

Material facility agreement with Bank Zachodni WBK S.A.

Current report No. 7/2017, published on 13 September 2017.

The board of directors of Atlas Estates Limited with seat in Guernsey (the “**Company**”) hereby announces that on 13 September 2017 was signed a loan agreement (the “**Agreement**”) between the subsidiary of the Company – Atlas Estates (Millennium) Spółka z ograniczoną odpowiedzialnością with its registered seat in Warsaw (the “**Borrower**”) and Bank Zachodni WBK S.A with its registered seat in Wrocław (the “**Lender**”).

Under the Agreement the Lender makes available to the Borrower a facility in an aggregate amount of EUR 23,525,000.00 (in words: twenty three million five hundred twenty five thousands Euro) (the “**Facility**”).

The Loan bears interest at the rate of 3 M EURIBOR increased by a margin specified in the Agreement, paid on a quarterly basis.

The primary purpose of the Facility is repayment of the claims of the ERSTE Group Bank AG with its registered office in Vienna under the EUR 64,800,000 credit agreement dated 21 December 2006 with further amendments as was described, inter alia, in the current report no. 17/2016 dated 14 September 2016. The facility of 21 December 2006 was granted by ERSTE Group Bank AG for the purpose of purchase of the building known as “Millennium Plaza” (the “**Building**”) located on the plot of land nos. 19/2, 22 and 29/3 for which District Court for Warszawa – Mokotów in Warsaw, VI Division of Land and Mortgage Registers maintains the land and mortgage register No. WA1M/00127335/7 and No. 28/2, for which the District Court for Warszawa-Mokotów in Warsaw, VI Division of Land and Mortgage Register maintains land and mortgage register No. WA1M/00201201/2 as well as the premises located in the Building for which the District Court for Warszawa-Mokotów in Warsaw, VI Division of Land and Mortgage Register maintains land and mortgage register Nos.: WA1M/00287612/2, WA1M/00287613/9, WA1M/00287614/6, WA1M/00287615/3, WA1M/00287616/0, WA1M/00287617/7, WA1M/00287618/4, WA1M/00287619/1, WA1M/00287936/9, WA1M/00287937/6, (jointly referred as the “**Property**”).

Final repayment date of the Facility falls five years after the utilisation of the Facility by the Borrower.

The Facility is secured by, inter alia:

- 1) contractual mortgage (hipoteka umowna łączna) over the Property in favor of the Lender up to amount of EUR 38,137,500.00;
- 2) financial pledges over all 100 shares in the Borrower;
- 3) registered pledges over all 100 shares in the Borrower up to the maximum secured amount of EUR 35,287,500.00;
- 4) registered pledges over the set of movables and rights of the Borrower up to the maximum secured amount of EUR 35,287,500.00.

The Agreement is considered material as its value exceeds 15% of the Company’s equity.

Legal grounds: Article 17 of the Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC