

**BASE PROSPECTUS**



**ATRIUM EUROPEAN REAL ESTATE LIMITED**

*(incorporated with limited liability under the laws of Jersey, registration number 70371)*

**ATRIUM FINANCE ISSUER B.V.**

*(incorporated with limited liability under the laws of the Netherlands)*

**ATRIUM FINANCE LIMITED**

*(incorporated with limited liability under the laws of Cyprus)*

**Guaranteed by**

***(in respect of Notes issued by Atrium Finance Issuer B.V. only)***

**ATRIUM EUROPEAN REAL ESTATE LIMITED**

**€1,500,000,000**

**Euro Medium Term Note Programme**

This Base Prospectus has been approved by the Luxembourg *Commission de Surveillance du Secteur Financier* (the "CSSF"), which is the Luxembourg competent authority under Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"), as a base prospectus issued in compliance with the Prospectus Regulation for the purpose of giving information with regard to the issue of notes ("**Notes**") issued under the Euro Medium Term Note Programme (the "**Programme**") described in this Base Prospectus during the period of twelve months after the date hereof. Notes under the Programme may be issued by Atrium European Real Estate Limited ("**Atrium**"), Atrium Finance Issuer B.V. or Atrium Finance Limited (the "**Issuers**" and each an "**Issuer**"). Notes issued by Atrium Finance Issuer B.V. will be unconditionally and irrevocably guaranteed by Atrium (in its capacity as guarantor only, the "**Guarantor**"). The CSSF has only approved the Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such an approval should not be considered as an endorsement of the Issuer or the Guarantor nor as an endorsement of the quality of any Notes that are the subject of this Base Prospectus. Investors should make their own assessment as to the suitability of investing in such Notes. By approving a prospectus, in accordance with Article 20 of the Prospectus Regulation, the CSSF does not engage in respect of the economic or financial opportunity of the operation or the quality and solvency of the Issuer, in line with the provisions of Article 6(4) of the Luxembourg act dated 16 July 2019 on prospectuses for securities. Applications have been made for such Notes to be admitted during the period of twelve months after the date hereof to listing on the official list and to trading on the regulated market of the Luxembourg Stock Exchange and admission to trading on the professional segment of the Luxembourg Stock Exchange's regulated market. The regulated market of the Luxembourg Stock Exchange is a regulated market for the purposes of Directive 2014/65/EU on markets in financial instruments. The Programme also permits Notes to be issued on the basis that they will not be admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system or to be admitted to listing, trading and/or quotation by such other or further competent authorities, stock exchanges and/or quotation systems as may be agreed with the relevant Issuer. This Base Prospectus (as supplemented at the relevant time, if applicable) will remain valid for the period of twelve months after the date hereof in relation to Notes which are to be admitted to trading on a regulated market in the European Economic Area (**EEA**) or the United Kingdom. For the avoidance of doubt, the Issuers and the Guarantor shall have no obligation to supplement this Base Prospectus in the event of any significant new factor, material mistake or material inaccuracy after the end of its 12-month validity period.

Notes issued under the Programme are not regulated or authorised by either the Jersey Financial Services Commission ("**JFSC**") or the Jersey Company Registry.

As at the date of this Base Prospectus, Atrium is rated Baa3 by Moody's Investors Service Ltd ("**Moody's**") and BBB by Fitch Ratings Limited ("**Fitch**"). Moody's and Fitch are established in the United Kingdom (the "**UK**") and registered under Regulation (EC) No 1060/2009, as amended (the "**CRA Regulation**"). Moody's and Fitch appears on the latest update of the list of registered credit rating agencies (as of 14 November 2019) on the ESMA website (at <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>).

Tranches of Notes may be rated or unrated. Whether or not each credit rating applied for in relation to the relevant Series of Notes will be issued by a credit rating agency established in the European Union or the United Kingdom and registered under the CRA Regulation will be disclosed in the Final Terms. In general, European and United Kingdom 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 European Union or the United Kingdom and registered under the CRA Regulation (or is endorsed and published or distributed by subscription by such a credit rating agency in accordance with the CRA Regulation). **A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, revision or withdrawal at any time by the assigning rating agency.**

*Investing in Notes issued under the Programme involves certain risks. The principal risk factors that may affect the ability of the Issuers and the Guarantor to fulfil their obligations under the Notes are discussed under "Risk Factors" below.*

The Notes have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") or with any securities regulatory authority of any state or other jurisdiction of the United States, and Notes in bearer form are subject to U.S. tax law requirements. The Notes may not be offered, sold or (in the case of Notes in bearer form) delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act ("**Regulation S**")) except in certain transactions exempt from the registration requirements of the Securities Act.

Amounts payable on Notes may be calculated by reference to the London InterBank Offered Rate ("**LIBOR**"), the Euro Interbank Offered Rate ("**EURIBOR**"), the Prague Interbank Offered Rate ("**PRIBOR**"), the Tel Aviv Interbank Offered Rate ("**TELBOR**") or the Warsaw interbank offered rate ("**WIBOR**") as specified in the relevant Final Terms. As at the date of this Base Prospectus, the administrators of LIBOR, ICE Benchmark Administration Limited ("**IBA**"), EURIBOR, The European Money Markets Institute ("**EMMI**"), PRIBOR, the Czech Financial Benchmark Facility ("**CFBF**") and WIBOR, the GPW Benchmark S.A. ("**GPWB**") are included in the European Securities and Markets Authority's ("**ESMA**") register of administrators under Article 36 of the Regulation (EU) No. 2016/1011 (the "**Benchmark Regulation**"). As at the date of this Base Prospectus, the administrator of TELBOR, the Telbor Interest Rate Committee (Bank of Israel), is not included in ESMA's register of administrators under Article 36 of the Benchmark Regulation. As far as the Issuers are aware, the transitional provisions in Article 51 of the Benchmark Regulation apply, such that the Telbor Interest Rate Committee (Bank of Israel) is currently not required to obtain authorisation/registration (or, if located outside the European Union and United Kingdom, recognition, endorsement or equivalence).

**Arranger**

**CITIGROUP**

**Dealers**

**CITIGROUP  
HSBC  
MORGAN STANLEY**

**DEUTSCHE BANK  
ING  
RAIFFEISEN BANK INTERNATIONAL**

24 September 2020

## IMPORTANT NOTICES

### Responsibility for this Base Prospectus

The Guarantor and each of Atrium, Atrium Finance Issuer B.V. and Atrium Finance Limited (except in relation to information solely in respect of Atrium) accepts responsibility for the information contained in this Base Prospectus and any Final Terms and declare that, to the best of their knowledge, the information contained in this Base Prospectus is in accordance with the facts and this Base Prospectus makes no omission likely to affect its import.

### Final Terms/Drawdown Prospectus

Each Tranche (as defined herein) of Notes will be issued on the terms set out herein under "*Terms and Conditions of the Notes*" (the "**Conditions**") as completed by a document specific to such Tranche called final terms (the "**Final Terms**") or in a separate prospectus specific to such Tranche (the "**Drawdown Prospectus**") as described under "*Final Terms and Drawdown Prospectuses*" below.

### Other relevant information

This Base Prospectus must be read and construed together with any supplements hereto and with any information incorporated by reference herein and, in relation to any Tranche of Notes which is the subject of Final Terms, must be read and construed together with the relevant Final Terms. In the case of a Tranche of Notes which is the subject of a Drawdown Prospectus, each reference in this Base Prospectus to information being specified or identified in the relevant Final Terms shall be read and construed as a reference to such information being specified or identified in the relevant Drawdown Prospectus unless the context requires otherwise.

If at any time either of the Issuers shall be required to prepare a supplement to the Base Prospectus pursuant to the requirements of Article 23 of the Prospectus Regulation, such Issuer will prepare and make available an appropriate supplement to this Base Prospectus which, in respect of any subsequent issue of Notes to be listed on the Official List and admitted to trading on the regulated market of the Luxembourg Stock Exchange, shall constitute a supplemental base prospectus as required pursuant to Article 23 of the Prospectus Regulation.

