



**SELP FINANCE S.À R.L.**

*(a private limited liability company (société à responsabilité limitée), incorporated under the laws of the Grand Duchy of Luxembourg, having its registered office at 35-37, avenue de la Liberté, L-1931 Luxembourg and registered with the Registre de Commerce et des Sociétés (the RCS Luxembourg) under the number B177308)*

**EUR 500,000,000 1.500 per cent. Guaranteed Notes due 2026**

**unconditionally and irrevocably guaranteed by**

**SEGRO EUROPEAN LOGISTICS PARTNERSHIP S.À R.L.**

*(a private limited liability company (société à responsabilité limitée), incorporated under the laws of the Grand Duchy of Luxembourg, having its registered office at 35-37, avenue de la Liberté, L-1931 Luxembourg and registered with the RCS Luxembourg under the number B177300)*

**Issue price: 99.672 per cent.**

The issue price of the EUR 500,000,000 1.500 per cent. Guaranteed Notes due 2026 (the “**Notes**”) of SELP Finance S.à r.l. (the “**Issuer**”) is 99.672 per cent. of their principal amount. The Notes will be issued by the Issuer on or about 20 June 2019 (the “**Issue Date**”). The Notes will be unconditionally and irrevocably guaranteed by SEGRO European Logistics Partnership S.à r.l. (the “**Guarantor**”) (the “**Guarantee**”).

The Notes will bear interest at their principal amount from (and including) the Issue Date at the rate of 1.500 per cent. per annum payable annually in arrear on 20 December in each year up to (and including) 20 December 2026 (the “**Maturity Date**”). Payments on the Notes will be made without deduction or withholding for taxes imposed by Luxembourg to the extent and subject as described in “*Terms and Conditions of the Notes*” herein (the “**Conditions**”).

Unless previously redeemed or cancelled, the Notes will be redeemed at their principal amount together with accrued interest (if any) on the Maturity Date. The Notes are subject to redemption in whole at their principal amount together with accrued interest (if any) at the option of the Issuer at any time in the event of certain changes affecting taxation in Luxembourg. The Notes are also subject to redemption at the option of the Issuer (i) at any time during the period of three months immediately preceding the Maturity Date in whole or in part at their principal amount, together with accrued interest (if any) and (ii) at any other time in whole or in part at a redemption price equal to the higher of their principal amount or the sum of the present values of the remaining scheduled payments of principal and interest on the Notes discounted to the redemption date on an annual basis at the Reference Bund Rate (as defined in Condition 7.4) plus 30 basis points, together with accrued interest (if any). In addition, the holder of a Note (the “**Holder**”) may, by the exercise of the relevant option, require the Issuer to redeem such Note at its principal amount,

together with accrued interest (if any), on a Change of Control Put Date as defined in Condition 7.3 below. See “*Terms and Conditions of the Notes—Redemption and Purchase*”.

The Notes will constitute direct, unsecured and unsubordinated obligations of the Issuer and will rank *pari passu* without any preference among themselves. The obligations of the Guarantor under the Guarantee will be direct, unsecured and unsubordinated obligations of the Guarantor.

This Prospectus (the “**Prospectus**”) has been approved by the Central Bank of Ireland (the “**Central Bank**”), as competent authority under Directive 2003/71/EC (as amended or superseded, the “**Prospectus Directive**”). Such approval relates only to the Notes which are to be admitted to trading on a regulated market for the purposes of the Markets in Financial Instruments Directive (Directive 2014/65/EU) (as amended, “**MI FID II**”) and/or which are to be offered to the public in any Member State of the European Economic Area (“**EEA**”). The Central Bank only approves this Prospectus as meeting the requirements imposed under Irish and European Union (“**EU**”) law pursuant to the Prospectus Directive. Application has been made to the Irish Stock Exchange plc trading on the regulated market of Euronext Dublin (the “**Euronext Dublin**”) for the Notes to be admitted to the Official List (the “**Official List**”) and to trading on its regulated securities market (the “**Regulated Market**”). Reference in this Prospectus to being listed (and all date references) shall mean that the Notes have been admitted to trading on the Regulated Market of Euronext Dublin.

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

For a description of these and certain further restrictions on offers, sales and transfer of the Notes and the distribution of the Prospectus, see “*Subscription and Sale*”.

The Notes will be issued in registered form and represented on issue by a registered certificate in global form (a “**Global Certificate**”) which will be registered in the name of a nominee for a common safekeeper (“**Common Safekeeper**”) for Euroclear Bank SA/NV (“**Euroclear**”) and Clearstream Banking S.A. (“**Clearstream, Luxembourg**”) on or about the Issue Date. Notes in definitive form (“**Definitive Certificates**”) will be issued only in limited circumstances - see “*Overview of Provisions Relating to the Notes While Represented by the Global Certificate*”. The Notes will be issued in denominations of EUR100,000 and integral multiples of EUR1,000 in excess thereof.

The Guarantor has a long-term issuer default rating of BBB+ (stable outlook) from Fitch Ratings Limited (“**Fitch**”) and a long-term issuer rating of Baa2 (stable outlook) from Moody’s Investors Service Limited (“**Moody’s**”).

**MiFID II professionals/ECPs-only/No PRIIPs KID** – Manufacturer target market (MiFID II product governance) is eligible counterparties and professional clients only (each as defined in MiFID II) (all distribution channels). No Regulation (EU) No 1286/2014 (as amended, the “**PRIIPs Regulation**”) key information document (“**KID**”) has been prepared as the Notes are not available to retail investors in the EEA. See page viii of the Prospectus “MiFID II Product Governance /

Professional Investors and ECPs only Target Market” and “PRIIPs Regulation – Prohibition of Sales to EEA Retail Investors” for further information.

The Notes have been rated BBB+ by Fitch and Baa2 by Moody's.

Each of Fitch and Moody's is established in the EEA and registered under Regulation (EU) No 1060/2009, as amended (the “**CRA Regulation**”), and appear on the latest update of the list of registered credit rating agencies on the European Securities and Markets Authority (“**ESMA**”) website <http://www.esma.europa.eu>. The ESMA website is not incorporated by reference into, nor does it form part of, this Prospectus.

**A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.**

*Joint Lead Managers*

**BNP PARIBAS**

**NatWest Markets**

*Passive Bookrunner*

**Santander Corporate and Investment Banking**

*Co-Manager*

**Bank of China**

The date of this Prospectus is 18 June 2019.

## IMPORTANT INFORMATION

This Prospectus comprises a prospectus for the purposes of Article 5 of the Prospectus Directive and for the purposes of giving information with regard to the Issuer, the Guarantor and the Notes, which, according to the particular nature of the Issuer, the Guarantor and the Notes, is necessary to enable investors to make an informed assessment of the prospects of the Issuer and the Guarantor.

The Issuer and the Guarantor accept responsibility for the information contained in this Prospectus and declare that, having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is in accordance with the facts and contains no omission likely to affect its import. The Issuer and Guarantor confirm that third party information has been accurately reproduced and that so far as they are aware, and are able to ascertain from information published by such source, no facts have been omitted which would render the reproduced information inaccurate or misleading.

This Prospectus is to be read in conjunction with all the documents which are incorporated herein by reference (see “*Documents Incorporated by Reference*”). The Prospectus should be read and construed on the basis that such documents are incorporated in, and form part of, the Prospectus.

The Issuer and the Guarantor have confirmed to the Managers named under “*Subscription and Sale*” below that this Prospectus contains all information regarding the Issuer, the Guarantor and the Group (as defined below) and the Notes which is (in the context of the issue of the Notes) material; such information is true and accurate in all material respects and is not misleading in any material respect; any opinions, predictions or intentions expressed in this Prospectus on the part of the Issuer and the Guarantor are honestly and reasonably held or made and are not misleading in any material respect; this Prospectus does not contain any untrue statement of a material fact or omit to state any material fact necessary to make such information, opinions, predictions or intentions (in such context) not misleading in any material respect; and all proper enquiries have been made to ascertain and to verify the foregoing.

Neither the Issuer nor the Guarantor have authorised the making or provision of any representation or information regarding the Issuer, the Guarantor or the Notes other than as contained in this Prospectus or as approved for such purpose by the Issuer or the Guarantor. Any such representation or information should not be relied upon as having been authorised by the Issuer, the Guarantor or the Managers.

Neither the Managers nor The Law Debenture Trust Corporation p.l.c. (the “**Trustee**”) nor any of their respective affiliates have authorised the whole or any part of this Prospectus and none of them makes any representation or warranty or accepts any responsibility as to the accuracy or completeness of the information contained in this Prospectus. Each Manager accordingly disclaims all and any liability whether arising in tort or contract or otherwise which it might otherwise have in respect of this Prospectus or any such statement. Neither the delivery of this Prospectus nor the offering, sale or delivery of any Note shall in any circumstances create any implication that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the condition (financial or otherwise) of the Issuer or the Guarantor since the date of this Prospectus. The Managers and the Trustee expressly do not undertake to review the financial condition or affairs of the Issuer or the Guarantor during the life of the Notes or to advise any investor in the Notes of any information coming to their attention.

This Prospectus does not constitute an offer of, or an invitation to subscribe for or purchase, any Notes. Neither this Prospectus nor any other information supplied in connection with the offering of the Notes (a) is intended to provide the basis of any credit or other evaluation or (b) should be considered as a recommendation by the Issuer, the Guarantor and/or any of the Managers or the Trustee that any recipient of this Prospectus or any other information supplied in connection with the offering of the Notes should purchase any Notes. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer and/or the Guarantor.

The distribution of this Prospectus and the offering, sale and delivery of Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are required by the Issuer, the Guarantor and the Managers to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers, sales and deliveries of Notes and on distribution of this Prospectus and other offering material relating to the Notes, see “*Subscription and Sale*”.

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

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

This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy the Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Prospectus and the offer or sale of Notes may be restricted by law in certain jurisdictions. The Issuer, the Guarantor, the Managers and the Trustee do not represent that this Prospectus may be lawfully distributed, or that the Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer, the Guarantor, the Managers or the Trustee which is intended to permit a public offering of the Notes or the distribution of this Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Prospectus or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Prospectus and the offering and sale of Notes. In particular, there are restrictions on the distribution of this Prospectus and the offer or sale of Notes in the United States and the EEA (including the United Kingdom (the “**UK**”)), see “*Subscription and Sale*”.

The Notes have not been approved or disapproved by the United States Securities and Exchange Commission or any other securities commission or other regulatory authority in the United States, nor have the foregoing authorities reviewed or passed upon the accuracy or adequacy of this Prospectus. Any representation to the contrary is a criminal offence.

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

- (i) has sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Prospectus or any applicable supplement;
- (ii) has access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- (iii) has sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including where the currency for principal and interest payments is different from the potential investor's currency;
- (iv) understands thoroughly the terms of the Notes and is familiar with the behaviour of any relevant financial markets; and
- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

The Notes are complex financial instruments and such instruments may be purchased by potential investors as a way to reduce risk or enhance yield with an understood, measured, appropriate addition of risk to their overall portfolios. A potential investor should not invest in the Notes unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes will perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor's overall investment portfolio.

## PRESENTATION OF INFORMATION

In this Prospectus, all references to:

- **euro, EUR and €** are to the currency introduced at the start of the third stage of the European economic and monetary union pursuant to the Treaty on the Functioning of the EU, as amended; and
- **zloty, PLN and zł** are to the lawful currency of the Republic of Poland.

## ROUNDINGS

Percentages and certain amounts in this Prospectus, including financial, statistical and operating information, have been rounded. As a result, the figures shown as totals may not be the precise sum of figures that precede them.

## PRESENTATION OF FINANCIAL INFORMATION

The financial information relating to the Issuer and the Guarantor, as incorporated by reference into this Prospectus in respect of the financial years ended 31 December 2017 and 31 December 2018, has been prepared in accordance with International Financial Reporting Standards as adopted by the EU (“**IFRS**”).

This Prospectus includes certain financial metrics which the Issuer considers to constitute alternative performance measures (“**APMs**”) and which are provided in addition to the conventional financial performance measures established by IFRS, specifically:

- (a) the ratio of Consolidated Total Net Borrowings to Consolidated Adjusted Total Assets (referred to as the “**loan to value ratio**” or “**LTV ratio**”); and
- (b) the ratio of Consolidated EBITDA to Net Finance Charges (referred to as the “**interest cover ratio**” or “**ICR**”).

For this purpose, the terms “Consolidated Total Net Borrowings”, “Consolidated Adjusted Total Assets”, “Consolidated EBITDA” and “Net Finance Charges” have the meanings given to them in Condition 5.4.

The APMs referred to above are presented for the purposes of facilitating a better understanding of the financial condition and results of operations of the Issuer Group. Such measures should, however, not be considered as a substitute for those required by IFRS.

The Issuer believes that the loan to value ratio provides a helpful measure of the level of the Issuer Group’s indebtedness relative to its assets. The Issuer believes that the interest cover ratio provides an important measure of the Issuer Group’s ability to service the payment of interest on its outstanding borrowings. Both financial measures are used by the Group in internal and external presentations to ratings agencies, analysts and investors, and are commonly reported by real estate investment companies.

## FORWARD LOOKING STATEMENTS

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

Forward-looking statements in this Prospectus are based on current estimates and assumptions that the Issuer (or the Guarantor, as applicable) makes to the best of its present knowledge. These forward-looking statements are subject to risks, uncertainties and other factors which could cause actual results, including the Group’s financial condition and results of operations, to differ materially from and be worse than results that have expressly or implicitly been assumed or

described in these forward-looking statements. The Group's business is also subject to a number of risks and uncertainties that could cause a forward-looking statement, estimate or prediction in this Prospectus to become inaccurate. Accordingly, investors are strongly advised to read the following sections of this Prospectus: "*Overview*", "*Risk Factors*" and "*Description of the Issuer, the Guarantor and of the Group*". These sections include more detailed descriptions of factors that might have an impact on the Group's business and the markets in which it operates. In light of these risks, uncertainties and assumptions, future events described in this Prospectus may not occur.

In addition, neither the Issuer nor the Guarantor assumes any obligation, except as required by law, to update any forward-looking statement or to confirm any such forward-looking statements to actual events or developments.

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

**PRIIPS REGULATION – PROHIBITION OF SALES TO EEA RETAIL INVESTORS** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive 2002/92/EC (as amended or superseded), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by the PRIIPs Regulation for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

## **STABILISATION**

**In connection with the issue of the Notes, BNP Paribas (the "Stabilising Manager") (or persons acting on behalf of the Stabilising Manager) may over allot Notes or effect transactions with a view to supporting the price of the Notes at a level higher than that which might otherwise prevail. However, stabilisation action may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the Notes and 60 days after the date of the allotment of the Notes. Any stabilisation action or over-allotment must be conducted by the Stabilising Manager (or persons acting on behalf of the Stabilising Manager) in accordance with all applicable laws and rules.**



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## OVERVIEW

*This overview must be read as an overview of certain of the principal features of the Notes and any decision to invest in the Notes should be based on a consideration of this Prospectus as a whole, including the documents incorporated by reference herein. Capitalised terms which are defined in “Terms and Conditions of the Notes” have the same meaning when used in this overview.*

<b>The Issuer:</b>	SELP Finance S.à r.l., a private limited liability company ( <i>société à responsabilité limitée</i> ), incorporated under the laws of the Grand Duchy of Luxembourg, having its registered office at 35-37, avenue de la Liberté, L-1931 Luxembourg and registered with the RCS Luxembourg under the number B177308.
<b>The Guarantor:</b>	SEGRO European Logistics Partnership S.à r.l., a private limited liability company ( <i>société à responsabilité limitée</i> ), incorporated under the laws of the Grand Duchy of Luxembourg, having its registered office at 35-37, avenue de la Liberté, L-1931 Luxembourg and registered with the RCS Luxembourg under the number B177300.
<b>The Group:</b>	The Guarantor, together with its subsidiary undertakings (including the Issuer), associated undertakings and investments.
<b>Issuer Group:</b>	Means the Issuer and its Subsidiaries as a whole.
<b>Notes:</b>	EUR 500,000,000 1.500 per cent. Guaranteed Notes due 2026.
<b>Risk Factors:</b>	There are certain factors that may affect the Issuer's ability to fulfil its obligations under the Notes and there are also certain factors that may affect the Guarantor's ability to fulfil its obligations under the guarantee. These are set out under “ <i>Risk Factors</i> ” below, and include risks relating to the markets in which the Group operates generally, risks relating to the Group's business, financial risks, legal risks, regulatory risks and tax risks. In addition, there are certain factors set out under “ <i>Risk Factors</i> ” below which are material for the purpose of assessing the market risks associated with the Notes, including there being no assurance that a trading market for the Notes will develop or be maintained, that the Notes may be redeemed prior to their maturity, the fact that the Notes are subject to certain transfer restrictions and that the Issuer may rely on paying agents and clearing systems.
<b>Joint Lead Managers:</b>	BNP Paribas and NatWest Markets Plc

<b>Passive Bookrunner:</b>	Banco Santander, S.A.
<b>Co-Manager:</b>	Bank of China Limited, London Branch
<b>Trustee:</b>	The Law Debenture Trust Corporation p.l.c.
<b>Principal Paying Agent and Transfer Agent:</b>	Citibank, N.A., London Branch (the “ <b>Principal Paying Agent</b> ”)
<b>Registrar:</b>	Citigroup Global Markets Europe AG
<b>Issue Date:</b>	20 June 2019.
<b>Issue Price:</b>	99.672%
<b>Use of Proceeds:</b>	The net proceeds of the Notes will be used for the general corporate purposes of the Group, including the repayment of certain unsecured and secured indebtedness of members of the Group.
<b>Interest:</b>	The Notes will bear interest on their principal amount from 20 June 2019 at a rate of 1.500 per cent. per annum payable annually in arrear on 20 December each year up to and including the Maturity Date (short first coupon).
<b>Status:</b>	The Notes will constitute direct, unsecured and unsubordinated obligations of the Issuer and will rank <i>pari passu</i> without any preference among themselves.
<b>Form and Denomination:</b>	<p>The Notes will be in registered form and represented on issue by a registered Global Certificate which will be registered in the name of a nominee for a Common Safekeeper for Euroclear and Clearstream, Luxembourg on or about the Issue Date. Save in limited circumstances, the Notes in definitive form will not be issued in exchange for interests in the registered Global Certificate.</p> <p>The Notes are intended to be held in a manner which will allow for Eurosystem eligibility.</p> <p>Depositing the Global Certificate with the Common Safekeeper does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the European Central Bank being satisfied that Eurosystem eligibility criteria have been met.</p>

The Notes will be issued in denominations of EUR100,000 and integral multiples of EUR1,000 in excess thereof.

**Final Redemption:**

The Notes will be redeemed in full at their principal amount together with accrued interest (if any) on 20 December 2026.

**Optional Redemption:**

The Notes are also subject to redemption at the option of the Issuer (i) at any time after the date falling three calendar months prior to the Maturity Date, in whole or in part, at their principal amount, together with accrued interest (if any); and (ii) at any other time in whole or in part at a redemption price equal to the higher of their principal amount or the sum of the present values of the remaining scheduled payments of principal and interest on the Notes discounted to the redemption date on an annual basis at the Reference Bund Rate plus 30 basis points, together with accrued interest (if any), as further described in Condition 7.4.

In addition, the holder of a Note may, by the exercise of the relevant option, require the Issuer to redeem (or, at the Issuer's option, purchase (or procure the purchase of)) such Note at its principal amount together with accrued interest (if any) on a Change of Control Put Date.

**Tax Redemption:**

The Notes are subject to redemption in whole at their principal amount together with accrued interest (if any) at the option of the Issuer at any time in the event of certain changes affecting taxation in Luxembourg.

**Guarantee:**

The Notes will be unconditionally and irrevocably guaranteed by the Guarantor. The obligations of the Guarantor under the Guarantee will be direct, unsecured and unsubordinated obligations of the Guarantor.

**Financial Covenants:**

So long as any of the Notes remains outstanding, the Issuer and the Guarantor will be subject to certain financial covenants, as further described in Condition 5 (*Financial Covenants*).

**Cross Acceleration:**

The Notes will have the benefit of a cross acceleration provision as described in Condition 10 (*Events of Default*).

**Rating:**

The Notes have been assigned ratings of Baa2 by Moody's and BBB+ by Fitch.

Each of Moody's and Fitch is established in the EU and registered under the CRA Regulation.

In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the EEA and registered under the CRA Regulation unless (1) the rating is provided by a credit rating agency not established in the EEA but is endorsed by a credit rating agency established in the EEA and registered under the CRA Regulation or (2) the rating is provided by a credit rating agency not established in the EEA which is certified under the CRA Regulation.

**Withholding Tax:**

All payments in respect of the Notes will be made free and clear of withholding taxes imposed by Luxembourg as provided in Condition 9 (*Taxation*) unless the withholding is required by law. In that event, the Issuer will (subject as provided in Condition 9 (*Taxation*)) pay such additional amounts as will result in the Noteholder receiving such amounts as they would have received in respect of such Notes had no such withholding been required.

**Meetings of Noteholders:**

The Conditions of the Notes and the Trust Deed contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders, including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

**Modification, Waiver and Substitution:**

The Trustee may, without the consent of Noteholders and subject to certain conditions, agree (i) to any modification of (subject to certain exceptions), or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of Notes or the Trust Deed and the other transaction documents relating to the Notes, and (ii) subject to such amendment of the Trust Deed and such other conditions as the Trustee may require, to the substitution of certain other entities in place of (a) the Issuer, or of any previous substituted company, as principal debtor under the Trust Deed and the Notes, or (b) the Guarantor, or any previous substituted company, as guarantor of all sums expressed to be payable under the Trust Deed and the Notes provided, in either case, that such a substitution would not in the opinion of the Trustee be materially prejudicial to the interests of the Noteholders. In the case of such a substitution the Trustee may agree, without the consent of the Noteholders, to a change of the law governing the Notes, the Guarantee and/or the Trust Deed, provided that such change would not in the opinion

of the Trustee be materially prejudicial to the interests of the Noteholders.

<b>Purchase:</b>	Subject to certain conditions, the Issuer, the Guarantor or any of their respective Subsidiaries may at any time purchase Notes in the open market at any price. All Notes purchased on behalf of the Issuer, the Guarantor or any of their respective Subsidiaries shall either be cancelled forthwith, held or, to the extent permitted by law, resold.
<b>Governing Law:</b>	The Notes and the Trust Deed, and any non-contractual obligations arising out of or in connection therewith, will be governed by English law. For the avoidance of doubt, the provisions of articles 470-1 to 470-19 of the Luxembourg Commercial Companies Law are excluded.
<b>Listing and Trading:</b>	Applications have been made to Euronext Dublin for the Notes to be admitted to the Official List and to trading on the Regulated Market.
<b>Clearing Systems:</b>	Euroclear and Clearstream, Luxembourg.
<b>Selling Restrictions:</b>	The Notes have not been and will not be registered under the Securities Act and, subject to certain exceptions, may not be offered or sold within the United States. The Notes may be sold in other jurisdictions only in compliance with applicable laws and regulations. See “ <i>Subscription and Sale</i> ” below.
<b>MiFID II Product Governance/PRIIPs Regulation</b>	Solely for the purposes of each manufacturer's product approval processes, the manufacturers have concluded that: (i) the target market for the Notes is eligible counterparties and professional clients only; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. No PRIIPs KID has been prepared as the Notes are not available to retail investors in the EEA.
<b>ISIN</b>	XS2015240083.
<b>Common Code</b>	201524008.

## RISK FACTORS

*The Issuer and the Guarantor believe that the following factors may affect their ability to fulfil their respective obligations under the Notes and the Guarantee. These factors are contingencies which may or may not occur and neither the Issuer nor the Guarantor are in a position to express a view on the likelihood of any such contingency occurring.*

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

*Prospective investors should also read the detailed information set out elsewhere in this Prospectus and reach their own views prior to making any investment decision.*

### **FACTORS THAT MAY AFFECT THE ISSUER'S ABILITY TO FULFIL ITS OBLIGATIONS UNDER THE NOTES OR THE GUARANTOR'S ABILITY TO FULFIL ITS OBLIGATIONS UNDER ITS GUARANTEE, AS APPLICABLE**

#### **Market risks**

***The Group could be adversely affected by economic conditions and other events or circumstances that affect the markets in which the Group's portfolio of investment properties (the "Portfolio") is located***

The Group is exposed to fluctuating economic conditions in each of the jurisdictions in which it operates and more generally to international economic conditions. As at the date of this Prospectus the Group has operations and/or assets in Germany, France, Poland, Czech Republic, Luxembourg, the Netherlands, Spain and Italy. The operations of the Group may be materially adversely affected by an economic slowdown, downturn or recession in any or all of these markets in which the Group operates. The future financial performance of the Group may be adversely affected by, amongst other things:

- a fall in the total rental income generated from property comprising the Portfolio;
- an increase in the Group's operating expenses;
- a deterioration in local real estate conditions in any of the markets in which the Group operates;
- a reduction in tenant demand for business spaces such as those comprising the Portfolio;

- a deterioration in the financial condition of the Group's tenants; or
- a substantial increase in vacancy rates in the Portfolio.

The occurrence of any of the above factors could adversely affect the ability of the Issuer and/or the Guarantor to service their respective obligations under the Notes or the Guarantee, as applicable.

### ***Market diversity risk***

The Group is subject to certain investment restrictions in, and diversifies its Portfolio in a manner consistent with, the Group's investment policies. However there can be no assurance that the Portfolio will be sufficiently diversified. Significant concentration of investments in any one country, sector or asset class increases the Group's exposure to certain risks and means the Group's performance may be significantly affected by events outside its control that impact that country, sector or asset class. The occurrence of these situations may result in greater volatility in the value of the Group's investments and, consequently, the Group's net asset value, and may materially and adversely affect the performance of the Group and, consequently, the ability of the Issuer and/or the Guarantor to service their respective obligations under the Notes or the Guarantee, as applicable.

### ***The Group has exposure to risks in relation to the Eurozone***

The Group's operations are located exclusively in continental Europe, predominantly in EU member states and in countries which have adopted the euro as their common currency (the "Eurozone"). In recent years, concerns regarding the ability of certain Eurozone countries to meet obligations under sovereign debt have given rise to concerns about sovereign defaults and the possibility that one or more countries might leave the EU or the Eurozone. Sovereign debt defaults and the exit of member state(s) from the EU or Eurozone could result in a number of factors including, but not limited to:

- the availability or cost of credit to acquire or dispose of properties and to support the Group's financing needs;
- uncertainty and disruption in relation to financing and customer and supply contracts denominated in euro; and
- wider economic disruption in markets in which the Group operates.

Austerity and other measures introduced to limit or contain these issues may themselves lead to economic contraction. The above factors could have a material adverse effect on the Group's income streams and the value of its investments and, consequently, the ability of the Issuer and/or the Guarantor to service their respective obligations under the Notes or the Guarantee, as applicable.

The financial statements of the Issuer and the Guarantor are denominated in euro, as are the Group's investments and income flows, with the exception of an asset held in Poland. The legal uncertainty about the satisfaction of obligations to fund commitments in euro following any break-up of or exits of one or more Member State(s) from the Eurozone (particularly in the case of investors or investments domiciled in affected countries) could have a material adverse effect on



the Group, and consequently the ability of the Issuer and/or the Guarantor to service their respective obligations under the Notes or the Guarantee, as applicable.

