



**ALEPH FINANCE GROUP LTD**

(THE "COMPANY" OR THE "ISSUER" OR "ALEPH")

**ISSUANCE OF**

**«EUR 10,000,000 6.5 PER CENT. FIXED RATE BONDS DUE 27 SEPTEMBER 2024»**

**ISIN CODE: ISIN GB00BGMHJV47**

(THE "BONDS")

**27 MARCH 2019**

**INFORMATION MEMORANDUM**

**FOR THE PURPOSES OF THE ADMISSION OF THE BONDS TO LISTING ON THE THIRD MARKET OF THE VIENNA STOCK EXCHANGE**

The Issuer has prepared this Information Memorandum in connection with its application for the admission to trading of the Bonds of Aleph. Application has been made to Wiener Börse AG (the “**Vienna Stock Exchange**”) for the Bonds to be admitted to trading on its operated MTF (“**Third Market**”). This information memorandum (the “**Information Memorandum**”) was prepared in accordance with Rule 6, paragraph 4 (g) of the *Rules for the Operation of the Third Market* (the “**Rules**”) including all information specified in Annex A of the Rules, and it is not a prospectus published in accordance with the requirements of the Prospectus Directive (2003/71/EC). No approval on the part of the Vienna Stock Exchange is required under the Rules.

The Bonds are denominated in Euros and are expected to be issued on or about 27 of March 2019. The Bonds are in registered form and issued for a maximum aggregate amount of EUR 10,000,000 (ten million/00) and in the nominal amount of EUR 1,000 (one thousand/00). The Bonds will exclusively be in de-materialised and uncertificated form provided that, at and upon a specific request by a relevant bondholder, a certificate will be issued.

**The Bonds may be only subscribed by professional investors and may be only transferred to professional investors.**

The Bonds will bear interest at the rate of 6.5 % (six point five per cent) per annum, payable semi-annually in arrears on 27<sup>th</sup> of March and 27<sup>th</sup> of September in each year, commencing on 27 September 2019 and will be redeemed in cash at 100% (one hundred per cent) of their nominal amount on 27 September 2024, unless previously redeemed, purchased and cancelled, in whole or in part in accordance with the terms and conditions of the Bonds (the “**Terms and Conditions**”) attached hereto as Annex A.

Except where the context requires otherwise or unless otherwise stated, capitalised terms contained in this Information Memorandum have the meanings given to them in the Terms and Condition. **An investment in the Bonds involves certain risks. For a discussion of these risks, see "Risk Factors" commencing on page 13.**

Prospective investors should read the whole of this Information Memorandum, including the information incorporated by reference.

## **IMPORTANT NOTICES**

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NEITHER THIS INFORMATION MEMORANDUM NOR ANY OTHER INFORMATION SUPPLIED IN CONNECTION WITH THE ADMISSION OF THE BONDS TO TRADING ON THE THIRD MARKET (A) IS INTENDED TO PROVIDE THE BASIS OF ANY CREDIT OR OTHER EVALUATION OR (B) SHOULD BE CONSIDERED AS A RECOMMENDATION BY THE ISSUER THAT ANY PERSON SHOULD PURCHASE ANY BONDS.

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## SECTION 1 - GENERAL INFORMATION ON THE ISSUER

### 1. INCORPORATION AND STATUS

Aleph is currently a private company with limited liability incorporated under the laws of England & Wales, established on 10 January 2008 as a private company limited by shares under the Companies Act 1985. The Issuer was initially incorporated with the name of "Pairstech Limited". As of 3 June 2015, the name was changed to "Pairstech CM Ltd" and, as of 16 April 2018, to "Aleph Finance Group Ltd". Aleph's registered office and company address is at 1st Floor, 12 Old Bond Street, London, W1S 4PW, United Kingdom and it is registered with the Register of Companies for England & Wales under number 06469680.

### 2. CONTACT DETAILS

The Issuer may be contacted by telephone on +44 (0)20 7539 3771, by fax on +44 (0)20 7900 6568 and by email at the following address: [info@pairstech.com](mailto:info@pairstech.com). The Issuer's website is [www.aleph.finance](http://www.aleph.finance).

### 3. SHARE CAPITAL AND OWNERSHIP STRUCTURE

As at the date of this Information Memorandum, the Issuer's authorized share capital is equal to GBP 50,000 fully subscribed and paid-in and is represented by no. 50,000 ordinary shares with a nominal value of GBP 1.00 each.

The following table sets out the share capital and the current ownership structure of the Issuer:

ISSUER SHAREHOLDERS AND HOLDERS OF OTHER RIGHTS	TOTAL ORDINARY SHARES: 50,000			
	PERSONAL DETAILS	NO. OF ORDINARY SHARES	NOMINAL VALUE (IN GBP)	PERCENTAGE OF ORDINARY SHARES
MR ENRICO DANIELETTO	45,044	45,044	90.08%	OWNERSHIP
WINDUSTRIES LTD	2,478	2,478	4.96%	OWNERSHIP
DALETH PARTNERS LTD	2,478	2,478	4.96%	OWNERSHIP

## SECTION 2 - COMPANY STRUCTURE

### 1. DESCRIPTION OF THE ISSUER AND ITS INVESTEEES

The Issuer is a holding company whose main assets are, as the date of this Information Memorandum, an equity interest in PAIRSTECH Capital Management LLP (“**Pairstech**”, better described *infra*). Therefore, Aleph’s principal activities are (i) developing corporate strategy in favour of its subsidiary company and (ii) managing potential stakes in other companies operating in Fund Management, Wealth Management, Capital Markets & related Financial Services.

As a result of the activities of its subsidiary company - in alternative product development, deal sourcing and project delivery - Aleph receives a stream of revenues, originated from different type of fees earned along the process of performing services and activities aimed at supporting clients in strategic planning, target scouting, deals origination and execution.

As said, Aleph currently holds a controlling interest equal to 89.5% of the share capital of Pairstech, a company incorporated under English law established in 2007 and registered in England and Wales under no. 0C333807, which operates in the Asset Management industry. Pairstech is authorized by the FCA (authorization Nr. 477155) to carry out, *inter alia*, advisory and management activities of portfolios and collective investment vehicles. The following chart sets forth the ownership structure of the Issuer’s group:



### 2. ADMINISTRATION, MANAGEMENT AND SUPERVISORY BODIES

### Board of Directors

As at the date of this Information Memorandum, the Issuer is managed by a Board of Directors composed of 2 directors members:

- Mr **ENRICO DANIELETTO** (Director), born on 14 September 1966 and having Italian nationality, appointed as a director on 10 January 2008. Mr Danieleto is the founder and CEO of Pairstech Capital Management LLP. Prior to Pairstech Capital Management LLP, he was the fund manager at DD Capital Management Ltd and was responsible for implementing the investment strategies. Under his direction, the assets under management have grown from \$5 mln to \$300 mln, maintaining the same performance track record and risk-reward profile. In 2001 he was in Milan, working as a Senior Manager at Nextra Investment Management. Before that, he also worked in Milan for Gestielle Asset Management, Ras Asset Management, Fideuram Capital and for Allianz Asset Management in Munich. He started his career with Banksiel in Milan. Enrico holds a BS in Electronic Engineering from the University of Padova.
- Mr **ANDREA SPRIZZI** (Director), born on 13 April 1969 and having Italian nationality, appointed as a director on 30 March 2018. Mr Sprizzi is the CFO at Pairstech Capital Management LLP. Previously, he was the Administrative Director at T&B Srl and Arredo Veneto Srl, the Financial Project Manager at InnovaBiC Spa, the HR Manager at Thesaaron.com and the General Manager at AMP Group. Mr Sprizzi holds an MBA from the University of Milan.

As of the date of this Information Memorandum, there is no supervisory board existing.

### Independent Auditors

The Issuer's independent auditors are Perrys Accountants Limited, who have been appointed for the period from 1<sup>st</sup> January 2019 to 31<sup>st</sup> December 2019.

### SECTION 3 - OBJECT OF BUSINESS

#### 1. HISTORIC DEVELOPMENT

The Issuer was incorporated on 10 January 2008 as Pairstech Limited and has been dormant until 2015.

On 3 June 2015, the name of the Issuer was changed to Pairstech CM Ltd.

In March 2016, following the departure of a minority partner, Aleph increased its share in Pairstech in order to support the development of the partnership.

In 2017, the reporting dates of Aleph have changed from 30 April to 31 December to align the parent and its subsidiary's reporting dates.

In March 2018 new directors were appointed.

On 16 April 2018 the Issuer was renamed to Aleph Finance Group Ltd.

On 31 January 2019 Aleph issued the «*EUR 10,000,000.00 2.5% Fixed Rate Convertible Bonds due 31 December 2020*» a convertible bond denominated in Euros, due on 31 December 2020, in registered form and issued for a maximum aggregate amount of EUR 10,000,000 (ten million/00) and in the nominal amount of EUR 1,000 (one thousand/00) (The "**Convertible Bonds**"). The Convertible Bonds are not intended to be listed and are mandatory convertible in ordinary shares of Aleph (i) in case of listing of the Issuer on a European multilateral trading facility (as defined in the Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014) or (ii) in case the Issuer decides to satisfy its obligation to redeem the Convertible Bonds on the maturity date of the latter by exercising a share settlement option by issuing new ordinary shares to be given to the bond holders.

The Issuer is planning to list its shares on an European multilateral trading facility within 2020.

#### 2. BUSINESS FIELDS

As of the date of this Information Memorandum, the Issuer does not conduct business operations of its own. Aleph controls Pairstech, in favour of which it develops corporate strategy.

As at the date of this Information Memorandum, Aleph has no employees while Pairstech employs approximately 42 people (most of them as consultants).

Pairstech is given permission by the FCA (registered No. 477155) to provide investment services in the United Kingdom. The firm may be able to control client money and assets, if it has the necessary requirements, but not hold them. It is permitted to carry out the following services:

- advising on investments (except on Pension Transfers and Pension Opt Outs);
- advising on P2P agreements;
- arranging (bringing about) deals in investments;
- dealing in investments as agent;
- making arrangements with a view to transactions in investments;

- managing an unauthorised AIF;
- managing investments.

Pairstech is pass-ported to several European Countries (Austria, Belgium, Bulgaria, Cyprus, France, Germany, Ireland, Italy, Luxembourg, Malta, the Netherlands, Poland, Portugal, Romania, and Spain). In all the above mentioned countries, except Malta, Pairstech may carry out the following investment services and/or ancillary activities:

- reception and transmission of orders in relation to one or more financial instruments;
- portfolio management;
- investment advice;
- placing of financial instruments without a firm commitment basis;
- investment research and financial analysis or other forms of general recommendation relating to transactions in financial instruments.

In Malta, Pairstech may only carry out the service of portfolio management.

A branch of Pairstech has been established in Spain under the authorization of the CNMV (*Comision Nacional del Mercado de Valores*) in September 2015. Pairstech's Spanish branch carries out the following activities:

- reception and transmission of orders in relation to one or more financial instruments;
- execution of orders on behalf of clients;
- portfolio management;
- investment advice.

A branch of Pairstech has been also established in Ireland, where the firm carries out the service of Investment Advice.

Pairstech has almost 100 clients between fund houses, banks, issuers, advisory and insurance companies, introducers, investment companies and nominated advisors and as at 30 June 2018 (as stated in the last submission to FCA) has assets under management for approximately Euro 117 million.

The main distribution channels for Pairstech products are represented by the Pairstech's website <https://www.pairstech.com/default.asp?lang=en> and partnership with authorized companies. Approximately 80% of Pairstech revenues are generated in countries which adopted the Euro currency (mainly Luxembourg and Italy) while the remaining 20% in the United Kingdom.

### **3. PRINCIPAL INVESTMENT IN THE CURRENT AND PAST BUSINESS YEAR**

As stated above, the activity carried out by the Issuer is the management of its controlling subsidiary Pairstech and the holding of other equity interests. As of the date of this Information Memorandum, the Issuer does not own other subsidiaries or assets, apart from Pairstech.

The participation in Pairstech was acquired on 12 February 2008 and was then increased on 2016.

The Issuer intends to invest the proceeds of the Bonds – as better described under Section 5 (*Purpose Of The Use Of*



*The Issuing Proceeds*) – for financing the acquisition of stakes in other financial companies and for listing the Company on an European multilateral trading facility.

#### SECTION 4 - FINANCIAL FIGURES

The following table shows selected financial information of the Issuer as at and for the year ended 30 April 2016 and 31 December 2017.

In 2017, the reporting date has been changed by the Issuer from 30 April to 31 December to align it with its subsidiary's reporting dates.

