

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this Circular and/or the action you should take, you should immediately consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser duly authorised under the Financial Services and Markets Act 2000 (as amended) (FSMA) if you are in the United Kingdom or, if not, another appropriately authorised independent financial adviser.**

If you have sold or otherwise transferred all of your Existing Ordinary Shares in Secure Property Development & Investment plc before the date that the Existing Ordinary Shares are marked “ex-entitlement” to the Open Offer by the London Stock Exchange, please immediately forward this Circular, together with the accompanying Application Form, to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for delivery to the purchaser or transferee. If you have sold only part of your holding of Existing Ordinary Shares, please contact immediately your stockbroker, bank or other agent through whom the sale or transfer was effected. However, this Circular and any accompanying documents should not be sent or transmitted in or into, any jurisdiction where to do so might constitute a violation of local securities law or regulations including, but not limited to, the United States, Canada, Japan, Australia, the Republic of Ireland or the Republic of South Africa.

This Circular is not a prospectus for the purposes of the Prospectus Rules and has not been prepared in accordance with the Prospectus Rules. Accordingly, this Circular has not been, and will not be, reviewed or approved by the Financial Conduct Authority of the United Kingdom (FCA), pursuant to sections 85 and 87 of FSMA, the London Stock Exchange or any other authority or regulatory body.



**Open Offer of up to 29,719,890 New Ordinary Shares  
at 25 pence per share  
Nominated Adviser and Broker  
S.P. Angel Corporate Finance LLP**

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You should read the whole of this Circular. Your attention is drawn in particular to the letter from the Chairman of Secure Property Development & Investment plc which is set out in Part I of this Circular. In addition, your attention is drawn to Part II of this Circular entitled “Risk Factors” which contains a discussion of certain factors that should be considered by Shareholders when considering whether or not to make an investment in the Company.

The Existing Ordinary Shares are admitted to trading on AIM, a market operated by the London Stock Exchange. AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. AIM securities are not admitted to the Official List of the UK Listing Authority. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. An application will be made to the London Stock Exchange for the New Ordinary Shares to be issued pursuant to the Open Offer to be admitted to trading on AIM. It is expected that Admission will become effective and that dealings in the New Ordinary Shares to be issued pursuant to the Open Offer will commence at 8 a.m. on 9 March 2015.

The distribution of this Circular and/or the accompanying documents, and/or the transfer of Open Offer Entitlements or Excess Open Offer Entitlements through CREST, in jurisdictions other than the UK, including the United States, Canada, Japan, Australia, the Republic of Ireland, the Republic of South Africa, may be restricted by law and therefore persons into whose possession this Circular comes should inform themselves about and observe any of those restrictions. Any failure to comply with any of those restrictions may constitute a violation of the securities laws of any such jurisdiction.

None of the New Ordinary Shares, the Open Offer Entitlements or the Excess Open Offer Entitlements has been or will be registered under the US Securities Act or under the applicable state securities laws of the United States or under the applicable securities laws of Japan, Canada, Australia, or the Republic of Ireland. Subject to certain exceptions, the New Ordinary Shares, the Open Offer Entitlements and the Excess Open Offer Entitlements may not be offered, sold, taken up, delivered or transferred in or into the United States, Australia, Canada, the Republic of South Africa, the Republic of Ireland or Japan and, subject to certain exceptions, Application Forms are not being posted to and no Open Offer Entitlements or Excess Open Offer Entitlements will be credited to a stock account of any person in the United States, Australia, Canada or Japan. The attention of Overseas Shareholders and other recipients of this Circular who are residents of any country other than the United Kingdom is drawn to the section entitled "Overseas Shareholders" at paragraph 5 of Part IV of this Circular.

S.P. Angel Corporate Finance LLP which is authorised and regulated in the United Kingdom by the Financial Conduct Authority, is acting exclusively for the Company and no-one else in connection with the Open Offer and will not regard any other person (whether or not a recipient of this Circular) as a client in relation to the Open Offer and will not be responsible to anyone other than the Company for providing the protections afforded to its clients or for providing advice in relation to the Open Offer or any other matter referred to herein. Its responsibilities as the Company's broker under the AIM Rules for Companies are owed to the London Stock Exchange and the Company and not to any other person in respect of this decision to acquire New Ordinary Shares in reliance on any part of this Circular. No representation or warranty, express or implied, is made by S.P. Angel Corporate Finance LLP as to any of the contents of this Circular.

**The latest time and date for acceptance and payment in full under the Open Offer is 11 a.m. on 4 March 2015. The procedure for acceptance and payment is set out in Part IV of this Circular and, where relevant, in the Application Form.**

Qualifying non-CREST Shareholders will find an Application Form accompanying this Circular. Qualifying CREST Shareholders (none of whom will receive an Application Form) will receive a credit to their stock accounts in CREST in respect of the Open Offer Entitlements which will be enabled for settlement on 11 February 2015. Applications under the Open Offer may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim arising out of a sale or transfer of Existing Ordinary Shares prior to the date on which the Existing Ordinary Shares were marked "ex-entitlement" by the London Stock Exchange. If the Open Offer Entitlements are for any reason not enabled by 8 a.m. or such later time as the Company may decide on 11 February 2015, an Application Form will be sent to each Qualifying CREST Shareholder in substitution for the Open Offer Entitlements credited to its stock account in CREST. Qualifying CREST Shareholders who are CREST sponsored members should refer to their CREST sponsors regarding the action to be taken in connection with this Circular and the Open Offer. Applications for Excess Shares pursuant to the Excess Application Facility may be made by the Qualifying Shareholder provided that their Open Offer Entitlement has been taken up in full and subject to being scaled back in accordance with the provisions of this Circular.

Holdings of Existing Ordinary Shares in certificated and uncertificated form will be treated as separate holdings for the purpose of calculating entitlements under the Open Offer.

If you are in any doubt about the contents of this Circular you should consult your stockbroker, bank manager, solicitor, accountant or other financial adviser. The Directors of the Company have taken all reasonable care to ensure that the facts stated in this Circular are true and accurate in all material respects, and that there are no other facts the omission of which would make misleading any statement in the Circular, whether of facts or of opinion. All the Directors accept responsibility accordingly. It should be remembered that the price of securities and the income from them can go down as well as up.

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## DIRECTORS AND ADVISERS

|                                       |   |
|---------------------------------------|---|
| Directors                             | <p>Paul Ensor, <i>Non-Executive Chairman</i><br/>Lambros Anagnostopoulos, <i>Chief Executive Officer</i><br/>Antonios Achilleoudis, <i>Non-Executive Director</i><br/>Ian Domaille, <i>Non-Executive Director</i><br/>Dr. Franz Hoerhager, <i>Non-Executive Director</i><br/>Antonios Kaffas, <i>Non-Executive Director</i><br/>Álvaro Portela, <i>Non-Executive Director</i><br/>Robert Sinclair, <i>Non-Executive Director</i><br/>Harin Thaker, <i>Non-Executive Director</i></p> <p>all of:</p> <p>16 Kyriakou Matsi Avenue<br/>Eagle House, 10th floor<br/>AgiOI Omologites<br/>Nicosia<br/>Cyprus</p> |
| Nominated Adviser and Broker          | <p>S. P. Angel Corporate Finance LLP<br/>Prince Frederick House,<br/>35-39 Maddox Street<br/>London W1S 2PP<br/>United Kingdom</p>  |
| English Legal Advisers to the Company | <p>Reed Smith LLP<br/>The Broadgate Tower<br/>20 Primrose Street<br/>London EC2A 2RS<br/>United Kingdom</p>   |
| Cypriot Legal Advisers to the Company | <p>Georgiades &amp; Pellides LLC<br/>Kyriakou Matsi Avenue<br/>Eagle House, 10th floor<br/>AgiOI Omologites<br/>Nicosia<br/>Cyprus</p>  |
| UK Depositary                         | <p>Computershare Investor Services PLC<br/>The Pavilions<br/>Bridgwater Road<br/>Bristol BS13 8AE<br/>United Kingdom</p>  |
| Cypriot Registrars                    | <p>Cymain Registrars Limited<br/>P.O. Box 25719<br/>1311 Nicosia<br/>Cyprus</p>   |
| Receiving Agent for the Open Offer    | <p>Computershare Investor Services PLC<br/>Corporate Actions Projects<br/>Bristol<br/>BS99 6AH<br/>United Kingdom</p>   |

## OPEN OFFER STATISTICS

|   |  |
|---|--|
| Issue Price for each New Ordinary Share                                     | 25 pence   |
| Basis of Open Offer   | 1 New Ordinary Share for every 1.14 Existing Ordinary Shares |
| Number of Existing Ordinary Shares in issue as at the date of this Circular | 33,884,054   |
| Number of New Ordinary Shares to be issued pursuant to the Open Offer*      | 29,719,890   |
| Enlarged Share Capital immediately following completion of the Open Offer*  | 63,603,944   |
| New Ordinary Shares as a percentage of the Enlarged Share Capital*          | 46.73%   |
| Estimated gross proceeds of the Open Offer*                                 | €10 million  |

\* Assuming full take-up under the Open Offer

## EXCHANGE RATES

For reference purposes only, all amounts in this Circular expressed in Euros have been calculated using the following exchange rate: €1.3459 per £1.00, and all amounts in this Circular expressed in Dollars have been calculated using the following exchange rate: \$1.5218 per £1.00.

## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

|   |                               |
|---|-------------------------------|
| Record Date for entitlement under the Open Offer  | 5.30 p.m. on 9 February 2015  |
| Announcement of the Open Offer  | 11 February 2015              |
| Posting of this Circular and, to Qualifying non-CREST Shareholders only, the Application Forms  | 11 February 2015              |
| Existing Ordinary Shares marked 'ex' by the London Stock Exchange   | 11 February 2015              |
| Open Offer Entitlements and Excess CREST Open Offer Entitlements credited to stock accounts of Qualifying CREST Shareholders in CREST                                 | 11 February 2015              |
| Latest recommended time and date for requesting withdrawal of Open Offer Entitlements and Excess CREST Open Offer Entitlements from CREST                             | 4.30 p.m. on 26 February 2015 |
| Latest time for depositing Open Offer Entitlements and Excess CREST Open Offer Entitlements into CREST  | 3 p.m. on 2 March 2015        |
| Latest time and date for splitting Application Forms (to satisfy <i>bona fide</i> market claims)  | 3 p.m. on 2 March 2015        |
| Latest time and date for receipt of completed Application Forms and payment in full under the Open Offer or settlement of relevant CREST instruction (as appropriate) | 11 a.m. on 4 March 2015       |
| Expected time and date of announcement of results of the Open Offer   | 7 a.m. on 5 March 2015        |
| Admission effective and dealings in the Open Offer Shares expected to commence on AIM   | 8 a.m. on 9 March 2015        |
| Expected date for crediting of Open Offer Shares in uncertificated form to CREST stock accounts   | 8 a.m. on 9 March 2015        |
| Expected date of despatch of share certificates in respect of Open Offer Shares in certificated form  | 16 March 2015                 |

Notes:

- 1 If you have any questions on the procedure for acceptance and payment, you should contact the Shareholder helpline, telephone: 0870 702 0000 (+44 870 702 0000 if calling from abroad). Calls from landline providers typically cost up to 12p per minute. From mobile networks calls cost between 5p and 40p per minute. Calls from outside the UK are chargeable at applicable international rates. Calls may be recorded and randomly monitored for security and training purposes. Lines are open from 8.30a.m. until 5.30p.m. (London time) Monday to Friday (excluding UK public holidays). The helpline cannot provide advice on the merits of the offer nor give any financial, legal or tax advice.
- 2 Alternatively, you can also contact Lambros Anagnostopoulos or Constantinos Bitros at the Company on +30 210 72 26470, or Tercel Moore at S.P. Angel Corporate Finance LLP on +44 (0) 203 470 0470.
- 3 The dates set out in the Expected Timetable of Principal Events above and mentioned throughout this Circular may be adjusted by Secure Property Development & Investment plc in which event details of the new dates will be notified to AIM and, where appropriate, to Shareholders.
- 4 All references to time in this Circular are to time in London.

## DEFINITIONS

The following definitions apply throughout this Circular unless the context otherwise requires:

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| <b>Act</b>                               | the Cypriot Companies Law, Cap 1113   |
| <b>Admission</b>                         | means the admission to trading on AIM of the New Ordinary Shares to be issued pursuant to the Open Offer taking place in accordance with the AIM Rules for Companies                      |
| <b>AIM</b>                               | means the market of that name operated by the London Stock Exchange   |
| <b>AIM Rules for Companies</b>           | means the AIM Rules for Companies, as published and amended from time to time by the London Stock Exchange  |
| <b>Applicant</b>                         | means a Qualifying Shareholder or a person entitled by virtue of a <i>bona fide</i> market claim who lodges an Application Form under the Open Offer                                      |
| <b>Application Form</b>                  | means the application form which accompanies this Circular for Qualifying non-CREST Shareholders for use in connection with the Open Offer  |
| <b>Articles</b>                          | means the existing articles of association of the Company as at the date of this Circular   |
| <b>Board</b>                             | means the board of directors of the Company from time to time   |
| <b>Business Day</b>                      | means any day (excluding Saturdays and Sundays) on which banks are open in London and Cyprus for normal banking business and the London Stock Exchange is open for trading                |
| <b>CCSS</b>                              | means the CREST courier and sorting service, established by Euroclear UK & Ireland to facilitate, <i>inter alia</i> , the deposit and withdrawal of certified securities                  |
| <b>certificated or certificated form</b> | means not in uncertificated form  |
| <b>Company</b>                           | means Secure Property Development & Investment plc  |
| <b>CREST</b>                             | means the relevant system for the paperless settlement of trades and the holding of uncertificated securities operated by Euroclear UK & Ireland in accordance with the CREST Regulations |
| <b>CREST member</b>                      | means a person who has been admitted by Euroclear UK & Ireland as a system-member (as defined in the CREST Regulations)   |
| <b>CREST participant</b>                 | means a person who is, in relation to CREST, a system participant (as defined in the CREST Regulations)   |
| <b>CREST payment</b>                     | shall have the meaning given in the CREST Manual issued by Euroclear UK & Ireland   |
| <b>CREST Regulations</b>                 | means the Uncertificated Securities Regulations 2001, as amended  |
| <b>CREST sponsor</b>                     | means a CREST participant admitted to CREST as a CREST sponsor  |
| <b>CREST sponsored member</b>            | means a CREST member admitted to CREST as a sponsored member (which includes all CREST Personal Members)  |
| <b>Depository</b>                        | means Computershare Investor Services PLC   |
| <b>Depository Interests or DIs</b>       | means depository interests representing Ordinary Shares issued by the Depository on the terms and conditions of a deed dated 29 May 2007 exempted by the Depository and the Company       |
| <b>Directors</b>                         | means the directors of the Company at the date of this Circular whose names are set out on page 10 of this Circular   |
| <b>Enlarged Share Capital</b>            | means the issued ordinary share capital of the Company immediately following Admission  |
| <b>enabled for settlement</b>            | means in relation to Open Offer Entitlements or Excess Open Offer Entitlements, enabled for the limited purpose of settlement of claim  |

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|  | transactions and unmatched stock event transactions (each as described in the CREST Manual issued by Euroclear)  |
| <b>Euroclear or Euroclear UK &amp; Ireland</b> | means Euroclear UK & Ireland Limited, the operator of CREST  |
| <b>Excess Application Facility</b>             | means the arrangement pursuant to which Qualifying Shareholders may apply for Open Offer Shares in excess of their Open Offer Entitlement  |
| <b>Excess CREST Open Offer Entitlement</b>     | means, in respect of each Qualifying CREST Shareholder, the entitlement to apply for Open Offer Shares in addition to his Open Offer Entitlement credited to his stock account in CREST, pursuant to the Excess Application Facility, which is conditional on him taking up his Open Offer Entitlement in full and which may be subject to scaling back in accordance with the provisions of this Circular |
| <b>Excess Open Offer Entitlement</b>           | means an entitlement for each Qualifying Shareholder to apply to subscribe for Open Offer Shares in addition to his Open Offer Entitlement pursuant to the Excess Application Facility which is conditional on him taking up his Open Offer Entitlement in full and which may be subject to scaling back in accordance with the provisions of this Circular  |
| <b>Excess Shares</b>                           | means New Ordinary Shares or Depositary Interests (as the context requires) in addition to the Open Offer Entitlement for which Qualifying Shareholders may apply under the Excess Application Facility  |
| <b>Excluded Territories</b>                    | means any jurisdiction where the extension or availability of the Open Offer would breach any applicable law or regulations  |
| <b>Existing Ordinary Shares</b>                | means the existing issued ordinary shares of €0.01 each in the capital of the Company or Depositary Interests (as the context requires) as at the date of this Circular  |
| <b>FCA</b>                                     | means the Financial Conduct Authority of the United Kingdom  |
| <b>FSMA</b>                                    | means the Financial Services and Markets Act 2000 (as amended)   |
| <b>GLA</b>                                     | means gross leasable area  |
| <b>Group</b>                                   | means the Company and its subsidiary undertakings  |
| <b>ISIN</b>                                    | means International Securities Identification Number   |
| <b>Issue Price</b>                             | means 25 pence per New Ordinary Share  |
| <b>London Stock Exchange</b>                   | means London Stock Exchange plc  |
| <b>Member Account ID</b>                       | means the identification code or number attached to any member account in CREST  |
| <b>NAV</b>                                     | means the value of the assets of the Company less its liabilities, as determined by guidelines laid down by the Board and in accordance with International Financial Reporting Standards, being the accounting standards issued by the International Accounting Standards Board  |
| <b>New Ordinary Shares</b>                     | means up to 29,719,890 ordinary shares of €0.01 each in the capital of the Company or Depositary Interests (as the context requires) to be issued pursuant to the Open Offer   |
| <b>NOI</b>                                     | means net operating income, being the gross rental proceeds of a property less the gross expenses directly attributable to the operations of such property   |
| <b>Official List</b>                           | means the Official List of the UK Listing Authority  |
| <b>Open Offer</b>                              | means the invitation to Qualifying Shareholders to subscribe for Open Offer Shares at the Issue Price on the terms of and subject to   |

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|  | the conditions set out or referred to in Part IV of this Circular and, where relevant, in the Application Form   |
| <b>Open Offer Entitlement</b>                | means the <i>pro rata</i> basic entitlement for Qualifying Shareholders to apply to subscribe for 1 Open Offer Share for every 1.14 Existing Ordinary Shares held by them on the Record Date pursuant to the Open Offer                      |
| <b>Open Offer Shares</b>                     | means the 29,719,890 New Ordinary Shares or Depositary Interests (as the context requires) for which Qualifying Shareholders are being invited to apply under the terms of the Open Offer  |
| <b>Ordinary Shares</b>                       | means ordinary shares of €0.01 each in the capital of the Company  |
| <b>Overseas Shareholders</b>                 | means Shareholders who are resident in, or who have registered addresses in, territories other than the United Kingdom   |
| <b>Participant ID</b>                        | means the identification code or membership number used in CREST to identify a particular CREST member or other CREST participant  |
| <b>Prospectus Rules</b>                      | means the rules made by the FCA under Part VI of FSMA in relation to offers of transferable securities to the public and admission of transferable securities to trading on a regulated market   |
| <b>Qualifying CREST Shareholders</b>         | means Qualifying Shareholders whose Existing Ordinary Shares on the register of members of the Company at the close of business on the Record Date are held in uncertificated form by way of Depositary Interests                            |
| <b>Qualifying non-CREST Shareholders</b>     | means Qualifying Shareholders whose Existing Ordinary Shares on the register of members of the Company at the close of business on the Record Date are held in certificated form   |
| <b>Qualifying Shareholders</b>               | means holders of Existing Ordinary Shares or Depositary Interests (as the context requires) on the Company's register of members at the Record Date (other than certain Overseas Shareholders)   |
| <b>Record Date</b>                           | means 5.30 p.m. on 9 February 2015   |
| <b>Receiving Agent or Computershare</b>      | means Computershare Investor Services PLC, Corporate Actions Projects, Bristol BS99 6AH, United Kingdom  |
| <b>Shareholders</b>                          | means holders of Existing Ordinary Shares or Depositary Interests (as the context requires)  |
| <b>sqm</b>                                   | means square metres  |
| <b>stock account</b>                         | means an account within a member account in CREST to which a holding of a particular share or other security in CREST is credited  |
| <b>uncertificated or uncertificated form</b> | means recorded on the relevant register or other record of the share or other security concerned as being held in uncertificated form in CREST, and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST |
| <b>UK Listing Authority</b>                  | means the FCA acting in its capacity as the competent authority for the purposes of Part VI of FSMA  |
| <b>United Kingdom or UK</b>                  | means the United Kingdom of Great Britain and Northern Ireland   |
| <b>USA or US</b>                             | means the United States of America   |
| <b>US Securities Act</b>                     | means the United States Securities Act of 1933, (as amended)   |
| <b>£, Pounds, pence and p</b>                | means UK pounds sterling and pence, being the lawful currency of the United Kingdom  |
| <b>€ or EUR</b>                              | mean Euros, being the lawful currency of the European Union  |
| <b>\$ or Dollars</b>                         | means US dollars, being the lawful currency of the United States of America  |

**PART I – LETTER FROM THE CHAIRMAN OF  
SECURE PROPERTY DEVELOPMENT & INVESTMENT PLC**



*(Incorporated in Cyprus with Registered No. HE162276)*

*Directors*

Paul Ensor, *Non-Executive Chairman*  
Lambros Anagnostopoulos, *Chief Executive Officer*  
Antonios Achilleoudis, *Non-Executive Director*  
Ian Domaille, *Non-Executive Director*  
Dr. Franz Hoerhager, *Non-Executive Director*  
Antonios Kaffas, *Non-Executive Director*  
Álvaro Portela, *Non-Executive Director*  
Robert Sinclair, *Non-Executive Director*  
Harin Thaker, *Non-Executive Director*

*Registered Office*

16 Kyriakou Matsi Avenue  
Eagle House, 10th floor  
Agiou Omologites  
Nicosia  
Cyprus

11 February 2015

Dear Shareholder

**Open Offer of up to 29,719,890 New Ordinary Shares at 25 pence per share**

**1 Introduction**

The Board is pleased to provide Shareholders with an opportunity to participate in the proposed Open Offer which provides all Qualifying Shareholders with the opportunity to subscribe for an aggregate of up to 29,719,890 New Ordinary Shares, to raise approximately €10 million, on the basis of 1 New Ordinary Share for every 1.14 Existing Ordinary Shares held on the Record Date, at 25 pence each. Shareholders subscribing for their full entitlement under the Open Offer may also request additional New Ordinary Shares through the Excess Application Facility.

The Directors may accept applications from Shareholders in excess of their Excess Open Offer Entitlement, however, no Shareholder will be permitted to subscribe for more than 50 per cent. of the aggregate Open Offer Shares to be issued pursuant to the Open Offer. If applications are made for less than all of the Open Offer Shares available, then the Directors may offer the Open Offer Shares not subscribed for to new investors at terms that the Directors deem appropriate, but in any event at a price not lower than the one of the Open Offer.

The Open Offer provides Qualifying Shareholders with an opportunity to participate in the proposed issue of the Open Offer Shares on a pre-emptive basis whilst providing the Company with additional capital to invest in the business of the Group.

The Issue Price of 25 pence per New Ordinary Share represents a 20.6 per cent. discount to the closing middle market price of 31.5 pence per Existing Ordinary Share on 10 February 2015, the last business day before the announcement of the Open Offer.

Admission of the New Ordinary Shares is expected to occur at 8.00 a.m. on 9 March 2015. The Open Offer is not underwritten.

The purpose of this document is to explain the background to the Open Offer and to set out the reasons why your Board believes that the Open Offer is in the best interests of the Company and its Shareholders.

## **2 Information on Secure Property Development & Investment plc**

The Company is a South Eastern European focused property company incorporated in Cyprus. The Company's property portfolio comprises of:

- Innovations Logistics Park – GLA of circa. 16,570 sqm in Bucharest, Romania. Main tenant: Nestle, Romania. NOI of €1.4 million – occupancy 100 per cent.
- EOS Business Park – GLA of circa. 3,610 sqm in Bucharest, Romania. Main tenant: Danone, Romania. NOI of €0.6 million – occupancy 100 per cent.
- GED SA – GLA of circa. 17,800 sqm in Athens, Greece. Main tenant: Kuhne Nagel. NOI of €1.5 million, pending transaction completion – occupancy 100 per cent.
- Terminal Brovary logistics park – GLA of circa. 49,000 sqm in Kiev, Ukraine. Main tenants: Amway, Pernod Ricard, Rhenus, Summatra LLC. NOI of circa. \$2.9 million – warehouse occupancy 100 per cent.
- 122 apartment units in 4 different residential projects in Bucharest, Romania having a combined net asset value of €3.5 million. 75 per cent. of the apartments are rented with an annual NOI of €0.4 million.
- 4 land assets and/or development projects at different stages of progression, in Ukraine, which have a combined value as of 31 December 2013 of \$23.4 million.

The 2015 aggregate NOI from all the income producing properties, all of which is denominated in either USD (Ukraine) or EUR (Romania & Greece), is estimated at €6.4 to €6.7 million.

For the latest valuation figures of the above properties, shareholders should refer to the financial statements of the Company and/or the announcements posted on the Company's website (set out below) following an acquisition.

The Company employs a team of 19 experienced professionals operating across four countries.

Further information on the Company and its property portfolio can be found on the Company's website, [www.secure-property.eu](http://www.secure-property.eu), its annual reports, the financial statements and the announcements that the Company issues from time to time.

## **3 Background to and reasons for the Open Offer**

Following its recapitalization and transformation by the current management and investors during 2011-13 and the investments the company made in 2014 by acquiring income producing properties in Romania and Greece, the Company currently generates circa. €6.4 to €6.7 million in annual NOI from its income producing assets.

In the view of the Board, the region targeted by the Company, namely South East and Central East Europe, currently presents interesting real estate investment opportunities at attractive capitalization rates (substantially higher than in Western Europe and Central Eastern Europe), with high quality tenants, that at present offer expected cash on cash returns in excess of 12 per cent.. As such the Company seeks to raise capital in order to acquire income producing assets that fulfil its investment criteria.

The Directors believe that it is appropriate to offer to the Shareholders the opportunity to participate in the growth of the Company through participation in the Open Offer. The Open Offer is not being underwritten. Further details in relation to the Open Offer are set out in Part IV of the Circular.

## **4 Current Trading**

All of the income generating properties continue to operate as planned. The Company has postponed any further development of its development projects i.e. land assets in Ukraine.

Following the various acquisitions in 2014 the Company is now operating on an annualised basis at an aggregate NOI of around €6.4 to 6.7 million (2013: €3.2 million). Taking into account estimated income from sales of its residential portfolio, financing expenses and overheads, and excluding any valuation impact on its properties the Company is expected to have a net profit after tax of €0.5 to €0.75 million in 2015 (2013: loss of €0.2 million).

As a result of political turbulence in the Ukraine, the Directors believe that the valuations of the Ukrainian properties are likely to be written down in aggregate by around 25-30 per cent. of their previous carrying value of \$54 million. The valuations of the rest of the properties that the Company holds in Romania and Greece (subject to completion) are estimated at €47-€50 million.

The loan to value ratio of all the income producing assets is estimated at 50-52 per cent. All land assets and development projects are debt free.

The Directors point to paragraph 4 of Part V of the Circular containing information on Material Contracts.

As a result of the estimated write-down of the valuations of the Ukrainian properties of around 25-30 per cent., the Directors expect that the 2014 NAV per share (undiluted) will be in the range of £0.75-0.85, subject to audit. Accordingly, the Open Offer Price of 25 pence per share represents a discount of 67 to 71 per cent. to the expected NAV per Share prior to the Open Offer.

## **5 Use of Proceeds**

The funds raised from the Open Offer will primarily be deployed in acquiring (or securing the acquisition of) income generating industrial, retail and commercial property assets in Bulgaria and Romania and in Greece subject to a reduction in the economic and political uncertainty created following the recent elections. As mentioned above, the target of the Company is to acquire income producing assets that generate cash on cash returns of at least 12 per cent.

A small percentage of the funds raised from the Open Offer may be used for working capital purposes and to facilitate the cash flow of the Group.

## **6 Details of the Open Offer**

### *6.1 Structure*

The Directors have given consideration as to the best way to structure the proposed equity fundraising, having regard to current market conditions, the composition of the Company's Shareholder register, the level of the Company's share price and the importance of pre-emption rights to Shareholders. After considering these factors, the Directors have concluded that the structure of the fundraising by way of the Open Offer is the most suitable option available to the Company and its Shareholders as a whole. The Open Offer provides an opportunity for all Qualifying Shareholders to participate in the fundraising by acquiring Open Offer Shares *pro rata* to their current holdings of Existing Ordinary Shares.

### *6.2 Principal terms of the Open Offer*

Subject to the fulfilment of the conditions set out below and in Part IV of the Circular, Qualifying Shareholders are being given the opportunity to subscribe for the Open Offer Shares at a price of 25 pence per Open Offer Share, *pro rata* to their holdings of Existing Ordinary Shares on the Record Date on the basis of:

#### **1 Open Offer Share for every 1.14 Existing Ordinary Shares**

Qualifying Shareholders are also being given the opportunity, provided that they take up their Open Offer Entitlement in full, to apply for Excess Shares through the Excess Application Facility.

Assuming full take-up under the Open Offer, the issue of the Open Offer Shares will raise gross proceeds of approximately €10 million for the Company.

The Open Offer Shares will, upon issue, rank *pari passu* with the Existing Ordinary Shares.

Fractions of Open Offer Shares will not be allotted to Qualifying Shareholders in the Open Offer and entitlements under the Open Offer will be rounded down to the nearest whole number of Open Offer Shares. The fractional entitlements will be aggregated and made available under the Excess Application Facility.

Qualifying Shareholders with holdings of Existing Ordinary Shares in both certificated and uncertificated form will be treated as having separate holdings for the purpose of calculating the Open Offer Entitlements.

### *6.3 Excess Application Facility*

The Excess Application Facility will enable Qualifying Shareholders, provided that they take up their Open Offer Entitlement in full, to apply for Excess Open Offer Entitlements. Qualifying non-CREST Shareholders who wish to apply to acquire more than their Open Offer Entitlement should complete the relevant sections on the Application Form. Qualifying CREST Shareholders will have Excess CREST Open Offer Entitlements credited to their stock account in CREST and should refer to

paragraph 4.3 of Part III of the Circular for information on how to apply for Excess Shares pursuant to the Excess Application Facility.

Applications for Excess Open Offer Entitlements will be satisfied only and to the extent that corresponding applications by other Qualifying Shareholders are not made or are made for less than their Open Offer Entitlements. If applications under the Excess Application Facility are received for more than the total number of Open Offer Shares available following take-up of Open Offer Entitlements, the Directors may choose to accept such applications. The Directors may also choose to scale back such applications *pro rata* to the number of Excess Shares applied for by Qualifying Shareholders under the Excess Application Facility. No Shareholder will be permitted to subscribe for more than 50 per cent. of the aggregate Open Offer Shares to be issued pursuant to the Open Offer.

Application will be made for the Open Offer Entitlements and Excess Open Offer Entitlements in respect of Qualifying CREST Shareholders to be admitted to CREST. It is expected that such Open Offer Entitlements and Excess Open Offer Entitlements will be admitted to CREST at 8.00 a.m. on 11 February 2015. Such Open Offer Entitlements and Excess Open Offer Entitlements will also be enabled for settlement in CREST at 8.00 a.m. on 11 February 2015. Applications through the means of the CREST system may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim.

Qualifying non-CREST Shareholders will have received an Application Form with the Circular which sets out their entitlement to Open Offer Shares as shown by the number of Open Offer Entitlements allocated to them. Qualifying CREST Shareholders will receive a credit to their appropriate stock accounts in CREST in respect of their Open Offer Entitlements on 11 February 2015.

Shareholders should note that the Open Offer is not a rights issue. Qualifying CREST Shareholders should note that although the Open Offer Entitlements and Excess Open Offer Entitlements will be admitted to CREST and be enabled for settlement, applications in respect of entitlements under the Open Offer may only be made by the Qualifying Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim. Qualifying non-CREST Shareholders should note that the Application Form is not a negotiable document and cannot be traded. Qualifying Shareholders should be aware that in the Open Offer, unlike in a rights issue, any Open Offer Shares not applied for will not be sold in the market or placed for the benefit of Qualifying Shareholders who do not apply under the Open Offer. If applications are made for less than all of the Open Offer Shares available, then the Directors may offer the Open Offer Shares not subscribed for to new investors at a price not lower than the price set out in the Open Offer.

Further information on the Open Offer and the terms and conditions on which it is made, including the procedure for application and payment, are set out in Part IV of the Circular.

For Qualifying non-CREST Shareholders, completed Application Forms, accompanied by full payment, should be returned either (a) by post to Computershare, Corporate Actions Projects, Bristol, BS99 6AH or by hand (during normal business hours only) to Computershare, The Pavilions, Bridgwater Road, Bristol, BS13 8AE or (b) by post or by hand to the Company at Secure Property Development & Investment plc, 16 Kiriakou Matsi Ag. Omologites Nicosia 1082, Cyprus, with payment being made directly to the Company's bank account:

Bank: EUROBANK CYPRUS LTD

Branch: NICOSIA, CYPRUS

Sort Code: ERBKCY2N

IBAN euro: CY98 0180 0001 0000 2001 0013 4635

Account Name: SECURE PROPERTY DEVELOPMENT & INVESTMENT PLC

Ref: Open Offer Re: *[your name]*

Return of the Application Form and payment should be made as soon as practicable and, in any event so as to be received no later than 11 a.m. on 4 March 2015. For Qualifying CREST Shareholders the relevant CREST instructions must have been settled as explained in the Circular by no later than 11 a.m. on 4 March 2015.

#### 6.4 Potential dilution as a result of the Open Offer

The maximum dilution that could occur to an individual shareholder if they do not participate in the Open Offer, if it is fully subscribed, is 46.73 per cent..

## **7 Risk Factors**

Your attention is drawn to the Risk Factors set out in Part II of the Circular.

## **8 Action to be taken**

### *Qualifying non-CREST Shareholders*

If you are a Qualifying non-CREST Shareholder you will have received an Application Form which gives details of your entitlement under the Open Offer (as shown by the number of Open Offer Entitlements allocated to you). If you wish to apply for Open Offer Shares under the Open Offer (whether in respect of your Open Offer Entitlement or both your Open Offer Entitlement and any Excess Open Offer Entitlements), you should complete the accompanying Application Form in accordance with the procedure for application set out in paragraph 3.1 of Part IV of this Circular and on the Application Form itself.