***The Group may be adversely affected by the decision of the UK to withdraw from the EU***

On 23 June 2016 the UK held a referendum on whether the UK should remain a member of the EU. The UK voted to leave the EU. It is not clear when the UK will leave the EU and the terms of any such withdrawal are, as yet, not determined.

Whilst the operations of the Group are located exclusively in continental Europe, uncertainty as to the impact of the UK's departure from the EU may have as yet unforeseen adverse effects on the European economic environment, which may in turn have a material adverse effect on the Group's income streams and the value of its investments and consequently the ability of the Issuer and/or the Guarantor to service their respective obligations under the Notes or the Guarantee, as applicable.

The manner of the UK's departure from the EU could also have an impact on the ability of SEGRO plc and its subsidiaries ("**SEGRO**" or the "**SEGRO Group**") to perform their respective obligations to the Group in various capacities, including those of SELP Management Limited in its role as adviser to the Group (the "**Venture Adviser**"), and various of SEGRO's foreign subsidiaries who provide property management services ("**Property Managers**") and/or development management services ("**Development Managers**") to the Group (see further details in "*Description of the Issuer, the Guarantor and of the Group - Advisory and Management Services Provided to the Group*").

***A decline in the logistics sector as a whole could adversely affect the Group's business***

The Group's investments are concentrated in the logistics sector. Any economic downturn in the logistics sector prompted by a decrease in occupier demand for logistics warehousing space, may adversely affect the operations and financial performance of the Group and which may in turn have a material adverse effect on the ability of the Issuer and/or the Guarantor to service their respective obligations under the Notes or the Guarantee, as applicable.

***Other external risks***

External events such as civil emergencies, terrorist attacks, environmental disasters or extreme weather occurrences could result in damage to the Group's properties or otherwise inhibit or prevent access to the Group's properties, which in turn may impact upon the operations of the Group's occupiers. The occurrence of such events could give rise to reduced occupier and investor demand for the Group's properties resulting in reduced property values and rental income. This would have a material adverse impact on the Group and the value of its assets and, accordingly, the financial condition of the Issuer and the Guarantor and the ability of the Issuer and/or the Guarantor to service their respective obligations under the Notes or the Guarantee, as applicable.

## **Risks relating to the Group's business**

### ***Operational risks***

The Group has a complex investment structure which includes a number of regulated vehicles (such as collective investment vehicles in France, Italy and Poland) and holding and operating subsidiaries across continental Europe. As a result, the Group is dependent on its ability to process and report accurately the transactions entered into by these entities which are subject to a number of different legal and regulatory regimes. The diversity of the Group's operations enhances the operational risks present in its businesses. These include people-related risks (including the risk of fraud and other criminal acts carried out against the Group, errors by employees and failure to document transactions properly, or obtain proper authorisation or conduct the Group's business in accordance with applicable law and regulations) and external events (including natural disasters, the failure of external systems or changes in applicable regulatory or supervisory regimes to which the Group is subject). Whilst the Group has in place risk mitigation, loss mitigation and other internal controls, there can be no assurance that these controls will be effective in controlling all of the operational risks that it faces. Any weakness in these controls or actions could expose the Group to material financial losses, including regulatory sanctions, and could result in reputational damage.

### ***Holding company risks***

Each of the Issuer and the Guarantor is a holding company and conducts no business operations of its own and, with the exception of the Issuer being an employing entity, has not engaged in any activities other than the holding of ownership interests in its subsidiary undertakings. Each of the Issuer and the Guarantor therefore depends on revenues generated by its subsidiary undertakings in order for it to be able to make payments due under the Notes or the Guarantee, as applicable. Further, the Guarantor does not own 100 per cent. of the interests in the Issuer Group. Accordingly, the Guarantor will only have access to the revenues associated with the proportion of the Issuer Group which it owns (equal to approximately 56 per cent. as at the date of this Prospectus). Any failure of the subsidiary undertakings to generate revenues would have a material adverse impact on the financial condition of the Issuer and the Guarantor and the ability of the Issuer and/or the Guarantor to service their respective obligations under the Notes or the Guarantee, as applicable, which may be more severe in the case of the Guarantor due to its more limited entitlement to such revenues.

### ***The Group faces significant competition in each of its markets***

The Group faces significant competition in the markets in which it operates and, more widely, across continental Europe. Competitors include not only regional investors and real estate developers with in-depth knowledge of the local markets, but also other real estate portfolio companies, including funds that invest nationally and internationally and institutional investors. It is possible that competition for appropriate investment opportunities may increase, thus reducing the number of investment opportunities available to the Group and adversely affecting the terms upon which future investments can be made. Competitors may have greater financial resources than the Group and a greater ability to borrow funds to acquire real estate assets, and may have the ability or inclination to acquire real estate assets at a higher price or on terms less favourable than those the Group may be prepared to accept. Competition in the real estate market may also lead to prices for existing properties being driven up through competing bids by potential purchasers and may result in the Group's preferred developers being unavailable to assist with

the Group's development activities. There can be no assurance that the Venture Adviser will be successful in identifying or acquiring suitable investment opportunities on behalf of the Group.

The existence and extent of competition in the real estate market may also have a material adverse effect on the Group's ability to secure tenants for properties it acquires at satisfactory rental rates and on a timely basis and to subsequently retain such tenants. Competition may cause difficulty in achieving rents in line with the Group's expectations and may result in increased pressure to offer new and renewing tenants financial and other incentives which reduce the Group's overall return on its investments. Any inability by the Group to compete effectively against other real estate investors or to effectively manage the risks related to competition may have a material adverse effect on the Group's financial condition, business, prospects and results of operations.

***Real estate investments are not as liquid as other types of assets***

Real estate investments are not as liquid as other types of investment and this lack of liquidity may limit the Group's ability to react promptly to changes in economic or other conditions. For example, the Group may not be able to sell properties at prices that reflect their current market value or at all in the event of a downturn in the market. In addition, significant expenditure associated with real estate investments, such as debt servicing payments, real estate taxes and maintenance costs, are relatively fixed, despite circumstances causing a reduction in income from such investments. Certain costs are also incurred in the sale of real estate properties, which can significantly reduce the proceeds received by the Group from any such sales of properties.

The Group is subject to leverage restrictions under the terms of certain existing secured debt facilities to which it is a party. If the Group is required to sell assets to repay debt to comply with these leverage restrictions, the lack of liquidity of property investments may have a material adverse effect on its ability to do so or its ability to achieve market prices in such a sale, which may have a material adverse effect on the ability of the Issuer and/or the Guarantor to service their respective obligations under the Notes or the Guarantee, as applicable.

***The Group's Portfolio may become obsolete***

Asset management plans to minimise obsolescence may be ineffective owing to internal or external factors. Asset management decisions are based on assumptions about customers' future requirements. If these requirements change against expectations then there is a risk of increased obsolescence. Furthermore, some of the Group's assets consist of older, more inefficient buildings, which are likely to become obsolete sooner than the remainder of their respective Portfolios, especially in the context of e-commerce space requirements. In addition, there are numerous external factors that could cause customers to change their property requirements, including changes in legislation, increases in fuel costs and technological advances. More stringent requirements for environmental protection may be imposed by the relevant authorities in the future, which could render the Group's buildings or properties technically obsolete. All of these factors may lead to a corresponding loss of value and rental income which could have a material adverse effect on the Group's financial condition, results of operations and prospects.

***The Group's investment strategy may be unsuccessful***

The Portfolio could underperform in absolute or relative terms as a result of an inappropriate investment strategy, such as:

- holding property in the wrong markets;
- holding the wrong balance between primary and secondary assets;
- committing the wrong level of speculative development;
- holding too many old or obsolete assets which dilute returns; and/or
- missing opportunities in new markets.

Any of these consequences of an unsuccessful investment strategy may have a material adverse effect on the Group's financial condition, business, prospects and results of operations.

***Property valuation is inherently subjective and uncertain***

The valuation of the Group's property and property-related assets is undertaken by third-party valuers but is inherently subjective owing to the individual nature of each property. This is particularly so when there has been limited transactional experience against which property valuations can be benchmarked. A valuation is an estimate of the fair value of the property and valuers rely on a variety of assumptions when appraising properties. As a result, valuations are subject to a degree of uncertainty. Moreover, property valuations are made on the basis of assumptions which may not prove to be accurate. The Group makes certain assumptions about the direction and extent of future property market trends (including valuation yields and market rents). Valuations do not therefore necessarily represent the price at which the property could be sold in the open market, which could adversely affect the value of the Portfolio and therefore have a material adverse effect on the ability of the Issuer and/or the Guarantor to service their respective obligations under the Notes or the Guarantee, as applicable.

***Fluctuations in the fair market value of the Group's properties as a result of revaluations may have a significant effect on the Group's consolidated balance sheet and income statement***

The Group's properties are independently revalued bi-annually, and any increase or decrease in the value of its properties is recorded in the Group's consolidated statement of income in the period during which the revaluation occurs. As a result, the Group can have significant non-cash gains and losses from period to period, depending on the change in fair market value of its properties. Any such fluctuations could have an adverse effect on the Group's financial condition and results of operations. Furthermore, in periods of economic volatility and/or low market liquidity, it can become more difficult for independent valuers to prepare an assessment of the fair market value of properties and this can in turn create uncertainty regarding how the Group's properties are valued. This might adversely affect the Group's financial position and have a material adverse effect on the ability of the Issuer and/or the Guarantor to service their respective obligations under the Notes or the Guarantee, as applicable.

***Maintenance and redevelopment costs could negatively affect the results of the operations of the Group***

If the Group does not carry out maintenance, refurbishment and redevelopment, its properties may become less attractive to customers and rents may fall. Additionally, the Group may need to expend additional funds to keep its ageing properties (if any) in adequate repair. A failure to

undertake such maintenance, refurbishment and/or redevelopment or an increase in the Group's maintenance, refurbishment and redevelopment costs relating to the Portfolio could have a material adverse effect on the Group's results of operations and the ability of the Issuer and the Guarantor to service their respective obligations under the terms of the Notes or the Guarantee.

### ***Acquisition risk***

Prior to entering into an agreement to acquire any real estate asset, the Venture Adviser, on behalf of the Group, performs due diligence on the proposed investment. In doing so, the Venture Adviser typically relies in part on third parties to conduct a significant portion of this due diligence (including providing legal reports on title and property valuations). There can be no assurance that any due diligence examinations carried out by third parties on behalf of the Group in connection with any assets the Group may acquire will reveal all of the risks associated with that asset, or the full extent of such risks. Assets that the Group acquires may be subject to hidden material defects that were not apparent at the time of acquisition. To the extent that the Venture Adviser or other third parties underestimate or fail to identify risks and liabilities associated with an investment, the Group may be subject to one or more of the following risks:

- defects in title;
- environmental, structural or operational defects or liabilities requiring remediation and/or not covered by indemnities or insurance;
- an inability to obtain permits enabling it to use the asset as intended; and/or
- acquiring assets that are not consistent with the Group's investment strategy or that fail to perform in accordance with expectations.

Any of these consequences of a due diligence failure may have a material adverse effect on the Group's financial condition, business, prospects and results of operations and therefore have a material adverse effect on the ability of the Issuer and/or the Guarantor to service their respective obligations under the Notes or the Guarantee, as applicable.

### ***Holding excess or insufficient development land***

The Group holds land banks to support future growth and development opportunities. Although the Group's development programme and land holdings are subject to regular review, certain developments may be postponed or cancelled, resulting in excess development land. In the event of a downturn, developments may be postponed while the capital costs associated with land banks continue and planning permissions obtained may expire. There is a risk that holding too much development land, or holding development land for long periods, may dilute the Group's returns on its investments owing to capital being invested in unproductive assets.

Conversely, there is also a risk that if the Group holds insufficient development land, the Group may be constrained by the availability and cost of, suitable land for development. This may, in turn, restrict the Group's ability to develop new properties in accordance with its strategy, and to take advantage of increases in tenant demand. Either of these risks may have a material adverse effect on the Group's business, results of operations, financial condition or prospects.

### ***Disposal risk***

The Group could suffer a loss of value from an ineffective disposal process, leading to significant under-pricing or cost exposure and/or delays on disposals. The Group could also incur unapproved and undocumented liabilities post disposal. The Group could fail to complete planned disposals in a timely manner, leading to lower returns and constraints on acquisition funding and therefore the Group's ability to execute its strategy. The Group could also find itself unable to make a disposal due to lack of demand. If the Group is unable to generate proceeds through disposals, or if there is a material delay in effecting disposals, this may adversely impact the liquidity and cash flow of the Group and therefore have a material adverse effect on the ability of the Issuer and/or the Guarantor to service their respective obligations under the Notes or the Guarantee, as applicable.

### ***Leverage and refinancing risk***

The Group uses leverage to assist the fulfilment of its investment objectives. The Venture Adviser and the Group seek to use leverage in a manner they believe is prudent and in accordance with the leverage limits in the Group's investment policy. However the use of leverage exposes the Group to a variety of risks normally associated with borrowing, including adverse economic factors such as rising interest rates, downturns in the economy or deteriorations in the condition of the Group's investments or the real estate sector.

To the extent the Group incurs a substantial level of indebtedness, this could also reduce the Group's financial flexibility and cash available to the Issuer or the Guarantor due to the need for the Group to service its debt obligations. Prior to agreeing to the terms of any debt financing, the Group comprehensively considers its potential debt servicing costs and all relevant financial and operating covenants and other restrictions. However, if certain extraordinary or unforeseen events occur, including breach of financial and operating covenants, the Group's borrowings may be repayable prior to the date on which they are scheduled for repayment or could otherwise become subject to early termination. If the Group is required to repay borrowings early, it may be forced to sell assets when it would not otherwise choose to do so in order to make the payments and it may be subject to pre-payment penalties. Creditors could also force the sale of an asset through foreclosure or through the Group being put into administration.

In addition, in the event that the income from the Portfolio falls (for example, due to tenant defaults leading to a loss of rental income), the use of leverage increases the impact of such a fall on the net income of the Group and, accordingly, may have an adverse effect on the ability of the Issuer and the Guarantor to make payments in respect of the Notes and the Guarantee respectively. Moreover, in circumstances where the value of the Group's assets is declining, the use of leverage by the Group may depress its net asset value.

The Group may also find it difficult, costly or not possible to refinance indebtedness as it matures and, if interest rates are higher when the indebtedness is refinanced, the Group's costs could increase. Any of the foregoing events may have a material adverse effect on the Group's financial condition, business, prospects and results of operations.

## ***Subordination to creditors of Group's subsidiaries, particularly to providers of secured finance***

### ***Third Party Debt***

As at the date of the Prospectus, the Group has in place certain limited-recourse financing arrangements secured against the Portfolio (see “*Description of the Issuer, the Guarantor and of the Group - Funding arrangements*”). The Group may in future have in place further third party financing arrangements whereby the financing party holds a prior charge over the assets upon which monies have been lent to the Group. Properties secured in this manner will not form part of the general assets of the Group that would be available to holders of Notes in the case of insolvency or liquidation, although any excess proceeds from liquidation of the relevant loans, after satisfaction of the claims of the lenders, would be available to Noteholders. Holders of the Notes are, accordingly, subordinated to the Group’s secured lenders to the extent of their claims against the assets secured in respect of those secured borrowings.

### ***Unsecured Creditors***

Generally the claims of creditors of subsidiaries of the Issuer and the Guarantor, some of which are unsecured creditors, will have priority over claims of the Issuer with respect to the assets and earnings of such subsidiaries. In the event of a bankruptcy, liquidation, winding-up, dissolution, receivership, insolvency, reorganisation, administration or similar proceeding relating to any one or more of the Issuer’s subsidiaries, holders of such subsidiaries’ indebtedness (which could include SEGRO and Public Sector Pensions Investment Board (“PSP”)) and the trade creditors of such subsidiaries will generally be entitled to payment of their claim from the assets of such subsidiaries before assets are made available for distribution to the Issuer.

## ***Reliance on lease payments and exposure to key customers***

The Group derives its revenue directly from rent received from its commercial tenants. A downturn in business, bankruptcy or insolvency of a tenant could force such tenant to default on its rental obligations and/or vacate the premises. Such a default, in particular by one of the Group’s top ten tenants, could result in a loss of rental income, additional expenses, an increase in bad debts and decreased property value. Under current economic conditions, which continue to create a difficult trading environment for some commercial businesses, the risk of such defaults is increased. Any of the above could have a material adverse effect on the Group’s financial condition, business, prospects and results and the ability of the Issuer and Guarantor to service their respective obligations under the terms of the Notes and the Guarantee, as applicable.

## ***Dependence on ability to renew leases or re-lease space on favourable terms as leases expire***

There can be no assurance that tenants of the Group will renew their leases at the end of their current tenancies or, if they do not, that new tenants of equivalent standing (or any new tenants) will be found to take up replacement leases. This is particularly the case where a property requires refurbishment or redevelopment following the expiry of a tenancy or where the building was specially configured for the prior tenant. Tenants with the benefit of contractual break rights may also exercise these rights to bring the leases to an end before the contractual termination date. During void periods, the Group will not generate rental income and will incur additional expenses (for example, insurance, service charges and security) until the property is re-let. Further, the

Group may incur additional costs as a result of providing financial inducements to new tenants, such as rent free periods. Even if tenant renewals or replacements are effected, there can be no assurance that such renewals or replacements will be on terms (including rental levels and rent review terms) that are as favourable to the Group or that new tenants will be as creditworthy as previous tenants. Should the Group be unable to renew or replace a lease following its expiration, or only be able to lease a property on less favourable terms, this may have a material adverse effect on the results of operations of the Group and on the ability of the Issuer and/or the Guarantor to service their respective obligations under the terms of the Notes or the Guarantee, as applicable.

### ***Capital Funding Risk***

When a tenant of one of the Group's properties does not renew its lease or otherwise vacates its space (which may be earlier than anticipated), in order to attract one or more new tenants on terms satisfactory to the Group, the Group may be required to expend funds to construct new improvements in the vacated space. Furthermore, whilst the Group budgets for planned capital expenditure in line with available cash resources, the Group may sometimes be required to incur unexpected capital expenditure in respect of one or more of its real estate assets for which it has not planned or budgeted. While the Group intends to manage its cash position and access to financing to allow it to pay for any improvements or upgrades of a property required for re-letting and to allow it to pay for a certain level of unplanned capital expenditure, the Group cannot be certain that it will have adequate sources of funding available to it for such purposes at all times. In the event the Group has inadequate resources it may be unable to proceed with, or may be required to delay, such improvements or capital expenditure, which could result in certain real estate assets being vacant for extended periods or otherwise earning less income than they would if such improvements or capital expenditure were undertaken.

This would result in falling revenues and could have a material adverse effect on the Group's results of operations and the ability of the Issuer and/or the Guarantor to service their respective obligations under the terms of the Notes or the Guarantee, as applicable.

### ***Environmental risk***

Laws and regulations, which may be amended over time, may impose environmental liabilities associated with real estate assets on the Group (including environmental liabilities that were incurred or that arose prior to the Group's acquisition of such real estate assets). Such liabilities may result in significant investigation, removal, or remediation costs regardless of whether the Group originally caused the contamination or other environmental hazard. In addition, environmental liabilities could adversely affect the Group's ability to sell, lease or redevelop a property, or to borrow using a property as security and may in certain circumstances (such as the release of certain materials, including asbestos, into the air or water) form the basis for liability to third persons for personal injury or other damages. The Group's investments may include properties historically used for commercial, industrial and/or manufacturing uses. Such real estate assets are more likely to contain, or may have contained, storage tanks for the storage of hazardous or toxic substances. Leasing properties, such as those containing warehouses, to tenants that engage in industrial, manufacturing and other commercial activities will cause the Group to be subject to increased risk of liabilities under environmental laws and regulations. In the event the Group is exposed to environmental liabilities or increased costs or limitations on its use or disposal of properties as a result of environmental laws and regulations, this may have a



material adverse effect on the Group's financial condition, business, prospects and results of operations.

There can be no guarantee that all costs and risks regarding compliance with environmental laws and regulations can be identified. New and more stringent environmental laws, regulations and permit requirements or stricter interpretations of current laws or regulations could impose substantial additional costs on the Group's investments. Compliance with such current or future environmental requirements does not ensure that the Group will not be required to incur additional unforeseen environmental expenditures.

Moreover, failure to comply with any such requirements could have a material adverse effect on a real estate asset, and there can be no assurance that such asset will at all times comply with all applicable environmental laws, regulations and permit requirements. Past practices or future operations in the properties in which the Group invests could also result in material personal injury or property damage claims, which could have a material adverse effect on the financial condition of the underlying entities and businesses in which the Group invests and therefore the Group.

### ***Insurance risk***

To the extent available, the Group aims to maintain insurance to cover its interests in the Portfolio:

- against all normally insurable risks of loss or damage;
- for loss of rent insurance for a period of not less than three years; and
- against acts of sabotage and terrorism, including any third party liability arising from such acts.

The Group currently maintains public liability insurance over the properties owned by the Group. Insurance maintained by the Group is arranged on terms and conditions that are consistent with market practice following consultation with insurance brokers engaged in European real estate, and is renewed on an annual basis. It may become either impossible or uneconomical to insure the Portfolio, particularly regarding coverage for certain types of risk (such as war, nuclear events, terrorism, civil disturbances, earthquake, flood, environmental matters and customer rent default) in some or all territories in which the Group holds investments. In addition, in the event that the Group does not pay the insurance premiums when due or takes, or fails to take, any action which voids the insurance policies, the Group might not have the benefit of the applicable insurance policies. In the event of an uninsured loss, or a loss in excess of insured limits, the Group may lose both its capital invested in, and the return expected from, the investments concerned, while remaining liable with respect to indebtedness and other obligations incurred in connection with such investments. If any such event were to occur, the ability of the Issuer and/or the Guarantor to service their respective obligations under the Notes or the Guarantee, may be materially adversely affected.

### ***Health and safety risk***

Health and safety management processes could fail, resulting in personal injury or loss of life, litigation, fines and serious reputational damage to the Group. All of these factors could have a material adverse effect on the financial condition of the underlying entities and businesses in which the Group invests and therefore the Group.

***Development risk***

The Group may undertake 'on balance sheet' developments. Risks associated with such developments may include:

- the Group's development projects may be subject to the hazards and risks normally associated with the construction and development of commercial real estate, any of which could result in increased costs and/or damage to persons or property;
- planning permissions for developments may be delayed or refused or granted on onerous terms, which would result in a development not proceeding as intended and potentially increased costs;
- failure to find suitable funding for proposed developments could mean the Group is unable to take advantage of development opportunities;
- a development project may be unsuccessful, with the investment cost exceeding the value of the project on completion; and
- a failure of the asset to generate income in these circumstances.

The occurrence of one or more of the events described above could adversely affect the Group's financial condition, results of operations, future prospects, cash flow and the ability of the Issuer and/or the Guarantor to service their respective obligations under the terms of the Notes or the Guarantee, as applicable.

***Exposure to service providers***

The Group may undertake development or redevelopment projects or invest in property that requires refurbishment prior to re-letting the property. The Group will typically be dependent on the performance of third party contractors who undertake the management or execution of such development, redevelopment or refurbishment on its behalf. Such development, redevelopment or refurbishment projects would expose the Group to various risks, including, but not limited to:

- delays in the timely completion of projects;
- failure by third party contractors in performing their contractual obligations or poor quality workmanship from such contractors;
- insolvency of third party contractors;
- the inability of the third party contractors to retain key members of staff;
- cost overruns in relation to the services provided by the third party contractors that are not borne by such contractors;
- project delays resulting in a consequential delay in properties being available for occupancy;
- fraud or misconduct by an officer, employee or agent of a third party contractor;

- disputes between the Group and third party contractors;
- liability of the Group for the actions of the third party contractors;
- inability to obtain governmental and regulatory permits on a timely basis or at all; and/or
- diversion of resources and attention of the board from operations and acquisition opportunities.

There is no assurance that the Group will realise anticipated returns on an investment in property development, redevelopment or refurbishment. Failure to generate anticipated returns from such projects, whether due to failures in the performance of the Group's third party contractors, failures by the Group in properly supervising such third party contractors or otherwise, may have a material adverse effect on the Group's financial condition, business, prospects and results of operations.

### ***Exposure to the SEGRO Group***

Investment management along with property and development management services are provided to the Group by the SEGRO Group whilst other third-party service providers perform administrative and operational functions on the Group's behalf. In particular, as the Portfolio is externally managed, the Group relies on the experience, skill and judgment of the SEGRO Group in identifying, selecting, negotiating and managing the acquisition of suitable investments and managing the Group's assets. There can be no assurance, however, that the SEGRO Group will adequately perform its functions or that it will receive the anticipated services from the Property or Development Managers along with the other third-party service providers.

If the Venture Adviser fails to dedicate specific personnel to the Group or to ensure personnel servicing the Group's business allocate a specific amount of time to the Group, the Group may be unable to achieve its investment objectives unless and until a new venture adviser is appointed. Failure of the Property Managers to dedicate sufficient time or personnel to the Group may lead to a loss of collected rent and a fall in the number of lettings. Failure of the Development Managers to dedicate sufficient time or personnel to the Group may lead to delays in development and cost overruns.

The appointment of the Venture Adviser will continue unless terminated by SEGRO or PSP through the Shareholders' Agreement (as defined at "*Description of the Issuer, the Guarantor and of the Group - Shareholders' Agreement*" below) or by the Venture Adviser through the agreement entered into between the Venture Adviser and the Group (the "**Venture Adviser Agreement**"). There can be no guarantee that SEGRO and PSP will continue to consider that the operation of the Venture Adviser Agreement is in the best interests of the Group (whether as a result of changing market conditions, availability of alternative providers or otherwise). However, under the terms of the Venture Adviser Agreement, the Issuer is restricted in its ability to terminate the Venture Adviser Agreement.

In limited circumstances, the Venture Adviser may terminate the Venture Adviser Agreement upon notice in writing to the Issuer. Upon expiry or termination (whether in accordance with its terms or otherwise) of the Venture Adviser Agreement, there is no assurance that an agreement with a new venture adviser could be entered into on similar terms or on a timely basis, or that such new venture adviser would have expertise comparable to the Venture Adviser or access to personnel

with the same level of expertise as the Venture Adviser. Similarly, upon expiry or termination of the Venture Adviser Agreement, there is no assurance that the Issuer could enter into an agreement with new investment advisers on similar terms or on a timely basis, or that such investment advisers would have expertise comparable to the Venture Adviser. Any entry into an agreement with less favourable terms or a replacement of the Venture Adviser (whether on a timely basis or not) may have a material adverse effect on the Group's financial condition, business, prospects and results of operations.

In limited circumstances, including upon the termination of the Venture Adviser Agreement, the appointment of the Property Managers and the Development Managers may be terminated. Upon expiry or termination of the appointment of the Property Managers and the Development Managers, there is no assurance that an agreement with new managers could be entered into on similar terms or on a timely basis, or that such new managers would have expertise comparable to the Property Managers and the Development Managers. Any entry into an agreement with less favourable terms or a replacement of the Property Managers and the Development Managers (whether on a timely basis or not) may have a material adverse effect on the Group's financial condition, business, prospects and results of operations.

### ***Personnel risk***

The Group relies significantly on the knowledge and experience of each of the managers of the Issuer and the Guarantor (see "*Description of the Issuer, the Guarantor and of the Group - Board and Management of the Issuer and of the Guarantor*") and does not employ senior staff within the Group. The Group is reliant on the managers to provide expertise and scrutiny of the Group's undertakings. In the event that any or all of the managers was to cease to act as manager for the Group, the Group may have difficulties in replacing the managers with individuals with a similar level or knowledge and experience, which in turn could cause disruption to the management structure and relationships, an increase in costs associated with staff replacement, lost business relationships or reputational damage, which could have a material adverse effect on the Group's business, financial condition and results of operations.

