notes do not provide for a maturity date and, under their terms, the repayment of the Perpetual Notes as well as any interest payments are within the discretion of the Group and may not be enforced by the relevant Noteholders, other than in an insolvency of the Guarantor, where claims of holders of Perpetual Notes rank junior to all other obligations of the Guarantor and only senior to claims relating to the shares of the Guarantor. However, the terms of the Perpetual Notes provide for a contractual reset of the applicable interest rate after a certain initial duration (so called "interest-rate reset"), which is in most cases applicable after a duration of five years. The Group has issued Perpetual Notes with interest-rate reset dates occurring in 2023 (€1.5 billion), 2024 (€1.4 billion), 2025 (€0.5 billion) and 2026 (€1.3 billion).

Although holders of Perpetual Notes under the respective terms and conditions of the Perpetual Notes have no legal recourse against the Guarantor for repayment of the Perpetual Notes on the occurrence of a Reset Date, it may be the general expectation of the capital markets and investors investing in such instruments that issuers will repay such instruments on their relevant First Reset Date. In 2023 and 2024, the Group decided not to exercise the option to voluntarily redeem certain of its outstanding Perpetual Notes on their respective First Reset Dates. The Group cannot exclude that other Perpetual Notes will also not be called on their respective First Reset Dates.

Although a redemption of its Perpetual Notes remains possible at the option of the Group also after the relevant First Reset Date, it cannot be excluded that a non-call may have a material adverse impact on the Group's future financing options. Any inaction of the Group regarding a repayment of Perpetual Notes on their relevant First Reset Date, even if economically beneficial to the Guarantor, may deteriorate investor confidence in capital markets instruments issued by the Group. This could significantly limit the Group's ability to fundraise through the capital markets. In addition, the Group's non-call decisions in 2023 and 2024 may also be interpreted by the capital markets and investors as an indication of the Group's future decisions relating to the redemption of its other Perpetual Notes which may exacerbate the negative impact on future financing options.

Additionally, a 50%-equity credit awarded by rating agencies for credit rating purposes is generally only available for the term until the relevant First Reset Date. By not exercising the Guarantor's option to call the Perpetual Notes on such date, it is expected that rating agencies would no longer attribute the 50%-equity credit to the relevant tranche of Perpetual Notes. While the decision to not call a specific tranche of Perpetual Notes on the relevant First Reset Date generally does not have an impact on the 50%-equity credit content of the other Perpetual Notes, it cannot be ruled out that rating agencies may change their current policies and may withdraw the equity credit also from other Perpetual Notes. Moreover, it cannot be excluded that rating agencies would take any inaction by the Guarantor to repay the Perpetual Notes on the relevant First Reset Date into consideration when

awarding a future credit rating, or even consider downgrading an existing credit rating based on these considerations.

Furthermore, depending on the economic environment and the Group's financial position, the Guarantor may according to the terms and conditions of the respective Perpetual Notes decide at its sole discretion to defer interest payments relating to such Perpetual Notes. However, under the terms of the Perpetual Notes, the Guarantor will be required to mandatorily pay all outstanding arrears of interest if, among others, it redeems the respective Perpetual Notes, pays interest on any other scheduled Interest Payment Date, resolves to distribute a dividend to its shareholders, or redeems, repurchases or otherwise acquires Perpetual Notes (except where expressly permitted in the terms and conditions of the respective Perpetual Notes). A deferral of interest payments under any of the Perpetual Notes is highly likely to have a significant adverse impact on the Group's future ability to raise funds through Perpetual Notes and may also impact the Group's fundraising options with respect to other capital markets instruments. Additionally, a deferral of interest relating to the Perpetual Notes will likely result in a suspension of the Guarantor's dividend, and narrows the Group's refinancing options for its Perpetual Notes to public tender offers below their respective par-value, until the Group pays the outstanding arrears of interest on such Perpetual Notes.

Any of the foregoing factors may have a material adverse effect on the Group's business, net assets, financial condition, cash flow and results of operations.

There are risks of foreclosure if the borrowing group entities of Aroundtown do not fulfil their obligations under loans granted by banks. A breach of covenants or undertakings under loan agreements, such as a change of control within Aroundtown or a material decline in the collateral securing the loan, could result in substantial payment obligations for Aroundtown and could lead to the enforcement of the related collateral including sales at prices substantially below fair value.

Aroundtown has raised capital in the past through bank loans and will likely continue to do so in the future. The receivables resulting from loans granted by banks for the purpose of acquiring and/or redeveloping properties are usually secured by first-ranking liens on the relevant property in favour of the lending bank. If the relevant entity of Aroundtown does not fulfil its obligations under the loan, for example, repayment of principal and interest when they become due, or a potential breach of covenants or undertakings is not cured within the cure period, such entity could be forced to sell the respective property under time pressure or on unfavourable conditions, or the lending bank may be entitled to enforce collateral, any of which may lead to a sale of the property at a price substantially below fair value.

In order to increase its financial flexibility, the Group routinely enters into credit facilities of various types. These are either unsecured or secured. As security for these credit facilities, the Group may pledge real estate assets, the GCP shares that it holds, or other traded securities. These credit facilities may include provisions with respect to mandatory prepayments and/or cancellations in the event of a change of control or in the case of the occurrence of certain events or triggers with respect to the pledged securities, including a decline in share price.

Loan agreements between banks and entities of Aroundtown usually provide for financial covenants or undertakings. If the relevant entity is in breach of such covenants or undertakings, the lender may terminate the affected loan agreements. In addition, certain of Aroundtown's loan agreements require that Aroundtown obtain the lender's approval in connection with any change in tenant or a new rental agreement for the relevant properties. While Aroundtown generally maintains good relationships with its lending partners, there is no guarantee that Aroundtown's lenders in such circumstances will grant their approval for tenant changes that Aroundtown would like to make, which may limit Aroundtown's ability to manage certain of its properties.

Most of the loan agreements of entities of Aroundtown with banks contain change of control clauses enabling the respective lender to terminate the loan agreement in case of a change of control without the lender's consent. Under a considerable portion of the loan agreements, the respective lender may terminate the loan agreement if (a) the Guarantor is no longer (directly or indirectly) the majority shareholder of the respective borrower or (b) the

property management of the respective property is no longer performed by a member of Aroundtown. If a loan agreement is terminated due to the aforementioned reasons, the outstanding amounts (principal and interest) under the affected loan agreements are immediately due and payable.

Any of the foregoing factors may have a material adverse effect on Aroundtown's business, net assets, financial condition, cash flow and results of operations.

Aroundtown is subject to foreign exchange rate fluctuations.

The Group owns properties in the UK and is therefore exposed to currency exchange rate fluctuations. Aroundtown's accounting currency for its consolidated statements is euro, while some of its subsidiaries in the UK draw up their financial statements in GBP. The exchange rates between GBP and the euro may fluctuate significantly. The results of operations and financial position of the Group's UK subsidiaries and affiliates are reported in GBP and are then translated into euros at the applicable exchange rates for inclusion in Aroundtown's and GCP's consolidated financial statements, which are stated in euro. A decline in the GBP relative to the euro would have an adverse effect on the euro value of such properties, as reflected in Aroundtown's and GCP's consolidated financial statements. Any decrease in fair value of its properties held in the UK might be exacerbated through exchange rate fluctuations. Aroundtown seeks to reduce exchange rate fluctuations between the euro and GBP by matching commitments, cash flows and debt in the same currency.

In addition, Aroundtown has issued Outstanding Senior Bonds in currencies other than in euro, namely in USD, Swiss franc, Australian dollar, Canadian dollar, Hong Kong dollar, JPY, Norwegian Krone and GBP. Although Aroundtown typically enters into hedging agreements to mitigate currency risks from its foreign currency exposures, Aroundtown is exposed to the risk that its hedging counterparties will not perform their obligations under these hedging agreements. Hedging counterparties may default on their obligations vis-à-vis Aroundtown due to a lack of liquidity, operational failure, bankruptcy or other reasons.

Furthermore, Aroundtown may not be able to hedge its currency risks completely through the aforementioned measures or at acceptable cost, which could materially adversely affect Aroundtown's business, net assets, financial condition, cash flow and results of operations.

Risks related to the TLG takeover

The integration of TLG Group into Aroundtown may not be successful, may not proceed as planned, or may involve higher than anticipated or unexpected costs.

The Guarantor and TLG are continuing the integration of TLG into the Group following the completion of the TLG takeover (the "**TLG Integration**"). While the Guarantor and TLG have already accomplished substantial integration activities, the TLG Integration is expected to take several years and require considerable management attention, personnel utilisation and financial resources.

Although the Guarantor holds approximately 88.2% of the shares of TLG ("**TLG Shares**") the management board (*Vorstand*) of TLG is solely responsible for the management of TLG and at its own discretion. The discretion of the management board of TLG may conflict with the interests of the Guarantor. At present, there is no domination agreement (*Beherrschungsvertrag*) in place between the Guarantor and TLG. In particular, the Guarantor cannot issue instructions to the management board of TLG. It is currently not foreseeable whether the Guarantor will propose entry into a domination agreement.

The ongoing TLG Integration may encounter difficulties, including:

- coordinating corporate and administrative infrastructures and harmonising insurance coverage for the combined group;
- unanticipated issues in coordinating accounting, IT, communications, administration and other systems; and

- litigation relating to the TLG Integration, including shareholder litigation.

If the Guarantor is unable to pursue the TLG Integration in an efficient and effective manner due to the difficulties listed above or otherwise, the anticipated benefits and cost savings of the TLG Integration may not be fully realised, or realised at all, or it may take longer to realise them, which could adversely affect Aroundtown's business. In addition, the TLG Integration may result in additional or unforeseen expenses, and the anticipated benefits of the TLG Integration may not be fully realised, or may not be realised at all. Actual growth and cost savings, if achieved, may be lower than what the Guarantor currently expects and may take longer to achieve than currently anticipated. If the Guarantor is unable to adequately address integration challenges, Aroundtown may be unable to realise the anticipated benefits of the TLG Integration.

The materialisation of any of these risks could have material adverse effects on Aroundtown's business, net assets, financial condition, results of operations and cash flows.

The expected synergies in connection with the TLG Integration may not be fully realised, or at all, or take longer to realise and the actual synergies may be offset by higher than anticipated costs.

The Guarantor expects that the TLG takeover will result in various synergies and economies of scale. However, it cannot be excluded that the expected synergies and economies of scale will not be fully realised, realised at all, or take longer to realise. In addition, the costs required to achieve these synergies may be higher than anticipated. TLG's portfolio could also develop differently than the Guarantor currently expects.

In particular, the Guarantor cannot issue instructions to TLG's management board and thus, cannot enforce the TLG Integration against the will of the management board of TLG (see above "*The integration of TLG Group into Aroundtown may not be successful, may not proceed as planned, or may involve higher than anticipated or unexpected costs.*").

Furthermore, goodwill has been recognised in connection with the TLG takeover. The goodwill is subject to regular impairment tests and may, if synergies turn out to be lower than expected, result in significant impairments that would have to be recognised as impairment expenses in the consolidated financial statements of the Guarantor.

The materialisation of any of these risks could have material adverse effects on Aroundtown's business, net assets, financial condition, results of operations and cash flows.

Shareholders of TLG that have not accepted the TLG takeover offer may delay or prevent future measures enacted for the benefit of the TLG Integration.

Under German law, the remaining minority shareholders of TLG have certain rights which may result in delays or disruptions of planned measures under corporate law with respect to TLG (e.g. a change of the legal form, a squeeze-out, the conclusion of a domination and profit and loss transfer agreement, or a merger). Minority shareholders may delay or even prevent such measures. Such delays or a failure to implement important measures as well as any legal disputes associated therewith may limit Aroundtown's influence over TLG, limit the Guarantor's access to TLG's cash flows, and delay or even prevent corporate measures enacted for the benefit of the TLG Integration.

Further, the Guarantor cannot issue instructions to TLG's management board and thus, cannot enforce the TLG Integration against the will of the management board of TLG (see "*The integration of TLG Group into Aroundtown may not be successful, may not proceed as planned, or may involve higher than anticipated or unexpected costs.*").

RETT may be triggered in connection with the TLG takeover.

The amendments brought by the reform of the German Real Estate Transfer Tax Act (*Grunderwerbssteuergesetz*, "**GrEStG**") led to the lowering of thresholds and the extension of assessment periods for the triggering of RETT and apply for all transactions realised after 30 June 2021. All transactions providing for the direct or indirect, legal or beneficial, transfer of at least 90% of the shares in a company with real estate in Germany, or where such transfer is agreed upon, are generally subject to RETT. In addition, where a company holds real estate located in

Germany, RETT is also triggered if at least 90% of the shares in a capital company or interests in a partnership are directly or indirectly, legally or beneficially, transferred to new shareholders or partners within a period of ten years. As TLG owns the majority of its properties located in Germany directly, the TLG takeover could generally trigger substantial RETT, depending on any retroactive effect of the intended legislative amendment.

In the course of the TLG takeover, the Guarantor has agreed with an existing shareholder of TLG to continue to hold approximately 10.41% of the voting rights in TLG. Therefore, the Guarantor expects that RETT in an amount of less than €1 million was triggered by the TLG takeover under the currently applicable legal provisions. However, if such third party would not fulfill its contractual obligations or if the Guarantor decided to acquire additional TLG Shares in the future, RETT may be substantially higher.

If RETT is triggered, the relevant liability is generally calculated on the basis of the value of the consideration for the relevant transaction, multiplied by the applicable tax rate. Such RETT rates range from 3.5% to 6.5%, depending on the German federal state (Bundesland) where the relevant property is located.

Any substantial amount of RETT triggered in connection with the TLG takeover that is above the Guarantor's expectations could have material adverse effects on Aroundtown's business, net assets, financial condition, results of operations and cash flows.

Legal and Regulatory Risks

Aroundtown's business is subject to the general legal environment primarily in Germany, the Netherlands and other European countries in which Aroundtown's portfolio is located, in particular in the UK, any of which may change to Aroundtown's detriment.

Aroundtown's business is subject to the overall legal framework applicable to real estate primarily in Germany, the Netherlands and other European countries in which Aroundtown's portfolio is located, in particular in the UK. This framework includes a variety of laws and regulations, including civil, corporate, tax, planning, zoning, environmental, health and safety and other laws, regulations and/or requirements, as well as specific laws in the regions where Aroundtown's and GCP's properties are located, such as German and Dutch tenancy laws, and special provisions under other laws, including construction laws, historic preservation laws, social legislation, real estate taxation and other public laws. Aroundtown may be required to pay penalties and/or lose required permits or licenses for non-compliance with any such laws, regulations and/or other requirements of local, regional and national authorities to which it is subject, as well as the authorities of the EU. Any changes to German, Dutch, English, European or other laws applicable to Aroundtown's and/or GCP's properties, including changes with retrospective effect, or changes in the interpretation or application of existing laws may have a material adverse effect on the net assets, cash flows, financial condition, results of operations, net profits and prospects of Aroundtown.

In addition, the Guarantor is established in Luxembourg and conducts its business through companies that are located in a number of jurisdictions, including Cyprus, Germany, the UK, Luxembourg and the Netherlands. Certain members of Aroundtown may be formed, incorporated or registered in jurisdictions where Aroundtown does not, or does not yet, hold property. Any change in the legal, tax or regulatory environments in any of these jurisdictions, including changes with retrospective effect, or changes in the interpretation or application of existing laws could have a material adverse effect on the net assets, cash flows, financial condition, results of operations, net profits and prospects of Aroundtown.

Although Aroundtown takes steps to keep itself informed of potential changes to the legal, tax and regulatory environments in which it operates and where entities are formed, incorporated or registered, there is no guarantee that Aroundtown will become aware of such changes in a timely fashion. Any such changes or any misjudgement, miscalculation, failure or inability of Aroundtown to react to such changes may have a material adverse effect on Aroundtown's business, net assets, financial condition, cash flow and results of operations.

Through its interest in GCP, Aroundtown is exposed to tenant protection laws primarily for residential real estate in Germany. These laws limit among other things the ability of GCP to evict tenants, the levels of rent increases and the ability to pass on modernisation costs. Moreover, further regulatory developments are likely.

Aroundtown is subject to tenant protection laws in Germany primarily through its interest in GCP, which mainly holds residential real estate. In Germany, the landlord-tenant relationship is subject to a significant level of statutory regulation which generally provides far-reaching economic and social protections for tenants under residential leases. For example, landlords may only terminate residential lease agreements if there is a legitimate interest in doing so. These laws may limit, in some cases substantially, GCP's ability to engage in certain actions with respect to its properties, including without limitation with respect to the eviction of tenants, levels of rent increases and the ability to pass on modernisation costs. These laws may change in the future, and any such changes may in turn adversely affect the business, net assets, cash flows, financial condition, results of operations, net profits and prospects of Aroundtown.

As a rule, the rent for residential units cannot be increased by more than 20% in "relaxed" markets and by more than 15% in "dense" markets in a period over three years. A graduated rent (*Staffelmiete*) or an index-linked rent (*Indexmiete*) is only permissible within certain limits and is generally unusual in residential leases. Thus, if the tenant is not willing to amend the lease agreement accordingly, German law allows the landlord to unilaterally increase the rent:

(i) to the level of the locally prevailing comparative rent (ortsübliche Vergleichsmiete), which in many municipalities is determined by a local rent index (Mietspiegel) which is regularly published and updated. Since 1 January 2024, in all municipalities with more than 50,000 residents, qualified rent indices are binding for both new lettings and rent increases. Aroundtown as landlord cannot generate rent exceeding the local comparative rent and must adjust rent claims in line with the rent indices; or

(ii) to compensate for certain modernising construction measures like work that (A) sustainably saves energy (energy modernisation), (B) sustainably reduces water consumption, (C) sustainably increases the value in use of the rented premises or (D) impoves general living conditions in the long term. Concerning modernisation measures, the landlord shall only be entitled to allocate costs by way of an increase of the annual rent in the amount of 8% of the modernisation costs accrued and only to a maximum of €3.00 per square metre over a period of six years, or €2.00 per square metre for contracts where the rent is below €7.00 per square metre prior to the announcement of the modernisation. This does not apply if the tenant can prove that the rent increase would mean unreasonable hardship. Following the announcement of a rent increase, the tenant may have an extraordinary termination right.

If landlords install a new heating system that complies with the new regulations of the Building Energy Act (*Gebäudeenergiegesetz*), they have the option of passing on up to 10% of the modernisation costs to tenants but must deduct any state subsidies received from this sum. If no subsidies are utilised, the apportionment is limited to 8%. In both cases, the rent may only increase by a maximum of €0.50 per sqm per month after the heating system has been replaced.

Additionally, in municipalities in which the supply of affordable housing is determined to be threatened, the rental price for new or re-rentals is limited to a maximum of 10% above the higher of the locally prevailing comparative rent level or the previous tenant's rent by 2025 (*Mietpreisbremse*). Landlords can even be required to pay back overpaid rent. Aroundtown is therefore subject to the risk of having to pay back rent in case of a violation of legal restrictions. Exceptions shall, however, be made where: (i) the last rent owed is already higher than the rent allowed under the Mietpreisbremse, (ii) the landlord has carried out modernisation measures in the last 3 years prior to commencement of the lease, or (iii) if the dwelling was first used and rented later than 1 October 2024 (*Neubau*).

Furthermore, in 2021, the German Telecommunications Modernisation Act (*Telekommunikationsmodernisierungsgesetz*) came into effect, replacing the German Telecommunications Act

(*Telekommunikationsgesetz*) and abolishing the possibility of landlords to pass on the costs for providing cable television as part of ancillary costs billing (*Nebenkostenprivileg*). As of July 2024, this will also apply to existing cable television installations which were provided prior to 1 December 2021. This could have a negative impact on Aoundtown, resulting in higher operational costs.

In addition, residential real estate in Germany continues to be a highly sensitive political topic and further regulatory developments in this area are likely, in particular with respect to restrictions to increase the rent and pass on modernisation costs and several legislative proposals are currently being discussed. Changes to the legal framework at the level of the European Union or in Germany, the Netherlands and the UK could have a further negative impact on Aroundtown's ability to implement rent increases. It is, however, impossible to predict whether and to what extent such changes of law will indeed be implemented.

Any of the foregoing factors may have a material adverse effect on the values of the shares in GCP and thus could negatively impact Aroundtown's business, net assets, financial condition, cash flow and results of operations.

The business activities of the Group are dependent on the general legal framework in Germany. Any adverse change in the legal framework, such as binding regulations on environmental modernisation measures or restrictions on modernisation possibilities, could have an adverse effect on the Group.

The Group's business is dependent on the general legal framework applicable to residential real estate, such as tenancy laws, as well as on special provisions of other laws, such as social, building and monument protection law. In the case of maintenance or refurbishment of heritage listed buildings (*Gebäude unter Denkmalschutz*), the need to comply with these provisions could lead to significant delays in the maintenance or refurbishment process due to conflicts of interest with heritage conservation, or to Aroundtown being unable to carry out certain refurbishment and maintenance measures. In addition, the costs for the specific projects could increase significantly. These factors could also have a negative impact on the Group's ability to sell or rent the properties in question or to use them as collateral for financing.

In September 2023, the German legislator amended the Building Energy Act to initiate the change to climate-friendly heating systems and thus reduce dependence on fossil fuels. The aim of the the Building Energy Act is to ensure that in future new heating systems will only be installed if they generate at least 65% of the heat provided using renewable energies. The requirements under the Building Energy Act for renewable heating have been in force since 1 January 2024 and the use of fossil fuels for heating in buildings is supposed to be phased out by 2045. From this date at the latest, all heating systems must be powered entirely by renewable energies. As a result, Aroundtown may be faced with higher modernisation costs due to the need to replace heating systems in its existing properties.

The Group is subject to recent efforts in Germany, in particular in Berlin, to expropriate privately held residential real estate units, such as those held by GCP.

On 26 September 2021, a referendum (Volksentscheid) in Berlin was held that ultimately aimed at legislation to expropriate certain residential real estate units owned by large private real estate companies that own more than 3,000 residential real estate units in Berlin on the basis of Article 15 of the German Federal Constitution (*Grundgesetz*). The referendum was successful as approximately 59% of Berlin's eligible votes were cast in favour of the referendum. With ownership of more than 3,000 residential real estate units, GCP would fall within the scope of the referendum. The compensation that owners subject to the expropriation should receive as set forth in the referendum shall be set far below market value. The referendum has no binding effect and will in addition require Berlin's parliament to implement the relevant legislation, which, if enacted, would probably be challenged in extensive and lengthy court proceedings. The government of Berlin established a commission to examine the options and conditions for implementing a new law that reflects the result of the referendum. In its final report, presented at the end of June 2023, the expert commission concluded that the socialization of privately owned housing companies is legally possible.

While three expert opinions commissioned by the Berlin Senate Department for Urban Development and Housing have concluded that the transfer of real estate companies to public ownership may, in principle, be possible under Article 15 of the German Federal Constitution, other renowned experts have concluded that such a law would be unconstitutional. Following the publication of the final report at the end of June 2023, the state government of Berlin (*Senat*) announced that it would prepare a draft of a framework law on the socialization of housing companies. However, this draft law will not come into force until two years after its adoption and it will need to be be reviewed by the German Federal Constitutional Court (Bundesverfassungsgericht) in advance. Due to the long time until a potential entry into force, the citizens' initiative has announced a second referendum, which this time would include a specific legislative proposal.

If a law on the socialization of large housing companies is passed in accordance with the referendum, there is a high probability that it will be challenged in court proceedings. However, given the application of the proposed legislation to Berlin, GCP, with approximately 23% of its portfolio by value located in Berlin as of 31 December 2023, would be materially adversely affected by such potential legislation. Any compensation below market value would materially increase GCP's leverage position and expropriations generally would jeopardise the continuation of GCP's business model in the Berlin residential market. This would likely negatively impact GCP and thus could negatively impact Aroundtown's business, net assets, financial condition, cash flow and results of operations.

Aroundtown's tenants in Germany could attempt to prematurely terminate their lease agreements based on strict formal requirements under German law for long-term leases which could lead to a reduction or loss of rental income. In the Netherlands, Aroundtown's flexibility with respect to lease terms for certain commercial properties is limited.

Real estate owned by Aroundtown is leased predominantly on a long-term basis. Pursuant to German law, long-term lease agreements with a fixed term or a waiver of termination of at least one year can be terminated prior to their contractually agreed expiration date if certain formal requirements are not complied with. These include the requirement that there is a document that contains all the material terms of the lease agreement, including all attachments and amendments, and is signed by both parties. Although the details of the applicable formal requirements are assessed differently by various German courts, most courts and legal commentators agree that such requirements are, in principle, to be interpreted strictly. Some of the lease agreements in relation to Aroundtown's properties may not satisfy these requirements. Consequently, some of Aroundtown's tenants might attempt to invoke alleged non-compliance with these formal requirements (or other requirements to be met by a landlord) in order to procure an early termination of their lease or force a favourable renegotiation of the terms of their lease, to the detriment of Aroundtown.

Further, laws in certain jurisdictions may grant some tenants a periodic right to terminate a lease before it expires, which may affect, among other things, occupancy rates and rent levels in Aroundtown's property portfolio.

In the Netherlands, the lease of retail and hotel property is subject to certain mandatory laws regarding tenant protection. As a rule, the lease of retail property requires an initial lease period of at least five years, with an automatic extension of up to ten years in total. There are only limited possibilities for the landlord to terminate the lease after the first five years. Retail leases for a period of two years or shorter are excluded from this rule and therefore these leases can be terminated upon expiration of their initial term by the tenant and/or the landlord. The applicability of this legal regime limits the ability of Aroundtown to terminate leases and adversely affects Aroundtown's flexibility to terminate, extend or amend retail lease agreements.

Premature loss of tenants and the ensuing loss of rental income, (potential) disputes with tenants, a failure to renew lease agreements at all or on favourable conditions, and uncertainties regarding the validity of long-term lease agreements could have a material adverse effect on Aroundtown's business, net assets, financial condition, cash flow and results of operations.

Aroundtown is exposed to the risks of ground leases or leasehold agreements primarily in Germany and the Netherlands as well as other European countries in which Aroundtown's portfolio is located, in particular in the UK.

Certain of Aroundtown's properties in Germany and the Netherlands are located on lots that are subject to ground leases and even in the UK some properties are held as leaseholds on the basis of long-term usage rights. In general, financing and sales in connection with properties located on ground leases are more difficult due to the restrictions typically found in ground leases, and the conditions of the ground lease agreements, such as their terms and payment obligations, are key parameters that impact the value of these properties. The ground lease agreements may contain provisions leading to the exceptional result of the loss of the ground leased property if Aroundtown is in material breach of the ground lease agreement. Furthermore, Aroundtown may face changes in the terms and conditions of the ground lease agreements, for example, with respect to payment obligations to the owner of the land. Unfavourable changes to the ground lease agreements or relevant regulations may limit Aroundtown's ability to sell or refinance a property which is subject to a ground lease, and may thereby decrease its value, or require Aroundtown to write down the asset value as recorded on Aroundtown's consolidated balance sheet. Similar risks exist with regard to land held as leasehold.

Any of the foregoing factors may have a material adverse effect on Aroundtown's business, net assets, financial condition, cash flow and results of operations.

Aroundtown may be forced to repay certain subsidies.

TLG and its subsidiaries have in the past received investment supplements (*Investitionszulagen*), investment subsidies (*Investitionszuschüsse*) and other public grants with unexpired commitment periods (*Bindungsfristen*). The administrative decisions based on which these subsidies were granted impose certain obligations on these tenants. Failure to comply with such obligations or an insolvency of the relevant tenant or other factors could lead to a revocation of subsidies and force Aroundtown to repay the subsidies, even where it may not be able to take recourse against its tenants. In addition, TLG and its subsidiaries had received subsidies relating to properties in its portfolio as of that date where there were no commitment periods or where commitment periods had already expired. The authorities granting such subsidies could demand repayment of such subsidies if they were to decide that TLG or its tenants have violated certain obligations or due to other reasons. Furthermore, TLG has sold a number of properties for which it had received subsidies in the past and TLG could be forced to repay these subsidies if the purchaser of the respective property does not qualify for such subsidies or violated obligations under the administrative decisions granting these subsidies. While TLG may have obtained contractual indemnities against the respective purchaser, it may be unable to actually take recourse against it (e.g., due to insolvency of such purchaser). In addition, TLG has received subsidies for development measures, which also impose certain obligations. In the event of a breach of these obligations, Aroundtown may be forced to repay these subsidies. Any of the foregoing factors could have a material adverse effect on Aroundtown's business, net assets, financial condition, cash flow and results of operations.

The risk management and compliance systems of Aroundtown may prove to be partially or completely insufficient or fail, and unknown, unrecognised, underestimated, or unexpected risks may materialise, any of which could lead to government investigations and significant reputation, financial or other consequences. Aroundtown may fail to adequately account for potential liabilities or risk exposures.

Aroundtown has put in place risk management and compliance systems that it believes are suitable to its business, and Aroundtown continues to develop and update its risk management and compliance systems in order to monitor market risk, liquidity and financial risk, operational risk, organisational risk and the risk of reputational damage. There is no guarantee, however, that Aroundtown's risk management or compliance systems are in fact sufficient to manage the risks faced by Aroundtown. Aroundtown may be faced with risks that were previously unknown, unrecognised, underestimated, or unconsidered, and its risk management or compliance systems may function incorrectly or fail. Inappropriate risk management or compliance measures may cause irregularities leading to, among other things, cash losses or delays in completion of development projects, or official investigations or

third-party claims against Aroundtown, which in turn could have significant financial, reputational and other consequences.

Aroundtown books provisions for potential liabilities such as tax liabilities, litigation exposure and bad debt. These provisions are based on management's assumptions, estimates and judgements, and there is no guarantee that the provisions taken by Aroundtown will adequately account for Aroundtown's actual liabilities. Failure to take adequate provisions against potential liabilities could have significant financial consequences for the Guarantor or Aroundtown.

Any of the foregoing factors could have a material adverse effect on Aroundtown's business, net assets, financial condition, cash flow and results of operations.

Aroundtown's use of standardised documents, clauses and agreements could lead to additional legal risks.

Aroundtown maintains legal relationships with a large number of persons, primarily tenants as well as employees of Aroundtown. In this context, Aroundtown frequently uses standardised documents, clauses and agreements. If such documents, clauses, or agreements are found to be invalid, in whole or in part, statutory provisions or judicial interpretations which are unfavourable to Aroundtown may be substituted for such documents, clauses or agreements, which may in turn affect a large number of the documents, clauses and agreements used by Aroundtown. It is impossible to fully protect Aroundtown against risks from the use of such standardised documents, clauses, and agreements due to the frequent changes to the legal frameworks, particularly court decisions relating to general terms and conditions of business, also as courts tend to adopt rather tenant-friendly decisions.

Standardised terms under German law are required to comply with the statutory law on general terms and conditions (*Allgemeine Geschäftsbedingungen*), which means that they are subject to fairness control by the courts regarding their content and the manner in which these are presented to the other contractual party by Aroundtown. As a general rule, standardised terms are invalid if they are not transparent, not clearly worded, or unbalanced or discriminatory. Any standardised clauses in Aroundtown's contracts being deemed invalid could lead to a substantial number of claims being brought against Aroundtown or Aroundtown being forced to bear costs which it had previously considered to be allocable to its contractual counterparties. In addition, clauses which are not standardised may also be invalid, which could have a material adverse effect on Aroundtown (e.g., if due to such invalid clauses, a key tenant could exercise an extraordinary termination right).

The German Federal Court of Justice (*Bundesgerichtshof*) has ruled that certain standard clauses in letting contracts are invalid if they oblige the parties (including potential future parties) to re-establish the written form of a lease agreement (*Schriftformheilung*), if they oblige the tenant to carry out cosmetic repairs (*Schönheitsreparaturen*) within a fixed schedule or to fully renovate the apartment at the end of the letting term (*Endrenovierung*), or if they provide for compensation regarding ratios (*Quotenabgeltung*). The invalidity of such clauses results in the landlord being responsible for the repair and maintenance and being required to bear all related costs. If the tenant carries out such repair and maintenance work without actually being obliged to do so, the landlord might be required to compensate the tenant for the corresponding costs. Even in the case of agreements prepared on the basis of legal advice, it is impossible for Aroundtown to fully avoid problems of this nature, because changes could occur in the legal framework, particularly as a result of case laws, making it impossible for Aroundtown to avoid ensuing legal disadvantages. Although these rulings were originally applied only to residential real estate, additional court rulings have extended them to commercial real estate.

Any of the foregoing factors may have a material adverse effect on Aroundtown's business, net assets, financial condition, cash flow and results of operations.

Aroundtown may be subject to restitution or compensation claims if any of its properties were unlawfully expropriated, and this could delay or prevent the transfer of such properties in case of a sale.

According to the German Act on Unsettled Property Issues (*Gesetz zur Regelung offener Vermögensfragen*), persons who were expropriated of property within the former German Democratic Republic ("**GDR**") can claim

restitution or compensation under certain conditions, in particular, if the property was seized without compensation or less compensation than to which citizens of the GDR were entitled. The German Act on Unsettled Property Issues is also applicable to persons who lost property due to racist, political, religious, or ideological reasons between 1933 and 1945. Although the notification deadline under the German Act of Unsettled Property Issues, subject to certain exemptions, expired at the end of 1992, the aforementioned restitution and compensation claims cannot be entirely excluded.

In particular, Aroundtown's subsidiary, TLG has been and may in the future be subject to third-party claims in connection with restitution and compensation claims. Due to its history as a government agency holding real estate assets, it generally needs to obtain approval from the competent authorities prior to disposing of any properties it has not purchased itself unless certain exemptions apply. Therefore, restitution claims may adversely impact Aroundtown's ability to dispose certain of its properties.

If any such claims were asserted in respect of any properties owned by Aroundtown, Aroundtown would be severely limited in its ability to manage such properties and may even be forced to transfer such properties to successful claimants for very limited compensation. Any such limitations or compulsory transfers of properties could have a material adverse effect on Aroundtown's business, net assets, financial condition, cash flow and results of operations.

Entities of Aroundtown may be subject to litigation, administrative proceedings and similar claims.

Entities of Aroundtown have been and will likely continue to be subject to commercial and other litigation as well as administrative and regulatory proceedings in the ordinary course of business. These proceedings, even for routine matters, can be lengthy and expensive and involve substantial resources at Aroundtown. In addition, larger or unexpected proceedings may distract or delay management from implementing Aroundtown's business strategy.

Following the completion of the voluntary public takeover offer for all shares of WCM AG, TLG as controlling entity and WCM AG as controlled entity entered into a domination agreement in October 2017 (the "**WCM Domination Agreement**") which became effective in February 2018. The WCM Domination Agreement provides for a certain annual cash guarantee dividend per share to be paid to outside shareholders of WCM AG and a compensation in kind in the form of an offer to exchange a certain number of shares in WCM AG against a certain number of shares in TLG should any such outside shareholder want to exit WCM AG. 83 petitioners have initiated an appraisal proceeding before the regional court of Frankfurt am Main against TLG challenging the appropriateness of the guaranteed dividend and compensation stipulated in the WCM Domination Agreement. The regional court has dismissed all of the aforementioned claims and the appeal by the plaintiffs to the higher regional court of Frankfurt am Main has been rejected. An appeal to the Federal Court of Justice was rejected by a decision dated 21 February 2023.

Any of the foregoing factors may have a material adverse effect on Aroundtown's business, net assets, financial condition, cash flow and results of operations.

Aroundtown could incur liability or be subject to liability claims in connection with its properties, interests in companies or other assets that it sells.

Aroundtown has sold a large number of properties and, in addition to sales from its portfolio, plans to continue to do so in the course of its development activities. In connection with such sales, when Aroundtown sells properties or interests in companies, it is typically required to make representations, warranties, covenants and negative declarations of knowledge to the relevant purchaser with respect to certain characteristics of such sold property, interest or asset, and is subject to a legal liability regime. The resulting obligations of Aroundtown may continue to exist for a number of years after Aroundtown sells such properties, interests or assets. Among other things, Aroundtown could be subject to claims for damages from purchasers who assert that the representations or warranties that Aroundtown made to them were untrue, or that Aroundtown failed to meet its obligations under the relevant sale agreement. Aroundtown could become involved in lengthy and expensive legal disputes with purchasers and could be required to make significant payments for restitution, damages or to settle disputes.

Claims relating to defects in a property, in particular those affecting Aroundtown's project developments, may give rise to contractual or other liability vis-à-vis the purchasers of these properties, who may bring such claims even several years after completion or hand-over of the relevant property, in particular if defects remained hidden when the property was handed over. Aroundtown may be required to make payments to the purchasers following legal disputes or litigation. If Aroundtown has provided warranties to third parties in connection with modernisation or maintenance measures and claims are asserted against Aroundtown because of defects, it is not always certain that Aroundtown will have recourse against the companies that performed the work if Aroundtown's own claims have expired, or such third parties are no longer solvent.

As a seller of properties, Aroundtown may also be liable to tenants for breaches of tenancy agreements by the purchaser under certain circumstances, even where Aroundtown no longer has any control over the property. Moreover, Aroundtown continues to be exposed to claims for breach of contract even if the purchaser resells the property and the subsequent purchaser breaches a tenancy agreement. If, however, Aroundtown notifies the tenant of the change in ownership and the tenant fails to avail itself of the opportunity to terminate the tenancy agreement at the earliest permitted termination date, Aroundtown is, in general, released from any liability. As a rule, when selling properties, Aroundtown informs all tenants in writing of the change in landlord either alone or together with the purchaser. However, such release from liability does not apply to security deposits (Mietkaution) provided by tenants. If the tenant does not receive its security deposit from the purchaser of the property, the liability to repay such security deposit remains with the seller.

Legal or settlement costs, including the costs of defending lawsuits, whether justified or not, as well as potential damages associated with liability for properties that Aroundtown has sold, as well as any of the foregoing factors may have a material adverse effect on Aroundtown's business, net assets, financial condition, cash flow and results of operations.

Aroundtown is exposed to risks from possible violation of data protection regulations.

On 25 May 2018, the General Data Protection Regulation ("**GDPR**") came into force in all European member states imposing substantial changes to the regulatory landscape of data privacy. The intended aim of the GDPR is to protect all EU citizens and residents from privacy and data breaches. The GDPR applies to all businesses processing personal data of data subjects residing in the EU, regardless of the business location. While Aroundtown primarily deals with data referring to other businesses (i.e., its commercial tenants), GCP, in particular with more than 60,000 residential units, has a significant volume of personal data-related obligations under the GDPR. Aroundtown and GCP have put in place substantial organisational procedures as part of their compliance systems to address the newly introduced privacy and data protection matters under the GDPR, including certain data protection agreements with its subsidiaries. However, GDPR regulations are complex, and the amount of data controlled or processed by Aroundtown and GCP is substantial. There is no guarantee that Aroundtown's or GCP's compliance systems are in fact sufficient to manage GDPR-related risks. Should Aroundtown or GCP be found in breach of material provisions of the GDPR, substantial fines of up to 4% of annual global turnover or €20 million (whichever is greater) may be imposed. In addition to monetary damages that Aroundtown or GCP may incur, breaches of the GDPR could also trigger significant reputational damage that in turn could result in a lack of trust by existing or future tenants which would adversely impact future rental income.

Any of the foregoing factors could have a material adverse effect on Aroundtown's business, net assets, financial condition, cash flow and results of operations.

The introduction of a CO_2 levy in Germany may have a negative effect on the Group.

As part of its Climate Action Programme 2030, the German federal government has introduced a fixed price for carbon dioxide emissions in the transport and real estate sectors as from January 2021. The price per metric ton of carbon dioxide emitted as heating or fuel emissions (CO_2 and CO_2 levy) was set at an initial price of €25.00 per metric ton of carbon dioxide and will, based on the current regime, gradually increase to €45.00 per metric ton until 2025. For 2026, a price corridor with a minimum price of €55.00 per metric ton and a maximum price of

€65.00 per metric ton is set. Until the end of 2022, this levy could be passed on to the tenant in full as part of the operating costs. In addition, the energy price brake expired, which is why VAT on gas returned to the original percentage rate of 19 per cent. from 1 January 2024.

On 10 November 2022, the Carbon Dioxide Cost Sharing Act (*Kohlenstoffdioxidkostenaufteilungsgesetz - CO2KostAufG*) was passed by the German Parliament (*Bundestag*). The Carbon Dioxide Cost Sharing Act came into force on 1 January 2023 and applies to all billing periods beginning on or after that date. According to Carbon Dioxide Cost Sharing Act, the landlord is obliged to bear part of the CO_2 costs. For residential buildings, a 10-step tiered model was introduced that splits the CO_2 costs based on the energy quality of the building. For residential buildings with a particularly poor energy balance (>=52 kg $CO_2/m^2/a$), landlords shall bear 95% and tenants 5% of the CO_2 costs. However, if the building has a very efficient standard (below 12 kg $CO_2/m^2/a$), landlords do not have to bear any CO_2 costs. However, the stock of non-residential buildings and uses is very heterogeneous.

Currently, the necessary statistical data is lacking to develop a broadly practical and user-friendly model. Therefore, for non-residential buildings, for a limited period of time the CO_2 costs shall be divided equally between tenant and landlord. Provisions in contracts that oblige the tenant to bear more than 50% of the costs shall be invalid. The law further provides that by the end of 2024, the necessary data basis for the development of a graduated model for non-residential buildings has to be developed. As soon as the necessary data will be available, a tiered model for non-residential buildings will be added to the Carbon Dioxide Cost Sharing Act. Furthermore, there is a particular rule for the allocation of CO2 costs if the building is used half for residential and half for non-residential purposes. In this case, the allocation regime for residential buildings is to be applied to the portion used for residential purposes and the allocation regime for non-residential buildings is to be applied to the other half. Shifting some or all of the relevant CO_2 costs to landlords will most likely have a significant negative effect on GCP and Aroundtown's business, net assets, financial condition, cash and results of operations.

Tax Risks

Reform of German property tax

As of the date of this prospectus, a fundamental reform of the German property tax (*Grundsteuer*) is ongoing based on guidelines from the German Federal Constitutional Court, which has found the existing system to be in violation of constitutional law. On 18 October 2019, the German national parliament resolved a reform bill. This bill was adopted by the German Bundesrat in November 2019 and will enter into force in 2025. The exact method of calculating the tax can will be determined by the federal states, which can either use the existing standard model from the above-mentioned reform bill or develop their own specific method. As of the date of this prospectus, German property tax can be passed on to tenants as part of ancillary costs billing (*Nebenkostenabrechnung*). However, there are proposals from opposition parties to forbid such passing on of property tax. If Aroundtown is prohibited from passing on property tax to its tenants, this could have a material negative impact on Aroundtown.

The Group is subject to the tax environment in Luxembourg, Cyprus, Germany, the Netherlands, the UK and the other portfolio regions. The Group's tax burden may increase as a consequence of current or future tax assessments, tax audits or court proceedings based on changes in tax laws or changes in the application or interpretation thereof.

The Group is subject to the tax environment in Luxembourg, Cyprus, Germany, the Netherlands, the UK and the other portfolio regions. The Group's tax burden depends on various aspects of tax laws, as well as their application and interpretation. Amendments to tax laws may have a retroactive effect, and the application or interpretation of tax laws by tax authorities or courts may change. Furthermore, court decisions are occasionally limited to their specific facts by tax authorities. Any of these developments may increase or alter the Group's tax burden.