<b>ALEPH FINANCE GROUP LIMITED</b>				
<b>(GBP)</b>	<b>30 April 2016 *</b>	<b>30 April 2017</b>	<b>31 December 2017</b>	<b>31 December 2018 (forecast)</b>
<b>Sales revenue</b>	5,474,428	6,519,146	4,669,956	4,759,626
<b>Earnings before interests and taxes (EBIT)</b>	64,653	178,330	226,201	186,432
<b>Earnings before taxes (EBT)</b>	64,612	136,279	(26,808)	179,594
<b>Equity ratio (%)</b>	6.73%	8.57%	6.08%	6.79%

\* Since Aleph Finance Consolidated Income Statement 2016 was not submitted for the relevant year, the financial performances have been simulated on the average of the 8-month accounts for FY ending 31 December 2015 and the 4-month accounts for FY ending 31 December 2016 of its subsidiary Pairstech Capital Management LLP

<b>PAIRSTECH CAPITAL MANAGEMENT LLP</b>				
<b>(GBP)</b>	<b>31 December 2015</b>	<b>31 December 2016</b>	<b>31 December 2017</b>	<b>31 December 2018 (forecast)</b>
<b>Sales revenue</b>	5,274,303	5,874,678	6,356,587	4,557,177
<b>Earnings before interests and taxes (EBIT)</b>	71,256	51,448	202,971	155,886
<b>Earnings before taxes (EBT)</b>	71,261	51,313	202,388	149,048
<b>Equity ratio (%)</b>	15.9%	35.73%	44.25%	61.76%

## **SECTION 5 - PURPOSE OF THE USE OF THE ISSUING PROCEEDS**

The net proceeds of the issue of the Bonds will be used by the Issuer:

- for the acquisition of stakes in companies operating in the financial sector (*i.e.* fund management, wealth management, capital markets and related financial services) in order to further develop its corporate strategy, diversify its assets and/or take advantage from synergies and complementarities with current assets held by Aleph
- for supporting the Issuer's working capital and the listing process.

## SECTION 6 - RISK FACTORS

*This section provides an overview of the material risks factors relating to the Issuer and/or Pairstech, the relevant markets and the Bonds.*

*If any of the following events or circumstances arise, the business, the financial condition and/or results of operations of the Issuer could be materially adversely affected. Additional risks and uncertainties not presently known, or presently deemed immaterial, may also have an adverse effect on the business of the Issuer and the risks below do not necessarily comprise all the risks associated with an investment in the Bonds.*

*The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Bonds. Most of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring. Factors which are material for the purpose of assessing the market risks associated with the Bonds are also described below.*

*The Issuer believes that the factors described below represent the principal risks inherent in investing in the Bonds, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with the Bonds may occur for other reasons which may not be considered significant risks by the Issuer based on information currently available to it or which it may not currently be in a position to anticipate. In addition, the order in which the risk factors are presented below is not intended to be indicative either of the relative likelihood that each risk will materialise or of the magnitude of their potential impact on the business, financial condition and results of operations of the Issuer.*

*Prospective investors should also read the detailed information set out elsewhere in this Information Memorandum (including the information incorporated by reference therein) and consider carefully whether an investment in the Bonds is suitable for them in the light of the information in this Information Memorandum and their personal circumstances, based upon their own judgment and upon advice from such financial, accounting, legal, tax and other professional advisers as they deem necessary.*

*Words and expressions defined in "Terms and Conditions of the Bonds" or elsewhere in this Information Memorandum have the same meaning in this section. Prospective investors should read the whole of this Information Memorandum, including the information incorporated by reference.*

### **COMPANY-SPECIFIC RISKS**

#### ***Issuer risk***

By purchasing the Bonds, the holders of such Bonds will be financing the Issuer, hence becoming a creditor thereof for the payment of interest and principal upon maturity. The Bonds are subject to the general risk that the Issuer may not be able to pay interest at the set payment dates and/or reimburse the principal amount upon maturity.

#### ***Credit risk***

By purchasing Bonds, the holders of such Bonds will become a creditor of the Issuer. Aleph is a holding company whose activity consists in the holding of a controlling interest in the share capital of Pairstech. The reduction of cash flows from its shareholding interests may affect Aleph's creditworthiness and/or ability to timely meet its obligations to the Bonds holders. The Bonds are subject to the general risk that the Issuer may not be able to pay interest at the set

payment dates and/or reimburse the principal amount upon maturity.

Current and future taxation may reduce the amount of funds available to the Issuer.

***Risks relating to dependence of the Issuer's performance on the business operations of its subsidiary Pairstech***

As anticipated above, most of the Issuer's revenue-generating activities consist in its ownership of the equity interest in Pairstech and it is strictly related to the latter's performance.

As the date of this Information Memorandum, the financial conditions of the Issuer materially depend on the performance of Pairstech and on its ability to generate and transfer cash flows in the form of distributable profits and dividends.

Therefore, repayment of the Issuer's indebtedness, including that in respect of principal and interest under the Bonds, is to a great extent dependent on the ability of Pairstech to make such cash available to it, by dividend distributions, debt repayment, loans or otherwise, which in turn depends on the financial condition and results of operations of Pairstech. Accordingly, any significant deterioration in the financial condition or results of operations of Pairstech can be expected to have a material adverse effect on the Issuer. Furthermore, as Pairstech is a distinct legal entity, under certain circumstances, legal and contractual restrictions may limit the Issuer's ability to obtain cash from it. Pairstech may not be able to, or may be restricted by the terms of its existing or future indebtedness, or by law, in its ability to make distributions or advance upstream loans to enable the Issuer to make payments in respect of its indebtedness, including the Bonds. Pairstech is not required to, and the Issuer is not required to procure that Pairstech shall, make any funds available to the Issuer, whether by way of dividend distributions, debt repayment, loans or otherwise. Any such inability or failure for whatever reason to make available funds to the Issuer will have a material adverse effect on the financial condition and results of operations of the Issuer and, in turn, on its ability to meet its payment obligations in respect of the Bonds.

Notwithstanding the Issuer's expectation that it will receive dividends from Pairstech in order to fund its obligations in respect of the Bonds, there can be no assurance that the Issuer will do so. Payments to holders of the Bonds are expected to be to a great extent dependent on payments from Pairstech, or from the companies in which it may acquire stakes after the issuance of the Bond. Therefore, in the event that the Issuer does not receive distributions or other payments from Pairstech, it may be unable to make required principal and interest payments on its indebtedness, including the Bonds.

***Risk related to the Pairstech's business***

Pairstech's business is exposed to a variety of macroeconomic, structural, operational and regulatory risks. In particular, being Pairstech a partnership under the laws of England & Wales, it is subject, to a certain extent, to the uncertainty in respect to the effect of Brexit on the economy – both local and global in the case of British established businesses and legal entities - and its impact on Pairstech's industry and operations. The whole extent of the Brexit related risk is not quantifiable at the date, provided that it is subject to a number of currently unpredictable events and political decisions, and despite Pairstech has mitigated this risk by establishing branches in the EU and it is well diversified both assets and liabilities.

In November 2016, the British High Court ruled that the United Kingdom could not trigger the process of leaving the

European Union without the prior approval of UK Parliament, thereby increasing the number of political actors which may affect the outcome and uncertainties regarding the outcome of the procedure. In addition to that, in late 2018 - after a general agreement has been negotiated between the UK Government and the EU (the “**Brexit Deal**”) - the EU Court of Justice ruled that the UK could unilaterally withdraw its decision to trigger Article 50 of the Treaty on European Union following the 2016 Referendum, thereby further increasing the uncertainties surrounding the outcome of the process, at the date, with possible negative consequences on the assets, operating results and capital and/or financial position of the Issuer and/or its subsidiary. On 15 January 2019, the UK Parliament rejected the Brexit Deal creating even more uncertainty.

In addition, the possibility that one or more countries that adopted the Euro as their national currency might decide, in the long term, to adopt an alternative currency or prolonged periods of uncertainty connected to these eventualities could have significant negative impacts on international markets. A collapse of the Eurozone could be accompanied by the deterioration of the economic and financial situation of the European Union and could have a significant negative effect on the entire financial sector, creating a significant negative impact on the operating results and capital and financial position of the Issuer and/or its subsidiary, with particular regard to its branches in the European Monetary Union.

In turn, this may have a material adverse effect on the Company’s ability to regularly fulfil its obligations under the Bonds.

***Currency risk related to Pairstech’s revenues***

A significant amount of revenues generated by Pairstech is denominated in EUR while a significant amount of fixed costs is charged in GBP. A negative fluctuation of the exchange rate between GBP and EUR could significantly impact on the Pairstech ability to generate profits.

In turn, this may have a material adverse effect on the Company’s ability to regularly fulfil its obligations under the Bonds.

***Risk related to the regulatory framework of Pairstech’s business***

Regulatory risk, with regards to Pairstech’s activity, is also likely to have a high material impact on the Issuer.

Pairstech is a firm authorized by the FCA to provide regulated products and services in the United Kingdom and that it is pass ported in several countries to provide investment services and/or ancillary activities. These circumstances imply that any event which may give rise to the suspension or decadence whatsoever of one or more of such authorizations, will severely impair the ability of Pairstech to generate cash flows from fees earned for the provision of the above referred services to its clients and the level of cash flows that are expected to be distributed to Aleph including – with an elevate degree of probability – those which are relied upon to pay interest at the set payment dates and/or reimburse the principal amount upon maturity of the Bonds.

In turn, this may have a material adverse effect on the Company’s ability to regularly fulfil its obligations under the Bonds.

***Liquidity and funding risks related to the activity of the Issuer***

Due to its business activity, the Issuer is exposed to a possible liquidity risk in that it may be unable to meet payment obligations because it has insufficient cash at its disposal, which may also arise from matters outside its control such as a credit crisis or severe economic conditions. Moreover, there can be no assurance that the Issuer will be able to borrow from banks or in the capital markets to meet its payment obligations and/or to refinance its exposure. The materialisation of any of the above-mentioned events and the consequent inability to ensure sufficient liquidity, may have a material adverse effect on the financial condition and results of operations of the Issuer and on its ability to meet the payment obligations in respect of the Bonds.

***Risk of change in tax regimes***

The Issuer is subject to risks that countries in which it operates, or will operate in the future, may impose additional withholding taxes, income taxes or other taxes, as well as changing tax levels from those in force at the date of the respective projects or the date hereof.

Any future adverse changes in general to tax regimes applicable to the Issuer would have an adverse impact on their future results of operations and cash flows. This, as well as any other changes to the tax regime generally applicable to the Issuer, may have an adverse effect on the Issuer's ability to pay interest on the Bonds and to repay the Bonds in full at their maturity.

**MARKET-SPECIFIC RISKS**

***Risk of regulatory changes impacting the industries where the Issuer's group operates***

Regulatory changes in the industries of Fund Management, Wealth Management, Capital Markets & related Financial Services, in the UK or in other EAA markets, may impact on the business models and expected cash flows of firms operating in such markets.

***Risk of disruptive innovation in the industries where the Issuer's group operates***

Disruptive innovation in the industries of Fund Management, Wealth Management, Capital Markets & related Financial Services may rapidly impact on the strategies, business models and expected cash flows of firms operating in such markets.

***Brexit risk relating to the industries where the Issuer's group operates***

Regardless of the time scale and the term of the United Kingdom's possible exit from the European Union, the result of the referendum in June 2016 created significant uncertainties with regard to the political and economic prospects of the United Kingdom and the European Union. On 15 January 2019, the UK Parliament rejected the Brexit Deal creating even more uncertainty.

The possible exit of the United Kingdom from the European Union; the possible exit of Scotland, Wales or Northern Ireland from the United Kingdom; the possibility that other European Union countries could hold similar referendums to the one held in the United Kingdom and/or call into question their membership of the European Union, could have possible negative consequences for the industries of Fund Management, Wealth Management, Capital Markets & related Financial Services in the UK and may rapidly impact on the strategies, business models and expected cash flows of firms operating in such markets.

### ***European monetary union breakup risks relating to the industries where the Issuer's group operates***

The possibility that one or more countries that adopted the Euro as their national currency might decide, in the long term, to adopt an alternative currency or prolonged periods of uncertainty connected to these eventualities could have significant negative impacts on international markets.

At the date of this Information Memorandum there is no legal procedure or practice aimed at facilitating the exit of a Member State from the Euro, the consequences of these decisions are exacerbated by the uncertainty regarding the methods through which a Member State could manage its current assets and liabilities denominated in Euros and the exchange rate between the newly adopted currency and the Euro.

In addition, a collapse of the Eurozone could be accompanied by the deterioration of the economic and financial situation of the European Union and could have a significant negative effect on the entire financial sector, creating new difficulties in the granting of sovereign loans and loans to businesses and involving considerable changes to financial activities both at market and retail level.

### ***Brexit risk relating to the market of securities***

Regardless of the time scale and the term of the United Kingdom's possible exit from the European Union, the result of the referendum in June 2016 created significant uncertainties with regard to the political and economic prospects of the United Kingdom and the European Union. On 15 January 2019, the UK Parliament rejected the Brexit Deal creating even more uncertainty.

The possible exit of the United Kingdom from the European Union; the possible exit of Scotland, Wales or Northern Ireland from the United Kingdom; the possibility that other European Union countries could hold similar referendums to the one held in the United Kingdom and/or call into question their membership of the European Union, could include further falls in stock exchange indices, a fall in the value of the pound, an increase in exchange rates between the pound and the Euro and/or greater volatility of markets in general due to the increased uncertainty, with possible negative consequences on the bonds' markets.

### ***European monetary union breakup risks for markets of securities and assets denominated in Euro***

The possibility that one or more countries that adopted the Euro as their national currency might decide, in the long term, to adopt an alternative currency or prolonged periods of uncertainty connected to these eventualities could have significant negative impacts on international markets.

At the date of this Information Memorandum there is no legal procedure or practice aimed at facilitating the exit of a Member State from the Euro, the consequences of these decisions are exacerbated by the uncertainty regarding the methods through which a Member State could manage its current assets and liabilities denominated in Euros and the exchange rate between the newly adopted currency and the Euro. These circumstances could impact on all assets denominated in Euro.

## **RISKS RELATING TO THE BONDS**

### ***Risk of becoming a shareholder of the Issuer***

Notwithstanding any other provisions of the Terms and Conditions and subject to the UK Financial Conduct Authority



approval, the Issuer may elect to satisfy its obligation to redeem the Bonds (other than Bonds held by the Issuer in its own name) on the maturity date by exercising the share settlement option.