### ***Systems and technology risk, including cyber-security***

The Group could suffer a sustained loss of access to systems and data, including potentially permanent loss of data arising from a catastrophic event at the Group's data centres.

The Group could suffer a cyber security breach leading to direct financial loss, compromised confidential information or service disruption as a result of malicious network penetration, malicious staff action or staff negligence. Consequences could include financial damage from commercially confidential information being available to competitors or counter-parties, customer or employee data privacy breach, loss of reputation and stakeholder confidence in the Group, business interruption, the cost of replacement or remediation of a breach, and direct financial loss from the theft of cash, which could have a material adverse effect on the Group's business, financial condition and results of operations.

### **Legal, Regulatory and Taxation Risk**

***Requirement for EU merger control clearance may affect the ability of Group to acquire assets***

The Group is subject to the provisions of Council Reg. (EC) 139/2004 (the “**EU Merger Regulation**”). The Group must notify and obtain pre-clearance from the European Commission when it intends to acquire any income producing logistics asset. If the European Commission (pursuant to its powers under the EU Merger Regulation) were to reject one or more applications by the Group for clearance to acquire a particular asset, this may prevent the Group from attaining its stated objective of increasing assets under management and render the Group unable to acquire income producing assets. There is also a risk that the Group could be prevented from exercising the exclusivity rights it is granted under the exclusivity arrangement with the Venture Adviser (see further “*Description of the Issuer, the Guarantor and of the Group - Exclusivity Arrangements*”). The occurrence of such events could have a material adverse effect on the Group’s business, financial condition and results of operations.

#### ***National regulatory risk***

In each of the jurisdictions in which the Group operates it has to comply with laws, regulations and administrative policies which relate to, among other matters, listing regulations, capital, tax, real estate investment trusts, financial accounting, planning, developing, building, land use, fire, health and safety, the environment and employment. These regulations often give broad discretion to the administering authorities. Each aspect of the regulatory environment in which the Group operates is subject to change, which may be retrospective, and changes in regulations could affect, amongst other things, operational costs, costs of property ownership, the rate of building obsolescence and the value of properties. Consequently, the ability of the Issuer and/or the Guarantor to service their respective obligations under the Notes or the Guarantee, as applicable, may be materially and adversely affected.

#### ***Litigation risk***

In the normal course of its operations, the Group could from time to time be involved in legal and other disputes (including industrial disputes). This may also lead to adverse publicity for the Group. Any litigation or adverse publicity may have a material adverse effect on the Group’s business, reputation, financial condition, earnings, operating results and/or the value of its assets, which in turn may adversely affect the Issuer and/or the Guarantor to service their respective obligations under the Notes or the Guarantee, as applicable.

#### ***The insolvency laws of Luxembourg may not be as favourable to prospective investors as insolvency laws of jurisdictions with which such investors may be familiar and may preclude holders of the Notes from recovering payments due on the Notes***

The Issuer and the Guarantor are incorporated and have their centre of main interests in Luxembourg. Accordingly, insolvency proceedings with respect to the Issuer and the Guarantor will in principle proceed under, and be governed by, Luxembourg insolvency laws. The insolvency laws of Luxembourg may not be as favourable to investors’ interests as those of other jurisdictions with which investors may be familiar and may limit the ability of Noteholders to enforce the terms of the Notes. Insolvency proceedings may have a material adverse effect on the Issuer’s or the Guarantor’s business and assets and their respective obligations under the Notes or the Guarantee, as applicable.

### ***Taxation risk***

Maintaining a tax-efficient structure is an important factor affecting operating results. The Group holds the Portfolio through a number of subsidiaries and other investment vehicles and endeavours to operate in a tax efficient manner. However, tax charges and withholding taxes in various jurisdictions in which the Group may invest will affect the level of intercompany loan payments, distributions or other payments made to it by operating subsidiaries. Future changes in tax treaties, laws or regulations by tax authorities in jurisdictions in which the Group operates could increase tax liabilities and/or require changes in the structure of the Group. Furthermore, no assurance can be given as to the level of taxation which may be suffered by the Issuer or the Guarantor going forward. These risks could negatively affect the ability of the Issuer and/or the Guarantor to service their respective obligations under the Notes or the Guarantee, as applicable.

### ***Impact of BEPS***

The Organisation for Economic Co-operation and Development's (the "OECD") Action Plan on Base Erosion and Profit Shifting ("BEPS") was published in 2013 and addressed the need to tackle perceived flaws in international tax rules. It sets forth 15 actions to counter BEPS in a comprehensive and coordinated way. These actions will result in fundamental changes to the international tax standards and are based on three core principles: coherence, substance, and transparency. At this time, it is unclear precisely how international tax structuring will be affected by BEPS. As such, the Group may suffer increased taxes to the extent that the outcome of the BEPS initiative and its impact on domestic tax laws adversely affects the current position. An increase in total taxes payable could reduce the Group's net earnings and have a material adverse effect on the Group's business, financial condition and results of operations.

### **Financial Risks**

#### ***Risk of covenant breach***

A failure in the Group's procedures could lead to a breach of financial or operating covenants within the Group's debt funding arrangements. In addition a substantial fall in property values or income could lead to a breach of financial covenants within the Group's debt funding arrangements. This could lead to a cancellation of debt funding which could, in turn, leave the Group without sufficient long-term resources. In addition, such a breach and foreclosure would lead to reputational damage to the Group further increasing difficulties in obtaining external financing or the costs of any additional external financing.

#### ***Interest rate, foreign exchange and hedging risk***

The Group, through its activities, is exposed to market risks which can generate losses as a result of fluctuations in interest rates and/or currency exchange rates. Failure to hedge effectively against adverse fluctuations in interest rates could negatively affect the Group's operational results. The Group's operational results may be adversely affected if its hedges are not effective to mitigate interest rate risks, if the Group is under-hedged or if a hedge provider defaults on its obligations under the Group's hedging agreements. Furthermore there can be no assurance that the Group's interest rate hedging arrangements or hedging policy will be effective. This may have a material adverse effect on the ability of the Issuer and/or the Guarantor to service their respective obligations under the Notes or the Guarantee, as applicable.

Additionally, changes in the interest rates of countries outside the Eurozone may also affect the financial position of the Group and the results of operations. Such fluctuations in exchange rates and interest rates may consequently have a material adverse effect on the ability of the Issuer and/or the Guarantor to service their respective obligations under the Notes or the Guarantee, as applicable.

#### ***Credit risk of account banks and other financial counterparties***

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument, leading to a financial loss. Credit risk related to financial policy is likely to be heavily concentrated and frequently contingent in nature. For the Group, credit risk generally arises as a result of cash balances held within bank accounts.

While the Group attempts to minimise credit risk and to restrict its exposure to those counterparties who have a suitable credit rating, the number of available counterparties is limited and therefore the Group may have significant credit exposures to specific third parties. In the case of default by a counterparty, the Group could suffer financial loss and/or lose the benefit from hedges signed with such counterparties, which may result in an increase in interest rate or currency exposure and may have a material adverse effect on the ability of the Issuer and/or the Guarantor to service their respective obligations under the Notes or the Guarantee, as applicable.

#### ***Risks associated with lack of liquidity or unavailability of funding***

The Group may need to raise further funds, including through further borrowing, to enable the Venture Adviser to optimally implement the Group's investment policy and achieve the Group's investment objectives. Whilst the Group is not currently aware of any factors that could adversely affect its ability to obtain such additional financing, there can be no guarantee that the Group will be able to raise such additional capital on acceptable terms, or at all, when it is needed.

The Group's investment strategy includes funding the acquisition of investments, in part, through borrowing. The Group's ability to obtain credit on acceptable terms is subject to a wide variety of factors, including its own credit status as well as many factors which are outside the Group's control, such as the condition of the financial markets, government and bank policies, interest rates and overall demand for credit. There can be no guarantee that the Group will be able to obtain the further credit it may need on acceptable terms. A decrease in the availability of credit may impair the Group's ability to enter into certain transactions, which may affect its ability to achieve its investment objectives and which could, consequently, have a material adverse effect on the Group's financial condition, business, prospects and results of operations.

### **FACTORS WHICH ARE MATERIAL FOR THE PURPOSE OF ASSESSING THE MARKET RISKS ASSOCIATED WITH THE NOTES**

#### **Risks related to the Notes generally**

Set out below is a brief description of certain risks relating to the Notes generally:

#### ***Risks associated with redemption of the Notes***

The Notes are subject to redemption at the option of the Issuer (i) at any time during the period of three months immediately preceding the Maturity Date in whole or in part at par, together with

accrued interest (if any) and (ii) at any other time in whole or in part at a redemption price equal to the higher of their principal amount or the sum of the present values of the remaining scheduled payments of principal and interest on the Notes discounted to the redemption date on an annual basis at the Reference Bund Rate (as defined in Condition 7.4) plus 30 basis points, together with accrued interest (if any). Accordingly, the Issuer may choose to redeem the Notes at times when prevailing interest rates may be relatively low. Accordingly, an investor generally will not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the Notes. Potential investors should consider reinvestment in light of other interest rates available at that time.

### ***The Notes are subject to a fixed rate of interest***

The Notes are subject to a fixed rate of interest. An investment in the Notes involves the risk that if market interest rates subsequently increase above the rate paid on the Notes, this will adversely affect the value of the Notes.

### ***Changes in law***

The Conditions are based on English law in effect as at the date of this Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of this Prospectus and any such change could materially adversely affect the value of any Notes affected by it.

### ***Notes whose denominations involve integral multiples***

The Notes will be issued in denominations of €100,000 and integral multiples of €1,000 in excess thereof. Accordingly, it is possible that the Notes may be traded in amounts in excess of the minimum denomination that are not integral multiples of such minimum denomination. In such a case a holder who, as a result of trading such amounts, holds an amount which is less than the minimum denomination in its account with the relevant clearing system at the relevant time may not receive a Definitive Certificate in respect of such holding (should Definitive Certificates be printed) and would need to purchase a principal amount of Notes at or in excess of the minimum denomination such that its holding amounts to a specified denomination.

If such Definitive Certificates are issued, holders should be aware that Definitive Certificates which have a denomination that is not an integral multiple of the minimum denomination may be illiquid and difficult to trade.

### ***Modification, waivers and substitution***

The Trustee may, without the consent of Noteholders and subject to certain conditions, agree (i) to any modification of (subject to certain exceptions), or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of Notes or the Trust Deed and the other transaction documents relating to the Notes, and (ii) subject to such amendment of the Trust Deed and such other conditions as the Trustee may require, to the substitution of certain other entities in place of (a) the Issuer, or of any previous substituted company, as principal debtor under the Trust Deed and the Notes, or (b) the Guarantor, or any previous substituted company, as guarantor of all sums expressed to be payable under the Trust Deed and the Notes provided, in either case, that such a substitution would not in the opinion of the Trustee be materially prejudicial to the interests of the Noteholders. In the case of such a substitution the Trustee may agree,



without the consent of the Noteholders, to a change of the law governing the Notes, the Guarantee and/or the Trust Deed provided that such change would not in the opinion of the Trustee be materially prejudicial to the interests of the Noteholders.

### **Risks related to the market generally**

Set out below is a brief description of the principal market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

#### ***The secondary market generally***

The Notes may have no established trading market when issued, and one may never develop. If a market does develop, it may not be very liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable with similar investments that have a developed secondary market.

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

The Issuer will pay principal and interest on the Notes and the Guarantor will make any payments under the Guarantee 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 (the "**Investor's Currency**") other than euro. These include the risk that exchange rates may significantly change (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. An appreciation in the value of the Investor's Currency relative to the euro would decrease (1) the Investor's Currency-equivalent yield on the Notes, (2) the Investor's Currency-equivalent value of the principal payable on the Notes and (3) the Investor's Currency-equivalent market value of the Notes.

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

#### ***Credit ratings may not reflect all risks***

One or more independent credit rating agencies may assign (and have assigned) credit ratings to the Issuer, the Guarantor or the Notes. The 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 Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised, suspended or withdrawn by the rating agency at any time.

In general, European regulated investors are restricted under the CRA Regulation from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EU and registered under the CRA Regulation (and such registration has not been withdrawn or suspended), subject to transitional provisions that apply in certain circumstances while the registration application is pending. Such general restriction will also apply in the case of credit ratings issued by non-EU credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered credit rating agency or the relevant non-EU rating agency is certified in accordance with the CRA Regulation (and such endorsement action or

certification, as the case may be, has not been withdrawn or suspended). The list of registered and certified rating agencies published by ESMA on its website (at <http://www.esma.europa.eu/page/list-registered-and-certified-CRAs>) in accordance with the CRA Regulation, is not conclusive evidence of the status of the relevant rating agency included in such list, as there may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list. Certain information with respect to the credit rating agencies and ratings is set out on the cover of this Prospectus.

***Risk that investors will have to rely on the procedures of Euroclear and Clearstream, Luxembourg for transfer, payment and communication with the Issuer***

The Notes will be represented by a Global Certificate. The Global Certificate will be deposited with a Common Safekeeper for, and registered in the name of the common nominee of, Euroclear and Clearstream, Luxembourg. Except in certain limited circumstances described in the Global Certificate, investors will not be entitled to receive definitive registered notes. Euroclear and Clearstream, Luxembourg will maintain records of the beneficial interests in the Global Certificate.

While the Notes are represented by the Global Certificate, investors will be able to trade their beneficial interests only through Euroclear and Clearstream, Luxembourg. The Issuer will discharge its payment obligations under the Notes by making payments to the Common Safekeeper for Euroclear and Clearstream, Luxembourg for distribution to their account holders. A holder of a beneficial interest in a Global Certificate must rely on the procedures of Euroclear or Clearstream, Luxembourg to receive payments under the Notes and the Guarantee. Neither the Issuer nor the Guarantor has any responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Certificate.

## DOCUMENTS INCORPORATED BY REFERENCE

This Prospectus should be read and construed in conjunction with the following documents:

- (A) the audited consolidated financial statements of the Guarantor as at and for the financial year ended 31 December 2018, together with the audit report thereon (the “**Guarantor’s 2018 Annual Financial Statements**”) as included in the Guarantor’s Annual Report 2018.

The following information appears on the pages of the Guarantor’s 2018 Annual Report as set out below:

### **Guarantor’s 2018 Annual Report**

Audit Report	Pages 13 to 15
Consolidated Income Statement	Page 16
Consolidated Statement of Comprehensive Income	Page 17
Consolidated Statement of Financial Position	Page 18
Consolidated Statement of Changes in Equity	Page 19
Consolidated Statement of Cash Flows	Page 20
Notes to Consolidated Financial Statements	Pages 21 to 45

- (B) the audited consolidated financial statements of the Guarantor as at and for the financial year ended 31 December 2017, together with the audit report thereon (the “**Guarantor’s 2017 Annual Financial Statements**”) as included in the Guarantor’s Annual Report 2017.

The following information appears on the pages of the Guarantor’s 2017 Annual Report as set out below:

### **Guarantor’s 2017 Annual Report**

Audit Report	Pages 13 to 16
Consolidated Income Statement	Page 17
Consolidated Statement of Comprehensive Income	Page 18
Consolidated Statement of Financial Position	Page 19
Consolidated Statement of Changes in Equity	Page 20
Consolidated Statement of Cash Flows	Page 21
Notes to Consolidated Financial Statements	Pages 22 to 48

- (C) the audited consolidated financial statements of the Issuer as at and for the financial year ended 31 December 2018, together with the audit report thereon (the “**Issuer’s 2018 Annual Financial Statements**” and, together with the Guarantor’s 2018 Annual Financial Statements, the “**2018 Financial Statements**”).

The following information appears on the pages of the Issuer's 2018 Annual Report as set out below:

**Issuer's 2018 Annual Report**

Audit Report	Pages 14 to 19
Consolidated Income Statement	Page 20
Consolidated Statement of Comprehensive Income	Page 21
Consolidated Statement of Financial Position	Page 22
Consolidated Statement of Changes in Equity	Page 23
Consolidated Statement of Cash Flows	Page 24
Notes to Consolidated Financial Statements	Pages 25 to 50

- (D) the audited consolidated financial statements of the Issuer as at and for the financial year ended 31 December 2017, together with the audit report thereon (the "**Issuer's 2017 Annual Financial Statements**") and, together with the Guarantor's 2017 Annual Financial Statements, the "**2017 Financial Statements**") as included in the Guarantor's Annual Report 2017.

The following information appears on the pages of the Issuer's 2017 Annual Report as set out below:

**Issuer's 2017 Report**

Audit Report	Pages 14 to 20
Consolidated Income Statement	Page 21
Consolidated Statement of Comprehensive Income	Page 22
Consolidated Statement of Financial Position	Page 23
Consolidated Statement of Changes in Equity	Page 24
Consolidated Statement of Cash Flows	Page 25
Notes to Consolidated Financial Statements	Pages 26 to 52

The above documents have been previously published or are published simultaneously with this Prospectus and have been approved by the Central Bank or filed with it. Such documents shall be incorporated in, and form part of, this Prospectus, save that any statement contained in a document which is incorporated by reference herein shall be modified or superseded for the purpose of this Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Prospectus.

Those parts of the documents incorporated by reference in this Prospectus which are not specifically incorporated by reference in this Prospectus are either not relevant for prospective investors in the Notes or the relevant information is included elsewhere in this Prospectus. Any

documents themselves incorporated by reference in the documents incorporated by reference in this Prospectus shall not form part of this Prospectus.

Copies of documents incorporated by reference in this Prospectus may be obtained (without charge) from the following websites:

- <http://www.selp.lu/~media/Files/S/SELP/documents/2018/selp-sarl-financial-statements-2018.pdf>
- <http://www.selp.lu/~media/Files/S/SELP/documents/2018/selp-finance-sarl-financial-statements-2018.pdf>
- <http://www.selp.lu/~media/Files/S/SELP/documents/2017/annual-accounts-for-the-year-ended-31-december-17-segro-european-logistics-partnership.pdf>
- <http://www.selp.lu/~media/Files/S/SELP/documents/2017/annual-accounts-for-the-year-ended-31-december-2017-selp-finance.pdf>

and from the specified office of the Principal Paying Agent for the time being in London.

## TERMS AND CONDITIONS OF THE NOTES

*The following is the text of the terms and conditions that, subject to completion and amendment, shall be applicable to the Notes in definitive form (if any) issued in exchange for the Global Certificate.*

The EUR 500,000,000 1.500 per cent. Guaranteed Notes due 2026 (the "**Notes**") of SELP Finance S.à r.l., a private limited liability company (*société à responsabilité limitée*), incorporated under the laws of the Grand Duchy of Luxembourg, having its registered office at 35-37, avenue de la Liberté, L-1931 Luxembourg and registered with the Luxembourg trade and companies register (*Registre de Commerce et des Sociétés, Luxembourg*) (the "**RCS Luxembourg**") under the number B177308) (the "**Issuer**") are unconditionally and irrevocably guaranteed by SEGRO European Logistics Partnership S.à r.l., a private limited liability company (*société à responsabilité limitée*), incorporated under the laws of the Grand Duchy of Luxembourg, having its registered office at 35-37, avenue de la Liberté, L-1931 Luxembourg and registered with the RCS Luxembourg under the number B177300) (the "**Guarantor**"). The Notes will be issued by the Issuer on or about 20 June 2019 (the "**Issue Date**") and will be constituted by a trust deed dated on or about the Issue Date (as modified from time to time, the "**Trust Deed**") between the Issuer, the Guarantor and The Law Debenture Trust Corporation p.l.c. (the "**Trustee**", which expression shall include all persons for the time being who are the trustee or trustees under the Trust Deed) as trustee for the Noteholders (as defined below).

These terms and conditions (the "**Conditions**") include summaries of, and are subject to, the detailed provisions of the Trust Deed. The Issuer and the Guarantor have, on or about the Issue Date, entered into a paying agency agreement (the "**Paying Agency Agreement**") with the Trustee, Citibank, N.A., London Branch as principal paying agent (the "**Principal Paying Agent**") and, together with any other paying agents appointed under the Paying Agency Agreement, the "**Paying Agents**"), Citigroup Global Markets Europe AG as registrar (the "**Registrar**") and the transfer agents named therein (the "**Transfer Agents**"). The Registrar, Paying Agents and Transfer Agents are together referred to herein as the "**Agents**".

Copies of the Trust Deed and the Paying Agency Agreement are available for inspection during normal business hours at the registered office of the Issuer (being at the date hereof 35-37, avenue de la Liberté, L-1931 Luxembourg), and at the specified offices of the Agents.

The Noteholders are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and are deemed to have notice of those provisions of the Paying Agency Agreement applicable to them.

Capitalised terms and expressions used in these Conditions but not otherwise defined herein shall, unless the context requires otherwise, have the meanings given to them in the Trust Deed.

In these Conditions, "**EUR**" or "**euro**" shall mean the currency introduced at the third stage of economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended, and "**cent**" shall mean the sub-unit of such currency.

### 1. Form and Denomination

The Notes are issued in fully registered form in denominations of EUR 100,000 and integral multiples of EUR 1,000 in excess thereof (each an "**Authorised Denomination**")

without coupons attached. A note certificate (each a "**Definitive Certificate**") will be issued to each Noteholder in respect of its registered holding of Notes.

## **2. Status of the Notes**

The Notes constitute direct, unsecured and unsubordinated obligations of the Issuer and will rank *pari passu* and rateably without any preference among themselves, and equally with all other existing and future senior, unsecured and unsubordinated obligations of the Issuer, save for such exceptions as may be provided by applicable legislation and by provisions of law that are mandatory and of general application.

## **3. Guarantee**

### **3.1 Guarantee**

The Guarantor has unconditionally and irrevocably guaranteed the payment when due of all sums expressed to be payable by the Issuer under the Trust Deed and the Notes (the "**Guarantee**").

### **3.2 Status of the Guarantee**

The Guarantee constitutes direct, unsecured and unsubordinated obligations of the Guarantor and will rank equally with all other existing and future senior, unsecured and unsubordinated obligations of the Guarantor, save for such exceptions as may be provided by applicable legislation and by provisions of law that are mandatory and of general application.

## **4. Register, Title and Transfers**

### **4.1 Register**

The Registrar shall maintain a register in respect of the Notes (the "**Register**") outside the United Kingdom at the specified office for the time being of the Registrar in accordance with the provisions of the Paying Agency Agreement and shall record in the Register the names and addresses of the Noteholders, particulars of the Notes and all transfers and redemptions thereof. In these Conditions, the "**Holder**" of a Note means the person in whose name such Note is for the time being registered in the Register (or, in the case of a joint holding, the first named thereof) and "**Noteholder**" shall be construed accordingly.

### **4.2 Title**

Title to the Notes will pass by and upon registration in the Register. The Noteholder shall (except as otherwise required by a court of competent jurisdiction or applicable law) be treated as the absolute owner of such Note for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any other interest therein, any writing on the Definitive Certificates relating thereto (other than the endorsed form of transfer) or any notice of any previous loss or theft of such Definitive Certificate) and no person shall be liable for so treating such Noteholder.

#### **4.3 Transfers**

Subject to Conditions 4.6 and 4.7 below, a Note may be transferred in whole or in part in an Authorised Denomination upon surrender of the relevant Definitive Certificate representing that Note, together with the form of transfer (including any certification as to compliance with restrictions on transfer included in such form of transfer endorsed thereon) (the "**Transfer Form**"), duly completed and executed, at the specified office of a Transfer Agent or of the Registrar, together with such evidence as such Transfer Agent or the Registrar may reasonably require to prove the title of the transferor and the authority of the persons who have executed the Transfer Form. Where not all the Notes represented by the surrendered Definitive Certificates are the subject of the transfer, a new Definitive Certificate in respect of the balance not transferred will be delivered by the Registrar to the transferor in accordance with Condition 4.4 below. Neither the part transferred nor the balance not transferred may be less than EUR 100,000.

#### **4.4 Registration and delivery of Definitive Certificates**

Within five business days of the surrender of a Definitive Certificate in accordance with Condition 4.3 above, the Registrar shall register the transfer in question and deliver a new Definitive Certificate to each relevant Holder at the specified office of the Registrar or (at the request of the relevant Noteholder) at the specified office of a Transfer Agent or (at the request and risk of such relevant Holder) send it by uninsured first class mail (airmail if overseas) to the address specified for the purpose by such relevant Holder.

In the case of the transfer of only a part of the Notes represented by a Definitive Certificate, a new Definitive Certificate in respect of the balance of the Notes not transferred will be so delivered at the specified office of the Registrar or (at the request of the transferor) at the specified office of a Transfer Agent or (at the request and risk of such transferor) send it by uninsured first class mail (airmail if overseas) to the address specified for the purpose by such transferor.

In this Condition 4.4 only, "business day" means a day on which commercial banks are open for business (including dealings in foreign currencies) in the cities where the Registrar and (if applicable) the relevant Transfer Agent have their specified offices.

#### **4.5 No Charge**

The registration of the transfer of a Note shall be effected without charge to the Noteholder or transferee thereof, but against such indemnity from the Holder or transferee thereof as the Registrar or the relevant Transfer Agent, as applicable, may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such transfer.

#### **4.6 Closed periods**

Noteholders may not require the transfer of a Note to be registered (a) during the period of 15 days ending on the due date for any payment of principal or interest in respect of such Note and (b) after any Note has been called for redemption.



#### **4.7 Regulations concerning Transfer and Registration**

All transfers of Notes and entries on the Register are subject to the detailed regulations concerning the transfer and registration of Notes set out in the Trust Deed. The regulations may be changed by the Issuer with the prior written approval of the Trustee and the Registrar. A copy of the current regulations will be available at the specified office of the Registrar and will be sent by the Registrar free of charge to any person who so requests and can confirm that they are a Noteholder to the satisfaction of the Registrar.

### **5. Financial Covenants**

#### **5.1 Loan to Value**

The Issuer must ensure that Consolidated Total Net Borrowings do not, as at each Reference Date, exceed 60 per cent. of Consolidated Adjusted Total Assets.

#### **5.2 Interest Cover**

The Issuer must ensure that the ratio of Consolidated EBITDA to Net Finance Charges is not, in respect of each Relevant Period, less than 1.5:1.

#### **5.3 Consolidated Priority Borrowings**

The Issuer must ensure that Consolidated Priority Borrowings do not, as at each Reference Date, exceed 30 per cent. of Consolidated Total Assets.