A number of factors may also impact the Group's tax situation. The Group is required to file tax declarations in Luxembourg, Cyprus, Germany, the Netherlands, the UK and the other portfolio regions, and any tax assessments that deviate from the Group's tax declarations may increase or alter the Group's tax obligations. The members of

the Group are regularly subject to tax audits by the competent tax authorities which may result in increases in the Group's tax obligations or penalties and fines. The Group may also be subject to administrative or judicial proceedings with respect to its tax declarations, and may incur substantial time and effort in addressing and resolving tax issues.

Changes in the structure of the Group may result in a complete forfeiture of loss and interest carry-forwards if directly and/or indirectly more than 50% (full forfeiture) of shares in a respective company are transferred to another shareholder. As the Guarantor's shares are listed on a stock exchange, it cannot be fully excluded that relevant indirect transfers are incurred by trading shares in the Guarantor. Exemptions from this general rule are available for specific forms of group restructurings and to the extent that losses of a company are covered by hidden reserves, which is the case for most of the German subsidiaries of the Group. Group restructurings may also become relevant in regard of RETT.

On 14 July 2023, the German Federal Ministry of Finance, published a proposal for an act on strengthening growth opportunities, investment and innovation as well as tax simplification and tax fairness (*Entwurf eines Gesetzes zur Stärkung von Wachstumschancen, Investitionen und Innovation sowie Steuervereinfachung und Steuerfairness – Wachstumschancengesetz*, "**Draft Growth Opportunities Act**").

The Draft Growth Opportunities Act provides, *inter alia*, that for purposes of the EUR 3m threshold amount under the interest barrier rules (*Zinsschranke*) within the meaning of section 4h para. 2 of the German Income tax Act (*Einkommensteuergesetz*), up to which the net interest expenses of a business are tax deductible without limitation under the interest barrier rules, legally separate but similar businesses are deemed to be one single business, provided that the similar businesses are under joint control of a single person or the same group of persons. It can therefore not be excluded that, going forward, the EUR 3m threshold amount under the interest barrier rules is only available once for all German subsidiaries of the Group together, because the German subsidiaries of the Group are deemed to qualify as one single business for purposes of the EUR 3m threshold amount.

This would significantly reduce the tax deductibility of interest expenses at the level of the German subsidiaries of the Group and may therefore significantly increase their German corporate income tax and trade tax burden accordingly.

As a result of the Draft Growth Opportunities Act, the tax deductibility of interest expenses under group internal financings may further be limited for German tax purposes at the level of the German subsidiaries of the Group through the introduction of a new so-called interest rate level barrier (*Zinshöhenschranke*). Pursuant to such new rule, interest expenses, which are paid under a group-internal financing to a related party within the meaning of section 1 paragraph 2 of the German Foreign Tax Act (*Außensteuergesetz*), are only tax deductible, provided that the applicable interest rate under the group-internal financing is not greater than 2 percentage points above the base interest rate (*Basiszins*), unless it can be proven that the related party and the ultimate parent would only be able to take up the relevant funds under similar circumstances at a higher interest rate, in which case such higher interest rate shall apply. The limitation on the tax deductibility of interest expenses under the interest rate level barrier shall not apply if the interest is paid to an entity, which is engaged in substantial commercial activity (*wesentliche wirtschaftliche Tätigkeit*) in the jurisdiction, in which it has its statutory seat or effective place of management.

The Draft Growth Opportunities Act could therefore adversely affect the business of the Group in Germany in the future.

In addition, further changes in tax legislation (such as the recent EU directive to implement OECD global minimum taxation rules (Pillar 2) that took effect in January 2024), administrative practice or case law, which are possible at any time and may occur on short notice, could have adverse tax consequences for the Group. The applicable tax rates, for example with respect to property tax, property transfer tax or capital gains tax, may also change rapidly and with short notice. The municipalities in which the German properties of the Group are located could, for example, increase the land tax (*Grundsteuer*) applicable to the relevant properties. Recent changes in

RETT may also negatively affect the value of the Group portfolio. Additionally, changes could be made to the ability to depreciate owned real estate. Any of these changes may have an adverse effect on the attractiveness of commercial and residential real estate. Despite a general principle prohibiting retroactive application, amendments to applicable laws, orders and regulations can have retroactive effect. Furthermore, divergent statutory interpretations by the tax authorities or the courts are possible. Any changes to the Luxembourg, Cyprus, German, Dutch or British tax regimes, or to the tax regimes in the other portfolio regions, may have a material adverse effect on the business, cash flows, financial condition, results of operations, net profits and prospects of the Group.

The structure of the Group is influenced by the general tax environment in Cyprus, Germany, the Netherlands, the UK, Luxembourg and the other portfolio regions, and changes in the tax environment in these countries may increase the tax burden of the Group.

In addition to the Guarantor, which is established in Luxembourg, Aroundtown consists of approximately 2,400 companies. These companies have registered offices primarily in Germany, Cyprus, the Netherlands, the UK and Luxembourg. The companies in the Group are subject to the tax laws of their jurisdictions of registration and the jurisdictions where they conduct business. Most of the Group's German property companies are held through Cypriot subsidiaries which themselves are held by one of the Guarantor's aforementioned subsidiaries or investees. GCP has its registered office in Luxembourg.

Thus, the structure of the Group provides for various tax aspects, including cross-border taxation issues governed by double-tax treaties between Cyprus, Germany, the Netherlands, the UK and Luxembourg. It cannot be excluded that tax authorities in Cyprus, Germany, the Netherlands, the UK or Luxembourg disagree on the tax assessment of the Group which could lead to additional tax burdens for the Group in any of these countries. Also, the tax laws in any of these jurisdictions or double-tax treaties between these countries might change in the future, even with retroactive effect, which could cause additional tax burdens for the Group.

For Dutch corporate income tax purposes, real estate may be depreciated only for as long as the tax book value does not fall below the 'threshold value'. This threshold value of properties that are held as portfolio investment equals the value provided in the Law on Valuation of Real Estate (*Wet Waardering Onroerende Zaken* or "**WOZ**"), known as the WOZ value. Although the WOZ value is meant to approximate the fair market value of the real estate property, in practice there may be a significant difference between the WOZ value and the actual fair market value. The WOZ value is determined annually by the municipality where the property is situated. If the threshold value increases, tax depreciation that had been previously claimed, is not recaptured.

Upon the disposal of real estate and under strict conditions, a company may apply for a reinvestment reserve provided that the taxpayer has a clear intention of replacing the disposed business assets with business assets that perform a similar function within the enterprise. Under the reinvestment reserve provisions, the tax book profit arising from the disposal of real estate may technically be carried forward and offset against the acquisition cost of a reinvestment asset. The reinvestment reserve only applies for qualifying business assets used in an enterprise (i.e., no shares, portfolio assets or inventory).

The occurrence of any of these factors could have a material adverse effect on the Group's business, net assets, financial condition, cash flows, results of operations, net profits, reputation and prospects.

The Group is exposed to RETT and value added taxes.

Each acquisition of a share or a beneficial interest (*wirtschaftliche Beteiligung*) of at least 90% in a company, either (wholly or partially) directly or (wholly or partially) indirectly, owning real estate in Germany is subject to RETT.

Increases in the applicable RETT rates for the properties in the Group portfolio could negatively impact the Group portfolio by, among other things, reducing the value of and the proceeds from a sale of the affected properties or by reducing purchase demand for the affected properties or by reducing the valuation of the affected properties in the Group portfolio.

The Group currently holds real estate in Germany and shares in companies which own real estate in Germany. In Germany, until 30 June 2021, the direct or indirect transfer of real estate or of a 95% or greater interest/shareholding in a company that owned real estate triggered a potential liability for RETT. In those cases, the RETT generally amounts to the sum of the values for RETT purposes according to the German Valuation Act (*Bewertungsgesetz*) multiplied by the tax rate, as applicable. For the tax bases being relevant for share unifications or other transactions pursuant to section 1 paras. 2a to 3a GrEStG (as defined below), the RETT law refers to the relevant values for inheritance tax purposes. In Germany, the legal framework of RETT is provided for in the GrEStG. At the level of the German federal states, the RETT rate varies with each federal state, currently within a range of 3.5% to 6.5%.

Since 1 July 2021. The key aspect of the amended GrEStG is the tightening up of so-called 'share deals'. These are real estate transactions in which shares in a real estate holding company are sold rather than the real estate itself. As of 1 July 2021, the threshold for triggering RETT was lowered to 90%, which means that the seller has to keep more than 10% of its stake and less than 90% of the shares must be be transferred in order to avoid RETT. Additionally, the seller's holding period has been extended from five to ten years, meaning that the remaining shares may only be fully acquired after the extended period of ten years. Furthermore, the applicable rules relating to corporations have been aligned with rules that previously only applied to partnerships. The revised RETT rules apply to all transactions occurring after 30 June 2021.

Compared to the GrEStG applicable until 30 June 2021, the acquisition process for share or interest deals is more complex due to the amendments and the required minority rights for the seller and the acquisition costs and future administrative burdens in respect of the newly acquired entity are further increased. Therefore, it may not be possible or commercially reasonable to acquire properties on a RETT neutral basis at all.

RETT optimisation in case of a share deal may further result in tax and other disadvantages at the level of the property companies, for example, a reduced basis for depreciation and a higher latent capital gain. Provided that the German tax authorities challenge the RETT structuring in case of a share deal, there may be RETT and the tax disadvantages at the level of the relevant property company.

The relevant considerations on RETT optimisation also impact any exit considerations of the Group, i.e., any request of a potential buyer of a property for RETT optimisation would require the Guarantor to remain in the structure with a minority interest of more than 10% for a period of ten years or, otherwise, may reduce the purchase price, which is achievable for the Group upon exit.

In addition, the applicable RETT rate currently varies between 3.5% in Bavaria and Saxony and up to 6.5% in other federal states in Germany. Federal states may increase their respective RETT rates in the future. This would further increase acquisition costs for the purchase of properties and could also affect the fair value of properties.

On 15 June 2023, the BMF published a proposal for an Act on the Amendment of the GrEStG (*Entwurf eines Gesetzes zur Novellierung des Grunderwerbsteuergesetzes – Grunderwerbsteuer-Novellierungsgesetz*, "**Draft RETT Amendment Act**"). The Draft RETT Amendment Act provides for an abolishment of the above-mentioned 90%-threshold within the 10 year-observation period for share deals. This concept is replaced with a new regime according to which the acquisition of a real estate company (*Grundstücksgesellschaft*) would be subject to RETT if all (100%) shares in such real estate company are directly or indirectly unified (vereint) in the hands of one acquirer (*Erwerber*) or in the hands of a group of acquirers (*Erwerbergruppe*). According to the Draft RETT Amendment Act, several acquirers form a group of acquirers if the acquirers have aligned their transactions or transfers (*miteinander abgestimmte Rechtsgeschäfte oder Übergange*) with respect to the shares in the real estate company. Alignment shall generally be assumed if the transactions or transfers of the different acquirers with respect to the shares in the real estate company are factually and temporally related to each other. Provided that a shareholder in a real estate company holds its participation in the serving interest (*dienendes Interesse*) of another shareholder, such shareholding shall not be considered (*nicht berücksichtigt*) for purposes of the 100% threshold. RETT may therefore be triggered if one acquirer or a group of acquirers directly or indirectly acquires less than 100% of the shares in a real estate company, but the remaining shares are held in the serving interest for the

acquirer or the group of acquirers. A shareholder in a real estate company holds its participation in a real estate company in the serving interest for an acquirer or a group of acquirers, if, for example, the fair market value of the shareholding is less than the RETT which would be due if all shares in the real estate company were unified in the hands of the acquirer or the group of acquirers or, if the shareholders rights are limited by the articles of the real estate company or a contractual arrangement or, if the relevant shareholder receives a fixed or minimum consideration under its participation in the real estate company, which is not paid to all other shareholders in the real estate company. The Draft RETT Amendment Act provides for additional criteria according to which a serving interest of a shareholder in a real estate company shall be assumed.

As yet, no formal legislative procedure has been initiated with respect to the Draft RETT Amendment Act. It is therefore uncertain if, when and how the Draft RETT Amendment Act will be enacted. If enacted, it will make it significantly more difficult, if not unfeasable, to avoid RETT going forward or may result in an increased cost for structuring and for outside shareholders. The Draft RETT Amendment Act could therefore adversely affect the business of the Group in Germany in the future.In relation to acquisition of existing real estate located in the Netherlands, RETT will be due. The RETT rate is 2% for residential real estate and 8% for non-residential real estate (also referred to as the general RETT rate) and is levied over the value of the acquired property. The general RETT for non-residential real estate increased from 8% to 10.4% on 1 January 2023. A key objective of the increase is to strengthen the position of the starter in the owner-occupied residential housing market vis-à-vis the investor. Since the reduced rate of 2% will continue to apply to the purchase of a primary residence, the increase in the general RETT rate is expected to particularly affect investors in residential and commercial real estate.

Residential real estate is real estate that at the time of its transfer is intended for occupation by private individuals. The definition of residential real estate has been and is the subject of extensive debate and litigation. Where taxpayers have claimed the 2% rate, the tax authorities may increase to 8% plus interest and possibly penalties if the property cannot, or not wholly, be classified as residential. RETT exemption is created for "starters", being persons in the age of 18 to 35 buying their primary residence up to an amount of €440,000. The 2% rate remains applicable to all other individuals not qualifying for the RETT exemption buying a primary residence.

Dutch RETT may also be due in case of the acquisition of shares in a company of which the majority of assets consist of real estate in the Netherlands in case certain criteria are met. The Dutch RETT and Value Added Tax ("**VAT**") treatment of ground leases (*erfpacht*) follow specific regulations to calculate the tax base and to determine whether the establishment or acquisition of the ground lease qualifies as a supply of services or goods for VAT purposes. In order to prevent an adverse outcome, the establishment and acquisition of ground leases needs to be carefully considered.

The transfer of real estate is generally exempt from VAT in the Netherlands, unless the transfer concerns newly developed real estate, such as construction sites and (part of) buildings including the surrounding terrain, prior to, on or within a period of two years after the moment of first use of the buildings concerned. Should a transfer of newly developed real estate indeed be subject to VAT, an exemption generally applies for RETT, but not always. Under certain circumstances, the renovation of real estate can be deemed newly developed real estate.

In the event of an asset transaction, such as an acquisition of real estate, where a so-called 'totality of goods' is acquired, the acquisition may be considered as a non-taxable transfer for Dutch VAT purposes. As VAT is assessed on the basis of the taxpayers' own assessment, the application of such exemption may not be recognised by the tax authorities.

The occurrence of any of these factors could have a material adverse effect on the Group's business, net assets, financial condition, cash flows, results of operations, net profits, reputation and prospects.

Taxable capital gains arising out of the sale of real estate may not be completely offset by the tax transfer of built-in gains.

Under the EStG, the possibility of a tax-neutral transfer of built-in gains (*stille Reserven*) to newly acquired or constructed real estate is available within a certain period of time, subject to certain conditions (Section 6b of

EStG). The taxable capital gains realised upon sale of real estate can either be deducted from the tax base of the new real estate in the same fiscal year or by forming a reserve ("**6b Reserve**") and, for a later deduction in tax costs relating to acquisitions or construction, be used to reduce the tax base of real estate newly acquired or constructed in the near future. If the 6b Reserve is not utilised within four years (or, under certain conditions, within six years), then generally it has to be dissolved, thereby increasing the taxable income. In such case, the taxable income is increased by 6% for each full fiscal year for which the 6b Reserve existed. Due to the COVID-19 relief legislation, the relevant periods for the taxable dissolution of the 6b Reserve have been extended by a year, subject to specific requirements.

As of 31 December 2023, Aroundtown's 6b Reserve amounted to approximately €0.2 billion (out of a total €2.7 billion of deferred tax liabilities). In the past, Aroundtown has acquired or disposed of a significant number of properties in its portfolio and may continue to do so in the future. The Guarantor believes that the 6b Reserve is not subject to a taxable dissolution but can be rolled-over in a tax-neutral way to future acquisition costs. However, if these assumptions are not met, Aroundtown may be unable to roll over capital gains arising out of property sales in the past or in the future in an income tax-neutral manner.

Any of the foregoing factors could have a material adverse effect on Aroundtown's business, net assets, financial condition, cash flows, results of operations, net profits, reputation and prospects.

Risk Factors Relating to the Notes

Risks Relating to the Nature of the Notes

The Guarantor's obligations under the Subordinated Guarantee will be subordinated.

The Guarantor's obligations under the Subordinated Guarantee are unsecured and rank subordinate to and junior in right of payment to all its other liabilities, except for any present or future parity obligations. This means that if the Guarantor fails to pay any liability that is senior to the Subordinated Guarantee, it may not make payments on the Subordinated Guarantee. Also, if the Guarantor is bankrupt or liquidates or dissolves, the Guarantor or its trustee will use assets of the Guarantor to pay obligations on all liabilities ranking senior to the Subordinated Guarantee before making payments on the Subordinated Guarantee. Any parity obligations will share equally in payments with the Subordinated Guarantee if the Guarantor does not have sufficient funds to make full payments on all of them.

The Issuer's obligations under the Notes will be subordinated.

By virtue of such subordination, payments to a Noteholder will, in the events described in the Terms and Conditions of the Notes, only be made after all obligations of the Issuer resulting from higher ranking claims have been satisfied. A Noteholder may, therefore, recover less than the holders of unsubordinated or other prior ranking subordinated liabilities of the Issuer. Furthermore, the Terms and Conditions of the Notes will not limit the amount of the liabilities ranking senior to, or *pari passu* with, the Notes which may be incurred or assumed by the Issuer from time to time, whether before or after the Issue Date of the Notes. The incurrence of any such other liabilities may reduce the amount (if any) recoverable by Noteholders on a winding-up or administration of the Issuer and/or may increase the likelihood of a deferral of interest payments under the Notes. Subject to applicable law, no Noteholder may exercise, claim or plead any right of set-off in respect of any amount owed to it by the Issuer in respect of, or arising under or in connection with, the Notes or the Trust Deed and each Noteholder shall, by virtue of his holding of any Note, be deemed to have waived all such rights of set-off.

Although subordinated debt securities, such as the Notes, may pay a higher rate of interest than comparable debt securities which are not subordinated, there is a real risk that an investor in subordinated securities such as the Notes will lose all or some of his investment should the Issuer become insolvent.

Limited Remedies

The Terms and Conditions of the Notes provide that the Notes will be perpetual securities and there is, therefore, no obligation on the Issuer to repay principal on any given date. In addition, payments of interest on the Notes may be deferred in accordance with Condition 4 of the Notes and interest will not therefore be due other than in the limited circumstances described in Condition 4.2 of the Notes.

The only enforcement event in the Terms and Conditions of the Notes is if a default is made by the Issuer in respect of payment of any principal or interest (including any Arrears of Interest) when due and the default continues for a period of 30 days.

Therefore, it will only be possible for the Noteholders to enforce claims for payment of principal or interest in respect of the Notes when the same are due.

Where the Issuer or the Guarantor has applied for or is subject to judicial reorganisation proceedings under the Luxembourg law of 7 August 2023 on business preservation and modernisation of bankruptcy law (the "**Reorganisation Law**"), notwithstanding any contractual stipulations to the contrary, such application for or such opening of judicial reorganisation proceedings shall not lead to the termination of existing contracts nor of the terms and conditions for their performance; in other words, the application for or opening of such judicial reorganisation proceedings cannot by itself be an acceleration event with respect to the Notes and the amounts due thereunder. In addition, the Noteholders may, under certain very limited circumstances, be temporarily suspended from accelerating the amounts under the Notes in accordance with article 30 of the Reorganisation Law.

During the stay (*sursis*) which applies from application for judicial reorganisation proceedings until the court has decided thereon and from the court decision opening the judicial reorganisation proceedings for a period determined by the court (not exceeding with possible prorogation 12 months), the Issuer or the Guarantor cannot be declared bankrupt (otherwise than on its own petition).

In addition, all claims that rank senior to the Notes will first have to be satisfied in any winding-up or administration proceedings before the Noteholders may expect to obtain any recovery in respect of their Notes and prior thereto Noteholders will have only limited ability to influence the conduct of such winding-up or administration proceedings. (see "*The Issuer's obligations under the Notes will be subordinated*" and "*The Guarantor's obligations under the Subordinated Guarantee will be subordinated*.")

The Notes are perpetual securities.

The Notes are perpetual securities in respect of which there is no fixed redemption date by which the Issuer would be under the obligation to redeem or repurchase the Notes at any time, and the Noteholders have no right to require redemption of the Notes. See Condition 6 of the Notes. Therefore, prospective investors should be aware that they may be required to bear financial risks of an investment in the Notes for an indefinite period of time and may not recover their investment in the foreseeable future.

The Notes will be subject to optional redemption by the Issuer including upon the occurrence of certain events.

Each Series of Notes will be redeemable, at the option of the Issuer, in whole but not in part, on their respective First Reset Date or on any Interest Payment Date thereafter at their principal amount together with any accrued and unpaid interest up to (but excluding) the redemption date and any outstanding Arrears of Interest (as defined in Condition 4 of the Notes).

In addition, upon the occurrence of a Tax Deduction Event, an Accounting Event, a Rating Event, a Gross-up Event, a Repurchase Event or a Change of Control Event (each as more fully described in Condition 6 of the Notes), the Issuer shall have the option to redeem, in whole but not in part, the Notes of each Series at the prices set out therein, in each case together with any accrued and unpaid interest up to (but excluding) the redemption date and any outstanding Arrears of Interest. In the case of the first Change of Control Event, in the event that the

Issuer does not elect to redeem the Notes, the then prevailing Interest Rate of the Notes, and each subsequent Interest Rate otherwise determined in accordance with Condition 3 of the Notes, shall be increased by the Step Up Margin with effect from (and including) the Change of Control Effective Date.

In June 2018, the International Accounting Standards Board (the "**IASB**") published the discussion paper DP/2018/1 on "Financial Instruments with Characteristics of Equity" (the "**DP/2018/1 Paper**") and various public meetings were held to discuss the proposals contained therein. The Financial Instruments with Characteristics of Equity project was recently moved to standard setting.

In November 2023, the IASB issued an exposure draft on the proposed amendments proposed by the DP/2018/1 Paper. Whilst the proposals set out in the DP/2018/1 Paper would not, in their current form, result in any changes to the current IFRS accounting classification of financial instruments (such as the Notes) as equity instruments, such exposure draft is, however, subject to receipt of comments by 29 March 2024. If alternative changes are proposed and implemented, the current IFRS accounting classification of financial instruments (such as the Notes) as equity instruments may change in the future and this may result in the occurrence of an "Accounting Event" (as described the Condition 6.4). In such an event, the Issuer may have the option to redeem, in whole but not in part, the Notes pursuant to the Terms and Conditions of the Notes or substitute all, but not some only, of the Notes for, or vary the terms of the Notes with the effect that they remain or become, as the case may be, Qualifying Subordinated Notes (as defined in the Terms and Conditions of the Notes).

The implementation of any of the proposals set out in the DP/2018/1 Paper or any other similar such proposals that may be made in the future, including the extent and timing of any such implementation, if at all, is uncertain. Accordingly, no assurance can be given as to the future classification of the Notes from an accounting or any other perspective or whether any such change may result in the Issuer having the option to redeem the Notes under the Terms and Conditions of the Notes.

During any period when the Issuer may elect to redeem a Series of Notes or it is perceived that there is an actual or increased likelihood that the Issuer may elect to redeem a Series of Notes, the market value of the relevant Series of Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The Issuer may be expected to redeem the Notes when its cost of borrowing is lower than the interest payable on them. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest payable on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

There is no redemption at the option of the Noteholders.

There is a risk that the Notes are treated as equity of the Issuer for Luxembourg tax purposes.

Luxembourg tax law generally follows Luxembourg civil (or commercial) law and Luxembourg GAAP when determining the nature of an instrument. Instruments such as the Notes that are considered as debt for Luxembourg legal and Luxembourg GAAP purposes are thus, as a general rule, also considered as debt for Luxembourg tax purposes. Accordingly, payments of interest made on such instruments should (i) be deductible for Luxembourg corporate income tax and (ii) not be subject to Luxembourg withholding tax; furthermore, the principal amount of such instruments should be deductible for Luxembourg net wealth tax purposes.

Nevertheless, in certain circumstances and on the basis of legal and factual elements, it might be the case that the economic substance differs from the legal documentation, in which case, the tax analysis of the equity or debt qualification of a financial instrument must follow the "economic substance over legal form" approach. In accordance with this economic approach, or "*wirtschaftliche Betrachtungsweise*", any analysis of the equity or debt qualification of an instrument must cover different features, no single element being decisive.

In light of the absence of a fixed maturity under the Notes, there is a risk that the Notes are qualified as equity of the Issuer for Luxembourg tax purposes and accordingly there is a risk that payments of interest under the Notes is not deductible for Luxembourg corporate income tax purposes and subject to Luxembourg dividend withholding tax. There is a further risk that the principal amount of such Notes is no longer deductible for Luxembourg net wealth tax purposes.

To obtain certainty on the debt classification of the Notes, the Issuer may on a series by series basis decide to request a ruling from the Luxembourg tax authorities as to the classification of Notes for Luxembourg tax purposes. Any such ruling would not be obtained prior to the issuance of the Notes. Given that the specific features of every single transaction are reviewed by the Luxembourg tax authorities, it cannot be ascertained that the Luxembourg Tax Ruling Commission adheres to the position previously adopted by the Luxembourg tax authorities with respect to characterisation of the Notes as debt instruments. In the absence of a final ruling, there is therefore a risk that the Notes are qualified as equity of the Issuer for Luxembourg tax purposes.

Investors should note that, in the event of a change in the official interpretation of a Luxembourg law or regulation resulting in the payment of interest under the Notes being no longer deductible for corporate income tax purposes or payments under the Notes becoming subject to withholding tax, a Tax Deduction Event or a Gross up Event (within the meaning of Condition 6 of the Terms and Conditions of the Notes) may occur, enabling the Issuer to call for an early redemption (see also "*The Notes will be subject to optional redemption by the Issuer including upon the occurrence of certain events*".)

Risk Relating to Interest Payments

The Issuer has the right to defer interest payments on the Notes.

The Issuer may, at its sole discretion, elect to defer any payment of interest on the Notes, in whole but not in part, which is otherwise scheduled to be paid on an Interest Payment Date. See Condition 4 of the Notes. Only upon the occurrence of one of the events listed in Condition 4.2 of the Notes, in the event of a redemption of the Notes pursuant to Condition 6 of the Notes or in the event of a winding up of the Issuer in a manner falling within Condition 11 of the Notes will the Issuer be obliged to pay any such Arrears of Interest to Noteholders.

Any such deferral of interest payment shall not constitute an Enforcement Event (as defined in Condition 11 of the Notes) or a default for any purpose unless such payment is required in accordance with Condition 4.2 of the Notes.

Any deferral of interest payments, or perceived increased likelihood of deferral of interest payments, is likely to have an adverse effect on the market price of the Notes. In addition, as a result of the interest deferral provision of the Notes, the market price of the Notes may be more volatile than the market prices of other debt securities on which original issue discount or interest accrues that are not subject to such deferrals and may be more sensitive generally to adverse changes in the Issuer's financial condition.

The interest rate on each Series of Notes will reset on the relevant First Reset Date and on every Reset Date thereafter, which can be expected to affect the interest payment on the Notes and the market value of the Notes.

Although each Series of Notes will earn interest at a fixed rate until (but excluding) their relevant First Reset Date, the current market interest rate on the capital markets (the "**market interest rate**") typically changes on a daily basis. Since the initial fixed rate of interest for each Series of Notes will be reset on the relevant First Reset Date for such Series of Notes, and on each subsequent Reset Date of the Notes, the interest payment on each Series of Notes will also change. The Noteholders should be aware that movements in these market interest rates can adversely affect the price of the Notes and can lead to losses for the Noteholders if they sell the Notes.

Noteholders are exposed to the risk of fluctuating interest rate levels and uncertain interest income as the reset rates could affect the market value of an investment in the Notes. Fluctuations in interest rates could therefore affect the levels of capital gains or losses on the Notes and make it impossible to determine the yield of such

securities in advance. During periods of rising interest rates, the prices of fixed rate securities, such as the Notes, tend to fall and gains are reduced or losses incurred upon their sale. Therefore, investment in the Notes involves the risk that changes in market interest rates may adversely affect the value of the Notes (see also "*Regulation and reform of "benchmarks" may adversely affect the value of the Notes* ").

Regulation and reform of "benchmarks" may adversely affect the value of the Notes.

Interest rates and indices which are deemed to be "benchmarks" such as EURIBOR are the subject of national and international regulatory guidance and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented. These reforms may cause such benchmarks to perform differently than in the past, to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Notes referencing such a "benchmark".

Such factors may have (without limitation) the following effects on certain "benchmarks": (i) discouraging market participants from continuing to administer or contribute to a "benchmark"; (ii) triggering changes in the rules or methodologies used in the "benchmark" and/or (iii) leading to the disappearance of the "benchmark". Any of the above changes or any other consequential changes as a result of international or national reforms or other initiatives or investigations could have a material adverse effect on the value of and return on any Notes linked to, referencing, or otherwise dependent (in whole or in part) upon, a "benchmark".

Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the EU Benchmarks Regulation and/or the UK Benchmarks Regulation, as applicable or any other benchmark-related reforms in making any investment decision with respect to any Notes linked to or referencing a "benchmark".

Investors should be aware that the Terms and Conditions of the Notes provide for certain fallback arrangements in the event that a published Benchmark, including an inter-bank offered rate such as EURIBOR, ceases to exist or be published or another Benchmark Event occurs. Such fallback arrangements will result in the Notes performing differently (which may include payment of a lower Rate of Interest) than they would if the relevant benchmark were to continue to apply in its current form. No consent of the Noteholders shall be required in connection with effecting any relevant Successor Rate or Alternative Rate (as applicable) or any other related adjustments and/or amendments to the Terms and Conditions of the Notes and the Trust Deed.

Furthermore, in certain circumstances, the ultimate fallback for the purposes of calculation of interest for a particular Reset Period may result in the Rate of Interest for the last preceding Reset Period being used. This may result in the effective application of the Subsequent Reset Rate for a preceding Reset Period or the initial First Fixed Rate of Interest applicable to the Notes on the Interest Commencement Date. In addition, due to the uncertainty concerning the availability of any Successor Rate or Alternative Rate, any determinations that may need to be made by the Issuer and the involvement of any Independent Adviser, the relevant fallback provisions may not operate as intended at the relevant time.

Any such consequences could have a material adverse effect on the value or liquidity of and return on any such Notes. Moreover, any of the above matters or any other significant change to the setting or existence of any relevant reference rate could affect the ability of the Issuer to meet its obligations under the Notes or could have a material adverse effect on the value or liquidity of, and the amount payable under, the Notes. Investors should consider these matters when making their investment decision with respect to the Notes.

There is a risk that restrictions on the deductibility of interest payments under the Notes may be implemented.

Fiscal and taxation policy and practice is constantly evolving and there have recently been a number of developments. In particular, a number of changes of law and practice are occurring as a result of the OECD Base Erosion and Profit Shifting project ("**BEPS**"). Investors should note that certain action points which form part of the OECD BEPS project (such as Action 4, which can deny deductions for financing costs as discussed below, or

Action 2 on hybrid mismatch arrangements) have been or may be implemented in a manner which may affect the tax position of the Issuer.

As part of its anti-tax avoidance package, and to provide a framework for a harmonised implementation of a number of the BEPS conclusions across the EU, the EU Council adopted Council Directive (EU) 2016/1164 (the "**EU Anti-Tax Avoidance Directive 1**") on 12 July 2016. The EU Council further adopted Council Directive (EU) 2017/952 (the "**EU Anti-Tax Avoidance Directive 2**" and, together with the Anti-Tax Avoidance Directive 1, the "**EU Anti-Tax Avoidance Directives**") on 29 May 2017, amending the EU Anti-Tax Avoidance Directive 1, to provide for minimum standards for counteracting hybrid mismatches involving EU member states and third countries.

The EU Anti-Tax Avoidance Directives contain various measures that could potentially result in payments of interest under the Notes ceasing to be fully deductible for Luxembourg corporate income tax purposes. This could increase the Issuer's liability to tax and reduce the amounts available for payments on the Notes. There are two measures of particular relevance in this regard.

Firstly, the interest limitation requirements set out by the Anti-Tax Avoidance Directive 1 have already been implemented in article 168bis of the Luxembourg income tax law effective as of 1 January 2019, which restrict, for a Luxembourg taxpayer, the deduction of net interest expenses qualifying as "excess borrowing costs" to the higher of (i) 30% of the taxpayer's EBITDA (defined as the taxpayer's total net income increased by the amount of its excess borrowing costs, depreciation and amortisation), and (ii) €3 million.

Excess borrowing costs are defined as the amount by which the deductible borrowing costs of a taxpayer exceeds the taxpayer's taxable interest revenues and other economically equivalent taxable income of the taxpayer. Excess borrowing costs not deductible in a tax period can be carried forward indefinitely. The same applies to a taxpayer's excess interest capacity which cannot be used in a given tax period (however, such excess interest capacity can only be carried forward for a maximum period of 5 years).

Secondly, the EU Anti-Tax Avoidance Directives also contain rules relating to so-called hybrid mismatches. Luxembourg implemented the anti-hybrid mismatch rules under amended article 9 of EU Anti-Tax Avoidance Directive 1 and 2 in article 168ter of the Luxembourg income tax law with effect as of 1 January 2020.

As per article 168ter of the Luxembourg income tax law, a hybrid mismatch arises when a payment between entities located in different states results in a double deduction or a deduction without inclusion. In the event of a double deduction, the deriving hybrid mismatch should be adjusted by denying the deduction at the level of either (i) the payee or (ii) the payor (provided that the deduction has not already been denied at the level of the payee). In the event of a deduction without inclusion, the deriving hybrid mismatch shall be adjusted by means of either (i) the denial of the deduction at the level of the payor or (ii) the inclusion of the payment in the taxable income of the payee (provided that the deduction has not already been denied at the level of the payor).

A hybrid mismatch occurs only if it arises either (i) between "associated enterprises" or (ii) in the case of a structured arrangement.

The impact of the EU Anti-Tax Avoidance Directive 2 depends on the tax treatment at the level of the relevant Noteholder and may alter the tax position of the Issuer. Investors should also note that the implementation of such measures may give rise to the occurrence of a Tax Deduction Event and the Issuer having the option to redeem the Notes where any resulting loss of deductibility is by reason of a change in Luxembourg law or regulation or the official application or interpretation of such law or regulation (see "*The Notes will be subject to optional redemption by the Issuer including upon the occurrence of certain events.*").

Other Risks in Relation to the Notes

The value of the Notes may be adversely affected by movements in market interest rates.

Investment in the Notes involves the risk that if market interest rates subsequently increase above the rate paid on the Notes, this will adversely affect the value of the Notes, as an equivalent investment issued at the current market interest rate may be more attractive to investors.

An active secondary market in respect of the Notes may never be established or may be illiquid and this would adversely affect the value at which an investor could sell their Notes.

Notes may have no established trading market when issued, and one may never develop. If a market for the Notes does develop, it may not be very liquid. If the Notes are issued to a single investor or a limited number of investors, this may result in an event more illiquid or volatile market in such Notes. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market.

The conditions of the Notes contain provisions which may permit their modification without the consent of all investors and confer significant discretions on the Trustee which may be exercised without the consent of the Noteholders and without regard to the individual interests of particular Noteholders.

The conditions of the Notes contain provisions for calling meetings of Noteholders (including by way of conference call or by use of a videoconference platform) to consider and vote upon matters affecting their interests generally, or to pass resolutions in writing or through the use of electronic consents. These provisions permit defined majorities to bind all Noteholders of the relevant Series of Notes including Noteholders who did not attend and vote at the relevant meeting or, as the case may be, did not sign the written resolution or give their consent electronically, and including those Noteholders who voted in a manner contrary to the majority.

The conditions of the Notes and the Trust Deed also provide that the Trustee may agree to (i) any modification of the Terms and Conditions of the Notes or of any other provisions of the Trust Deed or the Agency Agreement which is in each case, in the opinion of the Trustee, of a formal, minor or technical nature or is made to correct a manifest error, (ii) any other modification to (except as mentioned in the Trust Deed), and any waiver or authorisation of, any breach or proposed breach by the Issuer of, any of the Terms and Conditions of the Notes or of the provisions of the Trust Deed or the Agency Agreement which is, in the opinion of the Trustee, not materially prejudicial to the interests of the Noteholders (which will not include, for the avoidance of doubt, any provision entitling the Noteholders to institute proceedings for the winding-up of the Issuer which is more extensive than those set out in Condition 11 of the Notes), (iii) the substitution on a subordinated basis equivalent to that referred to in Condition 2.1 of the Notes of certain other entities in place of the Issuer (or any previous substitute) as a new principal debtor under the Trust Deed and the Notes or (iv) substitute all, but not some only, of the Notes for Qualifying Subordinated Notes (as defined in Condition 7, or vary the terms of the Notes with the effect that they remain or become (as the case may be), Qualifying Subordinated Notes at any time following the occurrence of an Accounting Event, a Rating Event, a Tax Deduction Event or a Gross-up Event and subject to the receipt by the Trustee of the certificate of two members of the board of directors of the Guarantor referred to in Condition 8 of the Notes. Whilst Qualifying Subordinated Notes are required to have terms which are not materially less favourable to Noteholders (as a class) than the terms of the Notes, there can be no assurance that the Qualifying Subordinated Notes will not have a significant adverse impact on the price of, and/or market for, the Notes or the circumstances of individual Noteholders.

The conditions of the Notes and the Trust Deed provide that one of the entities that may be substituted in place of the Guarantor as a new principal debtor under the Subordinated Guarantee is a HoldCo or a Successor in Business of the Guarantor (each as defined in Condition 16 of the Notes). In the case of any such substitution, the Trustee shall agree to this without the consent of the Noteholders and without such substitution being subject to any material prejudice determination by the Trustee. Any such substitution could, therefore, be materially prejudicial to the interests of Noteholders and will lead to the Noteholders being further subordinated to any creditors of the

HoldCo or the Successor in Business of the Guarantor (as the case may be) and structurally subordinated, on such entity's insolvency, to the prior claims of any shareholders of the Guarantor other than such entity.

Any such modification, waiver, authorisation, determination or substitution as described above will be binding on all Noteholders without any requirement for the consent of any Noteholder and without regard to the interests of particular Noteholders.

The value of the Notes could be adversely affected by a change in English law or administrative practice.

The conditions of the Notes are based on English law and, in respect of Condition 2 of the Notes only, Luxembourg law, in effect as at the date of this Offering Circular. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of this Offering Circular and any such change could materially adversely impact the value of the Notes.

Investors who hold less than the minimum Specified Denomination may be unable to sell their Notes and may be adversely affected if definitive Notes are subsequently required to be issued.

It is possible that the Notes may be traded in amounts in excess of the minimum Specified Denomination that are not integral multiples of such minimum Specified Denomination. In such a case a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in their account with the relevant clearing system would not be able to sell the remainder of such holding without first purchasing a principal amount of Notes at or in excess of the minimum Specified Denomination such that its holding amounts to a Specified Denomination. Further, a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in their account with the relevant clearing system at the relevant time may not receive a definitive Note in respect of such holding (should definitive Notes be printed or issued) and would need to purchase a principal amount of Notes at or in excess of the minimum Specified Denomination such that its holding amounts to a Specified Denomination.

If such Notes in definitive form are issued, holders should be aware that definitive Notes which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

If an investor holds Notes which are not denominated in the investor's home currency, they will be exposed to movements in exchange rates adversely affecting the value of their holding. In addition, the imposition of exchange controls in relation to any Notes could result in an investor not receiving payments on those Notes.

The Issuer will pay principal and interest on the Notes in the Euro (the "**Specified Currency**"). This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (1) the Investor's Currency equivalent yield on the Notes, (2) the Investor's Currency equivalent value of the principal payable on the Notes and (3) the Investor's Currency equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate or the ability of the Issuer to make payments in respect of the Notes or of the Guarantor to make payments under the Subordinated Guarantee. As a result, investors may receive less interest or principal than expected, or no interest or principal.

Credit ratings may not reflect all risks

One or more independent credit rating agencies may assign credit ratings to the Notes. Such rating will not necessarily be the same as the rating(s) assigned to the Guarantor or to other securities already issued by the Issuer

or the Guarantor. Such ratings may also not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. In addition, any negative change in the credit rating of the Guarantor could adversely affect the trading price of the Notes. If the status of the rating agency rating the Notes changes, European regulated investors may no longer be able to use the rating for regulatory purposes and the Notes may have a different regulatory treatment. This may result in European regulated investors selling the Notes which may impact the value of the Notes and any secondary market. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

DOCUMENTS INCORPORATED BY REFERENCE

The relevant pages of the following documents (which have previously been published) that are included in the cross-reference list below shall be incorporated in, and form part of, this Offering Circular:

(a) the auditors' report and audited consolidated annual report for the financial year ended 31 December 2023 (the "**2023 Financial Statements**") of the Guarantor, which are published on the website of the Guarantor (https://www.aroundtown.de/fileadmin/user_upload/04_investor_relations/downloads/2023/AT_FY_2023.pdf) including the information set out at the following pages in particular:

Board of Directors' Report	Pages 4 to 151
Non-Financial Report	Pages 41 to 119
EPRA Performance Measures	Pages 132 to 141
Alternative Performance Measures	Pages 142 to 150
Limited Assurance Report	Pages 152 to 154
Consolidated Statement of Profit or Loss	Page 158
Consolidated Statement of Other Comprehensive Income	Page 159
Consolidated Statement of Financial Position	Pages 160 to 161
Consolidated Statement of Changes in Equity	Pages 162 to 163
Consolidated Statement of Cash Flows	Pages 164 to 165
Notes to the Consolidated Financial Statements	Pages 166 to 239
Report of the Réviseur d'Enterprises Agréé (Independent auditor)	Pages 240 to 243

(b) the auditors' report and audited consolidated annual report for the financial year ended 31 December 2022 (the "**2022 Financial Statements**" and, together with the 2023 Financial Statements, the "**Documents Incorporated by Reference**") of the Guarantor, which are published on the website of the Guarantor (https://www.aroundtown.de/fileadmin/user_upload/04_investor_relations/downloads/2022/AT_FY_2022.pdf) including the information set out at the following pages in particular:

Board of Directors' Report	Pages 6 to 97
EPRA Performance Measures	Pages 77 to 87
Alternative Performance Measures	Pages 88 to 96
Report of the Réviseur d'Enterprises Agréé (Independent auditor)	Pages 98 to 101
Consolidated Statement of Profit or Loss	Page 104
Consolidated Statement of Comprehensive Income	Page 105
Consolidated Statement of Financial Position	Pages 106 to 107
Consolidated Statement of Changes in Equity	Pages 108 to 109
Consolidated Statement of Cash Flows	Pages 110 to 111
Notes to the Consolidated Financial Statements	Pages 112 to 185

The Documents Incorporated by Reference will be published with this Offering Circular on the website of the Luxembourg Stock Exchange (www.luxse.com).

