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## **VOLUNTARY STRATEGIC UPDATE**

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EPP would like to provide further context to the announcements released on SENS and the website of the Luxembourg Stock Exchange on 20 December 2017 regarding the resignation of former non-executive director Mr. Przemyslaw Krych, whose resignation was effected as soon as was practically possible.

According to media reports, Mr. Krych's detention was in connection with the relationship with senator Kogut, who runs the Foundation for Disabled People ([www.fpon.org](http://www.fpon.org)). EPP made a donation, along with other Polish corporates, in June 2017 to the foundation run by senator Kogut. These funds were allocated to the development of a national center of Autism. This donation was among several others that EPP made to other similar foundations in the ordinary course of business during 2017. The donation made to the Foundation for Disabled People is backed by an agreement restricting the application of the donation by the recipient to its intended cause.

Hadley Dean, CEO of EPP said: "So far as the Company is aware, the investigations and charges against Mr. Krych relate to Mr. Krych in his personal capacity and not in his capacity as non-executive director of EPP. Mr. Krych has never acted for nor made any executive decisions on behalf of EPP and therefore his departure has no impact on EPP's operations, the value of its real estate or its prospects. No EPP employee is subject to investigation or has been detained. There are no transactions, to which EPP is a party, that have in any manner transgressed the law. From a company perspective, it is business as usual and we continue to focus on realising our strategy and targets, which we have communicated to the market."

EPP wishes to note the following strategic updates:

- EPP is proceeding with realising its strategy of becoming a leading Polish retail landlord. This includes EPP's acquisition strategy which is focused on retail properties located in regionally growing Polish cities with a large catchment area and a proven track record as well as the recycling the Company's office portfolio. The Company is progressing with all announced acquisitions and disposals as planned.
- All funders for the first tranche of the acquisition of the Polish retail property portfolio (M1 Portfolio) as announced on 4 December 2017 remain committed. The transaction is proceeding as planned. The sale of EPP's office assets is also proceeding as planned.
- EPP would like to further emphasize that good corporate governance is of utmost importance to the Company and the Company's management team and board of directors remain confident that all business practices are sound and governance principles continue to be robust.

"EPP will closely monitor the outcome of the Polish Central Anticorruption Bureau investigation. As and when more information becomes available we will take whatever steps necessary to protect EPP's reputation", concludes Dean.

22 December 2017

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LuxSE Listing Agent



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