#### **5.4 Definitions**

In these Conditions:

**“Acceptable Bank”** means a commercial bank or trust company which has a rating of A- or higher by S&P or Fitch, or A3 by Moody's (or a comparable rating from a nationally recognised credit rating agency) for its long-term unsecured and non-credit enhanced debt obligations, or which has otherwise been approved by Extraordinary Resolution (as defined in the Trust Deed);

**“Consolidated Adjusted Total Assets”** means Consolidated Total Assets less Consolidated Cash and Cash Equivalents;

**“Consolidated Cash and Cash Equivalents”** means, at any time:

- (i) cash in hand or on deposit with any Acceptable Bank;
- (ii) certificates of deposit maturing within one year after the relevant date of calculation issued by an Acceptable Bank;
- (iii) any investment in marketable debt obligations issued or guaranteed by the government of the United States of America, the United Kingdom, any member state of the European Economic Area or any Participating Member State or by an instrumentality or agency of any of them having an equivalent credit rating, maturing within one year

after the relevant date of calculation, not convertible or exchangeable to any other security and which contains terms which do not contemplate a negative interest rate;

- (iv) commercial paper not convertible or exchangeable to any other security:
  - (a) for which a recognised trading market exists;
  - (b) issued by an issuer incorporated in the United States of America, the United Kingdom, any member state of the European Economic Area or any Participating Member State;
  - (c) which matures within one year after the relevant date of calculation;
  - (d) which do not contemplate a negative interest rate; and
  - (e) which has a credit rating of either A-1 or higher by S&P or F1 or higher by Fitch or P-1 or higher by Moody's, or, if no rating is available in respect of the commercial paper, the issuer of which has, in respect of its long-term unsecured and non-credit enhanced debt obligations, an equivalent rating;
- (v) sterling bills of exchange eligible for rediscount at the Bank of England and accepted by an Acceptable Bank;
- (vi) any investment in money market funds accessible within 30 days which (i) have a credit rating of either A-1 or higher by S&P or F1 or higher by Fitch or P-1 or higher by Moody's, and (ii) invest substantially all their assets in securities of the types described in paragraphs (ii) to (v) above; or
- (vii) any other debt security or investment approved by Extraordinary Resolution,

in each case, to which any member of the Issuer Group is alone (or together with other members of the Issuer Group) beneficially entitled at that time and which is capable of being applied against Consolidated Total Borrowings;

**"Consolidated EBITDA"** means, in respect of any Relevant Period, the consolidated operating profit of the Issuer Group before taxation (including the results from discontinued operations):

- (i) before deducting any interest, commission, fees, discounts, prepayment fees, premiums or charges and other finance payments whether paid, payable or capitalised by any member of the Issuer Group (calculated on a consolidated basis) in respect of that Relevant Period;
- (ii) after deducting the amount of any profit (or adding back the amount of any loss) of any member of the Issuer Group which is attributable to minority interests;
- (iii) not including any accrued interest owing to any member of the Issuer Group;
- (iv) not including any unrealised gain (or loss) arising from an upward (or downward) revaluation of any other assets of members of the Issuer Group;

- (v) after adding back any amount attributable to the amortisation, depreciation or impairment of assets of members of the Issuer Group;
- (vi) before taking into account any Exceptional Items; and
- (vii) before taking into account any unrealised gains or losses on any derivative instrument (other than any derivative instrument which is accounted for on a hedge accounting basis),

in each case, to the extent added, deducted or taken into account, as the case may be, for the purposes of determining operating profits of the Issuer Group before taxation;

**“Consolidated Priority Borrowings”** means the total (without double counting) of all Consolidated Total Borrowings which are:

- (i) incurred by all Subsidiaries of the Issuer (excluding any borrowings where the creditor of such borrowings is the Issuer or another Subsidiary of the Issuer); or
- (ii) secured by any security interest granted by a member of the Issuer Group over assets of any member of the Issuer Group.

For this purpose only, security interests will not include:

- (a) any security interest comprising a netting or set-off arrangement entered into by a member of the Issuer Group in the ordinary course of its banking arrangements for the purpose of netting debit and credit balances; and
- (b) any lien arising by operation of law and in the ordinary course of business;

**“Consolidated Total Assets”** means, at any time, the amount identified with the heading “Total Assets” as reported in the most recent consolidated financial statements (including for the avoidance of doubt any interim unaudited consolidated financial management accounts) of the Issuer, after deducting the amount of any assets of any member of the Issuer Group which is attributable to minority or non-controlling interests;

**“Consolidated Total Borrowings”** means, at any time, the aggregate outstanding principal, capital or nominal amount of any indebtedness of any member of the Issuer Group for or in respect of:

- (i) moneys borrowed;
- (ii) any acceptances under any acceptance credit or bill discount facility (or dematerialised equivalent);
- (iii) any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;
- (iv) any finance lease;

- (v) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis);
- (vi) any counter-indemnity obligation in respect of a guarantee, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution in respect of an underlying liability of an entity which is not a member of the Issuer Group which liability would fall within one of the other paragraphs of this definition;
- (vii) any amount of any liability under an advance or deferred purchase agreement if: (a) the primary purpose of the entry into the agreement is to raise finance or to finance the acquisition or construction of the asset or service in question or (b) the agreement is in respect of the supply of assets or services and payment is due more than 180 days after the date of supply;
- (viii) any amount raised under any other transaction (including any forward sale or purchase agreement, sale and sale back or sale and leaseback agreement) having the commercial effect of a borrowing; and
- (ix) (without double counting) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (i) to (viii) above,

but excluding:

- (a) any amounts borrowed by one member of the Issuer Group from another member of the Issuer Group; and
- (b) all amounts borrowed by the Issuer under a Qualifying Shareholder Loan;

**“Consolidated Total Net Borrowings”** means at any time Consolidated Total Borrowings less Consolidated Cash and Cash Equivalents;

**“Distributable Items”** means, in respect of a period for which it falls to be calculated, the sum (without double counting) of:

- (i) the Distributable Profit of the Issuer in respect of such period; plus
- (ii) any amount of Distributable Profit in respect of any preceding period which has not been applied in payment of interest or principal in respect of a Qualifying Shareholder Loan and which is otherwise available for distribution to the Issuer’s shareholders in accordance with the laws of the jurisdiction of its incorporation;

**“Distributable Profit”** shall mean, in respect of a period for which it falls to be calculated, the net profit of the Issuer for such period, as reported in the Issuer’s most recently prepared management accounts, after adding back all interest expense accrued in respect of Qualifying Shareholder Loans during such period;

**“Exceptional Items”** means any exceptional, one-off, non-recurring or extraordinary items;

**“Finance Charges”** means, for any Relevant Period, the aggregate amount of the accrued interest in respect of Consolidated Total Borrowings paid by any member of the Issuer Group (calculated on a consolidated basis) in cash in respect of that Relevant Period:

- (i) excluding any upfront fees or costs; and
- (ii) including the interest (but not the capital) element of payments in respect of finance leases;

**“Fitch”** means Fitch Ratings Limited and includes any successor to its ratings business and any of its affiliates;

**“Issuer Group”** means the Issuer and its Subsidiaries as a whole;

**“Moody’s”** means Moody’s Investors Service Limited and includes any successor to its rating business and any of its affiliates;

**“Net Finance Charges”** means, for any Relevant Period, the Finance Charges for that Relevant Period after deducting any interest payable in that Relevant Period to any member of the Issuer Group (other than by another member of the Issuer Group) on Consolidated Cash and Cash Equivalents;

**“Participating Member State”** means any member state of the European Union that has the euro as its lawful currency in accordance with legislation of the European Union relating to Economic and Monetary Union;

**“PSP”** means Public Sector Pensions Investment Board, a crown corporation established by the Canadian Public Sector Pension Investment Act 1999;

**“Qualifying Shareholder Loan”** means a loan advanced by SEGRO, PSP or a New Ultimate Owner (as defined in Condition 7.3) (or their respective Subsidiaries) to the Issuer which meets the following minimum requirements:

- (i) the final maturity date of such loan shall be not less than one year after the Maturity Date;
- (ii) the obligations of the Issuer under such loan are subordinated to all secured, unsecured and unsubordinated liabilities of the Issuer (“Senior Liabilities”), including amounts outstanding under indebtedness for borrowed money and liabilities owed to trade creditors and also including (without limitation) the Issuer’s obligations under the Notes;
- (iii) repayments and prepayments of principal in respect of such loan shall be deferred unless (a) at the time for payment under the terms of such loan, no amounts are due and payable but unpaid in respect of any Senior Liabilities in accordance with the terms governing such Senior Liabilities, or (b) the ratio of Consolidated Total Net Borrowings to Consolidated Adjusted Total Assets, as reported in the Issuer’s most recently prepared management accounts, is not more than 40 per cent. both at the time of, and immediately following, the relevant payment;

- (iv) payments of interest in respect of such loan shall be deferred unless (a) at the time for payment under the terms of such loan, no amounts are due and payable but unpaid in respect of any Senior Liabilities in accordance with the terms governing such Senior Liabilities, or (b) the amount of the relevant interest payment would not exceed Distributable Items for the period in respect of which such interest payment is accrued; and
- (v) the lender under such loan is a direct or indirect shareholder of the Issuer, and such lender is prohibited from transferring its interests under such loan, in whole or in part, unless it also transfers a proportion of its direct or indirect shareholding in the Issuer equal to the proportion of the loan to be transferred (such that the ratio of its shareholding to its interests under the loan shall not change);

**"Reference Date"** means 31 December and 30 June in each year, provided that the first Reference Date shall be 30 June 2019;

**"Relevant Period"** means each 12 month period ending on each Reference Date;

**"S&P"** means S&P Global Ratings Europe Limited and includes any successor to its rating business and any of its affiliates;

**"SEGRO"** means SEGRO plc, a public limited company incorporated under the laws of England and Wales with company number 00167591 and with its registered office at Cunard House, 15 Regent Street, London SW1Y 4LR; and

**"Subsidiary"** means an entity of which a person has direct or indirect control or owns directly or indirectly more than 50 per cent. of the voting capital or similar rights of ownership and **"control"** for this purpose means the ability to direct the management and policies of the entity, whether through the ownership of voting capital, by contract or otherwise.

A report by two authorised signatories of the Issuer (whether or not addressed to the Trustee) that in its opinion a loan is or is not or was or was not at any particular time or throughout any specified period a Qualifying Shareholder Loan may be relied upon by the Trustee without further enquiry or evidence and, if relied upon by the Trustee, shall, in the absence of manifest error, be conclusive and binding on all parties.

## **6. Interest**

The Notes bear interest from and including the Issue Date at 1.500 per cent. per annum (the **"Rate of Interest"**), payable annually in arrear on 20 December each year (each an **"Interest Payment Date"**), the first such Interest Payment Date being on 20 December 2019 (short first coupon). Each Note will cease to bear interest from the due date for redemption unless, upon due presentation, payment of principal is improperly withheld or refused, in which event interest will continue to accrue (before or after any judgment) at the Rate of Interest to but excluding the date on which payment in full of the principal thereof is made.

In these Conditions, 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 is called an "**Interest Period**".

Interest in respect of any Note shall be calculated per EUR 1,000 in principal amount of the Notes (the "**Calculation Amount**"). The amount of interest payable per Calculation Amount for any Interest Period shall be calculated by applying the Rate of Interest to the Calculation Amount and multiplying such sum by the Day Count Fraction and rounding the resultant figure to the nearest cent, with half a cent being rounded upwards.

In these Conditions:

"**Day Count Fraction**" means, in respect of the calculation of an amount of interest:

- (a) if the Accrual Period is equal to or shorter than the Determination Period during which it ends, the number of days in the Accrual Period divided by the number of days in such Determination Period; and
- (b) if the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:
  - (i) the number of days in such Accrual Period falling in the Determination Period in which it begins divided by the number of days in such Determination Period; and
  - (ii) the number of days in such Accrual Period falling in the next Determination Period divided by the number of days in such Determination Period,

where:

"**Accrual Period**" means the relevant period for which interest is to be calculated (from and including the first such day to but excluding the last); and

"**Determination Period**" means the period from and including 20 December in any year to but excluding the next 20 December.

## **7. Redemption and Purchase**

### **7.1 Final redemption**

Unless previously redeemed, or purchased and cancelled, the Notes will be redeemed or repaid by the Issuer at 100 per cent. of their principal amount outstanding together with accrued interest on 20 December 2026 (the "**Maturity Date**"). The Notes may not be redeemed at the option of the Issuer other than in accordance with this Condition 7.

### **7.2 Redemption for tax reasons**

The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 17 (which notice shall be irrevocable) at 100 per cent. of their

aggregate principal amount outstanding, together with interest accrued to the date fixed for redemption but otherwise without premium or penalty, if:

- (a) the Issuer satisfies the Trustee immediately prior to the giving of such notice that it has or will become obliged to pay additional amounts as provided or referred to in Condition 9, or the Guarantor would be unable for reasons outside its control to procure payment by the Issuer and in making payment itself, would be required to pay such additional amounts, in each case as a result of any change in, or amendment to, or clarification of the laws, treaties, protocols, rulings or regulations of the Relevant Jurisdiction (as defined in Condition 9), or any change in the published application or official interpretation of such laws, treaties, protocols, rulings or regulations and including the decision of any court governmental agency or tribunal, which change or amendment is announced, enacted or becomes effective on or after the Issue Date; and
- (b) such obligation cannot be avoided by the Issuer or, as the case may be, the Guarantor, taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer or, as the case may be, the Guarantor, would be obliged to pay such additional amounts were a payment in respect of the Notes then due.

Prior to the publication of any notice of redemption pursuant to this Condition, the Issuer or, as the case may be, the Guarantor, shall deliver to the Trustee:

- (i) a certificate executed by an authorised signatory of the Issuer or, as the case may be, an authorised signatory of the Guarantor, (an “**Officer’s Certificate**”) stating that the obligation referred to in sub-paragraph (a) above cannot be avoided by the Issuer or, as the case may be, the Guarantor, taking reasonable measures available to it and the Trustee shall be entitled without further investigation or enquiry to accept such Officer’s Certificate as sufficient evidence of the satisfaction of the conditions precedent set out in sub-paragraph (b) above, in which event it shall be conclusive and binding on the Noteholders; and
- (ii) an opinion of independent legal advisers of recognised standing to the effect that the Issuer or, as the case may be, the Guarantor, has or will become obliged to pay such additional amounts as a result of such change or amendment or clarification.

All Notes in respect of which any such notice of redemption is given under and in accordance with this Condition shall be redeemed on the date specified in such notice in accordance with this Condition.

### **7.3 Redemption on a Change of Control**

If a Change of Control Put Event (as defined below) occurs, the holder of any Note will have the option (a “**Change of Control Put Option**”) (unless prior to the giving of the relevant Change of Control Put Event Notice (as defined below) the Issuer has given notice of redemption under any other Condition) to require the Issuer to redeem or, at the



Issuer's option, purchase (or procure the purchase of) that Note on the Change of Control Put Date (as defined below) at its principal amount together with interest accrued to (but excluding) the Change of Control Put Date.

Promptly upon the Issuer or, as the case may be, the Guarantor, becoming aware that a Change of Control Put Event has occurred the Issuer or, as the case may be, the Guarantor, shall, and at any time upon the Trustee becoming similarly so aware the Trustee may, and if so requested by the holders of at least 25 per cent. in principal amount of the Notes then outstanding or if so directed by an Extraordinary Resolution of the Noteholders, shall, (subject in each case to the Trustee being indemnified and/or secured and/or prefunded to its satisfaction) give notice (a **"Change of Control Put Event Notice"**) to the Noteholders in accordance with Condition 17 specifying the nature of the Change of Control Put Event and the procedure for exercising the Change of Control Put Option.

To exercise the Change of Control Put Option, the Holder must deposit the Definitive Certificate representing such Note(s) with the Registrar or any Transfer Agent at its specified office, together with a duly completed change of control put option exercise notice (**"Change of Control Put Option Exercise Notice"**) in the form obtainable from any Paying Agent, the Registrar or any Transfer Agent (as applicable) within the period (the **"Change of Control Put Period"**) of 30 days after a Change of Control Put Event Notice is given. No Definitive Certificate so deposited or Change of Control Put Option Exercise Notice may be withdrawn (except as provided in the Agency Agreement) without the prior consent of the Issuer.

For the purpose of this Condition 7.3:

- (a) a person (the **"First Person"**) has **"Control"** of another person (the **"Second Person"**) if the First Person has the power (whether by way of ownership of shares, proxy, conduct, agency or otherwise) to, in relation to the Second Person:
  - (i) cast, or control the casting of, more than 50 per cent. of the voting shares in the Second Person; or
  - (ii) appoint or remove all or a majority of the directors or other equivalent officers of the Second Person; and
- (b) **"acting in concert"** shall have the meaning given to it in the City Code on Takeovers and Mergers;

**"Change of Control Period"** means the period commencing on the Relevant Announcement Date and ending 90 days after the Change of Control (or such longer period for which the Notes are under consideration (such consideration having been announced publicly within the period ending 90 days after the Change of Control) for rating review or, as the case may be, rating by a Rating Agency, such period not to exceed 60 days after the public announcement of such consideration);

**"Change of Control Put Date"** means the date which is seven days after the expiration of the Change of Control Put Period;

**“Change of Control Put Event”** means an event or circumstance in which any person, or group of persons acting in concert, in each case other than SEGRO or PSP (a **“New Ultimate Owner”**), gains Control of the Issuer or the Guarantor (a **“Change of Control”**), where:

- (a) on the Relevant Announcement Date the Notes carry:
  - (i) a credit rating of at least BBB- by S&P or Fitch, or Baa3 by Moody’s (or equivalent ratings from time to time) (an **“Investment Grade Rating”**), and such rating is, within the Change of Control Period, either downgraded to a credit rating of BB+ (or below) by S&P or Fitch, or Ba1 (or below) by Moody’s (or equivalent ratings from time to time) (a **“Non-Investment Grade Rating”**) or withdrawn by each such Rating Agency and is not, within the Change of Control Period, subsequently reinstated or (in the case of a downgrade) upgraded to an Investment Grade Rating by such Rating Agency;
  - (ii) a Non-Investment Grade Rating from any Rating Agency at the invitation of the Issuer or the Guarantor and such rating is, within the Change of Control Period, either downgraded by one or more rating categories (for example from Ba1 to Ba2 or such similar lowering) or withdrawn by each such Rating Agency and is not, within the Change of Control Period, subsequently reinstated or (in the case of a downgrade) upgraded to its earlier credit rating or better by such Rating Agency; or
  - (iii) no credit rating from any Rating Agency and a Negative Rating Event also occurs within the Change of Control Period,

provided that if at the time of the Relevant Announcement Date the Notes carry a credit rating from more than one Rating Agency at the invitation of the Issuer or the Guarantor, at least one of which is an Investment Grade Rating, then sub-paragraph (i) will apply and sub-paragraph (ii) will not apply; and

- (b) in making any decision to downgrade or withdraw a credit rating pursuant to paragraph (i) or (ii) above or not to award a credit rating as described in paragraph (ii) of the definition of Negative Rating Event, the relevant Rating Agency announces publicly or confirms in writing to the Issuer or the Guarantor that such decision(s) resulted to a significant extent from the occurrence of the Change of Control;

a **“Negative Rating Event”** shall be deemed to have occurred if at such time as there is no credit rating assigned to the Notes by a Rating Agency:

- (i) the Issuer does not, either prior to, or not later than 21 days after, the occurrence of the Change of Control seek, and thereafter throughout the Change of Control Period use all reasonable endeavours to obtain, a credit rating of the Notes, or any other unsecured and unsubordinated debt of the Issuer or of any Subsidiary of the Issuer which is guaranteed on an unsecured and unsubordinated basis by the Guarantor (or, where the relevant debt is incurred by a Subsidiary of the

Issuer, the Issuer) and which has an original maturity of at least the same tenor as the Notes; or

- (ii) if the Issuer does so seek and use such endeavours, it is unable to obtain such a rating of at least investment grade by the end of the Change of Control Period;

**“Rating Agency”** means any or all (as the context requires) of Fitch, Moody’s and S&P; and

**“Relevant Announcement Date”** means the date of the first public announcement of the relevant Change of Control (if any).

The Trustee is under no obligation to ascertain whether a Change of Control Put Event or a Change of Control has occurred, or any event which could lead to the occurrence of a Change of Control Put Event or a Change of Control has occurred, or whether the Issuer has sought, or could obtain, any confirmation from any Rating Agency pursuant to paragraph (iii) of the definition of “Change of Control Put Event” above, and, until it shall have actual knowledge or notice pursuant to the Trust Deed to the contrary, the Trustee may assume that no Change of Control Put Event or Change of Control or other such event has occurred.

#### **7.4 Redemption at the option of the Issuer**

The Issuer may, at any time, on giving not less than 30 nor more than 60 days’ notice to Noteholders in accordance with Condition 17 (which notice shall be irrevocable and shall specify the date fixed for redemption (each an **“Optional Redemption Date”**)), redeem the Notes, in whole or in part, at a redemption price per Note equal to:

- (a) in respect of an Optional Redemption Date falling at any time after the date falling three calendar months prior to the Maturity Date, 100 per cent. of their aggregate principal amount outstanding together with interest accrued to but excluding the Optional Redemption Date; and
- (b) at any other time, the higher of:
  - (i) 100 per cent. of their aggregate principal amount outstanding; and
  - (ii) the sum of the present values of the aggregate principal amount outstanding of the Notes to be redeemed and the aggregate amount of scheduled payments of interest on such Notes for the remaining term of the Notes from and including the Optional Redemption Date (excluding any interest accrued to the Optional Redemption Date), such present values to be calculated by discounting such amounts to the Optional Redemption Date on an annual basis at the Reference Bund Rate, plus the Redemption Margin as determined by the Determination Agent,

together in each case with interest accrued to but excluding the Optional Redemption Date.

Any notice of redemption given under this Condition 7.4 will override any notice of redemption given (whether previously, on the same date or subsequently) under Condition 7.2.

In the case of a partial redemption of Notes, the Notes to be redeemed (the “**Redeemed Notes**”) will be selected individually by lot, not more than 30 days prior to the date fixed for redemption. A list of serial numbers of such Redeemed Notes will be published in accordance with Condition 17 not less than 15 days prior the date fixed for redemption.

In these Conditions:

“**Calculation Date**” means the date which is the second TARGET Business Day prior to the Optional Redemption Date;

“**Determination Agent**” means an investment bank or financial institution of international standing selected by the Issuer after consultation with the Trustee;

“**Redemption Margin**” means 0.30 per cent.;

“**Reference Bund**” means the DBR 0 per cent. due August 2026 (ISIN: DE0001102408) or if such bond is no longer outstanding, a government security selected by the Determination Agent as having an actual or interpolated maturity comparable with the remaining term of the Notes that would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities denominated in the same currency as the Notes and of a comparable maturity to the remaining term of the Notes;

“**Reference Bund Dealer**” means each of five banks selected by the Issuer, or their affiliates, which are (a) primary government securities dealers, and their respective successors, or (b) market makers in pricing corporate bond issues;

“**Reference Bund Dealer Quotations**” means, with respect to each Reference Bund Dealer and any Optional Redemption Date, the arithmetic average, as determined by the Determination Agent, of the bid and offered prices for the Reference Bund (expressed in each case as a percentage of its nominal amount) at midday on the Calculation Date quoted in writing to the Determination Agent by such Reference Bund Dealer;

“**Reference Bund Price**” means, with respect to any Optional Redemption Date, (a) the arithmetic average of the Reference Bund Dealer Quotations for such Optional Redemption Date, after excluding the highest and lowest of such Reference Bund Dealer Quotations, or (b) if the Determination Agent obtains fewer than four such Reference Bund Dealer Quotations, the arithmetic average of all such quotations;

“**Reference Bund Rate**” means, with respect to any Optional Redemption Date, the annual yield to maturity or interpolated yield to maturity on the relevant day-count basis of the Reference Bund, assuming a price for the Reference Bund (expressed as a percentage of its nominal amount) equal to the Reference Bund Price for such Optional Redemption Date;

**“TARGET Business Day”** means a day, other than a Saturday, Sunday or public holiday, on which commercial banks and foreign exchange markets are open for general business in London and Luxembourg City and the TARGET System is operating; and

**“TARGET System”** means the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET 2) System which was launched on 19 November 2007 or any successor thereto.

## **7.5 Purchase**

The Issuer, the Guarantor and any Subsidiaries of the Issuer may at any time purchase Notes in the open market or otherwise at any price. The Notes so purchased, while held on or behalf of the Issuer, the Guarantor or any of their respective Subsidiaries, shall not entitle the holder to vote at any meetings of the Noteholders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Noteholders of for the purposes of Conditions 10 or 13.

## **7.6 Cancellation**

All Notes redeemed or purchased pursuant to this Condition 7 shall be either cancelled forthwith, held or, to the extent permitted by law, resold. Any Notes so cancelled may not be reissued.

## **8. Payments**

### **8.1 Principal and other amounts**

Payment of principal, premium (if any) and interest in respect of the Notes will be made to the persons shown as the Holder in the Register at the opening of business on the Record Date (as defined below). Payments of all amounts other than as provided in this Condition 8.1 will be made as provided in these Conditions.

### **8.2 Payments**

Each payment in respect of the Notes pursuant to Condition 8.1 shall be made by transfer to a euro account maintained by or on behalf of the payee with a bank and (in the case of interest payable on redemption) upon surrender of the relevant Notes at the specified office of any of the Paying Agents or at the specified office of a Transfer Agent. Subject to the Principal Paying Agent receiving written notification of the relevant euro account details prior to such time, payment instructions (for value on the due date or, if that is not a business day (as defined below), for value the first following day which is a business day) will be initiated on the business day preceding the due date for payment (for value the next business day).

### **8.3 Payments subject to fiscal laws**

All payments in respect of the Notes are subject in all cases to: (i) any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 9; and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986 (the “**Code**”) or

otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 9) any law implementing an intergovernmental approach thereto and the Issuer will not be liable to Noteholders for any taxes or duties of whatever nature imposed or levied by such laws, agreements or regulations.

#### **8.4 Payments on business days**

A Note may only be presented for payment on a day which is a business day. If the due date for any payment of principal, premium (if any) or interest under this Condition 8 is not a business day, the Holder of a Note shall not be entitled to payment of the amount due until the next following business day and shall not be entitled to any further interest or other payment in respect of any such delay.

#### **8.5 Record date**

**"Record Date"** means the fifteenth business day, in the place of the specified office of the Registrar, before the due date for the relevant payment.

#### **8.6 Agents**

The initial Agents and their initial specified offices are listed below. The Issuer reserves the right to vary or terminate the appointment of all or any of the Agents at any time (with the written approval of the Trustee) and appoint additional or other payment or transfer agents, provided that the Issuer will at all times maintain (a) a Principal Paying Agent, (b) a Paying Agent in Europe, (c) a Registrar, (d) a Transfer Agent, and (e) such other agents as may be required by any stock exchange on which the Notes may be listed, in each case, as approved by the Trustee. Notice of any such change will be provided to Noteholders as described in Condition 17.

In acting under the Paying Agency Agreement and in connection with the Notes, the Agents act solely as agents of the Issuer and the Guarantor and (to the extent provided therein) the Trustee and do not assume any obligations towards or relationship of agency or trust for or with any of the Noteholders.

In this Condition 8 only, "business day" means any day (i) which is a TARGET Business Day, and (ii) if on that day a payment is to be made hereunder, on which commercial banks generally are open for business in the city where the specified office of the relevant Paying Agent or Transfer Agent is located.

### **9. Taxation**

#### **9.1 Payment without withholding**

All payments of principal, premium (if any) and interest in respect of the Notes by or on behalf of the Issuer or by the Guarantor under the Guarantee shall be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatsoever nature imposed, levied, collected, withheld or assessed by or within the Relevant Jurisdiction, unless such withholding or deduction is required by law. In that event, the Issuer or (as the case may be) the

Guarantor shall pay such additional amount so as to result in the receipt by the Noteholders of such amounts as would have been received by them if no such withholding or deduction had been required, except that no such additional amounts shall be payable in respect of any Note:

- (a) held by or on behalf of a Holder which is (i) liable to such taxes, duties, assessments or governmental charges in respect of such Note or the Guarantee by reason of its (or its beneficial owners) having some connection with the Relevant Jurisdiction other than the mere holding of such Note or the benefit of the Guarantee or (ii) able to avoid such deduction or withholding by satisfying any statutory requirements or by making a declaration of non-residence or other claim to the relevant taxing authority; or
- (b) where (in the case of a payment of principal, premium (if any) or interest on redemption or at maturity) the relevant Definitive Certificate is surrendered for payment more than 30 days after the Relevant Date except to the extent that the relevant Holder would have been entitled to such additional amounts if it had surrendered the relevant Definitive Certificate on the last day of such period of 30 days; or
- (c) any combination of the above.