The Documents Incorporated by Reference shall be incorporated in, and form part of, this Offering Circular, save that any statement contained in a document which is incorporated by reference herein shall be modified or

superseded for the purpose of this Offering Circular to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Offering Circular. Those parts of the documents incorporated by reference in this Offering Circular which are not specifically incorporated by reference in this Offering Circular are either not relevant for prospective investors in the Notes or the relevant information is included elsewhere in this Offering Circular. Any documents themselves incorporated by reference in the documents incorporated by reference in this Offering Circular shall not form part of this Offering Circular.

Alternative Performance Measures

The Guarantor presents certain non-IFRS financial information in this Offering Circular, including information in the Board of Directors' Reports to the 2023 Financial Statements and the 2022 Financial Statements, both of which have been incorporated by reference into this Offering Circular. These non-IFRS financial information are not recognised as measures under IFRS. The Guarantor, however, uses this financial information because it believes that they are of use for its investors.

According to the ESMA Guidelines on Alternative Performance Measures ("APMs"), the Issuer and the Guarantor consider the following information presented in the 2023 Financial Statements and/or the 2022 Financial Statements as APMs: Adjusted EBITDA, FFO I (and FFO I per share), FFO II, Rental Yield, Rent Multiple, LTV, Equity Ratio, Unencumbered Assets Ratio, Interest Cover Ratio (ICR), Net debt-to-EBITDA, Net debt-to-EBITDA including perpetual notes, EPRA NRV (and EPRA NRV per share), EPRA NTA (and EPRA NTA per share), EPRA NDV (and EPRA NDV per share), EPRA Earnings, EPRA NIY (net initial yield), EPRA 'Topped-Up' NIY, EPRA Vacancy, EPRA Cost Ratios and EPRA LTV. All APMs used by the Issuer and/or the Guarantor relate to its or the Group's past performance. The Issuer and the Guarantor believe that these measures are useful in evaluating the Group's operative performance, the net value of the Group's portfolio, and the level of indebtedness and of cashflows generated by the Group's business, because a number of companies, in particular in the real estate sector, also publish these figures.

For the definitions and a reconciliation of certain of these APMs, their components as well as their basis of calculation, see the following pages of the 2023 Financial Statements and the 2022 Financial Statements:

2023 Financial Statements	Page 142	(Adjusted EBITDA)
	Page 143	(FFO I and FFO I per share)
	Page 143	(FFO II)
	Page 144	Rental Yield
	Page 144	Rent Multiple
	Page 144	(LTV)
	Page 144	(Equity Ratio)
	Page 144	(Unencumbered Assets Ratio)
	Page 145	(Interest Cover Ratio (ICR))
	Page 145	(Net Debt-to-EBITDA and Net Debt-to-EBITDA including Perpetual Notes)
	Page 146	(EPRA NRV and EPRA NRV per share)
	Page 146	(EPRA NTA, EPRA NTA per share)
	Page 147	(EPRA NDV and EPRA NDV per share)
	Page 148	(EPRA Earnings and EPRA Earnings per share)
	Page 148 to 149	(EPRA NIY)

	Page 149	(EPRA 'Topped-Up' NIY)
	Page 149	(EPRA Vacancy and EPRA Vacancy including JV Calculation)
	Pages 149 to 150	(EPRA Cost Ratios)
	Page 147	(EPRA LTV)
2022 Financial Statements	Page 88	(Adjusted EBITDA)
	Page 89	(FFO I and FFO I per share)
	Page 89	(FFO II)
	Page 90	(LTV)
	Page 90	(Equity Ratio)
	Page 90 to 91	(Interest Cover Ratio (ICR))
	Page 91	(Net Debt-to-EBITDA)
	Page 91	(Net Debt-to-EBITDA including Perpetual Notes)
	Pages 91 to 92	(EPRA NRV and EPRA NRV per share)
	Page 94	(EPRA NIY)
	Page 94	(EPRA 'Topped-Up' NIY)
	Page 94	(EPRA Vacancy and EPRA Vacany including JV Calculation)
	Page 95	(EPRA Cost Ratios)
	Pages 82 to 83	(EPRA LTV)
	Page 88	(Adjusted EBITDA)
	Page 89	(FFO I and FFO I per share)
	Page 89	(FFO II)
	Page 90	(LTV)

DESCRIPTION OF THE ISSUER

Formation, Incorporation, Registered Office, Name, Financial Year

Aroundtown Finance S.à r.l. was incorporated on 1 March 2024, as a private limited liability company (*société à responsabilité limitée*) pursuant to, and governed by, the laws of the Grand Duchy of Luxembourg, including the law of 10 August 1915 on commercial companies as amended from time to time (the "**Companies Act 1915**"), for an unlimited duration under the legal name Aroundtown Finance S.à r.l. The Issuer is registered with the Luxembourg Register of Trade and Companies (*Registre de Commerce et des Sociétés Luxembourg*) (the "**RCSL**") under number B284284. The articles of association of the Issuer (the "**Issuer Articles of Association**") were published in the Luxembourg electronic platform for companies and associations (*Recueil Electronique des Sociétés et Associations*) ("**RESA**"), number RESA_2024 _055.482 on 6 March 2024. The Issuer has its registered office at 37, Boulevard Joseph II, L-1840 Luxembourg, Grand Duchy of Luxembourg. The telephone number of the Issuer's registered office is +352 287 787 86.

The financial year of the Issuer is the calendar year.

Corporate Purpose

As provided for in Article 2 of the Issuer Articles of Association, the purpose of the Issuer is to provide to any company in which it holds a direct or indirect participation or right of any kind or which form part of the same group of companies as the Issuer, any and all financial assistances including but not limited to providing loans, advances, guarantees, raising investments and loans from financial or other institutions.

Issuer may grant loans to, as well as guarantees or security for the benefit of third parties to secure obligations of, companies in which it holds a direct or indirect participation or right of any kind or which form part of the same group of companies as the Issuer, or otherwise assist such companies.

The Issuer may raise funds through borrowing in any form or by issuing any kind of notes, securities or debt instruments, bonds and debentures and generally issue securities of any type (including any debt, equity and/or hybrid securities in accordance with Luxembourg law). Non-equity securities may also be issued to the public and/or may be listed, admitted to trading or otherwise registered on any stock exchange, trading platform or other negotiation facility. The Issuer may not publicly issue shares.

The Issuer may carry out any commercial, industrial or financial activities which it considers useful for the accomplishment of these purposes.

The descriptions above are to be construed broadly and their enumeration is not limited. The Issuer's purpose shall include any transaction or agreement which is entered into by the Issuer, provided they are incidental or conducive to the attainment of the Issuer's purpose described above.

In general, the Issuer may take any controlling and supervisory measures and carry out any operation or transaction which it considers necessary or useful in the accomplishment and development of its purpose.

Group Structure

The Issuer is a direct wholly-owned subsidiary of the Guarantor.

Business

The Issuer is a financing vehicle for the Group.

For further information please refer to the section "*Description of the Guarantor*" below.

Management

The Issuer is administered and managed by a board of managers (the "**Board of Managers**"; each member of the Board of Managers, a "**Manager**"). The Board of Managers is vested with the broadest powers to perform all acts of administration and disposition in the Issuer's interest. All powers not expressly reserved by the Companies Act 1915 or the Issuer Articles of Association to the general meeting of the Issuer's shareholders fall within the competence of the Board of Managers.

The daily management of the Issuer as well as the representation of the Issuer in relation to such daily management may be delegated to one or more Managers, officers or other agents, acting individually or jointly. Their appointment, removal and powers shall be determined by a resolution of the Board of Managers.

Board of Managers

Members of the Board of Managers

The following table sets out information with respect to each of the members of the Board of Managers and their positions within the Issuer at the date of this Offering Circular.

Name	Position
Mr. Frank Roseen	Manager
Mr. Antoine Schmidtenknecht	Manager

In addition to his role on the Board of Managers, Mr. Roseen currently serves as an executive director on the board of directors of the Guarantor, supervisory board chairman of TLG Immobilien AG and supervisory board chairman WCM Beteiligungs- und Grundbesitz AG. Mr. Roseen also serves as a member on the risk committee and ESG committee of the Guarantor.

In addition to his role on the Board of Managers, Mr. Schmidtenknecht serves as Head of Luxembourg Division of the Guarantor, primarily responsible for handling a wide variety of corporate, accounting and finance matters for Guarantor and companies in the Group.

The business address of the Managers is at 37, Boulevard Joseph II, L-1840 Luxembourg, Grand Duchy of Luxembourg.

To the knowledge of the Issuer, the members of the Board of Managers have not been convicted of a fraudulent offence in the past five years, nor have they been prohibited by a court ruling or by an enforceable ruling of an administrative authority from exercising an occupation, a profession, a trade or a line of trade. To the knowledge of the Issuer, no bankruptcies, receiverships, insolvency proceedings or any similar proceedings have been opened against any of the members of the Board of Managers within the past five years. To the knowledge of the Issuer, no member of the Board of Managers was subject to official public incriminations and/or sanctions by statutory or regulatory authorities (including designated professional bodies) nor has any member of the Board of Managers been disqualified 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 the previous five years.

Conflict of Interests of the Members of the Board of Managers

The members of the Board of Managers have no potential conflict of interests between any duties to the Issuer and their personal interests or other duties.

Financial Information

As the Issuer is (i) a newly established wholly-owned direct subsidiary of the Guarantor, (ii) will be included in the consolidated accounts of the Guarantor and (iii) all Notes issued by the Issuer will be guaranteed by the Guarantor, no stand-alone financial information of the Issuer have been included in the Offering Circular.

Non-disclosure of the stand-alone financial information of the Issuer is not likely to mislead investors with regards to facts and circumstances that are essential for assessing the Notes.

The audited consolidated financial statements of the Guarantor for the financial years 2023 and 2022 have been incorporated by reference into this Offering Circular. Please refer to the section "*Documents Incorporated by Reference*" above.

Since the date of its incorporation, the Issuer has not engaged in any material activities, other than those incidental to its incorporation and the authorisation and issue of the Notes.

The Issuer has not been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware), since the date of its incorporation which may have significant effects upon the financial position of the Issuer.

Since the date of its incorporation, there has been (a) no material adverse change in the financial position or prospects of the Issuer and (b) no significant change in the financial or trading position of the Issuer.

DESCRIPTION OF THE GUARANTOR

Formation, Incorporation, Registered Office, Name, Financial Year

The Guarantor is a public limited liability company (*société anonyme*) duly governed by the laws of the Grand Duchy of Luxembourg ("**Luxembourg**"), in particular by the Companies Act 1915, and is registered with the Luxembourg Trade and Companies Register (*Registre de Commerce et des Sociétés*) under the registration number B217868. The Guarantor was incorporated on 7 May 2004 in Cyprus under the name Redspot Media Limited. The commercial name of the Guarantor is Aroundtown SA. The duration of the Guarantor is unlimited.

The address and registered office of the Guarantor is at 37, Boulevard Joseph II, L-1840 Luxembourg. The telephone number of the Guarantor's registered office is +352 288 313.

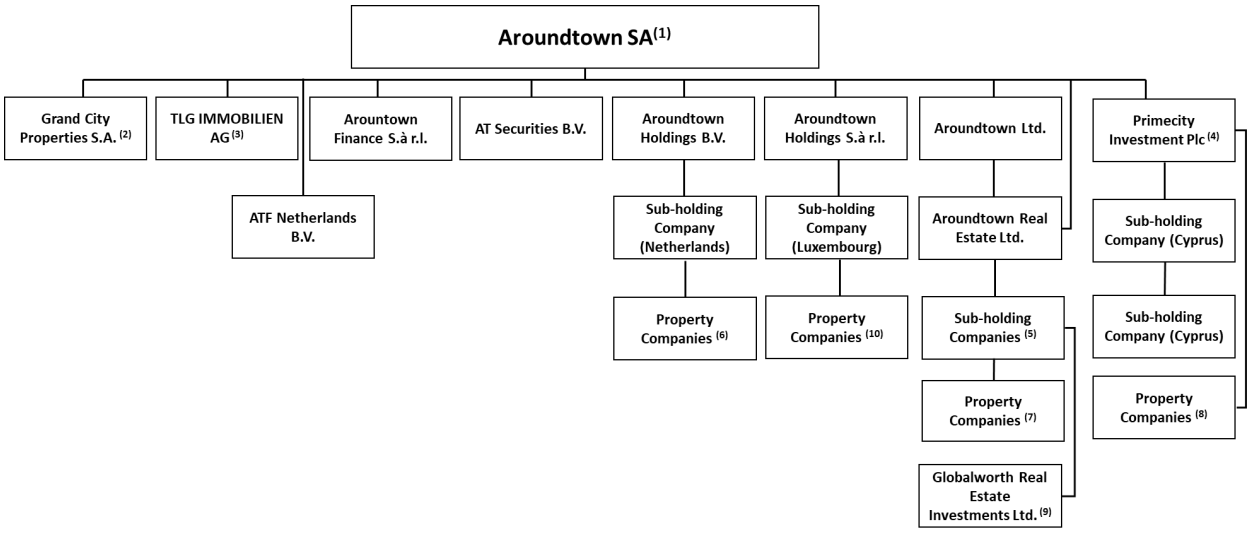
The financial year of the Guarantor is the calendar year.

Group Structure

The Guarantor is the parent company of Aroundtown, which consists of approximately 2,400 companies. These companies are located primarily in Germany, Luxembourg, the Netherlands, the UK and Cyprus. The Guarantor conducts its business through itself and through the other members of Aroundtown.

The Guarantor's shares are admitted to trading on the regulated market of the Frankfurt Stock Exchange with simultaneous admission to the sub-segment of the regulated market with additional post-admission obligations (Prime Standard) (ISIN: LU1673108939). As of 31 December 2023, the Guarantor holds approximately 62.7% of the shares in GCP, excluding shares held by GCP, which is admitted to trading on the regulated market of the Frankfurt Stock Exchange with simultaneous admission to the sub-segment of the regulated market with additional post-admission obligations (Prime Standard) (ISIN: LU0775917882). Following obtaining *de facto* control over GCP, Aroundtown consolidated GCP into its accounts from 1 July 2021.

The following diagram sets forth the structure of the Guarantor in a simplified form as of the date of this Offering Circular:



(1) Unless otherwise indicated, the Guarantor owns the majority of voting rights in the entities reflected in the above structure chart. The Guarantor in addition holds minority interests in certain entities not reflected in the structure chart that it considers not material.

(2) The Guarantor's 62.7% interest in GCP is primarily held through its wholly-owned subsidiary Edolaxia Group Limited, which is not shown in the diagram for simplification purposes. GCP is a listed company.

(3) The Guarantor's 88.2% interest in TLG is held directly by the Guarantor. TLG is a public unlisted company. TLG holds approximately 98% of WCM AG and in addition controls WCM AG through a domination agreement.

(4) The Guarantor's 99.9% interest in Primecity is held through its wholly owned subsidiaries Alfortia Ltd., Bluestyle Ltd. and Zipernoco Ltd., which are not shown in the diagram for simplification purposes.

(5) Sub-holdings, having their respective registered seats primarily in Cyprus and the Netherlands.

(6) Real estate companies having their respective registered seats in different European countries.

(7) Real estate companies, having their respective registered seats primarily in Germany, the Netherlands, the UK and Luxembourg.

(8) Real estate companies having their respective registered seats mainly in Germany.

(9) The Guarantor's 30.4% interest in GWI is held through the joint venture investees Tevat Ltd. and Zakiono Enterprises Ltd., which are not shown in the diagram for simplification purposes.

(10) Real estate companies, having their respective registered seats mainly in the UK and Luxembourg.

Business Overview

The Guarantor is a specialist real estate company, with a focus on income generating quality properties with value-add potential in central locations in top tier cities primarily in the German and Dutch as well as London real estate markets. Aroundtown invests in commercial and residential real estate assets which benefit from strong fundamentals and growth prospects.

Operating with a fully integrated real estate value chain, Aroundtown targets cash generating properties with upside potential in terms of rental income and/or occupancy, lease and tenant structure, cost level optimisation and consequential value. Through an intensive property operational repositioning, Aroundtown seeks to further improve the portfolio results, creating secure and strong cash flow generating characteristics and benefits from the internal growth potential. This enables the Guarantor to create significant value in its portfolio.

History

The Guarantor has been active in the German real estate market since 2004 and has built a diversified and growing real estate portfolio consisting primarily of commercial and residential real estate in Germany, the Netherlands and the UK. The Guarantor holds residential real estate through its subsidiary GCP, a publicly traded specialist residential real estate company which invests in densely populated areas primarily in Germany as well as in London.

The Guarantor was founded as a private limited liability company in Cyprus in May 2004 under the name Redspot Media Limited and changed its name to Aroundtown Property Holdings Limited in October 2004. In November 2014, the Guarantor became a public limited liability company in Cyprus under the name Aroundtown Property Holdings plc. On 13 September 2017, the Guarantor completed the transfer of its registered office and principal place of business from the Republic of Cyprus to the Grand Duchy of Luxembourg, without dissolution and with full corporate and legal continuance as a public limited liability company (*société anonyme*) under the name Aroundtown SA. The shares of the Guarantor were listed on the Paris Euronext stock exchange from June 2015 until December 2017 and are currently admitted to trading on the regulated market of the Frankfurt Stock Exchange with simultaneous admission to the sub-segment of the regulated market with additional post-admission obligations (Prime Standard). GCP's shares were included on the Open Market of the Frankfurt Stock Exchange in the Entry Standard segment in May 2012. In May 2017, GCP's shares were admitted to trading on the regulated market of the Frankfurt Stock Exchange with simultaneous admission to the sub-segment of the regulated market with additional post-admission obligations (Prime Standard). In July 2021, the Guarantor resolved upon the accounting consolidation of GCP in its financial statements, effective as of 1 July 2021. The decision followed a thorough analysis of several cumulative circumstances which resulted, from an accounting perspective in a position of de facto control, as defined under IFRS. Starting from the period following the initial deconsolidation of GCP until the accounting consolidation starting on 1 July 2021, GCP was included in Aroundtown's financial statements as an equity accounted investee. In December 2019, the Guarantor commenced a voluntary public takeover offer for all the shares in TLG, which concluded in February 2020 with an acceptance rate of 77.5%. In

November 2021, the Guarantor commenced a voluntary public delisting tender offer for the acquisition of all shares in TLG not already held by the Guarantor. Following the conclusion of the acceptance period, TLG was delisted in December 2021.

In December 2015, S&P assigned the Guarantor an investment grade long term corporate credit rating of "BBB", and in June 2016, S&P upgraded the Guarantor's credit rating to "BBB" with a stable outlook. In December 2016, S&P assigned the Guarantor a short-term corporate credit rating of "A-2". In December 2017, S&P upgraded the Guarantor's credit rating to "BBB+" with a stable outlook. In June 2023, S&P revised the credit rating outlook of the Guarantor from stable to negative while affirming the "BBB+" investment grade rating assigned to the Guarantor.

Since 2014, the Guarantor has completed a number of capital markets transactions and raised over €22 billion, including gross proceeds from share capital increases and the issuance of perpetual notes, mandatory convertible notes, convertible bonds, straight bonds and other financing instruments, such as Schuldscheine issuances in Germany.

Since its listing on the Frankfurt Stock Exchange in 2012, GCP has successfully accessed the capital markets and issued shares and debt securities in an aggregate volume of over €8 billion, including gross proceeds from share capital increases and the issuance of perpetual notes, convertible bonds and straight bonds.

Recent Developments

As at 31 December 2023, an amount of €409.4 million was presented as a disposal group held for sale, of which €408.3 million comprised of investment property. This is in line with the strategic decision to strengthen the Group's core real estate portfolio. Aroundtown intends to sell the outstanding assets within the next twelve months.

Following the shareholder authorisation received by the ordinary general meeting (OGM) in May 2020, on 25 March 2021, the Guarantor's Board of Directors (as defined herein) resolved on a new share buy-back programme with a buy-back volume of up to €500 million and a limit of 100 million shares. The share buy-back programme began on 26 March 2021 and had an original end date of 31 December 2021. On 27 December 2021, the Guarantor's Board of Directors resolved to extend the duration of the share buy-back programme by six months until 30 June 2022 and expand the exchanges on which purchases can be made to Turquoise Europe and Cboe Europe. On 1 February 2022, the Guarantor's Board of Directors resolved to extend the duration of the share buy-back programme by a further six months until 31 December 2022 and expand the size of the programme by €500 million and 100 million shares, bringing the total maximum size of the share buy-back programme to €1,000 million and 200 million shares. The OGM of Aroundtown convened on 16 December 2022 resolved to authorise the Board of Directors to use treasury shares of the Guarantor acquired through its share buy-back framework for share lending transactions with financial institutions up to 10% of the Guarantor's shares.

As at 31 December 2023, the Group had commitments for future capex on the real estate properties and guarantees of approximately €0.4 billion. Furthermore, the Group had signed several deals to sell real estate at a volume of approximately €0.2 billion, which were not yet completed and are subject to conditions precedent. Aroundtown estimates the completion of the transactions to take place within the next twelve months.

The Property Portfolio

Overview

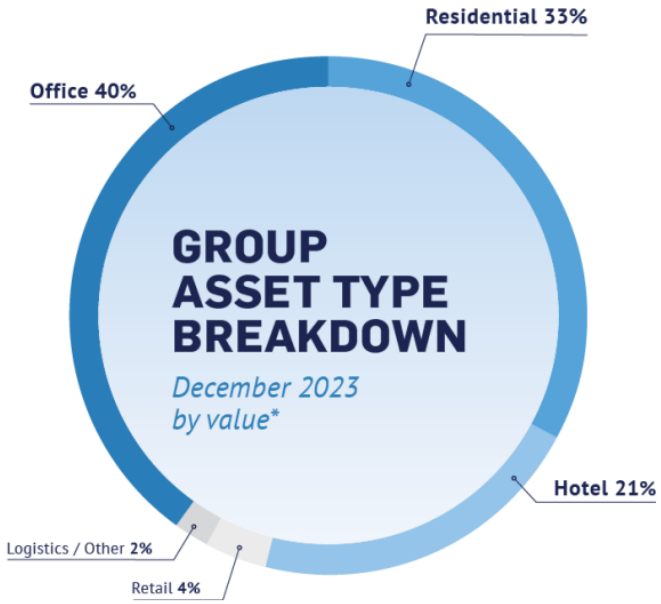
As at 31 December 2023, the Guarantor assessed the total market value of its real estate investment portfolio, excluding assets held for sale and its relative share in its associates, at €24.6 billion (as compared to €28.0 billion as at 31 December 2022). The decrease since 31 December 2022 is mainly due to negative property revaluations, movement of investment property into assets held for sale and disposals of investment property.

As at 31 December 2023, excluding assets held for sale, Aroundtown's portfolio includes 9.4 million square metres of office, residential, hotel, retail and logistics/other real estate primarily in large urban areas in Germany, such as Berlin, NRW, Dresden/Leipzig/Halle, Frankfurt, Munich, Wiesbaden/Mainz/Mannheim, Hamburg/Lüneburger Heide, Stuttgart, Hannover, Nuremberg and Bremen as well as in Amsterdam, Rotterdam and Utrecht in the Netherlands, and London in the UK.

The portfolio includes a comprehensive tenant base of over 3,000 commercial tenants as of 31 December 2023, which is diversified over a wide range of market sectors. Primary tenants in the Group's portfolio include Center Parcs, Siemens, the German federal and regional governments, Deutsche Bundesbank, Deutsche Bahn, VBG Verwaltungs-Berufsgenossenschaft, the Dutch national and regional governments, Hilton and others.

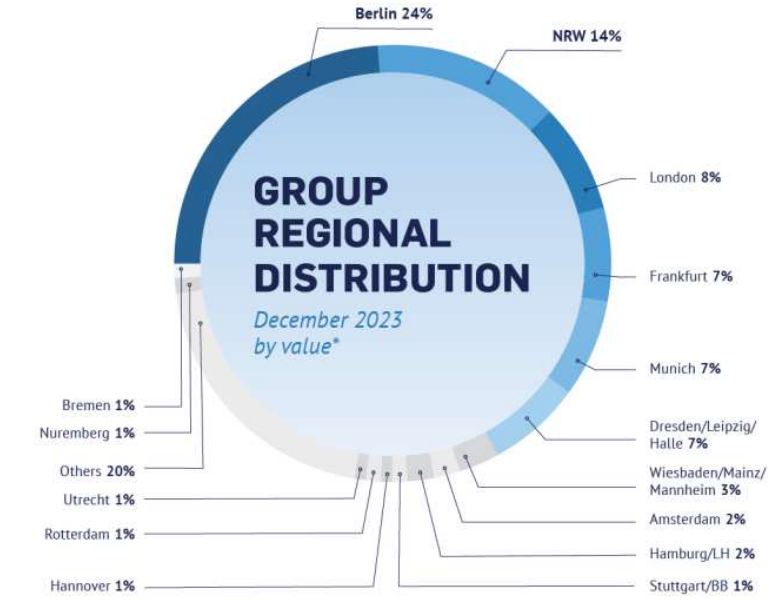
As of 31 December 2023, the Group's portfolio consists of 40% office, 33% residential, 21% hotels, 2% logistics/other and 4% retail. The monthly annualised net rental income for the portfolio was €1.1 billion as of 31 December 2023 at an average monthly in-place rent of €10.7 per square metre. The EPRA Vacancy Rate as of December 2023 was 7.9%. As of December 2023, the WALT of the commercial portfolio was approximately 7.4 years.

Porfolio Breakdown by Value



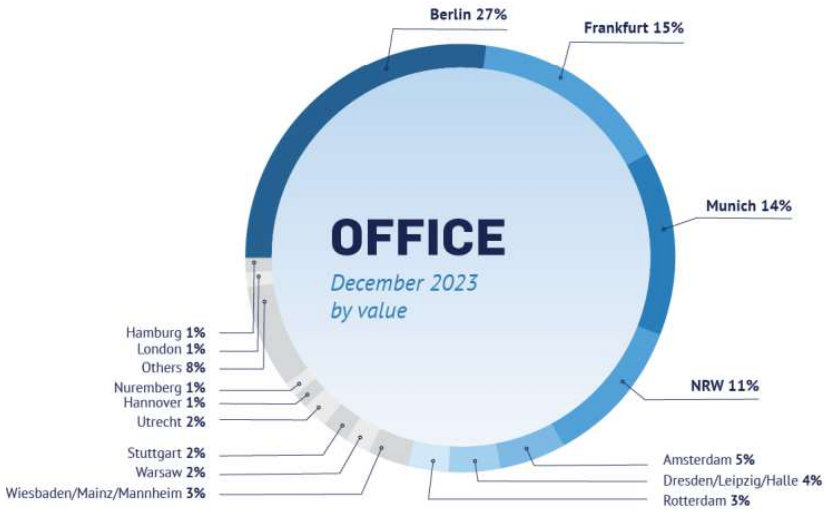
*including development rights & invest and excluding properties held for sale

Portfolio Geographical Breakdown by Value



*including development rights & invest and excluding properties held for sale

Office Geographical Breakdown by Value – including development rights & invest and excluding properties held for sale



Grand City Properties (residential portfolio)

As 31 December 2023, the total market value of GCP's real estate portfolio (excluding assets held for sale) amounted to €8.6 billion and comprised approximately 63,303 units. As of 31 December 2023, GCP's property portfolio generated an average monthly in-place rent of €8.6 per square metre, with an EPRA Vacancy Rate of 3.8%. As of 31 December 2023, the monthly annualised net rental income for GCP's property portfolio was €406 million.

GCP regional distribution – including development rights & invest and excluding properties held for sale



Hotel portfolio – including development rights & invest and excluding properties held for sale

The portfolio also includes hotel assets with a total value, excluding development rights, of €4.6 billion as of 31 December 2023, consisting of 1.6 million square metres with a focus on key locations with large catchment areas throughout Germany and major Western European metropolitans. Aroundtown's hotels are leased primarily on a long-term basis to third-party tenants.

The tenants of Aroundtown's hotel assets have entered into franchise agreements mainly with the following hotel brand franchisor enterprises: Center Parcs, InterContinental, Sheraton, Marriott, Radisson Hotel Group, Steigenberger, Holiday Inn, Wyndham, TRYP by Wyndham, Penta Hotels, Mercure, ibis, Best Western, Precise Hotel Collection, Novum Group, Wyndham GARDEN, Days Inn, NH Hotel Group, Meliã Hotels, Accor Hotels, Seminaris and Hilton. The majority of Aroundtown's hotel assets are categorised as "4 star" properties, which the Guarantor believes allows it to meet the rising market demand for both business and leisure travel.

Hotel Geographical Breakdown by Value (including development rights & invest and excluding properties held for sale) and Star Category



Portfolio Breakdown by Asset Type and Region

The following tables provide a breakdown of the portfolio by asset type and by region as at 31 December 2023.

Portfolio Breakdown by Asset Type

DEC 2023 Portfolio by asset type	Investment property (€m)	Lettable area (k sqm)	EPRA Vacancy	Annualized net rent (€m)	In-place rent/sqm (€)	Value/sqm (€)	Rental Yield	WALT (years)
Office	8,961	3,221	12.8%	451	12.9	2,782	5.0%	4.2
Residential	7,715	3,653	3.6%	370	8.6	2,112	4.8%	NA
Hotel	4,584	1,567	3.2%	238	13.0	2,926	5.2%	14.5
Logistics/Other	399	434	9.2%	24	5.0	920	6.1%	5.1
Retail	1,081	516	12.3%	59	10.7	2,095	5.5%	4.3
Development rights & Invest	1,892							
Total	**24,632**	**9,391**	**7.9%**	**1,142**	**10.7**	**2,421**	**5.0%**	**7.4**
Total (GCP at relative consolidation)	**21,421**	**7,893**	**8.5%**	**991**	**11.1**	**2,481**	**5.1%**	**7.5**

*figures exclude assets held for sale

Portfolio Breakdown by Region

DEC 2023 Portfolio by Region*	Investment property (€m)	Lettable area (k sqm)	EPRA Vacancy	Annualized net rent (€m)	In-place rent/sqm (€)	Value/sqm (€)	Rental Yield
Berlin	5,197	1,428	7.5%	208	12.7	3,638	4.0%
NRW	3,310	1,922	8.4%	186	8.4	1,722	5.6%
London	1,841	235	4.2%	92	35.6	7,852	5.0%
Dresden/Leipzig/Halle	1,625	1,071	4.2%	87	6.9	1,517	5.3%
Munich	1,573	524	9.9%	57	9.5	3,004	3.6%
Frankfurt	1,474	486	16.0%	71	14.4	3,036	4.8%
Wiesbaden/Mainz/Mannheim	650	264	7.4%	35	11.6	2,457	5.5%
Amsterdam	568	159	10.0%	28	15.4	3,575	4.9%
Hamburg/LH	451	180	4.7%	27	12.6	2,502	6.0%
Hannover	250	156	17.2%	14	9.1	1,603	5.5%
Stuttgart/BB	235	117	16.5%	13	11.1	2,014	5.4%
Rotterdam	211	84	1.7%	16	14.4	2,512	7.4%
Utrecht	185	70	7.7%	12	14.1	2,628	6.4%
Other	5,170	2,695	7.1%	296	9.7	1,918	5.7%
Development rights & Invest	1,892						
Total	**24,632**	**9,391**	**7.9%**	**1,142**	**10.7**	**2,421**	**5.0%**

* figures exclude assets held for sale

*figures exclude assets held for sale

Business Operations

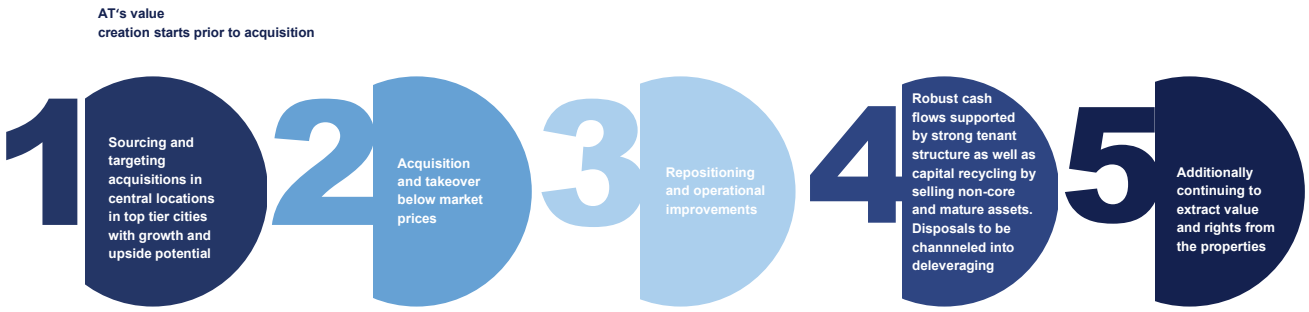
Overview

Aroundtown invests in commercial and residential real estate assets which it believes benefit from strong fundamentals and growth prospects. Aroundtown's focus is on major cities and metropolitan areas with positive

demographic prospects. Aroundtown targets in particular cash generating properties with upside potential in terms of rental income and/or occupancy, lease and tenant structure, WALT, cost level optimisation and resulting value.

Aroundtown manages the entire real estate value chain of its properties, across acquisition, letting, upkeep and refurbishment. Aroundtown believes that this integrated approach brings further efficiency benefits and a preferred landlord status to Aroundtown and fast response times to its tenants. While Aroundtown's portfolio management is centrally organised, Aroundtown's asset management, sales and marketing activities are organised locally to better capture regional demand and necessities.

The following chart provides an overview on the business model of Aroundtown, and the following sections describe each step of Aroundtown's business model in more detail:



Sourcing and targeting acquisitions in central locations in top tier cities with growth and upside potential

Aroundtown's property sourcing success stems from its unique network as well as its reputation as a reliable real estate acquisition partner. The Group focuses on acquiring value-add properties in central locations of top tier cities characterised by below market rent levels, inefficient cost or lease structure and/or vacancy reduction potential. With two decades of experience in the real estate markets, the Group benefits from a preferred buyer status across its sourcing network. The Group sources deals from a large and diverse deal sourcing base, such as receivers, banks, loan funds, broker networks, distressed owners, private and institutional investors and court auctions. The Group's primary focus is on major cities and metropolitan areas with positive demographic prospects. The Group follows acquisition criteria which ensure that newly acquired properties align with its business model. These criteria include:

- Focus on central locations in top tier EU cities
- Value-add potential through operational improvements
- Cash flow generating assets
- Rent level per sqm below market level (under-rented properties)
- Purchase price below replacement cost and below market values
- Potential to reduce operational cost per sqm significantly

Due to the experience and knowledge of its board and management, the Group is able to consider all possible uses for properties that it acquires, including altering the property's primary use in order to target specific supply shortages in the market. The Group believes that its business model provides it with a strong and sustainable competitive advantage.

Acquisition and takeover below market prices

After a potential property passes an initial screening, the property is further assessed in order to take into account the specific features of each project while ensuring that the acquisition is in line with the Group's overall business strategy. Aroundtown believes that its experience in analysing properties with value creation potential, and in

identifying both the potential risks and the upside potential of each property, results in fast, but thorough and reliable, screening procedures.

Once a property is acquired, the actual takeover occurs swiftly and efficiently. Because liquidity plays a significant role in the acquisition of value-add properties, Aroundtown benefits strongly from its solid liquidity position and its ability to acquire properties with existing resources and refinance the acquisition at a later stage. The Group also benefits from a strong and experienced legal department, which, combined with close and longstanding relationships with external law firms, enables Aroundtown to complete multiple deals simultaneously.

Repositioning and operational improvements

As a specific tailored business plan is constructed for each property, and the weaknesses and strengths are identified pre-acquisition, the execution of the repositioning process becomes smoother and faster. The business plan input is integrated into Aroundtown's IT/software platform which enables the management to monitor all operational and financial parameters and fully control the repositioning progress. The success of the repositioning of the properties is the result of the following functions:

Operational and marketing initiatives

The initial repositioning activities aim at minimising the time until the profitability of the acquired properties is improved. Targeted marketing activities are implemented to increase occupancy and thereby rental income. Vacancy reduction initiatives are tailored to the specific property type. Procedures applied to Aroundtown's commercial properties include establishing a network of internal and external, as well as local and nationwide letting brokers, offering promotional features and building a reputation in the market for high service standards. For the Group's hotel assets, optimal operators are selected and a fixed long-term lease contract is entered into once the hotel is repositioned. Initiatives for the Group's residential properties target relationship building with potential tenants and the local community by collaborating with local municipalities, supporting community initiatives and advertising on key real estate platforms.

Rent increase and tenant restructuring, assessed during the due diligence process, are executed according to the property's business plan. Furthermore, the operational improvements the Group initiates improve the living quality or business environment for existing and future tenants, resulting in increased demand for these repositioned assets. Having identified areas for operational improvements, the Group drills down on cost saving opportunities on a per unit basis, making use of modern technologies such as consumption-based meters. These efforts, combined with cost savings achieved through vacancy reductions and economies of scale, enable the Group to benefit from a significant improvement of the cost base and therefore higher profitability. Aroundtown manages its entire real estate value chain across acquisition, letting, upkeep and refurbishment. This integrated approach brings further efficiency benefits, a preferred landlord status and fast response times to its tenants.

Smart capex investments when required

Aroundtown addresses capex needs to keep the properties' standards and addresses the requirements of its existing and prospective tenants. Capital improvements are discussed in close coordination with committed tenants, allowing an efficient and cost-effective implementation of the investments. The carried-out investments are followed up by Aroundtown's experienced construction team. The financial feasibility of the proposed alterations is balanced against the lease term, rental income and property acquisition cost and bears quick returns over the investment period.

Key stakeholder management considering sustainability matters

Aroundtown's strategy and business model takes into account the diverse interests and perspectives of its stakeholders, including its valued employees, both residential and commercial tenants, municipalities and local communities in which the Group operates, suppliers and business partners, and investors, and forms an important part of the approach to sustainable growth. Aroundtown understands that without the support of its stakeholders that the Group would not be able to fully execute on its strategic goals. Understanding and addressing the needs and concerns of these stakeholders requires ongoing communication, active engagement, and a commitment to

ethical business practices. Regular feedback mechanisms, community involvement, and a proactive approach to problem-solving contribute to building trust and long-lasting relationships with all stakeholders and have been embedded across AT's business functions to ensure that their interests are represented and addressed. Aroundtown's upstream value chain consists of its investors, its construction and development partners, and its suppliers. Aroundtown takes the next position in its value chain, with its employees and tenants making up its downstream value chain. Aroundtown's business strategy takes into account the sustainability matters identified as material during its Double Materiality Assessment. Whether these relate to its own workforce, its supply chain or the energy efficiency of its assets and other environmental matters, the Group adapts its strategy and underlying processes where necessary to reflect the impacts and importance of its material sustainability topics.

Aroundtown puts great emphasis on establishing strong relationships with its tenants to reduce churn rates, to predict as well as strengthen the tenant structure and thereby positively affect its cash flows in the future. The Group aims to offer high quality services for both potential and existing tenants. The Group pays great attention to the industry in which its commercial tenants operate and to their individual success factors. The Group also offers direct support to its tenants through add-on facilities at its rental properties such as space extensions to facilitate growth and smart space redesign to match modern office layouts. The Group supports its tenants through its TÜV- and ISO 9001:2015-certified commercial and residential Service Centres with 24/7 availability via various channels.

Furthermore, the Group aims to establish personal relationships between its tenants and its asset and property managers, providing them with personal contact points, which allows the Group to react promptly to problems and proactively prolonging existing contracts in order to optimise and secure long-term revenues.

Robust cash flow supported by strong tenant structure

Aroundtown targets the generation of robust cash flows throughout its operations. This is supported by ongoing cost controls and long-term value creation through repositioning and operational improvements and by extracting the upside potential embedded in the portfolio, continuous optimisation of the tenant structure and thereby generating robust internal growth and cash flows.

Capital recycling by selling non-core and mature assets

While the Group's main focus is on extracting the potential of its portfolio, the Group also pursues an accretive capital recycling of non-core and/or mature properties. Aroundtown continuously analyses its portfolio in terms of upside potential to lift and focuses its resources on properties with higher upside. Aroundtown seeks to dispose properties where most of the potential has been achieved or which are not in the core locations of Aroundtown. The disposal of such properties enables capital recycling and provides firepower to pursue new opportunities with high upside potential on one hand, and increases the quality of the portfolio on the other. Additionally, proceeds from disposals enable Aroundtown to buy back debt, strengthen the balance sheet and reduce leverage.

Extracting building rights from unused or underutilised land or conversion rights from existing properties and new land

As part of the value creation process, Aroundtown identifies and extracts building rights from unused or underutilised existing and new land and buildings and conversion rights, providing an additional internal growth driver. Aroundtown assesses internally the best use for the rights and advances on to maintain the discussion with authorities, engineers and architects in order to realise plans into permits. Once the planning and permit phases are completed, Aroundtown analyses each project individually and decides the best way to realise the value into proceeds. Aroundtown does not intend to fully build and develop all of the rights and estimates that most of the rights will be disposed.

Employees

As of 31 December 2023, the Group employed 1,706 employees.

Loan Agreements

The Group has entered into various loan agreements primarily for the purpose of financing the acquisition of properties in Aroundtown portfolio. As of 31 December 2023, the Group's loans and borrowings were €2.2 billion.

The Group's loan agreements typically bear interest at fixed rates or at rates based on EURIBOR plus a spread, and the interest rates may in certain cases be hedged. Undrawn amounts under Aroundtown's credit facilities may be subject to a commitment fee. The Group's loan agreements are typically secured by pledges of property, including pledges of rental proceeds, shares of the relevant holding companies, and operational bank accounts, and contain customary representations and warranties, undertakings and events of default with respect to real estate financing (which are in turn typically subject to certain agreed exceptions and materiality carve-outs). A number of Aroundtown's loan agreements provide the lender with the right to terminate the loan if the Guarantor no longer directly or indirectly (i) controls the relevant borrowing entity or (ii) manages the relevant property.

Corporate Purpose

The Guarantor is a specialist real estate investment company which focuses on value-add properties primarily in the German and Dutch real estate markets. The objects for which the Guarantor was established are set forth in article 4 of the Articles of Association. The Guarantor's objects are (i) the acquisition, sale, administration, operation, letting or renting, in any form by any means, whether directly or indirectly, of any real estate assets in both the Grand Duchy of Luxembourg and abroad; (ii) the acquisition, holding and disposal, in any form, by any means, whether directly or indirectly, of participations, shares, rights and interests in, and obligations of, Luxembourg and foreign companies or other assets including but not limited to real estate assets; (iii) the acquisition by purchase, subscription, or in any other manner, as well as the transfer by sale, exchange or in any other manner of stock, bonds, debentures, notes and other securities or financial instruments of any kind (including notes, shares or units issued by Luxembourg or foreign investment funds or similar undertakings) and receivables, claims or loans or other credit facilities and agreements or contracts relating thereto; (iv) the acquisition and holding of interests, directly or indirectly, in any form whatsoever, in any Luxembourg or foreign entities, by way of, among others, the subscription or the acquisition of any securities and/or rights through participation, contribution, underwriting, firm purchase or option, patents, service marks, trademarks licences and other commercial or intellectual property rights, negotiation or in any other way; and (v) the ownership, administration, development and management of a portfolio of assets or interests (including, among other things, the assets and interests referred to in (i) through (iv) above).

The Guarantor may borrow in any form. It may obtain any form of credit facility. The Guarantor may issue bonds, notes, promissory notes, perpetual notes, certificates, shares, beneficiary parts, options, warrants and other debt or equity instruments, convertible or not. It may use financial derivatives or raise funds by any other means. The Guarantor may use any techniques and instruments to efficiently manage its investments and to protect itself against credit risks, currency exchange exposure, interest rate risks and other risks. The Guarantor may enter into, execute and perform any swaps, futures, forwards, derivatives, options, repurchase, stock lending or similar transactions.