In the abovementioned case, the Bonds holders will become shareholders of the Issuer and be subject to the general risk associated with such position (*i.e.* risk directly related to the performance of the Issuer, of the Issuer's subsidiaries and/or investees; residual claim on the Issuer's assets).

***Transfers of the Bonds may be restricted, which may adversely affect the secondary market liquidity and/or trading prices of the Bonds***

The ability to transfer the Bonds may also be restricted by securities laws or regulations of certain countries or regulatory bodies.

The Bonds have not been, and will not be, registered under the Securities Act or any state securities laws or the securities laws of any other jurisdiction. Holders of the Bonds may not offer the Bonds in the United States or for the account or benefit of a U.S. person, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. It is the obligation of each holder of Bonds to ensure that offers and sales of the Bonds comply with all applicable securities laws. In addition, transfers to certain persons in certain other jurisdictions may be limited by law, or may result in the imposition of penalties or liability.

It is the obligation of each holder of Bonds to ensure that offers and sales of Bonds comply with applicable securities laws.

***Risks connected to a deterioration of the Issuer's creditworthiness***

After subscription, the price of the Bonds may be subject to negative variations in cases of deterioration of the Issuer's financial situation or of its creditworthiness. This may have an impact on the price of the Bonds on the secondary market.

***Risk related to the fact that there is no active trading market for the Bonds***

Even if application has been made to the Vienna Stock Exchange for the Bonds to be admitted to trading on the Third Market, there can be no assurance that the Bonds will be accepted for listing or, if listed, will remain listed. The Bonds are new securities which may not be widely distributed and for which there is currently no active trading market. There can be no assurance as to the liquidity of any market that may develop for the Bonds, the ability of the holders to sell their Bonds or the price at which the Bonds may be sold. The liquidity of any market for the Bonds will depend on the number of holders of the Bonds, prevailing interest rates, the market for similar securities, and other factors, including general economic conditions and the Issuer's financial condition, performance and prospects. In an illiquid market, the holders of the Bonds might not be able to sell their Bonds at any time at fair market prices.

There can be no assurance that an active trading market for the Bonds will develop or, if one does develop, that it will be maintained. If an active trading market does not develop or cannot be maintained, this could have a material adverse effect on the liquidity and trading prices for the Bonds.

***Risk related to the fact that the Bonds are not rated and credit ratings may not reflect all risks***

Neither the Bonds nor the long-term debt of the Issuer is rated. To the extent that any credit rating agencies assign credit ratings to the Bonds or any other senior unsecured indebtedness of the Issuer, such ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Bonds. A credit rating or the absence of a rating is not a recommendation to buy, sell or hold the Bonds and may be revised or withdrawn by the rating agency at any time.

#### ***Interest rate risk***

Fluctuations in the interest rates on financial markets may have an adverse effect on the price and therefore on the return of the Bonds. Therefore, in the event of a sale of the Bonds before their maturity, their market value may be significantly lower than their subscription price.

#### ***Price risk***

Even a professional investor wishing to divest themselves of Bonds before their maturity may encounter significant difficulties in finding a purchaser and runs the risk of obtaining a lower price than the subscription price of the Bonds. After subscription, the sale price of the Bonds may also be affected by different elements such as:

- interest and market rate variations;
- the features of the market on which the Bonds will be listed;
- any variation in the Issuer's creditworthiness;
- commissions and other dues.

Investors must therefore take into account that the term of their investment in the Bonds may be equal to the term of the Bonds, *i.e.* that the Bonds may have to be held until their maturity. However, this does not influence the redemption price of the Bonds, which remains equal to 100% of the principal amount.

#### ***Exchange rate risks and exchange controls***

The Issuer will pay principal and interest on the Bonds in Euro. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit ("**Investor's Currency**") other than Euro. These include the risk that exchange rates may change significantly (including changes due to devaluation of the Euro or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. The Issuer has no control over the factors that generally affect these risks, such as economic, financial and political events and the supply and demand for the applicable currencies. In recent years, exchange rates between certain currencies have been volatile and volatility between such currencies or with other currencies may be expected in the future. An appreciation in the value of the Investor's Currency relative to the Euro would decrease (i) the Investor's Currency-equivalent yield on the Bonds, (ii) the Investor's Currency-equivalent value of the principal payable on the Bonds and (iii) the Investor's Currency-equivalent market value of the Bonds.

In addition, government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

The Bondholders should be aware of further exchange rate risk in case of exercise of the share settlement option by the Issuer. In particular, if the Issuer decide to exercise the share settlement option, the Bonds – denominated in Euro – will be converted in shares denominated in the currency in which the redemption settlement shares are denominated (GBP).

***Risk relating to the redemption at the option of the Issuer***

The Bonds may be early redeemed (in whole or in part) at the option of the Issuer at 102% (one hundred and two per cent.) of the nominal amount then outstanding together with interest accrued up to (but excluding) the redeem date. In such circumstances an investor may not be able to reinvest the redemption proceeds in a comparable security bearing an effective interest rate as high as that which existed on the Bonds prior to redemption.

***Amendments to the terms and conditions of the Bonds without Bondholders' consent***

The terms and conditions of the Bonds contain provisions and regulate Bondholders' meetings. Should these meetings validly adopt a resolution amending certain regulations of the Bonds, such amendments will apply also to absent, dissenting or abstaining Bondholders.

***Bonds do not restrict the Issuer in its ability to incur further debt***

In the future, the Issuer could decide to incur additional indebtedness or further increase its indebtedness. This could have an impact on its ability to meet its obligations under the Bonds or could cause the value of the Bonds to decrease.

***Bonds are unsecured obligation of the Issuer which do not benefit from any guarantee***

The right of the holders of the Bonds to receive payment on the Bonds is not secured or guaranteed and will effectively be subordinated to any secured and guaranteed indebtedness of the Issuer which the Issuer is allowed to incur.

***Changes in law may adversely affect returns to Bondholders***

The Bonds will be governed by English law. No assurance can be given as to the impact of any possible change to English law. Any change in the Issuer's tax status or taxation legislation or practice could affect the Issuer's ability to provide returns to the Bondholders or alter post tax returns to the holders of the Bonds.

**ANNEX A**

**EUR 10,000,000.00 6.5% Fixed Rate Bonds due 27 September 2024**

**ISIN GB00BGMHJV47**

**INSTRUMENT**

**Executed by**

**Aleph Finance Group Ltd**

**Company Number 06469680**

This instrument is dated 19 March 2019.

Aleph Finance Group Ltd, a private company with limited liability incorporated under the laws of England & Wales, with company number 06469680, whose registered office is at 1st Floor, 12 Old Bond Street, London, W1S 4PW (the “**Issuer**”).

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The issue of the EUR 10,000,000.00 (ten million/00) 6.5% (six point five per cent.) fixed rate bonds due 27 September 2024 (the “**Bonds**”) of the Issuer was authorised, by the Board of Directors, by exercising the powers conferred to it by the Articles (as defined below), through a resolution passed on 25 February 2019.

The Bonds shall be issued and held subject to and with the benefit of the provisions of this Instrument as well as the agreement entered into on 22 February 2019 between the Issuer and the Registrar (as defined below) (the “**Registrar Agreement**”). All such provisions shall be binding on the Issuer, the Bondholders (and their successors in title) and all Persons claiming through or under them and shall endure for the benefit of the Bondholders (and their successors in title).

The Bondholders (and their successors in title) are deemed to have notice of all the provisions of this Instrument, the Articles as well as the Registrar Agreement.

Copies of each of the Articles, this Instrument and the Registrar Agreement are available for inspection during normal business hours at the registered office for the time being (i) of the Issuer being, as at the date of this Instrument, at 1st Floor, 12 Old Bond Street, London, W1S 4PW and (ii) of the Registrar being, as at the date of this Instrument, at 5 St John's Ln, Clerkenwell, London EC1M 4BH.

The ISIN Code of the Bonds is ISIN GB00BGMHJV47 and the LEI Code is 2138003XT726JZK5HD07.

Pairstech – a subsidiary of the Issuer – has been appointed as placement agent for the Bonds.

## **1. Definitions and interpretation**

### **1.1 Definitions**

The definitions above and below apply in this Instrument:

- “**Applicable Rules**” means the relevant rules of the FSMA and the FCA Handbook;
- “**Articles**” means the articles of association of the Issuer, as amended or replaced from time to time;
- “**Bonds**” has the meaning set forth in the Preamble;
- “**Bondholder**” means the holder of a Bond;
- “**Business Day**” means a day:
  - (i) on which CREST is open for the acceptance and execution of settlement instructions; and
  - (ii) which is a TARGET Settlement Day; and

- (iii) on which commercial banks and exchange markets are open for business in London (other than a Saturday, Sunday or public holiday);
- **“Calculation Agent”** means the Issuer;
- **“Call Date”** has the meaning set forth in Condition 7.3 (*Redemption at the Option of the Issuer*);
- **“Call Option Exercise Notice”** has the meaning set forth in Condition 7.3 (*Redemption at the Option of the Issuer*);
- **“Change of Control”** means any of the following:
  - (i) any Person or any Persons acting in concert (as defined in the City Code on Takeovers and Mergers), other than a holding company (as defined in section 1159 of the Companies Act) whose shareholders are or are to be substantially similar to the pre-existing shareholders of the Issuer or any holding company of the Issuer, become interested (within the meaning of Part 22 of the Companies Act) in (a) more than 50% (fifty per cent.) of the issued or allotted ordinary shares capital of the Issuer or (b) shares in the capital of the Issuer carrying more than 50% (fifty per cent.) of the voting rights normally exercisable at a general meeting of the Issuer; or
  - (ii) the direct or indirect sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation), in 1 (one) or a series of related transactions, of all or substantially all of the properties or assets of the Issuer and its Subsidiaries taken as a whole to any Person;

provided that, for the avoidance of doubt, a Change of Control of the Issuer shall not apply in the event that one or more of the pre-existing shareholder(s) of the Issuer retains control through a shareholders’ agreement;
- **“Change of Control Notice”** has the meaning set forth in Condition 7.2 (*Redemption at the Option of Bondholders upon a Change of Control*);
- **“Change of Control Period”** means the period commencing on the occurrence of a Change of Control and ending 10 (ten) Business Days following the Change of Control or, if later, 10 (ten) Business Days following the date on which a Change of Control Notice is given to Bondholders by the Issuer as required under Condition 7.2 (*Redemption at the Option of Bondholders upon a Change of Control*);
- **“Change of Control Put Date”** means the 10<sup>th</sup> (tenth) Business Day after the expiry of the Change of Control Period;
- **“Change of Control Put Exercise Notice”** has the meaning set forth in Condition 7.2 (*Redemption at the Option of Bondholders upon a Change of Control*);
- **“Companies Act”** means the Companies Act 2006 of the United Kingdom;
- **“Controller”** has the meaning attributed to it by the Applicable Rules;
- **“CREST”** means the system for the paperless settlement of trades and the holding of uncertificated securities operated by Euroclear in accordance with the Uncertificated Regulations, as amended from time to time;
- **“CREST Requirements”** has the meaning set forth in Condition 2 (*Form, Denomination, Registration, Title and*

*Transfer of Bonds*);

- **“Dealing Day”** means a day on which the Relevant Qualifying Exchange is open for business (other than a day on which the Relevant Qualifying Exchange is scheduled to or does close prior to its regular weekday closing time);
- **“Default Bonds”** has the meaning set forth in Condition 17 (*Notice by the Issuer requiring information about interests in Bonds*);
- **“Direction Notice”** has the meaning set forth in Condition 17 (*Notice by the Issuer requiring information about interests in Bonds*);
- **“EUR”** means the single currency of the European Union as constituted by the Treaty on European Union and as referred to in the EMU Legislation or any successor thereto;
- **“Euroclear”** means Euroclear UK & Ireland Limited, the operator of CREST;
- **“Event of Default”** has the meaning set forth in Condition 10 (*Events of Default*);
- **“Extraordinary Resolution”** means a resolution which must be passed at a meeting of the Bondholders duly convened and held in accordance with the Instrument by a majority of at least 75% (seventy five per cent.) of those Bondholders who attend the meeting and are entitled to vote in person or by proxy;
- **“FCA”** shall mean the Financial Conduct Authority of the United Kingdom, registered address 25 The North Colonnade, Canary Wharf, London E14 5HS, United Kingdom or its successor;
- **“FCA Handbook”** means the Financial Conduct Authority’s Handbook of rules and guidance;
- **“FSMA”** means the Financial Services and Markets Act 2000;
- **“First Subscription Period”** has the meaning set forth in Condition 3 (*Subscription*);
- **“GBP”** means the lawful and official currency of the United Kingdom or any successor thereto;
- **“Indebtedness”** means any present and future indebtedness (whether being principal, premium or interest) of any Person for or in respect of money borrowed or raised, including (without limitation) any indebtedness for or in respect of:
  - (i) amounts raised by acceptance under any acceptance credit facility;
  - (ii) amounts raised under any note purchase facility;
  - (iii) the amount of any liability in respect of leases or hire purchase contracts which would, in accordance with applicable law and generally accepted accounting principles, be treated as finance or capital leases;
  - (iv) the amount of any liability in respect of any purchase price for assets or services the payment of which is deferred for a period in excess of 60 (sixty) days; and
  - (v) amounts raised under any other transaction (including, without limitation, any forward sale or purchase agreement) having substantially the same commercial effect as borrowing;
- **“Instrument”** means this instrument;