### *Qualifying CREST Shareholders*

If you are a Qualifying CREST Shareholder and do not hold any Ordinary Shares in certificated form, no Application Form accompanies the Circular and you will receive a credit to your appropriate stock account in CREST in respect of the Open Offer Entitlements representing your entitlement under the Open Offer except (subject to certain exceptions) if you are an Overseas Shareholder who has a registered address in, or is a resident in an Excluded Territory. Applications by Qualifying CREST Shareholders for Excess Open Offer Entitlements in excess of their Open Offer Entitlements should be made in accordance with the procedures set out in paragraph 4.3 of Part III of the Circular, unless you are an Overseas Shareholder in which event, applications should be made in accordance with the procedures set out in paragraph 5 of Part IV of the Circular.

The latest time for applications under the Open Offer to be received is 11 a.m. on 4 March 2015. The procedure for application and payment depends on whether, at the time at which application and payment is made, you have an Application Form in respect of your entitlement under the Open Offer or have Open Offer Entitlements credited to your stock account in CREST in respect of such entitlement. The procedures for application and payment are set out in Part III of the Circular.

Qualifying CREST Shareholders who are CREST sponsored members should refer to their CREST sponsors regarding the action to be taken in connection with the Circular and the Open Offer.

## **9 Overseas Shareholders**

Information for Overseas Shareholders who have registered addresses outside the United Kingdom or who are residents of countries other than the United Kingdom appears in paragraph 5 of Part IV of this Circular, which sets out the restrictions applicable to such persons. If you are an Overseas Shareholder, it is important that you read that part of this Circular.

## **10 Additional Information**

Your attention is drawn to the additional information set out in Parts II to V of this Circular.

Yours sincerely

**Paul Ensor**  
*Chairman*

## PART II – RISK FACTORS

*Investing in the Group involves a degree of risk. You should carefully consider the risks and the other information contained in this Circular before you decide to invest in the Group. You should note that the risks described below are not the only risks faced by the Group. There may be additional risks that the Directors currently consider not to be material or of which they are not presently aware.*

*The business and financial condition of the Company could be adversely affected if any of the following risks were to occur and as a result the trading price of the New Ordinary Shares could decline and investors could lose part or all of their investment.*

*The Directors consider the following risks to be material for potential investors, but the risks listed below do not necessarily comprise all those associated with an investment in the Company and are not set out in order of priority. Additional risks and uncertainties currently unknown to the Company (such as changes in legal, regulatory or tax requirements), or which the Company currently believes are immaterial, may also have a materially adverse effect on the Group's financial condition or prospects or the trading price of Existing Ordinary Shares.*

### **1 General real estate risks**

Investments will be subject to the risks inherent in the ownership and operation of real estate and real estate related businesses and assets. Risks include those associated with general economic climate, local real estate conditions, changes in supply of, or demand for, competing properties in an area, energy and supply shortages, various and uninsured or uninsurable risks, natural disasters, government regulations, changes in real property taxes and interest rates. As a result, a downturn in the real estate sector or the materialisation of any one or a combination of the aforementioned risks could materially adversely affect the Company.

### **2 Regional risks**

Investors in emerging markets such as Romania, Bulgaria, Greece and Ukraine should be aware that these markets are subject to greater risks than more developed markets, including in particular, significant political, economic and legal risk. Investors should also note that emerging economies such as Romania, Bulgaria, Greece and Ukraine may be subject to rapid economic and political changes and that the information set out in this document may become outdated relatively quickly. Accordingly, investors should exercise particular care in evaluating the risks involved and must decide for themselves whether in light of those risks, their investment is appropriate. Generally, investment in emerging markets such as Romania, Bulgaria, Greece and Ukraine is suitable only for sophisticated investors who fully appreciate the significance of the risks involved and investors are urged to consult with their own legal and financial advisers before making an investment in the Group.

Each of Romania, Bulgaria, Greece and Ukraine has many characteristics of an emerging market and each should be regarded as carrying the associated risk of political and economic instability. Given the political and economic uncertainty which currently surrounds each of Romania, Bulgaria Greece and Ukraine, no assurance can be given that current governmental policies in each jurisdiction will continue to be implemented and, even if implemented, that those policies will be successful or that the economy in any of the aforementioned jurisdictions will grow.

#### *Current conflict in Ukraine*

There is a significant risk that the current conflict involving Russia and Ukraine could impact on the Group's business operations. There is continued violence between government forces and pro-Russian militants in Eastern Ukraine and there is a risk that the situation could escalate. The United States of America and Europe have already, and may continue to, impose sanctions over Russia and its key personnel and businesses. Due to the real possibility of increased sanctions and an escalation in the conflict, there is a risk that the situation could amongst other things, accelerate inflation, have a further effect on the local Ukrainian currency which has devalued by approximately three times its value since the beginning of 2014 and increase the recessionary state of Ukraine, as well as impacting on the value of assets in the European markets.

The major change in Ukraine's relations with Russia may also continue to adversely affect energy supplies from Russia to Ukraine then to Europe and/or Ukraine's export revenues derived from transit charges for Russian oil and gas, and may therefore have negative effects on the economy and, on the business, results and operations and financial condition of the Company.

#### *Risk of military conflict in Ukraine*

Due to the recent economic and political uncertainty, in particular in Ukraine, there is no guarantee that future events and circumstances will not result in further military conflict or civil war. Investments by the Company may be affected if any conflicts or issues are rekindled and/or violence increases.

#### *Agreement of Ukraine with IMF*

The delay in IMF disbursements in 2014, coupled with significantly reduced foreign currency official reserves and the economic recession inflicted by the tensions with Russia in the Easter Ukraine, increases the risk that the Ukrainian government might not be able to meet its obligations. Ukraine is seeking the IMF's help in receiving \$15 billion of additional financial aid, which may assist in reducing the pressure on the local currency and stabilizing the economy.

#### *Risk from the political and economic situation in Greece*

Due to the current political and economic situation in Greece, in which a new government has recently been elected, there is great uncertainty as to the approach of the new government and the policies that it will adopt, in particular in relation to the reduction of national debt and its Eurozone membership status. In addition, there is a risk that the new government could reverse several reforms introduced by the previous administration, which may create increased uncertainty. There is a risk therefore that there could be a significant negative impact on the price of assets such as real estate in Greece, which may also affect the wider European market.

Greece's current bailout financial agreement with the European Central Bank, the IMF and the European Union is nearing term and in the absence of a follow up agreement Greece may face a liquidity problem. This, combined with reports suggesting that the new Greek government would not proceed with further economic reforms that increase competitiveness could have a serious negative impact on the Greek and European economy. Such volatility and uncertainty could therefore affect the value of the Company's assets and its business operations.

#### *Heightened geopolitical risks*

Heightened geopolitical risks may also undermine the stability of the financial system in Greece, Romania, Bulgaria and Ukraine, which could impact the wider economy. Geopolitical developments could affect financial stability, for example via sharp adjustments in asset prices (including asset write-downs) and increased volatility. The current conflict between Russia and Ukraine and the recent election result in Greece could become significant contributing factors to such risk materialising.

#### *Economic and Operating conditions*

The financial operations of the Company may be adversely affected by general economic conditions, by conditions within the relevant jurisdiction's property market or by the financial condition of the developers and other parties doing business with the Company. In particular, at any time, capital valuations may fall or a tenant may experience a downturn in its business that may weaken its operating results or overall financial condition. As a result, a tenant may delay lease commencement, fail to make rental payments when due, decline to extend a lease upon its expiration, become insolvent or declare bankruptcy. Any tenant bankruptcy or insolvency, leasing delay or failure to make rental payments when due could result in material losses to the Company. In addition, there is a risk that detrimental economic conditions, could result in rental revenue from the Company's properties being less than expected and therefore insufficient to cover operating expenses and any debt service payments on indebtedness incurred.

### **3 The Group is subject to competition risks**

Given the potential for growth in the market in which the Company operates, it is likely that the Group will face increasing competition from businesses which may have greater capital and other resources which may have a negative impact on the Group's operation and developments. There is no assurance that the Group would be able to compete successfully in such market circumstances. Such competition may cause a decrease in expected profit margins, may increase the cost of acquiring further assets and adversely affect market share. Such competition may have a substantial adverse effect on the Group's business, financial condition, trading performance and prospects.

#### **4 Development risks**

The returns on the New Ordinary Shares will be subject to the risks associated with the development of real estate projects, which include:

- The risk that laws are introduced, which may be retrospective and affect existing building consents, which restrict development with the applicable region.
- The risk that planning consents are not obtained, or are delayed significantly, or are granted subject to uneconomic conditions.
- The risk that a development is significantly delayed or costs exceed budget due to unforeseen factors.
- The risk of unforeseen constraints (including legal, governmental, economic, geological and archaeological).

## PART III – SOME QUESTIONS AND ANSWERS ABOUT THE OPEN OFFER

The questions and answers set out in this Part III of this Circular are intended to be in general terms only and, as such, you should read Part IV of this Circular for full details of what action you should take. If you are in any doubt as to what action you should take, you are recommended to seek your own personal financial advice immediately from your stockbroker, bank, fund manager, solicitor, accountant or other appropriate independent financial adviser, who is authorised under the FSMA if you are resident in the United Kingdom, or, if not, from another appropriately authorised independent financial adviser.

This Part III deals with general questions relating to the Open Offer and more specific questions relating principally to the Existing Ordinary Shares held by persons resident in the United Kingdom who hold their Existing Ordinary Shares in certificated form only. If you are an Overseas Shareholder, you should read paragraph 5 of Part IV of this Circular and you should take professional advice as to whether you are eligible and/or you need to observe any formalities to enable you to take up your Open Offer Entitlements or apply for Excess Shares pursuant to the Excess Application Facility. If you hold your Existing Ordinary Shares in uncertificated form (that is, through CREST) you should read Part IV of this Circular for full details of what action you should take. If you are a CREST sponsored member, you should also consult your CREST sponsor.

The contents of this Circular should not be construed as legal, business, accounting, tax, investment or other professional advice. Each prospective investor should consult his, her or its own appropriate professional advisers for advice. This Circular is for your information only and nothing in this Circular is intended to endorse or recommend a particular course of action.

### 1. What is an open offer?

An open offer is a way for companies to raise money. Companies may do this by giving their existing shareholders a right to acquire further shares at a fixed price in proportion to their existing shareholdings (the open offer). The fixed price is normally at a discount to the market price of the existing ordinary shares prior to the announcement of the open offer.

This Open Offer is an invitation by the Company to Qualifying Shareholders to apply to acquire an aggregate of up to 29,719,890 Open Offer Shares at a price of 25 pence per New Ordinary Share. If you hold Existing Ordinary Shares (provided that you hold 2 or more such shares) on the Record Date or have a *bona fide* market claim, other than, subject to certain exceptions, where you are a Shareholder with a registered address or located in the United States or another Excluded Territory, you will be entitled to apply for Open Offer Shares under the Open Offer.

The Open Offer is being made on the basis of 1 Open Offer Share for every 1.14 Existing Ordinary Shares held by Qualifying Shareholders on the Record Date. If your entitlement to Open Offer Shares is not a whole number, you will not be entitled to apply for an Open Offer Share in respect of any fraction of an Ordinary Share and your entitlement will be rounded down to the nearest whole number.

The resulting fractions of New Ordinary Shares will be aggregated and made available under the Excess Application Facility.

Open Offer Shares are being offered to Qualifying Shareholders in the Open Offer at a discount to the closing price on the last dealing day before the details of the Open Offer were announced on 11 February 2015. The Issue Price of 25 pence per Open Offer Share represents a 20.6 per cent. discount to the closing middle market price of 31.5 pence per Ordinary Share on 10 February 2015, the last business day before the announcement of the Open Offer. Considering this discount, and while the market value of an Ordinary Share exceeds the Issue Price, the right to subscribe for Open Offer Shares is potentially valuable.

Applications by Qualifying Shareholders will be satisfied in full up to the amount of their individual Open Offer Entitlement. Qualifying Shareholders are also being given the opportunity, provided that they take up their Open Offer Entitlement in full, to apply for Excess Shares through the Excess Application Facility.

If applications under the Excess Application Facility are received for more than the total number of Open Offer Shares available following take-up of Open Offer Entitlements, such applications will be scaled back *pro rata* to the number of Excess Shares applied for by Qualifying Shareholders under the Excess Application Facility.

The number of available Open Offer Shares under the Excess Application Facility is dependent on the level of take-up of Open Offer Entitlements. Assuming that there is no Overseas Shareholder who has a registered address in, or is a resident in an Excluded Territory, and if every Qualifying Shareholder takes up their Open Offer Entitlements in full there will be no Open Offer Shares available under the Excess Application Facility. No Shareholder will be permitted to subscribe for more than 50 per cent. of the aggregate Open Offer Shares to be issued pursuant to the Open Offer.

Qualifying Shareholders should be aware that the Open Offer is not a rights issue. As such, Qualifying non-CREST Shareholders should also note that their Application Forms are not negotiable documents and cannot be traded. Qualifying CREST Shareholders should note that, although the Open Offer Entitlements and the Excess CREST Open Offer Entitlements will be admitted to CREST, they will have limited settlement capabilities (for the purposes of market claims only), and neither the Open Offer Entitlements nor the Excess CREST Open Offer Entitlements will be tradable or listed, and applications in respect of the Open Offer may only be made by the Qualifying Shareholders originally entitled or by a person entitled by virtue of a *bona fide* market claim.

**2. I hold my Existing Ordinary Shares in certificated form. How do I know whether I am able to acquire Open Offer Shares under the Open Offer?**

If you receive an Application Form and, subject to certain exceptions, are not a holder with a registered address in or located in the United States or another Excluded Territory, then you should be eligible to acquire Open Offer Shares under the Open Offer, as long as you have not sold all of your Existing Ordinary Shares before close of business on 9 February 2015 (the time when the Existing Ordinary Shares are expected to be marked “ex-entitlement” by the London Stock Exchange).

**3. I hold my Existing Ordinary Shares in certificated form. How do I know how many Open Offer Shares I am entitled to take up?**

If you hold your Existing Ordinary Shares in certificated form and, subject to certain exceptions, do not have a registered address and are not located in the United States or another Excluded Territory, you have been sent an Application Form that shows:

- how many Existing Ordinary Shares you held at close of business on 9 February 2015 (the Record Date for the Open Offer);
- how many Open Offer Shares are comprised in your Open Offer Entitlement; and
- how much you need to pay if you want to take up your right to buy all your entitlement to the Open Offer Shares.

Subject to certain exceptions, if you have a registered address in the United States or one of the Excluded Territories, you will not receive an Application Form.

If you would like to apply for any of, all of or more than the Open Offer Shares comprised in your Open Offer Entitlement you should complete the Application Form in accordance with the instructions printed on it and the information provided in this Circular. Please return the completed form in the reply-paid envelope provided with the Application Form along with a cheque or banker’s draft for the number of Open Offer Shares you want to apply for and allow at least four Business Days for delivery if sent by first class post from within the United Kingdom. Alternatively, the Application Form, together with payment can be sent directly to the Company, please see questions 4 and 10 for further help in completing the Application Form.

**4. I am a Qualifying Shareholder and I hold my Existing Ordinary Shares in certificated form. What are my choices in relation to the Open Offer and what should I do with the Application Form?**

**4.1 If you want to take up all of your Open Offer Entitlement**

If you want to take up all of the Open Offer Shares to which you are entitled, all you need to do is complete Boxes D and G on the Application Form, sign and send the Application Form, together with your cheque or banker’s draft for the amount (as indicated in Box C of your Application Form), payable to CIS PLC re SPDI Open Offer and crossed “A/C payee only”, by post to Computershare, Corporate Actions Projects, Bristol BS99 6AH or by hand (during normal business hours only) to Computershare, The Pavilions, Bridgwater Road, Bristol BS13 8AE to arrive by no later than 11 a.m. on 4 March 2015, after which time the Application Form will not be valid. Alternatively, you can send the completed Application Form by post or deliver it by hand to the Company to arrive by no later than 11 a.m. on 4 March 2015, after which time the Application

Form will not be valid, to Secure Property Development & Investment plc, 16 Kiriakou Matsi Ag. Omologites Nicosia 1082, Cyprus and in parallel make a bank transfer in Euros of the amount corresponding to the number of Open Offer Shares for which you are applying to the following account number:

Bank: EUROBANK CYPRUS LTD  
Branch: NICOSIA, CYPRUS  
Sort Code: ERBKCY2N  
IBAN euro: CY98 0180 0001 0000 2001 0013 4635  
Account Name: SECURE PROPERTY DEVELOPMENT & INVESTMENT PLC  
Ref: Open Offer Re: *[your name]*

Within the United Kingdom only, you can use the accompanying reply-paid envelope. You should allow at least four Business Days for delivery if using first-class post within the United Kingdom. If posting from outside the United Kingdom, postage will be payable when using the reply-paid envelope.

Full instructions are set out in the Application Form. A definitive share certificate will then be sent to you for the Open Offer Shares that you take up. Your definitive share certificate for Open Offer Shares is expected to be despatched to you by no later than 16 March 2015.