The Guarantor may also render any assistance, whether by means of financing, administration, marketing or any other kind of service, to its subsidiaries or companies in which it has a direct or indirect interest, even not substantial, and/or any company being a direct or indirect shareholder of the Guarantor and/or any company belonging to the same group as the Guarantor (the Connected Companies). A company shall be deemed to be part of the same group as the Guarantor if such other company directly or indirectly owns, is owned by, is in control of, is controlled by, or is under common control with, or is controlled by a shareholder of, the Guarantor, in each case whether beneficially or as trustee, guardian or as other fiduciary. A company shall be deemed to control another company if the controlling company possesses, directly or indirectly, all or substantially all of the share capital of the company or has the power to direct or cause the direction of the management or policies of the other company, whether through the ownership of voting securities, by contract or otherwise.

The Guarantor may in particular: (i) lend funds including the proceeds of any borrowings or issues of securities to its Connected Companies; (ii) enter into any guarantee, pledge or any other form of security, whether by personal covenant or by mortgage or charge upon all or part of the undertaking, property assets (present or future) or by all or any of such methods, for the performance of any contracts or obligations of the Guarantor and of any of the Connected Companies, or any director, manager or other agent of the Guarantor or any of the Connected Companies, within the limits of any applicable law provision; (iii) subordinate its claims in favour of third parties to secure the obligations of any Connected Companies; and (iv) render administrative and marketing assistance to its Connected Companies.

In addition to the foregoing, the Guarantor may perform all legal, commercial, technical and financial transactions and, in general, all transactions which are necessary or useful to fulfil its corporate object as well as all transactions directly or indirectly connected with its purpose or which may favour its development.

Management, Bodies and Senior Management

Management Structure

The Guarantor is administered and managed by a board of directors (the "**Board of Directors**", and each member of the Board of Directors, a "**Director**"). The Board of Directors is vested with the broadest powers to take any actions necessary or useful to fulfil the corporate objects of the Guarantor save for actions reserved to the general meeting of shareholders in accordance with the Companies Act 1915 or by the Articles of Association. The powers of the Board of Directors, except for such powers that are expressly reserved by the Companies Act 1915 or the Articles of Association to the Board of Directors, may be delegated by a resolution of the Board of Directors to a management committee (*comité de direction*), consisting of several managers who may or may not be Directors or shareholders of the Guarantor, a managing executive director (*directeur général*) or a daily manager. The Board of Directors may determine the scope of such delegation at its discretion. The Board of Directors may also give special powers for specific matters to one or more proxyholders, whether Directors, shareholders, managers or not.

The Board of Directors may choose amongst the Directors a chairperson and also appoint a secretary who need not be a member of the Board of Directors.

Pursuant to the Companies Act 1915 as well as the Articles of Association, the minimum number of Directors shall be at least three whereas the maximum number of Directors shall be seven. The general meeting resolves on the remuneration of the Directors.

The Directors may be dismissed with or without any cause at any time and may be replaced at any time by a resolution of the general meeting of shareholders taken at a majority of at least seventy-five percent (75%) of the votes validly cast.

In the event of a vacancy in the office of a Director, such vacancy may be filled on a temporary basis and for a period not exceeding the initial mandate of the replaced director by the remaining directors until the next general meeting of shareholders.

Board of Directors

Members of the Board of Directors

The following table sets out information with respect to each of the members of the Board of Directors and their positions within the Guarantor at the date of this Offering Circular.

Name	Position
Ms. Jelena Afxentiou	Executive Director
Mr. Frank Roseen	Executive Director
Mr. Markus Leininger	Independent Director
Mr. Markus Kreuter	Independent Director
Ms. Simone Runge-Brandner	Independent Director
Mr. Daniel Malkin	Independent Director
Mr. Ran Laufer	Non-Executive Director

The business address of the Directors is at 37, Boulevard Joseph II, L-1840 Luxembourg, Grand Duchy of Luxembourg.

The members of the Board of Directors do not hold any positions in administrative, management or supervisory bodies outside Aroundtown which are significant with respect to the Guarantor.

To the best knowledge of the Guarantor, the members of the Board of Directors have no potential conflict of interest between any duties owed to the Guarantor and their personal interests or other duties, save for Ms. Simone Runge-Brandner and Mr. Markus Leininger, where the ongoing mandates as independent members of the board of directors of GCP, may, under certain circumstances, lead to a potential conflict of interest with their duties as independent members of the Board of Directors, since Aroundtown exercises *de facto* control over GCP.

The Guarantor's most recent annual general meeting of shareholders ("**AGM**") was held on 28 June 2023.

Conflict of Interests of the Members of the Board of Directors

The members of the Board of Directors have no potential conflict of interests between any duties to the GCP Group and their personal interests or other duties, save for Mrs. Simone Runge-Brandner and Mr. Markus Leininger, where their respective ongoing mandates as independent members of the board of directors of Aroundtown may, under certain circumstances, lead to a potential conflict of interest with their duties as independent members of the Board of Directors, since Aroundtown controls the GCP Group. The ongoing mandates of the other members of the Board of Directors do not lead to any potential conflict of interests of the respective members of the Board of Directors as the relevant entities are neither shareholders of the Guarantor nor do they have any business relationships with the Guarantor or the Group.

Senior Management

Senior Management

The following table sets out information with respect to the senior management of the Guarantor, as of the date of the Offering Circular:

Name	Position
Mr. Barak Bar-Hen	Chief Executive Officer (CEO) / Chief Operating Officer (COO)
Mr. Eyal Ben David	Chief Financial Officer (CFO)
Mr. Oschrie Massatschi	Chief Capital Markets Office (CCMO)

The main business address of the CEO/COO, CFO and CCMO is at Wittestraße 30, Haus F, 13509 Berlin, Germany.

The CEO/COO, CFO and CCMO do not hold any positions in administrative, management or supervisory bodies outside Aroundtown which are significant with respect to the Guarantor. The CEO/COO, CFO and CCMO have no statutory powers under any applicable laws or the Articles of Association.

To the best knowledge of the Guarantor, no potential conflicts of interest exist between any duties owed by the CEO/COO, CFO and CCMO and the private interests and/or other duties of such persons.

Advisory Board

The Board of Directors of the Guarantor has established an advisory board. The task of the advisory board is to provide expert advice and assistance to the Board of Directors. The Board of Directors decides on the composition, tasks and term of the advisory board as well as the appointment and dismissal of its members. The advisory board has no statutory powers under the Companies Act 1915 or the Articles of Association of the Guarantor, but applies rules which have been adopted by the Board of Directors. However, the Guarantor considers the advisory board to be an important source of guidance for the Board of Directors when making strategic decisions. The current members of the advisory board are Dr. Gerhard Cromme (Chairman), Mr. Yakir Gabay (Deputy Chairman), Mr. Claudio Jarczyk and Mr. David Maimon.

Audit Committee

The Board of Directors has established an Audit Committee. The Board of Directors decides on the composition, tasks and term of the Audit Committee as well as the appointment and dismissal of its members. The responsibilities of the Audit Committee relate to the integrity of the financial statements, including reporting to the Board of Directors on its activities and the adequacy of internal systems controlling the financial reporting processes and monitoring the accounting processes. The Audit Committee provides guidance to the Board of Directors on the auditing of the annual financial statements of the Guarantor and, in particular, shall monitor the independence of the approved independent auditor, the additional services rendered by such auditor, the issuing of the audit mandate to the auditor, the determination of auditing focal points and the fee agreement with the auditor. The Audit Committee consists of the Independent Directors being, Mr. Markus Kreuter (Chairman), Mr. Markus Leininger, Ms. Simone Runge-Brandner and Mr. Daniel Malkin.

Risk Committee and Risk Officer

The Board of Directors established a Risk Committee tasked with assisting and providing expert advice to the Board of Directors in fulfilling its oversight responsibilities, relating to the different types of risks, recommending a risk management structure including its organisation and its process as well as assessing and monitoring the effectiveness of risk management systems. The Risk Committee is supported by the Risk Officer, who brings a systematic and disciplined approach to evaluate and improve the culture, capabilities, and practices integrated with strategy-setting and execution. The Risk Officer's responsibilities are determined and monitored by the Risk Committee, whose oversight is established pursuant to the Rules of Procedure of the Risk Committee. The Risk Committee provides advice on actions of compliance, in particular, by reviewing the Guarantor's procedures for detecting risk, the effectiveness of the Guarantor's risk management and internal control system and by assessing the scope and effectiveness of the systems established by the management to identify, assess and monitor risks. The Board of Directors decides on the composition, tasks and term of the Risk Committee and the appointment

and dismissal of its members. The members of the Risk Committee are Mr. Markus Kreuter (Chairman), Mr. Markus Leininger, Ms. Simone Runge, Mr. Daniel Malkin, Mr. Frank Roseen and Mr. Ran Laufer.

Remuneration Committee

The Board of Directors has established a Remuneration Committee to determine and recommend to the Board of Directors the remuneration policy for the chairman of the Board of Directors, the executive directors and senior management, including evaluation of short-term performance-related remuneration to senior executives. The Remuneration Committee consists of the Independent Directors being, Mr. Markus Kreuter, Ms. Simone Runge-Brandner and Mr. Markus Leininger.

Nomination Committee

The Board of Directors has established a Nomination Committee to identify suitable candidates for director positions and examine their skills and characteristics. The Nomination Committee consists of the Independent Directors being, Mr. Markus Leininger, Mr. Markus Kreuter, Ms. Simone Runge-Brandner and Mr. Daniel Malkin.

ESG Committee

The Board of Directors established an ESG Committee to review policies, stakeholder proposals and recommendations that relate to ESG topics, including foundation-related activities. In addition, the ESG Committee reviews and assesses the Guarantor's initiatives and practices and reviews policies with respect to ESG.

The ESG Committee consists of Mr. Frank Roseen and the Independent Directors, Mr. Markus Leininger (Chairman) and Mr. Markus Kreuter, as well as advisory members.

Corporate Governance

As of the date of this Offering Circular, the Guarantor is not subject to any compulsory corporate governance code of conduct or respective statutory legal provisions. Section 161 of the German Stock Corporation Act (AktG) does not apply because the Guarantor is a public limited liability company under the laws of the Grand Duchy of Luxembourg (société anonyme, S.A.) and not a German Stock Corporation (Aktiengesellschaft, AG), save for recommendations C.10 (with sole reference to its applicability to the Chair of the Audit Committee), D.8 and D.9 of the German Corporate Governance Code (Deutscher Corporate Governance Kodex). The Guarantor has issued a declaration that it does not deviate from the aforementioned recommendations of the German Corporate Governance Code. In addition, the Ten Principles of Corporate Governance of the Luxembourg Stock Exchange do not apply to the Guarantor because its shares are not listed on a regulated market operated by the Luxembourg Stock Exchange. Nevertheless, the Guarantor continues to take steps to implement ESG best practices throughout its business.

Share Capital

As of the date of this Offering Circular, the Guarantor has a stated share capital in the amount of €15,370,256.09. The share capital is divided into 1,537,025,609 shares with a nominal value of €0.01 per share (the Shares). The share capital has been fully paid up. The Shares are in global form and deposited with Clearstream Banking AG, Frankfurt/Main.

The Guarantor has an authorised capital. The authorised capital (including the subscribed capital) amounts to €30,000,000.00 (i.e., the corporate share capital of the Guarantor may be increased by the Board of Directors from its present amount up to €30,000,000.00 by the creation and issuance of new shares with a nominal value of €0.01 each).

The Guarantor's shares are admitted to trading on the regulated market of the Frankfurt Stock Exchange with simultaneous admission to the sub-segment of the regulated market with additional post-admission obligations (Prime Standard) (ISIN: LU1673108939).

The OGM of Aroundtown convened on 6 May 2020 and resolved on a share buy-back framework under which up to 20% of the Guarantor's shares could be bought back. Subsequently, the Board of Directors of the Guarantor resolved on 2 June 2020 to carry out a share buy-back programme with a volume of up to 120 million shares for a total purchase price of up to €500 million. Furthermore, on 1 September 2020, the Board of Directors announced that it had resolved to further utilise the authorisation of the OGM to buy back up to 165 million shares through a public share purchase offer. In the course of its resolution, the Board of Directors further determined to increase the maximum aggregate amount for the share buy backs to €1 billion.

On 25 March 2021, the Board of Directors of the Guarantor resolved on a share buy-back programme with a volume of up to €500 million and limited to a maximum of 100 million shares, utilising the authority granted under the share buy-back framework approved during the OGM of Aroundtown convened on 6 May 2020. The programme commenced on 26 March 2021 and had an original end date of 31 December 2021.

The AGM of Aroundtown convened on 30 June 2021 resolved on an increase of 10% to the share buy-back framework approved from the 6 May 2020 OGM, thus increasing the amount of Guarantor's shares which could be bought back from 20% to 30%. In addition, the OGM of Aroundtown convened on 11 January 2022 resolved on a further increase of 20% to the share buy-back framework, as approved by the OGM on 6 May 2020, thus increasing the amount of Guarantor's shares which could be bought back from 30% to 50%, subject to the Board of Directors' commitment to convene at least once a year an extraordinary general meeting of the shareholders of Aroundtown to decide on a reduction of the share capital of Aroundtown, if it has acquired under the buy-back programme more than 30% of the aggregate nominal amount of its issued share capital from time to time.

On 27 December 2021, the Guarantor's Board of Directors resolved to extend the duration of the share buy-back programme by six months until 30 June 2022 and expand the exchanges on which purchases can be made to Turquoise Europe and Cboe Europe. On 1 February 2022, the Guarantor's Board of Directors resolved to extend the duration of the share buy-back programme by a further six months until 31 December 2022 and expand the size of the programme by €500 million and 100 million shares, bringing the total maximum size of the share buy-back programme to €1,000 million and 200 million shares.

The OGM of Aroundtown convened on 16 December 2022 resolved to authorise the Board of Directors to use treasury shares of the Guarantor acquired through its share buy-back framework for share lending transactions with financial institutions up to 10% of the Guarantor's shares.

Shareholding Structure

The table below sets out the information known to the Guarantor with respect to the shareholding structure of the Guarantor as at the date of this Offering Circular. The shareholdings may have changed since the date on which the Guarantor obtained knowledge of the shareholding.

Shareholder	**Direct ownership of the Guarantor in %**
Avisco Group*/Vergepoint*	15
Shares held in treasury**	29
Stumpf Capital GmbH***	10
Free float	46
Total	**100**

* Controlled by Mr. Yakir Gabay.

** 12% is held through TLG, voting rights are suspended.

*** Controlled by Mr. Georg Stumpf.

To the best knowledge of the Guarantor, as at the date of this Offering Circular, there are no arrangements, the operation of which may at a subsequent date result in a change of control in the Guarantor.

Dividend Policy

The pay-out ratio under the dividend policy is 75% of the Guarantor's annual FFO I per share, which shall be distributed as annual dividends to the shareholders. The dividend proposal is subject to market conditions and the distribution of dividends is subject to a respective resolution of the shareholders' AGM.

FFO I is a measure of Aroundtown's materialised bottom line operational profit, calculated by deducting current tax expenses, finance expenses, perpetual notes attribution, contribution to minorities and contribution from held for sale properties from adjusted EBITDA.

On 29 June 2022, the AGM of Aroundtown convened and approved a dividend of €0.23 (gross) for the 2021 financial year. Aroundtown also provided shareholders with the option to receive the dividend in the form of shares ("**Scrip Dividend**"). The Scrip Dividend was delivered using existing treasury shares on 25 July 2022.

On 28 March 2023, the Board of Directors of Aroundtown resolved to not recommend a dividend payment for the financial year ended 31 December 2022 at its AGM scheduled for June 2023, following the increase in macroeconomic uncertainty and volatility.

On 26 March 2024, the Board of Directors of Aroundtown resolved to not recommend a dividend payment for the financial year ended 31 December 2023 at its AGM scheduled for June 2024, following sustained market uncertainties.

Legal and Arbitration Proceedings

During the last twelve months, there have been no governmental, legal or arbitration proceedings brought against or affecting the Guarantor, nor is the Guarantor aware of any pending or threatened proceedings, which (in either case) may have or have had in the recent past significant effects on the Guarantor and/or Aroundtown's financial position, profitability or results.

USE AND ESTIMATED NET AMOUNT OF PROCEEDS

On 2 April 2024, the Guarantor has invited the holders of:

(i) the outstanding (A) €600,000,000 Undated Subordinated Notes subject to Interest Rate Reset with a First Call Date in 2023 issued by ATF Netherlands B.V. and unconditionally and irrevocably guaranteed on a subordinated basis by the Guarantor (the "**ATF Notes**") and (B) €600,000,000 Undated Subordinated Notes subject to Interest Rate Reset with a First Call Date in 2024 issued by the Guarantor and originally issued by TLG Finance S.à r.l. (the "**3.375% Notes**") to exchange their ATF Notes and/or 3.375% Notes for New NC6 Notes; and

(ii) the outstanding (A) €400,000,000 Undated Subordinated Notes subject to Interest Rate Reset with a First Call Date in 2024 issued by the Guarantor (the "**4.542% Notes**") and (B) €500,000,000 Undated Subordinated Notes subject to Interest Rate Reset with a First Reset Date in 2025 issued by the Guarantor (the "**2.875% Notes**" and, together with the ATF Notes, the 3.375% Notes and the 4.542 Notes, the "**Existing Notes**") to exchange their 4.542% Notes and/or 2.875% Notes for New NC5.25 Notes,

in each case, subject to the restrictions and conditions set out in an exchange and tender offer memorandum dated 2 April 2024 (the "**Exchange Offer**").

As the Notes will only be issued to holders of Existing Notes upon settlement of the Exchange Offer against delivery of Existing Notes by such participating holders, the Issuer will not receive any funds in connection with the issuance of the Notes.

TERMS AND CONDITIONS OF THE NC6 NOTES

The following are the Terms and Conditions of the NC6 Notes which will be incorporated by reference into each Global Note (as defined below) and each definitive Note, in the latter case only if permitted by the relevant stock exchange or other relevant authority (if any) but, if not so permitted and agreed, such definitive Note will have endorsed thereon or attached thereto such Terms and Conditions.

This Note is issued on 16 April 2024 (the "**Issue Date**") by Aroundtown Finance S.à r.l (the "**Issuer**") and is constituted by a Trust Deed (such Trust Deed as modified and/or supplemented and/or amended and/or restated from time to time, the "**Trust Deed**") dated 16 April 2024 made between the Issuer, Aroundtown SA (the "**Guarantor**") and M&G Trustee Company Limited (the "**Trustee**", which expression shall include any successor as Trustee).

References herein to the "**Notes**" shall mean:

(a) in relation to any Notes represented by a global Note (a "**Global Note**"), units of each Specified Denomination in the Specified Currency;

(b) any Global Note; and

(c) any definitive Notes issued in exchange for a Global Note.

The Notes and the Coupons (as defined below) are unconditionally and irrevocably guaranteed on a subordinated basis by the Guarantor (the "**Subordinated Guarantee**") and have the benefit of an Agency Agreement (such Agency Agreement as amended and/or supplemented and/or amended and/or restated from time to time, the "**Agency Agreement**") dated 16 April 2024 and made between the Issuer, the Guarantor, the Trustee, The Bank of New York Mellon, acting through its London branch as issuing and principal paying agent and agent bank (the "**Principal Paying Agent**" and the "**Agent Bank**", respectively, which expressions shall include any successor thereto) and the other paying agents named therein (together with the Principal Paying Agent and the Agent Bank, the "**Paying Agents**", which expression shall include any additional or successor paying agents). The Principal Paying Agent, the Agent Bank and the Paying Agents are together referred to as the "**Agents**".

Notes have interest coupons ("**Coupons**") and, in the case of Notes which, when issued in definitive form, have more than 27 interest payments remaining, talons for further Coupons ("**Talons**") attached on issue. Any reference herein to Coupons or coupons shall, unless the context otherwise requires, be deemed to include a reference to Talons or talons. Global Notes do not have Coupons or Talons attached on issue.

The Trustee acts for the benefit of the Noteholders (which expression shall mean the holders of the Notes and shall, in relation to any Notes represented by a Global Note, be construed as provided below) and the holders of the Coupons (the "**Couponholders**", which expression shall, unless the context otherwise requires, include the holders of the Talons), in accordance with the provisions of the Trust Deed.

Copies of the Trust Deed and the Agency Agreement are (i) available for inspection or collection during normal business hours at the specified office of each of the Paying Agents or (ii) may be provided by email to any Noteholder following their prior written request to the Trustee or any Paying Agent(s) and provision of proof of holding and identity (in a form satisfactory to the Trustee or the relevant Paying Agent, as the case may be). The Noteholders and the Couponholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Subordinated Guarantee, the Trust Deed and the provisions of the Agency Agreement which are applicable to them. The statements in the Conditions include summaries of, and are subject to, the detailed provisions of the Subordinated Guarantee, the Trust Deed and the Agency Agreement.

Words and expressions defined in the Trust Deed and the Agency Agreement shall have the same meanings where used in the Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Trust Deed and the Agency Agreement, the Trust Deed will prevail.

In the Conditions, "**euro**" means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended.

1 FORM, DENOMINATION AND TITLE

The Notes are serially numbered and in bearer form in the denominations of €100,000 and integral multiples of €1,000 in excess thereof up to and including €199,000. No definitive Notes will be issued with a denomination above €199,000 (the "**Specified Denominations**"). The specified currency (the "**Specified Currency**") is euro. Notes of one Specified Denomination may not be exchanged for Notes of another Specified Denomination.

Definitive Notes are issued with Coupons attached.

Subject as set out below, title to the Notes and Coupons will pass by delivery. The Issuer, the Guarantor, the Trustee and any Agent will (except as otherwise required by law) deem and treat the bearer of any Note or Coupon as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any Global Note, without prejudice to the provisions set out in the next succeeding paragraph.

For so long as any of the Notes is represented by a Global Note held on behalf of Euroclear Bank SA/NV ("**Euroclear**") and/or Clearstream Banking S.A. ("**Clearstream, Luxembourg**"), each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Guarantor, the Trustee and the Agents as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Notes, for which purpose the bearer of the relevant Global Note shall be treated by the Issuer, the Guarantor, the Trustee and any Agent as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant Global Note and the expressions "**Noteholder**" and "**holder of Notes**" and related expressions shall be construed accordingly.

In determining whether a particular person is entitled to a particular nominal amount of Notes as aforesaid, the Trustee may rely on such evidence and/or information and/or certification as it shall, in its absolute discretion, think fit and, if it does so rely, such evidence and/or information and/or certification shall, in the absence of manifest error, be conclusive and binding on all concerned.

Notes which are represented by a Global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear and Clearstream, Luxembourg, as the case may be.

2 STATUS OF THE NOTES, THE SUBORDINATED GUARANTEE AND PROHIBITION OF SET-OFF

2.1 Status of the Notes

The Notes and any relative Coupons are direct, unconditional, unsecured and subordinated obligations of the Issuer and in the event of the winding-up, dissolution, liquidation, bankruptcy or similar proceedings of the Issuer rank:

(a) senior only to the Junior Obligations of the Issuer;

(b) *pari passu* among themselves and with any Parity Obligations of the Issuer; and

(c) junior to all other present and future obligations of the Issuer, whether subordinated or unsubordinated, except as otherwise provided by mandatory provisions of applicable laws or as expressly provided for by the terms of the relevant instrument.

2.2 Status of the Subordinated Guarantee

The Guarantor has in the Subordinated Guarantee unconditionally and irrevocably guaranteed, on a direct, unsecured and subordinated basis, the due payment of all sums expressed to be payable from time to time by the Issuer under the Trust Deed, the Notes and the Coupons.

The obligations of the Guarantor under the Subordinated Guarantee rank:

(a) senior only to the Junior Obligations of the Guarantor;

(b) *pari passu* with any Parity Obligations of the Guarantor; and

(c) junior to all other present and future obligations of the Guarantor, whether subordinated or unsubordinated, except as otherwise provided by mandatory provisions of applicable laws or as expressly provided for by the terms of the relevant instrument.

2.3 Insolvency or Liquidation of the Issuer

In the event of the winding-up, dissolution, liquidation, bankruptcy or similar proceedings of the Issuer, no payments under the Notes shall be made to the Noteholders unless all claims that, pursuant to Condition 2.1, rank senior to the Notes have been discharged or secured in full.

2.4 Prohibition of Set-off

No Noteholder may set-off any claims arising under the Notes or the Subordinated Guarantee against any claims that the Issuer or the Guarantor, respectively, may have against it. The Issuer may not set-off any claims it may have against the Noteholders against any of its obligations under the Notes. The Guarantor may not set-off any claims it may have against the Noteholders against any of its obligations under the Subordinated Guarantee.

In these Conditions:

"**Junior Obligations**" means the Junior Obligations of the Issuer and/or the Junior Obligations of the Guarantor, as the case may be;

"**Junior Obligations of the Issuer**" means (i) the ordinary shares and preferred shares (if any) of the Issuer, (ii) any present or future share of any other class of shares of the Issuer, (iii) any other present or future security, registered security or other instrument of the Issuer under which the Issuer's obligations rank or are expressed to rank *pari passu* with the ordinary shares or the preferred shares (if any) of the Issuer and (iv) any present or future security, registered security or other instrument which is issued by a Subsidiary of the Issuer and guaranteed by the Issuer or for which the Issuer has otherwise assumed liability where the Issuer's obligations under such guarantee or other assumptions of liability rank or are expressed to rank *pari passu* with the instruments described under (i), (ii) or (iii);

"**Junior Obligations of the Guarantor**" means (i) the ordinary shares and preferred shares (if any) of the Guarantor, (ii) any present or future share of any other class of shares of the Guarantor, (iii) any other present or future security, registered security or other instrument of the Guarantor under which the Guarantor's obligations rank or are expressed to rank *pari passu* with the ordinary shares or the preferred shares (if any) of the Guarantor and (iv) any present or future security, registered security or other instrument which is issued by a Subsidiary of the Guarantor and guaranteed by the Guarantor or for which the Guarantor has otherwise assumed liability where the Guarantor's obligations under such guarantee or other assumptions of liability rank or are expressed to rank *pari passu* with the instruments described under (i), (ii) or (iii);

"**Parity Obligations**" means the Parity Obligations of the Issuer and/or the Parity Obligations of the Guarantor, as the case may be;

"**Parity Obligations of the Issuer**" means any present or future obligation which (i) is issued by the Issuer and the obligations under which rank or are expressed to rank *pari passu* with the Issuer's obligations under the Notes, or (ii) benefits from a guarantee or support agreement that ranks or is expressed to rank *pari passu* with the Issuer's obligations under the Notes;

"**Parity Obligations of the Guarantor**" means any present or future obligation which (i) is issued by the Guarantor and the obligations under which rank or are expressed to rank *pari passu* with the Guarantor's obligations under the Subordinated Guarantee, or (ii) benefits from a guarantee or support agreement that ranks or is expressed to rank *pari passu* with the Guarantor's obligations under the Subordinated Guarantee;

"**Share Capital**" means, in relation to any entity, its issued share capital;

"**Subsidiary of the Issuer**" means any corporation, partnership, company or other enterprise in which the Issuer directly or indirectly holds in the aggregate more than 50 per cent. of the Share Capital or the Voting Rights;

"**Subsidiary of the Guarantor**" means any corporation, partnership, company or other enterprise in which the Guarantor directly or indirectly holds in the aggregate more than 50 per cent. of the Share Capital or the Voting Rights;

"**Voting Rights**" means (i) in respect of the Issuer, the right generally to vote at a general meeting of shareholders of the Issuer, (ii) in respect of the Guarantor, the right generally to vote at a general meeting of the Guarantor, and (iii) in respect of any person other than the Issuer or the Guarantor, the right generally to vote at a general meeting of the shareholders of that person (in each case, irrespective of whether or not, at the time, stock of any other class or classes shall have, or might have, voting power by reason of the happening of any contingency).

3 INTEREST

3.1 Interest on the Notes

(a) Interest Payment Dates

Each Note bears interest on its principal amount:

(i) from (and including) 16 April 2024 (the "**Interest Commencement Date**") to (but excluding) 16 April 2030 (the "**First Reset Date**") at the rate of 7.125 per cent. *per annum* (the "**First Fixed Rate of Interest**"); and

(ii) from (and including) the First Reset Date at the Subsequent Reset Rate.

Subject to Condition 4, such interest will be payable annually in arrear on 16 April in each year (each, an "**Interest Payment Date**") from (and including) 16 April 2025 (the first Interest Payment Date).

The amount of interest payable on each Interest Payment Date up to (and including) the First Reset Date in respect of each Fixed Interest Period will amount to €71.25 per Calculation Amount (the "**Fixed Coupon Amount**").

As used in the Conditions, (i) "**Fixed Interest Period**" means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date, and (ii) "**Calculation Amount**" means €1,000 in principal amount of the Notes.

(b) Interest Accrual

The Notes (and any unpaid amounts thereon) will cease to bear interest from (and including) the date of redemption thereof pursuant to the relevant paragraph of Condition 6 or the date of substitution

thereof pursuant to Condition 7, as the case may be, unless payment of principal is improperly withheld or refused. In such event, interest will continue to accrue until whichever is the earlier of:

(i) the date on which all amounts due in respect of the Notes have been paid; and

(ii) as provided in the Trust Deed.

(c) Interest Calculation

Except in the case of Notes where the Fixed Coupon Amount applies, interest shall be calculated in respect of any period by applying the Rate of Interest to:

(i) in the case of Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Notes represented by such Global Note; or

(ii) in the case of Notes which are in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction.

The resultant figure (including after application of any Fixed Coupon Amount, as applicable, to the Calculation Amount in the case of Notes which are in definitive form) shall be rounded to the nearest sub-unit of the Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

Where the Specified Denomination of a Note which is in definitive form is a multiple of the Calculation Amount, the amount of interest payable in respect of such Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

In these Conditions:

"**Day Count Fraction**" means, in respect of the calculation of an amount of interest, in accordance with this Condition 3.1:

(1) where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the "**Accrual Period**") is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates that would occur in one calendar year; or

(2) where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:

(I) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and

(II) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year.

"**Determination Date**" means 16 April in each year.

"**Determination Period**" means each period from (and including) a Determination Date to (but excluding) the next Determination Date (including, where either the Interest Commencement Date or

the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date); and

"**sub-unit**" means, with respect to the Specified Currency, one cent.

(d) Subsequent Reset Rates of Interest

For each Fixed Interest Period commencing on or after the First Reset Date and subject to Condition 4, each Note bears interest at the relevant Subsequent Reset Rate, as determined and notified in writing to the Agents, the Trustee, the Issuer and the Guarantor by the Agent Bank on the relevant Reset Determination Date in accordance with this Condition 3.1(d), subject to Condition 3.2. Following any such determination of the Subsequent Reset Rate, the Issuer shall promptly notify the Trustee of such Subsequent Reset Rate.

In these Conditions:

"**Business Day**" means a day on which (a) commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in London and (b) the TARGET System is open for the settlement of payments in euro;

"**Margin**" means in respect of (a) the Reset Period ending on (but excluding) 16 April 2035, 4.508 per cent.; (b) each Reset Period which falls in the period commencing on (and including) 16 April 2035 and ending on (but excluding) 16 April 2050, 4.758 per cent.; and (c) each Reset Period which falls on or after 16 April 2050, 5.508 per cent.;

"**Mid Swap Rate**" means for any Reset Period the arithmetic mean of the bid and offered rates for the fixed leg of a fixed-for-floating interest rate swap transaction in the Specified Currency with a term equal to the relevant Reset Period and commencing on the relevant Reset Date and payable with a frequency equivalent to the frequency with which scheduled interest payments are payable on the Notes during the relevant Reset Period (or, if such rate with such frequency of payments is not displayed on the Mid Swap Reference Rate Screen Page at the Subsequent Reset Reference Rate Time, the rate with the next closest frequency of payments converted in accordance with market convention to a rate with the frequency with which scheduled interest payments are payable on the Notes), calculated in each case on the day count basis customary for fixed rate payments in the Specified Currency;

"**Mid Swap Reference Rate Screen Page**" means Reuters screen ICESWAP2/EURSFIXA or such other page as may replace it, or on such other equivalent information service as determined by the Issuer (acting in a commercially reasonable manner and by reference to such sources as it deems appropriate, which may include consultation with an Independent Adviser as defined in Condition 3.3), for the purpose of displaying the Mid Swap Rate;

"**Reset Date**" means the First Reset Date and each date falling on the fifth anniversary thereafter;

"**Reset Determination Date**" means, for each Reset Period, the date falling two Business Days prior to the commencement of such Reset Period;

"**Reset Period**" means the period from (and including) one Reset Date to (but excluding) the next following Reset Date;

"**Subsequent Reset Rate**" for any Reset Period means the sum of (i) the applicable Subsequent Reset Reference Rate and (ii) the applicable Margin (rounded down to four decimal places, with 0.00005 being rounded down);

"**Subsequent Reset Reference Rate**" means the Mid Swap Rate which appears on the Mid Swap Reference Rate Screen Page at or around the Subsequent Reset Reference Rate Time on the relevant Reset Determination Date for the relevant Reset Period, expressed as a percentage;

"**Subsequent Reset Reference Rate Time**" means 11:00 a.m. Frankfurt time; and

"**TARGET System**" means the real time gross settlement system operated by the Eurosystem (known as TARGET or T2), or any successor or replacement for that system.

(e) Mid Swap Reference Rate Screen Page Unavailable or Mid Swap Rate does not Appear

If the Mid Swap Reference Rate Screen Page is unavailable or the Mid Swap Rate does not appear on the Mid Swap Reference Rate Screen Page, in each case at or around the Subsequent Reset Reference Rate Time on the relevant Reset Determination Date, the Issuer or the Agent Bank shall request each of the Reference Banks (as defined below) to provide the Issuer or the Agent Bank with its offered quotation (expressed as a percentage rate per annum) for the Mid Swap Rate at approximately the Subsequent Reset Reference Rate Time on the Reset Determination Date in question in an amount that is representative for a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the swap market, where the floating leg (calculated on the day count basis customary for floating rate payments in the Specified Currency) is equivalent to 6-month EURIBOR (calculated on an Actual/360 day count basis).

If two or more of the Reference Banks provide the Issuer or the Agent Bank with offered quotations, the Subsequent Reset Reference Rate for the relevant Reset Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations plus the applicable Margin (if any), all as determined, and notified in writing to the Agents, the Guarantor and the Trustee, by the Issuer or the Agent Bank. If only one quotation is provided, the Subsequent Reset Reference Rate will be the quotation provided.

If none of the Reference Banks provides the Issuer or the Agent Bank with an offered quotation as provided in the foregoing provisions of this paragraph, the Subsequent Reset Rate shall be determined as (a) (i) the Subsequent Reset Rate as at the last preceding Reset Determination Date less the Margin applicable as from the last preceding Reset Date plus (ii) the Margin applicable as from the current Reset Determination Date, or (b) in the case of the first Reset Determination Date, the Subsequent Reset Rate shall be determined on the basis of the Subsequent Reset Reference Rate being equal to 2.664 per cent. (the "**Initial Reset Reference Rate**").

In this Condition 3.1(e), "**Reference Banks**" means five leading swap dealers in the interbank market for swap transactions in the Specified Currency with an equivalent maturity to the Reset Period as selected by the Issuer in consultation with a leading independent investment, merchant or commercial bank.

(f) Publication of Subsequent Reset Rates

The Issuer shall cause notice of each Subsequent Reset Rate determined in accordance with this Condition 3.1 in respect of each relevant Reset Period to be given to the Trustee, the Guarantor, the Paying Agents, any stock exchange on which the Notes are for the time being listed or admitted to trading and, in accordance with Condition 15, the Noteholders, in each case as soon as practicable after its determination but in any event not later than the fourth Business Day thereafter.

(g) Agent Bank and Reference Banks

With effect from the Reset Determination Date relating to the First Reset Date, the Issuer will maintain an Agent Bank if not the Principal Paying Agent and five Reference Banks where the Rate of Interest is to be calculated by reference to them.

The Issuer may from time to time replace the Agent Bank with another leading financial institution in London or Luxembourg. If the Agent Bank is unable or unwilling to continue to act as the Agent Bank or fails duly to determine a Subsequent Reset Rate in respect of any Fixed Interest Period as provided in Condition 3.1(e), the Issuer shall forthwith appoint another leading financial institution in London or Luxembourg to act as such in its place. The Agent Bank may not resign its duties or be removed without a successor having been appointed as aforesaid.

(h) Determinations Binding

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 3.1 by the Agent Bank or the Reference Banks, as the case may be, shall (in the absence of manifest error) be binding on the Issuer, the Guarantor, the Agent Bank, the Trustee, the other Paying Agents and all Noteholders and Couponholders and (in the absence of fraud or wilful default) no liability to the Noteholders, the Couponholders, the Trustee, the Guarantor or the Issuer shall attach to the Agent Bank in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

3.2 Step Up after Change of Control Event

Notwithstanding any other provision of this Condition 3, if a Change of Control Event occurs and the Issuer does not elect to redeem the Notes in accordance with Condition 6.8, the then prevailing Rate of Interest, and each subsequent Rate of Interest otherwise determined in accordance with the provisions of this Condition 3, in respect of the Notes shall be increased by the Step Up Margin (as defined below) with effect from (and including) the Change of Control Effective Date. The Issuer shall promptly notify the Principal Paying Agent, the Guarantor, the Trustee and, in accordance with Condition 15, the Noteholders of such change to the Rate of Interest.

In these Conditions, "**Step Up Margin**" means 500 basis points.

3.3 Benchmark Discontinuation

Notwithstanding the provisions in Conditions 3.1 above, if the Issuer, acting in a commercially reasonable manner, determines that a Benchmark Event has occurred in relation to an Original Reference Rate when any Rate of Interest (or any component part thereof) remains to be determined by reference to that Original Reference Rate, then the following provisions of this Condition 3.3 shall apply.

(a) Successor Rate or Alternative Rate

If there is a Successor Rate, then the Issuer shall promptly notify the Principal Paying Agent, the Trustee, the Guarantor and, in accordance with Condition 15, the Noteholders of such Successor Rate and that Successor Rate shall (subject to adjustment as provided in Condition 3.3(b) subsequently be used by the Principal Paying Agent in place of the Original Reference Rate to determine the relevant Rate(s) of Interest (or the relevant component part(s) thereof) for all relevant future payments of interest on the Notes (subject to the further operation of this Condition 3.3).

If there is no Successor Rate but the Issuer, acting in a commercially reasonable manner and by reference to such sources as it deems appropriate, which may include consultation with an Independent Adviser, determines that there is an Alternative Rate, then the Issuer shall promptly notify the Principal Paying Agent, the Trustee, the Guarantor and, in accordance with Condition 15, the Noteholders of such Alternative Rate and that Alternative Rate shall (subject to adjustment as provided in Condition 3.3(b)) subsequently be used in place of the Original Reference Rate to determine the relevant Rate(s) of Interest (or the relevant component part(s)

thereof) for all relevant future payments of interest on the Notes (subject to the further operation of this Condition 3.3).

(b) Adjustment Spread

If, in the case of a Successor Rate, an Adjustment Spread is formally recommended, or formally provided as an option for parties to adopt, in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body, then the Issuer shall promptly notify the Principal Paying Agent, the Trustee, the Guarantor and, in accordance with Condition 15, the Noteholders of such Adjustment Spread and the Principal Paying Agent shall apply such Adjustment Spread to the Successor Rate for each subsequent determination of a relevant Rate of Interest (or a component part thereof) by reference to such Successor Rate.

If, in the case of a Successor Rate where no such Adjustment Spread is formally recommended or provided as an option by any Relevant Nominating Body, or in the case of an Alternative Rate, the Issuer, acting in a commercially reasonable manner and by reference to such sources as it deems appropriate, which may include consultation with an Independent Adviser, determines that there is an Adjustment Spread in customary market usage in the international debt capital markets for transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be), then the Issuer shall promptly notify the Principal Paying Agent, the Trustee, the Guarantor and, in accordance with Condition 15, the Noteholders of such Adjustment Spread and the Principal Paying Agent shall apply such Adjustment Spread to the Successor Rate and the Alternative Rate (as the case may be) for each subsequent determination of a relevant Rate of Interest (or a component part thereof) by reference to such Successor Rate or Alternative Rate (as applicable).

If no such recommendation or option has been made (or made available) by any Relevant Nominating Body, or the Issuer so determines that there is no such Adjustment Spread in customary market usage in the international debt capital markets and the Issuer further determines, acting in a commercially reasonable manner and following consultation with an Independent Adviser, that an Adjustment Spread is required to be applied to the Successor Rate or the Alternative Rate (as the case may be), then the Adjustment Spread shall be:

(i) the Adjustment Spread determined by the Issuer, acting in a commercially reasonable manner and following consultation with an Independent Adviser, as being the Adjustment Spread recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be); or

(ii) if there is no such industry standard recognised or acknowledged, such Adjustment Spread as the Issuer, acting in a commercially reasonable manner and following consultation with an Independent Adviser, determines to be appropriate, having regard to the objective, so far as is reasonably practicable in the circumstances, of reducing or eliminating any economic prejudice or benefit (as the case may be) to the Noteholders as a result of the replacement of the Original Reference Rate with the Successor Rate or the Alternative Rate (as the case may be).

Following any such determination of the Adjustment Spread, the Issuer shall promptly notify the Principal Paying Agent, the Trustee, the Guarantor and, in accordance with Condition 15, the Noteholders of such Adjustment Spread and the Principal Paying Agent shall apply such

Adjustment Spread to the Successor Rate or the Alternative Rate (as the case may be) for each subsequent determination of a relevant Rate of Interest (or a component part thereof) by reference to such Successor Rate or Alternative Rate (as applicable).

(c) Benchmark Amendments

If any Successor Rate, Alternative Rate or Adjustment Spread is determined in accordance with this Condition 3.3 and the Issuer, acting in a commercially reasonable manner and by reference to such sources as it deems appropriate, which may include consultation with an Independent Adviser, determines in its discretion (A) that amendments to these Conditions, the Trust Deed and/or the Agency Agreement are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or Adjustment Spread (such amendments, the "**Benchmark Amendments**") and (B) the terms of the Benchmark Amendments, then the Trustee and the Principal Paying Agent shall, at the direction and expense of the Issuer and subject to the Issuer having given notice thereof (including notice of the information referred to in (A) and (B) above) to the Trustee, the Principal Paying Agent and the Noteholders in accordance with Condition 15, without any requirement for the consent or approval of Noteholders, consent to the necessary modifications to these Conditions, the Trust Deed and/or the Agency Agreement as may be required in order to give effect to such Benchmark Amendments with effect from the date specified in such notice (including, *inter alia*, by the execution of a deed supplemental to or amending the Trust Deed and, if required, the Agency Agreement in a form which is acceptable to the Trustee and the Principal Paying Agent) and the Trustee and/or the Principal Paying Agent shall not be liable to any party for any consequences thereof and any Benchmark Amendments and provided such Benchmark Amendments shall not increase the obligations or duties, responsibilities or liabilities, or decrease the rights or protections, of the Principal Paying Agent or the Trustee, as applicable, in these Conditions and/or the Agency Agreement and/or the Trust Deed unless agreed in writing between the Issuer and the Principal Paying Agent or the Trustee, as applicable.