- **“Interest Payment Date”** means each of the following dates: the 27<sup>th</sup> of September and the 27<sup>th</sup> of March in each year. The first Interest Payment Date will fall on the 27<sup>th</sup> of September 2019;
- **“Interest Period”** means the period beginning on (and including) the Issue Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date;
- **“Issue Date”** means the 27<sup>th</sup> of March 2019;
- **“Issue Price”** means 100% (one hundred per cent.) of the Nominal Amount;
- **“Issuer”** has the meaning set forth in the Preamble;
- **“Listing”** means the listing or admission to trading (as the case may be) of the Ordinary Shares of the Issuer on a Qualifying Exchange and the term **“listed”** shall be interpreted accordingly;
- **“Maturity Date”** has the meaning set forth in Condition 7.1 (*Redemption at Maturity*);
- **“Maximum Aggregate Nominal Amount”** means EUR 10,000,000.00 (ten million/00);
- **“MiFID II”** means Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014;
- **“Minimum Subscription Amount”** means the Nominal Amount;
- **“Nominal Amount”** means EUR 1,000.00 (one thousand/00);
- **“Ordinary Shares”** means ordinary shares in the capital of the Issuer, which have and will have the rights set out in the Articles;
- **“Pairstech”** means Pairstech Capital Management LLP, a company incorporated under the laws of England and Wales, with registered office at Norvin House, 45/55 Commercial Street, E1 6BD, London, United Kingdom, that is controlled by the Issuer, which holds 89.5% (eighty-nine point five per cent.) of the share capital of Pairstech;
- **“Permitted Security Interest”** means:
  - (i) any Security Interest arising by operation of law except for any Security Interest arising from a breach of mandatory provisions of law;
  - (ii) any Security Interest existing as at the Issue Date;
  - (iii) any Security Interest created in the ordinary course of business by the Issuer;
  - (iv) any Security Interest over assets created in order to finance the purchase of the latter provided that the value of the assets the subject to the Security Interest does not exceed the value of the purchased assets;
  - (v) any Security Interest created in substitution for any existing Security Interest provided that (a) the principal amount created by the new Security Interest does not at any time exceed the principal amount secured by the then existing Security Interest and (b) the value of the assets over which the new Security Interest is created does not exceed the value of the assets over which the then existing Security Interest was created or subsisted;
- **“Person”** means any individual, company, corporation, firm, partnership, joint venture, association, organization,



state or agency of a state or other entity, whether or not having separate legal personality;

- **“Prevailing Rate”** means, on any day, in respect of any currencies the spot rate of exchange between the relevant currencies prevailing at or around 12 noon (CET) on that date as appearing on or derived from the Relevant Page. If such a rate cannot be determined at such time as aforesaid, the Prevailing Rate shall be determined *mutatis mutandis* but with respect to the immediately preceding day on which such rate can be so determined all as determined, or if such rate cannot be so determined by reference to the Relevant Page, the rate determined in such other manner as a Third-Party Adviser shall consider in good faith appropriate;
- **“Professional Investors”** means professional clients for the purposes of MiFID II as implemented in the United Kingdom in the Applicable Rules;
- **“Qualifying Exchange”** means any of the following exchanges:
  - (i) AIM, a market of the London Stock Exchange;
  - (ii) NEX Exchange Growth Market;
  - (iii) Nasdaq First North;
  - (iv) the Third Market of the Vienna Stock Exchange;
  - (v) any other reputable Trading Venue as the Issuer may reasonably deem appropriate in case Listing on the Trading Venues under points (i) to (iv) above is in the opinion of the Issuer either not possible or possible only on terms and conditions which are not in its best interests;
- **“Rate of Interest”** has the meaning set forth in Condition 6 (*Interest*);
- **“Record Date”** has the meaning set forth in Condition 8.1 (*Principal and Interest*);
- **“Redemption Settlement Share”** has the meaning set forth in Condition 7.8 (*Share Settlement Option*);
- **“Registrar”** means the register of the Bondholders to be kept and maintained by the Registrar in accordance with this Instrument;
- **“Registrar”** means Avenir Registrars Limited, a company incorporated under the laws of England and Wales, with registered office in 5 St John's Ln, Clerkenwell, London EC1M 4BH, United Kingdom;
- **“Registrar Agreement”** has the meaning set forth in the Preamble;
- **“Relevant Indebtedness”** means any present or future Indebtedness which is in the form of, or represented by, any bond, note, debenture, debenture stock, loan stock, certificate or other instrument which is, or is capable of being, traded, quoted, listed or dealt in on any stock exchange or any over-the-counter or other securities market;
- **“Relevant Page”** means the relevant page on Bloomberg or such other information service provider that displays the relevant information;
- **“Relevant Qualifying Exchange”** means the Qualifying Exchange on which, at the relevant time, the Ordinary Shares of the Issuer are listed;

- **“Second Subscription Period”** has the meaning set forth in Condition 3 (*Subscription*);
- **“Security Interest”** means any mortgage, charge, pledge, lien or other form of security interest, surety or other form of personal guarantees, including, without limitation, anything substantially analogous to any of the foregoing under the laws of any applicable jurisdiction;
- **“Share Settlement Option”** has the meaning set forth in Condition 7.8 (*Share Settlement Option*);
- **“Share Settlement Option Exercise Notice”** has the meaning set forth in Condition 7.8 (*Share Settlement Option*);
- **“Share Settlement Option Price”** means, alternatively:
  - (i) if the Ordinary Shares of the Issuer are listed on a Qualifying Exchange on the Valuation Date – and provided that (a) they remain listed on such Qualifying Exchange (or are then listed on another Qualifying Exchange) on the Maturity Date (included) and (b) as at the Valuation Date or Maturity Date (both included), no resolution, decision, statement or similar providing for a future delisting of the Ordinary Shares of the Issuer has been adopted by the relevant Authority or Body operating and managing the Relevant Qualifying Exchange – the price per Ordinary Share of the Issuer calculated by a Third-Party Adviser on the basis of the Volume Weighted Average Price of the Ordinary Shares of the Issuer for the 20 (twenty) consecutive Dealing Days ending on the Valuation Date (included);
  - (ii) in any case other than that under point (i) above, the price per Ordinary Share of the Issuer calculated by a Third-Party Adviser on the basis of the fair market value of the Issuer on such Valuation Date – as estimated in good faith and on the basis of commonly accepted market practices, without making a discount for the fact that a particular shareholding represents a minority interest in the Issuer – divided by the number of Ordinary Shares in issue at such Valuation Date (included) (and for the avoidance of doubt non including any Redemption Settlement Share following exercise of the Share Settlement Option), provided that should the evaluation of the fair market value of the Issuer for the purpose of determining the Share Settlement Option Price be lower than GBP 15,000,000.00 (fifteen million/00) on the Valuation Date, the fair market value of the Issuer shall be considered to be GBP 15,000,000.00 (fifteen million/00) and the Share Settlement Option Price per Ordinary Share shall be equal to GBP 15,000,000.00 (fifteen million/00) divided by the number of Ordinary Shares in issue at such Valuation Date (and for the avoidance of doubt not including any Redemption Settlement Share to be issued on exercise of the Share Settlement Option);
- **“Share Settlement Option Price Notice”** has the meaning set forth in Condition 7.8 (*Share Settlement Option*);
- **“Specified Taxes”** has the meaning set forth in Condition 7.9 (*Taxes and Expenses*);
- **“Statutory Notice”** has the meaning set forth in Condition 17 (*Notice by the Issuer requiring information about interests in Bonds*);
- **“Subsidiary”** means a subsidiary as defined in section 1159 of the Companies Act;
- **“Supporting Documentation”** has the meaning set forth in Condition 8.5 (*FCA Approval*);
- **“TARGET Settlement Day”** means any day on which the TARGET System is open for the settlement of payments

in EUR;

- **“TARGET System”** means the Trans-European Automated Real-Time Gross Settlement Express Transfer payment system (TARGET2);
- **“Third Market”** means the multilateral trading facility operated by Vienna Stock Exchange;
- **“Third-Party Adviser”** means a reputable third-party financial institution or financial adviser or accounting firm with appropriate expertise appointed by the Issuer at its own expense;
- **“Trading Venue”** has the meaning attributed to it by MiFID II;
- **“Uncertificated Regulations”** means the United Kingdom Uncertificated Securities Regulations 2001 (SI 2001/3755) including any modification or re-enactment thereof from time to time in force;
- **“Valuation Date”** means the 5<sup>th</sup> (fifth) Business Day prior to the Maturity Date;
- **“Volume Weighted Average Price”** means, in respect of an Ordinary Share on any Dealing Day, the order book volume-weighted average price on the Relevant Qualifying Exchange of an Ordinary Share of the Issuer, published by or derived from Bloomberg (or any successor page) (setting Weighted Average Line, or any other successor setting and using values not adjusted for any event occurring after such Dealing Day) or from the Relevant Qualifying Exchange on which such Ordinary Shares are listed or, in any case, from such other source as shall be determined to be appropriate by a Third-Party Adviser on such Dealing Day, provided that if on any such Dealing Day such price is not available or cannot otherwise be determined as provided above, the Volume Weighted Average Price of an Ordinary Share, in respect of such Dealing Day shall be the Volume Weighted Average Price, determined as provided above, on the immediately preceding Dealing Day on which the same can be so determined, or, if such price cannot be so determined, as a Third-Party Adviser might otherwise determine in good faith to be appropriate. It remains understood that in making any calculation or determination of the Volume Weighted Average Price, such adjustments (if any) shall be made by the Third-Party Adviser (acting in good faith and on the basis of commonly accepted market practices) as it considers appropriate to reflect any consolidation or sub-division of the share capital of the Issuer or any issue of Ordinary Shares or other securities by way of capitalisation of profits or reserves, or to reflect pending dividend payments or any like or similar event but without making a discount for the fact that a particular shareholding represents a minority interest in the Issuer;
- **“Voting Power”** has the meaning attributed to it by the Applicable Rules.

## **1.2 Interpretation**

The rules of interpretation below apply in this Instrument:

- references to Conditions are to the Conditions of this Instrument;
- any annexures or schedules to this Instrument form part of this Instrument and shall have effect as if set out in full in the body of this Instrument. Any reference to this Instrument includes any annexures or schedules;
- a reference to this Instrument or to any other agreement or document referred to in this Instrument is a

reference to this Instrument or such other agreement or document as varied or novated in accordance with their terms from time to time;

- unless the context otherwise requires, words in the singular shall include the plural and, in the plural, shall include the singular and a reference to one gender shall include a reference to the other gender;
- any words following the terms including, include, in particular, for example, *inter alia*, *e.g.* or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms;
- a reference to a statute or statutory provision or to other regulatory provisions is a reference to them as amended, extended or re-enacted from time to time and shall include all subordinate legislation and implementing provisions made from time to time.
- any obligation on a Person not to do something includes an obligation not to allow that thing to be done;
- any Bond being outstanding means such Bonds as are in issue, not redeemed, not converted and not cancelled at the relevant time.

### **1.3 Third-Party Adviser**

In making any determination hereunder the Third-Party Adviser shall act as expert and not as arbitrator and his determination shall (in the absence of manifest error) be final and binding on the Issuer and on the Bondholders.

## **2. Form, Denomination, Registration, Title and Transfer of Bonds**

### **2.1 Form and Denomination**

The Bonds are in registered form, are issued in the Nominal Amount and are denominated in EUR.

The Issuer cannot issue Bonds for more than the Maximum Aggregate Nominal Amount. The minimum amount of Bonds that may be issued to any Bondholder is equal to the Nominal Amount but, subject to the Maximum Aggregate Nominal Amount, there is no maximum Nominal Amount of Bonds that can be issued to a single Bondholder. Bonds may only be issued in multiples of the Nominal Amount.

### **2.2 Registration and Title**

If and for so long as the Bonds are admitted to CREST (or any other applicable electronic settlement system), the Bonds will exclusively be in de-materialised and uncertificated form provided that, at and upon a specific request by a relevant Bondholder, a certificate will be issued. In such case, each Bondholder (or the joint holders of any Bond) shall be entitled to receive, without charge, 1 (one) certificate for the Bonds registered in his/her (or their) names. Where any Bond in certificated form is held jointly, the Issuer shall not be bound to issue more than 1 (one) certificate in respect of such Bond and delivery of a certificate to the Person in whose name such Bond is first-registered shall be sufficient delivery to all joint holders of such Bonds.

A Register of the Bonds will (in compliance, *inter alia*, with the Issuer's obligations under the Uncertificated Regulations) be kept by the Registrar – at its registered office, being, as at the date of this Instrument, at 5 St John's Ln, Clerkenwell, London EC1M 4BH – on which will also be entered the names and addresses of the Bondholders as well as particulars of

the Bonds held by them and of all transfers, redemptions and conversions of Bonds. A copy of such Register will, during normal business hours, be open to the inspection of the Bondholders (or any other Person duly authorised).

If and for as long as the Bonds are admitted to CREST, a register shall also be maintained by Euroclear in respect of Bondholders who hold their Bonds in de-materialised, paperless and uncertificated form.

### **2.3 *Transfer of Bonds***

Legal title to the Bonds shall pass by registration in the register maintained by Euroclear or, in the event of Bonds for which a certificate is issued, in the Register maintained by the Registrar, and a Person in whose name a Bond shall be registered shall (to the fullest extent permitted by law and except as otherwise required by law or by an order by a court of competent jurisdiction) be treated at all times and for all purposes as the absolute owner of such Bond regardless of any notice of ownership or trust, and no Persons will be liable for so treating the owner.