#### *4.2 If you want to take up some but not all of your Open Offer Entitlement*

If you want to take up some but not all of the Open Offer Shares to which you are entitled, you should write the number of Open Offer Shares you want to take up in Box D of your Application Form; for example, if you are entitled to take up 100 shares but you only want to take up 50 shares, then you should write '50' in Box D.

To work out how much you need to pay for the Open Offer Shares, you need to multiply the number of Open Offer Shares you want (in this example '50') by €0.3365 (being £0.25), which is the price in Euros of each Open Offer Share (giving you an amount of €16.82 (being £12.50) in this example). You should write this amount in Box G, rounding down to the nearest whole penny and this should be the amount your cheque or banker's draft is made out for. You should then sign and return your Application Form together with your cheque or banker's draft for that amount, payable to CIS PLC re SPDI Open Offer and crossed "A/C payee only", by post to Computershare, Corporate Actions Projects, Bristol, BS99 6AH, or by hand (during normal business hours only) to Computershare, The Pavilions, Bridgwater Road, Bristol, BS13 8AE, to arrive by no later than 11 a.m. on 4 March 2015, after which time the Application Form will not be valid. Within the United Kingdom only, you can use the accompanying reply-paid envelope. Alternatively, you can send the completed Application Form by post or deliver it by hand to the Company to arrive by no later than 11 a.m. on 4 March 2015, after which time the Application Form will not be valid, to Secure Property Development & Investment plc, 16 Kiriakou Matsi Ag. Omologites Nicosia 1082, Cyprus and in parallel make a bank transfer in Euros of the amount corresponding to the number of Open Offer Shares for which you are applying to the following account number:

Bank: EUROBANK CYPRUS LTD  
Branch: NICOSIA, CYPRUS  
Sort Code: ERBKCY2N  
IBAN euro: CY98 0180 0001 0000 2001 0013 4635  
Account Name: SECURE PROPERTY DEVELOPMENT & INVESTMENT PLC  
Ref: Open Offer Re: *[your name]*

You should allow at least four Business Days for delivery if using first-class post or the reply-paid envelope within the United Kingdom. If posting from outside the United Kingdom, postage will be payable when using the reply-paid envelope. Full instructions are set out in Part IV of this Circular and will be set out in the Application Form.

A definitive share certificate will then be sent to you for the Open Offer Shares that you take up. Your definitive share certificate for Open Offer Shares is expected to be despatched to you by no later than 16 March 2015.

#### 4.3 *If you want to apply for more than your Open Offer Entitlement*

Provided that you have agreed to take up your Open Offer Entitlement in full, you can apply for further Open Offer Shares using the Excess Application Facility. You should write the number of Open Offer Shares you wish to take up, in Box D which must be the number of Open Offer Shares shown in Box B. You should then write the number of Open Offer Shares you wish to apply for under the Excess Application Facility in Box E and then complete Box F by adding together the numbers you have entered in Boxes B and E.

To work out how much you need to pay for the Open Offer Shares, you need to multiply the number of Open Offer Shares shown in Box F by €0.3365 (being £0.25), which is the price in Euros of each Open Offer Share. You should write this amount in Box G, rounding down to the nearest whole cent. You should then return your Application Form together with your cheque or banker's draft for that amount, payable to CIS PLC re SPDI Open Offer and crossed "A/C payee only", by post to Computershare, Corporate Actions Projects, Bristol, BS99 6AH, or by hand (during normal business hours only) to Computershare, The Pavilions, Bridgwater Road, Bristol, BS13 8AE, to arrive by no later than 11 a.m. on 4 March 2015, after which time the Application Form will not be valid. Within the United Kingdom only, you can use the accompanying reply-paid envelope. Alternatively, you can send the completed Application Form by post or deliver it by hand to the Company to arrive by no later than 11 a.m. on 4 March 2015, after which time the Application Form will not be valid, to Secure Property Development & Investment plc, 16 Kiriakou Matsi Ag, Omologites Nicosia 1082, Cyprus and in parallel make a bank transfer in Euros of the amount corresponding to the number of Open Offer Shares for which you are applying to the following account number:

Bank: EUROBANK CYPRUS LTD

Branch: NICOSIA, CYPRUS

Sort Code: ERBKCY2N

IBAN euro: CY98 0180 0001 0000 2001 0013 4635

Account Name: SECURE PROPERTY DEVELOPMENT & INVESTMENT PLC

Ref: Open Offer Re: *[your name]*

You should allow at least four Business Days for delivery if using first-class post or the reply-paid envelope within the United Kingdom. If posting from outside the United Kingdom, postage will be payable when using the reply-paid envelope. Full instructions are set out in the Application Form.

If applications under the Excess Application Facility are received for more than the total number of Open Offer Shares available following take-up of Open Offer Entitlements, such applications will be scaled back *pro rata* to the number of Excess Shares applied for by Qualifying Shareholders under the Excess Application Facility. Therefore, applications under the Excess Application Facility may not be satisfied in full. In this event Qualifying Shareholders will receive a pounds sterling or Euros amount equal to the number of Open Offer Shares applied and paid for by, but not allocated to, the relevant Qualifying Shareholder, multiplied by the Issue Price. Monies will be returned as soon as reasonably practicable, without payment of interest.

A definitive share certificate will be sent to you for the Open Offer Shares that you take up and otherwise successfully apply for using the Excess Application Facility. Your definitive share certificate for Open Offer Shares is expected to be despatched to you by no later than 16 March 2015.

#### 4.4 *If you do not want to take up your Open Offer Entitlement*

If you do not want to take up the Open Offer Shares to which you are entitled, you do not need to do anything. In these circumstances, you will not receive any Open Offer Shares. You will also not receive any money when the Open Offer Shares you could have taken up are placed, as would happen under a rights issue.

If you do not take up your Open Offer Entitlement then, following the issue of the Open Offer Shares pursuant to the Open Offer (assuming a full take up under the Open Offer), your interest in the Company will be diluted by approximately 46.73 per cent.

### **5. I hold my Existing Ordinary Shares in uncertificated form in CREST. What do I need to do in relation to the Open Offer?**

CREST members should follow the instructions set out in Part IV of this Circular. Persons who hold Existing Ordinary Shares through a CREST member should be informed by such CREST member of

the number of Open Offer Shares they are entitled to take up or apply for under their Open Offer Entitlement and their Excess CREST Open Offer Entitlement respectively, and should contact their CREST member should they not receive this information.

**6. I acquired my Existing Ordinary Shares prior to the Record Date and hold my Existing Ordinary Shares in certificated form. What if I do not receive an Application Form or I have lost my Application Form?**

If you do not receive an Application Form but hold your Existing Ordinary Shares in certificated form, this probably means that you are not able to acquire Open Offer Shares under the Open Offer. Some Qualifying non-CREST Shareholders, however, will not receive an Application Form but may still be eligible to acquire New Ordinary Shares under the Open Offer, namely:

- Qualifying CREST Shareholders who held their Existing Ordinary Shares in uncertificated form on 9 February 2015 and who have converted them to certificated form prior to 4.30 p.m. on 26 February 2015;
- Shareholders who bought Existing Ordinary Shares before or on 9 February 2015 and who hold such ordinary shares in certificated form but were not registered as the holders of those shares at the close of business on 9 February 2015; and
- certain Overseas Shareholders.

If you do not receive an Application Form but think that you should have received one or you have lost your Application Form, please contact the Shareholder helpline on 0870 702 0000 (+44 870 702 0000 if calling from abroad). Calls from landline providers typically cost up to 12p per minute. From mobile networks calls cost between 5p and 40p per minute. Calls from outside the UK are chargeable at applicable international rates. Calls may be recorded and randomly monitored for security and training purposes. Lines are open from 8.30a.m. until 5.30p.m. (London time) Monday to Friday (excluding UK public holidays). The helpline cannot provide advice on the merits of the offer nor give any financial, legal or tax advice.

Alternatively, you can also contact Lambros Anagnostopoulos or Constantinos Bitros at the Company on +30 210 72 26470, or Tercel Moore at S.P. Angel Corporate Finance LLP on +44 (0) 203 470 0470.

**7. If I buy Existing Ordinary Shares after the Record Date will I be eligible to participate in the Open Offer?**

If you bought Existing Ordinary Shares after the Record Date you are unlikely to be able to participate in the Open Offer, as the Existing Ordinary Shares are expected to start trading ex-entitlement on the London Stock Exchange at 8.00 a.m. on 11 February 2015.

If you are in any doubt, please consult your stockbroker, bank or other appropriate financial adviser, or whoever arranged your share purchase, to ensure you claim your entitlement.

If you buy Existing Ordinary Shares at or after 8.00 a.m. on 10 February 2015, you will not be eligible to participate in the Open Offer in respect of those Existing Ordinary Shares.

**8. What if I change my mind?**

Once you have sent your Application Form and payment to the Receiving Agent, you cannot withdraw your application or change the number of Open Offer Shares you have applied for.

**9. What if the number of Open Offer Shares to which I am entitled is not a whole number? Am I entitled to fractions of Open Offer Shares?**

Your entitlement to Open Offer Shares will be calculated at the Record Date. If the result is not a whole number, you will not receive an Open Offer Share in respect of the fraction of each Existing Ordinary Share and your entitlement will be rounded down to the nearest whole number. The resulting fractions of New Ordinary Shares will be aggregated and made available under the Excess Application Facility.

**10. I hold my Existing Ordinary Shares in certificated form. What should I do if I want to spend more or less than the amount set out in Box C of the Application Form?**

If you want to spend more than the amount set out in Box C you should divide the amount you want to spend by €0.3365 (being £0.25) (being the price in Euros of each Open Offer Share under the Open Offer). This will give you the number of Open Offer Shares for which you should apply. You

can only apply for a whole number of Open Offer Shares. For example, if you want to spend €50 you should divide €50 by €0.3365 (being £0.25), which comes to 148. Write the total number of Open Offer Shares (in this example 148) in Box F. To get an accurate amount to put on your cheque or banker's draft, or to pay directly to the Company, you should multiply the whole number of Open Offer Shares you want to apply for (148) by €0.3365 and then fill in that amount rounded down to the nearest whole cent (in this example being €49.80), in Box G and on your cheque or banker's draft accordingly or in respect of the amount you transfer directly to the Company.

You should note that the number of available Open Offer Shares under the Excess Application Facility is dependent on the level of take-up of Open Offer Entitlements. If applications are received for more than the available number of Open Offer Shares, applications made under the Excess Application Facility will be scaled back *pro rata* to the number of Excess Shares applied for by Qualifying Shareholders. Assuming that there are no Overseas Shareholders who have registered addresses in, or are residents in an Excluded Territory, and if every Qualifying Shareholder takes up their Open Offer Entitlements in full there will be no Open Offer Shares available under the Excess Application Facility. Qualifying non-CREST Shareholders whose applications under the Excess Application Facility are so scaled back will receive a pounds sterling amount equal to the number of Open Offer Shares applied and paid for by, but not allocated to, them multiplied by the Issue Price. Monies will be returned as soon as reasonably practicable, without payment of interest and at the Applicant's sole risk.

If you want to spend less than the amount set out in Box C, you should divide the amount you want to spend by €0.3365 (being £0.25) (being the price, in Euros, of each Open Offer Share under the Open Offer). This will give you the number of Open Offer Shares you should apply for. You can only apply for a whole number of Open Offer Shares.

**11. I hold my Existing Ordinary Shares in certificated form. What should I do if I have sold some or all of my Existing Ordinary Shares?**

If you hold shares in the Company directly and you sell some or all of your Existing Ordinary Shares before close of business on 9 February 2015, you should contact the buyer or the person/company through whom you sell your shares. The buyer may be entitled to apply for Open Offer Shares under the Open Offer. If you sell any of your Existing Ordinary Shares after close of business on 9 February 2015, you may still take up and apply for the Open Offer Shares as set out on your Application Form.

**12. I hold my Existing Shares in certificated form. How do I pay?**

You should return your Application Form with a cheque or banker's draft drawn in Euros in the accompanying reply-paid envelope (from within the United Kingdom). You should allow at least four Business Days for delivery if using first-class post within the United Kingdom. Cheques should be drawn on a personal account of the Qualifying Shareholder who is applying for the Open Offer Shares or you may be required to supply additional documentation to satisfy Money Laundering Regulations. The funds should be made payable to CIS PLC re SPDI Open Offer. In each case, the cheque should be crossed "A/C Payee only".

If you wish to make payment via CHAPS, BACS or electronic transfer, payment can be made directly to the Company by bank transfer, in Euros, to the following account number:

Bank: EUROBANK CYPRUS LTD  
Branch: NICOSIA, CYPRUS  
Sort Code: ERBKCY2N  
IBAN euro: CY98 0180 0001 0000 2001 0013 4635  
Account Name: SECURE PROPERTY DEVELOPMENT & INVESTMENT PLC  
Ref: Open Offer Re: *[your name]*

**13. Will the Existing Ordinary Shares that I hold now be affected by the Open Offer?**

If you decide not to apply for any of the Open Offer Shares to which you are entitled under the Open Offer, or only apply for some of your entitlement, your proportionate ownership and voting interest in the Company will be reduced.

**14. I hold my Existing Ordinary Shares in certificated form. Where do I send my Application Form?**

You should send your completed Application Form and monies in the accompanying reply-paid envelope (from within the United Kingdom) by post to: Computershare Investor Services PLC, Corporate Actions Projects Bristol, BS99 6AH, or by hand (during normal business hours only) to Computershare, The Pavilions, Bridgwater Road, Bristol BS13 8AE. You should allow at least four Business Days for delivery if using first class post within the United Kingdom.

Alternatively, you can send the completed Application Form by post or deliver it by hand to the Company to arrive by no later than 11 a.m. on 4 March 2015, after which time the Application Form will not be valid, to Secure Property Development & Investment plc, 16 Kiriakou Matsi Ag, Omologites Nicosia 1082, Cyprus and in parallel make a bank transfer in Euros of the amount corresponding to the number of Open Offer Shares for which you are applying to the following account number:

Bank: EUROBANK CYPRUS LTD  
Branch: NICOSIA, CYPRUS  
Sort Code: ERBKCY2N  
IBAN euro: CY98 0180 0001 0000 2001 0013 4635  
Account Name: SECURE PROPERTY DEVELOPMENT & INVESTMENT PLC  
Ref: Open Offer Re: *[your name]*

If you do not want to take up or apply for Open Offer Shares then you need take no further action.

**15. I hold my Existing Ordinary Shares in certificated form. When do I have to decide whether I want to apply for Open Offer Shares?**

The Receiving Agent must receive your completed Application Form and cheque or banker's draft by 11 a.m. on 4 March 2015. You should allow at least four Business Days for delivery if using first-class post or the reply-paid envelope included with the Application Form, within the United Kingdom.

**16. I hold my Existing Ordinary Shares in certificated form. If I take up my entitlements, when will I receive the certificate representing my Open Offer Shares?**

It is expected that the Depositary will post all new share certificates by 16 March 2015.

**17. What should I do if I think my holding of Existing Ordinary Shares (as shown in Box A on page 1 of the Application Form) is incorrect?**

If you bought or sold Existing Ordinary Shares shortly before the Record Date, your transaction may not have been entered on the register of members before the Record Date for the Open Offer. If you bought Existing Ordinary Shares before close of business on 9 February 2015 but were not registered as the holder of those shares on the Record Date for the Open Offer (9 February 2015), you may still be eligible to participate in the Open Offer. If you are in any doubt, please contact your stockbroker, bank or other appropriate financial adviser, or whoever arranged your share purchase, to ensure that you claim your entitlement. You will not be entitled to Open Offer Entitlements in respect of any Existing Ordinary Shares acquired on or after 9 February 2015.

**18. Will the Open Offer affect dividends on the Existing Ordinary Shares?**

The New Ordinary Shares will, when issued and fully paid, rank equally in all respects with Existing Ordinary Shares, including the right to receive all dividends or other distributions made, paid or declared, if any, by reference to a record date after the date of their issue.

**19. What should I do if I live outside the United Kingdom?**

Your ability to apply to acquire Open Offer Shares may be affected by the laws of the country in which you live and you should take professional advice as to whether you require any governmental or other consents or need to observe any other formalities to enable you to take up your Open Offer Entitlement. Shareholders with registered addresses or who are located in the United States or another Excluded Territory are, subject to certain exceptions, not eligible to participate in the Open Offer. Your attention is drawn to the information in paragraph 5 of Part IV of this Circular.

**20. How do I transfer my entitlements into the CREST system?**

If you are a Qualifying non-CREST Shareholder, but are a CREST member and want your Open Offer Shares to be in uncertificated form, you would complete the CREST deposit form (Box O on page 4 of the Application Form), and ensure they are delivered to CCSS to be received by 3.00 p.m. on 2 March 2015 at the latest. CREST sponsored members should arrange for their CREST sponsors to do this.

If you have transferred your rights into the CREST system, you should refer to Part III of this Circular for details on how to pay for the Open Offer Shares.

**21. Do I need to comply with the Money Laundering Regulations (as set out in paragraph 5 of Part IV of this Circular)?**

If you are a Qualifying non-CREST Shareholder, you do not need to follow these procedures if the value of the Open Offer Shares you are acquiring is less than €15,000 (or its pounds sterling equivalent) or if you pay for them by a cheque drawn on an account in your own name and that account is one which is held with an EU or United Kingdom regulated bank or building society. If you are a Qualifying CREST Shareholder, you will not generally need to comply with the Money Laundering Regulations unless you apply to take up all or some of your entitlement to Open Offer Entitlements as agent for one or more persons and you are not an EU or United Kingdom regulated financial institution.