In connection with any such modifications in accordance with this Condition 3.3(c), the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

In no event shall the Trustee, the Principal Paying Agent or Agent Bank be responsible for determining if a Benchmark Event has occurred, or for making any adjustments to any alternative benchmark or spread thereon, the business day convention, interest determination dates or any other relevant methodology for calculating any such substitute or successor benchmark. In connection with the foregoing, the Trustee, the Principal Paying Agent and the Agent Bank will be entitled to conclusively rely on any determinations made by Issuer or its designee and will have no liability for such actions taken at the direction of the Issuer or its designee.

Any Benchmark Amendments determined under this Condition 3.3(c) shall be notified promptly by the Issuer to the Principal Paying Agent, the Trustee, the Guarantor and, in accordance with Condition 15, the Noteholders. Such notice shall be irrevocable and shall specify the effective date of such Benchmark Amendments.

(d) Independent Adviser

In the event the Issuer is to consult with an Independent Adviser in connection with any determination to be made by the Issuer pursuant to this Condition 3.3 or Condition 3.1 above, the Issuer shall use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, for the purposes of any such consultation.

An Independent Adviser appointed pursuant to this Condition 3.3 or Condition 3.1 above shall act in good faith and in a commercially reasonable manner and (in the absence of fraud or wilful default) shall have no liability whatsoever to the Issuer, the Guarantor, the Trustee or the Noteholders for any determination made by it or for any advice given to the Issuer in connection with any determination made by the Issuer pursuant to this Condition 3.3 or Condition 3.1 above or otherwise in connection with the Notes.

If the Issuer consults with an Independent Adviser as to whether there is an Alternative Rate and/or any Adjustment Spread is required to be applied and/or in relation to the quantum of, or any formula or methodology for determining such Adjustment Spread and/or whether any Benchmark Amendments are necessary and/or in relation to the terms of any such Benchmark Amendments, a written determination of that Independent Adviser in respect thereof shall be conclusive and binding on all parties, save in the case of manifest error, and (in the absence of fraud or wilful default) the Issuer shall have no liability whatsoever to the Noteholders in respect of anything done, or omitted to be done, in relation to that matter in accordance with any such written determination.

No Independent Adviser appointed in connection with the Notes (acting in such capacity), shall have any relationship of agency or trust with the Noteholders.

(e) Survival of Original Reference Rate Provisions

Without prejudice to the obligations of the Issuer under this Condition 3.3, the Original Reference Rate and the fallback provisions provided for in Condition 3.1 and the Agency Agreement, as the case may be, will continue to apply unless and until the Issuer has determined the Successor Rate or the Alternative Rate (as the case may be), and any Adjustment Spread and Benchmark Amendments, in accordance with the relevant provisions of this Condition 3.3.

(f) Rating Event

Notwithstanding any other provision of this Condition 3.3, no Successor Rate or Alternative Rate will be adopted, nor any Adjustment Spread applied, nor will any Benchmark Amendments be made, if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to result in a reduction in or loss of equity credit or a shortening of the period of time the Notes are eligible for the same or a higher category of equity credit (or such other nomenclature that a rating agency may then use to describe the degree to which an instrument exhibits the characteristics of an ordinary share) for the Notes by any Rating Agency than the then respective equity credit (or such other nomenclature that a rating agency may then use to describe the degree to which an instrument exhibits the characteristics of an ordinary share) assigned on the Issue Date, or if equity credit is not assigned to the Notes by the relevant Rating Agency on the Issue Date, at the date when the equity credit is assigned by such Rating Agency for the first time.

(g) Definitions

In this Condition 3.3:

"**Adjustment Spread**" means either a spread, or the formula or methodology for calculating a spread and the spread resulting from such calculation, which spread may in either case be positive or negative and is to be applied to the Successor Rate or the Alternative Rate (as the case may be) where the Original Reference Rate is replaced with the Successor Rate or the Alternative Rate (as the case may be);

"**Alternative Rate**" means an alternative benchmark or screen rate which the Issuer determines in accordance with this Condition 3.3 is used in place of the Original Reference Rate in customary market usage in the international debt capital markets for the purposes of determining rates of interest (or the relevant component part thereof) for a commensurate interest period and in the same Specified Currency as the Notes;

"**Benchmark Event**" means:

(i) the Original Reference Rate ceasing to be published for at least five Business Days or ceasing to exist or be administered;

(ii) the later of (A) the making of a public statement by the administrator of the Original Reference Rate that it will, by a specified date, cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate) and (B) the date falling six months prior to such specified date;

(iii) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been permanently or indefinitely discontinued, is prohibited from being used or is no longer representative, or that its use is subject to restrictions or adverse consequences or, where such discontinuation, prohibition, loss of representativeness, restrictions or adverse consequences are to apply from a specified date after the making of any public statement to such effect, the later of the date of the making of such public statement and the date falling six months prior to such specified date; or

(iv) it has or will prior to the next Interest Determination Date or Reset Determination Date, as applicable, become unlawful for any Paying Agent or the Issuer to determine any Rate of Interest and/or calculate any Interest Amount using the Original Reference Rate (including, without limitation, under Regulation (EU) No. 2016/1011 or Regulation (EU) No. 2016/1011 as it forms part of United Kingdom domestic law by virtue of the European Union (Withdrawal) Act 2018, if applicable).

"**Independent Adviser**" means an independent financial institution of international repute or other independent adviser of recognised standing with appropriate experience appointed by the Issuer at its own expense;

"**Original Reference Rate**" means the benchmark or screen rate (as applicable) originally specified for the purposes of determining the relevant Rate of Interest (or any component part thereof) in respect of the Notes (provided that if, following one or more Benchmark Events, such originally specified Reference Rate (or any Successor Rate or Alternative Rate which has replaced it) has been replaced by a (or a further) Successor Rate or Alternative Rate and a Benchmark Event subsequently occurs in respect of such Successor Rate or Alternative Rate, the term Original Reference Rate shall include any such Successor Rate or Alternative Rate);

"**Relevant Nominating Body**" means, in respect of a benchmark or screen rate (as applicable):

(i) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or

(ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (A) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, (B) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as

applicable), (C) a group of the aforementioned central banks or other supervisory authorities, or (D) the Financial Stability Board or any part thereof; and

"**Successor Rate**" means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body.

4 OPTIONAL INTEREST DEFERRAL

4.1 Deferral of Payments

The Issuer may, at its sole discretion, elect to defer, in whole but not in part, payment of any amount of interest which is otherwise scheduled to be paid in respect of the Notes on an Interest Payment Date (a "**Deferred Interest Payment**") by giving notice (a "**Deferral Notice**") of such election to the Noteholders in accordance with Condition 15, the Trustee, the Registrar and the Paying Agents not less than 10 Business Days prior to the relevant Interest Payment Date.

Subject to Condition 4.2, if the Issuer elects so to defer payment of any such amount of interest on an Interest Payment Date, then it will not have any obligation to pay any amount in respect of such interest on the relevant Interest Payment Date and any such non-payment of interest will not constitute an Enforcement Event (as defined in Condition 11) or any other breach of its obligations under the Notes or any default or breach of obligation by the Issuer for any other purpose.

Voluntary payment of any amount in respect of the whole or any part of any Deferred Interest Payments ("**Arrears of Interest**") may be made at the option of the Issuer at any time (the "**Optional Deferred Interest Settlement Date**") following delivery of a notice to such effect given by the Issuer to the Noteholders in accordance with Condition 15, the Trustee, the Registrar and the Paying Agents not less than 10 Business Days prior to the relevant Optional Deferred Interest Settlement Date informing them of its election to so pay such Arrears of Interest, as well as specifying the amount of such Arrears of Interest to be so paid and the relevant Optional Deferred Interest Settlement Date.

Any Arrears of Interest shall not accrue or otherwise bear interest and, subject to Condition 4.2, neither the Issuer nor the Guarantor shall be under any obligation to make payment of any Arrears of Interest and the non-payment of any Arrears of Interest will not constitute an Enforcement Event (as defined in Condition 11) or any other breach of the Issuer's obligations under the Notes or the Guarantor's obligations under the Subordinated Guarantee or any default or breach of obligation by the Issuer or the Guarantor for any other purpose, unless in each case such payment is required in accordance with Condition 4.2, which shall be the only circumstances in which any payment of Arrears of Interest shall be required to be made by the Issuer.

4.2 Mandatory Settlement of Arrears of Interest

Notwithstanding the provisions of Condition 4.1 relating to the ability of the Issuer to defer Interest Payments, the Issuer shall pay any outstanding Arrears of Interest, in whole and not in part, on the earliest of the following calendar days (each a "**Mandatory Settlement Date**") following the Interest Payment Date on which a Deferred Interest Payment first arose:

(a) the calendar day falling 10 Business Days after the day on which a dividend, other distribution or other payment was validly resolved for payment on, declared, paid, or made in respect of Junior Obligations of the Issuer (other than any dividend, other distribution or other payment made by the Issuer exclusively to the Guarantor), Junior Obligations of the Guarantor, Parity Obligations of the Issuer or Parity Obligations of the Guarantor (in each case, except where such dividend, other distribution or payment was required in respect of any employee share scheme);

(b) the calendar day falling 10 Business Days after the day on which the Issuer, the Guarantor, any Subsidiary of the Issuer or any Subsidiary of the Guarantor has redeemed, repurchased or otherwise acquired Junior Obligations of the Issuer, Junior Obligations of the Guarantor, Parity Obligations of the Issuer or Parity Obligations of the Guarantor (in each case, except where such redemption or repurchase was required in respect of any employee share scheme);

(c) the calendar day on which the Notes are redeemed;

(d) the next Interest Payment Date on which the Issuer pays interest on the Notes scheduled to be paid on such Interest Payment Date; or

(e) the calendar day after an order is made for the winding-up, dissolution, liquidation or bankruptcy of the Issuer or the Guarantor (other than for the purposes of or pursuant to an amalgamation, reorganisation or restructuring while solvent, where the continuing entity assumes substantially all of the assets and obligations of the Issuer or the Guarantor, as the case may be),

provided that (i) in the case of each of (a) and (b) above, no Mandatory Settlement Date shall occur if the Issuer, the Guarantor, any Subsidiary of the Issuer or any Subsidiary of the Guarantor is obliged under the terms and conditions of such Junior Obligations or Parity Obligations to make such payment, redemption, repurchase or other acquisition; and (ii) in the case of (b) above, no Mandatory Settlement Date shall occur if the Issuer, the Guarantor, any Subsidiary of the Issuer or any Subsidiary of the Guarantor repurchases or otherwise acquires any Parity Obligations in whole or in part in a public tender offer or public exchange offer at a purchase price per Parity Obligation below its par value. The Issuer shall promptly notify the Principal Paying Agent, the Guarantor, the Trustee and, in accordance with Condition 15, the Noteholders of any Mandatory Settlement Date.

5 PAYMENTS

5.1 Method of payment

Subject as provided below, payments will be made in euro by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee.

Payments will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 9 and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 9) any law implementing an intergovernmental approach thereto.

5.2 Presentation of definitive Notes and Coupons

Payments of principal in respect of definitive Notes will (subject as provided below) be made in the manner provided in Condition 5.1 above only against presentation and surrender or in the case of part payment of any sum due, endorsement of definitive Notes, and payments of interest in respect of definitive Notes will (subject as provided below) be made as aforesaid only against presentation and surrender or in the case of part payment of any sum due, endorsement of Coupons, in each case at the specified office of any Paying Agent outside the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia and its possessions)).

Notes in definitive form should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on

exchange of matured Talons) upon the date on which any Note in definitive form becomes due and repayable, unmatured Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof.

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of any Paying Agent in exchange for a further Coupon sheet (to include another Talon for a further Coupon sheet, if appropriate) (but excluding any Coupons that may have become void pursuant to Condition 10).

If the due date for redemption of any definitive Note is not an Interest Payment Date, interest (if any) accrued in respect of such Note from (and including) the preceding Interest Payment Date or, as the case may be, the Interest Commencement Date shall be payable only against surrender of the relevant definitive Note.

5.3 Payments in respect of Global Notes

Payments of principal and interest (if any) in respect of Notes represented by any Global Note will (subject as provided below) be made in the manner specified above in relation to definitive Notes or otherwise in the manner specified in the relevant Global Note, where applicable against presentation or surrender, as the case may be, of such Global Note at the specified office of any Paying Agent outside the United States. A record of each payment made, distinguishing between any payment of principal and any payment of interest, will be made either on such Global Note by the Paying Agent to which it was presented or in the records of Euroclear and Clearstream, Luxembourg, as applicable.

5.4 General provisions applicable to payments

The holder of a Global Note shall be the only person entitled to receive payments in respect of Notes represented by such Global Note and the Issuer will be discharged by payment to, or to the order of, the holder of such Global Note in respect of each amount so paid. Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the beneficial holder of a particular nominal amount of Notes represented by such Global Note must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for their share of each payment so made by the Issuer to, or to the order of, the holder of such Global Note.

5.5 Payment Day

If the date for payment of any amount in respect of any Note or Coupon is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay. For these purposes, "**Payment Day**" means any day which (subject to Condition 10) is:

(a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits), in the case of Notes in definitive form only, in the relevant place of presentation; and

(b) a day on which the TARGET System is open.

5.6 Interpretation of principal and interest

Any reference in the Conditions to principal in respect of the Notes shall be deemed to include, as applicable:

(a) any additional amounts which may be payable with respect to principal under Condition 9 or under any undertaking or covenant given in addition thereto, or in substitution therefor, pursuant to the Trust Deed;

(b) any premium and any other amounts (other than interest) which may be payable by the Issuer under or in respect of the Notes.

Any reference in the Conditions to interest and Arrears of Interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 9 or under any undertaking or covenant given in addition thereto, or in substitution therefor, pursuant to the Trust Deed.

6 REDEMPTION AND PURCHASE

6.1 Redemption

(a) The Notes are perpetual subordinated notes in respect of which there is no fixed redemption date and the Notes may only be redeemed by the Issuer (subject to the provisions of Condition 2) in accordance with the following provisions of this Condition 6.

(b) The Notes are not redeemable at the option of the Noteholders at any time.

6.2 Issuer's Call Option

The Issuer may, having giving not less than 15 nor more than 30 days' notice to the Trustee, the Principal Paying Agent and, in accordance with Condition 15, the Noteholders (which notice shall be irrevocable and shall specify the date fixed for redemption), redeem all, but not some only, of the Notes (a) at any time during the period commencing on (and including) 16 January 2030 and ending on (but excluding) the First Reset Date (the "**Issuer Call Period**") and (b) on the First Reset Date or on any Interest Payment Date thereafter, in each case at their principal amount together with any accrued and unpaid interest to (but excluding) the date of redemption and any remaining Arrears of Interest. Upon the expiry of such notice, the Issuer shall redeem the Notes.

6.3 Redemption upon a Tax Deduction Event

If, immediately prior to the giving of the notice referred to below, a Tax Deduction Event has occurred, then the Issuer may, subject to having given not less than 30 nor more than 60 days' notice to the Trustee, the Principal Paying Agent and, in accordance with Condition 15, the Noteholders (which notice shall be irrevocable and shall specify the date fixed for redemption) and subject to Condition 8, redeem in accordance with these Conditions at any time all, but not some only, of the Notes at:

(a) 101 per cent. of their principal amount, where such redemption occurs prior to; or

(b) their principal amount, where such redemption occurs during or after,

the first day of the Issuer Call Period, in each case, with any accrued and unpaid interest to (but excluding) the date of redemption and any remaining Arrears of Interest. Upon the expiry of such notice, the Issuer shall redeem the Notes.

A "**Tax Deduction Event**" has occurred if an opinion of a recognised law firm or accounting firm of international standing has been delivered to the Issuer and/or the Guarantor, the Trustee and the Principal Paying Agent, stating that by reason of a change in the law or regulation of the Tax Jurisdiction, or any change in the official application or interpretation of such law or regulation, becoming effective on or after the Issue Date, the tax regime of any payments under the Notes is modified and such modification results in payments of interest payable by the Issuer or the Guarantor in respect of the Notes being no longer deductible for corporate income tax purposes in whole or in part, and such risk cannot be avoided by the use of reasonable measures available to the Issuer or the Guarantor.

6.4 Redemption upon an Accounting Event

If, immediately prior to the giving of the notice referred to below, an Accounting Event has occurred, then the Issuer may, subject to having given not less than 30 nor more than 60 days' notice to the Trustee, the Principal Paying Agent and, in accordance with Condition 15, the Noteholders (which notice shall be irrevocable and shall specify the date fixed for redemption) and subject to Condition 8, redeem in accordance with these Conditions at any time all, but not some only, of the Notes at:

(a) 101 per cent. of their principal amount, where such redemption occurs prior to; or

(b) their principal amount, where such redemption occurs during or after,

the first day of the Issuer Call Period, in each case, with any accrued and unpaid interest to (but excluding) the date of redemption and any remaining Arrears of Interest. Upon the expiry of such notice, the Issuer shall redeem the Notes.

An "**Accounting Event**" has occurred if an accountancy firm of international standing, acting upon instructions of the Issuer or the Guarantor, has delivered a letter or report to the Issuer and/or the Guarantor, the Trustee and the Principal Paying Agent, stating that as a result of a change in accounting principles (or the application thereof) since the Issue Date (the "**Change**"), the Notes may not or may no longer be recorded as "equity" in the audited annual or the semi-annual consolidated financial statements of the Guarantor pursuant to IFRS or any other accounting standards that may replace IFRS for the purposes of preparing the annual consolidated financial statements of the Guarantor.

The Issuer may also redeem the Notes in accordance with this Condition 6.4 as a result of the occurrence of an Accounting Event from (and including) the date on which the Change is officially adopted, which may fall before the date on which the Change will come into effect.

For the purposes of these Conditions, "**IFRS**" means the International Financial Reporting Standards.

6.5 Redemption upon a Rating Event

If, immediately prior to the giving of the notice referred to below, a Rating Event has occurred, then the Issuer may, subject to having given not less than 30 nor more than 60 days' notice to the Trustee, the Principal Paying Agent and, in accordance with Condition 15, the Noteholders (which notice shall be irrevocable and shall specify the date fixed for redemption) and subject to Condition 8, redeem in accordance with these Conditions at any time all, but not some only, of the Notes at:

(a) 101 per cent. of their principal amount, where such redemption occurs prior to; or

(b) their principal amount, where such redemption occurs during or after,

the first day of the Issuer Call Period, in each case, with any accrued and unpaid interest to (but excluding) the date of redemption and any remaining Arrears of Interest. Upon the expiry of such notice, the Issuer shall redeem the Notes.

A "**Rating Event**" has occurred if the Issuer and/or the Guarantor has received, and has provided the Trustee and the Principal Paying Agent with a copy of, written confirmation from any Rating Agency from whom the Issuer and/or the Guarantor is assigned Solicited Ratings either directly or via a publication by such Rating Agency, that an amendment, clarification or change has occurred in the equity credit (or such other nomenclature that the Rating Agency may then use to describe the degree to which an instrument exhibits the characteristics of an ordinary share) criteria of such Rating Agency effective after the Issue Date of the Notes (or, if later, effective after the date when the equity credit is assigned to the Notes by such Rating Agency for the first time), which amendment, clarification or change results in:

(i) a lower equity credit for the Notes (or if the Notes have been partially or fully re-financed since the Issue Date and are no longer eligible for equity credit in part or in full as a result, such amendment, clarification or change would have resulted in a lower equity credit for the Notes had they not been re-financed) than the then respective equity credit assigned on the Issue Date, or if equity credit is not assigned to the Notes by the relevant Rating Agency on the Issue Date, at the date when equity credit is assigned by such Rating Agency for the first time; or

(ii) the period of time the Notes are eligible for the same or a higher category of equity credit (or such other nomenclature that the Rating Agency may then use to describe the degree to which an instrument exhibits the characteristics of an ordinary share) attributed to the Notes at the Issue Date (or the date when the equity credit is assigned for the first time by such Rating Agency, as the case may be) being shortened.

"**Rating Agency**" means any of the following rating agencies: S&P Global Ratings Europe Limited ("**S&P**"), Moody's Investors Service Ltd ("**Moody's**") or Fitch Ratings Ltd. ("**Fitch**") or any of their respective successors or any other rating agency of equivalent international standing specified from time to time by the Guarantor.

"**Solicited Ratings**" means a rating assigned by a Rating Agency with whom the Issuer and/or the Guarantor has a contractual relationship under which the Notes are assigned a rating.

6.6 Redemption upon a Gross-up Event

If, immediately prior to the giving of the notice referred to below, a Gross-up Event has occurred, then the Issuer may, subject to having given not less than 30 nor more than 60 days' notice to the Trustee, the Principal Paying Agent and, in accordance with Condition 15, the Noteholders (which notice shall be irrevocable and shall specify the date fixed for redemption) and subject to Condition 8, redeem in accordance with these Conditions at any time all, but not some only, of the Notes at their principal amount, together with any accrued and unpaid interest to (but excluding) the date of redemption and any remaining Arrears of Interest. Upon the expiry of such notice, the Issuer shall redeem the Notes.

A "**Gross-up Event**" has occurred if (i) an opinion of a recognised law firm or accounting firm of international standing has been delivered to the Issuer and/or the Guarantor, the Trustee and the Principal Paying Agent, stating that, by reason of any change in the law or regulation of the Tax Jurisdiction, or the official application or interpretation of such law or regulation in respect of the Issuer or the Guarantor, as the case may be, affecting taxation or the obligation to pay duties of any kind, becoming effective on or after the Issue Date, (A) the Issuer is required to pay additional amounts on the next succeeding Interest Payment Date, or (B) the Guarantor would (if a demand was made under the Subordinated Guarantee) be required to pay any additional amounts on any payment under the Subordinated Guarantee on the next succeeding Interest Payment Date, and (ii) this obligation cannot be avoided by the use of reasonable measures available to the Issuer or the Guarantor (as the case may be). However, no such notice of early redemption due to the occurrence of a Gross-up Event may be given (i) earlier than 90 days prior to the earliest date on which the Issuer or the Guarantor (as the case may be) would be obligated to pay such additional amounts if a payment in respect of the Notes or the Subordinated Guarantee (as the case may be) was then due, or (ii) if at the time such notice is given, such obligation to pay such additional amounts does not remain in effect.

6.7 Redemption upon a Repurchase Event

If, immediately prior to the giving of the notice referred to below, a Repurchase Event has occurred, then the Issuer may, subject to having given not less than 30 nor more than 60 days' notice to the

Trustee, the Principal Paying Agent and, in accordance with Condition 15, the Noteholders (which notice shall be irrevocable and shall specify the date fixed for redemption) and subject to Condition 8, redeem in accordance with these Conditions at any time all, but not some only, of the Notes at their principal amount, together with any accrued and unpaid interest to (but excluding) the date of redemption and any remaining Arrears of Interest. Upon the expiry of such notice, the Issuer shall redeem the Notes.

A "**Repurchase Event**" has occurred if 75 per cent. or more of the originally issued aggregate principal amount of the Notes (including any further issues pursuant to Condition 18) have been redeemed or purchased and cancelled by the Issuer, the Guarantor, any direct or indirect Subsidiary of the Issuer or any direct or indirect Subsidiary of the Guarantor pursuant to the provisions of this Condition 6.

6.8 Redemption for Change of Control Event

If a Change of Control Event has occurred, the Issuer will fix the Change of Control Effective Date and give notice of the Change of Control Event and the Change of Control Effective Date within 7 calendar days following the Change of Control Event (the "**Change of Control Notice**"). The Issuer may, subject to having given not less than 45 days' notice to the Trustee, the Principal Paying Agent after publication of the Change of Control Notice and, in accordance with Condition 15, the Noteholders (which notice shall be irrevocable and shall specify the Change of Control Effective Date), redeem in accordance with these Conditions on the Change of Control Effective Date all, but not some only, of the Notes at their principal amount, together with any accrued and unpaid interest to (but excluding) the date of redemption and any remaining Arrears of Interest. Upon the expiry of such notice, the Issuer shall redeem the Notes.

A "**Change of Control Event**" occurs when a person or persons (in each case, other than Edolaxia Group Limited), acting together, acquire Control of the Guarantor (a "**Change of Control**"), and immediately prior to the commencement of the Change of Control Period, the Guarantor carries (with the agreement of the Guarantor) from any Rating Agency: (x) an investment grade credit rating (Baa3 by Moody's, BBB- by S&P, BBB- by Fitch, or equivalent, or better), and such rating from any Rating Agency is within the Change of Control Period either downgraded to a non-investment grade credit rating (Ba1 by Moody's, BB+ by S&P, BB+ by Fitch or equivalent, or worse) or withdrawn and is not within such Change of Control Period subsequently (in the case of a downgrade) upgraded to an investment grade credit rating by such Rating Agency or (in the case of withdrawal) replaced by an investment grade credit rating from any other Rating Agency; or (y) a non-investment grade credit rating (Ba1 by Moody's, BB+ by S&P, BB+ by Fitch or equivalent, or worse), and such rating from any Rating Agency is within such Change of Control Period downgraded by one or more notches (for illustration, Ba1 to Ba2 being one notch) and is not within such Change of Control Period subsequently upgraded to its earlier credit rating or better by such Rating Agency, provided that if, immediately prior to the commencement of the Change of Control Period, the Guarantor carries (with the agreement of the Guarantor) a rating from more than one Rating Agency, at least one of which is investment grade, then subparagraph (x) will apply; and in making the relevant decision(s) referred to above, the relevant Rating Agency announces publicly or confirms in writing to the Guarantor that such decision(s) resulted, in whole or in part, from the occurrence of the Change of Control. If the rating designations employed by any Rating Agency are changed from those which are described in this Condition, the Guarantor shall determine the rating designations of the Rating Agency (as appropriate) as are most equivalent to the prior rating designations of the Rating Agency and this Condition shall be read accordingly.

"**Control**" means (i) the acquisition or control of more than 50 per cent. of the Voting Rights of the Guarantor; or (ii) the right to appoint and/or remove all or the majority of the members of the Guarantor's board of directors or other governing body, in each case, whether obtained directly or

indirectly, and whether obtained by the ownership of Share Capital, by the possession of Voting Rights, by contract, trust or otherwise.

"**Change of Control Effective Date**" means the date fixed by the Issuer in the Change of Control Notice, which:

(i) must be a Business Day;

(ii) must fall not less than 45 days and not more than 60 days after publication of the Change of Control Notice; and

(iii) must, if at the relevant time any Qualifying Debt Securities are outstanding, be at least one day after the date on which a put notice of the holders of the Qualifying Debt Securities due to the Change of Control (or a similar concept) becomes effective.

"**Change of Control Period**" means the period (i) commencing on the date of the first public announcement of the relevant Change of Control, and (ii) ending on the date which is 120 days after the date on which the relevant Change of Control occurs.

"**Qualifying Debt Securities**" means any current or future indebtedness that:

(i) is in the form of, or represented by, a certificate of indebtedness or notes or other securities which are or are capable of being quoted, listed, dealt in or traded on a stock exchange or other recognised securities market, including *Schuldschein* (whether or not initially distributed by way of private placement);

(ii) is either issued directly by the Guarantor or indirectly by any other entity and benefits from a guarantee of the Guarantor;

(iii) is not subordinated; and

(iv) benefits from a rating from a Rating Agency with whom the Guarantor has a contractual relationship.

6.9 Purchases

The Issuer, the Guarantor, any Subsidiary of the Issuer or any Subsidiary of the Guarantor may at any time purchase Notes (provided that, in the case of definitive Notes, all unmatured Coupons and Talons appertaining thereto are purchased therewith) at any price in the open market or otherwise. Such Notes may be held, reissued, resold or, at the option of the Issuer, surrendered to any Paying Agent for cancellation.

6.10 Cancellation

All Notes which are redeemed or substituted by the Issuer will forthwith be cancelled (together with all unmatured Coupons and Talons attached thereto or surrendered therewith at the time of redemption). All Notes so cancelled and any Notes purchased and cancelled pursuant to Condition 6.9 above (together with all unmatured Coupons and Talons cancelled therewith) shall be forwarded to the Principal Paying Agent and cannot be reissued or resold.

7 SUBSTITUTION OR VARIATION

If a Tax Deduction Event, an Accounting Event, a Rating Event or a Gross-up Event (each a "**Substitution or Variation Event**") has occurred, then the Issuer may, subject to Condition 8 (without any requirement for the consent or approval of the Noteholders or Couponholders) and subject to its having satisfied the Trustee immediately prior to the giving of any notice referred to herein that the provisions of this Condition 7 have been complied with, and having given not less than 30 nor more than 60 days' notice to the Guarantor, the

Trustee, the Principal Paying Agent and, in accordance with Condition 15, the Noteholders (which notice shall be irrevocable), at any time either:

(a) substitute all, but not some only, of the Notes for Qualifying Subordinated Notes; or

(b) vary the terms of the Notes with the effect that they remain or become (as the case may be), Qualifying Subordinated Notes,

and the Trustee shall (subject to the following provisions of this Condition 7 and subject to the receipt by it of the certificate of two members of the board of directors of the Issuer referred to in Condition 8) agree to such substitution or variation.

Upon expiry of such notice, the Issuer shall either vary the terms of or, as the case may be, substitute the Notes in accordance with this Condition 7.

The Trustee shall, at the expense of the Issuer, consent to the substitution of the Notes for, or the variation of the terms of the Notes so that they remain, or as appropriate, become, Qualifying Subordinated Notes, provided that the Trustee shall not be obliged to participate in, or assist with, any such substitution or variation if the terms of the proposed Qualifying Subordinated Notes or the participation in or assistance with such substitution or variation would impose, in the Trustee's opinion, more onerous obligations, duties or liabilities upon it or expose it to liabilities or reduce its protections. If the Issuer is unable to effect a substitution, then the Issuer may redeem the Notes as provided in Condition 6.

In connection with any substitution or variation in accordance with this Condition 7, the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

Any such substitution or variation in accordance with the foregoing provisions following a Substitution or Variation Event shall only be permitted if it does not give rise to any other Substitution or Variation Event with respect to the Qualifying Subordinated Notes.

Any such substitution or variation in accordance with the foregoing provisions following a Substitution or Variation Event shall only be permitted if it does not result in the Qualifying Subordinated Notes no longer being eligible for the same, or a higher amount of, "equity credit" (or such other nomenclature that the Rating Agency may then use to describe the degree to which an instrument exhibits the characteristics of an ordinary share) as is attributed to the Notes on the date notice is given to Noteholders of the substitution or variation.

In these Conditions:

"**Qualifying Subordinated Notes**" means subordinated notes that:

(a) are issued by the Issuer, the Guarantor or any wholly-owned direct or indirect finance subsidiary of the Guarantor (a "**Qualifying Subordinated Note Issuer**") with a guarantee of such obligations by the Guarantor;

(b) if issued by the Issuer, rank *pari passu* in a winding-up or liquidation of the Issuer with any Parity Obligations of the Issuer;

(c) if issued by the Guarantor, rank *pari passu* in a winding-up or liquidation of the Guarantor with any Parity Obligations of the Guarantor;

(d) if issued by a wholly-owned direct or indirect finance subsidiary of the Guarantor, rank *pari passu* in a winding-up or liquidation of the Qualifying Subordinated Note Issuer with any present or future obligation which (i) is issued by the Qualifying Subordinated Note Issuer and the obligations under which rank or are expressed to rank *pari passu* with the Qualifying Subordinated Note Issuer's obligations under such subordinated notes, or (ii) benefits from a guarantee or support agreement that ranks or is expressed to rank *pari passu* with the Qualifying Subordinated Note Issuer's obligations under such subordinated notes;

(e) save in the case of a direct issue by the Guarantor, benefit from a guarantee that ranks in relation to the obligations of the Guarantor under such guarantee, equally with the Subordinated Guarantee and *pari passu* in a winding-up or liquidation of the Guarantor with any Parity Obligations of the Guarantor;

(f) contain terms not materially less favourable to Noteholders than the terms of the Notes (as reasonably determined by (i) the Issuer or Qualifying Subordinated Note Issuer and (ii) the Guarantor, in each case acting in good faith) and which:

(i) provide for the same Rate of Interest from time to time as applied to the Notes immediately prior to such substitution or variation and preserve the same Interest Payment Dates;

(ii) preserve the obligations (including the obligations arising from the exercise of any right) of the Issuer and the Guarantor as to principal and as to redemption of the Notes, including (without limitation) as to timing of, and amounts payable upon, such redemption;

(iii) preserve any existing rights under these Conditions to any accrued interest, any Deferred Interest Payments, any Arrears of Interest and any other amounts payable under the Notes which, in each case, has accrued to Noteholders and not been paid;

(iv) do not provide for the mandatory deferral or cancellation of payments of interest and/or principal;

(v) do not provide for loss absorption through principal write down or conversion to ordinary shares; and

(vi) may include a feature which contains a term for the mandatory repayment of such subordinated notes on a specified date which shall not be earlier than the next following date on which the Notes may otherwise be redeemed under Condition 6.2 (and the inclusion of such feature shall be deemed not to be materially less favourable to Noteholders as compared with the terms of the Notes);

(g) are (i) listed on the official list of Luxembourg Stock Exchange and admitted to trading on its Euro MTF market or (ii) listed on such other internationally recognised exchange platform in an OECD country as is selected by the Issuer or Qualifying Subordinated Note Issuer and the Guarantor and approved by the Trustee; and

(h) will, immediately after such substitution or variation, be assigned at least the same credit rating(s) by the same Rating Agencies as may have been assigned to the Notes by way of Solicited Ratings immediately prior to such substitution or variation.

8 PRECONDITIONS TO TAX DEDUCTION EVENT, ACCOUNTING EVENT, RATING EVENT, GROSS-UP EVENT, REPURCHASE EVENT, SUBSTITUTION AND VARIATION

Prior to the publication of any notice of redemption pursuant to Conditions 6.3, 6.4, 6.5, 6.6 or 6.7 or any notice of substitution or variation pursuant to Condition 7, the Issuer shall deliver to the Trustee:

(a) a certificate signed by two members of the board of directors of the Guarantor stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred. In relation to a substitution or variation pursuant to Condition 7, such certificate shall also include further certifications that the criteria specified in paragraphs (a) to (e) of the definition of Qualifying Subordinated Notes will be satisfied by the Qualifying Subordinated Notes upon issue and that such determinations were reached by the Issuer and the Guarantor in consultation with an independent investment bank of international repute,

an independent financial adviser with appropriate expertise or independent counsel of recognised standing;

(b) in the case of a substitution or variation pursuant to Condition 7 only, an opinion from independent legal advisers of recognised standing confirming:

(i) that the Guarantor has capacity to assume all rights and obligations under the Qualifying Subordinated Notes and has obtained all necessary corporate or governmental authorisation to assume all such rights and obligations (either as primary debtor or as a guarantor of a wholly-owned direct or indirect finance subsidiary of the Issuer that assumes the role of primary debtor in respect of the Qualifying Subordinated Notes) and, in the case of the Issuer or a wholly-owned direct or indirect finance subsidiary of the Guarantor that assumes the role of primary debtor in respect of the Qualifying Subordinated Notes, that the Issuer or such finance subsidiary (as the case may be) has capacity to assume all rights and obligations under the Qualifying Subordinated Notes and has obtained all necessary corporate or governmental authorisation to assume all such rights and obligations; and

(ii) the legality, validity and enforceability of the Qualifying Subordinated Notes,

and the Trustee may rely absolutely upon and shall be entitled to accept such certificate and any such opinions without any liability to any person for so doing and without any further inquiry as sufficient evidence of the satisfaction of the conditions precedent set out in such paragraphs in which event it shall be conclusive and binding on the Noteholders.

The Trustee is under no obligation to ascertain whether any Tax Deduction Event, Accounting Event, Rating Event, Gross-up Event, Repurchase Event, Change of Control Event or Change of Control or any event which could lead to the occurrence of, or could constitute, any such Tax Deduction Event, Accounting Event, Rating Event, Gross-up Event, Repurchase Event, Change of Control Event or Change of Control, has occurred and, until it shall have actual knowledge or express notice pursuant to the Trust Deed to the contrary, the Trustee may assume that no such Tax Deduction Event, Accounting Event, Rating Event, Gross-up Event, Repurchase Event, Change of Control Event or Change of Control or such other event has occurred.

9 TAXATION

All payments of principal and interest in respect of the Notes and Coupons or under the Subordinated Guarantee by or on behalf of the Issuer or the Guarantor will be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied by or on behalf of any Tax Jurisdiction unless such withholding or deduction is required by law. In such event, the Issuer or the Guarantor, as the case may be, will pay such additional amounts as shall be necessary in order that the net amounts received by the holders of the Notes or Coupons after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Notes or Coupons or under the Subordinated Guarantee, as the case may be, in the absence of such withholding or deduction; except that no such additional amounts shall be payable with respect to any Note or Coupon:

(a) presented for payment in Luxembourg; or

(b) the holder of which is liable for such taxes or duties in respect of such Note or Coupon by reason of the holder having some connection with a Tax Jurisdiction other than the mere holding of such Note or Coupon; or

(c) presented for payment more than 30 days after the Relevant Date (as defined below) except to the extent that the holder thereof would have been entitled to an additional amount on presenting the

same for payment on such thirtieth day assuming that day to have been a Payment Day (as defined in Condition 5.5).

As used herein:

(i) "**Tax Jurisdiction**" means Luxembourg or any political subdivision or any authority thereof or therein having power to tax; and

(ii) the "**Relevant Date**" means the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Trustee or the Principal Paying Agent, as the case may be, on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 15.

10 PRESCRIPTION

The Notes and Coupons will become void unless claims in respect of principal and/or interest are made within a period of 10 years (in the case of principal) and five years (in the case of interest) after the Relevant Date (as defined in Condition 9) therefor.

There shall not be included in any Coupon sheet issued on exchange of a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition 10 or Condition 5.2 or any Talon which would be void pursuant to Condition 5.2.

11 ENFORCEMENT

11.1 Proceedings

If a default is made by the Issuer in the payment of any principal or any interest (including any Arrears of Interest) when due in respect of the Notes or any of them and the default continues for a period of 30 days (an "**Enforcement Event**"), then the Issuer shall without notice from the Trustee be deemed to be in default under the Trust Deed, the Notes and the Coupons and the Trustee at its sole discretion may, and if so requested in writing by the Noteholders of at least 51 per cent. in principal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution shall (subject to Condition 11.3), institute proceedings for the winding-up of the Issuer.

Subject to the next paragraph, in the event of a winding-up of the Issuer or the Guarantor (whether instituted by the Trustee as aforesaid or otherwise), any Notes will become immediately due and payable at their principal amount together with all accrued and unpaid interest in respect thereof, and the Trustee may, and if so requested in writing by the holders of at least 51 per cent. in principal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution shall (subject to Condition 11.3), prove and/or claim in such winding-up in respect of the Notes, such claim being for such amount, and being subordinated in such manner, as is provided under Condition 2.1.

"**winding-up**" includes, without limitation, any procedure or proceeding in relation to an entity becoming bankrupt (*faillite*), insolvency, voluntary or judicial liquidation, moratorium or reprieve from payment (*sursis de paiement*), reorganisation or any other similar proceedings affecting the rights of creditors generally, and shall be construed so as to include any equivalent or analogous liquidation or reorganisation proceedings.

11.2 Enforcement

The Trustee may at its discretion (subject to Condition 11.3) and without further notice institute such proceedings or take such steps or actions against the Issuer and/or the Guarantor as it may think fit to enforce any term or condition binding on the Issuer and/or the Guarantor (as the case may be) under the Trust Deed, the Notes, the Coupons or the Subordinated Guarantee but in no event shall the Issuer

or the Guarantor, by virtue of the institution of any such proceedings, steps or actions, be obliged to pay any sum or sums sooner than the same would otherwise have been payable by it.

11.3 Entitlement of the Trustee

The Trustee shall not be bound to take any of the actions referred to in Condition 11.1 or 11.2 above to enforce the terms of the Trust Deed, the Notes, the Subordinated Guarantee or any other action or step under or pursuant to the Trust Deed, the Notes or the Subordinated Guarantee unless (i) it shall have been so requested by an Extraordinary Resolution of the Noteholders or in writing by the holders of at least 51 per cent. in principal amount of the Notes then outstanding and (ii) it shall have been indemnified and/or secured and/or prefunded to its satisfaction.

11.4 Right of Noteholders

No Noteholder or Couponholder shall be entitled to proceed directly against the Issuer or the Guarantor or to institute proceedings for the winding-up or claim in the liquidation of the Issuer or the Guarantor to prove in such winding-up unless the Trustee, having become so bound to proceed, institute, prove or claim, (i) fails to do so within a reasonable time or (ii) is unable for any reason so to do, and such failure or inability shall be continuing, in which case each Noteholder shall have only such rights in respect of its Notes against the Issuer and the Guarantor as those which the Trustee is entitled to exercise in respect of such Notes as set out in this Condition 11.

11.5 Extent of Noteholders' remedy

No remedy against the Issuer or the Guarantor, other than as referred to in this Condition 11 shall be available to the Trustee, the Noteholders or the Couponholders, whether for the recovery of amounts owing in respect of the Notes, the Coupons or under the Trust Deed or the Subordinated Guarantee or in respect of any other breach by the Issuer or the Guarantor of any of its other obligations under or in respect of the Notes, the Coupons or under the Trust Deed or the Subordinated Guarantee.

Nothing in these Conditions shall affect or prejudice the payment of the costs, charges, expenses, liabilities or remuneration of the Trustee or Agents or the rights and remedies of the Trustee or the Agents in respect thereof.

12 REPLACEMENT OF NOTES, COUPONS AND TALONS

Should any Note, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Principal Paying Agent upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Notes, Coupons or Talons must be surrendered before replacements will be issued.

13 AGENTS

The initial Agents are set out above.

The Issuer is entitled, with the prior written approval of the Trustee, to vary or terminate the appointment of any Agent and/or appoint additional or other Agents and/or approve any change in the specified office through which any Agent acts, provided that:

(a) there will at all times be a Principal Paying Agent;

(b) so long as the Notes are listed on any stock exchange or admitted to listing by any other relevant authority, there will at all times be a Paying Agent with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange or other relevant authority;

(c) there will at all times be a Paying Agent in a jurisdiction within Europe, other than the jurisdiction in which the Issuer is incorporated; and

(d) whenever a function expressed in these Conditions to be performed by the Agent Bank or by the Reference Banks fails to be performed, the Issuer will appoint and (for so long as such function is required to be performed) there will at all times be an Agent Bank and/or, as appropriate, Reference Banks.

Notice of any variation, termination, appointment or change in Paying Agents will be given to the Noteholders promptly by the Issuer in accordance with Condition 15. If either of the Agent Bank or the Principal Paying Agent is unable or unwilling to act as such or if it fails to make a determination or calculation or otherwise fails to perform its duties under these Conditions or the Agency Agreement (as the case may be), the Issuer shall appoint, an independent financial institution to act as such in its place. All calculations and determinations made by the Agent Bank or the Principal Paying Agent in relation to the Notes shall (save in the case of manifest error) be final and binding on the Issuer, the Guarantor, the Trustee, the other Agents and the Noteholders.

In acting under the Agency Agreement, the Agents act solely as agents of the Issuer and, in certain circumstances specified therein, of the Trustee and do not assume any obligation to, or relationship of agency or trust with, any Noteholder or Couponholder. The Agency Agreement contains provisions permitting any entity into which any Agent is merged or converted or with which it is consolidated or to which it transfers all or substantially all of its assets to become the successor agent.