In these Conditions, “**Relevant Jurisdiction**” means the Grand Duchy of Luxembourg or any political subdivision or any authority thereof or therein having power to tax or in any other jurisdiction or any political subdivision or any authority thereof or therein having power to tax to which the Issuer or the Guarantor, as the case may be, becomes subject in respect of payments made by it of principal and interest on the Notes.

## **9.2 Relevant Date**

In these Conditions, “**Relevant Date**” means whichever is the later of (a) the date on which the payment in question first becomes due and (b) if the full amount payable has not been received for the account of the Principal Paying Agent or the Trustee on or prior to such due date, the date on which (the full amount having been so received) notice to that effect has been given to the Noteholders by the Issuer in accordance with Condition 17.

## **9.3 Additional amounts**

Any reference in these Conditions to principal or interest shall be deemed to include any additional amounts in respect of principal or interest (as the case may be) which may be payable under this Condition 9 or any undertaking given in addition to or in substitution for it under the Trust Deed.

## **10. Events of Default**

The Trustee at its discretion may, and if so requested in writing by the holders of at least 25 per cent. of the aggregate principal amount of the Notes then outstanding, or if so directed by an Extraordinary Resolution shall (subject in each case to being indemnified and/or secured and/or prefunded to its satisfaction), give notice in writing to the Issuer

and to the Guarantor that the Notes are, and the Notes shall thereupon immediately become, due and repayable at their principal amount outstanding together with accrued interest (if any) as provided in the Trust Deed if any of the following events (each an **“Event of Default”**) shall occur and is continuing and provided that, in the case of each of the events described in paragraphs (c) to (k) only, the Trustee has certified in writing to the Issuer and the Guarantor that such event is, in its opinion, materially prejudicial to the interests of the Holders:

- (a) default is made in the payment of any principal or interest due in respect of the Notes and the default continues for a period of five Banking Days or more; or
- (b) any requirement of Condition 5 is not satisfied; or
- (c) the Issuer or the Guarantor, as the case may be, fails to perform or observe any of their respective obligations under the Conditions or the Trust Deed (other than those referred to in sub-paragraphs (a) and (b) above) and (except in any case where, in the opinion of the Trustee, the failure is incapable of remedy when no such continuation or notice as is hereinafter mentioned will be required) the failure continues for the period of 30 days (or such longer period as the Trustee may agree) following the service by the Trustee on the Issuer or the Guarantor (as applicable) of notice requiring the same to be remedied; or
- (d)
  - (i) any Indebtedness for Borrowed Money of the Issuer, the Guarantor or any of their respective Material Subsidiaries becomes due and repayable prematurely by reason of an event of default (however described);
  - (i) the Issuer, the Guarantor or any of their respective Material Subsidiaries fails to make any payment in respect of any Indebtedness for Borrowed Money on the due date for payment as extended by any originally applicable grace period; or
  - (ii) default is made by the Issuer, the Guarantor or any of their respective Material Subsidiaries in making any payment due from it in relation to any Indebtedness for Borrowed Money of any other person,

provided that no event described in this paragraph (d) shall constitute an Event of Default unless the amount of Indebtedness for Borrowed Money due and unpaid, either alone or when aggregated (without duplication) with other amounts of Indebtedness for Borrowed Money due and unpaid relative to all (if any) other events specified in sub-paragraphs (i) to (iii) above which have occurred, amounts to at least €20 million (or its equivalent in any other currency); or

- (e)
  - (i) the Issuer, the Guarantor or any of their respective Material Subsidiaries is, or under any applicable legislation is deemed to be, unable or admits inability to pay its debts as they fall due (save where any of the foregoing



is, in the reasonable opinion of the Trustee, being disputed in good faith) or suspends making payments on all or a class of its debts; or

- (ii) a moratorium or reprieve from payment is declared or agreed in respect of any indebtedness of any the Issuer, the Guarantor or any of their respective Material Subsidiaries; or
- (f) except (A) for the purposes of a reorganisation, merger, consolidation or other form of business combination on terms previously approved in writing by the Trustee or by an Extraordinary Resolution or (B) in the case of a Material Subsidiary only, for the purposes of a voluntary amalgamation, reorganisation or restructuring in relation to a Material Subsidiary and where such Material Subsidiary is solvent:
  - (i) an application or an order is made by any competent court, proceedings are commenced or a resolution is passed for the winding up, dissolution or administration of the Issuer, the Guarantor or any of their respective Material Subsidiaries; or
  - (ii) the Issuer, the Guarantor or any of their respective Material Subsidiaries makes a conveyance or assignment for the benefit of, or enters into any composition or other arrangement with, its creditors generally (or any class of its creditors) or any meeting is convened to consider a proposal for an arrangement or composition with its creditors generally (or any class of its creditors),

other than (in any such case as is referred to in sub-paragraph (i) above) where any such application or proceedings is/are withdrawn or dismissed within 20 Banking Days; or

- (g) except for the purposes of a reorganisation, merger, consolidation or other form of business combination on terms previously approved in writing by the Trustee or by an Extraordinary Resolution, the Issuer or the Guarantor ceases or threatens to cease to conduct all or substantially all of its business; or
- (h) proceedings are initiated by or against the Issuer, the Guarantor or any of their respective Material Subsidiaries (other than a Non-Recourse Subsidiary) under any applicable liquidation, insolvency, composition, reorganisation or other similar laws, or an application is made (or documents filed with a court) for the appointment of an administrative or other receiver, manager, administrator or other similar official, or an administrative or other receiver, manager, administrator or other similar official is appointed, in relation to the Issuer, the Guarantor or any of their respective Material Subsidiaries or, as the case may be, in relation to all or a material part of the undertaking or assets of any of them, other than where any such application or proceedings is/are withdrawn or dismissed within 20 Banking Days and except, in the case of a Material Subsidiary only, for the purposes of a voluntary amalgamation, reorganisation or restructuring in relation to such Material Subsidiary and where such Material Subsidiary is solvent; or

- (i) an encumbrancer takes possession of the whole or a material part of the undertaking or assets of the Issuer, the Guarantor or any of their respective Material Subsidiaries (other than a Non-Recourse Subsidiary) and in each case such action is not discharged within 20 Banking Days; or
- (j) any expropriation in connection with a creditor's process, attachment, seizure, sequestration, distress or execution affects any asset or assets of the Issuer, the Guarantor or any of their respective Material Subsidiaries (other than a Non-Recourse Subsidiary), and in each case, having an aggregate value of at least ten per cent. of Consolidated Total Assets of the Issuer Group (or its equivalent in any other currency) and is not discharged within 20 Banking Days; or
- (k) any event occurs which, under the laws of any Relevant Jurisdiction, has or may have, in the Trustee's opinion, an analogous effect to any of the events referred to in paragraph (e), (f), (g), (h), (i) or (j) above; or
- (l) the Guarantee ceases to be, or is claimed by the Issuer or the Guarantor not to be, in full force and effect.

In these Conditions:

**"Banking Day"** means any day (other than a Saturday or a Sunday) on which banks are open for general business (including dealings in foreign exchange and foreign currency deposits) in London and Luxembourg City;

**"Guarantor Consolidated Total Assets"** means, at any time, the amount identified with the heading "Total Assets" as reported in the most recent consolidated financial statements of the Guarantor, after deducting the amount of any assets of the Guarantor or its Subsidiaries which is attributable to minority or non-controlling interests (other than minority or non-controlling interests held by SEGRO, PSP or a New Ultimate Owner (or their respective Subsidiaries) in SELP Investments S.à r.l. or the Issuer);

**"Indebtedness for Borrowed Money"** means any indebtedness (whether being principal, premium, interest or other amounts) for or in respect of:

- (i) moneys borrowed;
- (ii) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any such derivative transaction, only the net marked to market value (or, if any actual net amount is due as a result of the termination or close-out of that derivative transaction, that amount) shall be taken into account);
- (iii) any guarantee, indemnity or similar assurance against financial loss of any person in respect of any item referred to in sub-paragraphs (i) and (ii) above;

**"Material Subsidiary"** means, as of any date, a Subsidiary of the Guarantor in respect of which the aggregate book value of its assets represents 10 per cent. or more of Guarantor Consolidated Total Assets; and

**“Non-Recourse Subsidiary”** means a Subsidiary of the Issuer:

- (a) which has outstanding financial indebtedness to a person other than a Holder, the Guarantor, the Issuer, or any other Subsidiary of the Guarantor;
- (b) which has no claim on the Guarantor, the Issuer or any Subsidiary of the Guarantor unless that Subsidiary is also a Non-Recourse Subsidiary; and
- (c) no creditor in respect of which has any claim on the Guarantor, Issuer or any Subsidiary of the Guarantor unless that Subsidiary is also a Non-Recourse Subsidiary.

A report by two authorised signatories of the Issuer (whether or not addressed to the Trustee) that in its opinion a Subsidiary of the Issuer is or is not or was or was not at any particular time or throughout any specified period a Material Subsidiary may be relied upon by the Trustee without further enquiry or evidence and, if relied upon by the Trustee, shall, in the absence of manifest error, be conclusive and binding on all parties.

In these Conditions, where it relates to the Issuer, the Guarantor or to a company incorporated under the laws of Luxembourg, a reference to:

- (a) a **winding-up, administration or dissolution** includes, without limitation, bankruptcy (*faillite*), insolvency, voluntary or judicial liquidation (*liquidation volontaire ou judiciaire*), composition with creditors (*concordat préventif de la faillite*), reprieve from payment (*sursis de paiement*), controlled management (*gestion contrôlée*), general settlement with creditors, reorganisation or similar laws affecting the rights of creditors generally;
- (b) a receiver, administrative receiver, administrator or the like includes, without limitation, a *juge délégué, commissaire, juge-commissaire, liquidateur or curateur*;
- (c) a security interest includes any *hypothèque, nantissement, gage, privilège, sûreté réelle, droit de rétention* and any type of real security or agreement or arrangement having a similar effect and any transfer of title by way of security; and
- (d) a person being unable to pay its debts includes that person being in a state of cessation of payments (*cessation de paiements*).

## **11. Prescription**

Claims for the payment of principal, premium (if any) and interest in respect of any Note shall be prescribed and become void unless made within 10 years (for claims for the payment of principal or premium (if any)) or five years (for claims for the payment of interest) of the appropriate Relevant Date.

## **12. Replacement of Definitive Certificates**

If a Note shall become mutilated, defaced, lost, stolen or destroyed it may, subject to all applicable laws and regulations, including those of any relevant stock exchange, be replaced at the specified offices of the Registrar on payment of such costs, expenses, taxes and duties as may be incurred in connection therewith and on such terms as to evidence, security and indemnity and otherwise as may reasonably be required by or on behalf of the Registrar. Mutilated or defaced Notes must be surrendered before replacements will be issued.

## **13. Meetings of Noteholders, Modification and Waiver and Substitution**

### **13.1 Meetings of Noteholders**

The Trust Deed contains provisions for convening meetings of Noteholders to consider any matter affecting their interests, including any modification of, or any arrangement in respect of, the Notes or the Trust Deed. Noteholders will be entitled to one vote per EUR 1.00 in principal amount of Notes held by them. Such a meeting may be convened by the Issuer, the Guarantor or the Trustee and shall be convened by the Trustee, subject to its being indemnified and/or secured and/or prefunded to its satisfaction, upon the request in writing of holders of the Notes holding not less than 10 per cent. of the aggregate principal amount outstanding of the Notes. The Trust Deed provides that special quorum provisions apply for meetings of Noteholders convened for the purpose of, *inter alia* (i) a reduction or cancellation of the amount payable or, where applicable, modification, of the method of calculating the amount payable or modification of the date of payment or, where applicable, of the method of calculating the date of payment in respect of any principal or interest in respect of the Notes, (ii) alteration of the currency in which payments under the Notes are to be made, (iii) alteration of the majority required to pass an Extraordinary Resolution, (iv) the sanctioning of a proposal or substitution of a sort described in sub-paragraphs (i) and (j) of paragraph 19 of Schedule 4 of the Trust Deed, and (v) alteration of the *proviso* to paragraph 7 or the *proviso* to paragraph 9 of Schedule 4 of the Trust Deed, in which case the necessary quorum will be one or more persons holding or representing not less than two thirds, or at any adjourned meeting not less than one third, in principal amount of the Notes for the time being outstanding. Any resolution duly passed at a meeting of Noteholders will be binding on all the Noteholders, whether present or not.

The Trust Deed provides that a resolution in writing signed by or on behalf of the holders of not less than 75 per cent. in principal amount of the Notes outstanding shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Noteholders duly convened and held. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Noteholders.

### **13.2 Modification and Waiver**

The Trustee may agree, without the consent of the Noteholders, to any modification of the Notes, the Trust Deed or the Paying Agency Agreement which in the opinion of the Trustee is of a formal, minor or technical nature, is made to correct a manifest error or (except as mentioned in the Trust Deed) in the opinion of the Trustee is not materially

prejudicial to the interests of the Noteholders. The Trustee may also waive or authorise or agree to the waiving or authorising of any breach or proposed breach of any of the provisions of the Notes or the Trust Deed, which is the opinion of the Trustee not materially prejudicial to the interests of the Noteholders. Any such modification, waiver, authorisation or determination shall be subject to such conditions as the Trustee may determine and shall be binding on the Noteholders and, unless the Trustee agrees otherwise, shall be promptly notified to the Noteholders by the Issuer in accordance with Condition 17.

### **13.3 Substitution**

The Trust Deed contains provisions permitting the Trustee to agree, subject to such amendment of the Trust Deed and such other conditions as the Trustee may require, but without the consent of the Noteholders, to the substitution of certain other entities in place of (a) the Issuer, or of any previous substituted company, as principal debtor under the Trust Deed and the Notes, or (b) the Guarantor, or any previous substituted company, as guarantor of all sums expressed to be payable under the Trust Deed and the Notes provided, in either case, that such a substitution would not in the opinion of the Trustee be materially prejudicial to the interests of the Noteholders. In the case of such a substitution the Trustee may agree, without the consent of the Noteholders, to a change of the law governing the Notes, the Guarantee and/or the Trust Deed provided that such change would not in the opinion of the Trustee be materially prejudicial to the interests of the Noteholders.

### **13.4 Entitlement of the Trustee**

In connection with the exercise of any of its functions (including but not limited to those referred to in this Condition), the Trustee shall have regard to the interests of the Noteholders as a class and, in particular, shall not have regard to the consequences of such exercise for individual Noteholders (including but not limited to resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory). No Noteholder is entitled to claim from the Issuer, the Guarantor or the Trustee any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders.

## **14. Enforcement**

At any time after the Notes become due and payable, the Trustee may, at its discretion and without further notice, institute such proceedings or take such steps or actions against the Issuer and/or the Guarantor as it may think fit to enforce the terms of the Trust Deed and/or the Notes, but it need not take any such proceedings and nor shall the Trustee be bound to take, or omit to take any step or action (including instituting such proceedings, steps or actions) unless (a) it shall have been so directed by an Extraordinary Resolution or so requested in writing by Noteholders holding at least 25 per cent. in principal amount of the Notes outstanding and (b) it shall have been indemnified and/or secured and/or prefunded to its satisfaction. No Noteholder may proceed directly against the Issuer or the Guarantor unless the Trustee, having become bound so to proceed, fails, or is unable, to do so within a reasonable time and such failure, or inability, is continuing.

The Trustee may refrain from taking any action in any jurisdiction if the taking of such action in that jurisdiction would, in its opinion based upon legal advice in the relevant

jurisdiction, be contrary to any law of that jurisdiction. Furthermore, the Trustee may also refrain from taking such action if it would otherwise render it liable to any person in that jurisdiction or if, in its opinion based upon such legal advice, it would not have the power to do the relevant thing in that jurisdiction by virtue of any applicable law in that jurisdiction or if it is determined by any court or other competent authority in that jurisdiction that it does not have such power.

#### **15. Indemnification and Removal of the Trustee**

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility and liability including provisions relieving it from taking proceedings or steps or actions to enforce payment unless indemnified and/or secured and/or prefunded to its satisfaction, and to be paid its costs and expenses in priority to any claims of Noteholders. The Trust Deed provides that, when determining whether an indemnity or any security or pre-funding is satisfactory to it, the Trustee shall be entitled (i) to evaluate its risk in any given circumstance by considering the worst-case scenario and (ii) to require that any indemnity or security given to it by the Noteholders or any of them be given on a joint and several basis and be supported by evidence satisfactory to it as to the financial standing and creditworthiness of each counterparty and/or as to the value of the security and an opinion as to the capacity, power and authority of each counterparty and/or the validity and effectiveness of the security. In addition, the Trustee is entitled to enter into business transactions with the Issuer, the Guarantor and any entity related to the Issuer or the Guarantor without accounting for any profit.

The Trustee's responsibilities are solely those of trustee for the Noteholders on the terms of the Trust Deed. Accordingly, the Trustee makes no representations and assumes no responsibility for the validity or enforceability of the Notes or for the performance by the Issuer or the Guarantor of its obligations under or in respect of the Notes and the Trust Deed. The Trustee is entitled to assume that each of the Issuer and the Guarantor is performing all of its obligations pursuant to the Notes and the Trust Deed (and shall have no liability for doing so) until it has actual knowledge or express notice in writing to the contrary.

The Trustee may rely without liability to Noteholders on any certificate or report prepared by auditors, accountants or any other expert pursuant to the Trust Deed, whether or not addressed to the Trustee and whether or not the auditors', accountants' or expert's liability in respect thereof is limited by a monetary cap or otherwise. The Trust Deed provides that the Noteholders shall together have the power, exercisable by Extraordinary Resolution, to remove the Trustee (or any successor trustee or additional trustees) provided that the removal of the Trustee or any other trustee shall not become effective unless there remains a trustee in office after such removal.

#### **16. Further Issues**

The Issuer may from time to time, without the consent of the Noteholders, create and issue further securities having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest, the date of issue and the amount of principal) and so that such further issue shall be consolidated and form a single series with the outstanding Notes.

Any such other securities shall be constituted by a deed supplemental to the Trust Deed and will benefit from a guarantee substantially in the form of the Guarantee given in respect of these Notes. Application will be made by the Issuer for such further securities to be listed and admitted to trading on the stock exchange on which the Notes are from time to time listed or quoted.

The Trust Deed contains provisions for convening a single meeting of the Noteholders for the holders of securities of other series where the Trustee so decides.

## **17. Notices**

Notices to the Noteholders shall be valid if sent to them by first class mail (airmail if overseas) at their respective addresses on the Register. Any such notice shall be deemed to have been given on the day after the date of mailing. In addition, so long as the Notes are listed on the Regulated Market of Euronext Dublin and the rules or guidelines of that exchange so require, notices will be published via the companies' announcements office of Euronext Dublin. Any such notice shall be deemed to have been given on the date of such publication or, if published more than once or on different dates, on the first date on which publication is made.

Notices to be given by any Noteholder shall be in writing and given by lodging the same, together with the relative Definitive Certificate, with the Registrar.

## **18. Currency Indemnity**

If any sum due from the Issuer in respect of the Notes or the Guarantor in respect of the Guarantee or any order or judgment given or made in relation thereto has to be converted from the currency (the "**first currency**") in which the same is payable under these Conditions or such order or judgment into another currency (the "**second currency**") for the purpose of (a) making or filing a claim or proof against the Issuer or the Guarantor, (b) obtaining an order or judgment in any court or other tribunal or (c) enforcing any order or judgment given or made in relation to the Notes or the Guarantee, the Issuer, failing whom the Guarantor, shall indemnify each recipient, on the written demand of such recipient addressed to the Issuer and the Guarantor and delivered to the Issuer and the Guarantor or to the specified office of the Registrar, against any loss suffered as a result of any discrepancy between (i) the rate of exchange used for such purpose to convert the sum in question from the first currency into the second currency and (ii) the rate or rates of exchange at which such recipient may in the ordinary course of business purchase the first currency with the second currency upon receipt of a sum paid to it in satisfaction, in whole or in part, of any such order, judgment, claim or proof.

This indemnity constitutes a separate and independent obligation of the Issuer or, as the case may be, the Guarantor and shall give rise to a separate and independent cause of action, will apply irrespective of any indulgence granted by any Noteholder or any other person and will continue in full force and effect despite any judgment, order, claim or proof for a liquidated amount in respect of any sum due under the Trust Deed and/or the Notes or any other judgment or order.

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

No person shall have any right to enforce any term or condition of the Notes under the Contracts (Rights of Third Parties) Act 1999 except and to the extent, if any, that the Notes expressly provide for such Act to apply to any of their terms.

**20. Governing Law**

The Trust Deed and the Notes, and any non-contractual obligations arising out of or in connection with the Trust Deed and/or the Notes are governed by, and shall be construed in accordance with, English law. For the avoidance of doubt, the provisions of articles 470-1 to 470-19 of the Luxembourg Law on commercial companies of 10th August 1915, as amended, are excluded.

**21. Submission to Jurisdiction**

The Issuer and the Guarantor each agree, for the benefit of the Trustee and the Noteholders, that the courts of England are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Trust Deed or the Notes (including a dispute relating to any non-contractual obligations arising out of or in connection with the Trust Deed or the Notes) and accordingly submits to the exclusive jurisdiction of the English courts.

The Issuer and the Guarantor each waives any objection to the courts of England on the grounds that they are an inconvenient or inappropriate forum. The Trustee and the Noteholders may take any suit, action or proceedings (together referred to as “**Proceedings**”) arising out of or in connection with the Trust Deed or the Notes (including any Proceedings relating to non-contractual obligations arising out of or in connection with the Trust Deed or the Notes) against the Issuer or the Guarantor in any other court of competent jurisdiction and concurrent proceedings in any number of jurisdictions.

**22. Appointment of Process Agent**

The Issuer and the Guarantor each severally appoints SELP Management Ltd. at its registered office at Cunard House, 15 Regent Street, London SW1Y 4LR (Attention: General Counsel) as its agent for service of process, and undertakes that, in the event of SELP Management Ltd. ceasing so to act or ceasing to be registered in England, it will appoint another person approved by the Trustee as its agent for service of process in England in respect of any Proceedings. Nothing herein shall affect the right to serve Proceedings in any other manner permitted by law.



## OVERVIEW OF PROVISIONS RELATING TO THE NOTES WHILE REPRESENTED BY THE GLOBAL CERTIFICATE

*The following is an overview of the provisions to be contained in the Trust Deed and in the Global Certificate which will apply to, and in some cases modify the effect of, the Conditions while the Notes are represented by the Global Certificate*

### Initial Issue of Certificates

The Global Certificate will be registered in the name of a nominee for a Common Safekeeper for Euroclear and Clearstream, Luxembourg and may be delivered on or prior to the Issue Date.

Upon the registration of the Global Certificate in the name of any nominee for Euroclear and Clearstream, Luxembourg and delivery of the Global Certificate to the Common Safekeeper, Euroclear or Clearstream, Luxembourg will credit each subscriber with a principal amount of Notes equal to the principal amount thereof for which it has subscribed and paid.

The Notes are intended to be held in a manner which will allow for Eurosystem eligibility.

Depositing the Global Certificate with the Common Safekeeper does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the European Central Bank being satisfied that Eurosystem eligibility criteria have been met.

### Relationship of Accountholders with Clearing Systems

Each of the persons shown in the records of Euroclear, Clearstream, Luxembourg or any other clearing system (an “**Alternative Clearing System**”) as the holder of a Note represented by a Global Certificate must look solely to Euroclear, Clearstream, Luxembourg or any such Alternative Clearing System (as the case may be) for his share of each payment made by the Issuer to the holder of the Global Certificate and in relation to all other rights arising under the Global Certificate, subject to and in accordance with the respective rules and procedures of Euroclear, Clearstream, Luxembourg, or such Alternative Clearing System (as the case may be). Such persons shall have no claim directly against the Issuer in respect of payments due on the Note for so long as the Notes are represented by the Global Certificate and such obligations of the Issuer will be discharged by payment to the holder of the Global Certificate in respect of each amount so paid.

### Exchange of the Global Certificate

The following will apply in respect of transfers of Notes held in Euroclear or Clearstream, Luxembourg or any Alternative Clearing System. These provisions will not prevent the trading of interests in the Notes within a clearing system whilst they are held on behalf of such clearing system, but will limit the circumstances in which the Notes may be withdrawn from the relevant clearing system.

Transfers of the holding of Notes represented by the Global Certificate pursuant to Condition 4.3 may only be made in part:

- (i) if the Notes represented by the Global Certificate are held on behalf of Euroclear or Clearstream, Luxembourg or an Alternative Clearing System and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so; or
- (ii) upon or following any failure to pay principal in respect of any Notes when it is due and payable,

provided that, in the case of the first transfer of part of a holding pursuant to (i) or (ii) above, the holder of the Notes represented by the Global Certificate has given the Registrar not less than 30 days' notice at its specified office of such holder's intention to effect such transfer. Where the holding of Notes represented by the Global Certificate is only transferable in its entirety, the Certificate issued to the transferee upon transfer of such holding shall be a Global Certificate. Where transfers are permitted in part, certificates issued to transferees shall not be Global Certificates unless the transferee so requests and certifies to the Registrar that it is, or is acting as a nominee for, Clearstream, Luxembourg, Euroclear and/or an Alternative Clearing System.

### **Partial Redemption**

For so long as the Notes are represented by the Global Certificate and such Global Certificate is held on behalf of Euroclear and/or Clearstream, Luxembourg, no drawing of Notes will be required under Condition 7.4 in the event that the Issuer exercises its call option pursuant to Condition 7.4 in respect of less than the aggregate principal amount of the Notes outstanding at such time. In such event, the standard procedures of Euroclear and/or Clearstream, Luxembourg shall operate to determine which interests in the Global Certificate are to be subject to such option.

### **Calculation of Interest**

For so long as all of the Notes are represented by the Global Certificate and such Global Certificate is held on behalf of Euroclear and Clearstream, Luxembourg, interest shall be calculated on the basis of the aggregate principal amount of the Notes represented by the Global Certificate, and not per Calculation Amount as provided in Condition 6.

### **Payments**

All payments in respect of Notes represented by a Global Certificate will be made to, or to the order of, the person whose name is entered on the Register at the close of business on the record date which (notwithstanding Condition 8) shall be on the Clearing System Business Day immediately prior to the date for payment, where "**Clearing System Business Day**" means Monday to Friday inclusive except 25 December and 1 January.

### **Notices**

For so long as the Notes are represented by the Global Certificate and such Global Certificate is held on behalf of Euroclear and Clearstream, Luxembourg, notices may be given to the Noteholders by delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg (as the case may be) for communication to their respective accountholders in substitution for publication as required by the Conditions provided that, for so long as the Notes are listed on the Regulated Market of Euronext Dublin or on any other stock exchange, notices will also be given

in accordance with any applicable requirements of such stock exchange. Any notice shall be deemed to have been given on the date of delivery or publication which, in the case of communication through Euroclear and Clearstream, Luxembourg, shall mean the date on which the notice is delivered to Euroclear and Clearstream, Luxembourg.