All transfers of Bonds in paperless and dematerialised form shall be subject to and made in accordance with the Uncertificated Regulations and the rules, procedures and practices in effect of CREST from time to time (the “**CREST Requirements**”).

In case a certificate is issued, Bonds may be transferred by lodging the relevant certificate representing the Bond (with the form of application for transfer in respect thereof duly executed by the transferor and transferee and duly stamped where applicable evidencing any stamp duty due as paid), at the specified office of the Issuer and/or the Registrar and no transfers of a Bond will be valid unless and until entered on the Register. Subject to the following provisions of this Conditions 2.3 (*Transfer of Bonds*), the Registrar shall use all its reasonable effort to register – within 3 (three) Business Days of any duly made application for the transfer of a certificated Bond – the relevant transfer in the Register and made available a new certificate representing the Bond to the transferee at the Registrar’s registered office or (at the risk and, if mailed at the request of the transferee or, as the case may be, the transferor otherwise than by ordinary mail, at the expense of the transferee or, as the case may be, the transferor) dispatch the certificate representing the Bond by uninsured mail to such address as the transferee or, as the case may be, the transferor may request.

Notwithstanding the above, each Bondholder shall not be allowed to hold at any time, whether as result of a subscription or a purchase, more than no. 149 (one hundred and forty nine) Bonds. Any Bondholder shall be liable vis-à-vis the Issuer for a breach of the abovementioned limitation and any subscription or purchase in excess thereof shall not be effective vis-à-vis the Issuer and in particular the provisions of Condition 2.4 (*Effectiveness of transfers and payment obligations*) will apply. Moreover, in the event of Bonds in certificated form, the Registrar shall reserve the right (duly informing the Issuer), to be exercised in good faith and on a reasonable basis, to refuse to carry out the relevant registrations in the Register and the other relevant formalities in the event that, on the basis of the Supporting Documentation as well as of any other available information or evidence, there are reasonable and grounded reasons to believe that the relevant transferee(s) of the Bonds – whether on a standalone basis or acting in concert with any other Person and taking into account Ordinary Shares and/or Voting Power already held in the Issuer (as well as any other situation considered by the Applicable Rules) – is(are) or is(are) likely to become a Controller of the Issuer. Notice of such refusal shall be given by the Issuer to the transferor(s) and the transferee(s) according to Condition 16 (*Notices*).

The Bonds may be only subscribed by Professional Investors and may be only transferred to Professional Investors. On

presentation for registration of a transfer of Bonds in certificated form, the Registrar shall be entitled to seek evidence from the transferee that the transferee is a Professional Investor and in the event that the Registrar is not (acting reasonably) satisfied that a transferee is a Professional Investor it shall refuse to register the transfer thereof (duly informing the Issuer). Bondholders undertake not to transfer the Bonds to Persons other than Professional Investors and shall be liable for any transfer to a Person who is not a Professional Investor. Subscriptions and transfers of Bonds to any Person other than a Professional Investor shall be ineffective vis-à-vis the Issuer and in particular Condition 2.4 (*Effectiveness of transfers and payment obligations*) shall apply.

Any determination or decision made by the Registrar (acting reasonably and in good faith) under this Condition 2.3 (*Transfer of Bonds*) shall be binding on the Issuer and the Bondholders except in the event of manifest error and the Registrar will not be responsible or liable to any Person for any loss arising from any such determination.

Such transfers shall be effected without charge subject to (i) the Person making such application for transfer paying or procuring the payment of any taxes, duties and other governmental charges in connection therewith, (ii) the Registrar being satisfied with the documents of title and/or identity of the Person making the application (to the extent applicable) and (iii) any statute or regulation that may from time to time apply.

No transfer of any Bond can occur in respect of a Bond for which a Bondholder has exercised its right to require redemption pursuant to Condition 7.2 (*Redemption at the Option of Bondholders Upon a Change of Control*). In the event of a purported transfer in such circumstances the Issuer will pay, and will only pay, the Bondholder who has exercised its right to require redemption and this shall never constitute, and cannot be deemed to constitute, an Event of Default.

#### **2.4 Effectiveness of transfers and payment obligations**

Where this Condition 2.4 (*Effectiveness of transfers and payment obligations*) applies, the obligation of the Issuer to (i) redeem the relevant Bonds on the Maturity Date (whether in cash or following the exercise of the Share Settlement Option), the Change of Control Put Date or the Call Date (as the case may be); (ii) pay any amount under Condition 10 (*Events of Default*); and (iii) pay the Interest on any Interest Payment Date (or any other due date), shall be construed so that any transfer which is provided hereunder not to be effective vis-à-vis the Issuer shall be ignored and any monies to be paid, or Redemption Settlement Shares to be issued, delivered or transferred, shall be paid, issued, delivered or transferred (as the case may be) to the transferor (and not the transferee) and the transferor and transferee of the Bonds will hold the Issuer harmless in all respects in relation to the said Bonds' transfers and in relation to the said payment of monies, or issue, delivery or transfer of Redemption Settlement Shares (as the case may be).

For the avoidance of doubt, redemptions and/or payments carried out by the Issuer in compliance with this Condition 2.4 (*Effectiveness of transfers and payment obligations*) shall never constitute, and cannot be deemed to constitute, an Event of Default.

### **3. Subscription**

The Bonds may be subscribed during the subscription period from 19 March 2019 to 25 March 2019 (the "**First Subscription Period**") at the Issue Price to be paid in cash or in kind.

In the event that the Maximum Aggregate Nominal Amount is not subscribed for by 25 March 2019, the Bonds may be

further subscribed during the subscription period from 1 April 2019 to 31 December 2019 (the “**Second Subscription Period**”).

The Bonds subscribed during the Second Subscription Period will have the same terms and conditions and ISIN Code of the Bonds subscribed and issued during the First Subscription Period. The subscription price of the Bonds issued during the Second Subscription Period, to be paid in cash or in kind, shall be equal (i) to the sum of the Issue Price and the interest accrued (calculated on the basis of the Rate of Interest) but not yet paid at the relevant subsequent issue dates (excluded) or (ii) to the different amount that the Issuer and the subscribers shall determine in order to ensure that the Bonds are perfectly fungible with the Bonds initially issued. Notice of any additional issue date following the Issue Date shall be rendered pursuant to Condition 16 (*Notices*).

Upon subscription of Bonds for an amount equal to the Maximum Aggregate Nominal Amount, the First Subscription Period (or the Second Subscription Period) shall be deemed immediately terminated. Notice thereof shall be rendered pursuant to Condition 16 (*Notices*).

The Issuer may decide to reduce the Maximum Aggregate Nominal Amount by giving prompt notice thereof pursuant to Condition 16 (*Notices*).

In case the Bonds are not subscribed up to the Maximum Aggregate Nominal Amount by the end of the Second Subscription Period, the subscription amount shall be intended to refer to the Bonds that have actually been subscribed.

The Bonds have not been, and shall not be, registered pursuant to (i) the U.S. Securities Act of 1933 (as amended) or (ii) the laws and regulations applicable in Canada, Australia, Japan or in any other State where the sale and/or subscription of the Bonds is not permitted by the competent authorities. The subsequent sale, transfer, delivery, distribution of the Bonds and of the Instrument shall only occur (a) within the limits in which it is expressly allowed by the laws and regulations applicable in the States where the abovementioned activities are intended to take place; or (b) when the laws and regulations applicable in those States provide for specific exemptions that allow the sale and transfer of the Bonds.

#### **4. Status**

The Bonds constitute direct, general, unconditional and, subject to the provisions of Condition 5 (*Negative Pledge*) below, unsecured obligations of the Issuer which will at all times rank *pari passu* without any preference among themselves and at least *pari passu* with all other present and future unsecured and unsubordinated obligations of the Issuer, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application, and shall be freely transferable in accordance with and subject to Conditions 2 (*Form, Denomination, Registration, Title and Transfer of Bonds*), 3 (*Subscription*) and 8.5 (*FCA Approval*).

#### **5. Negative pledge**

So long as any Bond remains outstanding, the Issuer shall not, (i) create or permit to subsist any Security Interest (other than a Permitted Security Interest) upon the whole or any part of the relevant present or future undertaking, assets or revenues (including uncalled capital) and/or (ii) collateralize the relevant tangible or intangible assets, credits or equity interests, to secure (a) any Relevant Indebtedness or (b) any guarantee and/or indemnity in relation to any Relevant Indebtedness, without (1) at the same time or prior thereto securing the Bonds equally and rateably therewith or (2)

providing such other security for the Bonds as may be approved by an Extraordinary Resolution of the Bondholders.

## **6. Interest**

The Bonds bear interest from, and including, the Issue Date at the fixed gross annual rate of interest of 6.5 per cent. (six point five per cent.) (the “**Rate of Interest**”) – calculated by the Issuer as Calculation Agent by reference to the Nominal Amount of the Bonds then outstanding – and payable semi-annually in arrears on each Interest Payment Date. The first Interest Payment Date will fall on 27 September 2019.

Interest payments shall be calculated on an Actual/Actual (ICMA) basis and the amount of interest payable for each Bond in respect of any period which is shorter than an Interest Period shall be calculated on the basis of the number of days in the relevant period from (and including) the first day of such period to (but excluding) the last day of such period divided by the product of the number of days from (and including) the immediately preceding Interest Payment Date (or, if none, the Issue Date) to (but excluding) the next Interest Payment Date and the number of Interest Periods normally ending in any year.

Each Bond will cease to bear interest where such Bond is redeemed or repaid pursuant to Conditions 7 (*Redemption and Purchase*) or 10 (*Events of Default*) from the due date for redemption or repayment (which, for the avoidance of doubt, may also be the Maturity Date), unless payment of any sum and/or delivery or transfer of any Redemption Settlement Share due is improperly withheld or refused, in which case it will continue to bear interest at such Rate of Interest (both before and after a judgement) until the day (included) on which all sums or Redemption Settlement Shares due in respect of such Bond up to that day are received by or on behalf of the relevant Bondholder.

## **7. Redemption and Purchase**

### **7.1 Redemption at Maturity**

Subject to Condition 7.8 (*Share Settlement Option*), unless previously redeemed, purchased and cancelled, in whole or in part, as herein provided, the Bonds will be redeemed in cash at 100% (one hundred per cent.) of their Nominal Amount on 27 September 2024 (the “**Maturity Date**”).

### **7.2 Redemption at the Option of Bondholders upon a Change of Control**

Following the occurrence of a Change of Control, the holder of each Bond will have the right to require the Issuer to redeem that Bond on the Change of Control Put Date in cash at its Nominal Amount, together with accrued and unpaid interest according to Condition 6 (*Interest*).

Within 5 (five) Business Days following the occurrence of a Change of Control, the Issuer shall give notice thereof to the Bondholders in accordance with Condition 16 (*Notices*) (the “**Change of Control Notice**”). The Change of Control Notice shall contain a statement informing Bondholders of their entitlement to exercise their rights to require redemption of their Bonds pursuant this Condition 7.2 (*Redemption at the Option of Bondholders upon a Change of Control*). The Change of Control Notice shall also specify: (i) all information which the Issuer (acting reasonably) considers material to Bondholders concerning the Change of Control; (ii) the last day of the Change of Control Period; (iii) the Change of Control Put Date; and (vi) such other information relating to the Change of Control as the Bondholders may require.

To exercise such right, each Bondholder must (i) inform the relevant intermediary where the Bonds in de-materialised



form are deposited and (ii) deliver to the registered office of the Issuer and/or the Registrar a duly completed and signed notice of exercise in a form acceptable to the Issuer and the Registrar (a “**Change of Control Put Exercise Notice**”), on any Business Day during the Change of Control Period. In the event that, at and upon a specific request by a relevant Bondholder, a certificate has been issued in respect of a Bond, such certificate representing the Bond(s) shall be delivered together with the Change of Control Put Exercise Notice.

If such delivery is made after the end of normal business hours or on a day which is not a Business Day, such delivery shall be deemed to have been made on the next following Business Day.

A Change of Control Put Exercise Notice, once delivered, shall be irrevocable and the Issuer shall deliver the relevant instructions to the Registrar and Euroclear and redeem all Bonds the subject of the Change of Control Put Exercise Notices delivered as aforesaid on the Change of Control Put Date.

### **7.3 Redemption at the Option of the Issuer**

The Bonds may be redeemed early (in whole or in part) at the option of the Issuer on any Business Day following the first Interest Payment Date by (i) giving at least a 10 (ten) Business Day prior written notice (the “**Call Option Exercise Notice**”) to Bondholders in accordance with Condition 16 (*Notices*) and (ii) delivering the relevant instructions to the Registrar and Euroclear. The Call Option Exercise Notice and the instructions shall specify the intended early redemption date (the “**Call Date**”) and the aggregate total Nominal Amount of Bonds to be early redeemed.

The early redemption option shall be exercised in compliance with the CREST Requirements and in case of any inconsistency between (a) the Call Option Exercise Notice and/or the instructions given to the Registrar and Euroclear and (b) the CREST Requirements, the latter shall always prevail.

Each Bond the subject of the Call Option Exercise Notice shall be redeemed, on the Call Date, in cash at 102% (one hundred and two per cent.) of the Nominal Amount then outstanding together with interest accrued up to (but excluding) the Call Date.

### **7.4 No other redemption**

The Issuer shall not be entitled to redeem the Bonds otherwise than as provided in Conditions 7.1 (*Redemption at Maturity*), 7.2 (*Redemption at the Option of Bondholders upon a Change of Control*) and 7.3 (*Redemption at the Option of the Issuer*) above.

### **7.5 Purchase of Bonds**

The Issuer and/or any of its Subsidiaries may at any time purchase Bonds in the open market or otherwise and at any price. Such Bonds may be held, resold or reissued or at the option of the Issuer (and to the extent applicable) cancelled.

### **7.6 Cancellation**

All Bonds so redeemed, or in respect of which the Share Settlement Option applies, shall be cancelled and may not be reissued or resold and the obligations of the Issuer in respect of any such Bonds shall be discharged.

### **7.7 Multiple Notices**

If more than 1 (one) notice is given pursuant to this Condition 7 (*Redemption and Purchase*), the first of such notices

shall prevail.

### **7.8 Share Settlement Option**

Notwithstanding any other provisions of this Condition 7 (*Redemption and Purchase*) and subject to Condition 8.5 (*FCA Approval*), the Issuer may elect to satisfy its obligation to redeem the Bonds (other than Bonds held by the Issuer in its own name) on the Maturity Date by exercising a share settlement option (the “**Share Settlement Option**”) with respect to all, but not some only, of the Bonds, provided that no Events of Default shall have occurred.

To exercise its Share Settlement Option, the Issuer shall (i) give a notice to such effect (the “**Share Settlement Option Exercise Notice**”) to the Bondholders according to Condition 16 (*Notices*) not less than 10 (ten) Business Days prior to the Maturity Date and (ii) duly inform the Registrar and Euroclear.

On the Valuation Date, the Issuer shall (i) give another notice to the Bondholders according to Condition 16 (*Notices*) including details of the number of Redemption Settlement Shares that are intended to be issued and allotted (or transferred) to each Bondholder, in whose name the Bond(s) is(are) registered, on the basis of the Share Settlement Option Price (the “**Share Settlement Option Price Notice**”) and (ii) duly deliver the relevant instructions to the Registrar and Euroclear.

Subject to Condition 8.5 (*FCA Approval*), in case of exercise of the Share Settlement Option, on the Maturity Date, the Issuer shall (i) deliver the relevant instructions to the Registrar and Euroclear and (ii), in lieu of redeeming the Bonds in cash, effect redemption in respect of the Bonds by:

- (a) issuing and delivering (or transferring) to the relevant Bondholder such number of Ordinary Shares as is determined by dividing the aggregate total Nominal Amount of such Bondholder’s Bonds, as converted (if required) into the currency in which the Redemption Settlement Shares are denominated at the Prevailing Rate on the Business Day immediately prior to the Maturity Date, by the Share Settlement Option Price in effect on the Valuation Date (the “**Redemption Settlement Shares**”); and
- (b) making or procuring payment to the relevant Bondholder in cash of any accrued and unpaid interest in respect of such Bonds up to the Maturity Date in accordance with Conditions 6 (*Interest*) and 8 (*Payments and FCA Approval*).

Fractions of Redemption Settlement Shares will not be issued or transferred and no cash payment or other adjustments will be made in lieu thereof.

If the Issuer does not give a Share Settlement Option Exercise Notice in the manner and by the time set out in this Condition 7.8 (*Share Settlement Option*), the Bonds shall be redeemed for cash on the Maturity Date in accordance with the provisions of Condition 7.1 (*Redemption at Maturity*) and any Share Settlement Option Exercise Notice shall be annulled and considered void.

Subject to Condition 8.5 (*FCA Approval*), Redemption Settlement Shares shall be issued and allotted (or transferred) on or with effect from the Maturity Date and where Redemption Settlement Shares are to be issued and delivered (or transferred) in certificated form, a certificate in respect thereof will be made available at the Issuer’s registered office or dispatched by mail free of charge (but uninsured and at the risk of the recipient) to the relevant Bondholder or as it

may direct, on or about the Maturity Date.

Where Redemption Settlement Shares are to be issued and delivered (or transferred) in dematerialised form, they will be delivered (or transferred), on or about the Maturity Date, through CREST or any other relevant electronic settlement system or any relevant central security depository (as the case may be), to the account specified by the relevant Bondholder to the Issuer promptly and, in any case, at least 1 (one) Business Day prior to the Maturity Date.

Redemption Settlement Shares issued and delivered (or transferred) upon exercise of the Share Settlement Option will be fully paid and will in all respects rank *pari passu* with the fully paid Ordinary Shares in issue on the Maturity Date, except in any such case for any right excluded by mandatory provisions of applicable law and except that such Redemption Settlement Shares will not rank for (or, as the case may be, the relevant holder shall not be entitled to receive) any rights, distributions or payments where the record date or other due date for the establishment of entitlement for which falls prior to the Maturity Date.

Each Bondholder whose Bonds are the subject of the Share Settlement Option shall be deemed to have irrevocably authorized and instructed the Issuer to apply the redemption moneys payable to that Bondholder in subscribing for (or acquiring) Redemption Settlement Shares upon exercise of the Share Settlement Option by the Issuer at the Share Settlement Option Price.

Subject to Condition 8.5 (*FCA Approval*), upon the issue and delivery (or transfer) of the Redemption Settlement Shares, the execution of the relevant registrations and payment of the relevant interest accrued (if any), the Issuer shall have no further liability in respect of such Bonds.

For the avoidance of doubt, reference in this Instrument to a transfer of a Redemption Settlement Share shall be limited to Ordinary Shares which the Issuer holds as treasury shares in accordance with the provisions of Chapter 6 of Part 18 of the Companies Act.

## **7.9 Taxes and Expenses**

A Bondholder must pay directly to the relevant authorities any capital, stamp, issue, registration and transfer or similar taxes and duties arising from the exercise by the Issuer of the Share Settlement Option in respect of the Bonds (including, for the avoidance of doubt, in each case in respect of the allotment, issue, transfer and delivery of any Redemption Settlement Shares pursuant to this Instrument (other than any capital, stamp, issue, registration, transfer or similar taxes and duties (excluding for the avoidance of doubt, capital gains tax or similar taxes on gains or profits levied on the relevant Bondholder) payable in the United Kingdom, or in any other jurisdiction in which the Issuer may be domiciled or resident or to whose taxing jurisdiction it may be generally subject, in respect of the issue, allotment, delivery and transfer of Redemption Settlement Shares upon exercise of the Share Settlement Option pursuant to this Instrument (the “**Specified Taxes**”)). The Specified Taxes shall be paid by the Issuer. If the Issuer shall fail to pay any such Specified Taxes for which it is responsible as provided above, the relevant Bondholder shall be entitled to tender and pay the same and the Issuer as a separate and independent stipulation, covenants to reimburse and indemnify each Bondholder in respect of any payment thereof and any penalties payable in respect thereof.

Each Bondholder must also pay all, if any, taxes imposed on it and arising by reference to any disposal or deemed disposal of any Bonds or Ordinary Shares or any interest therein.

The Registrar shall not be responsible for determining whether any such Specified Taxes are payable or the amount thereof and it shall not be responsible or liable to any Person for any failure by the Issuer to pay such Specified Taxes.

#### **7.10 Purchase or Redemption of Ordinary Shares**

To the extent allowed by the applicable law and subject to this Instrument, the Issuer or any of its Subsidiaries may exercise such rights as it may from time to time enjoy to purchase or redeem or buy back any shares of the Issuer (including Ordinary Shares) or any depositary or other receipts or certificates representing the same, without the consent of the Bondholders and in the open market or otherwise and at any price.

#### **7.11 No Duty to Monitor**

The Registrar shall not be under any duty to monitor whether (i) any Change of Control has happened or may happen and/or (ii) any event or circumstance has happened or exists or may happen or exist and which requires or may require an adjustment to be made to the Share Settlement Option Price and will not be responsible or liable to any Person for any loss arising from any failure by it to do so.

### **8. Payments and FCA Approval**

#### **8.1 Principal and Interest**

Without prejudice to Condition 8.5 (*FCA Approval*) and subject always to Condition 2.4 (*Effectiveness of transfers and payment obligations*) and Condition 17 (*Notice by the Issuer requiring information about interests in the Bonds*), payment of principal amount and interest in respect of a Bond will be made to, and issue and delivery (or transfer) of Redemption Settlement Shares will be carried out in favour of, the Persons in whose name such Bond is registered as at the close of business on the 5<sup>th</sup> (fifth) Business Day prior to the relevant due date for the relevant payment, delivery or transfer (the “**Record Date**”).

Payment of principal amount and interest in respect of the Bonds shall be made in EUR by direct credit or bank transfer to the EUR bank account (or other account to which EUR may be credited or transferred), maintained with a bank in a city in which banks have access to the TARGET System and nominated by the relevant Bondholder or, in the case of joint registered holders, by the one in whose name such Bond is first-registered, or to such Person or Persons as the registered holder or all the joint registered holders may in writing direct. A direct credit or bank transfer to the relevant account shall be good discharge to the Issuer.

If more than 1 (one) Person is registered as joint holders of any Bond then, the receipt of anyone of such holders of any moneys payable on or in respect of the Bond shall be as effective a discharge to the Issuer or other Person making the payment as if the Person receiving the payment were the sole registered holder of such Bond.

Each Bondholder has to promptly provide the Issuer with specific payment instructions in this regard.

#### **8.2 Payments subject to laws**

All payments in respect of the Bonds are subject in all cases to any applicable fiscal or other laws and regulations, but without prejudice to the provisions of Condition 9 (*Taxation*).

#### **8.3 Payments on Business Days and Paying Agent**

A payment in respect of the Bonds may only be made on a day which is a Business Day. If a payment would otherwise fall due on a day which is not a Business Day, the due date for payment shall be the next Business Day. No further interest or other payments will be made as a consequence of payment being extended to such Business Day.

The initial paying agent will be the Issuer. The Issuer reserves the right – upon approval by the Noteholders – at any time to vary or terminate the appointment of any paying agent and appoint additional or other paying agents, provided that it will maintain a paying agent in the United Kingdom. Notice of any change in the paying agent or its specified office will promptly be given pursuant to Condition 16 (*Notices*).

#### **8.4 Fractions**

When making payments to the Bondholders, if the relevant payment is not of an amount which is a whole multiple of the smallest unit of the relevant currency in which such payment is to be made, such payment will be rounded upwards to the nearest unit.

#### **8.5 FCA Approval**

In the event that, also on the basis of the evidence resulting from (i) the Register as at the applicable Record Date, (ii) any other register relating to bonds, notes, debentures, or other instruments issued by the Issuer and/or (iii) the register of shareholders (or any equivalent document) and/or (iv) the register and/or any other documentation held by Euroclear, the Registrar or the Issuer as at the Record Date and/or (v) responses to notices served under Condition 17 (*Notice by the Issuer requiring information about interests in the Bonds*) (the “**Supporting Documentation**”), it appears to the Issuer, acting reasonably, that the intended allotment and delivery (or transfer) of Redemption Settlement Shares following the exercise by the Issuer of the Share Settlement Option, would cause any Bondholder(s) – whether on a standalone basis or acting in concert with any other Person and taking into account Ordinary Shares and/or Voting Power already held in the Issuer (as well as any other situation considered by the Applicable Rules) – to become a Controller of the Issuer, then the Issuer shall:

- (i) allot and deliver (or transfer), pursuant to Condition 7.8 (*Share Settlement Option*) and without prejudice to the payment of any accrued interest as provided therein, to such Bondholder(s) only a number of Redemption Settlement Shares that would not cause such Bondholder(s) – whether on a standalone basis or acting in concert with any other Person and taking into account Ordinary Shares and/or Voting Power already held in the Issuer (as well as any other situation considered by the Applicable Rules) – to become a Controller of the Issuer;
- (ii) redeem in cash the Bonds that have not been subject to the Share Settlement Option according to point (i), together with accrued interest until the relevant due date according to Condition 6 (*Interest*).

For the purpose of this Condition 8.5 (*FCA Approval*), and without prejudice and in addition to the provisions of Condition 17 (*Notice by the Issuer requiring information about interests in the Bonds*), any Bondholder undertakes to duly inform the Issuer and the Registrar, promptly and in case no later than the 2<sup>nd</sup> (second) Business Day following service of the Share Settlement Option Price Notice, of any situation that may result in such Bondholder – whether on a standalone basis or acting in concert with any other Person and taking into account Ordinary Shares and/or Voting Power already held in the Issuer (as well as any other situation considered by the Applicable Rules) – becoming a Controller of the Issuer following the allotment and delivery (or transfer) of the Redemption Settlement Shares.

In the event of failure by Bondholders to inform the Issuer within the timing indicated above, the Issuer shall proceed to allot and deliver (or transfer) such number of Redemption Settlement Shares that, on the basis of the Supporting Documentation, do not cause any Bondholder(s) – whether on a standalone basis or acting in concert with any other Person and taking into account Ordinary Shares and/or Voting Power already held in the Issuer (as well as any other situation considered by the Applicable Rules) – to become a Controller of the Issuer and, for the avoidance of doubt, compliance by the Issuer with this Condition 8.5 (*FCA Approval*) shall never constitute, and cannot be deemed to constitute, an Event of Default.

The Registrar shall not be under any duty to monitor whether any event or circumstance has happened or exists or may happen or exist and which causes or may cause any Bondholder(s) – whether on a standalone basis or acting in concert with any other Person and taking into account Ordinary Shares and/or Voting Power already held in the Issuer (as well as any other situation considered by the Applicable Rules) – to become a Controller of the Issuer and will not be responsible or liable to any Person for any loss arising from any failure by it to do so.

## **9. Taxation**

All payments of principal or interest by or on behalf of the Issuer in respect of the Bonds shall be subject to withholding or deduction of any taxes, duties or governmental charges imposed by or on behalf of the United Kingdom or any political subdivision or authority thereof having the power to tax or any other jurisdiction or political subdivision thereof having power to tax which the Issuer becomes subject to in respect of payments made by it of principal or interest on the Bonds.

## **10. Events of Default**

If any of the following events occurs (each an "**Event of Default**" and, together, the "**Events of Default**"), then any Bond may, by written notice addressed by the Bondholder thereof to the Issuer and delivered to the Issuer, be declared immediately due and payable, whereupon it shall become immediately due and payable at its outstanding Nominal Amount together with accrued interest without further action or formality. In any case, the Registrar shall not be under any duty to monitor whether any event or circumstance has happened or exists or may happen or exist and which causes or may cause an Event of Default by the Issuer and will not be responsible or liable to any Person for any loss arising from any failure by it to do so.

### **(a) Non-payment**

The Issuer fails to pay the principal or interest on any of the Bonds when due or any other sum due from it under the Bonds or to issue and deliver (or transfer) the Redemption Settlement Shares in the event of exercise of the Share Settlement Option and such failure continues for a period of 10 (ten) Business Days.

### **(b) Breach of other obligations**

The Issuer fails in any material respect to perform or observe any of its obligations (other than payment obligations to which Condition 10(a) (*Non-payment*) applies) under the Bonds and the Instrument – including the undertakings under Conditions 5 (*Negative Pledge*) and 11 (*Undertakings of the Issuer*) – which is incapable of remedy or, if capable of remedy, is not remedied within 15 (fifteen) Business Days after written notice thereof, addressed to the Issuer by any Bondholder, has been delivered to the Issuer. For the avoidance of doubt any

breach of the undertaking under Condition 11(b)(vii) and Condition 11(c) shall be considered as incapable of remedy.

**(c) *Cross-default of Issuer***

- (i) any Indebtedness of the Issuer is not paid when due or within any originally applicable grace period;
  - (ii) any such Indebtedness of the Issuer becomes due and payable prior to its stated maturity by reason of a default or an event of default (however described);
  - (iii) any Security Interest created or assumed by the Issuer to secure Indebtedness is enforced; or
  - (iv) the Issuer fails to pay when due or within any originally applicable grace period any amount payable by it under any guarantee and/or indemnity given by it in relation to any Indebtedness,
- provided that (1) the amount of Indebtedness referred to in points (i), (ii) and/or (iii) above and/or the amount payable under any guarantee and/or indemnity referred to in point (iv) above individually or in the aggregate exceeds EUR 1,000,000.00 (one million/00) and (2) if any of such Indebtedness is not denominated in EUR, the relevant Indebtedness shall be deemed to have been converted into EUR on the date when such Indebtedness becomes due and payable in accordance with its terms and any applicable grace period at the Prevailing Rate on such date.

**(d) *Winding-up***

An order is made or an effective resolution is passed for the winding-up or dissolution of the Issuer (otherwise than for the purposes of, or pursuant to, a reorganisation on terms approved by an Extraordinary Resolution).

**(e) *Cessation of business***

The Issuer ceases or threatens to cease to carry on all or substantially all of its business or operations (otherwise than for the purposes of, or pursuant to, a reorganisation on terms approved by an Extraordinary Resolution).

**(f) *Insolvency***

The Issuer is (or is deemed to by law or a court to be) insolvent or bankrupt or unable to pay its debts within the meaning of Section 123(1)(b)-(e) and (2) of the Insolvency Act 1986 or stops, suspends, or threatens to stop or suspend payment of, or admits an inability to pay, its debts (or any class of its debts).

**(g) *Insolvency proceedings***

Proceedings are initiated against the Issuer and or an application is made for the appointment of an administrative or other receiver, liquidator, manager, administrator or other similar official is appointed in relation to the Issuer over all or substantially all of its undertaking and assets, or an encumbrancer takes possession of all or substantially all of the Issuer's undertaking and assets or a distress, execution, attachment, sequestration or other process is levied, enforced upon or sued out on or against all or substantially all of Issuer's undertaking and assets and in any case such proceedings and/or applications are not discharged within 45 (forty five) Business Days.

**(h) *Proceedings by the Issuer***

The Issuer initiates or consents to judicial proceedings relating to itself under any applicable liquidation, insolvency compositions, reorganization or other similar laws (including obtaining a moratorium).

**(i) Arrangement with creditors**

The Issuer proposes or makes a general assignment or an arrangement or composition or other similar arrangement with or for the benefit of the relevant creditors in respect of all or a substantial part of (or of a particular type of) the debts of the Issuer, or a moratorium is agreed or declared in respect of or affecting all or a substantial part of (or of a particular type of) the debts of the Issuer.

**(j) Attachment**

A distress, attachment, execution or other legal process is levied, enforced or sued out on or against all or substantially all of the property, assets or revenues of the Issuer following upon a decree or judgment of a court of competent jurisdiction and is not discharged or stayed within 45 (forty five) Business Days.

**(k) Illegality**

It is or will become unlawful for the Issuer to perform or comply with any of its obligations under the Bonds and the Instrument or any such obligation ceases or will cease to be legal, valid, binding and enforceable.

**(l) Analogous events**

Any event occurs which under the laws of England and Wales has an analogous effect to any of the events referred to in any of the foregoing Paragraphs.

**11. Undertakings of the Issuer**

**(a) Instrument**

So long as any Bond remains outstanding, the Issuer shall, save with the approval of an Extraordinary Resolution, (i) perform all of its obligations and undertakings as provided in this Instrument and (ii) not make any amendment to the Instrument and the Bonds save for Condition 14 (*Modifications*).

**(b) Other Undertakings**

So long as any Bond remains outstanding, the Issuer shall, save with the approval of an Extraordinary Resolution:

- (i) promptly give written notice to the Bondholders (also pursuant to Condition 16 (*Notices*)) on becoming aware of the occurrence of an Event of Default, also giving reasonable details of such Event of Default;
- (ii) provide information, within a reasonable timing, about the Issuer's financial and economic conditions as the Bondholders may reasonably request;
- (iii) conduct its business in a diligent and prudent manner;
- (iv) not make any amendment to the Articles which would materially adversely affect the rights appertaining to Ordinary Shares as well as the rights of the Bondholders as prospective holders of Ordinary Shares without the approval of an Extraordinary Resolution, provided that the Issuer shall be entitled to pass a new set of Articles upon re-registration as a public limited company under the laws of England & Wales;



- (v) not issue any other share capital with rights (of economic and/or administrative nature) that are more favourable than the rights attached to the Ordinary Shares;
- (vi) at all times keep available for (a) issue free from pre-emptive rights out of its authorised but unissued capital or (b) (to the extent applicable) transfer, a sufficient number of Ordinary Shares to enable the Redemption Settlement Shares to be issued and delivered (or transferred) upon exercise of Share Settlement Option, at the Share Settlement Option Price;
- (vii) not carry out any transaction, activity or similar which would otherwise reasonably result in a material reduction in the Share Settlement Option Price in the period comprised between the Valuation Date and the Maturity Date (both included);
- (viii) comply with the disclosure and information obligations set forth by the applicable market abuse rules as well as by the Rules for the Operation of the Third Market of the Vienna Stock Exchange.

**(c) *Registration as a PLC***

The Issuer will re-register as a public company under the laws of England & Wales by 31 August 2019.

**12. Prescription**

Claims against the Issuer for payment in respect of the Bonds shall be prescribed and become void unless made within 10 (ten) years (in the case of principal) or 5 (five) years (in the case of interest) from the appropriate due date for payment.

Claims in respect of any other amounts payable in respect of the Bonds shall be prescribed and become void unless made within 10 (ten) years following the due date for payment thereof.

**13. Further issues**

The Issuer may from time to time without the consent of the Bondholders create and issue further notes, bonds or debentures either having the same terms and conditions in all respects as the outstanding notes, bonds or debentures of any series (including the Bonds) and so that such further issue shall be consolidated and form a single series with the outstanding notes, bonds or debentures of any series (including the Bonds) or upon such terms as to premium, redemption and otherwise as the Issuer may determine at the time of their issue.

**14. Modifications**

The Bonds and this Instrument may be amended without the consent of the Bondholders (i) to correct a manifest error or in order to modify any provision thereof in order to comply with applicable mandatory laws, legislation, rules and regulations and/or (ii) as the Issuer (acting reasonably) may think to be necessary, fit, desirable or appropriate or to be in its best interest provided that such amendments do not result in, or give rise to, a material prejudice to the Bondholders' rights against the Issuer.

Moreover, the Issuer may, subject to the passing of an Extraordinary Resolution as required by Condition 18 (e) (*Extraordinary Resolutions*), abrogate, modify or compromise, or make any arrangement in respect of, the Bondholders' rights against the Issuer, whether those rights shall arise under the Instrument, the Bonds or otherwise, or modify any

of the provisions included in the Instrument (including, but without limitation, modifying the Maturity Date, reducing or cancelling the principal amount payable on the Bonds, reducing the amount payable or the method of calculating the amount payable on the Bonds or modifying the dates for payment in respect of any interest on the Bonds).

Any such modification shall be binding on the Bondholders and shall be promptly notified to the Bondholders in accordance with Condition 16 (*Notices*).

#### **15. Replacement of Bonds**

If any certificate representing the Bond(s) is issued and is subsequently worn out or defaced then, on production of it to the Directors of the Issuer, they may cancel it and may issue a fresh certificate in lieu. If any certificate is lost or destroyed it may be replaced on such terms (if any) as to evidence and indemnity as the Issuer may reasonably require. An entry recording the issue of the new certificate and indemnity (if any) shall be made in the Register. No fee shall be charged for the registration of any transfer or for the registration of any probate, letters of administration, certificate of marriage or death, power of attorney or other documents relating to or effecting title to any Bond.

#### **16. Notices**

Any notice or other document required to be given under this Instrument and any applicable law and regulation shall be in writing and may be given to or served on any Bondholder by sending it by first-class post in a prepaid envelope addressed to such Bondholder at his address as resulting from the Register. In the case of joint Bondholders, a notice given to, or document served on, the Bondholder in whose the Bonds are first-registered shall be sufficient notice to, or service on, all the joint holders. Any such notice sent or document served by first-class post shall be deemed to have been given or served 48 (forty-eight) hours (or 72 (seventy-two) hours in the case of a notice or document sent to an address for a Bondholder not in the United Kingdom) after the time when it is posted (except for the Direction Notice under Condition 17 (*Notice by the Issuer requiring information about interests in Bonds*), which shall have immediate effect) and in proving such notice or service, it shall be sufficient to prove that the envelope containing the notice or document was properly addressed, stamped and posted.

If and for so long as the Bonds are admitted to CREST (or any other applicable electronic settlement system), any notice or other document required to be given under this Instrument and any applicable law and regulation (including the Rules for the Operation of the Third Market of the Vienna Stock Exchange and the CREST Requirements) can also be given by the Issuer through CREST (or any other relevant electronic settlement system or any applicable central securities depository, as the case may be) and the relevant participating intermediaries.

The Issuer shall also ensure that all notices and documents to be given under this Instrument and any applicable law and regulation are duly published (if such publication is required) in a manner which complies with the applicable market abuse rules, the Rules for the Operation of the Third Market of the Vienna Stock Exchange and the rules and regulations of any stock exchange or other relevant authority on which the Bonds are for the time being listed and/or admitted to trading.

#### **17. Notice by the Issuer requiring information about interests in the Bonds**

- (a) The provisions of sections 793 and 824 of the Companies Act shall be deemed to be incorporated in this Instrument as if set out herein in full, with the following amendments:

- (i) any reference to “the company” shall be deemed replaced by a reference to “the Issuer”; and
  - (ii) any reference to “shares” shall be deemed replaced by a reference to “Bonds”.
- (b)** If a Bondholder, or a Person appearing to be interested in Bonds held by a Bondholder, has been duly served with a notice under point (a) above and in compliance with Condition 16 (Notices) ("Statutory Notice") and is in default for the prescribed period in supplying to the Issuer the required information or makes a statement which in the opinion of the Board of Directors of the Issuer (acting reasonably) is false or misleading in any material particular, then the Issuer may at any time, by notice (a "Direction Notice") to the Bondholder, direct that in respect of the Bonds in relation to which the default occurred (the "Default Bonds") the Bondholder is not entitled to vote or attend, either personally or by proxy, at a meeting of Bondholders or to exercise any other right conferred by ownership of Bonds in relation to general meetings of Bondholders.
- (c)** The Direction Notice may additionally direct that any interest or redemption payment or other money which would otherwise be payable or Redemption Settlement Share which would otherwise have to be issued and delivered (or transferred) in respect of each of the Default Bonds shall (in whole or part) be retained by the Issuer without any liability to pay any additional amount when such money is paid or such Redemption Settlement Shares are issued and delivered (or transferred) to the Bondholder.
- (d)** The Issuer shall send a copy of the notice to each other person appearing to be interested in the Bonds the subject of a Direction Notice but the failure or omission by the Issuer to do so shall not invalidate the notice.
- (e)** A Direction Notice shall have effect in accordance with its terms for so long as in the reasonable opinion of the Board of Directors the default in respect of which the Direction Notice is served continues but shall cease to have effect in relation to any Default Bonds which are transferred by the Bondholder by means of an approved transfer.
- (f)** For the purpose of this Condition 17 (Notice by the Issuer requiring information about interests in Bonds):
- (i) a Person or Persons shall be treated as appearing to be interested in Bonds if the Bondholder holding the Bonds has given to the Issuer a notification under point (a) above which either (1) names that Person or those Persons as being interested; or (2) fails to establish the identities of those interested in the Bonds and the Issuer knows or has reasonable cause to believe that the Person(s) in question is(are) or may be interested in the Bonds;
  - (ii) the prescribed period is 3 (three) Business Days from the date of service of the Statutory Notice; and
  - (iii) a transfer of Bonds is an approved transfer if the Issuer is satisfied that the transfer is made pursuant to a sale of the whole of the beneficial ownership of the Bonds to a Person without actual notice of either the Statutory Notice or the Direction Notice and unconnected with the Bondholder and with other Persons appearing to be interested in the Bonds.
- (g)** If the Board of Directors resolves that it has reasonable cause to believe that a Person is or may be interested in Bonds of the Issuer or that any such Bonds are or may be Bonds in which any Person is interested and that they have made reasonable enquiries to establish whether a person is so interested, or whether they are such Bonds,

as the case may be, such Bonds shall be deemed to be Bonds in which such Person is interested, from the date of such resolution until any such time as the Board of Directors resolves otherwise.