14 EXCHANGE OF TALONS

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of any Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest due in respect of the Note to which it appertains) a further Talon, subject to the provisions of Condition 10.

15 NOTICES

All notices regarding the Notes will be deemed to be validly given if published in a leading English language daily newspaper of general circulation in London. It is expected that any such publication in a newspaper will be made in the *Financial Times* in London. The Issuer shall also ensure that notices are duly published in a manner which complies with the rules of any stock exchange or other relevant authority on which the Notes are for the time being listed or by which they have been admitted to trading. Any such notice will be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the date of the first publication in all required newspapers. If publication as provided above is not practicable, a notice will be given in such other manner, and will be deemed to have been given on such date, as the Trustee shall approve.

Until such time as any definitive Notes are issued, and for so long as any Global Notes representing the Notes are held in their entirety on behalf of Euroclear and/or Clearstream, Luxembourg, in lieu of such publication in such newspaper(s) or such mailing, the delivery of the relevant notice may be arranged through the systems of Euroclear and/or Clearstream, Luxembourg for communication by them to the holders of the Notes and, in addition, for so long as any Notes are listed on a stock exchange or are admitted to trading by another relevant authority and the rules of that stock exchange or relevant authority so require, such notice will be published in a daily newspaper of general circulation in the place or places required by those rules (if any). Any such notice shall be deemed to have been given to the holders of the Notes on the day after the day on which the said notice was given to Euroclear and/or Clearstream, Luxembourg.

Notices to be given by any Noteholder shall be in writing and given by lodging the same, together (in the case of any Note in definitive form) with the relative Note or Notes, with the Principal Paying Agent. Whilst any of the Notes are represented by a Global Note, such notice may be given by any holder of a Note to the Principal Paying Agent through Euroclear and/or Clearstream, Luxembourg, as the case may be, in such manner as the Principal Paying Agent and Euroclear and/or Clearstream, Luxembourg, as the case may be, may approve for this purpose.

16 MEETINGS OF NOTEHOLDERS, MODIFICATION, WAIVER AND SUBSTITUTION

The Trust Deed contains provisions for convening meetings of the Noteholders (including by way of conference call or by use of a videoconference platform) to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the Notes, the Coupons or any of the provisions of the Trust Deed. Such a meeting may be convened by the Issuer, the Guarantor or the Trustee and shall be convened by the Issuer if required in writing by Noteholders holding not less than five per cent. in nominal amount of the Notes for the time being remaining outstanding.

The quorum at any such meeting for passing an Extraordinary Resolution is one or more persons holding or representing not less than 50 per cent. in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons being or representing Noteholders whatever the nominal amount of the Notes so held or represented, except that at any meeting the business of which includes the modification of certain provisions of the Notes or the Coupons or the Trust Deed (including modifying any redemption date of the Notes, reducing or cancelling the nominal amount payable upon redemption, reducing or cancelling the amount payable or modifying any date for payment of interest or the method of calculating the rate thereon (not including a Benchmark Amendment) and altering the currency of payment of the Notes or the Coupons in certain respects), the quorum shall be one or more persons holding or representing not less than two-thirds in nominal amount of the Notes for the time being outstanding, or at any adjourned such meeting one or more persons holding or representing not less than one-quarter in nominal amount of the Notes for the time being outstanding.

The Trust Deed provides that (i) a resolution passed at a meeting duly convened and held in accordance with the Trust Deed by a majority consisting of not less than three-fourths of the votes cast on such resolution, (ii) a resolution in writing signed by or on behalf of the holders of not less than three-fourths in nominal amount of the Notes for the time being outstanding or (iii) consent given by way of electronic consents through the relevant clearing system(s) (in a form satisfactory to the Trustee) by or on behalf of the holders of not less than three-fourths in nominal amount of the Notes for the time being outstanding, shall, in each case, be effective as an Extraordinary Resolution of the Noteholders. An Extraordinary Resolution passed by the Noteholders will be binding on all the Noteholders, whether or not they are present at any meeting, and whether or not they voted on the resolution, and on all Couponholders.

The agreement or approval of the Noteholders shall not be required in the case of any variation of the Notes, the Coupons or the Trust Deed which is required to be made in the circumstances described in Condition 7 in connection with the substitution or variation of the terms of the Notes so that they become Qualifying Subordinated Notes under Condition 7.

The Trustee may agree, without the consent of the Noteholders or Couponholders, to any modification (except as provided in the Trust Deed) of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of the Notes or the Trust Deed where it is not, in the opinion of the Trustee, materially prejudicial to the interests of the Noteholders so to do or may agree, without any such consent as aforesaid, to any modification which is of a formal, minor or technical nature or to correct a manifest error. Any such modification shall be binding on the Noteholders and the Couponholders and any such modification shall be notified to the Noteholders in accordance with Condition 15 as soon as practicable thereafter.

In addition, subject to Condition 3.3, the Trustee shall be obliged to agree to such modifications to the Trust Deed, the Agency Agreement and these Conditions as may be required in order to give effect to Condition 3.3(c) in connection with effecting any Successor Rate, Alternative Rate and/or Adjustment Spread or any related changes referred to in Condition 3.3(c) without the requirement for the consent or sanction of the Noteholders or Couponholders.

In connection with the exercise by it of any of its trusts, powers, authorities and discretions (including, without limitation, any modification, waiver, authorisation or determination), the Trustee shall have regard to the general interests of the Noteholders as a class (but shall not have regard to any interests arising from circumstances particular to individual Noteholders or Couponholders whatever their number) and, in particular but without limitation, shall not have regard to the consequences of any such exercise for individual Noteholders or Couponholders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof and the Trustee shall not be entitled to require, nor shall any Noteholder or Couponholder be entitled to claim, from the Issuer, the Trustee or any other person any indemnification or payment in respect of any tax consequences of any such exercise upon individual Noteholders or Couponholders except, with respect to the Issuer, to the extent already provided for in Condition 9 and/or any undertaking or covenant given in addition to, or in substitution for, Condition 9 pursuant to the Trust Deed.

The Trustee may, without the consent of the Noteholders, agree with the Issuer to the substitution in place of the Issuer (or of any previous substitute under this Condition) as the principal debtor under the Notes, the Coupons and the Trust Deed of another company, being (A) the Guarantor, (B) a Subsidiary of the Issuer, (C) a Subsidiary of the Guarantor, (D) any Successor in Business of the Issuer or (E) any Successor in Business of the Guarantor (each, a "**Substitute Issuer**"), in each case, subject to (i) (except in the case of the Guarantor or a Successor in Business of the Guarantor) the Notes being unconditionally and irrevocably guaranteed by the Guarantor on terms not materially less favourable to Noteholders than the terms of the Subordinated Guarantee (as reasonably determined by (i) the Guarantor and (ii) the Issuer or Substitute Issuer, in each case acting in good faith) and (ii) certain other conditions set out in the Trust Deed being complied with including that none of the early redemption events specified in Conditions 6.3, 6.4, 6.5 or 6.6 occurs as a consequence of the substitution of the Issuer.

The Trustee shall (at the request of the Guarantor) agree with the Guarantor, and without the consent of the Noteholders, to the substitution in place of the Guarantor as the principal debtor under the Subordinated Guarantee of another company, being either a HoldCo or a Successor in Business of the Guarantor, subject to certain conditions set out in the Trust Deed being complied with including that none of the early redemption events specified in Conditions 6.3, 6.4, 6.5 or 6.6 occurs as a consequence of the substitution of the Guarantor. Any such substitution shall be binding on the Noteholders and Couponholders.

As used herein:

"**HoldCo**" means any corporation, partnership, company or other enterprise which directly or indirectly holds in the aggregate more than 50 per cent. of the Share Capital or the Voting Rights in the Guarantor.

"**Successor in Business of the Issuer**" means:

(a) any consolidation, amalgamation or merger of the Issuer with any other corporation (other than a consolidation, amalgamation or merger in which the Issuer is the continuing corporation); or

(b) any sale or transfer of all, or substantially all, of the assets of the Issuer to another entity (whether by operation of law or otherwise).

"**Successor in Business of the Guarantor**" means:

(a) any consolidation, amalgamation or merger of the Guarantor with any other corporation (other than a consolidation, amalgamation or merger in which the Guarantor is the continuing corporation); or

(b) any sale or transfer of all, or substantially all, of the assets of the Guarantor to another entity (whether by operation of law or otherwise).

For the avoidance of doubt, the provisions of articles 470-3 to 470-19 of the Luxembourg law of 10 August 1915 on commercial companies, as amended (the "**Companies Law**") shall not apply.

17 INDEMNIFICATION OF THE TRUSTEE AND TRUSTEE CONTRACTING WITH THE ISSUER

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking action unless indemnified and/or secured and/or pre-funded to its satisfaction.

The Trust Deed also contains provisions pursuant to which the Trustee is entitled, *inter alia*, (a) to enter into business transactions with the Issuer and/or the Guarantor and/or any Subsidiaries of the Issuer and/or any Subsidiaries of the Guarantor and to act as trustee for the holders of any other securities issued or guaranteed by, or relating to, the Issuer and/or the Guarantor and/or any Subsidiaries of the Issuer and/or any Subsidiaries of the Guarantor, (b) to exercise and enforce its rights, comply with its obligations and perform its duties under or in relation to any such transactions or, as the case may be, any such trusteeship without regard to the interests of, or consequences for, the Noteholders or Couponholders and (c) to retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith.

18 FURTHER ISSUES

The Issuer shall be at liberty from time to time without the consent of the Noteholders or the Couponholders to create and issue further Notes having terms and conditions the same as the Notes or the same in all respects save for the amount and date of the first payment of interest thereon and the date from which interest starts to accrue and so that the same shall be consolidated and form a single series with the outstanding Notes.

19 CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

No person shall have any right to enforce any term or condition of this Note under the Contracts (Rights of Third Parties) Act 1999, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

20 GOVERNING LAW AND SUBMISSION TO JURISDICTION

20.1 Governing law

The Trust Deed, the Agency Agreement, the Subordinated Guarantee the Notes and the Coupons and any non-contractual obligations arising out of or in connection with the Trust Deed, the Agency Agreement, the Subordinated Guarantee, the Notes and the Coupons are governed by, and construed in accordance with, English law save for the provisions contained in Condition 2 and Clause 3 of the Subordinated Guarantee which shall be governed by Luxembourg law.

For the avoidance of doubt, the provisions of articles 470-3 to 470-19 of the Companies Law shall not apply.

20.2 Submission to jurisdiction

(a) Subject to Condition 20.2(c) below, the English courts have exclusive jurisdiction to settle any dispute arising out of or in connection with the Trust Deed, the Subordinated Guarantee, the

Notes and/or the Coupons, including any dispute as to their existence, validity, interpretation, performance, breach or termination or the consequences of their nullity and any dispute relating to any non-contractual obligations arising out of or in connection with the Trust Deed, the Subordinated Guarantee, the Notes and/or the Coupons (a "**Dispute**") and accordingly each of the Issuer, the Guarantor, the Trustee and any Noteholders or Couponholders in relation to any Dispute submits to the exclusive jurisdiction of the English courts.

(b) For the purposes of this Condition 20.2, the Issuer waives any objection to the English courts on the grounds that they are an inconvenient or inappropriate forum to settle any Dispute.

(c) To the extent allowed by law, the Trustee, the Noteholders and the Couponholders may, in respect of any Dispute or Disputes, take (i) proceedings in any other court with jurisdiction; and (ii) concurrent proceedings in any number of jurisdictions.

20.3 Appointment of Process Agent

The Issuer irrevocably appoints Law Debenture Corporate Services Limited at 8th Floor, 100 Bishopsgate, London EC2N 4AG, United Kingdom as its agent for service of process in any proceedings before the English courts in relation to any Dispute and agrees that, in the event of Law Debenture Corporate Services Limited being unable or unwilling for any reason so to act, it will immediately appoint another person approved by the Trustee as its agent for service of process in England in respect of any Dispute. The Issuer agrees that failure by a process agent to notify it of any process will not invalidate service. Nothing herein shall affect the right to serve process in any other manner permitted by law.

20.4 Other documents

The Issuer has in the Trust Deed and the Agency Agreement submitted to the jurisdiction of the English courts and appointed an agent for service of process in terms substantially similar to those set out above.

The following paragraphs in italics do not form part of the Terms and Conditions of the Notes.

The Issuer intends (without thereby assuming any legal or contractual obligation) that it will only redeem or repurchase the Notes to the extent that the equity credit of the Notes to be redeemed or repurchased does not exceed the equity credit resulting from the sale or issuance prior to the date of such redemption or repurchase by the Issuer of securities to third party purchasers (other than subsidiaries of the Issuer).

The following exceptions apply as to the Issuer's replacement intention. The Notes are not required to be replaced if:

(i) *the long-term corporate credit rating (or such equivalent nomenclature then used by S&P) assigned by S&P to the Issuer is at least equal to the long-term corporate credit rating on the date of the last additional hybrid issuance (excluding refinancing) and the Issuer is comfortable that such rating would not fall below this level as a result of such redemption or repurchase; or*

(ii) *less than (x) 10 per cent. of the aggregate principal amount of hybrid securities outstanding in any period of 12 consecutive months or (y) 25 per cent. of the aggregate principal amount of hybrid securities outstanding in any period of 10 consecutive years is repurchased or redeemed (taken together); or*

(iii) *the Notes are redeemed pursuant to a Rating Event, an Accounting Event, a Tax Deduction Event, or a Gross-Up Event; or*

(iv) *in the case of repurchase or redemption, such repurchase or redemption would cause the Issuer's outstanding hybrid securities which are assigned equity credit by S&P to remain below the maximum aggregate principal amount of hybrid securities which S&P, under its then prevailing methodology, would assign equity credit to based on the Issuer's adjusted total capitalisation; or*

(v) *the Notes are not assigned an "equity credit" (or such similar nomenclature then used by S&P at the time of such redemption or repurchase); or*

(vi) *such redemption or repurchase occurs on or after 16 April 2050.*

TERMS AND CONDITIONS OF THE NC5.25 NOTES

The following are the Terms and Conditions of the NC5.25 Notes which will be incorporated by reference into each Global Note (as defined below) and each definitive Note, in the latter case only if permitted by the relevant stock exchange or other relevant authority (if any) but, if not so permitted and agreed, such definitive Note will have endorsed thereon or attached thereto such Terms and Conditions.

This Note is issued on 16 April 2024 (the "**Issue Date**") by Aroundtown Finance S.à r.l (the "**Issuer**") and is constituted by a Trust Deed (such Trust Deed as modified and/or supplemented and/or amended and/or restated from time to time, the "**Trust Deed**") dated 16 April 2024 made between the Issuer, Aroundtown SA (the "**Guarantor**") and M&G Trustee Company Limited (the "**Trustee**", which expression shall include any successor as Trustee).

References herein to the "**Notes**" shall mean:

(a) in relation to any Notes represented by a global Note (a "**Global Note**"), units of each Specified Denomination in the Specified Currency;

(b) any Global Note; and

(c) any definitive Notes issued in exchange for a Global Note.

The Notes and the Coupons (as defined below) are unconditionally and irrevocably guaranteed on a subordinated basis by the Guarantor (the "**Subordinated Guarantee**") and have the benefit of an Agency Agreement (such Agency Agreement as amended and/or supplemented and/or amended and/or restated from time to time, the "**Agency Agreement**") dated 16 April 2024 and made between the Issuer, the Guarantor, the Trustee, The Bank of New York Mellon, acting through its London branch as issuing and principal paying agent and agent bank (the "**Principal Paying Agent**" and the "**Agent Bank**", respectively, which expressions shall include any successor thereto) and the other paying agents named therein (together with the Principal Paying Agent and the Agent Bank, the "**Paying Agents**", which expression shall include any additional or successor paying agents). The Principal Paying Agent, the Agent Bank and the Paying Agents are together referred to as the "**Agents**".

Notes have interest coupons ("**Coupons**") and, in the case of Notes which, when issued in definitive form, have more than 27 interest payments remaining, talons for further Coupons ("**Talons**") attached on issue. Any reference herein to Coupons or coupons shall, unless the context otherwise requires, be deemed to include a reference to Talons or talons. Global Notes do not have Coupons or Talons attached on issue.

The Trustee acts for the benefit of the Noteholders (which expression shall mean the holders of the Notes and shall, in relation to any Notes represented by a Global Note, be construed as provided below) and the holders of the Coupons (the "**Couponholders**", which expression shall, unless the context otherwise requires, include the holders of the Talons), in accordance with the provisions of the Trust Deed.

Copies of the Trust Deed and the Agency Agreement are (i) available for inspection or collection during normal business hours at the specified office of each of the Paying Agents or (ii) may be provided by email to any Noteholder following their prior written request to the Trustee or any Paying Agent(s) and provision of proof of holding and identity (in a form satisfactory to the Trustee or the relevant Paying Agent, as the case may be). The Noteholders and the Couponholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Subordinated Guarantee, the Trust Deed and the provisions of the Agency Agreement which are applicable to them. The statements in the Conditions include summaries of, and are subject to, the detailed provisions of the Subordinated Guarantee, the Trust Deed and the Agency Agreement.

Words and expressions defined in the Trust Deed and the Agency Agreement shall have the same meanings where used in the Conditions unless the context otherwise requires or unless otherwise stated and provided that, in the event of inconsistency between the Trust Deed and the Agency Agreement, the Trust Deed will prevail.

In the Conditions, "**euro**" means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended.

1 FORM, DENOMINATION AND TITLE

The Notes are serially numbered and in bearer form in the denominations of €100,000 and integral multiples of €1,000 in excess thereof up to and including €199,000. No definitive Notes will be issued with a denomination above €199,000 (the "**Specified Denominations**"). The specified currency (the "**Specified Currency**") is euro. Notes of one Specified Denomination may not be exchanged for Notes of another Specified Denomination.

Definitive Notes are issued with Coupons attached.

Subject as set out below, title to the Notes and Coupons will pass by delivery. The Issuer, the Guarantor, the Trustee and any Agent will (except as otherwise required by law) deem and treat the bearer of any Note or Coupon as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any Global Note, without prejudice to the provisions set out in the next succeeding paragraph.

For so long as any of the Notes is represented by a Global Note held on behalf of Euroclear Bank SA/NV ("**Euroclear**") and/or Clearstream Banking S.A. ("**Clearstream, Luxembourg**"), each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Guarantor, the Trustee and the Agents as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Notes, for which purpose the bearer of the relevant Global Note shall be treated by the Issuer, the Guarantor, the Trustee and any Agent as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant Global Note and the expressions "**Noteholder**" and "**holder of Notes**" and related expressions shall be construed accordingly.

In determining whether a particular person is entitled to a particular nominal amount of Notes as aforesaid, the Trustee may rely on such evidence and/or information and/or certification as it shall, in its absolute discretion, think fit and, if it does so rely, such evidence and/or information and/or certification shall, in the absence of manifest error, be conclusive and binding on all concerned.

Notes which are represented by a Global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear and Clearstream, Luxembourg, as the case may be.

2 STATUS OF THE NOTES, THE SUBORDINATED GUARANTEE AND PROHIBITION OF SET-OFF

2.1 Status of the Notes

The Notes and any relative Coupons are direct, unconditional, unsecured and subordinated obligations of the Issuer and in the event of the winding-up, dissolution, liquidation, bankruptcy or similar proceedings of the Issuer rank:

(a) senior only to the Junior Obligations of the Issuer;

(b) *pari passu* among themselves and with any Parity Obligations of the Issuer; and

(c) junior to all other present and future obligations of the Issuer, whether subordinated or unsubordinated, except as otherwise provided by mandatory provisions of applicable laws or as expressly provided for by the terms of the relevant instrument.

2.2 Status of the Subordinated Guarantee

The Guarantor has in the Subordinated Guarantee unconditionally and irrevocably guaranteed, on a direct, unsecured and subordinated basis, the due payment of all sums expressed to be payable from time to time by the Issuer under the Trust Deed, the Notes and the Coupons.

The obligations of the Guarantor under the Subordinated Guarantee rank:

(a) senior only to the Junior Obligations of the Guarantor;

(b) *pari passu* with any Parity Obligations of the Guarantor; and

(c) junior to all other present and future obligations of the Guarantor, whether subordinated or unsubordinated, except as otherwise provided by mandatory provisions of applicable laws or as expressly provided for by the terms of the relevant instrument.

2.3 Insolvency or Liquidation of the Issuer

In the event of the winding-up, dissolution, liquidation, bankruptcy or similar proceedings of the Issuer, no payments under the Notes shall be made to the Noteholders unless all claims that, pursuant to Condition 2.1, rank senior to the Notes have been discharged or secured in full.

2.4 Prohibition of Set-off

No Noteholder may set-off any claims arising under the Notes or the Subordinated Guarantee against any claims that the Issuer or the Guarantor, respectively, may have against it. The Issuer may not set-off any claims it may have against the Noteholders against any of its obligations under the Notes. The Guarantor may not set-off any claims it may have against the Noteholders against any of its obligations under the Subordinated Guarantee.

In these Conditions:

"**Junior Obligations**" means the Junior Obligations of the Issuer and/or the Junior Obligations of the Guarantor, as the case may be;

"**Junior Obligations of the Issuer**" means (i) the ordinary shares and preferred shares (if any) of the Issuer, (ii) any present or future share of any other class of shares of the Issuer, (iii) any other present or future security, registered security or other instrument of the Issuer under which the Issuer's obligations rank or are expressed to rank *pari passu* with the ordinary shares or the preferred shares (if any) of the Issuer and (iv) any present or future security, registered security or other instrument which is issued by a Subsidiary of the Issuer and guaranteed by the Issuer or for which the Issuer has otherwise assumed liability where the Issuer's obligations under such guarantee or other assumptions of liability rank or are expressed to rank *pari passu* with the instruments described under (i), (ii) or (iii);

"**Junior Obligations of the Guarantor**" means (i) the ordinary shares and preferred shares (if any) of the Guarantor, (ii) any present or future share of any other class of shares of the Guarantor, (iii) any other present or future security, registered security or other instrument of the Guarantor under which the Guarantor's obligations rank or are expressed to rank *pari passu* with the ordinary shares or the preferred shares (if any) of the Guarantor and (iv) any present or future security, registered security or other instrument which is issued by a Subsidiary of the Guarantor and guaranteed by the Guarantor or for which the Guarantor has otherwise assumed liability where the Guarantor's obligations under such guarantee or other assumptions of liability rank or are expressed to rank *pari passu* with the instruments described under (i), (ii) or (iii);

"**Parity Obligations**" means the Parity Obligations of the Issuer and/or the Parity Obligations of the Guarantor, as the case may be;

"**Parity Obligations of the Issuer**" means any present or future obligation which (i) is issued by the Issuer and the obligations under which rank or are expressed to rank *pari passu* with the Issuer's obligations under the Notes, or (ii) benefits from a guarantee or support agreement that ranks or is expressed to rank *pari passu* with the Issuer's obligations under the Notes;

"**Parity Obligations of the Guarantor**" means any present or future obligation which (i) is issued by the Guarantor and the obligations under which rank or are expressed to rank *pari passu* with the Guarantor's obligations under the Subordinated Guarantee, or (ii) benefits from a guarantee or support agreement that ranks or is expressed to rank *pari passu* with the Guarantor's obligations under the Subordinated Guarantee;

"**Share Capital**" means, in relation to any entity, its issued share capital;

"**Subsidiary of the Issuer**" means any corporation, partnership, company or other enterprise in which the Issuer directly or indirectly holds in the aggregate more than 50 per cent. of the Share Capital or the Voting Rights;

"**Subsidiary of the Guarantor**" means any corporation, partnership, company or other enterprise in which the Guarantor directly or indirectly holds in the aggregate more than 50 per cent. of the Share Capital or the Voting Rights;

"**Voting Rights**" means (i) in respect of the Issuer, the right generally to vote at a general meeting of shareholders of the Issuer, (ii) in respect of the Guarantor, the right generally to vote at a general meeting of the Guarantor, and (iii) in respect of any person other than the Issuer or the Guarantor, the right generally to vote at a general meeting of the shareholders of that person (in each case, irrespective of whether or not, at the time, stock of any other class or classes shall have, or might have, voting power by reason of the happening of any contingency).

3 INTEREST

3.1 Interest on the Notes

(a) Interest Payment Dates

Each Note bears interest on its principal amount:

(i) from (and including) 16 April 2024 (the "**Interest Commencement Date**") to (but excluding) 16 July 2029 (the "**First Reset Date**") at the rate of 5.000 per cent. *per annum* (the "**First Fixed Rate of Interest**"); and

(ii) from (and including) the First Reset Date at the Subsequent Reset Rate.

Subject to Condition 4, such interest will be payable annually in arrear on 16 July in each year (each, an "**Interest Payment Date**") from (and including) 16 July 2024 (the "First Interest Payment Date").

The amount of interest payable on each Interest Payment Date up to (and including) the First Reset Date in respect of each Fixed Interest Period will amount to €50.00 per Calculation Amount (the "**Fixed Coupon Amount**").

As used in the Conditions, (i) "**Fixed Interest Period**" means the period from (and including) the First Interest Payment Date to (but excluding) the next Interest Payment Date and from (and including) each subsequent Interest Payment Date to (but excluding) the next Interest Payment Date, and (ii) "**Calculation Amount**" means €1,000 in principal amount of the Notes.

(b) Interest Accrual

The Notes (and any unpaid amounts thereon) will cease to bear interest from (and including) the date of redemption thereof pursuant to the relevant paragraph of Condition 6 or the date of substitution

thereof pursuant to Condition 7, as the case may be, unless payment of principal is improperly withheld or refused. In such event, interest will continue to accrue until whichever is the earlier of:

(i) the date on which all amounts due in respect of the Notes have been paid; and

(ii) as provided in the Trust Deed.

(c) Interest Calculation

Except in the case of Notes where the Fixed Coupon Amount applies, interest shall be calculated in respect of any period by applying the Rate of Interest to:

(i) in the case of Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Notes represented by such Global Note; or

(ii) in the case of Notes which are in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction.

The resultant figure (including after application of any Fixed Coupon Amount, as applicable, to the Calculation Amount in the case of Notes which are in definitive form) shall be rounded to the nearest sub-unit of the Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

Where the Specified Denomination of a Note which is in definitive form is a multiple of the Calculation Amount, the amount of interest payable in respect of such Note shall be the product of the amount (determined in the manner provided above) for the Calculation Amount and the amount by which the Calculation Amount is multiplied to reach the Specified Denomination, without any further rounding.

In these Conditions:

"**Day Count Fraction**" means, in respect of the calculation of an amount of interest, in accordance with this Condition 3.1:

(1) where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the "**Accrual Period**") is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates that would occur in one calendar year; or

(2) where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:

(I) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and

(II) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year.

"**Determination Date**" means 16 July in each year.

"**Determination Period**" means each period from (and including) a Determination Date to (but excluding) the next Determination Date (including, where either the Interest Commencement Date or

the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date); and

"**sub-unit**" means, with respect to the Specified Currency, one cent.

(d) Subsequent Reset Rates of Interest

For each Fixed Interest Period commencing on or after the First Reset Date and subject to Condition 4, each Note bears interest at the relevant Subsequent Reset Rate, as determined and notified in writing to the Agents, the Trustee, the Issuer and the Guarantor by the Agent Bank on the relevant Reset Determination Date in accordance with this Condition 3.1(d), subject to Condition 3.2. Following any such determination of the Subsequent Reset Rate, the Issuer shall promptly notify the Trustee of such Subsequent Reset Rate.

In these Conditions:

"**Business Day**" means a day on which (a) commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in London and (b) the TARGET System is open for the settlement of payments in euro;

"**Margin**" means in respect of (a) the Reset Period ending on (but excluding) 16 July 2034, 2.349 per cent.; (b) each Reset Period which falls in the period commencing on (and including) 16 July 2034 and ending on (but excluding) 16 July 2049, 2.599 per cent.; and (c) each Reset Period which falls on or after 16 July 2049, 3.349 per cent.;

"**Mid Swap Rate**" means for any Reset Period the arithmetic mean of the bid and offered rates for the fixed leg of a fixed-for-floating interest rate swap transaction in the Specified Currency with a term equal to the relevant Reset Period and commencing on the relevant Reset Date and payable with a frequency equivalent to the frequency with which scheduled interest payments are payable on the Notes during the relevant Reset Period (or, if such rate with such frequency of payments is not displayed on the Mid Swap Reference Rate Screen Page at the Subsequent Reset Reference Rate Time, the rate with the next closest frequency of payments converted in accordance with market convention to a rate with the frequency with which scheduled interest payments are payable on the Notes), calculated in each case on the day count basis customary for fixed rate payments in the Specified Currency;

"**Mid Swap Reference Rate Screen Page**" means Reuters screen ICESWAP2/EURSFIXA or such other page as may replace it, or on such other equivalent information service as determined by the Issuer (acting in a commercially reasonable manner and by reference to such sources as it deems appropriate, which may include consultation with an Independent Adviser as defined in Condition 3.3), for the purpose of displaying the Mid Swap Rate;

"**Reset Date**" means the First Reset Date and each date falling on the fifth anniversary thereafter;

"**Reset Determination Date**" means, for each Reset Period, the date falling two Business Days prior to the commencement of such Reset Period;

"**Reset Period**" means the period from (and including) one Reset Date to (but excluding) the next following Reset Date;

"**Subsequent Reset Rate**" for any Reset Period means the sum of (i) the applicable Subsequent Reset Reference Rate and (ii) the applicable Margin (rounded down to four decimal places, with 0.00005 being rounded down);

"**Subsequent Reset Reference Rate**" means the Mid Swap Rate which appears on the Mid Swap Reference Rate Screen Page at or around the Subsequent Reset Reference Rate Time on the relevant Reset Determination Date for the relevant Reset Period, expressed as a percentage;

"**Subsequent Reset Reference Rate Time**" means 11:00 a.m. Frankfurt time; and

"**TARGET System**" means the real time gross settlement system operated by the Eurosystem (known as TARGET or T2), or any successor or replacement for that system.

(e) Mid Swap Reference Rate Screen Page Unavailable or Mid Swap Rate does not Appear

If the Mid Swap Reference Rate Screen Page is unavailable or the Mid Swap Rate does not appear on the Mid Swap Reference Rate Screen Page, in each case at or around the Subsequent Reset Reference Rate Time on the relevant Reset Determination Date, the Issuer or the Agent Bank shall request each of the Reference Banks (as defined below) to provide the Issuer or the Agent Bank with its offered quotation (expressed as a percentage rate per annum) for the Mid Swap Rate at approximately the Subsequent Reset Reference Rate Time on the Reset Determination Date in question in an amount that is representative for a single transaction in the relevant market at the relevant time with an acknowledged dealer of good credit in the swap market, where the floating leg (calculated on the day count basis customary for floating rate payments in the Specified Currency) is equivalent to 6-month EURIBOR (calculated on an Actual/360 day count basis).

If two or more of the Reference Banks provide the Issuer or the Agent Bank with offered quotations, the Subsequent Reset Reference Rate for the relevant Reset Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations plus the applicable Margin (if any), all as determined, and notified in writing to the Agents, the Guarantor and the Trustee, by the Issuer or the Agent Bank. If only one quotation is provided, the Subsequent Reset Reference Rate will be the quotation provided.

If none of the Reference Banks provides the Issuer or the Agent Bank with an offered quotation as provided in the foregoing provisions of this paragraph, the Subsequent Reset Rate shall be determined as (a) (i) the Subsequent Reset Rate as at the last preceding Reset Determination Date less the Margin applicable as from the last preceding Reset Date plus (ii) the Margin applicable as from the current Reset Determination Date, or (b) in the case of the first Reset Determination Date, the Subsequent Reset Rate shall be determined on the basis of the Subsequent Reset Reference Rate being equal to 2.664 per cent. (the "**Initial Reset Reference Rate**").

In this Condition 3.1(e), "**Reference Banks**" means five leading swap dealers in the interbank market for swap transactions in the Specified Currency with an equivalent maturity to the Reset Period as selected by the Issuer in consultation with a leading independent investment, merchant or commercial bank.

(f) Publication of Subsequent Reset Rates

The Issuer shall cause notice of each Subsequent Reset Rate determined in accordance with this Condition 3.1 in respect of each relevant Reset Period to be given to the Trustee, the Guarantor, the Paying Agents, any stock exchange on which the Notes are for the time being listed or admitted to trading and, in accordance with Condition 15, the Noteholders, in each case as soon as practicable after its determination but in any event not later than the fourth Business Day thereafter.

(g) Agent Bank and Reference Banks

With effect from the Reset Determination Date relating to the First Reset Date, the Issuer will maintain an Agent Bank if not the Principal Paying Agent and five Reference Banks where the Rate of Interest is to be calculated by reference to them.

The Issuer may from time to time replace the Agent Bank with another leading financial institution in London or Luxembourg. If the Agent Bank is unable or unwilling to continue to act as the Agent Bank or fails duly to determine a Subsequent Reset Rate in respect of any Fixed Interest Period as provided in Condition 3.1(e), the Issuer shall forthwith appoint another leading financial institution in London or Luxembourg to act as such in its place. The Agent Bank may not resign its duties or be removed without a successor having been appointed as aforesaid.

(h) Determinations Binding

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 3.1 by the Agent Bank or the Reference Banks, as the case may be, shall (in the absence of manifest error) be binding on the Issuer, the Guarantor, the Agent Bank, the Trustee, the other Paying Agents and all Noteholders and Couponholders and (in the absence of fraud or wilful default) no liability to the Noteholders, the Couponholders, the Trustee, the Guarantor or the Issuer shall attach to the Agent Bank in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

3.2 Step Up after Change of Control Event

Notwithstanding any other provision of this Condition 3, if a Change of Control Event occurs and the Issuer does not elect to redeem the Notes in accordance with Condition 6.8, the then prevailing Rate of Interest, and each subsequent Rate of Interest otherwise determined in accordance with the provisions of this Condition 3, in respect of the Notes shall be increased by the Step Up Margin (as defined below) with effect from (and including) the Change of Control Effective Date. The Issuer shall promptly notify the Principal Paying Agent, the Guarantor, the Trustee and, in accordance with Condition 15, the Noteholders of such change to the Rate of Interest.

In these Conditions, "**Step Up Margin**" means 500 basis points.

3.3 Benchmark Discontinuation

Notwithstanding the provisions in Conditions 3.1 above, if the Issuer, acting in a commercially reasonable manner, determines that a Benchmark Event has occurred in relation to an Original Reference Rate when any Rate of Interest (or any component part thereof) remains to be determined by reference to that Original Reference Rate, then the following provisions of this Condition 3.3 shall apply.

(a) Successor Rate or Alternative Rate

If there is a Successor Rate, then the Issuer shall promptly notify the Principal Paying Agent, the Trustee, the Guarantor and, in accordance with Condition 15, the Noteholders of such Successor Rate and that Successor Rate shall (subject to adjustment as provided in Condition 3.3(b) subsequently be used by the Principal Paying Agent in place of the Original Reference Rate to determine the relevant Rate(s) of Interest (or the relevant component part(s) thereof) for all relevant future payments of interest on the Notes (subject to the further operation of this Condition 3.3).

If there is no Successor Rate but the Issuer, acting in a commercially reasonable manner and by reference to such sources as it deems appropriate, which may include consultation with an Independent Adviser, determines that there is an Alternative Rate, then the Issuer shall promptly notify the Principal Paying Agent, the Trustee, the Guarantor and, in accordance with Condition 15, the Noteholders of such Alternative Rate and that Alternative Rate shall (subject to adjustment as provided in Condition 3.3(b)) subsequently be used in place of the Original Reference Rate to determine the relevant Rate(s) of Interest (or the relevant component part(s)

thereof) for all relevant future payments of interest on the Notes (subject to the further operation of this Condition 3.3).

(b) Adjustment Spread

If, in the case of a Successor Rate, an Adjustment Spread is formally recommended, or formally provided as an option for parties to adopt, in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body, then the Issuer shall promptly notify the Principal Paying Agent, the Trustee, the Guarantor and, in accordance with Condition 15, the Noteholders of such Adjustment Spread and the Principal Paying Agent shall apply such Adjustment Spread to the Successor Rate for each subsequent determination of a relevant Rate of Interest (or a component part thereof) by reference to such Successor Rate.

If, in the case of a Successor Rate where no such Adjustment Spread is formally recommended or provided as an option by any Relevant Nominating Body, or in the case of an Alternative Rate, the Issuer, acting in a commercially reasonable manner and by reference to such sources as it deems appropriate, which may include consultation with an Independent Adviser, determines that there is an Adjustment Spread in customary market usage in the international debt capital markets for transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be), then the Issuer shall promptly notify the Principal Paying Agent, the Trustee, the Guarantor and, in accordance with Condition 15, the Noteholders of such Adjustment Spread and the Principal Paying Agent shall apply such Adjustment Spread to the Successor Rate and the Alternative Rate (as the case may be) for each subsequent determination of a relevant Rate of Interest (or a component part thereof) by reference to such Successor Rate or Alternative Rate (as applicable).

If no such recommendation or option has been made (or made available) by any Relevant Nominating Body, or the Issuer so determines that there is no such Adjustment Spread in customary market usage in the international debt capital markets and the Issuer further determines, acting in a commercially reasonable manner and following consultation with an Independent Adviser, that an Adjustment Spread is required to be applied to the Successor Rate or the Alternative Rate (as the case may be), then the Adjustment Spread shall be:

(i) the Adjustment Spread determined by the Issuer, acting in a commercially reasonable manner and following consultation with an Independent Adviser, as being the Adjustment Spread recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be); or

(ii) if there is no such industry standard recognised or acknowledged, such Adjustment Spread as the Issuer, acting in a commercially reasonable manner and following consultation with an Independent Adviser, determines to be appropriate, having regard to the objective, so far as is reasonably practicable in the circumstances, of reducing or eliminating any economic prejudice or benefit (as the case may be) to the Noteholders as a result of the replacement of the Original Reference Rate with the Successor Rate or the Alternative Rate (as the case may be).

Following any such determination of the Adjustment Spread, the Issuer shall promptly notify the Principal Paying Agent, the Trustee, the Guarantor and, in accordance with Condition 15, the Noteholders of such Adjustment Spread and the Principal Paying Agent shall apply such

Adjustment Spread to the Successor Rate or the Alternative Rate (as the case may be) for each subsequent determination of a relevant Rate of Interest (or a component part thereof) by reference to such Successor Rate or Alternative Rate (as applicable).

(c) Benchmark Amendments

If any Successor Rate, Alternative Rate or Adjustment Spread is determined in accordance with this Condition 3.3 and the Issuer, acting in a commercially reasonable manner and by reference to such sources as it deems appropriate, which may include consultation with an Independent Adviser, determines in its discretion (A) that amendments to these Conditions, the Trust Deed and/or the Agency Agreement are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or Adjustment Spread (such amendments, the "**Benchmark Amendments**") and (B) the terms of the Benchmark Amendments, then the Trustee and the Principal Paying Agent shall, at the direction and expense of the Issuer and subject to the Issuer having given notice thereof (including notice of the information referred to in (A) and (B) above) to the Trustee, the Principal Paying Agent and the Noteholders in accordance with Condition 15, without any requirement for the consent or approval of Noteholders, consent to the necessary modifications to these Conditions, the Trust Deed and/or the Agency Agreement as may be required in order to give effect to such Benchmark Amendments with effect from the date specified in such notice (including, *inter alia*, by the execution of a deed supplemental to or amending the Trust Deed and, if required, the Agency Agreement in a form which is acceptable to the Trustee and the Principal Paying Agent) and the Trustee and/or the Principal Paying Agent shall not be liable to any party for any consequences thereof and any Benchmark Amendments and provided such Benchmark Amendments shall not increase the obligations or duties, responsibilities or liabilities, or decrease the rights or protections, of the Principal Paying Agent or the Trustee, as applicable, in these Conditions and/or the Agency Agreement and/or the Trust Deed unless agreed in writing between the Issuer and the Principal Paying Agent or the Trustee, as applicable.

In connection with any such modifications in accordance with this Condition 3.3(c), the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

In no event shall the Trustee, the Principal Paying Agent or Agent Bank be responsible for determining if a Benchmark Event has occurred, or for making any adjustments to any alternative benchmark or spread thereon, the business day convention, interest determination dates or any other relevant methodology for calculating any such substitute or successor benchmark. In connection with the foregoing, the Trustee, the Principal Paying Agent and the Agent Bank will be entitled to conclusively rely on any determinations made by Issuer or its designee and will have no liability for such actions taken at the direction of the Issuer or its designee.

Any Benchmark Amendments determined under this Condition 3.3(c) shall be notified promptly by the Issuer to the Principal Paying Agent, the Trustee, the Guarantor and, in accordance with Condition 15, the Noteholders. Such notice shall be irrevocable and shall specify the effective date of such Benchmark Amendments.

(d) Independent Adviser

In the event the Issuer is to consult with an Independent Adviser in connection with any determination to be made by the Issuer pursuant to this Condition 3.3 or Condition 3.1 above, the Issuer shall use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, for the purposes of any such consultation.

An Independent Adviser appointed pursuant to this Condition 3.3 or Condition 3.1 above shall act in good faith and in a commercially reasonable manner and (in the absence of fraud or wilful default) shall have no liability whatsoever to the Issuer, the Guarantor, the Trustee or the Noteholders for any determination made by it or for any advice given to the Issuer in connection with any determination made by the Issuer pursuant to this Condition 3.3 or Condition 3.1 above or otherwise in connection with the Notes.

If the Issuer consults with an Independent Adviser as to whether there is an Alternative Rate and/or any Adjustment Spread is required to be applied and/or in relation to the quantum of, or any formula or methodology for determining such Adjustment Spread and/or whether any Benchmark Amendments are necessary and/or in relation to the terms of any such Benchmark Amendments, a written determination of that Independent Adviser in respect thereof shall be conclusive and binding on all parties, save in the case of manifest error, and (in the absence of fraud or wilful default) the Issuer shall have no liability whatsoever to the Noteholders in respect of anything done, or omitted to be done, in relation to that matter in accordance with any such written determination.

No Independent Adviser appointed in connection with the Notes (acting in such capacity), shall have any relationship of agency or trust with the Noteholders.

(e) Survival of Original Reference Rate Provisions

Without prejudice to the obligations of the Issuer under this Condition 3.3, the Original Reference Rate and the fallback provisions provided for in Condition 3.1 and the Agency Agreement, as the case may be, will continue to apply unless and until the Issuer has determined the Successor Rate or the Alternative Rate (as the case may be), and any Adjustment Spread and Benchmark Amendments, in accordance with the relevant provisions of this Condition 3.3.

(f) Rating Event

Notwithstanding any other provision of this Condition 3.3, no Successor Rate or Alternative Rate will be adopted, nor any Adjustment Spread applied, nor will any Benchmark Amendments be made, if and to the extent that, in the determination of the Issuer, the same could reasonably be expected to result in a reduction in or loss of equity credit or a shortening of the period of time the Notes are eligible for the same or a higher category of equity credit (or such other nomenclature that a rating agency may then use to describe the degree to which an instrument exhibits the characteristics of an ordinary share) for the Notes by any Rating Agency than the then respective equity credit (or such other nomenclature that a rating agency may then use to describe the degree to which an instrument exhibits the characteristics of an ordinary share) assigned on the Issue Date, or if equity credit is not assigned to the Notes by the relevant Rating Agency on the Issue Date, at the date when the equity credit is assigned by such Rating Agency for the first time.

(g) Definitions

In this Condition 3.3:

"**Adjustment Spread**" means either a spread, or the formula or methodology for calculating a spread and the spread resulting from such calculation, which spread may in either case be positive or negative and is to be applied to the Successor Rate or the Alternative Rate (as the case may be) where the Original Reference Rate is replaced with the Successor Rate or the Alternative Rate (as the case may be);

"**Alternative Rate**" means an alternative benchmark or screen rate which the Issuer determines in accordance with this Condition 3.3 is used in place of the Original Reference Rate in customary market usage in the international debt capital markets for the purposes of determining rates of interest (or the relevant component part thereof) for a commensurate interest period and in the same Specified Currency as the Notes;

"**Benchmark Event**" means:

(i) the Original Reference Rate ceasing to be published for at least five Business Days or ceasing to exist or be administered;

(ii) the later of (A) the making of a public statement by the administrator of the Original Reference Rate that it will, by a specified date, cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate) and (B) the date falling six months prior to such specified date;

(iii) the making of a public statement by the supervisor of the administrator of the Original Reference Rate that the Original Reference Rate has been permanently or indefinitely discontinued, is prohibited from being used or is no longer representative, or that its use is subject to restrictions or adverse consequences or, where such discontinuation, prohibition, loss of representativeness, restrictions or adverse consequences are to apply from a specified date after the making of any public statement to such effect, the later of the date of the making of such public statement and the date falling six months prior to such specified date; or

(iv) it has or will prior to the next Interest Determination Date or Reset Determination Date, as applicable, become unlawful for any Paying Agent or the Issuer to determine any Rate of Interest and/or calculate any Interest Amount using the Original Reference Rate (including, without limitation, under Regulation (EU) No. 2016/1011 or Regulation (EU) No. 2016/1011 as it forms part of United Kingdom domestic law by virtue of the European Union (Withdrawal) Act 2018, if applicable).

"**Independent Adviser**" means an independent financial institution of international repute or other independent adviser of recognised standing with appropriate experience appointed by the Issuer at its own expense;

"**Original Reference Rate**" means the benchmark or screen rate (as applicable) originally specified for the purposes of determining the relevant Rate of Interest (or any component part thereof) in respect of the Notes (provided that if, following one or more Benchmark Events, such originally specified Reference Rate (or any Successor Rate or Alternative Rate which has replaced it) has been replaced by a (or a further) Successor Rate or Alternative Rate and a Benchmark Event subsequently occurs in respect of such Successor Rate or Alternative Rate, the term Original Reference Rate shall include any such Successor Rate or Alternative Rate);

"**Relevant Nominating Body**" means, in respect of a benchmark or screen rate (as applicable):

(i) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or

(ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (A) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, (B) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as

applicable), (C) a group of the aforementioned central banks or other supervisory authorities, or (D) the Financial Stability Board or any part thereof; and

"**Successor Rate**" means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body.

4 OPTIONAL INTEREST DEFERRAL

4.1 Deferral of Payments

The Issuer may, at its sole discretion, elect to defer, in whole but not in part, payment of any amount of interest which is otherwise scheduled to be paid in respect of the Notes on an Interest Payment Date (a "**Deferred Interest Payment**") by giving notice (a "**Deferral Notice**") of such election to the Noteholders in accordance with Condition 15, the Trustee, the Registrar and the Paying Agents not less than 10 Business Days prior to the relevant Interest Payment Date.

Subject to Condition 4.2, if the Issuer elects so to defer payment of any such amount of interest on an Interest Payment Date, then it will not have any obligation to pay any amount in respect of such interest on the relevant Interest Payment Date and any such non-payment of interest will not constitute an Enforcement Event (as defined in Condition 11) or any other breach of its obligations under the Notes or any default or breach of obligation by the Issuer for any other purpose.

Voluntary payment of any amount in respect of the whole or any part of any Deferred Interest Payments ("**Arrears of Interest**") may be made at the option of the Issuer at any time (the "**Optional Deferred Interest Settlement Date**") following delivery of a notice to such effect given by the Issuer to the Noteholders in accordance with Condition 15, the Trustee, the Registrar and the Paying Agents not less than 10 Business Days prior to the relevant Optional Deferred Interest Settlement Date informing them of its election to so pay such Arrears of Interest, as well as specifying the amount of such Arrears of Interest to be so paid and the relevant Optional Deferred Interest Settlement Date.

Any Arrears of Interest shall not accrue or otherwise bear interest and, subject to Condition 4.2, neither the Issuer nor the Guarantor shall be under any obligation to make payment of any Arrears of Interest and the non-payment of any Arrears of Interest will not constitute an Enforcement Event (as defined in Condition 11) or any other breach of the Issuer's obligations under the Notes or the Guarantor's obligations under the Subordinated Guarantee or any default or breach of obligation by the Issuer or the Guarantor for any other purpose, unless in each case such payment is required in accordance with Condition 4.2, which shall be the only circumstances in which any payment of Arrears of Interest shall be required to be made by the Issuer.

4.2 Mandatory Settlement of Arrears of Interest

Notwithstanding the provisions of Condition 4.1 relating to the ability of the Issuer to defer Interest Payments, the Issuer shall pay any outstanding Arrears of Interest, in whole and not in part, on the earliest of the following calendar days (each a "**Mandatory Settlement Date**") following the Interest Payment Date on which a Deferred Interest Payment first arose:

(a) the calendar day falling 10 Business Days after the day on which a dividend, other distribution or other payment was validly resolved for payment on, declared, paid, or made in respect of Junior Obligations of the Issuer (other than any dividend, other distribution or other payment made by the Issuer exclusively to the Guarantor), Junior Obligations of the Guarantor, Parity Obligations of the Issuer or Parity Obligations of the Guarantor (in each case, except where such dividend, other distribution or payment was required in respect of any employee share scheme);

(b) the calendar day falling 10 Business Days after the day on which the Issuer, the Guarantor, any Subsidiary of the Issuer or any Subsidiary of the Guarantor has redeemed, repurchased or otherwise acquired Junior Obligations of the Issuer, Junior Obligations of the Guarantor, Parity Obligations of the Issuer or Parity Obligations of the Guarantor (in each case, except where such redemption or repurchase was required in respect of any employee share scheme);

(c) the calendar day on which the Notes are redeemed;

(d) the next Interest Payment Date on which the Issuer pays interest on the Notes scheduled to be paid on such Interest Payment Date; or

(e) the calendar day after an order is made for the winding-up, dissolution, liquidation or bankruptcy of the Issuer or the Guarantor (other than for the purposes of or pursuant to an amalgamation, reorganisation or restructuring while solvent, where the continuing entity assumes substantially all of the assets and obligations of the Issuer or the Guarantor, as the case may be),

provided that (i) in the case of each of (a) and (b) above, no Mandatory Settlement Date shall occur if the Issuer, the Guarantor, any Subsidiary of the Issuer or any Subsidiary of the Guarantor is obliged under the terms and conditions of such Junior Obligations or Parity Obligations to make such payment, redemption, repurchase or other acquisition; and (ii) in the case of (b) above, no Mandatory Settlement Date shall occur if the Issuer, the Guarantor, any Subsidiary of the Issuer or any Subsidiary of the Guarantor repurchases or otherwise acquires any Parity Obligations in whole or in part in a public tender offer or public exchange offer at a purchase price per Parity Obligation below its par value. The Issuer shall promptly notify the Principal Paying Agent, the Guarantor, the Trustee and, in accordance with Condition 15, the Noteholders of any Mandatory Settlement Date.

5 PAYMENTS

5.1 Method of payment

Subject as provided below, payments will be made in euro by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee.

Payments will be subject in all cases to (i) any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 9 and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the "**Code**") or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 9) any law implementing an intergovernmental approach thereto.

5.2 Presentation of definitive Notes and Coupons

Payments of principal in respect of definitive Notes will (subject as provided below) be made in the manner provided in Condition 5.1 above only against presentation and surrender or in the case of part payment of any sum due, endorsement of definitive Notes, and payments of interest in respect of definitive Notes will (subject as provided below) be made as aforesaid only against presentation and surrender or in the case of part payment of any sum due, endorsement of Coupons, in each case at the specified office of any Paying Agent outside the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia and its possessions)).

Notes in definitive form should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on

exchange of matured Talons) upon the date on which any Note in definitive form becomes due and repayable, unmatured Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof.

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of any Paying Agent in exchange for a further Coupon sheet (to include another Talon for a further Coupon sheet, if appropriate) (but excluding any Coupons that may have become void pursuant to Condition 10).

If the due date for redemption of any definitive Note is not an Interest Payment Date, interest (if any) accrued in respect of such Note from (and including) the preceding Interest Payment Date or, as the case may be, the Interest Commencement Date shall be payable only against surrender of the relevant definitive Note.

5.3 Payments in respect of Global Notes

Payments of principal and interest (if any) in respect of Notes represented by any Global Note will (subject as provided below) be made in the manner specified above in relation to definitive Notes or otherwise in the manner specified in the relevant Global Note, where applicable against presentation or surrender, as the case may be, of such Global Note at the specified office of any Paying Agent outside the United States. A record of each payment made, distinguishing between any payment of principal and any payment of interest, will be made either on such Global Note by the Paying Agent to which it was presented or in the records of Euroclear and Clearstream, Luxembourg, as applicable.

5.4 General provisions applicable to payments

The holder of a Global Note shall be the only person entitled to receive payments in respect of Notes represented by such Global Note and the Issuer will be discharged by payment to, or to the order of, the holder of such Global Note in respect of each amount so paid. Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the beneficial holder of a particular nominal amount of Notes represented by such Global Note must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for their share of each payment so made by the Issuer to, or to the order of, the holder of such Global Note.

5.5 Payment Day

If the date for payment of any amount in respect of any Note or Coupon is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay. For these purposes, "**Payment Day**" means any day which (subject to Condition 10) is:

(a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits), in the case of Notes in definitive form only, in the relevant place of presentation; and

(b) a day on which the TARGET System is open.

5.6 Interpretation of principal and interest

Any reference in the Conditions to principal in respect of the Notes shall be deemed to include, as applicable:

(a) any additional amounts which may be payable with respect to principal under Condition 9 or under any undertaking or covenant given in addition thereto, or in substitution therefor, pursuant to the Trust Deed;

(b) any premium and any other amounts (other than interest) which may be payable by the Issuer under or in respect of the Notes.

Any reference in the Conditions to interest and Arrears of Interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 9 or under any undertaking or covenant given in addition thereto, or in substitution therefor, pursuant to the Trust Deed.

6 REDEMPTION AND PURCHASE

6.1 Redemption

(a) The Notes are perpetual subordinated notes in respect of which there is no fixed redemption date and the Notes may only be redeemed by the Issuer (subject to the provisions of Condition 2) in accordance with the following provisions of this Condition 6.

(b) The Notes are not redeemable at the option of the Noteholders at any time.

6.2 Issuer's Call Option

The Issuer may, having giving not less than 15 nor more than 30 days' notice to the Trustee, the Principal Paying Agent and, in accordance with Condition 15, the Noteholders (which notice shall be irrevocable and shall specify the date fixed for redemption), redeem all, but not some only, of the Notes (a) at any time during the period commencing on (and including) 16 April 2029 and ending on (but excluding) the First Reset Date (the "**Issuer Call Period**") and (b) on the First Reset Date or on any Interest Payment Date thereafter, in each case at their principal amount together with any accrued and unpaid interest to (but excluding) the date of redemption and any remaining Arrears of Interest. Upon the expiry of such notice, the Issuer shall redeem the Notes.

6.3 Redemption upon a Tax Deduction Event

If, immediately prior to the giving of the notice referred to below, a Tax Deduction Event has occurred, then the Issuer may, subject to having given not less than 30 nor more than 60 days' notice to the Trustee, the Principal Paying Agent and, in accordance with Condition 15, the Noteholders (which notice shall be irrevocable and shall specify the date fixed for redemption) and subject to Condition 8, redeem in accordance with these Conditions at any time all, but not some only, of the Notes at:

(a) 101 per cent. of their principal amount, where such redemption occurs prior to; or

(b) their principal amount, where such redemption occurs during or after,

the first day of the Issuer Call Period, in each case, with any accrued and unpaid interest to (but excluding) the date of redemption and any remaining Arrears of Interest. Upon the expiry of such notice, the Issuer shall redeem the Notes.

A "**Tax Deduction Event**" has occurred if an opinion of a recognised law firm or accounting firm of international standing has been delivered to the Issuer and/or the Guarantor, the Trustee and the Principal Paying Agent, stating that by reason of a change in the law or regulation of the Tax Jurisdiction, or any change in the official application or interpretation of such law or regulation, becoming effective on or after the Issue Date, the tax regime of any payments under the Notes is modified and such modification results in payments of interest payable by the Issuer or the Guarantor in respect of the Notes being no longer deductible for corporate income tax purposes in whole or in part, and such risk cannot be avoided by the use of reasonable measures available to the Issuer or the Guarantor.

6.4 Redemption upon an Accounting Event

If, immediately prior to the giving of the notice referred to below, an Accounting Event has occurred, then the Issuer may, subject to having given not less than 30 nor more than 60 days' notice to the Trustee, the Principal Paying Agent and, in accordance with Condition 15, the Noteholders (which notice shall be irrevocable and shall specify the date fixed for redemption) and subject to Condition 8, redeem in accordance with these Conditions at any time all, but not some only, of the Notes at:

(a) 101 per cent. of their principal amount, where such redemption occurs prior to; or

(b) their principal amount, where such redemption occurs during or after,

the first day of the Issuer Call Period, in each case, with any accrued and unpaid interest to (but excluding) the date of redemption and any remaining Arrears of Interest. Upon the expiry of such notice, the Issuer shall redeem the Notes.

An "**Accounting Event**" has occurred if an accountancy firm of international standing, acting upon instructions of the Issuer or the Guarantor, has delivered a letter or report to the Issuer and/or the Guarantor, the Trustee and the Principal Paying Agent, stating that as a result of a change in accounting principles (or the application thereof) since the Issue Date (the "**Change**"), the Notes may not or may no longer be recorded as "equity" in the audited annual or the semi-annual consolidated financial statements of the Guarantor pursuant to IFRS or any other accounting standards that may replace IFRS for the purposes of preparing the annual consolidated financial statements of the Guarantor.

The Issuer may also redeem the Notes in accordance with this Condition 6.4 as a result of the occurrence of an Accounting Event from (and including) the date on which the Change is officially adopted, which may fall before the date on which the Change will come into effect.

For the purposes of these Conditions, "**IFRS**" means the International Financial Reporting Standards.

6.5 Redemption upon a Rating Event

If, immediately prior to the giving of the notice referred to below, a Rating Event has occurred, then the Issuer may, subject to having given not less than 30 nor more than 60 days' notice to the Trustee, the Principal Paying Agent and, in accordance with Condition 15, the Noteholders (which notice shall be irrevocable and shall specify the date fixed for redemption) and subject to Condition 8, redeem in accordance with these Conditions at any time all, but not some only, of the Notes at:

(a) 101 per cent. of their principal amount, where such redemption occurs prior to; or

(b) their principal amount, where such redemption occurs during or after,

the first day of the Issuer Call Period, in each case, with any accrued and unpaid interest to (but excluding) the date of redemption and any remaining Arrears of Interest. Upon the expiry of such notice, the Issuer shall redeem the Notes.

A "**Rating Event**" has occurred if the Issuer and/or the Guarantor has received, and has provided the Trustee and the Principal Paying Agent with a copy of, written confirmation from any Rating Agency from whom the Issuer and/or the Guarantor is assigned Solicited Ratings either directly or via a publication by such Rating Agency, that an amendment, clarification or change has occurred in the equity credit (or such other nomenclature that the Rating Agency may then use to describe the degree to which an instrument exhibits the characteristics of an ordinary share) criteria of such Rating Agency effective after the Issue Date of the Notes (or, if later, effective after the date when the equity credit is assigned to the Notes by such Rating Agency for the first time), which amendment, clarification or change results in:

(i) a lower equity credit for the Notes (or if the Notes have been partially or fully re-financed since the Issue Date and are no longer eligible for equity credit in part or in full as a result, such amendment, clarification or change would have resulted in a lower equity credit for the Notes had they not been re-financed) than the then respective equity credit assigned on the Issue Date, or if equity credit is not assigned to the Notes by the relevant Rating Agency on the Issue Date, at the date when equity credit is assigned by such Rating Agency for the first time; or

(ii) the period of time the Notes are eligible for the same or a higher category of equity credit (or such other nomenclature that the Rating Agency may then use to describe the degree to which an instrument exhibits the characteristics of an ordinary share) attributed to the Notes at the Issue Date (or the date when the equity credit is assigned for the first time by such Rating Agency, as the case may be) being shortened.

"**Rating Agency**" means any of the following rating agencies: S&P Global Ratings Europe Limited ("**S&P**"), Moody's Investors Service Ltd ("**Moody's**") or Fitch Ratings Ltd. ("**Fitch**") or any of their respective successors or any other rating agency of equivalent international standing specified from time to time by the Guarantor.

"**Solicited Ratings**" means a rating assigned by a Rating Agency with whom the Issuer and/or the Guarantor has a contractual relationship under which the Notes are assigned a rating.

6.6 Redemption upon a Gross-up Event

If, immediately prior to the giving of the notice referred to below, a Gross-up Event has occurred, then the Issuer may, subject to having given not less than 30 nor more than 60 days' notice to the Trustee, the Principal Paying Agent and, in accordance with Condition 15, the Noteholders (which notice shall be irrevocable and shall specify the date fixed for redemption) and subject to Condition 8, redeem in accordance with these Conditions at any time all, but not some only, of the Notes at their principal amount, together with any accrued and unpaid interest to (but excluding) the date of redemption and any remaining Arrears of Interest. Upon the expiry of such notice, the Issuer shall redeem the Notes.

A "**Gross-up Event**" has occurred if (i) an opinion of a recognised law firm or accounting firm of international standing has been delivered to the Issuer and/or the Guarantor, the Trustee and the Principal Paying Agent, stating that, by reason of any change in the law or regulation of the Tax Jurisdiction, or the official application or interpretation of such law or regulation in respect of the Issuer or the Guarantor, as the case may be, affecting taxation or the obligation to pay duties of any kind, becoming effective on or after the Issue Date, (A) the Issuer is required to pay additional amounts on the next succeeding Interest Payment Date, or (B) the Guarantor would (if a demand was made under the Subordinated Guarantee) be required to pay any additional amounts on any payment under the Subordinated Guarantee on the next succeeding Interest Payment Date, and (ii) this obligation cannot be avoided by the use of reasonable measures available to the Issuer or the Guarantor (as the case may be). However, no such notice of early redemption due to the occurrence of a Gross-up Event may be given (i) earlier than 90 days prior to the earliest date on which the Issuer or the Guarantor (as the case may be) would be obligated to pay such additional amounts if a payment in respect of the Notes or the Subordinated Guarantee (as the case may be) was then due, or (ii) if at the time such notice is given, such obligation to pay such additional amounts does not remain in effect.

6.7 Redemption upon a Repurchase Event

If, immediately prior to the giving of the notice referred to below, a Repurchase Event has occurred, then the Issuer may, subject to having given not less than 30 nor more than 60 days' notice to the

Trustee, the Principal Paying Agent and, in accordance with Condition 15, the Noteholders (which notice shall be irrevocable and shall specify the date fixed for redemption) and subject to Condition 8, redeem in accordance with these Conditions at any time all, but not some only, of the Notes at their principal amount, together with any accrued and unpaid interest to (but excluding) the date of redemption and any remaining Arrears of Interest. Upon the expiry of such notice, the Issuer shall redeem the Notes.

A "**Repurchase Event**" has occurred if 75 per cent. or more of the originally issued aggregate principal amount of the Notes (including any further issues pursuant to Condition 18) have been redeemed or purchased and cancelled by the Issuer, the Guarantor, any direct or indirect Subsidiary of the Issuer or any direct or indirect Subsidiary of the Guarantor pursuant to the provisions of this Condition 6.

6.8 Redemption for Change of Control Event

If a Change of Control Event has occurred, the Issuer will fix the Change of Control Effective Date and give notice of the Change of Control Event and the Change of Control Effective Date within 7 calendar days following the Change of Control Event (the "**Change of Control Notice**"). The Issuer may, subject to having given not less than 45 days' notice to the Trustee, the Principal Paying Agent after publication of the Change of Control Notice and, in accordance with Condition 15, the Noteholders (which notice shall be irrevocable and shall specify the Change of Control Effective Date), redeem in accordance with these Conditions on the Change of Control Effective Date all, but not some only, of the Notes at their principal amount, together with any accrued and unpaid interest to (but excluding) the date of redemption and any remaining Arrears of Interest. Upon the expiry of such notice, the Issuer shall redeem the Notes.

A "**Change of Control Event**" occurs when a person or persons (in each case, other than Edolaxia Group Limited), acting together, acquire Control of the Guarantor (a "**Change of Control**"), and immediately prior to the commencement of the Change of Control Period, the Guarantor carries (with the agreement of the Guarantor) from any Rating Agency: (x) an investment grade credit rating (Baa3 by Moody's, BBB- by S&P, BBB- by Fitch, or equivalent, or better), and such rating from any Rating Agency is within the Change of Control Period either downgraded to a non-investment grade credit rating (Ba1 by Moody's, BB+ by S&P, BB+ by Fitch or equivalent, or worse) or withdrawn and is not within such Change of Control Period subsequently (in the case of a downgrade) upgraded to an investment grade credit rating by such Rating Agency or (in the case of withdrawal) replaced by an investment grade credit rating from any other Rating Agency; or (y) a non-investment grade credit rating (Ba1 by Moody's, BB+ by S&P, BB+ by Fitch or equivalent, or worse), and such rating from any Rating Agency is within such Change of Control Period downgraded by one or more notches (for illustration, Ba1 to Ba2 being one notch) and is not within such Change of Control Period subsequently upgraded to its earlier credit rating or better by such Rating Agency, provided that if, immediately prior to the commencement of the Change of Control Period, the Guarantor carries (with the agreement of the Guarantor) a rating from more than one Rating Agency, at least one of which is investment grade, then subparagraph (x) will apply; and in making the relevant decision(s) referred to above, the relevant Rating Agency announces publicly or confirms in writing to the Guarantor that such decision(s) resulted, in whole or in part, from the occurrence of the Change of Control. If the rating designations employed by any Rating Agency are changed from those which are described in this Condition, the Guarantor shall determine the rating designations of the Rating Agency (as appropriate) as are most equivalent to the prior rating designations of the Rating Agency and this Condition shall be read accordingly.

"**Control**" means (i) the acquisition or control of more than 50 per cent. of the Voting Rights of the Guarantor; or (ii) the right to appoint and/or remove all or the majority of the members of the Guarantor's board of directors or other governing body, in each case, whether obtained directly or

indirectly, and whether obtained by the ownership of Share Capital, by the possession of Voting Rights, by contract, trust or otherwise.

"**Change of Control Effective Date**" means the date fixed by the Issuer in the Change of Control Notice, which:

(i) must be a Business Day;

(ii) must fall not less than 45 days and not more than 60 days after publication of the Change of Control Notice; and

(iii) must, if at the relevant time any Qualifying Debt Securities are outstanding, be at least one day after the date on which a put notice of the holders of the Qualifying Debt Securities due to the Change of Control (or a similar concept) becomes effective.

"**Change of Control Period**" means the period (i) commencing on the date of the first public announcement of the relevant Change of Control, and (ii) ending on the date which is 120 days after the date on which the relevant Change of Control occurs.

"**Qualifying Debt Securities**" means any current or future indebtedness that:

(i) is in the form of, or represented by, a certificate of indebtedness or notes or other securities which are or are capable of being quoted, listed, dealt in or traded on a stock exchange or other recognised securities market, including *Schuldschein* (whether or not initially distributed by way of private placement);

(ii) is either issued directly by the Guarantor or indirectly by any other entity and benefits from a guarantee of the Guarantor;

(iii) is not subordinated; and

(iv) benefits from a rating from a Rating Agency with whom the Guarantor has a contractual relationship.

6.9 Purchases

The Issuer, the Guarantor, any Subsidiary of the Issuer or any Subsidiary of the Guarantor may at any time purchase Notes (provided that, in the case of definitive Notes, all unmatured Coupons and Talons appertaining thereto are purchased therewith) at any price in the open market or otherwise. Such Notes may be held, reissued, resold or, at the option of the Issuer, surrendered to any Paying Agent for cancellation.

6.10 Cancellation

All Notes which are redeemed or substituted by the Issuer will forthwith be cancelled (together with all unmatured Coupons and Talons attached thereto or surrendered therewith at the time of redemption). All Notes so cancelled and any Notes purchased and cancelled pursuant to Condition 6.9 above (together with all unmatured Coupons and Talons cancelled therewith) shall be forwarded to the Principal Paying Agent and cannot be reissued or resold.

7 SUBSTITUTION OR VARIATION

If a Tax Deduction Event, an Accounting Event, a Rating Event or a Gross-up Event (each a "**Substitution or Variation Event**") has occurred, then the Issuer may, subject to Condition 8 (without any requirement for the consent or approval of the Noteholders or Couponholders) and subject to its having satisfied the Trustee immediately prior to the giving of any notice referred to herein that the provisions of this Condition 7 have been complied with, and having given not less than 30 nor more than 60 days' notice to the Guarantor, the

Trustee, the Principal Paying Agent and, in accordance with Condition 15, the Noteholders (which notice shall be irrevocable), at any time either:

(a) substitute all, but not some only, of the Notes for Qualifying Subordinated Notes; or

(b) vary the terms of the Notes with the effect that they remain or become (as the case may be), Qualifying Subordinated Notes,

and the Trustee shall (subject to the following provisions of this Condition 7 and subject to the receipt by it of the certificate of two members of the board of directors of the Issuer referred to in Condition 8) agree to such substitution or variation.

Upon expiry of such notice, the Issuer shall either vary the terms of or, as the case may be, substitute the Notes in accordance with this Condition 7.

The Trustee shall, at the expense of the Issuer, consent to the substitution of the Notes for, or the variation of the terms of the Notes so that they remain, or as appropriate, become, Qualifying Subordinated Notes, provided that the Trustee shall not be obliged to participate in, or assist with, any such substitution or variation if the terms of the proposed Qualifying Subordinated Notes or the participation in or assistance with such substitution or variation would impose, in the Trustee's opinion, more onerous obligations, duties or liabilities upon it or expose it to liabilities or reduce its protections. If the Issuer is unable to effect a substitution, then the Issuer may redeem the Notes as provided in Condition 6.

In connection with any substitution or variation in accordance with this Condition 7, the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

Any such substitution or variation in accordance with the foregoing provisions following a Substitution or Variation Event shall only be permitted if it does not give rise to any other Substitution or Variation Event with respect to the Qualifying Subordinated Notes.

Any such substitution or variation in accordance with the foregoing provisions following a Substitution or Variation Event shall only be permitted if it does not result in the Qualifying Subordinated Notes no longer being eligible for the same, or a higher amount of, "equity credit" (or such other nomenclature that the Rating Agency may then use to describe the degree to which an instrument exhibits the characteristics of an ordinary share) as is attributed to the Notes on the date notice is given to Noteholders of the substitution or variation.

In these Conditions:

"**Qualifying Subordinated Notes**" means subordinated notes that:

(a) are issued by the Issuer, the Guarantor or any wholly-owned direct or indirect finance subsidiary of the Guarantor (a "**Qualifying Subordinated Note Issuer**") with a guarantee of such obligations by the Guarantor;

(b) if issued by the Issuer, rank *pari passu* in a winding-up or liquidation of the Issuer with any Parity Obligations of the Issuer;

(c) if issued by the Guarantor, rank *pari passu* in a winding-up or liquidation of the Guarantor with any Parity Obligations of the Guarantor;

(d) if issued by a wholly-owned direct or indirect finance subsidiary of the Guarantor, rank *pari passu* in a winding-up or liquidation of the Qualifying Subordinated Note Issuer with any present or future obligation which (i) is issued by the Qualifying Subordinated Note Issuer and the obligations under which rank or are expressed to rank *pari passu* with the Qualifying Subordinated Note Issuer's obligations under such subordinated notes, or (ii) benefits from a guarantee or support agreement that ranks or is expressed to rank *pari passu* with the Qualifying Subordinated Note Issuer's obligations under such subordinated notes;

(e) save in the case of a direct issue by the Guarantor, benefit from a guarantee that ranks in relation to the obligations of the Guarantor under such guarantee, equally with the Subordinated Guarantee and *pari passu* in a winding-up or liquidation of the Guarantor with any Parity Obligations of the Guarantor;

(f) contain terms not materially less favourable to Noteholders than the terms of the Notes (as reasonably determined by (i) the Issuer or Qualifying Subordinated Note Issuer and (ii) the Guarantor, in each case acting in good faith) and which:

(i) provide for the same Rate of Interest from time to time as applied to the Notes immediately prior to such substitution or variation and preserve the same Interest Payment Dates;

(ii) preserve the obligations (including the obligations arising from the exercise of any right) of the Issuer and the Guarantor as to principal and as to redemption of the Notes, including (without limitation) as to timing of, and amounts payable upon, such redemption;

(iii) preserve any existing rights under these Conditions to any accrued interest, any Deferred Interest Payments, any Arrears of Interest and any other amounts payable under the Notes which, in each case, has accrued to Noteholders and not been paid;

(iv) do not provide for the mandatory deferral or cancellation of payments of interest and/or principal;

(v) do not provide for loss absorption through principal write down or conversion to ordinary shares; and

(vi) may include a feature which contains a term for the mandatory repayment of such subordinated notes on a specified date which shall not be earlier than the next following date on which the Notes may otherwise be redeemed under Condition 6.2 (and the inclusion of such feature shall be deemed not to be materially less favourable to Noteholders as compared with the terms of the Notes);

(g) are (i) listed on the official list of Luxembourg Stock Exchange and admitted to trading on its Euro MTF market or (ii) listed on such other internationally recognised exchange platform in an OECD country as is selected by the Issuer or Qualifying Subordinated Note Issuer and the Guarantor and approved by the Trustee; and

(h) will, immediately after such substitution or variation, be assigned at least the same credit rating(s) by the same Rating Agencies as may have been assigned to the Notes by way of Solicited Ratings immediately prior to such substitution or variation.

8 PRECONDITIONS TO TAX DEDUCTION EVENT, ACCOUNTING EVENT, RATING EVENT, GROSS-UP EVENT, REPURCHASE EVENT, SUBSTITUTION AND VARIATION

Prior to the publication of any notice of redemption pursuant to Conditions 6.3, 6.4, 6.5, 6.6 or 6.7 or any notice of substitution or variation pursuant to Condition 7, the Issuer shall deliver to the Trustee:

(a) a certificate signed by two members of the board of directors of the Guarantor stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred. In relation to a substitution or variation pursuant to Condition 7, such certificate shall also include further certifications that the criteria specified in paragraphs (a) to (e) of the definition of Qualifying Subordinated Notes will be satisfied by the Qualifying Subordinated Notes upon issue and that such determinations were reached by the Issuer and the Guarantor in consultation with an independent investment bank of international repute,

an independent financial adviser with appropriate expertise or independent counsel of recognised standing;

(b) in the case of a substitution or variation pursuant to Condition 7 only, an opinion from independent legal advisers of recognised standing confirming:

(i) that the Guarantor has capacity to assume all rights and obligations under the Qualifying Subordinated Notes and has obtained all necessary corporate or governmental authorisation to assume all such rights and obligations (either as primary debtor or as a guarantor of a wholly-owned direct or indirect finance subsidiary of the Issuer that assumes the role of primary debtor in respect of the Qualifying Subordinated Notes) and, in the case of the Issuer or a wholly-owned direct or indirect finance subsidiary of the Guarantor that assumes the role of primary debtor in respect of the Qualifying Subordinated Notes, that the Issuer or such finance subsidiary (as the case may be) has capacity to assume all rights and obligations under the Qualifying Subordinated Notes and has obtained all necessary corporate or governmental authorisation to assume all such rights and obligations; and

(ii) the legality, validity and enforceability of the Qualifying Subordinated Notes,

and the Trustee may rely absolutely upon and shall be entitled to accept such certificate and any such opinions without any liability to any person for so doing and without any further inquiry as sufficient evidence of the satisfaction of the conditions precedent set out in such paragraphs in which event it shall be conclusive and binding on the Noteholders.

The Trustee is under no obligation to ascertain whether any Tax Deduction Event, Accounting Event, Rating Event, Gross-up Event, Repurchase Event, Change of Control Event or Change of Control or any event which could lead to the occurrence of, or could constitute, any such Tax Deduction Event, Accounting Event, Rating Event, Gross-up Event, Repurchase Event, Change of Control Event or Change of Control, has occurred and, until it shall have actual knowledge or express notice pursuant to the Trust Deed to the contrary, the Trustee may assume that no such Tax Deduction Event, Accounting Event, Rating Event, Gross-up Event, Repurchase Event, Change of Control Event or Change of Control or such other event has occurred.

9 TAXATION

All payments of principal and interest in respect of the Notes and Coupons or under the Subordinated Guarantee by or on behalf of the Issuer or the Guarantor will be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied by or on behalf of any Tax Jurisdiction unless such withholding or deduction is required by law. In such event, the Issuer or the Guarantor, as the case may be, will pay such additional amounts as shall be necessary in order that the net amounts received by the holders of the Notes or Coupons after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Notes or Coupons or under the Subordinated Guarantee, as the case may be, in the absence of such withholding or deduction; except that no such additional amounts shall be payable with respect to any Note or Coupon:

(a) presented for payment in Luxembourg; or

(b) the holder of which is liable for such taxes or duties in respect of such Note or Coupon by reason of the holder having some connection with a Tax Jurisdiction other than the mere holding of such Note or Coupon; or

(c) presented for payment more than 30 days after the Relevant Date (as defined below) except to the extent that the holder thereof would have been entitled to an additional amount on presenting the

same for payment on such thirtieth day assuming that day to have been a Payment Day (as defined in Condition 5.5).

As used herein:

(i) "**Tax Jurisdiction**" means Luxembourg or any political subdivision or any authority thereof or therein having power to tax; and

(ii) the "**Relevant Date**" means the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Trustee or the Principal Paying Agent, as the case may be, on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 15.

10 PRESCRIPTION

The Notes and Coupons will become void unless claims in respect of principal and/or interest are made within a period of 10 years (in the case of principal) and five years (in the case of interest) after the Relevant Date (as defined in Condition 9) therefor.

There shall not be included in any Coupon sheet issued on exchange of a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition 10 or Condition 5.2 or any Talon which would be void pursuant to Condition 5.2.

11 ENFORCEMENT

11.1 Proceedings

If a default is made by the Issuer in the payment of any principal or any interest (including any Arrears of Interest) when due in respect of the Notes or any of them and the default continues for a period of 30 days (an "**Enforcement Event**"), then the Issuer shall without notice from the Trustee be deemed to be in default under the Trust Deed, the Notes and the Coupons and the Trustee at its sole discretion may, and if so requested in writing by the Noteholders of at least 51 per cent. in principal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution shall (subject to Condition 11.3), institute proceedings for the winding-up of the Issuer.

Subject to the next paragraph, in the event of a winding-up of the Issuer or the Guarantor (whether instituted by the Trustee as aforesaid or otherwise), any Notes will become immediately due and payable at their principal amount together with all accrued and unpaid interest in respect thereof, and the Trustee may, and if so requested in writing by the holders of at least 51 per cent. in principal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution shall (subject to Condition 11.3), prove and/or claim in such winding-up in respect of the Notes, such claim being for such amount, and being subordinated in such manner, as is provided under Condition 2.1.

"**winding-up**" includes, without limitation, any procedure or proceeding in relation to an entity becoming bankrupt (*faillite*), insolvency, voluntary or judicial liquidation, moratorium or reprieve from payment (*sursis de paiement*), reorganisation or any other similar proceedings affecting the rights of creditors generally, and shall be construed so as to include any equivalent or analogous liquidation or reorganisation proceedings.

11.2 Enforcement

The Trustee may at its discretion (subject to Condition 11.3) and without further notice institute such proceedings or take such steps or actions against the Issuer and/or the Guarantor as it may think fit to enforce any term or condition binding on the Issuer and/or the Guarantor (as the case may be) under the Trust Deed, the Notes, the Coupons or the Subordinated Guarantee but in no event shall the Issuer

or the Guarantor, by virtue of the institution of any such proceedings, steps or actions, be obliged to pay any sum or sums sooner than the same would otherwise have been payable by it.

11.3 Entitlement of the Trustee

The Trustee shall not be bound to take any of the actions referred to in Condition 11.1 or 11.2 above to enforce the terms of the Trust Deed, the Notes, the Subordinated Guarantee or any other action or step under or pursuant to the Trust Deed, the Notes or the Subordinated Guarantee unless (i) it shall have been so requested by an Extraordinary Resolution of the Noteholders or in writing by the holders of at least 51 per cent. in principal amount of the Notes then outstanding and (ii) it shall have been indemnified and/or secured and/or prefunded to its satisfaction.

11.4 Right of Noteholders

No Noteholder or Couponholder shall be entitled to proceed directly against the Issuer or the Guarantor or to institute proceedings for the winding-up or claim in the liquidation of the Issuer or the Guarantor to prove in such winding-up unless the Trustee, having become so bound to proceed, institute, prove or claim, (i) fails to do so within a reasonable time or (ii) is unable for any reason so to do, and such failure or inability shall be continuing, in which case each Noteholder shall have only such rights in respect of its Notes against the Issuer and the Guarantor as those which the Trustee is entitled to exercise in respect of such Notes as set out in this Condition 11.

11.5 Extent of Noteholders' remedy

No remedy against the Issuer or the Guarantor, other than as referred to in this Condition 11 shall be available to the Trustee, the Noteholders or the Couponholders, whether for the recovery of amounts owing in respect of the Notes, the Coupons or under the Trust Deed or the Subordinated Guarantee or in respect of any other breach by the Issuer or the Guarantor of any of its other obligations under or in respect of the Notes, the Coupons or under the Trust Deed or the Subordinated Guarantee.

Nothing in these Conditions shall affect or prejudice the payment of the costs, charges, expenses, liabilities or remuneration of the Trustee or Agents or the rights and remedies of the Trustee or the Agents in respect thereof.

12 REPLACEMENT OF NOTES, COUPONS AND TALONS

Should any Note, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Principal Paying Agent upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Notes, Coupons or Talons must be surrendered before replacements will be issued.

13 AGENTS

The initial Agents are set out above.

The Issuer is entitled, with the prior written approval of the Trustee, to vary or terminate the appointment of any Agent and/or appoint additional or other Agents and/or approve any change in the specified office through which any Agent acts, provided that:

(a) there will at all times be a Principal Paying Agent;

(b) so long as the Notes are listed on any stock exchange or admitted to listing by any other relevant authority, there will at all times be a Paying Agent with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange or other relevant authority;

(c) there will at all times be a Paying Agent in a jurisdiction within Europe, other than the jurisdiction in which the Issuer is incorporated; and

(d) whenever a function expressed in these Conditions to be performed by the Agent Bank or by the Reference Banks fails to be performed, the Issuer will appoint and (for so long as such function is required to be performed) there will at all times be an Agent Bank and/or, as appropriate, Reference Banks.

Notice of any variation, termination, appointment or change in Paying Agents will be given to the Noteholders promptly by the Issuer in accordance with Condition 15. If either of the Agent Bank or the Principal Paying Agent is unable or unwilling to act as such or if it fails to make a determination or calculation or otherwise fails to perform its duties under these Conditions or the Agency Agreement (as the case may be), the Issuer shall appoint, an independent financial institution to act as such in its place. All calculations and determinations made by the Agent Bank or the Principal Paying Agent in relation to the Notes shall (save in the case of manifest error) be final and binding on the Issuer, the Guarantor, the Trustee, the other Agents and the Noteholders.

In acting under the Agency Agreement, the Agents act solely as agents of the Issuer and, in certain circumstances specified therein, of the Trustee and do not assume any obligation to, or relationship of agency or trust with, any Noteholder or Couponholder. The Agency Agreement contains provisions permitting any entity into which any Agent is merged or converted or with which it is consolidated or to which it transfers all or substantially all of its assets to become the successor agent.

14 EXCHANGE OF TALONS

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of any Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest due in respect of the Note to which it appertains) a further Talon, subject to the provisions of Condition 10.

15 NOTICES

All notices regarding the Notes will be deemed to be validly given if published in a leading English language daily newspaper of general circulation in London. It is expected that any such publication in a newspaper will be made in the *Financial Times* in London. The Issuer shall also ensure that notices are duly published in a manner which complies with the rules of any stock exchange or other relevant authority on which the Notes are for the time being listed or by which they have been admitted to trading. Any such notice will be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the date of the first publication in all required newspapers. If publication as provided above is not practicable, a notice will be given in such other manner, and will be deemed to have been given on such date, as the Trustee shall approve.

Until such time as any definitive Notes are issued, and for so long as any Global Notes representing the Notes are held in their entirety on behalf of Euroclear and/or Clearstream, Luxembourg, in lieu of such publication in such newspaper(s) or such mailing, the delivery of the relevant notice may be arranged through the systems of Euroclear and/or Clearstream, Luxembourg for communication by them to the holders of the Notes and, in addition, for so long as any Notes are listed on a stock exchange or are admitted to trading by another relevant authority and the rules of that stock exchange or relevant authority so require, such notice will be published in a daily newspaper of general circulation in the place or places required by those rules (if any). Any such notice shall be deemed to have been given to the holders of the Notes on the day after the day on which the said notice was given to Euroclear and/or Clearstream, Luxembourg.

Notices to be given by any Noteholder shall be in writing and given by lodging the same, together (in the case of any Note in definitive form) with the relative Note or Notes, with the Principal Paying Agent. Whilst any of the Notes are represented by a Global Note, such notice may be given by any holder of a Note to the Principal Paying Agent through Euroclear and/or Clearstream, Luxembourg, as the case may be, in such manner as the Principal Paying Agent and Euroclear and/or Clearstream, Luxembourg, as the case may be, may approve for this purpose.

16 MEETINGS OF NOTEHOLDERS, MODIFICATION, WAIVER AND SUBSTITUTION

The Trust Deed contains provisions for convening meetings of the Noteholders (including by way of conference call or by use of a videoconference platform) to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the Notes, the Coupons or any of the provisions of the Trust Deed. Such a meeting may be convened by the Issuer, the Guarantor or the Trustee and shall be convened by the Issuer if required in writing by Noteholders holding not less than five per cent. in nominal amount of the Notes for the time being remaining outstanding.

The quorum at any such meeting for passing an Extraordinary Resolution is one or more persons holding or representing not less than 50 per cent. in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons being or representing Noteholders whatever the nominal amount of the Notes so held or represented, except that at any meeting the business of which includes the modification of certain provisions of the Notes or the Coupons or the Trust Deed (including modifying any redemption date of the Notes, reducing or cancelling the nominal amount payable upon redemption, reducing or cancelling the amount payable or modifying any date for payment of interest or the method of calculating the rate thereon (not including a Benchmark Amendment) and altering the currency of payment of the Notes or the Coupons in certain respects), the quorum shall be one or more persons holding or representing not less than two-thirds in nominal amount of the Notes for the time being outstanding, or at any adjourned such meeting one or more persons holding or representing not less than one-quarter in nominal amount of the Notes for the time being outstanding.