For so long as all of the Notes are represented by the Global Certificate and the Global Certificate is held on behalf of Euroclear and/or Clearstream, Luxembourg, an accountholder may give notice to the Principal Paying Agent in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg (which may include notice being given on his instructions by Euroclear or Clearstream, Luxembourg or any common depository for them to the Principal Paying Agent by electronic means).

### **Prescription**

Claims against the Issuer in respect of any amounts payable in respect of the Notes represented by the Global Certificate will be prescribed after 10 years (in the case of principal or premium (if any)) and five years (in the case of interest) from the due date.

### **Meetings**

For the purposes of any meeting of the Noteholders, the holder of the Notes represented by the Global Certificate shall be treated as being entitled to one vote in respect of each €1.00 in principal amount of the Notes.

### **Written Resolution and Electronic Consent**

For so long as the Notes are in the form of a Global Certificate registered in the name of any nominee for one or more of Euroclear and Clearstream, Luxembourg or another clearing system, then, in respect of any resolution proposed by the Issuer or the Trustee:

- (i) where the terms of the proposed resolution have been notified to the Noteholder through the relevant clearing system(s), each of the Issuer and the Trustee shall be entitled to rely upon approval of such resolution proposed by the Issuer or the Trustee (as the case may be) given by way of electronic consents communicated through the electronic communications systems of the relevant clearing system(s) in accordance with their operating rules and procedures by or on behalf of the holders of not less than 75 per cent. in principal amount of the Notes outstanding ("**Electronic Consent**"). None of the Issuer or the Trustee shall be liable or responsible to anyone for such reliance; and
- (ii) where Electronic Consent is not being sought, for the purpose of determining whether a written resolution has been validly passed, the Issuer and the Trustee shall be entitled to rely on consent or instructions given in writing directly to the Issuer and/or the Trustee, as the case may be, by accountholders in the clearing system(s) with entitlements to such Global Certificate or, where the accountholders hold any such entitlement on behalf of another person, on written consent from or written instruction by the person for whom such entitlement is ultimately beneficially held, whether such beneficiary holds directly with the accountholder or via one or more intermediaries and provided that, in each case, the Issuer and the Trustee have obtained commercially reasonable evidence to ascertain the validity of such holding and have taken reasonable steps to ensure that such holding does not alter following the giving of such consent or instruction and prior to the effecting

of such amendment. Any resolution passed in such manner shall be binding on all Noteholders, even if the relevant consent or instruction proves to be defective. As used in this paragraph, “**commercially reasonable evidence**” includes any certificate or other document issued by Euroclear, Clearstream, Luxembourg or any other relevant clearing system, or issued by an accountholder of them or an intermediary in a holding chain, in relation to the holding of interests in the Notes. Any such certificate or other document shall, in the absence of manifest error, be conclusive and binding for all purposes. Any such certificate or other document may comprise any form of statement or print out of electronic records provided by the relevant clearing system (including Euroclear’s EUCLID or Clearstream, Luxembourg’s CreationOnline system) in accordance with its usual procedures and in which the accountholder of a particular principal or nominal amount of the Notes is clearly identified together with the amount of such holding. Neither the Issuer nor the Trustee shall be liable to any person by reason of having accepted as valid or not having rejected any certificate or other document to such effect purporting to be issued by any such person and subsequently found to be forged or not authentic.

#### **Euroclear and Clearstream, Luxembourg**

References in the Global Certificate and this summary to Euroclear and Clearstream, Luxembourg shall be deemed to include references to any other clearing system approved for the purposes of the Notes by the Trustee and the Registrar.

## **USE OF PROCEEDS**

The net proceeds of the Notes will be used for the general corporate purposes of the Group including the repayment of certain unsecured and secured indebtedness of members of the Group. See “*Description of the Issuer, the Guarantor and of the Group – Funding Arrangements*” for further information.

## DESCRIPTION OF THE ISSUER, THE GUARANTOR AND OF THE GROUP

### Background

The Issuer was incorporated on 8 May 2013 as a Luxembourg private limited liability company (*société à responsabilité limitée*) for an unlimited period of time under the laws of the Grand Duchy of Luxembourg (**Luxembourg**), in particular the Luxembourg law of 10 August 1915 on commercial companies, as amended (the “**Luxembourg Commercial Companies Law**”).

The registered office of the Issuer is at 35-37, avenue de la Liberté, L-1931 Luxembourg, Grand Duchy of Luxembourg. The Issuer is registered with the RCS Luxembourg under number B177308. The Issuer can be contacted by telephone at +352 288 410 20.

The Issuer, together with any subsidiary undertakings, associated undertakings and investments, are collectively referred to as the Issuer Group.

The Issuer is an indirect subsidiary of the Guarantor, which was incorporated on 8 May 2013 as a Luxembourg private limited liability company (*société à responsabilité limitée*) for an unlimited period of time under the laws of Luxembourg, in particular the Luxembourg Commercial Companies Law.

The registered office of the Guarantor is at 35-37, avenue de la Liberté, L-1931 Luxembourg, Grand Duchy of Luxembourg. The Guarantor is registered with the RCS Luxembourg under number B177300. The Guarantor can be contacted by telephone at +44 (0)20 7451 9100.

The Guarantor, together with its subsidiary undertakings (including the Issuer), associated undertakings and investments, are collectively referred to as the Group. The Guarantor is, directly or indirectly, the holding company of all the companies in the Group.

The Group was formed following the announcement in June 2013 by SEGRO that it had agreed to form a leading logistics property joint venture (the “**Venture**”) in continental Europe (known as SEGRO European Logistics Partnership or “**SELP**”) with PSP. This Venture completed in October 2013, and was seeded with substantially all of the SEGRO Group’s completed core logistics assets in Western Europe (France, Germany, the Netherlands and Belgium) and Central Europe (Poland and the Czech Republic) totalling approximately 1.6 million square metres, together with approximately 84 hectares of adjacent development plots in Poland, Germany and Belgium.

The principal activity of the Issuer is to invest in, hold and develop a portfolio of logistics assets in continental Europe.

The shares in the Issuer are owned 75 per cent. by SELP Investments S.à r.l. (“**SELP Investments**”). The shares in SELP Investments are, in turn, owned 75 per cent. by the Guarantor. The remaining 25 per cent. of the shares in each of the Issuer and SELP Investments are indirectly owned 50 per cent. by SEGRO and 50 per cent. by PSP. The shares in the Guarantor are indirectly owned 50 per cent. by SEGRO and 50 per cent. by PSP.

SEGRO is a UK Real Estate Investment Trust and a leading owner, manager and developer of modern warehouses and light industrial property. It owns or manages a portfolio of 7 million square metres valued at £11 billion (£9.4 billion included joint ventures at share, as at 31 December 2018) of urban and big box warehouse assets at the edge of major urban conurbations

and around key transport hubs across nine countries with assets focused on four core markets of UK, Germany, France and Poland. The Portfolio at 31 December 2018 had a weighted average unexpired lease length of 7.5 years (to first break) and a vacancy rate of 5.2 per cent.

The Portfolio is conservatively financed, reflected in a loan-to-value ratio of 29 per cent. and SEGRO has a Long-Term Issuer Default Rating of BBB+ (Stable Outlook) from Fitch<sup>1</sup>.

SEGRO was founded in the 1920s and listed on the London Stock Exchange in 1949. It is currently the UK's largest listed Real Estate Investment Trust and a member of the FTSE 100 with a market capitalisation of £7.5 billion (as at 29 May 2019).

PSP is one of Canada's largest pension investment managers, with C\$159 billion of assets under management as at 30 September 2018.

### **Shareholders' Agreement**

The shares owned by SEGRO and PSP in the Issuer, SELP Investments and the Guarantor are subject to the terms of a shareholders' agreement in place between SEGRO and PSP (the **"Shareholders' Agreement"**). The Shareholders' Agreement provides for each shareholder to have the right to appoint two managers to the board of the Guarantor and requires that, amongst other things, neither the corporate structure of the Group nor shareholder financing arrangements can be amended without the unanimous consent of the Guarantor's board of managers. Agreement of not less than three quarters of the Guarantor's managers is required to make any material amendments to the Group's business activities (such as its strategy with respect to investments, financing and acquisitions and disposals) or to the Group's third party financing arrangements.

The Shareholders' Agreement includes dispute resolution provisions which apply if SEGRO and PSP are unable to agree on a material matter. In such circumstances, the matter under dispute would be considered by the Chief Executive Officer of SEGRO and the First Vice President of Real Estate Investments of PSP. If the relevant matter remains unresolved following escalation of the dispute, arrangements provide for the purchase of shares by one shareholder from the other.

Under the terms of the Shareholders' Agreement, SEGRO has committed to retain a 25 per cent. shareholding in the Venture (through its subsidiaries). The Shareholders' Agreement contemplates that the Venture may be owned by up to two further investors, subject to each investor retaining a minimum 20 per cent. shareholding in the Venture. The Shareholders' Agreement also contains provisions relating to the disposal of each shareholder's interest in the Group in certain circumstances and also provides for periodical liquidity events, starting on the tenth anniversary of the establishment of the Group (being 11 October 2023) and falling every three years thereafter, upon which the Group may be required to take certain steps (including the raising of debt finance, sale of assets, liquidation of Group companies or flotation of the Group) to realise the value of a shareholder's investment in the Group. As at the date of this Prospectus, the Group is not aware of any intention to activate those arrangements, or any other similar

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<sup>1</sup> Source; Fitch Ratings report on SEGRO plc, 23 April 2019

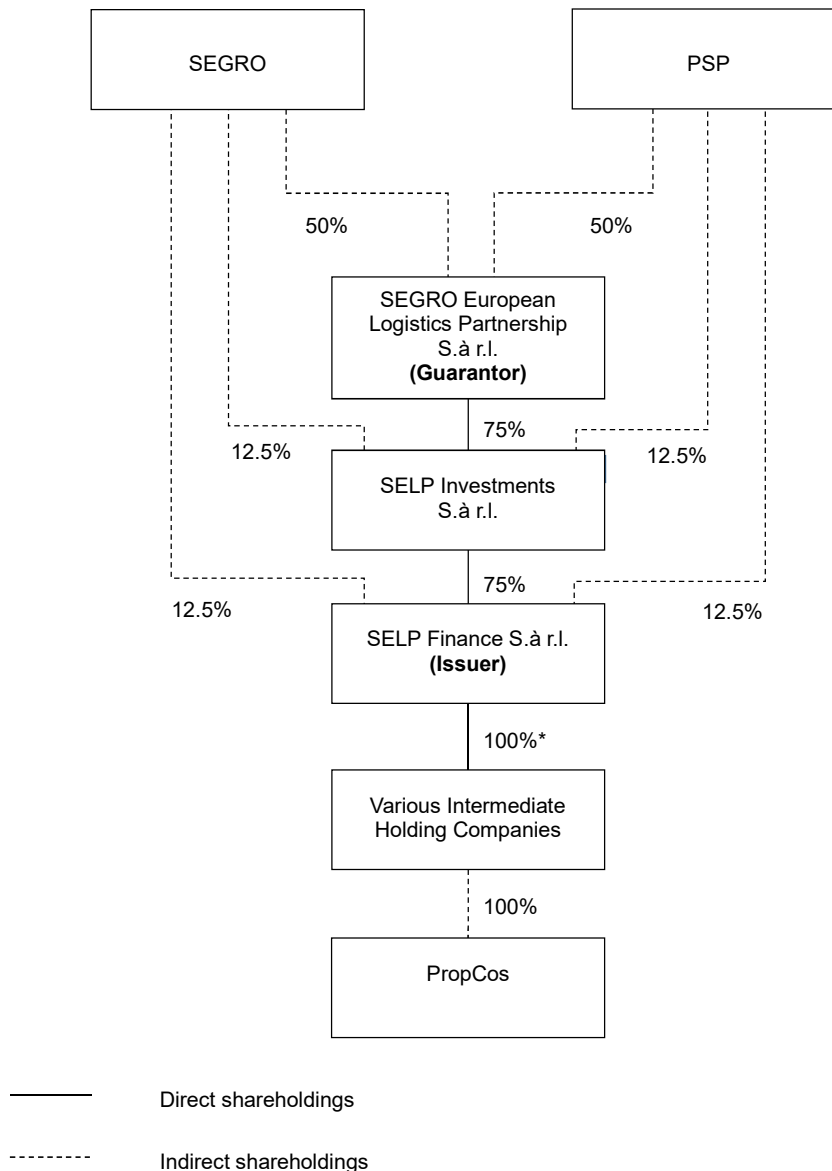
arrangements between the shareholders, the operation of which would result in a change of control of the Issuer or the Guarantor.

Each of the property investments owned by the Group is held through a special purpose property-owning company (a “**PropCo**”). Each PropCo may hold one or more property investments. Through its subsidiary undertakings, the Issuer indirectly owns 100 per cent. of the interests in the PropCos, other than a portfolio of properties located in Germany which, as at the date of this Prospectus, comprises interests in five assets which are owned 94.44 per cent. by the Issuer Group, and interests in a further three assets which are owned 90 per cent. by the Issuer Group, in each case indirectly through SELP (Alpha Germany) S.à r.l. (the “**Alpha Germany Portfolio**”). The remaining interests in the Alpha Germany Portfolio are indirectly owned 50 per cent. by SEGRO and 50 per cent. by PSP through a separate joint venture arrangement. See further “*Overview of the Portfolio – Portfolio Composition*” below.

The Group has appointed SELP Management Limited in the role of Venture Adviser, and certain entities within the SEGRO Group in the role of Property Manager and Development Manager, to provide asset, property, development, financial and administrative services and advice to the Group. See further “*Advisory and Management Services Provided to the Group*” below.

The following diagram illustrates the structure of the Group:





\* Other than Alpha Germany Portfolio, comprising interests in 5 assets which, as at the date of this Prospectus, are owned 94.44 per cent. by the Issuer Group, and interests in a further 3 assets which are owned 90 per cent. by the Issuer Group

The Issuer Group is subject to certain investment restrictions as set out in the Shareholders' Agreement. Pursuant to these restrictions, the Issuer Group shall not:

- make an investment in a single logistics estate representing more than 15 per cent. of the total value of the assets of the Issuer Group;
- make an investment in a single tenant representing more than 10 per cent. of total passing rents;
- make an investment in a single country representing more than 50 per cent. of the total value of the assets of the Issuer Group;
- invest in or develop logistics assets located in countries other than the countries identified by the Venture as target geographies, unless: (a) any such investment does not represent

more than 10 per cent. of the total value of the assets of the Issuer Group; and (b) the assets form part of a logistics portfolio relating to acquisitions in the Issuer Group's target geographies;

- invest more than 10 per cent. of the total value of the assets of the Issuer Group (excluding the total value of the assets of the Issuer Group of the development land) in vacant properties; or
- have at any time more than 10 per cent. of the total value of the assets of the Issuer Group in development land and projects under construction,

in each case calculated as at the date on which the investment is made.

The Group is permitted to invest in assets which go beyond the scope of the Group's investment strategy, provided that at any time such assets: (a) do not represent more than 5 per cent. of the total value of the assets of the Group; and (b) are part of a logistics portfolio acquisition or logistics development.

## **Business Overview**

The Group is a leading continental European logistics owner and developer, which invests in logistics properties in the Czech Republic, France, Germany, Italy, the Netherlands, Poland and Spain. Logistics or "big box" properties are designed to appeal to a wide range of occupiers for manufacturing, storage and logistics uses, typically have floorplans in excess of 10,000 square metres, and mainly include national and regional distribution warehouses close to motorway networks and other transport hubs.

As of 31 December 2018, the Group's portfolio consisted of 69 estates (comprising 152 buildings) of big box logistics assets in prime locations with a gross leasable area of 3.8 million square metres and a gross asset value of €3.5 billion (the "**Portfolio**"). The Portfolio was 97 per cent. occupied. The Issuer believes that the Portfolio is well positioned, with a weighted average lease expiry to first break of 5.6 years and to lease expiry of 6.7 years (as at 31 December 2018). Total headline rent on the Portfolio (calculated on an annualised basis by reference to the total value of contracted rents excluding incentives) was €191.2 million as at 31 December 2018. The Issuer believes that the Group's customer base is well diversified, with its top 10 customers accounting for 25.3 per cent. of headline rent, and that the majority of the Group's tenants are of a high credit quality with almost 82 per cent. classified as Low Risk or Medium Low Risk of failure<sup>2</sup>, in each case as at 31 December 2018.

The Group was established with an initial gross asset value of €976 million, with the intention of creating a high quality, well diversified portfolio of logistics assets in the Group's initial target markets of Germany, France, Poland, Czech Republic, the Netherlands and Belgium. In 2014, the Group took the decision to expand its target markets to include Italy and Spain. In 2018 the Group sold its assets in Belgium and continues to grow its portfolio in the remaining seven strategic markets. Since inception the Group has acquired approximately €1.56 billion of standing assets and development land and will continue to grow the portfolio, subject to market conditions, in future.

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<sup>2</sup> Source: Dun & Bradstreet Ratings

Key milestones in the Group's history are set out below:

Date	Milestone
October 2013	Group established with a seed Portfolio of €976 million, and initial target to achieve gross asset value of €2 billion within five years.
Q2 2014	Acquired a portfolio of 14 assets from Tristan Capital Partners for €472 million, totalling 679,000 square metres and comprising 10 assets in Germany, 3 properties in Poland and 1 property in France.
Q2 2015	Group creates one of its largest single estates, with an acquisition of 78,000 square metre logistics campus development acquired from DSV at Krefeld to add to the existing park creating a combined logistics park of 191,000 square metres.
Q2 2018	Acquired a portfolio of Italian assets totalling 146,500 sq m of newly built logistics assets situated in the key locations of Bologna and Milan.
Q3 2018	The Venture completed the sale of three non-core assets in secondary locations in Germany. The disposal was made at holding value.
Q4 2018	The Venture completed the sale of two parks located in Belgium. The land and buildings were sold at a price in excess of valuation and the transaction completed the Venture's withdrawal from the Belgian market.
Q4 2018	Acquired assets in four locations in Italy, in Turin, Milan and Bologna. All four assets complement the Venture's existing holdings in these locations and totalled 148,000 sq m.

## Market Overview

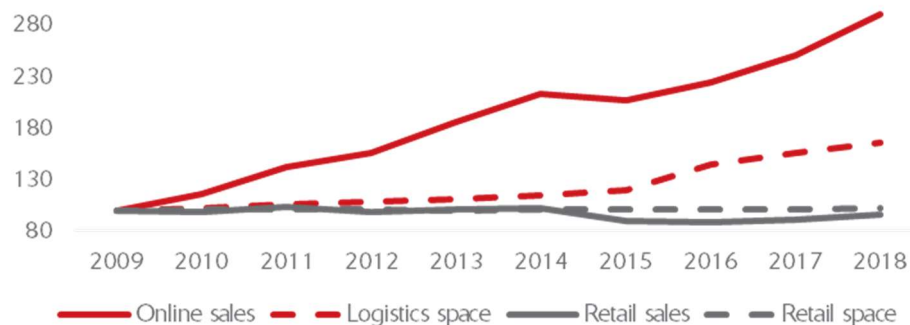
The Issuer believes demand for European logistics assets is undergoing powerful, long term structural change. This is being driven by an alignment of macro trends, which include increased urbanisation, the growth of e-commerce and demand by occupiers, particularly retailers and third party logistics firms, for a supply chain which can adapt to changing consumer behaviours.

### *Occupier Demand*

Increased penetration of e-commerce as a proportion of retail sales across Europe is an important driver of occupier demand for larger, more modern and strategically located big box warehouse space. The graph below demonstrates that the growth in European online sales has been accompanied by increasing demand for logistics space, in contrast to the lack of growth in overall retail sales and, consequently, in occupier demand for retail space.

## The impact of online sales on European retail and logistics (2009 = 100)

Source: CBRE, Euromonitor



Retailers increasingly need to distribute not just to stores but also to individual homes and offices, adding complexity and cost to their operations. The continued evolution of e-commerce means that retailers are taking large, national distribution warehouses which are flexible enough to deliver both in bulk and individually and to cope with the changing demands of their customers in the future. This is a structural trend which is affecting countries across Europe, albeit some are more advanced than others.

Take-up of big box warehouse space across the Venture's major markets has increased significantly in recent years and was comfortably ahead of historic average levels in 2018. The graphs below show take-up levels (in square metres) of warehouse space in the Venture's three major markets of Poland, France and Germany.

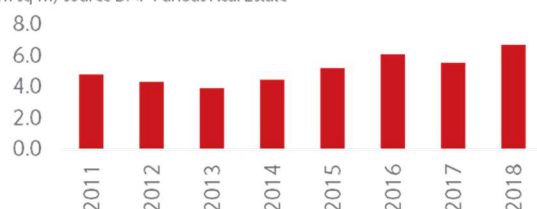
Take-up of warehouse space – Poland  
(m sq m) source JLL



Take-up of warehouse space >5,000 sq m – France  
(m sq m) source CBRE



Take-up of warehouse space >5,000 sq m – Germany  
(m sq m) source BNP Paribas Real Estate



## Market Supply

Growing demand for well-located prime logistics assets, and a lack of speculative development over recent years, means that most European markets are experiencing low vacancy rates. Real

estate advisors JLL estimate a pan-European vacancy rate of 4.4 per cent. as at 31 December 2018.

This is partly as a result of an increasing bias towards building big box warehouses which have been pre-let to occupiers, rather than building speculative space. As at 31 December 2018, approximately three-quarters of big box warehouse space under construction in the Venture's major markets was pre-let.

The charts below show the vacancy rate and the amount of space under construction for big box warehouses in the Venture's major markets as at 31 December 2018.

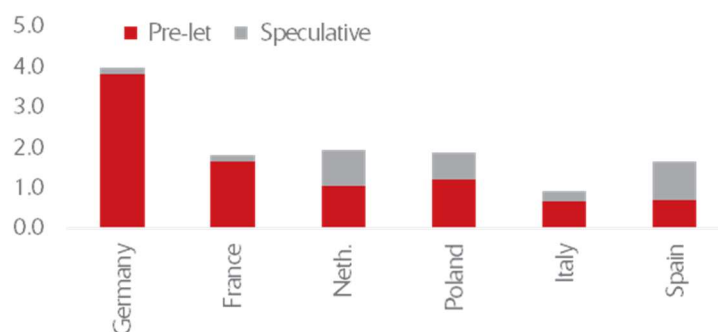
### Low vacancy rates across Europe

(4.4% estimated pan-European vacancy, source: JLL)



### European warehouse development remains substantially pre-let

(Logistics space under construction at 31 December 2018; source: JLL)

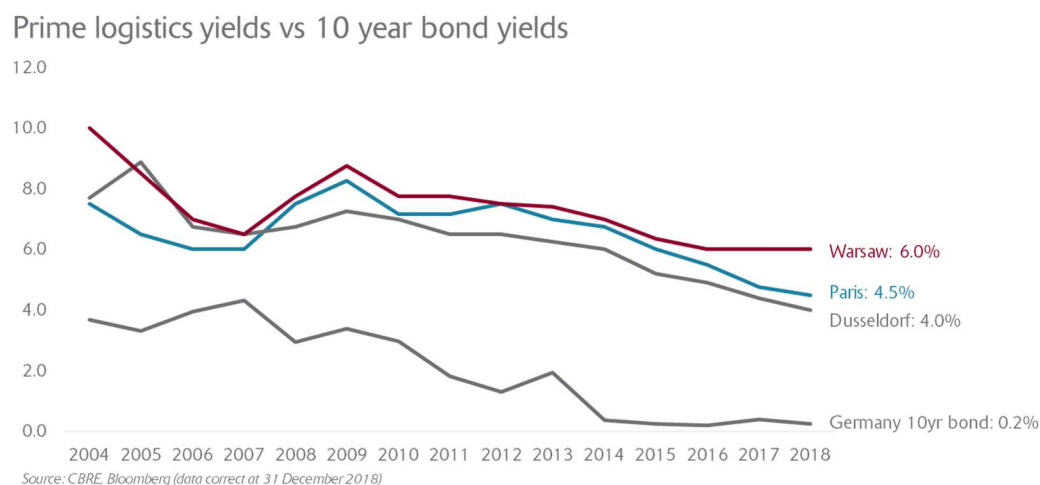


### European Investment Market

The spread between yields from big box warehouse properties and the risk free rate (government bonds) remains wide by historic standards, despite yield compression in recent years. Since 2008, nations have relaxed monetary policy through asset purchases and historic low interest rates.

At 31 December 2018, 10 year German Bonds were yielding 0.2 per cent.. In comparison, logistics yields are considerably higher at 4 per cent. in Düsseldorf, 4.5 per cent. in Paris and 6 per cent. in Warsaw. Therefore, a substantial premium over sovereign debt is still attainable, even with yield

compression. The chart below shows prime logistics warehouse yields in the Venture's major markets compared to German 10 year bond yields:



The Issuer believes that the Group is well-placed to take advantage of these trends for a number of reasons:

- The Group owns a modern, diverse portfolio of logistics assets.
- The Group owns assets in key logistics locations and seeks to acquire further assets in key locations.
- The Group owns a strategic land bank with access to additional land upon which it can provide prospective tenants with new logistics buildings either on a pre-let or speculative basis depending on market conditions.
- The Group has good European market coverage and access to leading investment markets.
- The Group has built critical mass in key locations in order to best address the needs of key tenants.
- The Group has access to local, specialised investment and asset management teams.

## Overview of the Portfolio

### Portfolio Composition

The following table provides a summary of the Portfolio by country as at 31 December 2018:

Regions	Number of Core Estates	Gross Leasable Area (sq m)	WAULT to first break (years) (by income)	Occupancy (by income)	Geographic weighting (by value)
Germany	21	946,265	5.1	99.0%	30%
Poland	15	1,144,680	4.8	96.2%	23%

France	17	807,755	4.9	97.4%	22%
Italy	7	500,208	9.9	100.0%	11%
Czech Republic	1	169,287	4.0	96.8%	5%
Netherlands	3	169,189	5.0	82.1%	5%
Spain	5	34,114	7.9	100.0%	4%
<b>Total</b>	<b>69</b>	<b>3,771,498</b>	<b>5.6</b>	<b>97.0%</b>	<b>100%</b>

At 31 December 2018, the Portfolio was valued at €3.5 billion, reflecting a true equivalent yield of 5.6 per cent. based on annualised headline rent of €191.2 million and an estimated rental value of €190 million. The Portfolio has a weighted average lease length to first break of 5.6 years and an occupancy rate of 97 per cent..

#### *Portfolio activity since 31 December 2018*

Between 31 December 2018 and 31 March 2019:

- The Venture has completed an investment acquisition in Spain for €27 million which adds €1.6 million of annual rent to the portfolio.
- The Venture completed developments totalling 78,700 square metres of space during the period which are capable of generating annual rent of €4.1 million, of which 48 per cent. has been secured.
- As at 31 March 2019, the Venture had 140,000 sq m under construction, capable of generating €8.1 million of annual rent, 68 per cent. of which has been secured through pre-lets. In addition, the Venture has agreed to acquire two further assets currently under development by third parties which will add a further 75,000 sq m of modern big box warehousing to the portfolio. The estimated future costs of these totalled €47 million at 31 March 2019.