Qualifying non-CREST Shareholders should refer to paragraph 4.1 of Part IV of this Circular and Qualifying CREST Shareholders should refer to paragraph 4.2 of Part IV of this Circular for a fuller description of the requirements of the Money Laundering Regulations.

**22. Further assistance**

Should you require further assistance please call the Shareholder helpline on 0870 702 0000 (+44 870 702 0000 if calling from abroad). Calls from landline providers typically cost up to 12p per minute. From mobile networks calls cost between 5p and 40p per minute. Calls from outside the UK are chargeable at applicable international rates. Calls may be recorded and randomly monitored for security and training purposes. Lines are open from 8.30a.m. until 5.30p.m. (London time) Monday to Friday (excluding UK public holidays). The helpline cannot provide advice on the merits of the offer nor give any financial, legal or tax advice.

Alternatively, you can also contact Lambros Anagnostopoulos or Constantinos Bitros at the Company on +30 210 72 26470, or Tercel Moore at S.P Angel Corporate Finance LLP on +44 (0) 203 470 0470.

## PART IV – TERMS AND CONDITIONS OF THE OPEN OFFER

Open Offer of up to 29,719,890 New Ordinary Shares at a price of 25 pence per share

### 1. Introduction

As explained in Part I of this Circular, the Company is proposing to issue up to 29,719,890 New Ordinary Shares pursuant to the Open Offer to raise up to €10 million, net of expenses and assuming a full take up under the Open Offer. Upon completion of the Open Offer, assuming a full take up under the Open Offer, the Open Offer Shares will represent approximately 47 per cent. of the Enlarged Share Capital (assuming a full take up under the Open Offer). Qualifying Shareholders are being offered the opportunity under the Open Offer to acquire New Ordinary Shares at the Issue Price.

The Issue Price of the New Ordinary Shares represents a discount of 20.6 per cent. discount to the closing middle market price of 31.5 pence per Existing Ordinary Share on 10 February 2015 (being the latest practicable date prior to publication of this Circular).

This Circular and, where relevant, the accompanying Application Form contain the formal terms and conditions of the Open Offer.

### 2. The Open Offer

Subject to the terms and conditions set out below and, where relevant, in the Application Form, the Company hereby invites Qualifying Shareholders to apply for Open Offer Shares at the Issue Price, payable in full in cash on application, free of all expenses, on the basis of:

- (a) 1 Open Offer Share for every 1.14 Existing Ordinary Shares held by them and registered in their names at the close of business on the Record Date and so in proportion for any other number of Existing Ordinary Shares then held; and
- (b) further Open Offer Shares in excess of their Open Offer Entitlement through the Excess Application Facility (although such Open Offer Shares will only be allotted to the extent that not all Qualifying Shareholders apply for their Open Offer Entitlement in full).

Holdings of Existing Ordinary Shares in both certificated and uncertificated form will be treated as separate holdings for the purpose of calculating entitlements under the Open Offer.

Fractions of New Ordinary Shares will not be allocated to Qualifying Shareholders and entitlements to apply for Open Offer Shares will be rounded down to the nearest whole number of New Ordinary Shares. New Ordinary Shares representing the aggregate of fractional entitlements will be made available under the Excess Application Facility.

Qualifying Shareholders may apply for any whole number of New Ordinary Shares up to their Open Offer Entitlement, which, in the case of Qualifying non-CREST Shareholders, is equal to the number of Open Offer Entitlements as shown on their Application Form or, in the case of Qualifying CREST Shareholders, is equal to the number of Open Offer Entitlements standing to the credit of their stock account in CREST and, if they so wish, may apply for Open Offer Shares in excess of their Open Offer Entitlement. Accordingly, applications in excess of the Open Offer Entitlements will only be satisfied to the extent that applications made by other Qualifying Shareholders are for less than their full Open Offer Entitlement and may therefore be scaled down *pro rata* to the number of Excess Shares applied for under the Open Offer, or otherwise at the absolute discretion of the Company. No Shareholder will be permitted to subscribe for more than 50 per cent. of the aggregate Open Offer Shares to be issued pursuant to the Open Offer. Any monies paid for applications in excess of their Open Offer Entitlements which are not so satisfied will be returned to the Applicant without interest within 14 days by way of cheque or CREST payment, as appropriate. The action to be taken in relation to the Open Offer depends on whether, at the time at which application and payment is made, you have an Application Form in respect of your entitlement under the Open Offer or have Open Offer Entitlements credited to your stock account in CREST in respect of such entitlement.

Not all Shareholders will be Qualifying Shareholders. Overseas Shareholders who are located in, or have a registered address in certain overseas jurisdictions (including, without limitation, any Excluded Territory) will not qualify to participate in the Open Offer. The attention of Overseas Shareholders or any person (including, without limitation, a custodian, nominee or trustee) who has a contractual or other legal obligation to forward this Circular into a jurisdiction other than the United Kingdom is drawn to paragraph 6 of this Part IV.

If you have received an Application Form with this Circular please refer to paragraph 3.1 of this Part IV.

If you hold your Existing Ordinary Shares in CREST and have received a credit of Open Offer Entitlements to your CREST stock account, please refer to paragraph 3.2 of this Part IV and also to the CREST Manual for further information on the CREST procedures referred to below.

The Open Offer Shares will be issued fully paid and will be identical to, and rank *pari passu* in all respects with, the Existing Ordinary Shares and the New Ordinary Shares to be issued pursuant to the Open Offer and will rank for all dividends or other distributions declared, made or paid after the date of issue of the Open Offer Shares. No temporary documents of title will be issued.

Application will be made to the London Stock Exchange for the Open Offer Shares to be admitted to trading on AIM. It is expected that Admission will become effective on 9 March 2015 and that dealings for normal settlement in the New Ordinary Shares will commence at 8.00 a.m. on 9 March 2015. It is expected that the results of the Open Offer will be announced by 7.00 a.m. on 5 March 2015.

Shareholders should be aware that the Open Offer is not a rights issue. Entitlements to Open Offer Shares will neither be tradeable nor sold in the market for the benefit of Qualifying Shareholders who do not apply for them in the Open Offer.

Qualifying CREST Shareholders should note that although the Open Offer Entitlements and Excess Open Offer Entitlements will be admitted to CREST and be enabled for settlement, applications in respect of entitlements under the Open Offer may only be made by the Qualifying CREST Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim raised by Euroclear's Claims Processing Unit. Qualifying non-CREST Shareholders should note that the Application Form is not a negotiable document and cannot be traded.

Before making any decision to acquire Open Offer Shares, you are asked to read and carefully consider all of the information in this Circular, including in particular the important information set out in the letter from the Chairman of the Company in Part I of this Circular, as well as this paragraph 2 of this Part IV and the Risk Factors set out in Part II of this Circular. Shareholders who do not participate in the Open Offer will be subject to a more substantial dilution of their existing shareholdings. The material terms of the Open Offer are contained in paragraph 6 of Part I of this Circular.

### **3. Procedure for application and payment**

Save as provided in paragraph 5 of this Part IV in relation to Overseas Shareholders, the action to be taken by you in respect of the Open Offer depends on whether at the relevant time you have an Application Form in respect of your Open Offer Entitlements, including the Excess Application Facility, or you have Open Offer Entitlements and Excess Open Offer Entitlements credited to your CREST account in respect of such entitlements.

Qualifying Shareholders who hold part of their Existing Ordinary Shares in uncertificated form on the Record Date will be allotted Open Offer Shares in uncertificated form to the extent that their entitlement to Open Offer Shares arises as a result of holding Existing Ordinary Shares in uncertificated form. Further information on deposit into CREST is set out in paragraph 3.2 of this Part IV.

CREST sponsored members should refer to their CREST sponsor, as only their CREST sponsor will be able to take the necessary action specified below to apply under the Open Offer in respect of the Open Offer Entitlements and Excess CREST Open Offer Entitlements of such members held in CREST. CREST members who wish to apply under the Open Offer in respect of their Open Offer Entitlements in CREST should refer to the CREST manual for further information on the CREST procedures referred to below.

#### *3.1 Action to be taken if you have an Application Form in respect of your entitlement under the Open Offer*

##### **(a) General**

Each Qualifying non-CREST Shareholder will have received an Application Form accompanying this Circular. The Application Form shows the number of Existing Ordinary Shares registered in the relevant Qualifying non-CREST Shareholder's name at the close of business on the Record Date. It also shows the number of Open Offer Shares for which such relevant Qualifying non-CREST Shareholder is entitled to apply under the Open Offer, calculated on the basis set out in paragraph 2

above. Qualifying non-CREST Shareholders may also apply for less than their maximum Open Offer Entitlements.

The Excess Application Facility enables Qualifying Shareholders who have taken up their full Open Offer Entitlement to apply for Open Offer Shares in excess of their Open Offer Entitlement. Applications in excess of the Open Offer Entitlement will only be satisfied to the extent that applications made by other Qualifying Shareholders are less than their full Open Offer Entitlements and may therefore be scaled down.

Fractions (if any) of Open Offer Shares will be made available under the Excess Application Facility. The instructions and other terms which are set out in the Application Form constitute part of the terms of the Open Offer.

(b) Procedure for application

Applications for Open Offer Shares (including under the Excess Application Facility) by Qualifying non-CREST Shareholders may only be made on the Application Form, which is personal to the Qualifying non-CREST Shareholder(s) named on it and is not capable of being split, assigned or transferred except in the circumstances described below.

Qualifying non-CREST Shareholders may also apply for Excess Shares in excess of their *pro rata* entitlement to Open Offer Shares by completing Boxes E and F of the Application Form for the total number of Open Offer Shares for which they wish to make application (including their *pro rata* entitlement) and submitting the amount payable on such application. Further details on the Excess Application Facility are set out in paragraph 3.1(d) of this Part IV of this Circular.

A Qualifying non-CREST Shareholder who does not wish to apply for any of the Open Offer Shares to which he or she is entitled should not return a completed Application Form to the Receiving Agents.

The Application Form represents a right personal to the Qualifying non-CREST Shareholder to apply to subscribe for Open Offer Shares (including under the Excess Application Facility); it is not a document of title and it cannot be traded. It is assignable or transferable only to satisfy *bona fide* market claims in relation to purchases in the market pursuant to the rules and regulations of the London Stock Exchange. Application Forms may be split up to 3.00 p.m. on 2 March 2015 but only to satisfy such *bona fide* market claims. Qualifying non-CREST Shareholders who have before the 'ex' date sold or transferred all or part of their shareholdings are advised to consult their stockbroker, bank or agent through whom the sale or transfer was effected or another professional adviser authorised under the FSMA as soon as possible, since the invitation to apply for Open Offer Shares (including under the Excess Application Facility) may represent a benefit which can be claimed from them by the purchaser(s) or transferee(s) under the rules of the London Stock Exchange.

Qualifying non-CREST Shareholders who submit a valid application using the Application Form and accompanying payment will (subject to the terms and conditions set out in this Part IV, in the letter from the Chairman of the Company in Part I and in the Application Form) be allocated the Open Offer Shares applied for in full at the Issue Price (subject to the Company's discretion to accept, reject or scale back any application for any Open Offer Shares).

Applications will be irrevocable and, once submitted, may not be withdrawn and their receipt will not be acknowledged. The Company reserves the right to treat any application not strictly complying with the terms and conditions of application as nevertheless valid.

The Company may in its sole discretion, but shall not be obliged to, treat an Application Form as valid and binding on the person by whom or on whose behalf it is lodged, even if not completed in accordance with the relevant instructions or not accompanied by a valid power of attorney where required, or if it otherwise does not strictly comply with the terms and conditions of the Open Offer. The Company further reserves the right (but shall not be obliged) to accept either:

- (i) Application Forms received after 11.00 a.m. on 4 March 2015; or
- (ii) applications in respect of which remittances are received before 11.00 a.m. on 4 March 2015 from authorised persons (as defined in FSMA) specifying the Open Offer Shares applied for and undertaking to lodge the Application Form in due course but, in any event, within two Business Days.

Multiple applications will not be accepted. All documents and remittances sent by post by or to an Applicant (or as the Applicant may direct) will be sent at the Applicant's own risk.

If Open Offer Shares have already been allotted to a Qualifying non-CREST Shareholder and such Qualifying non-CREST Shareholder's cheque or banker's draft is not honoured upon first presentation or such Qualifying non-CREST Shareholder's application is subsequently otherwise deemed to be invalid, the Company shall arrange (in its absolute discretion as to manner, timing and terms) to make arrangements for the sale of such Qualifying non-CREST Shareholder's Open Offer Shares and for the proceeds of sale (which for these purposes shall be deemed to be payments in respect of successful applications) to be paid to and retained by the Company. None of Computershare, the Company or any other person shall be responsible for, or have any liability for, any loss, expense or damage suffered by such Qualifying non-CREST Shareholders.

If you are a Qualifying non-CREST Shareholder and wish to apply for all or part of the Open Offer Shares to which you are entitled (including any application for any Excess Shares under the Excess Application Facility) you should complete and sign the Application Form in accordance with the instructions printed on it and return it, either (a) by post to Computershare, Corporate Actions Projects, Bristol, BS99 6AH or by hand (during normal business hours only) to Computershare, The Pavilions, Bridgwater Road, Bristol, BS13 8AE, together with a Euro cheque or banker's draft to the value of the Open Offer Shares applied for on the Application Form, or (b) by post or by hand to the Company at Secure Property Development & Investment plc, 16 Kiriakou Matsi Ag. Omologites Nicosia 1082, Cyprus and in parallel make a bank transfer in Euros of the amount corresponding to the number of Open Offer Shares for which you are applying to the following account number:

Bank: EUROBANK CYPRUS LTD  
Branch: NICOSIA, CYPRUS  
Sort Code: ERBKCY2N  
IBAN euro: CY98 0180 0001 0000 2001 0013 4635  
Account Name: SECURE PROPERTY DEVELOPMENT & INVESTMENT PLC  
Ref: Open Offer Re: *[your name]*

Return of the Application Form and payment should be made as soon as practicable and, in any event, so as to be received not later than 11.00 a.m. on 4 March 2015, after which time Application Forms will not be accepted. Your Application Form will not be valid unless you sign it. If you post your Application Form by first class post in the UK, or in the accompanying reply-paid envelope, you are advised to allow at least four Business Days for delivery.

The Company reserves the right (but shall not be obliged) to accept applications in respect of which remittances are received prior to 11.00 a.m. on 4 March 2015 from an authorised person (as defined in the FSMA) specifying the Open Offer Shares concerned and undertaking to lodge the relevant Application Form in due course.

#### (c) Payments

Cheques sent to Computershare must be drawn on the personal account to which you have sole or joint title to the funds. Your cheque or banker's draft should be made payable to CIS PLC re SPDI Open Offer and crossed "A/C Payee only". Payments must be made by cheque or banker's draft in Euros, of a bank or building society which is either a settlement member of the Cheque and Credit Clearing Company Limited or the CHAPS Clearing Company Limited or which has arranged for its cheques and banker's drafts to be cleared through facilities provided by either of these companies and must bear the appropriate sorting code in the top right-hand corner. Third party cheques may not be accepted with the exception of building society cheques or banker's drafts where the building society or bank has confirmed on the back of the building society cheque or banker's draft the name of the account holder (which must be the same name as printed on the Application Form) and their title to funds by stamping and endorsing the building society cheque/banker's draft to such effect. Any application or purported application may be rejected unless these requirements are fulfilled. Post-dated cheques will not be accepted.

Cheques or banker's drafts will be presented for payment upon receipt. The Company reserves the right to instruct the Receiving Agent to seek special clearance of cheques and banker's drafts to allow the Company to obtain value for remittances at the earliest opportunity (and withhold definitive share certificates (or crediting to the relevant member account, as applicable) pending clearance thereof). No interest will be paid on payments made before they are due. It is a term of the Open Offer that cheques shall be honoured on first presentation and the Company may elect to treat as invalid applications in respect of which cheques are not so honoured. All documents, cheques and banker's drafts sent through the post will be sent at the risk of the sender.

If you do wish to make payment via CHAPS, BACS or electronic transfer, payment can be made directly to the Company by bank transfer, in Euros, to:

Bank: EUROBANK CYPRUS LTD

Branch: NICOSIA, CYPRUS

Sort Code: ERBKCY2N

IBAN euro: CY98 0180 0001 0000 2001 0013 4635

Account Name: SECURE PROPERTY DEVELOPMENT & INVESTMENT PLC

Ref: Open Offer Re: *[your name]*

The Company shall as soon as practicable following 4 March 2015 refund any payment received with respect to an application for a number of Open Offer Shares in respect of an Open Offer Entitlement which has been rejected in whole or in part by the Company.

(d) The Excess Application Facility

The Excess Application Facility enables Qualifying Shareholders who have taken up their Open Offer Entitlement to apply for Open Offer Shares.

Qualifying non-CREST Shareholders who wish to apply for Open Offer Shares in excess of their Open Offer Entitlement must complete the Application Form in accordance with the instructions set out on the Application Form.