- (h) Any belief, resolution or decision of the Board of Directors which is held or made in pursuance or purported pursuance of any of the provisions of point (h) shall be conclusive, final and binding on all Persons concerned except in the event of manifest error, and the validity of any act or thing which is done or caused to be done by the Board of Directors in pursuance or purported pursuance of any of such provisions shall not be capable of being impeached by anyone on the ground that there was not any basis or reasonable basis on which the Board of Directors could have arrived at any such belief or made any such resolution or decision, or on the ground that any conclusion of fact on which the Board of Directors relied or might have relied for the purposes of arriving at any such belief or making any such resolution or decision was incorrect, or on any other ground whatsoever.
- (i) For the avoidance of doubt, compliance by the Issuer with this Condition 17 (Notice by the Issuer requiring information about interests in the Bonds) shall never constitute, and cannot be deemed to constitute, an Event of Default.

## **18. Meetings of Bondholders**

### **(a) *Calling***

The Issuer may at any time convene a meeting of the Bondholders and shall, at the written request of the holders of not less than 1/3 (one third) in Nominal Amount of the Bonds for the time being outstanding, convene a meeting of the Bondholders. Any meeting shall be held at such place as the Issuer may designate.

At least a 10 (ten) Business Day notice (exclusive of the Business Day on which the notice is given) of every meeting shall be given to the Bondholders. The notice shall specify the place, day and time of the meeting and the general nature of the business to be transacted, but it shall not be necessary (except in the case of an Extraordinary Resolution as defined below) to specify in the notice the terms of any resolution to be proposed. The accidental omission to give notice to or the non-receipt of notice by, any of the Bondholders shall not invalidate the proceedings at any meeting. A meeting of the Bondholders shall, despite being called at shorter notice than specified above, be deemed to have been duly called if it is agreed in writing by all of the Bondholders.

### **(b) *Quorums and Chairman***

At any meeting the quorum shall be 2 (two) Bondholders holding, or representing by proxy, at least 50% (fifty per cent.) in Nominal Amount of the outstanding Bonds. No business (other than choosing a Chairman) shall be transacted at any meeting unless the requisite quorum is present.

If a quorum is not present, within half an hour from the time appointed for the meeting, the meeting shall be dissolved if it was convened on the requisition of Bondholders. In any other case, it shall stand adjourned to such day and time (at least 7 (seven) Business Days later, but not more than 15 (fifteen) Business Days later) and to such place as may be appointed by the Chairman. At such adjourned meeting, 2 (two) Bondholders present in person (or by proxy) and entitled to vote shall constitute a quorum (whatever the aggregate Nominal Amount of the Bonds held by them). At least a 7 (seven) Business Day notice of any adjourned meeting of Bondholders shall be given (in the same manner mutatis mutandis as for an original meeting). That notice shall state that 2 (two) Bondholders present in person (or by

proxy) at the adjourned meeting (whatever the aggregate Nominal Amount of Bonds held by them) shall form a quorum. A Person (who may but need not be a Bondholder) nominated by the Issuer shall be entitled to take the chair at every such meeting but, if no such Person is nominated or if the Person nominated is not be present at the meeting within 5 (five) minutes after the time appointed for holding the meeting, the Bondholders present shall choose 1 (one) of their number to be Chairman. Any Director or officer of, and the Secretary and solicitors of, the Issuer and any other Person authorised in that behalf by the Issuer may attend at any such meeting.

**(c) Votes**

Each question submitted to a meeting of Bondholders shall, unless a poll is demanded, be decided by a show of hands. At any meeting of Bondholders unless a poll is demanded by the Chairman or by 1 (one) or more Bondholders present in person or by proxy and holding or representing in the aggregate not less than 1/20 (one twentieth) in Nominal Amount of the outstanding Bonds (before or on the declaration of the result of the show of hands), a declaration by the Chairman that a resolution has been carried by the requisite majority, lost or not carried by the requisite majority shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against such resolution. If a poll is duly demanded, it shall be taken in such manner and (subject as set out below) either at once or after an adjournment as the Chairman directs. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll shall not prevent the meeting from continuing for the transaction of any business other than the question on which the poll has been demanded. The demand for a poll may be withdrawn.

If there is an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting shall be entitled to a casting vote in addition to the vote(s) (if any) to which he may be entitled as a Bondholder or as a proxy. The Chairman may, with the consent of (and shall if so directed by) any meeting at which a quorum is present, adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting except business that might lawfully have been transacted at the meeting from which the adjournment took place. Any poll demanded at any meeting on the election of a Chairman, or on any question of adjournment, shall be taken at the meeting without adjournment.

On a show of hands, each Bondholder who is an individual and is present in person or, being a corporation, is present by its duly authorised representative or by one of its officers as its proxy, shall have 1 (one) vote. On a poll, each Bondholder present in person or by proxy, shall have one vote for every EUR 1,000.00 (one thousand/00) of Bonds held by him and a Person entitled to more than 1 (one) vote need not (if he votes) use all his votes or cast all the votes he uses in the same way.

**(d) Proxy**

Each instrument appointing a proxy must be in writing and duly executed by the appointee or his duly authorised attorney or, in the case of a corporation under its common seal or duly executed by a duly authorised attorney or officer. The Chairman may (but shall not be bound to) require evidence of the authority of any attorney or officer. A proxy need not be a Bondholder. An instrument of proxy shall be in the usual or common form or in any other form that the Directors may accept. The proxy shall be deemed to include the right to demand or join in demanding a poll. A proxy shall, unless stated otherwise, be valid as well for any adjournment of the meeting as for the meeting to which it

relates and need not be witnessed.

The instrument appointing a proxy, and the power of attorney or other authority (if any) under which it is signed or a notary certified copy of such power of attorney or authority, shall be deposited at the place specified in (or in any document accompanying) the notice convening the meeting. If no such place is specified, the proxy shall be deposited at the registered office of the Issuer not less than 48 (forty eight) hours (excluding non-Business Days) before the time appointed for holding the meeting or adjourned meeting or for taking of the poll at which the Person named in that instrument proposes to vote. In default, the instrument of proxy shall not be treated as valid. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the revocation of the proxy or of the authority under which the proxy is given, unless notification in writing of the revocation has been received at the registered office of the Issuer or at such other place (if any) specified for the deposit of instruments of proxy in the notice convening the meeting (or any document accompanying it) 48 hours (forty eight) (excluding non-Business Days) before the commencement of the meeting or adjourned meeting or the taking of the poll at which the vote is given.

**(e) *Extraordinary resolutions***

A meeting of the Bondholders shall, in addition to any other powers, have the following powers exercisable by Extraordinary Resolution: (i) power to sanction any abrogation, modification or compromise of, or any arrangement in respect of, the Bondholders' rights against the Issuer, provided the same has been previously approved in writing by the Issuer, whether those rights shall arise under the instrument, the Bonds or otherwise; (ii) power to assent to any modification of the provisions contained in the Instrument and the Bonds. Any such modification shall be proposed by the Issuer and to authorize the Issuer to execute any supplemental instrument embodying any such modification; and (iii) power to: (a) having been previously approved by the Issuer modify the Maturity Date; (b) reduce or cancel the principal amount payable on the Bonds; (c) reduce the amount payable or modify the method of calculating the amount payable on the Bonds; or (d) modify the dates for payment in respect of any interest, on the Bonds.

An Extraordinary Resolution passed at a meeting of the Bondholders shall be binding on all the Bondholders whether or not they are present at the meeting. Each of the Bondholders shall be bound to give effect to it accordingly. The passing of any such resolution shall be conclusive evidence that the circumstances justify passing it (so that the meeting may determine without appeal whether or not the circumstances justify passing it).

A resolution in writing signed by or on behalf of all the Bondholders shall, for all purposes, be as valid and effectual as an Extraordinary Resolution passed at a meeting duly convened and held in accordance with the Instrument. Such resolution in writing may be contained in one document or in several documents in similar form, each signed by 1 (one) or more Bondholders.

Minutes of all resolutions and proceedings at every meeting shall be made and duly entered in books to be from time to time provided for that purpose by the Issuer. Any minutes, if purporting to be signed by the Chairman of the meeting or by the Chairman of the next succeeding meeting of the Bondholders, shall be conclusive evidence of the matters stated in them. Until the contrary is proved, every meeting for which minutes have been made and signed shall be deemed to have been duly held and convened, and all resolutions passed at the meeting to have been duly passed.

**19. Trading**

Application has been made to the Vienna Stock Exchange for the Bonds to be admitted to trading on its Third Market as of the Issue Date.

**20. Contracts (Rights of Third Parties) Act 1999**

No Person shall have any right to enforce any term or condition of the Bonds under the Contracts (Rights of Third Parties) Act 1999.

**21. Governing Law and Jurisdiction**

**(a) *Governing law***

The Bonds and any non-contractual obligations arising out of or in connection with the Bonds and/or the Instrument are governed by, and shall be construed in accordance with, English law.

**(b) *Jurisdiction***

The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with the Bonds (including any non-contractual obligation arising out of or in connection with the Bonds) and the Instrument (including any non-contractual obligation arising out of or in connection with the Instrument) and accordingly any legal action or proceedings arising out of or in connection with the Bonds may be brought in such courts. The Issuer irrevocably submits to the jurisdiction of such courts and waives any objection to proceedings in such courts whether on the ground of venue or on the ground that the proceedings have been brought in an inconvenient forum. This submission is made for the benefit of each of the Bondholders and shall not limit the right of any of them to take proceedings in any other court of competent jurisdiction nor shall the taking of proceedings in one or more jurisdictions preclude the taking of proceedings in any other jurisdiction (whether concurrently or not).

## Annex 1

**Certificate No.**

**Date of Issue**

**Amount:**

**Aleph Finance Group Ltd (the “Issuer”)**

**Company Number 06469680**

***EUR 10,000,000 6.5% Fixed Rate Bonds due 27 September 2024***

Created and issued pursuant to a resolution of the board of directors of the Issuer passed on 25 February 2019.

**THIS IS TO CERTIFY THAT** is the registered holder of EUR [•] ([•]) in Nominal Amount of the “*EUR 10,000,000 6.5% Fixed Rate Bonds due 27 September 2024*”, constituted by an instrument entered into by the Company on 19 March 2019 (“**Instrument**”) annexed to this Certificate. Such Bonds are issued with the benefit of and subject to the provisions contained in the Instrument.

1. The Bonds are repayable and shall bear interest in accordance with the Instrument.
2. This Certificate must be surrendered to the Issuer before any transfer or repayment – whether of the whole or any part of the Bonds comprised in it – can be registered or effected, or any new certificate issued in exchange.
3. Any change of address of the Bondholder(s) must be notified in writing signed by the Bondholder(s) to the Issuer at its registered office.
4. Subject to the Instrument, the Bonds can be subscribed and transferred only in amounts and in integral multiples of EUR 1,000.00 (one thousand/00).
5. No transfer of any part of the Bonds represented by this Certificate can be registered without production of this Certificate.
6. Words and expressions defined in the Instrument shall bear the same meaning in this Certificate.
7. The Bonds and any dispute or claim arising out of or in connection with any of them or their subject matter or formation (including non-contractual disputes or claims) shall be governed by, and construed in accordance with, English law. The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with the Bonds (including any non-contractual obligation arising out of or in connection with the Bonds) and the Instrument (including any non-contractual obligation arising out of or in connection with the Instrument) and accordingly any legal action or proceedings arising out of or in connection with the Bonds may be brought in such courts.
8. A copy of the Instrument is available for inspection at the registered office of the Issuer.

This Certificate has been executed as a deed and is delivered and takes effect on the date of issue stated at the beginning of it.

Executed as a deed by **Aleph Finance Group Ltd**, acting by [•][•], a director:



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[•] [•] - DIRECTOR

In the presence of:

Witness Signature \_\_\_\_\_

Witness Name \_\_\_\_\_

Witness Address \_\_\_\_\_

Witness Occupation \_\_\_\_\_

Date of signature \_\_\_\_\_

Executed as a deed by **Aleph Finance Group Ltd** acting by  
[•] [•], a director,

.....

Director

in the presence of:

.....

[SIGNATURE OF WITNESS]

[NAME, ADDRESS [AND OCCUPATION] OF WITNESS]