In the period from 1 April 2019 to 29 May 2019:

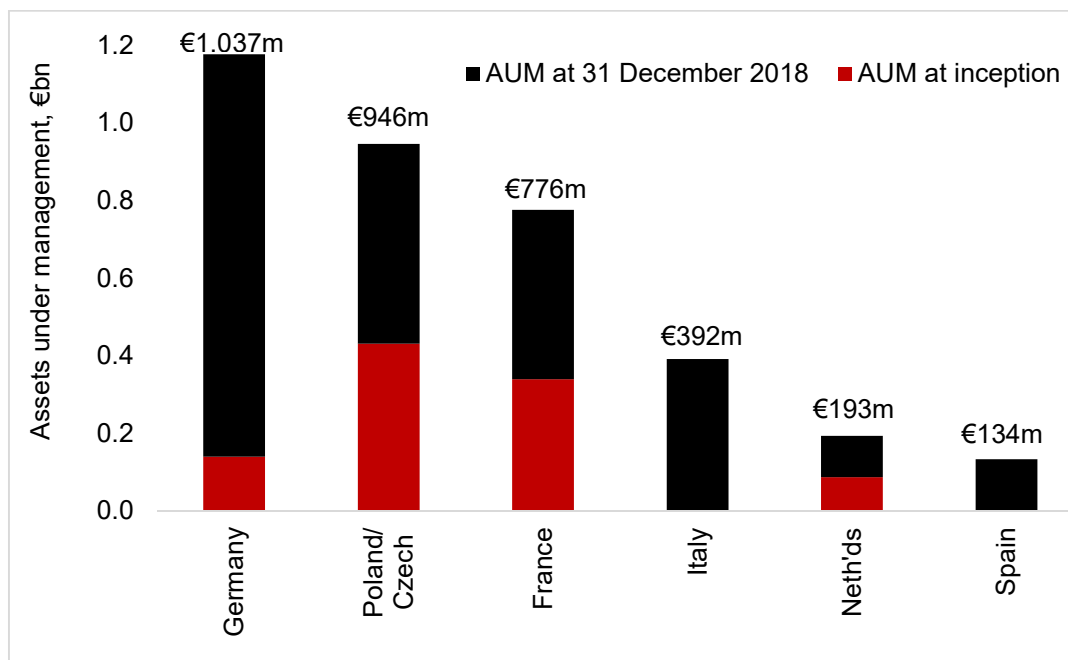
- The Venture completed a further €69 million of acquisitions during the period, including standing assets in France (Lille) and Poland (Wroclaw) and development land in the Netherlands (Amsterdam) and Wroclaw. The assets add €3.0 million of annual rent to the portfolio.
- At 29 May 2019, the Venture had €94 million of asset and land acquisitions under offer in Germany, Poland and Italy. The Venture is not committed to acquiring these and there is no guarantee that they will complete.

#### *Geographic Distribution*

Amongst the Group's target geographies of Germany, France, Poland, Czech Republic, the Netherlands, Spain and Italy, the Group's overall objective is to anchor the Portfolio equally amongst the three core markets of Germany, France and Poland. The relative weightings of the

Portfolio by value (based on the latest external valuations obtained in respect of the Portfolio) stood at 29.8 per cent. in Germany, 22.3 per cent. in France and 22.6 per cent. in Poland as at 31 December 2018.

The evolution of the geographic distribution of the Portfolio since the Group's establishment in 2013 to 31 December 2018 is illustrated below:



The Group has successfully rebalanced the Portfolio towards Germany whilst maintaining a 70-90 per cent. targeted exposure to the core markets of France, Germany and Poland. In addition the Portfolio is well diversified with assets in Netherlands, Czech Republic, Spain and Italy.

### *Largest Estates*

Since inception, the Group has made a number of strategic acquisitions and disposals, including:

- **Germany, Poland, France:** a portfolio acquired from Tristan Capital Partners. This €472 million portfolio of predominately German assets allowed the Group to rebalance its Portfolio towards Germany. The 14 assets totalling 679,000 square metres comprise 10 assets in Germany, 3 properties in Poland and 1 property in France.
- **Germany, France, Czech Republic:** a portfolio acquired from Standard Life. These three properties totalling 69,000 square metres of fully let logistics space located in Neuss, Germany, Dugny, France and Hostivice, Czech Republic were acquired in September 2015 at an initial yield of 8.4 per cent..
- **Krefeld, Germany:** a 78,000 square metres logistics hub let to a leading third party logistics provider (10 year lease), purchased at an equivalent yield of 6.5 per cent. in June 2015.
- **Bologna and Castel San Giovanni, Italy:** in June 2016 the Venture made its entry into the Italian market with the acquisition of a portfolio of three assets. The portfolio was fully



let with a WAULT of 11.7 years. The two buildings located in Bologna, (area totalling c.28,000 square metres) were newly constructed and fully let whilst the building at Castel San Giovanni is now the largest building in the Venture (c.93,000 square metres) and is let to an international DIY chain.

- **Tilburg, Netherlands:** two big box warehouses totalling 96,600 square metres, let to Tesla Motors Netherlands BV and Nokia Solutions & Networks OY on a weighted average lease length of five years to the earlier of break or expiry. The warehouses were less than four years old when purchased and were acquired for €83.6 million. The acquisition price reflects a topped-up net initial yield of 6 per cent.. The acquisition completed in September 2016.
- **Belgium:** in October 2018, the Venture completed the sale of two logistics parks comprising four logistics buildings, one office building and five land plots. The land and buildings were sold at a price in excess of valuation and the transaction completed the Venture's strategic withdrawal from the non-core market of Belgium.

To date, the Group has also undertaken 43 development schemes, both on a pre-let and speculative basis, including: the development of a 72,000 square metres European distribution centre in Krefeld, Germany, on a 10 year lease for ASICS Europe BV, one of the leading international sportswear manufacturers; the development of 70,881 square metres in Berlin, let to a number of logistics providers; and the development of 45,400 square metres in Czech Republic, fully let to a number of logistics providers.

#### *Key Estates*

The following table shows the Group's ten largest assets by size as at 31 December 2018.

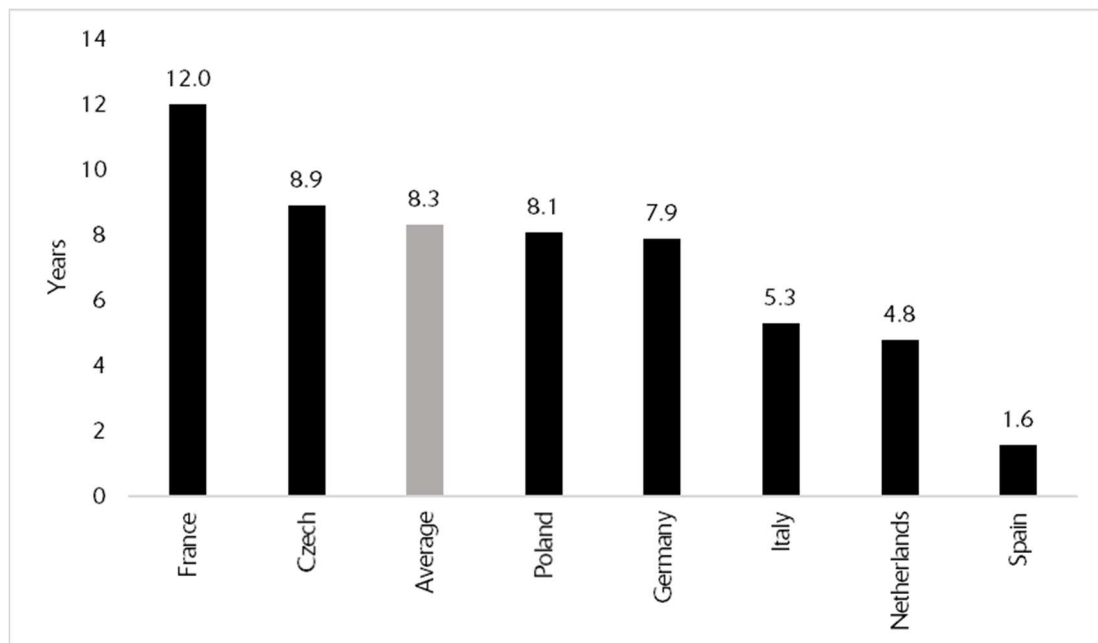
Top 10 Estates				
No.	Estate	Country	No. Buildings	Size (sq m)
1	Strykow	Poland	9	282,818
2	Gliwice - Logistics Park	Poland	6	201,280
3	Krefeld-Log	Germany	5	191,644
4	Hostivice	Czech Republic	14	169,287
5	Castel San Giovanni	Italy	3	162,806
6	Bologna	Italy	6	132,076
7	Tilburg	Netherlands	3	127,967
8	Poznań	Poland	4	121,796
9	Marly	France	5	119,518
10	Marseille St-Martin-de-Crau	France	2	111,352
				1,620,544

The Group's ten largest assets are valued at €1.3 billion and represent 37 per cent. of the total Portfolio value. These assets are well diversified across the Group's key core markets of Czech Republic, France, Germany, Italy, Netherlands and Poland.

### *Portfolio Age*

The Portfolio is comprised principally of modern buildings with the average building age (by construction / major refurbishment year) is 8.3 years old. The chart below shows the weighted average building age for each of the Venture's markets.

#### **Weighted Average Building Age by estimated rental value (years)**

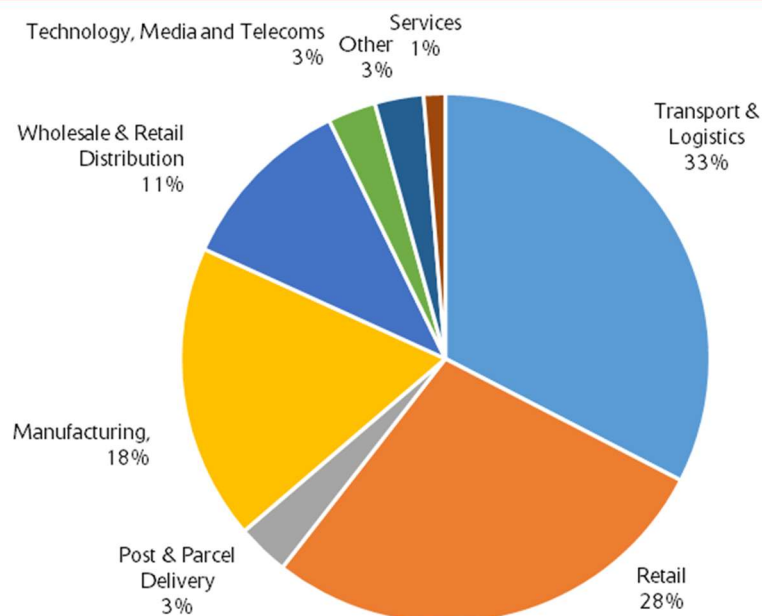


### *Customers*

The Group has c. 210 tenants as at 31 December 2018 representing a range of market sectors, as shown in the chart below.

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### Industry Diversification (% of Headline Rent) as at 31 December 2018



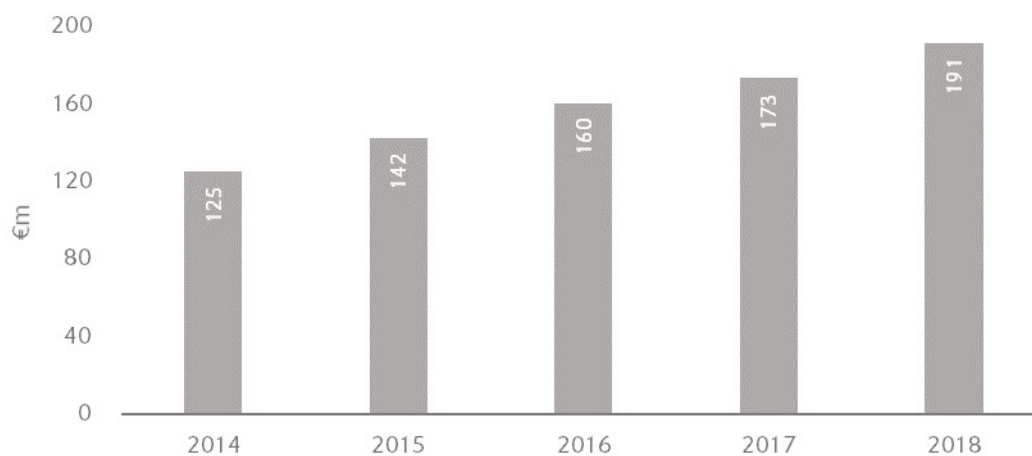
The Group's ten largest tenants are representative of the Portfolio and are well diversified across industry sectors and geographic location. A number of these tenants have a long standing relationship with the Group whilst a number occupy recently built facilities on a long lease. The top ten tenants represent 25.3 per cent. of the Group's headline rent. The Group's ten largest tenants as at 31 December 2018 are set out below.

Top 10 customers	
No.	Customer
1.	Richemont Group
2.	Amazon
3.	Leroy Merlin
4.	Schwartz Gruppe (Lidl/Kaufland)
5.	Zabka Polska
6.	Maisons du Monde
7.	DSV
8.	Corning Optical Communications
9.	ASICS Europe
10.	Deutsche Post

### Leases

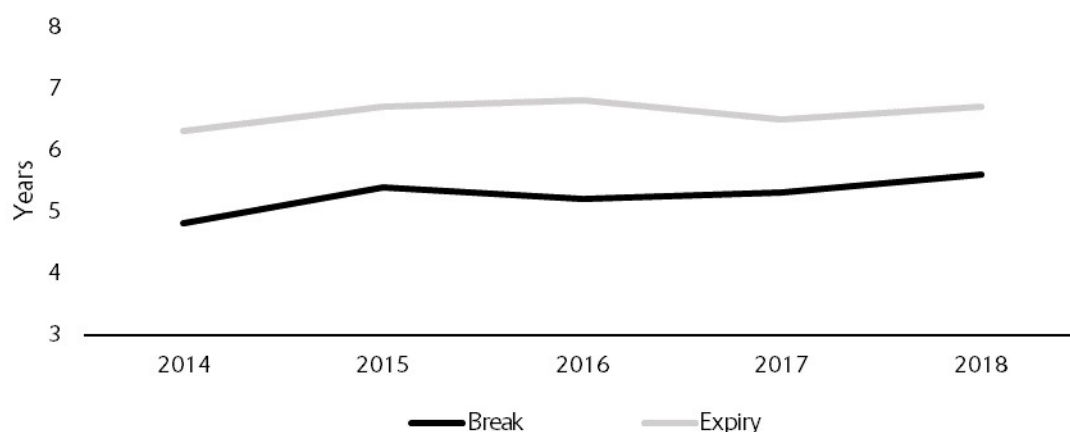
At 31 December 2018, the Portfolio generated annualised headline rent of €191.2 million. This represents an 8.8 per cent. average growth rate since 31 December 2014 at which point the portfolio generated €125 million, reflecting the increased scale of the Portfolio from acquisitions and development completions. The chart below shows the growth of the Portfolio's annualised headline rent as at each year from 2014 to 2018:

#### Annualised headline rent from the portfolio, € millions



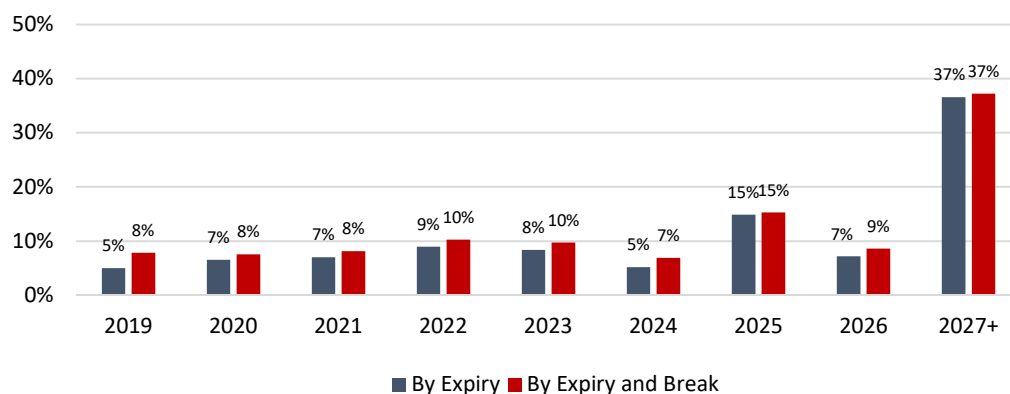
The Portfolio's weighted average unexpired lease length remains high at 5.6 years to break and 6.7 years to expiry. The chart below shows the weighted average unexpired lease length term of the Portfolio as at each year from 2014 to 2018:

#### Weighted average lease length term (WAULT) of the portfolio, years



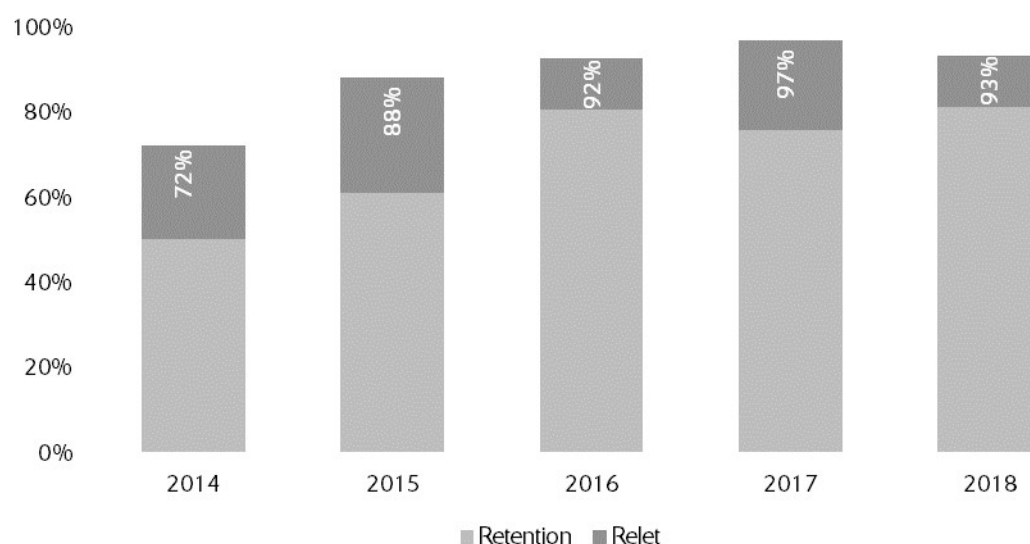
The following tables show the future lease expiry profile of the Group as at 31 December 2018 and the retention and re-letting performance of the Group from 2014 to 31 December 2018.

#### Lease expiry profile (% of headline rent as at 31 December 2018)



The Group's lease expiry profile is expected to be kept to a manageable level by maintaining high retention and re-letting rates as historically evidenced by the below chart.

#### Retention and re-letting history (% of income at risk)

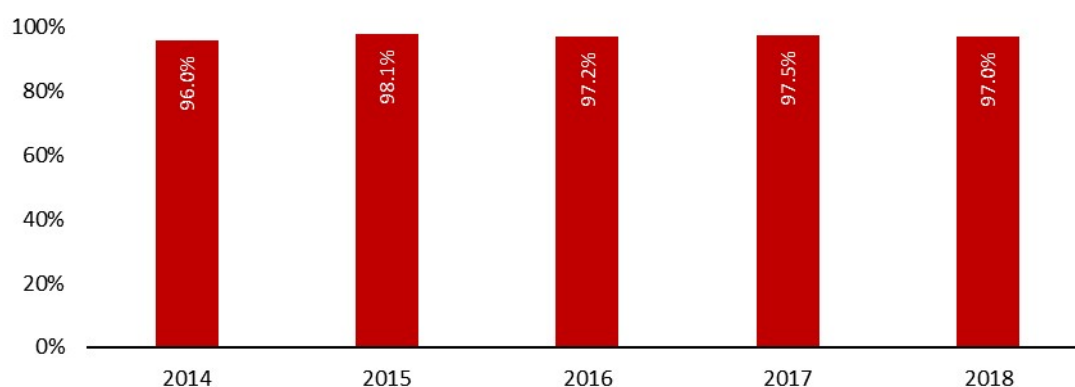


The Group's presence in and knowledge of local letting markets is a key factor in securing income and maintaining high retention rates and low vacancy rates across the Portfolio.

#### *Portfolio Occupancy*

The following graph shows occupancy levels at the end of each of the last five years.

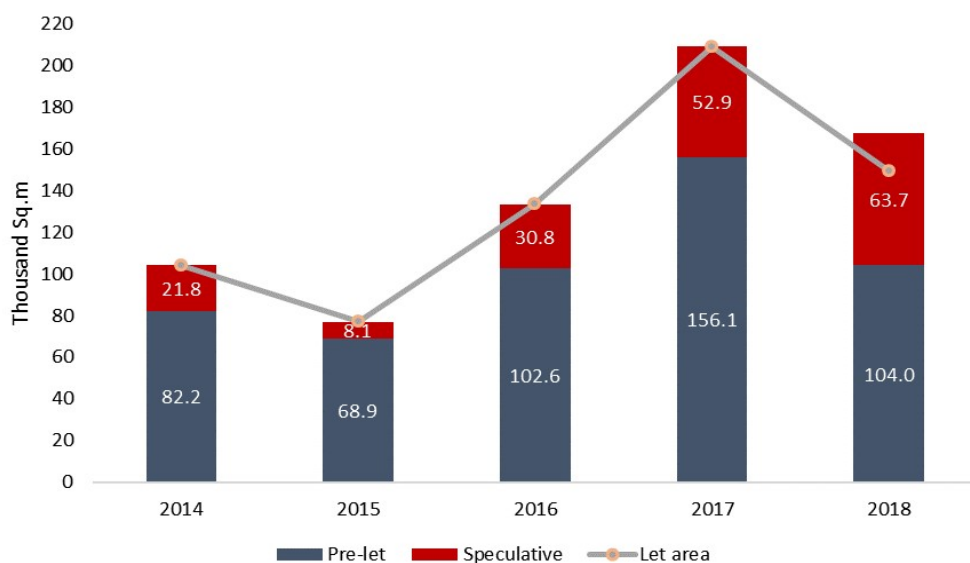
#### **Occupancy Evolution**



Since inception, the Venture has successfully maintained occupancy levels within a range of 96 to 98 per cent. of potential total rental value. The acquisition of long-leased investment stock has also strengthened the Portfolio alongside successful, active asset management activity.

#### *Property Developments*

The following graph shows the development activity of the Group, separated into development activity undertaken on a pre-let basis and that undertaken on a speculative basis.

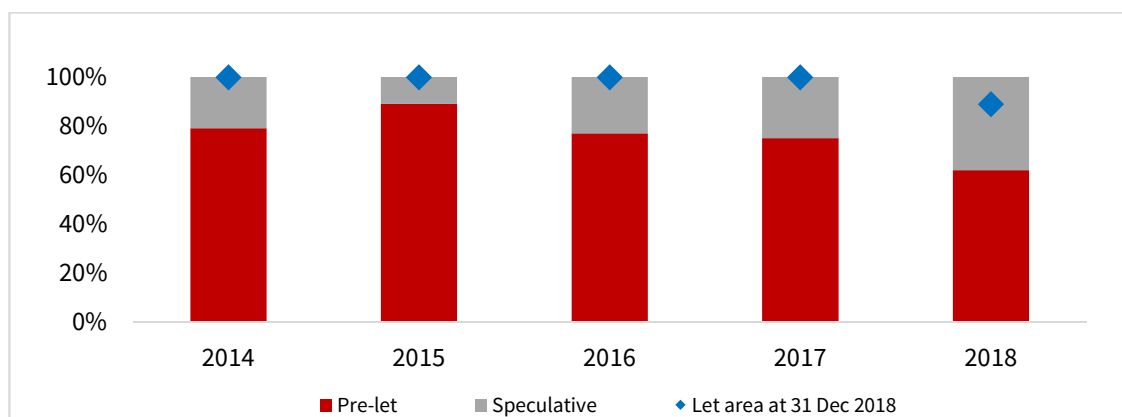


At 31 December 2018, the Group owned a strategic land bank totalling 246 hectares valued at €293 million containing development projects under construction and land for future development. The cost to complete all future developments was €552 million (approximately €54 million to complete projects under construction and €498 million for future projects). The current projects are expected to complete within 12 months and the future developments over the next three to five years. Once complete and fully let, the land bank (including developments under construction) is capable of generating an estimated annualised rent of approximately €61 million.

The majority of development activity is undertaken on a pre-let basis where a tenant has been secured prior to the commencement of the building project. A small proportion of development is undertaken on a speculative basis, where the Group believes it is beneficial to do so.

As at 31 December 2018, 690,868 square metres of space have been completed, with new annualised rental income generated of €34.4 million per annum. Of the total development activity, 26 per cent. (177,685 square metres) has been speculatively developed of which only 2 per cent. (14,478 square metres) is vacant (as at 31 December 2018). The chart below shows the letting status of SELP's development completions over the past five years:

#### Development completions – letting status at commencement and as at 31 December 2018





As at 31 December 2018, 248,000 square metres of developments were under construction with a cost to complete of €54 million. Once complete and fully let, the projects should generate €13.5 million of annualised rent (of which 45 per cent., or €6.2 million, has been secured from pre-lets), reflecting a yield on total development cost of 7.4 per cent.

### *Sustainability*

The Venture has adopted the SEGRO sustainability strategy entitled “SEGRO 2020” which involves a wide range of targets to ensure that buildings both acquired and constructed meet exacting sustainability standards. These include ensuring that new developments achieve a minimum of a Building Research Establishment Environmental Assessment Method (“**BREEAM**”) rating of “Very Good”.

### **Advisory and Management Services Provided to the Group**

In October 2013 the Issuer appointed SELP Management Limited to act as Venture Adviser. The Venture Adviser provides the Issuer and the Guarantor with certain investment advice in relation to the investment and realisation of the Venture assets, and provides services which include preparation of a proposed annual business plan, advising on leasing strategies, making recommendations on the funding strategy of the Venture and advising on the investment strategy of the Venture. As remuneration for the provision of advisory services, the Venture Adviser is paid an annual advisory fee as well as a total return performance fee, the amount of which is subject to the performance of the Venture. The Venture Adviser is an appointed representative of Mirabella Financial Services LLP and is therefore an exempt person under the Financial Services and Markets Act 2000 (the “**FSMA**”).

SELP Management Limited has also been appointed by the Issuer to provide certain administration services to the Venture, including, amongst other things, accounting, legal, treasury, compliance and general administration services (the “**Administrator**”). As remuneration for the provision of administration services, the Administrator is paid an annual administration fee.

The Venture has appointed SEGRO (acting through various local subsidiaries) to provide property management services to the Venture. The services provided by the Property Managers include, amongst other things, rent collection and adjustment, credit control, service charge budget and expenditure management (including consultancy services), insurance management and repair and maintenance. As remuneration for the provision of property management services, the Property Managers are paid an annual management fee, a quarterly management fee and a fee for any additional services provided as agreed between the parties.

The Venture has appointed SEGRO (acting through various local subsidiaries) to provide development management services to the Venture. The services provided by the Development Managers in relation to each project undertaken by the Venture include, amongst other things, scheme appraisal, obtaining required consents, implementing approved schemes, construction, post construction services and enforcement and claims. As remuneration for the provision of development management services, the Development Managers are paid a proportion of the costs of each project and a fee for any additional services provided as agreed between the parties.