Should applications for Open Offer Shares exceed the 29,719,890 Open Offer Shares being made available to Qualifying Shareholders as a result of applications made in respect of the Excess Application Facility, resulting in a scaling back of applications, each Qualifying non-CREST Shareholder who has made a valid application for Open Offer Shares under the Excess Application Facility and from whom payment in full for such Open Offer Shares has been received in cleared funds will receive a pounds sterling amount equal to the number of Open Offer Shares applied and paid for under the Excess Application Facility but not allocated to the relevant Qualifying non-CREST Shareholder multiplied by the Issue Price. Monies will be returned as soon as reasonably practicable, without payment of interest and at the Applicant's sole risk.

Fractions of Open Offer Shares will not be issued under the Excess Application Facility and fractions of Open Offer Shares will be rounded down to the nearest whole number.

(e) Effect of application

By completing and delivering an Application Form you (as the Applicant(s)):

- (i) agree that your application, the acceptance of your application and the contract resulting therefrom under the Open Offer shall be governed by, and construed in accordance with, the laws of England and Wales;
- (ii) confirm that in making the application you are not relying on any information or representation other than those contained in this Circular and the Application Form and you, accordingly, agree that no person responsible solely or jointly for this Circular or any part of it shall have any liability for any information or representation not contained in this Circular and that having had the opportunity to read this Circular you will be deemed to have notice of all the information concerning the Group contained within this Circular;
- (iii) represent and warrant that you are not resident(s) of an Excluded Territory or any other jurisdiction in which the application for Open Offer Shares is prevented by law and are not applying on behalf of, or with a view to the re-offer, re-sale or delivery of Open Offer Shares directly or indirectly in, into or within an Excluded Territory or to a resident of an Excluded Territory or to any person you believe is purchasing or subscribing for the purpose of such re-offer, re-sale or delivery;
- (iv) represent and warrant that you are not otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares or acting on behalf of such person(s) on a non-discretionary basis; and
- (v) will also be asked whether or not you can represent and warrant as follows: (i) you have not received the Application Form or any other document relating to the Open Offer in an Excluded Territory, nor have you mailed, transmitted or otherwise distributed or forwarded any such document in or into an Excluded Territory; (ii) you are not and were not located in an Excluded Territory at the time you accepted the Application Form or at the time you returned

the Application Form; and (iii) if you are acting in a fiduciary, agency or other capacity as an intermediary, then either (A) you have full investment discretion with respect to the Open Offer Shares covered by the Application Form or (B) the person on whose behalf you are acting was located outside an Excluded Territory at the time he or she instructed you to submit the Application Form.

If you are unable to provide such representations and warranties you will be deemed not to have validly submitted an application for Open Offer Shares, save in the discretion of the Company and subject to certain conditions.

You should note that applications will be irrevocable. The Company reserves the right (but shall not be obliged) to treat any application not strictly complying in all respects with the terms and conditions of application as nevertheless valid. If you do not wish to apply for Open Offer Shares under the Open Offer you should not complete or return the Application Form.

If you have any questions relating to the procedure for acceptance, please telephone Computershare on 0870 702 0000 (+44 870 702 0000 if calling from abroad). Calls from landline providers typically cost up to 12p per minute. From mobile networks calls cost between 5p and 40p per minute. Calls from outside the UK are chargeable at applicable international rates. Calls may be recorded and randomly monitored for security and training purposes. Lines are open from 8.30a.m. until 5.30p.m. (London time) Monday to Friday (excluding UK public holidays). The helpline cannot provide advice on the merits of the offer nor give any financial, legal or tax advice.

Alternatively, Shareholders can contact Lambros Anagnostopoulos or Constantinos Bitros at the Company on +30 210 72 26470, or Tercel Moore at S.P. Angel Corporate Finance LLP on +44 (0) 203 470 0470.

### *3.2 Action to be taken if you have Open Offer Entitlements and Excess Open Offer Entitlements credited to your stock account in CREST in respect of your entitlement under the Open Offer*

#### (a) General

The Ordinary Shares are admitted to trading on AIM. Holders of Depositary Interests representing Ordinary Shares, will have their entitlement to apply for Ordinary Shares under the Open Offer passed onto them by Computershare in its capacity as Depositary.

Save as provided in paragraph 5 of this Part IV in relation to certain Overseas Shareholders, each Qualifying CREST Shareholder will receive a credit to his stock account in CREST of his Open Offer Entitlements equal to the number of Open Offer Shares to which he is entitled under the Open Offer. Qualifying CREST Shareholders may also apply for Open Offer Shares in excess of their Open Offer Entitlement under the Excess Application Facility. Further details of Excess Offer Entitlements can be found in paragraph 3.2(j) of this Part IV of this Circular.

The CREST stock account to be credited will be an account under the Participant ID and Member ID that apply to the Existing Ordinary Shares held on the Record Date by the Qualifying CREST Shareholder in respect of which the Open Offer Entitlements and Excess Open Offer Entitlements have been allocated.

If for any reason the Open Offer Entitlements cannot be admitted to CREST by, or the stock accounts of Qualifying CREST Shareholders cannot be credited by 8.00 a.m. or such later time as the Company may decide, on 9 March 2015, an Application Form will be sent out to each Qualifying CREST Shareholder in substitution for the Open Offer Entitlements and Excess Open Offer Entitlements credited to his stock account in CREST. In these circumstances the expected timetable as set out in this Circular will be adjusted as appropriate and the provisions of this Circular applicable to Qualifying non-CREST Shareholders with Application Forms will apply to Qualifying CREST Shareholders who receive Application Forms.

Qualifying CREST Shareholders who wish to apply for some or all of their entitlements to Open Offer Shares (including any applications for Excess CREST Open Offer Entitlements) should refer to the CREST Manual for further information on the CREST procedures referred to below. If you have any questions relating to the procedure for acceptance, please telephone Computershare on 0870 702 0000 (+44 870 702 0000 if calling from abroad). Calls from landline providers typically cost up to 12p per minute. From mobile networks calls cost between 5p and 40p per minute. Calls from outside the UK are chargeable at applicable international rates. Calls may be recorded and randomly monitored for security and training purposes. Lines are open from 8.30a.m. until 5.30p.m. (London time) Monday to Friday (excluding UK public holidays). The helpline cannot provide advice on the merits of the offer nor give any financial, legal or tax advice. If you are a CREST sponsored member

you should consult your CREST sponsor if you wish to apply for Open Offer Shares as only your CREST sponsor will be able to take the necessary action to make this application in CREST.

(b) Procedure for application and payment

The Open Offer Entitlements and Excess Open Offer Entitlements will have a separate ISIN and constitute a separate security for the purposes of CREST. Although Open Offer Entitlements and Excess Open Offer Entitlements will be admitted to CREST and be enabled for settlement, applications in respect of Open Offer Entitlements and Excess Open Offer Entitlements may only be made by the Qualifying CREST Shareholder originally entitled or by a person entitled by virtue of a *bona fide* market claim transaction. Transactions identified by the CREST Claims Processing Unit as “cum” the Open Offer Entitlement will generate an appropriate market claim transaction and the relevant Open Offer Entitlement(s) and Excess Open Offer Entitlement(s) will thereafter be transferred accordingly.

(c) USE instructions

Qualifying CREST Shareholders who wish to apply for Open Offer Shares in respect of all or some of their Open Offer Entitlements and Excess Open Offer Entitlements in CREST must send (or if they are CREST sponsored members, procure that their CREST sponsor sends) an Unmatched Stock Event (USE) instruction to Euroclear which, on its settlement, will have the following effect:

- (i) the crediting of a stock account of the Receiving Agent under the Participant ID and Member Account ID specified below, with the number of Open Offer Entitlements or Excess CREST Open Offer Entitlements corresponding to the number of Open Offer Shares applied for (subject to paragraph 4.2(j) of this Part IV); and
- (ii) the creation of a CREST payment in accordance with the CREST payment arrangements in favour of the payment bank of the Receiving Agent in respect of the amount specified in the USE instruction which must be the full amount payable on application for the number of Open Offer Shares or Excess Shares referred to in sub- paragraph (i) above.

(d) Content of USE instructions in respect of Open Offer Entitlements

The USE instruction must be properly authenticated in accordance with Euroclear’s specifications and must contain, in addition to the other information that is required for settlement in CREST, the following details:

- (i) the number of Open Offer Shares for which application is being made (and hence the number of Open Offer Entitlement(s) being delivered to the Receiving Agent);
- (ii) the ISIN of the Open Offer Entitlements, which is CY0105532218;
- (iii) the Participant ID of the accepting CREST member;
- (iv) the Member Account ID of the accepting CREST member from which the Open Offer Entitlements are to be debited;
- (v) the Participant ID of Computershare, in its capacity as a CREST receiving agent, which is 8RA23;
- (vi) the Member Account ID of Computershare in its capacity as a CREST receiving agent, which is SPDI00 in respect of the Open Offer Entitlement;
- (vii) the amount payable by means of a CREST payment on settlement of the USE instruction, which must be the full amount payable on application for the number of Open Offer Shares referred to in (i) above;
- (viii) the intended settlement date, which must be on or before 11.00 a.m. on 4 March 2015; and
- (ix) the Corporate Action Number for the Open Offer, which will be available by viewing the relevant corporate action details in CREST.

In order for an application under the Open Offer to be valid, the USE instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 11.00 a.m. on 4 March 2015.

In order to assist prompt settlement of the USE instruction, CREST members (or their sponsors, where applicable) may consider adding the following non-mandatory fields to the USE instruction:

- (i) a contact name and telephone number (in the free format shared note field); and
- (ii) a priority of at least 80.

CREST members and, in the case of CREST sponsored members, their CREST sponsors, should note that the last time at which a USE instruction may settle on 4 March 2015 in order to be valid is 11.00 a.m. on that day.

(e) Contents of USE instructions in respect of Excess CREST Open Offer Entitlements

The USE Instruction must be properly authenticated in accordance with Euroclear UK & Ireland's specifications and must contain, in addition to the other information that is required for settlement in CREST, the following details:

- (i) the number of Open Offer Shares for which application is being made (and hence the number of Excess CREST Open Offer Entitlement(s) being delivered to the Receiving Agent);
- (ii) the ISIN of the Excess CREST Open Offer Entitlement, which is CY0105542217;
- (iii) the CREST participant ID of the accepting CREST member;
- (iv) the CREST member account ID of the accepting CREST member from which the Excess CREST Open Offer Entitlements are to be debited;
- (v) the Participant ID of Computershare in its capacity as a CREST receiving agent, which is 8RA23;
- (vi) the Member Account ID of Computershare in its capacity as a CREST receiving agent, which is SPDI00;
- (vii) the amount payable by means of a CREST payment on settlement of the USE instruction which must be the full amount payable on application for the number of Open Offer Shares referred to in (i) above;
- (viii) the intended settlement date, which must be before 11.00 a.m. on 4 March 2015; and
- (ix) the Corporate Action Number for the Open Offer, which will be available by viewing the relevant corporate action details in CREST.

In order for an application in respect of an Excess CREST Open Offer Entitlement under the Open Offer to be valid, the USE instruction must comply with the requirements as to authentication and contents set out above and must settle on or before 11.00 a.m. on 4 March 2015.

In order to assist prompt settlement of the USE instruction, CREST members (or their sponsors, where applicable) should add the following non-mandatory fields to their USE instruction:

- (i) a contact name and telephone number (in the free format shared note field); and
- (ii) a priority of at least 80.

CREST members and, in the case of CREST sponsored members, their CREST sponsors, should note that the last time at which a USE instruction may settle on 4 March 2015 in order to be valid is 11.00 a.m. on that day.

In the event the Open Offer lapses, the Open Offer Entitlements and Excess Open Offer Entitlements admitted to CREST will be disabled and the Receiving Agent will refund the amount paid by a Qualifying CREST Shareholder by way of a CREST payment, without interest, within 14 days.

(f) Deposit of Open Offer Entitlements into, and withdrawal from, CREST

A Qualifying non-CREST Shareholder's entitlement under the Open Offer as shown by the number of Open Offer Entitlements set out in his Application Form may be deposited into CREST (either into the account of the Qualifying Shareholder named in the Application Form or into the name of a person entitled by virtue of a *bona fide* market claim). Similarly, Open Offer Entitlements and Excess Open Offer Entitlements held in CREST may be withdrawn from CREST so that the entitlement under the Open Offer is reflected in an Application Form. Normal CREST procedures (including timings) apply in relation to any such deposit or withdrawal as are set out in the Application Form.

The holder of an Application Form who is proposing so to deposit the Open Offer Entitlements set out in such form is recommended to ensure that the deposit procedures are implemented in sufficient time to enable the person holding or acquiring the Open Offer Entitlements and Excess Open Offer Entitlements following their deposit into CREST to take all necessary steps in connection with taking up such entitlements prior to 11.00 a.m. on 4 March 2015.

In particular, having regard to normal processing times in CREST and on the part of the Registrars, the recommended latest time for depositing an Application Form with the CREST Courier and Sorting Service, where the person entitled wishes to hold the entitlement under the Open Offer set out in such Application Form as Open Offer Entitlements in CREST, is 11.00 a.m. on 4 March 2015,

and the recommended latest time for receipt by Euroclear of a dematerialised instruction requesting withdrawal of Open Offer Entitlements and Excess Open Offer Entitlements from CREST is 11.00 a.m. on 4 March 2015, in either case so as to enable the person acquiring or (as appropriate) holding the Open Offer Entitlements and Excess Open Offer Entitlements following the deposit or withdrawal (whether as shown in an Application Form or held in CREST) to take all necessary steps in connection with applying in respect of the Open Offer Entitlements and Excess Open Offer Entitlements prior to 11.00 a.m. on 4 March 2015.

Delivery of an Application Form with the CREST deposit form duly completed whether in respect of a deposit into the account of the Qualifying non-CREST Shareholder named in the Application Form or into the name of another person, shall constitute a representation and warranty to the Company and the Depositary by the relevant CREST member(s) that it/they is/are not in breach of the provisions of the notes under the paragraph headed “Instructions for depositing entitlements under the Open Offer into CREST” on page 2 of the Application Form, and a declaration to the Company and the Depositary from the relevant CREST member(s) that it/they is/are not resident(s) of an Excluded Territory and, where such deposit is made by a beneficiary of a market claim, a representation and warranty that the relevant CREST member(s) is/are entitled to apply under the Open Offer by virtue of a *bona fide* market claim.

(g) Validity of application

A USE instruction complying with the requirements as to authentication and contents set out above which settles by no later than 11.00 a.m. on 4 March 2015 will constitute a valid application under the Open Offer.

(h) CREST procedures and timings

CREST members and (where applicable) their CREST sponsors should note that Euroclear does not make available special procedures, in CREST, for any particular corporate action. Normal system timings and limitations will therefore apply in relation to the input of a USE instruction and its settlement in connection with the Open Offer. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST sponsored member, to procure that his CREST sponsor takes) such action as shall be necessary to ensure that a valid application is made as stated above by 11.00 a.m. on 4 March 2015. In this connection CREST members and (where applicable) their CREST sponsors are referred in particular to those sections of the CREST manual concerning practical limitations of the CREST system and timings.

(i) Incorrect or incomplete applications

If a USE instruction includes a CREST payment for an incorrect sum, the Company through the Receiving Agent reserves the right:

- (i) to reject the application in full and refund the payment to the CREST member in question;
- (ii) in the case that an insufficient sum is paid, to treat the application as a valid application for such lesser whole number of Open Offer Shares as would be able to be applied for with that payment at the Issue Price, refunding any unutilised sum to the CREST member in question (without interest); and
- (iii) in the case that an excess sum is paid, to treat the application as a valid application for all the Open Offer Shares referred to in the USE instruction refunding any unutilised sum to the CREST member in question (without interest).

(j) The Excess Application Facility

Provided that a Qualifying CREST Shareholder chooses to take up their Open Offer Entitlement in full, the Excess Application Facility enables Qualifying CREST Shareholders to apply for Open Offer Shares in excess of their Open Offer Entitlements. Each Qualifying CREST Shareholder will receive a credit to his stock account in CREST of Excess CREST Open Offer Entitlements equal to 10 times the total number of Existing Ordinary Shares held in such Qualifying Shareholder’s name as at the Record Date. If Qualifying CREST Shareholders wish to apply for more than 10 times the total number of Existing Ordinary Shares held in such Qualifying Shareholder’s name as at the Record Date, the Qualifying CREST Shareholder should contact Computershare on 0870 702 0000 (+44 870 702 0000 if calling from abroad) who will arrange for the additional Excess Shares to be credited to the relevant CREST account of the Qualifying CREST Shareholder. Any such applications will be granted at the absolute discretion of the Company.

If applications under the Excess Application Facility are received for more than the total number of Open Offer Shares available following take-up of Open Offer Entitlements, such applications will be scaled back *pro rata* to the number of Excess Shares applied for by Qualifying Shareholders under the Excess Application Facility. An Excess CREST Open Offer Entitlement may not be sold or otherwise transferred. Subject as provided in paragraph 5 of this Part IV in relation to certain Overseas Shareholders, the CREST accounts of Qualifying CREST Shareholders will be credited with an Excess CREST Open Offer Entitlement in order for any applications for Excess Shares to be settled through CREST. The credit of such Excess CREST Open Offer Entitlement does not in any way give Qualifying CREST Shareholders a right to the Open Offer Shares attributable to the Excess CREST Open Offer Entitlement as an Excess CREST Open Offer Entitlement is subject to scaling back in accordance with the terms of this Circular.