The Trust Deed provides that (i) a resolution passed at a meeting duly convened and held in accordance with the Trust Deed by a majority consisting of not less than three-fourths of the votes cast on such resolution, (ii) a resolution in writing signed by or on behalf of the holders of not less than three-fourths in nominal amount of the Notes for the time being outstanding or (iii) consent given by way of electronic consents through the relevant clearing system(s) (in a form satisfactory to the Trustee) by or on behalf of the holders of not less than three-fourths in nominal amount of the Notes for the time being outstanding, shall, in each case, be effective as an Extraordinary Resolution of the Noteholders. An Extraordinary Resolution passed by the Noteholders will be binding on all the Noteholders, whether or not they are present at any meeting, and whether or not they voted on the resolution, and on all Couponholders.

The agreement or approval of the Noteholders shall not be required in the case of any variation of the Notes, the Coupons or the Trust Deed which is required to be made in the circumstances described in Condition 7 in connection with the substitution or variation of the terms of the Notes so that they become Qualifying Subordinated Notes under Condition 7.

The Trustee may agree, without the consent of the Noteholders or Couponholders, to any modification (except as provided in the Trust Deed) of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of the Notes or the Trust Deed where it is not, in the opinion of the Trustee, materially prejudicial to the interests of the Noteholders so to do or may agree, without any such consent as aforesaid, to any modification which is of a formal, minor or technical nature or to correct a manifest error. Any such modification shall be binding on the Noteholders and the Couponholders and any such modification shall be notified to the Noteholders in accordance with Condition 15 as soon as practicable thereafter.

In addition, subject to Condition 3.3, the Trustee shall be obliged to agree to such modifications to the Trust Deed, the Agency Agreement and these Conditions as may be required in order to give effect to Condition 3.3(c) in connection with effecting any Successor Rate, Alternative Rate and/or Adjustment Spread or any related changes referred to in Condition 3.3(c) without the requirement for the consent or sanction of the Noteholders or Couponholders.

In connection with the exercise by it of any of its trusts, powers, authorities and discretions (including, without limitation, any modification, waiver, authorisation or determination), the Trustee shall have regard to the general interests of the Noteholders as a class (but shall not have regard to any interests arising from circumstances particular to individual Noteholders or Couponholders whatever their number) and, in particular but without limitation, shall not have regard to the consequences of any such exercise for individual Noteholders or Couponholders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof and the Trustee shall not be entitled to require, nor shall any Noteholder or Couponholder be entitled to claim, from the Issuer, the Trustee or any other person any indemnification or payment in respect of any tax consequences of any such exercise upon individual Noteholders or Couponholders except, with respect to the Issuer, to the extent already provided for in Condition 9 and/or any undertaking or covenant given in addition to, or in substitution for, Condition 9 pursuant to the Trust Deed.

The Trustee may, without the consent of the Noteholders, agree with the Issuer to the substitution in place of the Issuer (or of any previous substitute under this Condition) as the principal debtor under the Notes, the Coupons and the Trust Deed of another company, being (A) the Guarantor, (B) a Subsidiary of the Issuer, (C) a Subsidiary of the Guarantor, (D) any Successor in Business of the Issuer or (E) any Successor in Business of the Guarantor (each, a "**Substitute Issuer**"), in each case, subject to (i) (except in the case of the Guarantor or a Successor in Business of the Guarantor) the Notes being unconditionally and irrevocably guaranteed by the Guarantor on terms not materially less favourable to Noteholders than the terms of the Subordinated Guarantee (as reasonably determined by (i) the Guarantor and (ii) the Issuer or Substitute Issuer, in each case acting in good faith) and (ii) certain other conditions set out in the Trust Deed being complied with including that none of the early redemption events specified in Conditions 6.3, 6.4, 6.5 or 6.6 occurs as a consequence of the substitution of the Issuer.

The Trustee shall (at the request of the Guarantor) agree with the Guarantor, and without the consent of the Noteholders, to the substitution in place of the Guarantor as the principal debtor under the Subordinated Guarantee of another company, being either a HoldCo or a Successor in Business of the Guarantor, subject to certain conditions set out in the Trust Deed being complied with including that none of the early redemption events specified in Conditions 6.3, 6.4, 6.5 or 6.6 occurs as a consequence of the substitution of the Guarantor. Any such substitution shall be binding on the Noteholders and Couponholders.

As used herein:

"**HoldCo**" means any corporation, partnership, company or other enterprise which directly or indirectly holds in the aggregate more than 50 per cent. of the Share Capital or the Voting Rights in the Guarantor.

"**Successor in Business of the Issuer**" means:

(a) any consolidation, amalgamation or merger of the Issuer with any other corporation (other than a consolidation, amalgamation or merger in which the Issuer is the continuing corporation); or

(b) any sale or transfer of all, or substantially all, of the assets of the Issuer to another entity (whether by operation of law or otherwise).

"**Successor in Business of the Guarantor**" means:

(a) any consolidation, amalgamation or merger of the Guarantor with any other corporation (other than a consolidation, amalgamation or merger in which the Guarantor is the continuing corporation); or

(b) any sale or transfer of all, or substantially all, of the assets of the Guarantor to another entity (whether by operation of law or otherwise).

For the avoidance of doubt, the provisions of articles 470-3 to 470-19 of the Luxembourg law of 10 August 1915 on commercial companies, as amended (the "**Companies Law**") shall not apply.

17 INDEMNIFICATION OF THE TRUSTEE AND TRUSTEE CONTRACTING WITH THE ISSUER

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking action unless indemnified and/or secured and/or pre-funded to its satisfaction.

The Trust Deed also contains provisions pursuant to which the Trustee is entitled, *inter alia*, (a) to enter into business transactions with the Issuer and/or the Guarantor and/or any Subsidiaries of the Issuer and/or any Subsidiaries of the Guarantor and to act as trustee for the holders of any other securities issued or guaranteed by, or relating to, the Issuer and/or the Guarantor and/or any Subsidiaries of the Issuer and/or any Subsidiaries of the Guarantor, (b) to exercise and enforce its rights, comply with its obligations and perform its duties under or in relation to any such transactions or, as the case may be, any such trusteeship without regard to the interests of, or consequences for, the Noteholders or Couponholders and (c) to retain and not be liable to account for any profit made or any other amount or benefit received thereby or in connection therewith.

18 FURTHER ISSUES

The Issuer shall be at liberty from time to time without the consent of the Noteholders or the Couponholders to create and issue further Notes having terms and conditions the same as the Notes or the same in all respects save for the amount and date of the first payment of interest thereon and the date from which interest starts to accrue and so that the same shall be consolidated and form a single series with the outstanding Notes.

19 CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999

No person shall have any right to enforce any term or condition of this Note under the Contracts (Rights of Third Parties) Act 1999, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

20 GOVERNING LAW AND SUBMISSION TO JURISDICTION

20.1 Governing law

The Trust Deed, the Agency Agreement, the Subordinated Guarantee the Notes and the Coupons and any non-contractual obligations arising out of or in connection with the Trust Deed, the Agency Agreement, the Subordinated Guarantee, the Notes and the Coupons are governed by, and construed in accordance with, English law save for the provisions contained in Condition 2 and Clause 3 of the Subordinated Guarantee which shall be governed by Luxembourg law.

For the avoidance of doubt, the provisions of articles 470-3 to 470-19 of the Companies Law shall not apply.

20.2 Submission to jurisdiction

(a) Subject to Condition 20.2(c) below, the English courts have exclusive jurisdiction to settle any dispute arising out of or in connection with the Trust Deed, the Subordinated Guarantee, the

Notes and/or the Coupons, including any dispute as to their existence, validity, interpretation, performance, breach or termination or the consequences of their nullity and any dispute relating to any non-contractual obligations arising out of or in connection with the Trust Deed, the Subordinated Guarantee, the Notes and/or the Coupons (a "**Dispute**") and accordingly each of the Issuer, the Guarantor, the Trustee and any Noteholders or Couponholders in relation to any Dispute submits to the exclusive jurisdiction of the English courts.

(b) For the purposes of this Condition 20.2, the Issuer waives any objection to the English courts on the grounds that they are an inconvenient or inappropriate forum to settle any Dispute.

(c) To the extent allowed by law, the Trustee, the Noteholders and the Couponholders may, in respect of any Dispute or Disputes, take (i) proceedings in any other court with jurisdiction; and (ii) concurrent proceedings in any number of jurisdictions.

20.3 Appointment of Process Agent

The Issuer irrevocably appoints Law Debenture Corporate Services Limited at 8th Floor, 100 Bishopsgate, London EC2N 4AG, United Kingdom as its agent for service of process in any proceedings before the English courts in relation to any Dispute and agrees that, in the event of Law Debenture Corporate Services Limited being unable or unwilling for any reason so to act, it will immediately appoint another person approved by the Trustee as its agent for service of process in England in respect of any Dispute. The Issuer agrees that failure by a process agent to notify it of any process will not invalidate service. Nothing herein shall affect the right to serve process in any other manner permitted by law.

20.4 Other documents

The Issuer has in the Trust Deed and the Agency Agreement submitted to the jurisdiction of the English courts and appointed an agent for service of process in terms substantially similar to those set out above.

The following paragraphs in italics do not form part of the Terms and Conditions of the Notes.

The Issuer intends (without thereby assuming any legal or contractual obligation) that it will only redeem or repurchase the Notes to the extent that the equity credit of the Notes to be redeemed or repurchased does not exceed the equity credit resulting from the sale or issuance prior to the date of such redemption or repurchase by the Issuer of securities to third party purchasers (other than subsidiaries of the Issuer).

The following exceptions apply as to the Issuer's replacement intention. The Notes are not required to be replaced if:

(i) *the long-term corporate credit rating (or such equivalent nomenclature then used by S&P) assigned by S&P to the Issuer is at least equal to the long-term corporate credit rating on the date of the last additional hybrid issuance (excluding refinancing) and the Issuer is comfortable that such rating would not fall below this level as a result of such redemption or repurchase; or*

(ii) *less than (x) 10 per cent. of the aggregate principal amount of hybrid securities outstanding in any period of 12 consecutive months or (y) 25 per cent. of the aggregate principal amount of hybrid securities outstanding in any period of 10 consecutive years is repurchased or redeemed (taken together); or*

(iii) *the Notes are redeemed pursuant to a Rating Event, an Accounting Event, a Tax Deduction Event, or a Gross-Up Event; or*

(iv) *in the case of repurchase or redemption, such repurchase or redemption would cause the Issuer's outstanding hybrid securities which are assigned equity credit by S&P to remain below the maximum aggregate principal amount of hybrid securities which S&P, under its then prevailing methodology, would assign equity credit to based on the Issuer's adjusted total capitalisation; or*

(v) *the Notes are not assigned an "equity credit" (or such similar nomenclature then used by S&P at the time of such redemption or repurchase); or*

(vi) *such redemption or repurchase occurs on or after 16 July 2049.*

FORM OF THE NOTES

The Trust Deed, each Temporary Global Note and each Global Note contain provisions which apply to the Notes while they are in global form, some of which modify the effect of the terms and conditions of the Notes set out in this document. The following is a summary of certain of those provisions:

Each Series of Notes will be in bearer form and will initially be issued in the form of a temporary global note (a "**Temporary Global Note**") which will be delivered on or prior to the Issue Date to a common depositary (the "**Common Depositary**") for Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking S.A. ("**Clearstream, Luxembourg**").

Whilst any Note is represented by a Temporary Global Note, payments of principal, interest (if any) and any other amount payable in respect of the Notes due prior to the Exchange Date (as defined below) will be made (against presentation of the Temporary Global Note) only to the extent that certification (in a form to be provided) to the effect that the beneficial owners of interests in the Temporary Global Note are not U.S. persons or persons who have purchased for resale to any U.S. person, as required by U.S. Treasury regulations, has been received by Euroclear and/or Clearstream, Luxembourg and Euroclear and/or Clearstream, Luxembourg, as applicable, has given a like certification (based on the certifications it has received) to the Principal Paying Agent.

On and after the date (the "**Exchange Date**") which is 40 days after a Temporary Global Note is issued, interests in such Temporary Global Note will be exchangeable (free of charge) upon a request as described therein either for (i) interests in a Permanent Global Note or (ii) for definitive Notes with, where applicable, receipts, interest coupons and talons attached, in each case against certification of beneficial ownership as described above unless such certification has already been given, provided that purchasers in the United States and certain U.S. persons will not be able to receive definitive Notes. The holder of a Temporary Global Note will not be entitled to collect any payment of interest, principal or other amount due on or after the Exchange Date unless, upon due certification, exchange of the Temporary Global Note for an interest in a Permanent Global Note or for definitive Notes is improperly withheld or refused.

Payments of principal, interest (if any) or any other amounts on a Permanent Global Note will be made through Euroclear and/or Clearstream, Luxembourg (against presentation or surrender (as the case may be) of the Permanent Global Note if the Permanent Global Note is not intended to be issued in NGN form) without any requirement for certification.

A Permanent Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Notes with, where applicable, receipts, interest coupons and talons attached upon the occurrence of an Exchange Event. For these purposes, "**Exchange Event**" means that the Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and no successor clearing system satisfactory to the Trustee is available. The Issuer will promptly give notice to Noteholders in accordance with Condition 15 (*Notices*) of the Notes if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Permanent Global Note) or the Trustee may give notice to the Principal Paying Agent requesting exchange. Any such exchange shall occur not later than 45 days after the date of receipt of the first relevant notice by the Principal Paying Agent.

The following legend will appear on all Notes (other than Temporary Global Notes), receipts and interest coupons relating to such Notes:

"ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE."

The sections referred to provide that United States holders, with certain exceptions, will not be entitled to deduct any loss on Notes, receipts or interest coupons and will not be entitled to capital gains treatment in respect of any gain on any sale, disposition, redemption or payment of principal in respect of Notes, receipts or interest coupons.

Notes which are represented by a Global Note will only be transferable in accordance with the rules and procedures for the time being of Euroclear or Clearstream, Luxembourg, as the case may be.

Pursuant to the Agency Agreement (as defined under the Terms and Conditions), the Principal Paying Agent shall arrange that, where a further Tranche of Notes is issued which is intended to form a single Series with an existing Tranche of Notes at a point after the Issue Date of the further Tranche, the Notes of such further Tranche shall be assigned a common code, ISIN, FISN and CFI (as applicable) which are different from the common code, ISIN, FISN and CFI (as applicable) assigned to Notes of any other Tranche of the same Series until such time as the Tranches are consolidated and form a single Series, which shall not be prior to the expiry of the distribution compliance period (as defined in Regulation S under the Securities Act) applicable to the Notes of such Tranche.

No Noteholder or Couponholder shall be entitled to proceed directly against the Issuer unless the Trustee, having become bound so to proceed, (i) fails to do so within a reasonable time, or (ii) is unable for any reason so to do, and the failure or inability shall be continuing.

FORM OF THE SUBORDINATED GUARANTEE

This Deed of Guarantee (this "**Deed**") is made on 16 April 2024 by **AROUNDTOWN SA** , a public limited liability company (*société anonyme*) established under the laws of the Grand Duchy of Luxembourg, having its registered office at 37, Boulevard Joseph II, L-1840 Luxembourg, Grand Duchy of Luxembourg and registered with the Luxembourg trade and companies register (*Registre de Commerce et des Sociétés*) under number B217868 (the "**Guarantor**") in favour of the Holders and the Trustee from time to time.

Whereas:

(A) The Issuer proposes to issue €606,864,000 Undated Subordinated Notes with a First Reset Date in 2030 (the "**NC6 Notes**") and €618,370,000 Undated Subordinated Notes with a First Reset Date in 2029 (the "**NC5.25 Notes**" and, together with the NC6 Notes, the "**Notes**", which expression shall include each Global Note to be delivered in respect of the Notes) which will be unconditionally and irrevocably guaranteed as to payment of principal and interest on a subordinated basis by the Guarantor.

(B) The Notes are constituted by a trust deed (such trust deed as amended or supplemented from time to time, the "**Trust Deed**") dated 16 April 2024 made between the Issuer, the Guarantor and M&G Trustee Company Limited as Trustee (the "**Trustee**", which expression shall include any successor as Trustee).

(C) The Guarantor has agreed to guarantee on a subordinated basis the payment of all sums expressed to be payable from time to time by the Issuer in respect of the Notes to the holder of any Notes or Coupons (the "**Holders**") issued by it and under the Trust Deed to the Trustee (the "**Guarantee**").

This Deed witnesses as follows:

1 Interpretation

1.1 **Defined Terms**: In this Deed, unless otherwise defined herein, capitalised terms shall have the same meaning given to them in the Trust Deed and the Conditions (as defined in the Trust Deed).

1.2 **Headings**: Headings shall be ignored in construing this Deed.

1.3 **Contracts**: References in this Deed to this Deed or any other document are to this Deed or any such other document as amended, supplemented or replaced from time to time and includes any document that amends, supplements or replaces them.

1.4 **Notes**: References to the Notes and/or the Conditions are to the Notes and/or the Conditions (as the case may be) as amended from time to time in accordance with the Conditions and the Trust Deed, and this Deed shall continue in full force and effect, both before and after such amendment, without the need for any amendment hereto or other formality. References to the Notes include (unless the context requires otherwise) any other securities issued by the Issuer and forming a single series with the Notes issued on the date hereof (the "**Further Notes**"), such that this Deed shall apply to the Notes and the Further Notes with effect from the issue date of the Further Notes without the need for any amendment hereto or other formality.

2 Guarantee and Indemnity

2.1 **Guarantee**: The Guarantor unconditionally and irrevocably guarantees that if the Issuer does not pay any sum payable by it under the Trust Deed or the Notes by the time and on the date specified for such payment (whether on the normal due date, on acceleration or otherwise), the Guarantor shall pay that sum to each Holder and the Trustee before close of business on that date in the city to which payment is so to be made. All payments under this Deed by the Guarantor shall be made subject to the Conditions.

2.2 **Guarantor as Principal Debtor**: As between the Guarantor and the Holders and the Trustee but without affecting the Issuer's obligations, the Guarantor shall be liable under this Deed as if it were the sole

principal debtor and not merely a surety. Accordingly, its obligations shall not be discharged, nor shall its liability be affected, by anything that would not discharge it or affect its liability if it were the sole principal debtor, including (1) any time, indulgence, waiver or consent at any time given to the Issuer or any other person, (2) any amendment to any other provisions of this Deed or to the Conditions or to any security or other guarantee or indemnity, (3) the making or absence of any demand on the Issuer or any other person for payment, (4) the enforcement or absence of enforcement of this Deed, the Notes, the Trust Deed or of any security or other guarantee or indemnity, (5) the taking, existence or release of any security, guarantee or indemnity, (6) the dissolution, amalgamation, reconstruction or reorganisation of the Issuer or any other person or (7) the illegality, invalidity or unenforceability of or any defect in any provision of this Deed, the Notes, the Trust Deed or any of the Issuer's obligations under any of them.

2.3 **Guarantor's Obligations Continuing**: The Guarantor's obligations under this Deed are and shall remain in full force and effect by way of continuing security until no sum remains payable under the Notes, the Trust Deed or this Deed. Furthermore, those obligations of the Guarantor are additional to, and not instead of, any security or other guarantee or indemnity at any time existing in favour of any person, whether from the Guarantor or otherwise and may be enforced without first having recourse to the Issuer, any other person, any security or any other guarantee or indemnity. The Guarantor irrevocably waives all notices and demands of any kind.

2.4 **Exercise of Guarantor's Rights**: So long as any sum remains payable under the Notes, the Trust Deed or this Deed, the Guarantor shall not exercise or enforce any right, by reason of the performance of any of its obligations under this Deed, to be indemnified by the Issuer or to take the benefit of or enforce any security or other guarantee or indemnity.

2.5 **Avoidance of Payments**: The Guarantor shall on demand indemnify the relevant Holder or the Trustee, as the case may be, on an after tax basis, against any cost, loss, expense or liability sustained or incurred by it as a result of it being required for any reason (including any bankruptcy, insolvency, winding-up, dissolution or similar law of any jurisdiction) to refund all or part of any amount received or recovered by it in respect of any sum payable by the Issuer under the Notes or the Trust Deed and shall in any event pay to it on demand the amount as refunded by it.

2.6 **Indemnity**: As separate, independent and alternative stipulations, the Guarantor unconditionally and irrevocably agrees: (1) that any sum that, although expressed to be payable by the Issuer under the Notes, the Trust Deed or this Deed, is for any reason (whether or not now existing and whether or not now known or becoming known to the Issuer, the Guarantor, a Holder or the Trustee) not recoverable from the Guarantor on the basis of a guarantee shall nevertheless be recoverable from it as if it were the sole principal debtor and shall be paid by it to the Holder or the Trustee (as the case may be) on demand; and (2) as a primary obligation to indemnify each Holder and the Trustee against any loss suffered by it as a result of any sum expressed to be payable by the Issuer under the Notes, the Trust Deed or this Deed not being paid on the date and otherwise in the manner specified in this Deed, the Trust Deed or in the Conditions or any payment obligation of the Issuer under the Notes, the Trust Deed or this Deed being or becoming void, voidable or unenforceable for any reason (whether or not now existing and whether or not now known or becoming known to a Holder or the Trustee), the amount of that loss being the amount expressed to be payable by the Issuer in respect of the relevant sum.

2.7 **Incorporation of Terms**: The Guarantor agrees that it will comply with and be bound by all such provisions contained in the Conditions and the Trust Deed which relate to it.

2.8 **Substitution**: The obligations of the Guarantor under this Deed shall, without any further act or thing being required to be done or to occur, extend to the obligations of any Substitute Issuer (which is not the Guarantor) which arise in respect of the Notes by virtue of an issuer substitution pursuant to Condition 16 of the Conditions.

3 Status

3.1 **Status of the Guarantee**: The obligations of the Guarantor under this Deed are direct, unconditional, unsecured and subordinated obligations of the Guarantor and in the event of the winding-up, dissolution, liquidation, bankruptcy or similar proceedings of the Issuer rank:

(i) senior only to the Junior Obligations of the Guarantor;

(ii) *pari passu* with any Parity Obligations of the Guarantor; and

(iii) junior to all other present and future obligations of the Guarantor, whether subordinated or unsubordinated, except as otherwise provided by mandatory provisions of applicable laws or as expressly provided for by the terms of the relevant instrument.

3.2 **Insolvency or Liquidation of the Issuer**: In the event of the winding-up, dissolution, liquidation, bankruptcy or similar proceedings of the Guarantor, no payments under this Deed shall be made to the Holders or the Trustee unless all claims that, pursuant to Clause 3.1, rank senior to the obligations of the Guarantor under this Deed have been discharged or secured in full.

3.3 **Prohibition of Set-off**: Neither the Trustee nor any Holder may set-off any claims arising under this Deed against any claims that the Guarantor may have against it. The Guarantor may not set-off any claims it may have against the Holders or the Trustee against any of its obligations under this Deed.

3.4 **Definitions:** In this Deed:

"**Junior Obligations of the Guarantor**" means (i) the ordinary shares and preferred shares (if any) of the Guarantor, (ii) any present or future share of any other class of shares of the Guarantor, (iii) any other present or future security, registered security or other instrument of the Guarantor under which the Guarantor's obligations rank or are expressed to rank *pari passu* with the ordinary shares or the preferred shares (if any) of the Guarantor and (iv) any present or future security, registered security or other instrument which is issued by a Subsidiary of the Guarantor and guaranteed by the Guarantor or for which the Guarantor has otherwise assumed liability where the Guarantor's obligations under such guarantee or other assumptions of liability rank or are expressed to rank *pari passu* with the instruments described under (i), (ii) or (iii);

"**Parity Obligations of the Guarantor**" means any present or future obligation which (i) is issued by the Guarantor and the obligations under which rank or are expressed to rank *pari passu* with the Guarantor's obligations under this Deed, or (ii) benefits from a guarantee or support agreement that ranks or is expressed to rank *pari passu* with the Guarantor's obligations under this Deed;

"**Share Capital**" means, in relation to any entity, its issued share capital;

"**Subsidiary of the Guarantor**" means any corporation, partnership, company or other enterprise in which the Guarantor directly or indirectly holds in the aggregate more than 50 per cent. of the Share Capital or the Voting Rights; and

"**Voting Rights**" means, in respect of a person, the right generally to vote at a general meeting of the shareholders of that person (in each case, irrespective of whether or not, at the time, stock of any other class or classes shall have, or might have, voting power by reason of the happening of any contingency).

4 Payments

4.1 **Payments Free of Taxes**: The Guarantor undertakes in favour of each Holder and the Trustee, that in relation to any payment to be made by it under this Deed, it will comply with Condition 9 as if the provisions thereof were set out in full in this Deed.

4.2 **Stamp Duties**: The Guarantor covenants to and agrees with the Holders and the Trustee that it shall pay promptly, and in any event before any penalty becomes payable, any stamp, documentary, registration or similar duty or tax payable in Luxembourg or in the country of any currency in which amounts may be payable in respect of the Notes or any political subdivision or taxing authority thereof or therein in connection with the entry into, performance, enforcement or admissibility in evidence of this Deed and/or any amendment of, supplement to, or waiver in respect of this Deed, and shall indemnify each of the Holders and the Trustee, on an after tax basis, against any liability with respect to or resulting from any delay in paying or omission to pay any such tax.

5 Amendment of this Deed

The Guarantor may not amend, vary, terminate or suspend this Deed or its obligations hereunder unless such amendment, variation, termination or suspension shall have been approved by an Extraordinary Resolution (as defined in the Trust Deed) to which the special quorum provisions specified in the Trust Deed apply, save that nothing in this Clause shall prevent the Guarantor from increasing or extending its obligations under this Deed by way of supplement to it at any time.

6 **Delivery of this Deed:** The Guarantor shall deposit an executed copy of this Deed with the Trustee, to be held by the Trustee to the exclusion of the Guarantor until all the obligations of the Guarantor have been discharged in full. The Guarantor covenants with each Holder and the Trustee on demand to produce or procure that there is produced an executed original of this Deed to such Holder or the Trustee (as the case may be) and allow it to take copies thereof on demand at any reasonable time.

7 Governing Law and Submission to Jurisdiction

7.1 **Governing Law:** This Deed and any non-contractual obligations arising out of or in connection with it shall be governed by, and construed in accordance with, English law save for the provisions contained in Clause 3 which shall be governed by Luxembourg law.

7.2 **Submission to Jurisdiction:**

7.2.1 Subject to Clause 7.2.3 below, the English courts have exclusive jurisdiction to settle any dispute arising out of or in connection with this Deed, including any dispute as to its existence, validity, interpretation, performance, breach or termination or the consequences of its nullity and any dispute relating to any non-contractual obligations arising out of or in connection with this Deed (a "**Dispute**") and accordingly each of the Issuer, the Guarantor, the Trustee and any Holders in relation to any Dispute submits to the exclusive jurisdiction of the English courts.

7.2.2 For the purposes of this Clause 7.2, the Guarantor waives any objection to the English courts on the grounds that they are an inconvenient or inappropriate forum to settle any Dispute.

7.2.3 To the extent allowed by law, the Trustee and the Holders may, in respect of any Dispute or Disputes, take (i) proceedings in any other court with jurisdiction; and (ii) concurrent proceedings in any number of jurisdictions.

7.3 **Appointment of Process Agent:** The Guarantor irrevocably appoints Law Debenture Corporate Services Limited at 8th Floor, 100 Bishopsgate, London EC2N 4AG, United Kingdom as its agent for service of process in any proceedings before the English courts in relation to any Dispute and agrees that, in the event of Law Debenture Corporate Services Limited being unable or unwilling for any reason so to act, it will immediately appoint another person approved by the Trustee as its agent for service of process in England in respect of any Dispute. The Guarantor agrees that failure by a process agent to notify it of any process will not invalidate service. Nothing herein shall affect the right to serve process in any other manner permitted by law.

In witness whereof the Guarantor has caused this Deed to be duly delivered as a deed on the date stated at the beginning.

AROUNDTOWN SA

By:

Name:

Title:

By:

Name:

Title:

TAXATION

The following is a general description of the Issuer's and the Guarantor's understanding of certain tax considerations relating to the Notes. It does not purport to be a complete analysis of all tax considerations relating to the Notes, whether in those countries or elsewhere. Prospective purchasers of the Notes should consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of the Notes and receiving payments of interest, principal and/or other amounts under the Notes and the consequences of such actions under the tax laws of those countries. This overview is based upon the law as in effect on the date of this Offering Circular and is subject to any change in law that may take effect after such date, even with retroactive or retrospective effect.

Although this discussion reflects the opinion of the Issuer and the Guarantor, it should not be misunderstood as a guarantee in an area of law which is not free from doubt. Further, this discussion is not intended as the sole basis for an investment in the Notes as the individual tax position of the Noteholder needs to be investigated.

Prospective Holders are recommended to consult their own tax advisors regarding the tax consequences of an investment in the Notes.

Responsibility of the Issuer for the withholding of taxes at source

The Issuer does not assume any responsibility for the withholding of taxes at source.

Luxembourg Taxation

The following information is of a general nature only and is based on the laws presently in force in Luxembourg, though it is not intended to be, nor should it be construed to be, legal or tax advice. The prospective investors in the Notes should therefore consult their own professional advisers as to the effects of state, local or foreign laws, including Luxembourg tax law, to which they may be subject.

Please be aware that the residence concept used under the respective headings below applies for Luxembourg income tax assessment purposes only. Any reference in the present section to a tax, duty, levy, impost or other charge or withholding tax or a tax of a similar nature refers to Luxembourg tax law and/or concepts only. Also, please note that a reference to Luxembourg income tax encompasses corporate income tax (*impôt sur le revenu des collectivites*), municipal business tax (*impôt commercial communal*), a solidarity surcharge (*contribution au fonds pour l'emploi*), as well as personal income tax (*impôt sur le revenu*) generally. Investors may further be subject to net wealth tax (*impôt sur la fortune*) as well as other duties, levies or taxes. Corporate income tax, municipal business tax as well as net wealth tax and the solidarity surcharge invariably apply to most corporate taxpayers resident in Luxembourg for tax purposes. Individual taxpayers are generally subject to personal income tax and the solidarity surcharge. Under certain circumstances, where an individual taxpayer acts in the course of the management of a professional or business undertaking, municipal business tax may apply as well.

Withholding Tax

If the Notes qualify as debt under Luxembourg tax law:

Non-resident holders of Notes

Under Luxembourg general tax laws currently in force, there is no withholding tax on payments of principal, premium or interest made to non-resident holders of Notes, nor on accrued but unpaid interest in respect of the Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of the Notes held by non-resident holders of Notes.

Resident holders of Notes

Under Luxembourg general tax laws currently in force and subject to the law of 23 December 2005 as amended (the "**Relibi Law**") mentioned below, there is no withholding tax on payments of principal, premium or interest made to Luxembourg resident holders of Notes, nor on accrued but unpaid interest in respect of Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of Notes held by Luxembourg resident holders of Notes.

Under the Relibi Law payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to an individual beneficial owner who is a resident of Luxembourg will be subject to a withholding tax of 20 per cent., with respect to Notes listed and admitted to trading on a regulated market. Such withholding tax will be in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of his/her private wealth. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent. Accordingly, payments of interest under such Notes coming within the scope of the Relibi Law will be subject to a withholding tax at a rate of 20 per cent.

Pursuant to the Relibi Law, an individual beneficial owner of interest or similar income (for the avoidance of doubt, exclusively under the Notes that are listed and admitted to trading on a regulated market) who is a resident of Luxembourg and acts in the course of the management of his private wealth may opt for a final withholding tax of 20 per cent. when he/she receives or is deemed to receive such interest or similar income from a paying agent established in another European Union Member State (other than Luxembourg) or in a State of the European Economic Area (which is not a European Union Member State).

If the Notes qualify as equity under Luxembourg tax law:

A 15 per cent. dividend withholding tax may apply in certain circumstances.

Income Taxation

Non-resident holders of Notes

A non-resident holder of the Notes, not having a permanent establishment or permanent representative in Luxembourg to which/whom such Notes are attributable, is not subject to Luxembourg income tax on interest accrued or received, redemption premiums or issue discounts, under the Notes. A gain realised by such non-resident holder of the Notes on the sale or disposal, in any form whatsoever, of the Notes is further not subject to Luxembourg income tax.

A non-resident corporate holder of Notes or an individual holder of Notes acting in the course of the management of a professional or business undertaking, that has a permanent establishment or permanent representative in Luxembourg to which/whom such Notes are attributable, is subject to Luxembourg income tax on interest accrued or received, redemption premiums or issue discounts, under the Notes and on any gains realised upon the sale or disposal, in any form whatsoever, of the Notes.

Resident holders of Notes

Holders of Notes who are residents of Luxembourg will not be liable to any Luxembourg income tax on repayment of principal.

Luxembourg resident corporate holders of Notes

A corporate holder of Notes must include any interest accrued or received, any redemption premium or issue discount, as well as any gain realised on the sale or disposal, in any form whatsoever, of the Notes, in its taxable income for Luxembourg income tax assessment purposes.

A corporate holder of Notes that is governed by the law of 11 May 2007 on family estate management companies, as amended, or by the law of 13 February 2007 on specialised investment funds, as amended, or by the law of 17 December 2010 on undertakings for collective investment, as amended, or by the law of 23 July 2016 on reserved

alternative investment funds not investing in risk capital thereof is neither subject to Luxembourg income tax in respect of interest accrued or received, any redemption premium or issue discount, nor on gains realised on the sale or disposal, in any form whatsoever, of the Notes.

Luxembourg resident individual holders of Notes

An individual holder of Notes, acting in the course of the management of his/her private wealth, is subject to Luxembourg income tax at progressive rates in respect of interest received, redemption premiums or issue discounts, under the Notes, except if (i) withholding tax has been levied on such payments in accordance with the Relibi Law, or (ii) the individual holder of the Notes has opted for the application of the 20 per cent. withholding tax in full discharge of income tax in accordance with the Relibi Law.

A gain realised by an individual holder of Notes, acting in the course of the management of his/her private wealth, upon the sale or disposal, in any form whatsoever, of Notes is not subject to Luxembourg income tax, provided this sale or disposal took place more than six months after the Notes were acquired. However, any portion of such gain corresponding to accrued but unpaid interest income is subject to Luxembourg income tax, except if tax has been levied on such interest in accordance with the Relibi Law.

An individual holder of Notes acting in the course of management of a professional or business undertaking must include this interest in its taxable basis. If applicable, the 20 per cent. withholding tax levied in accordance with the Relibi Law would in that case not be treated a final withholding tax but can be credited against his/her final personal income tax liability.

Net Wealth Taxation

A corporate holder of Notes, whether it is a resident of Luxembourg for tax purposes or, if not, it maintains a permanent establishment or a permanent representative in Luxembourg to which such Notes are attributable, is subject to Luxembourg net wealth tax on such Notes, except if the holder of Notes is governed by the law of 11 May 2007 on family estate management companies, as amended, or by the law of 13 February 2007 on specialised investment funds, as amended, or by the law of 17 December 2010 on undertakings for collective investment, as amended, or by the law of 23 July 2016 on reserved alternative investment funds, or is a securitisation company governed by the law of 22 March 2004 on securitisation, as amended, or is a capital company governed by the law of 15 June 2004 on venture capital vehicles, as amended.

Securitisation companies governed by the law of 22 March 2004 on securitisation, as amended or capital companies governed by the law of 15 June 2004 on venture capital vehicles, as amended or reserved alternative investment funds governed by the law of 23 July 2016 on reserved alternative investment funds investing into risk capital may, under certain conditions, be subject to the minimum net wealth tax.

An individual holder of Notes, whether he/she is a resident of Luxembourg or not, is not subject to Luxembourg net wealth tax on such Notes.

Other Taxes

In principle, neither the issuance nor the transfer, repurchase or redemption of Notes will give rise to any Luxembourg registration tax, or similar taxes.

However, a fixed or ad valorem registration duty will be required upon registration of the Notes in Luxembourg in the case where the Notes are physically attached (annexé(s)) to a public deed or to any other document subject to mandatory registration, or in case of a registration of the Notes on a voluntary basis.

Where a holder of Notes is a resident of Luxembourg for tax purposes at the time of his/her death, the Notes are included in his/her taxable estate for inheritance tax assessment purposes.

Gift tax may be due on a gift or donation of Notes if embodied in a Luxembourg deed or recorded in Luxembourg.

FATCA Disclosure

Foreign Account Tax Compliance Act

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a "foreign financial institution" (as defined by FATCA) may be required to withhold on certain payments it makes ("**foreign passthru payments**") to persons that fail to meet certain certification, reporting or related requirements. The Issuer may be a foreign financial institution for these purposes. A number of jurisdictions (including Luxembourg) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA ("**IGAs**"), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as Notes, are uncertain and may be subject to change. On 13 December 2018, the Treasury and the Internal Revenue Service issued Proposed Regulations (REG-132881-17) under FATCA, eliminating withholding on the payments of gross proceeds and deferring withholding on foreign passthru payments. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as Notes, such withholding would not apply prior to the date that is two years after the date on which final regulations defining foreign passthru payments are published in the U.S. Federal Register, and Notes characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued on or prior to the date that is six months after the date on which final regulations defining foreign passthru payments are published generally would be grandfathered for purposes of FATCA withholding, in either case unless materially modified after such date (including by reason of a substitution of the Issuer). However, if additional Notes (as described under "*Further Issues*" in the Terms and Conditions) that are not distinguishable from previously issued Notes are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Notes, including the Notes offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA. Holders should consult their own tax advisers regarding how these rules may apply to their investment in Notes.

Exchange of information

On 25 May 2018, the EU Council Directive 2018/822 ("**DAC 6**") was adopted. Under DAC 6, intermediaries which meet certain EU nexus criteria and taxpayers are required to disclose to the relevant tax authorities certain cross-border arrangements, which contain one or more of a prescribed list of hallmarks, performed from 25 June 2018 onwards. In specific cases, this obligation will shift to the taxpayer. Information with regard to reported arrangements will be automatically exchanged by the competent authority of each EU jurisdiction every 3 months. Under DAC 6, a cross-border arrangement has to be reported if (i) it is a cross-border arrangement which bears one or more of the hallmarks listed in DAC 6, (ii) in certain instances the main or expected benefit of the arrangement is a tax advantage and (iii) it concerns at least one EU jurisdiction.

The Issuer or its intermediaries involved may be legally obliged to notify to tax authorities of certain types of cross-border arrangements and proposals for implementing such arrangements.

SUBSCRIPTION AND SALE

The Notes will be issued to the holders of Existing Notes whose offers to exchange their Existing Notes for Notes have been accepted by the Issuer and the Guarantor, all subject to the restrictions and conditions of the Exchange Offer (as defined in "*Use and Estimated Net Amount of Proceeds*" above).

The Notes will be issued upon the settlement of the Exchange Offer, which is expected to occur on 16 April 2024.

GENERAL INFORMATION

1. It is expected that listing of the Notes on the Official List and admission of the Notes to trading on the Euro MTF Market will be granted on or around 16 April 2024, subject only to the issue of each Temporary Global Note. Transactions will normally be effected for delivery on the third working day after the day of the transaction. The expenses in connection with the admission to trading of the Notes are expected to amount to €5,000.

2. Each of the Issuer and the Guarantor have obtained all necessary consents, approvals and authorisations in connection with the issue and performance of the Notes and of the Subordinated Guarantee. The issue of the Notes was authorised by an authorisation of the Board of Managers passed on 28 March 2024 and the giving of the Subordinated Guarantee by the Guarantor was authorised by an authorisation of the Board of Directors passed on 28 March 2024.

3. There has been no significant change in the financial performance or financial position of the Group since 31 December 2023 and no material adverse change in the financial position or prospects of the Issuer, the Guarantor or the Group since 31 December 2023.

4. Neither the Issuer nor the Guarantor nor any other member of the Group is or has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer or Guarantor are aware) during the 12 months preceding the date of this Offering Circular which may have or has had in the recent past significant effects on the financial position or profitability of the Issuer, the Guarantor or the Group.

5. Each Note and Coupon will bear the following legend: "*Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code*".

6. The Notes have been accepted for clearance through the Euroclear and Clearstream, Luxembourg systems (which are the entities in charge of keeping the records).

   The Common Code is 279949412 for the NC6 Notes and 279949382 for the NC5.25 Notes.

   The International Securities Identification Number ("**ISIN**") is XS2799494120 for the NC6 Notes and XS2799493825 for the NC5.25 Notes

   The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream, Luxembourg is 42. Avenue John F. Kennedy L-1855 Luxembourg.

7. The Legal Entity Identifier code of the Issuer is 8945006LEXV2KWSWVP51.

8. The Legal Entity Identifier code of the Guarantor is 529900H4DWG3KWMBMQ39.

9. The website of the Guarantor is www.aroundtown.de. The information on the Guarantor's website does not form part of this Offering Circular, except where that information has been incorporated by reference into this Offering Circular.

10. Where information in this Offering Circular has been sourced from third parties, this information has been accurately reproduced and, as far as the Issuer and the Gurantor are aware and are able to ascertain from the information published by such third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading. The source of third-party information is identified where used.

11. For so long as Notes of any Series remain outstanding, copies of the following documents will be available for inspection at https://www.aroundtown.de/investor-relations:

(a) the Trust Deed (which includes the form of the Global Notes, the definitive Notes, the Coupons and the Talons);

(b) the Issuer Articles of Association and the Guarantor Articles of Association; and

(c) a copy of this Offering Circular together with any supplement to this Offering Circular or further Offering Circular.

This Offering Circular and the Documents Incorporated by Reference will be published on the Luxembourg Stock Exchange at www.luxse.com.

12. The approved independent auditor of the Guarantor is KPMG Audit S.à r.l., *société à responsabilité limitée* (formerly KPMG Luxembourg SA, *société anonyme*) ("**KPMG**"), who has audited the Guarantor's accounts, without qualification, in accordance with IFRS for each of the two financial years ended on 31 December 2022 and 31 December 2023. The auditor of the Guarantor has no material interest in the Issuer or the Guarantor. KPMG is a member of the *Institut des Réviseurs d'Entreprises*. The reports of the auditor of the Guarantor are included or incorporated in the form and context in which they are included or incorporated, with the consent of the relevant auditor who has authorised the contents of that part of this Offering Circular.

13. Certain of the Managers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for the Issuer and/or the Guarantor and their affiliates in the ordinary course of business. Certain of the Managers and their affiliates may have positions, deal or make markets in the Notes, related derivatives and reference obligations, including (but not limited to) entering into hedging strategies on behalf of the Issuer and/or the Guarantor and their affiliates, investor clients, or as principal in order to manage their exposure, their general market risk, or other trading activities.

In addition, in the ordinary course of their business activities, the Managers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer and/or the Guarantor and their affiliates. Certain of the Managers and their affiliates that have a lending relationship with Issuer and/or the Guarantor routinely hedge their credit exposure to Issuer and/or the Guarantor consistent with their customary risk management policies. Typically, such Managers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes. Any such positions could adversely affect future trading prices of the Notes. The Managers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

In connection with the Exchange Offer, the Managers have entered into with the Issuer and the Guarantor a Dealer Manager Agreement dated 2 April 2024 (the "**Dealer Manager Agreement**"), which contains certain provisions regarding payment for fees, expense reimbursement and indemnity arrangements.

THE ISSUER

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THE GUARANTOR

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