## **Exclusivity Arrangements**

Pursuant to an agreement between SEGRO and the Venture, SEGRO has agreed that it will use the Venture as its exclusive investment vehicle in real estate assets in the logistics sector in continental Europe and will not, subject to certain exceptions, compete with the Venture in any investment opportunities, nor will it provide advisory or management services in connection with logistics properties in countries in which the Venture operates which would be in competition with the Venture. Furthermore SEGRO has granted a right of first refusal in favour of the Venture on the sale of any real estate logistics assets in continental Europe held by the SEGRO Group.

## **Funding Arrangements**

During 2016 the Group put in place:

- a €200,000,000 unsecured revolving credit facility provided by BNP Paribas and The Royal Bank of Scotland plc; and
- €500,000,000 1.25 per cent. notes guaranteed by the Guarantor due 2023.

During 2017 the Group put in place:

- €500,000,000 1.5 per cent. notes guaranteed by the Guarantor due 2025.

During 2018 the Group put in place:

- an increase of the existing unsecured revolving credit facility provided by BNP Paribas and The Royal Bank of Scotland from €200,000,000 to €300,000,000.

During 2019 the Group put in place:

- a €200,000,000 unsecured revolving credit facility provided by Banco Santander and Bank of China.

As at 29 May 2019, the Group had drawn, or is committed to drawing, €335 million of the revolving credit facility.

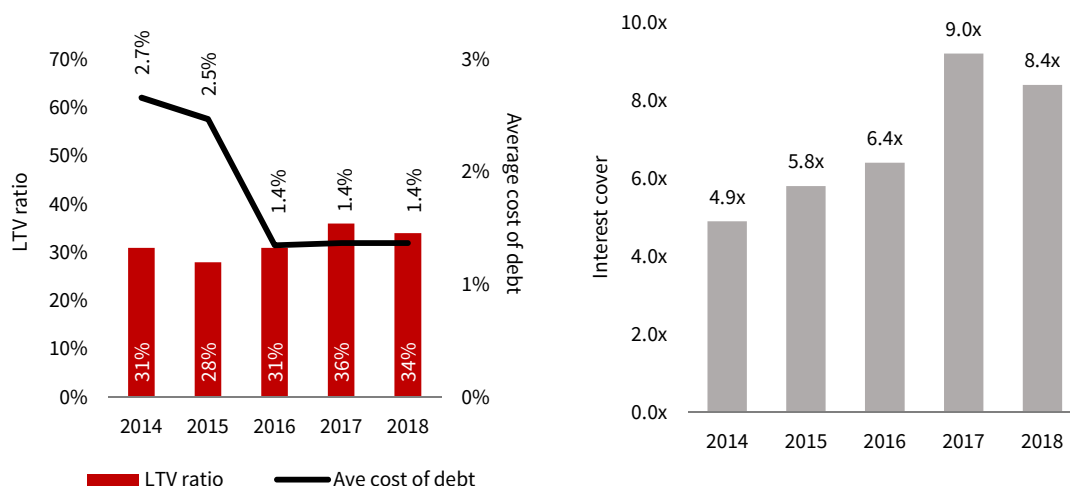
The Group also has in place the following non-recourse financing arrangements secured against the Portfolio:

- a €59,100,000 secured loan facility provided by DekaBank Deutsche Girozentrale, secured against a portfolio of German logistics properties.

The Issuer intends to use the proceeds raised from the issuance of the Notes to repay all amounts outstanding under the revolving credit facilities. The Group intends to target what it considers to be a conservative leverage policy, with a view to the Issuer Group's LTV Ratio being maintained at a level equivalent to approximately 35 to 40 per cent. from time to time. The Issuer also intends to target what it considers to be a conservative interest cover policy, with a view to the Issuer Group's ICR being maintained at a level of approximately 7 times. Pursuant to the terms of the Shareholders' Agreement, between 70 and 100 per cent. of the Group's outstanding borrowings are required to be subject to fixed rates of interest, or appropriately hedged through the use of

derivative instruments. The below chart on the left shows the Group's LTV Ratio and average cost of debt as at each year from 2014 to 2018 and the below chart on the right shows the Group's ICR as at each year from 2014 to 2018:

#### LTV ratio and average cost of debt 2014-18 Interest cover, 2014-18



As at 31 December 2018, the Issuer Group had external borrowings of €1.2 billion, reflecting a loan-to-value ratio of 34 per cent.. The Issuer Group had access to a revolving credit facility totalling €300 million, of which €195 million was drawn. Cash and available facilities totalled €155 million. The weighted average debt maturity was 5.5 years and 84 per cent. of the debt was at fixed rates. For the year ended 31 December 2018, the ICR of the Issuer Group was 8.4 times. Following the issuance of the Notes, the Issuer expects each of the targets described above to be complied with.

## Share Capital

### *The Issuer*

As at 31 December 2018, the Issuer's share capital is €19,496 and is divided into 19,496 shares fully paid up with a nominal value of €1.00 each. All shares are in registered form.

### *The Guarantor*

As at 31 December 2018, the Guarantor's share capital is €17,400 and is divided into 17,400 shares fully paid-up with a nominal value of €1.00 each. All shares are in registered form.

## Board and Management of the Issuer and of the Guarantor

### *The Issuer*

The Issuer has a board of managers, currently comprising 4 managers:

- Desmond Mitchell

- Neil Ross
- Phil Redding
- Oliver Vines

See “*Board and Management of the Issuer and of the Guarantor – The Guarantor*” for further details.

#### *The Guarantor*

The Guarantor has a board of managers, currently comprising 4 managers:

- Desmond Mitchell
- Neil Ross
- Phil Redding
- Oliver Vines

#### Desmond Mitchell

Desmond has been a director of the Issuer and the Guarantor since 2013. Previous roles include Operations Director for Advent International and CFO for Coller Capital. Desmond has extensive experience in project management and strategic and financial planning.

Desmond’s business address is 4 allée des Charmes, Luxembourg L-1372.

#### Neil Ross

Neil has worked privately for a number of Investors as an independent director since 2009. Prior to this he was a director of Sanne Group, and had previously been a director of Hermes and the Abu Dhabi Investment Authority.

Neil’s business address is 10 rue de Beaumont, Luxembourg L-1219.

#### Phil Redding

Phil joined SEGRO in 1995. Before SEGRO he worked in the Industrial Agency and Development team of King Sturge, where he held a variety of positions. He has also been Business Unit Director for London Markets. He is a member of the Royal Institution of Chartered Surveyors (MRICS).

Phil’s business address is Cunard House, 15 Regent Street, London SW1Y 4LR.

#### Oliver Vines

Oliver joined PSP in June 2018. Previously, he worked in real estate at Macquarie Capital and has held positions at CBRE GI and Merrill Lynch.

Oliver's business address is 10 Bressenden Place, London SW1E 5DH.

## **Conflicts of Interest**

### *The Issuer*

There are no existing or potential conflicts of interest between the duties owed to the Issuer by the persons listed under "*Board and Management of the Issuer and of the Guarantor*" and the private interests or external duties of those individuals.

### *The Guarantor*

There are no existing or potential conflicts of interest between the duties owed to the Guarantor by the persons listed under "*Board and Management of the Issuer and of the Guarantor*" and the private interests or external duties of those individuals.

## **Statutory Auditors**

### *The Issuer*

The Issuer has appointed PricewaterhouseCoopers, *Société coopérative*, with its registered office at 2, rue Gerhard Mercator, B.P. 1443, L-1014 Luxembourg, Grand Duchy of Luxembourg as its approved statutory auditor (*réviseur d'entreprises agréé*) for the financial years commencing 1 January 2016, 2017 and 2018.

PricewaterhouseCoopers, *Société coopérative* is a member of the Luxembourg *Institut des Réviseurs d'Entreprises*.

### *The Guarantor*

The Guarantor has appointed PricewaterhouseCoopers, *Société coopérative*, with its registered office at 2, rue Gerhard Mercator, B.P. 1443, L-1014 Luxembourg, Grand Duchy of Luxembourg as its approved statutory auditor (*réviseur d'entreprises agréé*) for the financial years commencing 1 January 2016, 2017 and 2018.

PricewaterhouseCoopers, *Société coopérative* is a member of the Luxembourg *Institut des Réviseurs d'Entreprises*.

## **Financial Year**

### *The Issuer*

The Issuer's financial year is from 1 January to 31 December of each year. The Issuer has prepared consolidated financial statements as at and for the year ended 31 December 2017 and 2018, copies of which have been filed with Euronext Dublin and the Central Bank. Any future published financial statements prepared by the Issuer (in respect of the period ending on 31 December each year) will be available during normal office hours during the 8 days preceding the holding of any extraordinary general meeting of the shareholders, at the registered office of the Issuer.

## *The Guarantor*

The Guarantor's financial year is from 1 January to 31 December of each year. The Guarantor has prepared consolidated financial statements as at and for the years ended 31 December 2017 and 2018, copies of which have been filed with Euronext Dublin and the Central Bank. Any future published financial statements prepared by the Guarantor (in respect of the period ending on 31 December each year) will be available during normal office hours during the 8 days preceding the holding of any extraordinary general meeting of the shareholders, at the registered office of the Issuer.

## **Material Contracts**

The Issuer is the borrower under uncommitted credit facilities provided by each of SEGRO and PSP (through various subsidiaries) (the **"Shareholder Loans"**). The Shareholder Loans permit the borrower to draw down loans from time to time, at rates of interest calculated by reference to applicable transfer pricing rules. Key terms of the Shareholder Loans include:

- the final maturity date of such loan shall be not less than one year after the Maturity Date;
- the obligations of the Issuer under such loan are subordinated to all secured, unsecured and unsubordinated liabilities of the Issuer (**"Senior Liabilities"**), including amounts outstanding under indebtedness for borrowed money and liabilities owed to trade creditors and also including (without limitation) the Issuer's obligations under the Notes;
- repayments and prepayments of principal in respect of such loan shall be deferred unless (i) at the time for payment under the terms of such loan, no amounts are due and payable but unpaid in respect of any Senior Liabilities in accordance with the terms governing such Senior Liabilities, or (ii) the ratio of Consolidated Total Net Borrowings to Consolidated Adjusted Total Assets, as reported in the Issuer's most recently prepared management accounts, is not more than 40 per cent. both at the time of, and immediately following, the relevant payment;
- payments of interest in respect of such loan shall be deferred unless (i) at the time for payment under the terms of such loan, no amounts are due and payable but unpaid in respect of any Senior Liabilities in accordance with the terms governing such Senior Liabilities, or (ii) the amount of the relevant interest payment would not exceed Distributable Items for the period in respect of which such interest payment is accrued; and
- the lender under such loan is a direct or indirect shareholder of the Issuer, and such lender is prohibited from transferring its interests under such loan, in whole or in part, unless it also transfers a proportion of its direct or indirect shareholding in the Issuer equal to the proportion of the loan to be transferred (such that the ratio of its shareholding to its interests under the loan shall not change).

A Shareholder Loan displaying all of these features will be a qualifying subordinated loan (a **"Qualifying Subordinated Loan"**). The Issuer has undertaken in the Trust Deed that it shall not amend any Qualifying Subordinated Loan outstanding at any time in a manner which would result in the relevant loan ceasing to be a Qualifying Shareholder Loan.

## GLOSSARY OF KEY TERMS

**Completed portfolio:** The completed investment properties and the Group's share of joint ventures' completed investment properties. Includes properties held throughout the period, completed developments and properties acquired during the period.

**Estimated cost to completion:** Costs still to be expended on a development or redevelopment to practical completion, including attributable interest.

**Estimated rental value (ERV):** The estimated annual market rental value of lettable space as determined biannually by the Group's valuers. This will normally be different from the rent being paid.

**Gearing:** Net borrowings divided by total shareholders' equity excluding intangible assets and deferred tax provisions.

**Gross rental income:** Contracted rental income recognised in the period in the Income Statement, including surrender premiums. Lease incentives, initial costs and any contracted future rental increases are amortised on a straight-line basis over the lease term.

**Headline rent:** The annual rental income currently receivable on a property as at the Balance Sheet date (which may be more or less than the ERV) ignoring any rent-free period.

**Hectares (Ha):** The area of land measurement used in this analysis. The conversion factor used, where appropriate, is 1 hectare = 2.471 acres.

**IFRS:** International Financial Reporting Standards, the standards under which the Venture reports its financial accounts.

**Investment property:** Completed land and buildings held for rental income return and/or capital appreciation.

**Loan to value (LTV):** Net borrowings divided by the carrying value of total property assets (investment, owner occupied, trading properties and, if appropriate, assets held for sale on the balance sheet). This is reported on a 'look-through' basis (including joint ventures at share).

**Net initial yield:** Passing rent less non-recoverable property expenses such as empty rates, divided by the property valuation plus notional purchasers' costs.

**Net rental income:** Gross rental income less ground rents paid, net service charge expenses and property operating expenses.

**Net true equivalent yield:** The internal rate of return from an investment property, based on the value of the property assuming the current passing rent reverts to ERV and assuming the property becomes fully occupied over time. It assumes that rent is received quarterly in advance.

**Passing rent:** The annual rental income currently receivable on a property as at the Balance Sheet date (which may be more or less than the ERV). Excludes rental income where a rent free period is in operation. Excludes service charge income (which is netted off against service charge expenses).

**Pre-let:** A lease signed with an occupier prior to commencing construction of a building.

**Rent-free period:** An incentive provided usually at commencement of a lease during which a customer pays no rent. The amount of rent free is the difference between passing rent and headline rent.

**Rent roll:** See Passing Rent.

**Speculative development:** Where a development has commenced prior to a lease agreement being signed in relation to that development.

**Square metres (sq m):** The area of building measurements. The conversion factor used, where appropriate, is one square metre = 10.7639 square feet.

**Takeback:** Rental income lost due to lease expiry, exercise of break option, surrender or insolvency.

**WAULT:** Weighted average unexpired lease term.

**Yield on cost:** The expected gross yield based on the estimated current market rental value (ERV) of the developments when fully let, divided by the book value of the developments at the earlier of commencement of the development or the balance sheet date plus future development costs and estimated finance costs to completion.



## TAXATION

### Taxation in Luxembourg

*The following information is of a general nature only and is based on the laws presently in force in Luxembourg, though it is not intended to be, nor should it be construed to be, legal or tax advice. The information contained within this section is limited to Luxembourg withholding tax issues and prospective investors in the Notes should therefore consult their own professional advisers as to the effects of state, local and foreign laws, including Luxembourg tax law, to which they may be subject.*

*Please be aware that the residency concept used under the respective headings below applies for Luxembourg income tax assessment purposes only. Any reference in the present section to a withholding tax or a tax of a similar nature, or to any other concepts, refers to Luxembourg tax law and/or concepts only.*

### Withholding Tax

#### Non-resident holders of Notes

Under Luxembourg general tax laws currently in force, there is no withholding tax on payments of principal, premium or interest made to non-resident holders of Notes, nor on accrued but unpaid interest in respect of the Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of the Notes held by non-resident holders of Notes.

#### Resident holders of Notes

Under Luxembourg general tax laws currently in force and subject to the law of 23 December 2005, as amended (the “**Relibi Law**”), there is no withholding tax on payments of principal, premium or interest made to Luxembourg resident holders of Notes, nor on accrued but unpaid interest in respect of Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of Notes held by Luxembourg resident holders of Notes.

Under the Relibi Law, payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to, or for the immediate benefit of, an individual beneficial owner who is a resident of Luxembourg, will be subject to a withholding tax of 20 per cent. Such withholding tax will be in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of his/her private wealth. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent. Payments of interest under the Notes coming within the scope of the Relibi Law would be subject to a withholding tax of 20 per cent.

### Foreign Account Tax Compliance Act

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as “**FATCA**”, a “**foreign financial institution**” may be required to withhold on certain payments it makes (“**foreign passthru payments**”) to persons that fail to meet certain certification, reporting, or related requirements. A number of jurisdictions (including Luxembourg) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA (“**IGAs**”), which modify the way in which FATCA applies in their jurisdictions. Under the provisions of IGAs as currently in effect, a foreign financial institution in an IGA jurisdiction would

generally not be required to withhold under FATCA or an IGA from payments that it makes. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to foreign passthru payments on instruments such as the Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to foreign passthru payments on instruments such as the Notes, such withholding would not apply prior to two years after the date of publication by the Internal Revenue Service of final regulations defining the term “foreign passthru payment”. Holders of Notes should consult their own tax advisors regarding how these rules may apply to their investment in the Notes.

## SUBSCRIPTION AND SALE

Banco Santander, S.A., BNP Paribas, NatWest Markets Plc and Bank of China Limited, London Branch (together, the “**Managers**”) have, pursuant to a Subscription Agreement dated 18 June 2019 (the “**Subscription Agreement**”) agreed to subscribe or procure subscribers for the Notes at the issue price of 99.672 per cent.. of the principal amount of Notes, upon the terms and subject to the conditions contained therein. The Issuer will pay a commission to the Managers and will reimburse the Managers in respect of certain of their expenses, and has agreed to indemnify the Managers against certain liabilities, incurred in connection with the issue of the Notes. The Subscription Agreement may be terminated in certain circumstances prior to payment being made to the Issuer.

### United States

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in accordance with Regulation S or pursuant to any other exemption from the registration requirements of the Securities Act.

Each Manager has agreed that, except as permitted by the Subscription Agreement, it will not offer, sell or deliver the Notes (a) as part of their distribution at any time or (b) otherwise until 40 days after the later of the commencement of the offering and the Issue Date within the United States or to, or for the account or benefit of, U.S. persons and that it will have sent to each dealer to which it sells any Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

In addition, until 40 days after the commencement of the offering, an offer or sale of Notes within the United States (by any dealer that is not participating in the offering of the Note) may violate the registration requirements of the Securities Act.

### United Kingdom

Each Manager has represented and agreed that:

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of FSMA) received by it in connection with the issue or sale of the Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer or the Guarantor; and
- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

### Prohibition of sales to EEA Retail Investors

Each Manager has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes to any “retail investor” in

the EEA. For the purposes of this provision, the expression “retail investor” means a person who is one (or more) of the following:

- (a) a retail client as defined in point (11) of Article 4(1) of MiFID II; or
- (b) a customer within the meaning of Directive 2002/92/EC (as amended or superseded), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

## **Switzerland**

Each Manager has represented and agreed that this Prospectus is not intended to constitute an offer or solicitation to purchase or invest in the Notes described herein. The Notes may not be publicly offered, sold or advertised, directly or indirectly, in, into or from Switzerland and will not be listed on the SIX Swiss Exchange or on any other exchange or regulated trading facility in Switzerland. Neither this Prospectus nor any other offering or marketing material relating to the Notes constitutes a prospectus as such term is understood pursuant to article 652a or article 1156 of the Swiss Code of Obligations or a listing prospectus within the meaning of the listing rules of the SIX Swiss Exchange or any other regulated trading facility in Switzerland or a simplified prospectus or a prospectus as such term is defined in the Swiss Collective Investment Scheme Act, and neither this Prospectus nor any other offering or marketing material relating to the Notes may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this Prospectus nor any other offering or marketing material relating to the offering, nor the Issuer, nor the Guarantor nor the Notes have been or will be filed with or approved by any Swiss regulatory authority. The Notes are not subject to the supervision by any Swiss regulatory authority, for example, the Swiss Financial Markets Supervisory Authority FINMA, and investors in the Notes will not benefit from protection or supervision by such authority.

## **Japan**

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (*Act No. 25 of 1948, as amended* (the “FIEA”)) and each Manager has represented and agreed that it will not offer or sell any Notes directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (*Act No. 228 of 1949, as amended*)), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the account or benefit of, a resident of Japan except pursuant to an exemption from registration requirements of, and otherwise in compliance with the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

## **General**

No action has been or will be taken in any country or any jurisdiction by any of the Managers, the Issuer or the Guarantor that would, or is intended to, permit a public offer of the Notes, or possession or distribution of this Prospectus or any other offering or publicity material relating to the Notes, in any country or jurisdiction where action for that purpose is required. Accordingly, each Manager has undertaken that it will not, directly or indirectly, offer or sell any Notes or distribute or publish any offering circular, prospectus, form of application, advertisement or other document or information in any country or jurisdiction except under circumstances that will, to the

best of its knowledge and belief, result in compliance with any applicable laws and regulations and all offers and sales of Notes by it will be made on the same terms.

## GENERAL INFORMATION

1. The Issuer and the Guarantor have obtained all necessary consents, approvals and authorisations in Luxembourg in connection with the issue and performance of the Notes. The issue of the Notes was authorised by resolutions of the board of managers of the Issuer, passed on 31 May 2019, and the giving of the Guarantee was duly authorised by a resolution of the board of managers of the Guarantor passed on 31 May 2019.
2. There has been no significant change in the financial or trading position of the Issuer, the Guarantor or the Group since 31 December 2018.
3. There has been no material adverse change in the prospects of the Issuer, the Guarantor or the Group since 31 December 2018.
4. Neither the Issuer, the Guarantor nor any other member of the Group is involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer or the Guarantor are aware) during the 12 months preceding the date of this Prospectus which may have or have had in the recent past significant effects on the financial position or profitability of the Issuer, the Guarantor or the Group.
5. The Notes have been accepted for clearance through the Euroclear and Clearstream, Luxembourg systems (which are the entities in charge of keeping the records) with a Common Code of 201524008. The International Securities Identification Number (ISIN) for the Notes is XS2015240083. The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream, Luxembourg is 42, Avenue John F. Kennedy L-1855 Luxembourg, Grand Duchy of Luxembourg.
6. The CFI Code for this issue is DBFNFR and the FISN Code is SELP FINANCE S./1.500EUR NT 2026122, as updated, as set out on the website of the Association of National Numbering Agencies (“ANNA”) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN.
7. For so long as the Notes are outstanding (as defined in the Trust Deed), physical copies of the following documents will be available, during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted), for inspection at the registered offices of each of the Issuer (35-37, avenue de la Liberté, L-1931 Luxembourg), the Guarantor (35-37, avenue de la Liberté, L-1931 Luxembourg) and the office of the Principal Paying Agent (Citigroup Centre, Canary Wharf, London E14 5CB):
  - (a) the Trust Deed;
  - (b) the consolidated articles of association (*statuts coordonnés*) of the Issuer;
  - (c) the consolidated articles of association (*statuts coordonnés*) of the Guarantor;
  - (d) a copy of this Prospectus together with any supplement to this Prospectus or further Prospectus;
  - (e) the Guarantor’s 2017 Annual Financial Statements;

- (f) the Guarantor's 2018 Annual Financial Statements;
  - (g) the Issuer's 2017 Annual Financial Statements; and
  - (h) the Issuer's 2018 Annual Financial Statements;
8. This Prospectus will be published on the website of the Issuer ([www.selp.lu](http://www.selp.lu)), the website of Euronext Dublin ([www.ise.ie](http://www.ise.ie)) and the website of the Central Bank of Ireland ([www.centralbank.ie](http://www.centralbank.ie)).
  9. The Guarantor's 2017 and 2018 Annual Financial Statements and the Issuer's 2017 and 2018 Annual Financial Statements have been audited by PricewaterhouseCoopers, *Société coopérative*, with its registered office at 2, rue Gerhard Mercator, B.P. 1443, L-1014 Luxembourg, Grand Duchy of Luxembourg, approved statutory auditor (*réviseur d'entreprises agréé*), as stated in their report, which are, incorporated by reference in, and which forms part of, this Prospectus (see "*Documents Incorporated by Reference*").
  10. An application has been made to Euronext Dublin to admit the Notes to listing on the Official List and to have the Notes admitted to trading on the Regulated Market; however, no assurance can be given that such application will be accepted. It is expected that admission of the Notes to the Official List and to trading on the Regulated Market will be granted on or before the Issue Date, subject only to the issue of the Notes. The expenses in connection with the admission of the Notes to the Official List and to trading on the Regulated Market are expected to amount to approximately EUR 5,000.
  11. On the basis of the issue price of the Notes of 99.672 per cent. of their principal amount, the gross yield of the Notes is 1.547 per cent. on an annual basis. The yield to maturity is calculated as at the pricing date on the basis of the Issue Price, the interest rate of the Notes, the redemption amount of the Notes and the tenor of the Notes. It is not an indication of future yield.
  12. Arthur Cox Listing Services Limited is acting solely in its capacity as listing agent for the Issuer in relation to the Notes and is not itself seeking admission of the Notes to the Official List of Euronext Dublin or to trading on the Regulated Market.
  13. The language of the Prospectus is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.
  14. The Managers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, the Issuer, the Guarantor and their affiliates in the ordinary course of business. The Managers and their affiliates may have positions, deal or make markets in the Notes, related derivatives and reference obligations, including (but not limited to) entering into hedging strategies on behalf of the Issuer and its affiliates, investor clients, or as principal in order to manage their exposure, their general market risk, or other trading activities.

In the ordinary course of their business activities, the Managers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities

(or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Issuer, the Guarantor and their affiliates. Where the Managers or their affiliates have a lending relationship with the Issuer, the Guarantor and/or their affiliates they may routinely hedge their credit exposure to those entities consistent with their customary risk management policies. Typically, the Managers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes. Any such positions could adversely affect future trading prices of the Notes. The Managers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.



## **THE ISSUER**

**SELP Finance S.à r.l.**  
35-37, avenue de la Liberté  
L-1931 Luxembourg  
Grand Duchy of Luxembourg

## **THE GUARANTOR**

**SEGRO European Logistics Partnership S.à r.l.**  
35-37, avenue de la Liberté  
L-1931 Luxembourg  
Grand Duchy of Luxembourg

## **TRUSTEE**

**The Law Debenture Trust Corporation p.l.c.**  
Fifth Floor  
100 Wood Street  
London EC2V 7EX

## **PRINCIPAL PAYING AGENT AND TRANSFER AGENT**

**Citibank, N.A., London Branch**  
Citigroup Centre  
Canary Wharf  
London E14 5CB

## **REGISTRAR**

**Citigroup Global Markets Europe AG**  
5<sup>th</sup> Floor, Reuterweg 16  
60323 Frankfurt  
Germany

## **LEGAL ADVISERS**

*To the Issuer as to English law*

**Slaughter and May**  
One Bunhill Row  
London EC1Y 8YY  
United Kingdom

*To the Issuer as to Luxembourg law*

**Elvinger Hoss Prussen**  
2, Place Winston Churchill  
L-1340 Luxembourg  
Grand Duchy of Luxembourg

*To the Managers and to the Trustee as to English and Luxembourg law*

**Allen & Overy LLP**

One Bishops Square  
London E1 6AD  
United Kingdom

**Allen & Overy**

***Société en commandite simple***  
***(inscrite au barreau de Luxembourg)***

33, avenue John F. Kennedy  
L-1855 Luxembourg  
Grand Duchy of Luxembourg

**AUDITORS TO THE ISSUER AND THE GUARANTOR**

**PricewaterhouseCoopers, Société coopérative**

2, rue Gerhard Mercator  
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Grand Duchy of Luxembourg

**JOINT LEAD MANAGERS**

**BNP Paribas**

10 Harewood Avenue  
London NW1 6AA, United Kingdom

**NatWest Markets Plc**

250 Bishopsgate  
London EC2M 4AA, United Kingdom

**PASSIVE BOOKRUNNER**

**Banco Santander, S.A.**

Ciudad Grupo Santander  
Avenida de Cantabria s/n  
Edificio Encinar, planta baja  
28660, Boadilla del Monte  
Madrid  
Spain

**CO-MANAGER**

**Bank of China Limited, London Branch**

1 Lothbury  
London EC2R 7DB  
United Kingdom

**IRISH LISTING AGENT**

**Arthur Cox Listing Services Limited**

Ten Earlsfort Terrace  
Dublin 2, Ireland