To apply for Excess Shares pursuant to the Open Offer, Qualifying CREST Shareholders should follow the instructions above and must not return a paper form and cheque. Should a transaction be identified by the CREST Claims Processing Unit as “cum” the Open Offer Entitlement and the relevant Open Offer Entitlement(s) be transferred, the Excess CREST Open Offer Entitlements will not transfer with the Open Offer Entitlement(s) claim, but will be transferred as a separate claim. Should a Qualifying CREST Shareholder cease to hold all of his Existing Ordinary Shares as a result of one or more *bona fide* market claims, the Excess CREST Open Offer Entitlement credited to CREST, and allocated to the relevant Qualifying Shareholder, will be transferred to the purchaser. Please note that an additional USE instruction must be sent in respect of any application under the Excess CREST Open Offer Entitlement.

Should applications for Open Offer Shares by Qualifying Shareholders under the Open Offer exceed the number of Open Offer Shares being made available, resulting in a scale back of applications under the Excess Application Facility, each Qualifying CREST Shareholder who has made a valid application for Excess Shares under the Excess Application Facility, and from whom payment in full for the Excess Shares has been received, will receive a pounds sterling amount equal to the number of Open Offer Shares validly applied and paid for but which are not allocated to the relevant Qualifying CREST Shareholder multiplied by the Issue Price. Monies will be returned as soon as reasonably practicable, without payment of interest, and at the Applicant’s sole risk.

Fractions of Open Offer Shares will not be issued under the Excess Application Facility and fractions of Open Offer Shares will be rounded down to the nearest whole number, aggregated and made available under the Excess Application Facility.

(k) Effect of valid application

A CREST member who makes or is treated as making a valid application in accordance with the above procedures will thereby:

- (i) pay the amount payable on application in accordance with the above procedures by means of a CREST payment in accordance with the CREST payment arrangements (it being acknowledged that the payment to the Receiving Agent’s payment bank in accordance with the CREST payment arrangements shall, to the extent of the payment, discharge in full the obligation of the CREST member to pay to the Company the amount payable on application);
- (ii) request that the Open Offer Shares to which he will become entitled be issued to him on the terms set out in this Circular and subject to the Articles;
- (iii) agree that all applications and contracts resulting therefrom under the Open Offer shall be governed by, and construed in accordance with, the laws of England and Wales;
- (iv) represent and warrant that he is not applying on behalf of any Shareholder, who is a resident or which is a corporation, partnership or other entity created or organised in or under any laws of an Excluded Territory and he is not applying with a view to re-offering, re-selling, transferring or delivering any of the Open Offer Shares which are the subject of this application to, or for the benefit of, a Shareholder who is a resident or which is a corporation, partnership or other entity created or organised in or under any laws of an Excluded Territory nor acting on behalf of any such person on a non-discretionary basis nor (a) person(s) otherwise prevented by legal or regulatory restrictions from applying for Open Offer Shares under the Open Offer;
- (v) represent and warrant that he is not, nor is he applying as nominee or agent for, a person who is or may be liable to notify and account for tax under the Stamp Duty Reserve Tax Regulations 1986 at any of the increased rates referred to in Section 93 (depository receipts) or Section 96 (clearance services) of the Finance Act 1986;

- (vi) confirm that in making such application he is not relying on any information or representation other than those contained in this Circular and agrees that no person responsible solely or jointly for this Circular or any part thereof or involved in the preparation thereof, shall have any liability for any information or representation not contained in this Circular and further agree that having had the opportunity to read this Circular he will be deemed to have had notice of all the information concerning the Group contained therein; and
  - (vii) represent and warrant that he is the Qualifying Shareholder originally entitled to the Open Offer Entitlements or that he has received such Open Offer Entitlements and Excess Open Offer Entitlements by virtue of a *bona fide* market claim.
- (l) Company's discretion as to rejection and validity of applications
- The Company may in its sole discretion:
- (i) treat as valid (and binding on the CREST member concerned) an application which does not strictly comply in all respects with the requirements as to validity set out or referred to in this paragraph 3 of this Part IV;
  - (ii) accept an alternative properly authenticated, dematerialised instruction from a CREST member or (where applicable) a CREST sponsor as constituting a valid application in substitution for or in addition to a USE instruction and subject to such further terms and conditions as the Company may determine;
  - (iii) treat a properly authenticated dematerialised instruction (in this sub-paragraph the first instruction) as not constituting a valid application if, at the time at which the Receiving Agent receives a properly authenticated dematerialised instruction giving details of the first instruction or thereafter, either the Company or the Receiving Agent have received actual notice from Euroclear of any of the matters specified in Regulation 35(5)(a) of the CREST Regulations in relation to the first instruction. These matters include notice that any information contained in the first instruction was incorrect or notice of lack of authority to send the first instruction; and
  - (iv) accept an alternative instruction or notification from a CREST member or CREST sponsored member or (where applicable) a CREST sponsor, or extend the time for settlement of a USE instruction or any alternative instruction or notification, in the event that for reasons or due to circumstances outside the control of any CREST member or CREST sponsored member or (where applicable) CREST sponsor, the CREST member or CREST sponsored member is unable validly to apply for Open Offer Shares by means of the above procedures. In normal circumstances, this discretion is only likely to be exercised in the event of any interruption, failure or breakdown of CREST (or any part of CREST) or on the part of the facilities and/or systems operated by the Receiving Agent in connection with CREST.

If you have any doubt as to the procedure for acceptance and payment you should contact Computershare on 0870 702 0000 (+44 870 702 0000 if calling from abroad). Calls from landline providers typically cost up to 12p per minute. From mobile networks calls cost between 5p and 40p per minute. Calls from outside the UK are chargeable at applicable international rates. Calls may be recorded and randomly monitored for security and training purposes. Lines are open from 8.30a.m. until 5.30p.m. (London time) Monday to Friday (excluding UK public holidays). The helpline cannot provide advice on the merits of the offer nor give any financial, legal or tax advice.

(m) Issue of Open Offer Shares in CREST

Open Offer Entitlements and Excess Open Offer Entitlements held in CREST are expected to be disabled in all respects after the close of business on 4 March 2015. Open Offer Shares will be issued in uncertificated form to those persons who submitted a valid application for Open Offer Shares by utilising the CREST application procedures and whose applications have been accepted by the Company. On this day, the Receiving Agent will instruct Euroclear to credit the appropriate stock accounts of such persons with such persons' Open Offer Entitlements with effect from the next business day. The stock accounts to be credited will be accounts under the same Participant IDs and Member Account IDs in respect of which the USE instruction was given.

## 4. Money Laundering Regulations

### 4.1 Holders of Application Forms

It is a term of the Open Offer that, in order to ensure compliance with the Money Laundering Regulations (the Regulations), the Receiving Agent may require verification of the identity of the

person by whom or on whose behalf an Application Form is lodged with payment (which requirements are referred to below as the “verification of identity”).

The verification of identity requirements pursuant to the Regulations will apply to applications with a value of €15,000 (or its Pound Sterling equivalent) or greater, or to one of a series of linked applications whose aggregate value exceeds that amount, and in the case of such applications verification of the identity of Applicant(s) for Open Offer Shares may be required.

If within a reasonable period of time following a request, for verification of identity, but in any event by 11.00 a.m. on 4 March 2015, the Receiving Agent has not received evidence satisfactory to it, the Company may, in its absolute discretion, elect not to treat as valid the relevant application, in which event the money payable or paid in respect of the application will be returned (without interest and at the Applicant’s risk) to the account of the drawee bank or building society from which sums were originally debited (but in each case without prejudice to any rights the Company may have to take proceedings in respect of loss or damage suffered or incurred by it as a result of the failure to produce satisfactory evidence as aforesaid).

In order to avoid this, payment should be made by means of a cheque drawn by and in the name of the Applicant named on the accompanying Application Form or (where an Application Form has been transferred and/or split to satisfy *bona fide* market claims in relation to transfers of Existing Ordinary Shares through the market prior to 3.00 p.m. on 2 March 2015), by the person named in Box K on the Application Form. If this is not practicable and the Applicant uses a cheque drawn on a building society or a banker’s draft, the Applicant should:

- (a) ask the building society or bank to endorse on the cheque or draft the name and account number of the person whose building society or bank account is being debited which must be the same name as that printed on the Application Form, such endorsement being validated by a stamp and authorised signature by the building society or bank on the reverse of the cheque or banker’s draft;
- (b) if the Applicant is making the application as agent for one or more persons, indicate on the Application Form whether it is a United Kingdom or European Union regulated person or institution (e.g. a bank or broker), and specify its status. If you have any questions relating to the procedure for acceptance, please telephone Computershare on 0870 702 0000 (+44 870 702 0000 if calling from abroad). Calls from landline providers typically cost up to 12p per minute. From mobile networks calls cost between 5p and 40p per minute. Calls from outside the UK are chargeable at applicable international rates. Calls may be recorded and randomly monitored for security and training purposes. Lines are open from 8.30a.m. until 5.30p.m. (London time) Monday to Friday (excluding UK public holidays). The helpline cannot provide advice on the merits of the offer nor give any financial, legal or tax advice;
- (c) if the Applicant delivers the Application Form by hand, bring with them the appropriate photographic evidence of identity, such as a passport or driving licence; and
- (d) third party cheques may not be accepted unless covered by (a) above.

In any event, if it appears to the Receiving Agent that an Applicant is acting on behalf of some other person, further verification of the identity of any person on whose behalf the Applicant appears to be acting will be required.

Neither the Receiving Agent, nor the Company will be liable to any person for any loss suffered or incurred as a result of the exercise of any discretion to require verification. By lodging an Application Form, each Qualifying Shareholder undertakes to provide evidence of his identity at the time of lodging the Application Form, or, at the absolute discretion of the Company, at such specified time thereafter as may be required to ensure compliance with the Regulations.

#### *4.2 Open Offer Entitlements and Excess Open Offer Entitlements in CREST*

If you hold your Open Offer Entitlements or Excess Open Offer Entitlements in CREST and apply for Open Offer Shares in respect of all or some of your Open Offer Entitlements (and Excess Open Offer Entitlements) as agent for one or more persons and you are not a United Kingdom or European Union regulated person or institution (e.g. a United Kingdom financial institution), then, irrespective of the value of the application, the Receiving Agent is obliged to take reasonable measures to establish the identity of the person or persons on whose behalf you are making the application. You must therefore contact the Receiving Agent before sending any USE or other instruction so that appropriate measures may be taken.

Submission of a USE instruction which on its settlement constitutes a valid application as described above constitutes a warranty and undertaking by the Applicant to provide promptly to the Receiving Agent such information as may be specified by the Receiving Agent as being required for the purposes of the Regulations. Pending the provision of evidence satisfactory to the Receiving Agent as to identity, the Receiving Agent may in its absolute discretion take, or omit to take, such action as it may determine to prevent or delay issue of the Open Offer Shares concerned. If satisfactory evidence of identity has not been provided within a reasonable time, then the application for the Open Offer Shares represented by the USE instruction will not be valid. This is without prejudice to the right of the Company to take proceedings to recover any loss suffered by it as a result of any failure to provide satisfactory evidence.

## **5. Overseas Shareholders**

### *5.1 General*

The distribution of this Circular and the Application Form and the making or acceptance of the Open Offer to persons who have registered addresses in, or who are resident or ordinarily resident in, or which are corporations, partnerships or other entities created or organised under the laws of countries other than the United Kingdom or to persons who are nominees of or custodians, trustees or guardians for residents in or nationals of, countries other than the United Kingdom may be affected by the laws or regulatory requirements of the relevant jurisdictions. Those persons should consult their professional advisers as to whether they require any governmental or other consents or need to observe any applicable legal requirement or other formalities to enable them to apply for Open Offer Shares under the Open Offer. The comments set out in this paragraph 5 are intended as a general guide only and any Overseas Shareholders who are in any doubt as to their position should consult their professional advisers without delay.

No action has been or will be taken by the Company or any other person, to permit a public offering or distribution of this Circular (or any other offering or publicity materials or Application Form(s) in any jurisdiction where action for that purpose may be required, other than in the United Kingdom.

Application Forms will not be sent to and Open Offer Entitlements and Excess Open Offer Entitlements will not be credited to a stock account in CREST of persons with registered addresses in an Excluded Territory or their agent or intermediary, except where the Company is satisfied that such action would not result in the contravention of any registration or other legal requirement in any jurisdiction.

No person receiving a copy of this Circular and/or an Application Form and/or a credit of Open Offer Entitlements and/or a credit of Excess Open Offer Entitlements to a stock account in CREST in any territory other than the United Kingdom may treat the same as constituting an invitation or offer to him or her nor should he or she in any event use any such Application Form and/or credit of Open Offer Entitlements and/or a credit of Excess Open Offer Entitlements to a stock account in CREST unless, in the relevant territory, such an invitation or offer could lawfully be made to him or her and such Application Form and/or credit of Open Offer Entitlements and/or a credit of Excess Open Offer Entitlements to a stock account in CREST could lawfully be used, and any transaction resulting from such use could be effected, without contravention of any registration or other legal or regulatory requirements. In circumstances where an invitation or offer would contravene any registration or other legal or regulatory requirements, this Circular and/or the Application Form must be treated as sent for information only and should not be copied or redistributed.

It is the responsibility of any person (including, without limitation, custodians, agents, nominees and trustees) outside the United Kingdom wishing to apply for Open Offer Shares under the Open Offer to satisfy himself or herself as to the full observance of the laws of any relevant territory in connection therewith, including obtaining any governmental or other consents that may be required, observing any other formalities required to be observed in such territory and paying any issue, transfer or other taxes due in such territory. Neither the Company, nor any of its respective representatives, is making any representation to any offeree or purchaser of the Open Offer Shares regarding the legality of an investment in the Open Offer Shares by such offeree or purchaser under the laws applicable to such offeree or purchaser.

Persons (including, without limitation, custodians, agents, nominees and trustees) receiving a copy of this Circular and/or an Application Form and/or a credit of Open Offer Entitlements and/or a credit

of Excess Open Offer Entitlements to a stock account in CREST in connection with the Open Offer or otherwise, should not distribute or send either of those documents nor transfer Open Offer.

Entitlements or Excess Open Offer Entitlements in or into any jurisdiction where to do so would or might contravene local securities laws or regulations. If a copy of this Circular and/or an Application Form and/or a credit of Open Offer Entitlements and/or a credit of Excess Open Offer Entitlements to a stock account in CREST is received by any person in any such territory, or by his or her custodian, agent, nominee or trustee, he or she must not seek to apply for Open Offer Shares in respect of the Open Offer unless the Company determines that such action would not violate applicable legal or regulatory requirements. Any person (including, without limitation, custodians, agents, nominees and trustees) who does forward a copy of this Circular and/or an Application Form and/or transfers Open Offer Entitlements and/or a credit of Excess Open Offer Entitlements into any such territory, whether pursuant to a contractual or legal obligation or otherwise, should draw the attention of the recipient to the contents of this Part IV and specifically the contents of this paragraph 5.

The Company reserves the right, but shall not be obliged, to treat as invalid any application or purported application for Open Offer Shares that appears to the Company or its agents to have been executed, effected or dispatched from an Excluded Territory or in a manner that may involve a breach of the laws or regulations of any jurisdiction or if the Company or its agents believe that the same may violate applicable legal or regulatory requirements or if it provides an address for delivery of the share certificates of Open Offer Shares or, in the case of a credit of an Open Offer Entitlement (and/or a credit of Excess Open Offer Entitlements) to a stock account in CREST, to a member whose registered address would be in an Excluded Territory or any other jurisdiction outside the United Kingdom in which it would be unlawful to deliver such share certificates or make such a credit.

The attention of Overseas Shareholders is drawn to paragraphs 5.3 to 5.5 below.

Notwithstanding any other provision of this Circular or the Application Form, the Company reserves the right to permit any person to apply for Open Offer Shares in respect of the Open Offer if the Company, in its sole and absolute discretion, is satisfied that the transaction in question is exempt from, or not subject to, the legislation or regulations giving rise to the restrictions in question.

Overseas Shareholders who wish, and are permitted, to apply for Open Offer Shares should note that payment must be made in Euro denominated cheques or banker's drafts. The Open Offer Shares have not been and will not be registered under the relevant laws of any Excluded Territory or any state, province or territory thereof and may not be offered, sold, resold, transferred, delivered or distributed, directly or indirectly, in or into any Excluded Territory or to, or for the account or benefit of, any person with a registered address in, or who is resident or ordinarily resident in, any Excluded Territory except pursuant to an applicable exemption.

No public offer of Open Offer Shares is being made by virtue of this Circular or the Application Forms into any Excluded Territory. Receipt of this Circular and/or an Application Form and/or a credit of an Open Offer Entitlement and/or a credit of Excess Open Offer Entitlements to a stock account in CREST will not constitute an invitation or offer of securities for subscription, sale or purchase in those jurisdictions in which it would be illegal to make such an invitation or offer and, in those circumstances, this Circular and/or the Application Form must be treated as sent for information only and should not be copied or redistributed.

## *5.2 United States*

None of the New Ordinary Shares, the Open Offer Entitlements or the Excess Open Offer Entitlements have been or will be registered under the US Securities Act or the laws of any state or other jurisdiction of the United States and, therefore, the New Ordinary Shares and the Open Offer Entitlements and the Excess Open Offer Entitlements may not be directly, or indirectly, offered for subscription or purchase, taken up, sold, delivered, renounced or transferred in or into the United States except pursuant to an applicable exemption from the registration requirements of the US Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States.

Accordingly, the Company is not extending the Open Offer into the United States and, subject to certain exceptions, none of this Circular, the Application Forms or the crediting of Open Offer Entitlements (or Excess Open Offer Entitlements) to a stock account in CREST constitutes or will constitute an offer or an invitation to apply for an offer or an invitation to subscribe for any New

Ordinary Shares in the United States. Neither this Circular nor an Application Form will (unless an address within the United Kingdom for services of notices has been notified to the Company) be sent to, and no Open Offer Entitlements (or Excess Open Offer Entitlements) will be credited to, a stock account in CREST of any Qualifying Shareholder with a registered address in the United States. Subject to certain exceptions, Application Forms sent from, or post-marked in, the United States will be deemed to be invalid and all persons subscribing for New Ordinary Shares and wishing to hold such New Ordinary Shares in registered form must provide an address for registration of the New Ordinary Shares outside the United States.

### *5.3 Other Excluded Territories*

Due to restrictions under the securities laws of the Excluded Territories and subject to certain exemptions, Qualifying Shareholders who have registered addresses in, or who are resident or ordinarily resident in, any Excluded Territories will not qualify to participate in the Open Offer and will not be sent an Application Form, nor will their stock accounts in CREST be credited with Open Offer Entitlements or Excess Open Offer Entitlements.

The Open Offer Shares have not been and will not be registered under the relevant laws of any Excluded Territory or any state, province or territory thereof and may not be offered, sold, re-sold, delivered or distributed, directly or indirectly, in or into any Excluded Territory or to, or for the account or benefit of, any person with a registered address in, or who is resident or ordinarily resident in, any Excluded Territory except pursuant to an applicable exemption.

No offer of Open Offer Shares is being made by virtue of this Circular or the Application Forms into any Excluded Territory.

### *5.4 Other overseas territories*

Application Forms will be sent to Qualifying non-CREST Shareholders and an Open Offer Entitlement will be credited to the stock account in CREST of Qualifying CREST Shareholders in other overseas territories. Qualifying Shareholders in jurisdictions other than any Excluded Territory may, subject to the laws of their relevant jurisdiction, take up Open Offer Shares under the Open Offer in accordance with the instructions set out in this Circular and, if relevant, the Application Form.

Qualifying Shareholders who have registered addresses in or who are located or resident in, countries other than the United Kingdom should consult their professional advisers as to whether they require any governmental or other consents or need to observe any other formalities to enable them to apply for Open Offer Shares in respect of the Open Offer.

### *5.5 Representations and warranties relating to Overseas Shareholders*

#### *(a) Qualifying non-CREST Shareholders*

Any person completing and returning an Application Form or requesting registration of the Open Offer Shares comprised therein represents and warrants to the Company and/or the Receiving Agent that, except where proof has been provided to the Company's satisfaction that such person's use of the Application Form will not result in the contravention of any applicable legal requirements in any jurisdiction: (i) such person is not requesting registration of the relevant Open Offer Shares from within an Excluded Territory; (ii) such person is not in any territory in which it is unlawful to make or accept an offer to subscribe for Open Offer Shares in respect of the Open Offer or to use the Application Form in any manner in which such person has used or will use it; (iii) such person is not acting on a non-discretionary basis on behalf of, a person located within an Excluded Territory or any territory referred to in (ii) above at the time the instruction to accept was given; and (iv) such person is not subscribing for Open Offer Shares with a view to the offer, sale, re-sale, transfer, delivery or distribution, directly or indirectly, of any such Open Offer Shares into an Excluded Territory or any territory referred to in (ii) above. The Company and/or the Receiving Agent may treat as invalid any acceptance or purported acceptance of the allotment of Open Offer Shares comprised in an Application Form if it: (i) appears to the Company or its agents to have been executed, effected or despatched from an Excluded Territory or in a manner that may involve a breach of the laws or regulations of any jurisdiction or if the Company or its agents believe that the same may violate applicable legal or regulatory requirements; (ii) provides an address in any Excluded Territory for delivery of the share certificates of Open Offer Shares (or any other jurisdiction outside the United Kingdom in which it would be unlawful to deliver such share certificates); or (iii) purports to exclude the warranty required by this paragraph (a).

(b) Qualifying CREST Shareholders

A CREST member who makes a valid application either on its own behalf or on behalf of one of its clients in accordance with the procedures set out in this Part IV represents and warrants to the Company that, except where proof has been provided to the Company's satisfaction that such person's acceptance will not result in the contravention of any applicable legal requirement in any jurisdiction: (i) neither it nor its client is within an Excluded Territory; (ii) neither it nor its client is in any territory in which it is unlawful to make or accept an offer to subscribe for Open Offer Shares; (iii) it is not accepting on a non-discretionary basis on behalf of, or for the account or benefit of, a person located within an Excluded Territory or any territory referred to in (ii) above at the time the instruction to accept was given; and (iv) neither it nor its client is subscribing for any Open Offer Shares with a view to the offer, sale, resale, transfer, delivery or distribution, directly or indirectly, of any such Open Offer Shares into an Excluded Territory, or any territory referred to in (ii) above. The Company reserves the right to reject any USE instruction from an Excluded Territory or any territory referred to in (ii) above or by a CREST participant who is acting on a non-discretionary basis on behalf of a person located within an Excluded Territory or any territory referred to in (ii) above.

**6. Governing law and jurisdiction**

The terms and conditions of the Open Offer as set out in this Circular shall be governed by, and construed in accordance with, the laws of England and Wales. The courts of England and Wales are to have exclusive jurisdiction to settle any dispute which may arise out of or in connection with the Open Offer including, without limitation, disputes relating to any non-contractual obligations arising out of or in connection with the Open Offer. By taking up Open Offer Shares under the Open Offer in accordance with the instructions set out in this Circular, Qualifying Shareholders irrevocably submit to the jurisdiction of the courts of England and Wales and waive any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum.

**7. Further information**

The attention of Shareholders is drawn to the further information set out in this Circular including the additional information set out in Part V, and the Risk Factors set out in Part II of this Circular and to the terms and conditions set out on the Application Form.

## PART V – ADDITIONAL INFORMATION

### 1. Incorporation and principal activities

- 1.1 The Company was incorporated with limited liability and registered in Cyprus under the name Smither Investments Limited under the Act on 23 June 2005 and with registered number HE162276. The Company changed its name to Aisi Realty Limited on 14 March 2006. The Company changed its name to Aisi Realty Public Limited and was re-registered as a public company on 12 April 2006. The Company changed its name to SPDI Secure Property Development and Investment plc on 26 November 2012 and then again changed its name to Secure Property Development & Investment plc on 5 May 2014.
- 1.2 The Company operates under the Act and regulations made thereunder.
- 1.3 The Company's main activity is that of a property investment company. As a closed-end investment company, the Company is not regulated in Cyprus and is not otherwise subject to regulatory review in its place of incorporation.
- 1.4 The registered office of the Company is located at 16 Kyriakos Matsi Avenue, Eagle House, 10th Floor, 1082 Nicosia, Cyprus.
- 1.5 The liability of the Shareholders is limited.
- 1.6 The Company is the ultimate holding company of the following companies:

| <i>Name</i>  | <i>Place of Incorporation</i> | <i>Percentage of Issued Share Capital held by the Company</i> |
|--|-------------------------------|---|
| SECURE Capital Limited   | Cyprus                        | 100   |
| SECURE Logistics Limited                                       | Cyprus                        | 100   |
| LLC Aisi Brovary   | Ukraine                       | 100   |
| LLC Terminal Brovary   | Ukraine                       | 100   |
| LLC Aisi Ukraine   | Ukraine                       | 100   |
| LLC Trade Center   | Ukraine                       | 100   |
| LLC Almaz-pres-Ukrayina  | Ukraine                       | 55  |
| LLC Aisi Bela  | Ukraine                       | 100   |
| LLC Mirelium Investments                                       | Ukraine                       | 100   |
| LLC Interterminal  | Ukraine                       | 100   |
| LLC Aisi Outdoor   | Ukraine                       | 100   |
| LLC Aisi Vida  | Ukraine                       | 100   |
| LLC Aisi Val   | Ukraine                       | 100   |
| LLC Aisi Ilvo  | Ukraine                       | 100   |
| LLC Aisi Consta  | Ukraine                       | 100   |
| LLC Aisi Roslav  | Ukraine                       | 100   |
| LLC Aisi Donetsk   | Ukraine                       | 100   |
| LLC Retail Development Balabino                                | Ukraine                       | 100   |
| Myrnes Innovations Park Limited                                | Cyprus                        | 100   |
| Best Day Real Estate SRL                                       | Romania                       | 100   |
| Yamano Holdings LTD  | Cyprus                        | 100   |
| Victini Holdings LTD   | Cyprus                        | 100   |
| SEC South East Continent Unique Real Estate Investments II LTD | Cyprus                        | 100   |
| Demetiva Holdings LTD  | Cyprus                        | 100   |
| Diforio Holdings LTD   | Cyprus                        | 100   |
| FRIZOMO HOLDINGS LTD   | Cyprus                        | 100   |
| KETIZA HOLDINGS LTD  | Cyprus                        | 45  |
| Secvista Real Estate SRL                                       | Romania                       | 100   |
| Secmon Real Estate SRL   | Romania                       | 100   |
| Secrom Real Estate SRL   | Romania                       | 100   |
| Ketiza Real Estate SRL   | Romania                       | 45  |
| SECURE PROPERTY DEVELOPMENT AND INVESTMENT SRL                 | Romania                       | 100   |
| N-E REAL ESTATE PARK FIRST PHASE SRL,                          | Romania                       | 100   |

| <i>Name</i>          | <i>Place of Incorporation</i> | <i>Percentage of Issued Share Capital held by the Company</i> |
|----------------------|-------------------------------|---|
| SPDI REAL ESTATE SRL | Romania                       | 100   |
| SPDI-V SRL           | Romania                       | 100   |
| SPDI MANAGEMENT SRL  | Romania                       | 100   |

## 2. Share Capital

The issued share capital of the Company (i) as at the date of this Circular and (ii) as it is expected to be after Admission is set out below:

|                          | <i>Existing issued and fully paid nominal</i> |               | <i>Immediately following Admission issued and fully paid nominal*</i> |               |
|--------------------------|---|---------------|---|---------------|
|                          | <i>Nominal Amount</i>                         | <i>Number</i> | <i>Nominal Amount</i>   | <i>Number</i> |
| Ordinary Shares of €0.01 | €338,840.54                                   | 33,884,054    | €636,039.44   | 63,603,944    |

\* Assuming full take-up of entitlements under the Open Offer.

The Company has issued a number of Class B Warrants equivalent to 12.5 per cent. of the issued share capital of the Company at the exercise date of such warrants. Each Class B Warrant entitles the holder to receive one Ordinary Share. The Class B Warrants may be exercised at any time until 31 December 2016, pursuant to a resolution passed at the annual general meeting of the Company held on 30 December 2013. The exercise price of the Class B Warrants will be the nominal value per Ordinary Share as at the date of exercise. The Class B Warrants have anti-dilution protection so that, in the event of further share issues by the Company, the number of Ordinary Shares to which the holder of a Class B Warrant is entitled will be adjusted so that the holder receives the same percentage of the issued share capital of the Company (as nearly as practicable), as would have been the case had the share issues not occurred. This anti-dilution protection will lapse on the earlier of (i) the expiration of the Class B Warrants and (ii) capital increase(s) undertaken by the Company generating cumulative gross proceeds in excess of \$100,000,000. As of the date of this Circular, the aggregate number of Class B Warrants is 9,085,016.

## 3. Directors' interests

3.1 The Directors and their respective functions are set out below:

| <i>Name</i>             | <i>Function</i>         |
|-------------------------|-------------------------|
| Paul Ensor              | Non-Executive Chairman  |
| Lambros Anagnostopoulos | Chief Executive Officer |
| Antonios Achilleoudis   | Non-Executive Director  |
| Ian Domaille            | Non-Executive Director  |
| Dr. Franz Hoerhager     | Non-Executive Director  |
| Antonios Kaffas         | Non-Executive Director  |
| Álvaro Portela          | Non-Executive Director  |
| Robert Sinclair         | Non-Executive Director  |
| Harin Thaker            | Non-Executive Director  |

- 3.2 The interests (all of which are beneficial unless stated otherwise) of each of the Directors and their family (within the meaning of the AIM Rules) in the issued ordinary share capital of the Company and the existence of which is known to, or could with reasonable due diligence be ascertained by, any Director (i) as at the date of this Circular and (ii) as they are expected to be on Admission are as follows:

| <i>Director</i>         | <i>Number of Existing Ordinary Shares</i> | <i>Percentage of existing issued share capital</i> | <i>Number of Ordinary Shares (following Admission)*</i> | <i>Percentage of Enlarged Share Capital (following Admission)*</i> |
|-------------------------|---|--|---|--|
| Paul Ensor              | 147,495                                   | 0.4%   | 276,876   | 0.4%   |
| Lambros Anagnostopoulos | 238,937                                   | 0.7%   | 448,530   | 0.7%   |
| Antonios Achilleoudis   | 89,345                                    | 0.3%   | 167,717   | 0.3%   |
| Ian Domaille            | 70,921                                    | 0.2%   | 133,132   | 0.2%   |
| Dr. Franz Hoerhager     | 121,474                                   | 0.4%   | 228,030   | 0.4%   |
| Antonios Kaffas         | 62,980                                    | 0.2%   | 118,225   | 0.2%   |
| Álvaro Portela          | 44,742                                    | 0.1%   | 83,989  | 0.1%   |
| Robert Sinclair         | 57,374                                    | 0.2%   | 107,702   | 0.2%   |
| Harin Thaker            | 44,742                                    | 0.1%   | 83,989  | 0.1%   |

\* Assuming full take-up of entitlements under the Open Offer.

- 3.3 On 9 February 2015, being the last practicable date prior to the publication of this Circular, the Directors and (so far as is known to the Directors, having made appropriate enquiries) their family (within the meaning of the AIM Rules) will have the following out of the money options over Ordinary Shares:

| <i>Director</i>       | <i>Number of Options</i> | <i>Exercisable until</i> | <i>Exercise price</i> | <i>Percentage of existing issued share capital</i> | <i>Percentage of Enlarged Share Capital (following Admission)*</i> |
|-----------------------|--------------------------|--------------------------|-----------------------|--|--|
| Antonios Achilleoudis | 1,754                    | 1.8.2017                 | \$57                  | 0.005%   | 0.003%   |
| Paul Ensor            | 1,754                    | 1.8.2017                 | \$57                  | 0.005%   | 0.003%   |
| Dr. Franz Hoerhager   | 1,754                    | 1.8.2017                 | \$57                  | 0.005%   | 0.003%   |
| Antonios Achilleoudis | 877                      | 1.8.2017                 | \$83                  | 0.003%   | 0.001%   |
| Paul Ensor            | 877                      | 1.8.2017                 | \$83                  | 0.003%   | 0.001%   |
| Dr. Franz Hoerhager   | 877                      | 1.8.2017                 | \$83                  | 0.003%   | 0.001%   |
| Dr. Franz Hoerhager   | 1,219                    | 1.8.2017                 | £40                   | 0.004%   | 0.002%   |
| Dr. Franz Hoerhager   | 610                      | 1.8.2017                 | £50                   | 0.002%   | 0.001%   |

\* Assuming full take-up of entitlements under the Open Offer.

## 4. Material Contracts

### 4.1 Restructuring of Terminal Brovary EBRD Loan

On 7 January 2015, the Company entered into an amendment and restatement agreement to a loan agreement dated 12 January 2009 (as amended on 24 September 2009 and as further amended on 31 May 2011) between LLC Terminal Brovary, the Company and European Bank for Reconstruction and Development (“EBRD”) (the “Amendment and Restatement Agreement”). The Amendment and Restatement Agreement concluded a restructuring of a loan from the EBRD to LLC Terminal Brovary, a subsidiary of the Company which owns the Terminal Brovary Logistic Park in Kiev, Ukraine.

The balance of the loan was \$14.4 million in December 2014 and its repayment schedule was extended to December 2022 including a balloon payment of \$3.6 million. As part of this restructuring, it was agreed that no further amounts would be drawn down from the facility.

### 4.2 Placing Agreement

On or around 1 February 2013, the Company entered into various subscription agreements whereby certain investors subscribed for and were allotted 14,568,842 ordinary shares of €0.01 each at a price

of £0.74 each, in consideration for a total of \$17.05 million. The new ordinary shares were credited as fully paid and rank *pari passu* with the existing ordinary shares, including the right to receive all dividends and other distributions declared in respect of such shares after the date of their issue.

The subscription agreements contained standard terms as are common for such subscriptions.

#### **5. Consent**

S.P. Angel Corporate Finance LLP has given and not withdrawn its written consent to the issue of this Circular with the inclusion herein of the references to its name in the form and context in which it is included.

#### **6. Availability of Circular**

This Circular will be available for a period of twelve months from the date of this Circular on the Company's website [www.secure-property.eu](http://www.secure-property.eu) or at the offices of the Company's nominated adviser, S.P. Angel Corporate Finance LLP at Prince Frederick House, 35-39 Maddox Street, London W1S 2PP, United Kingdom, free of charge in accordance with the requirements of Rule 26 of the AIM Rules.

11 February 2015