### Unauthorised information

No person has been authorised to give any information or to make any representation not contained in or not consistent with this Base Prospectus or any other document entered into in relation to the Programme or any information supplied by the Issuers, the Guarantor or such other information as is in the public domain and, if given or made, such information or representation should not be relied upon as having been authorised by the Issuers, the Guarantor or any Dealer (as defined below).

Neither the Dealers nor any of their respective affiliates have authorised the whole or any part of this Base 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 or incorporated into this Base Prospectus or any other information provided by the Issuers and the Guarantor in connection with the Programme. The Dealers and any of their respective affiliates also do not accept any responsibility for the acts or omissions of the Issuers, the Guarantor or any other person (other than the relevant Dealer) in connection with the issue and offering of the Notes. In particular, none of the Dealers accepts any responsibility for any third party social, environmental and sustainability assessment of any Notes issued as Green Bonds or makes any representation or warranty or assurance whether the Bonds will meet any investor expectations or requirements regarding such "green", "sustainable", "social" or similar labels. None of the Dealers is responsible for the monitoring of the use of proceeds for any Notes issued as Green Bonds. No representation or assurance is given by the Dealers as to the suitability or reliability of any opinion or certification of any third party made available in connection with an issue of Notes issued as Green Bonds and any such opinion or certification is not a recommendation by any Dealer to buy, sell or hold any such Notes. In the event any such Notes are listed or admitted to trading on a dedicated "green", "sustainable", "social" or other equivalently-labelled segment of a stock exchange or securities market, no representation or assurance is given by the Dealers that such listing or admission will be obtained or maintained for the lifetime of the Notes.

Neither the delivery of this Base Prospectus or any Final Terms nor the offering, sale or delivery of any Note shall, in any circumstances, create any implication that the information contained in this Base Prospectus is true subsequent to the date hereof or the date upon which this Base Prospectus has been most recently amended or supplemented or that there has been no adverse change, or any event reasonably likely to involve any adverse change, in the prospects or financial or trading position of the Issuers and the Guarantor since the date hereof or, if later, the date upon which this Base Prospectus has been most recently amended or supplemented or that any other information supplied in connection with the Programme is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same. The Dealers and the Trustee expressly do not undertake to review the financial condition or affairs of the Issuers or the Guarantor during the life of the Programme or to advise any investor in Notes issued under the Programme of any information coming to their attention.

To the fullest extent permitted by law, the Arranger, the Trustee, the Agents and the Dealers accept no responsibility whatsoever for the contents of this Base Prospectus. The Arranger, the Trustee, the Agents and each Dealer accordingly disclaims all and any liability whether arising in tort or contract or otherwise which it might otherwise have in respect of this Base Prospectus.

Certain information in this Base Prospectus has been extracted or derived from independent sources. Where this is the case, the source has been identified. The Issuers and the Guarantor do not accept any responsibility for the accuracy of such information nor have the Issuers or the Guarantor independently verified any such information. The Issuers and the Guarantor confirm that this information has been accurately reproduced, and so far as the Issuers and the Guarantor are aware and are able to ascertain from information available from such sources, no facts have been omitted which would render the reproduced information inaccurate or misleading.

#### **Restrictions on distribution**

This Base Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any 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 Base Prospectus and any Final Terms and the offering, sale and delivery of the Notes in certain jurisdictions may be restricted by law. The Issuers, the Guarantor, the Dealers and the Trustee do not represent that this Base Prospectus may be lawfully distributed, or that any 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 Issuers, the Guarantor, the Dealers or the Trustee which is intended to permit a public offering of any Notes or distribution of this Base 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 Base 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 Base Prospectus or any Final Terms comes are required by the relevant Issuer, the Guarantor (if applicable) and the Dealers 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 the distribution of this Base Prospectus or any Final Terms and other offering material relating to the Notes, see "*Subscription and Sale*".

In particular, the Notes have not been, and will not be, registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States, and Notes in bearer form are subject to U.S. tax law requirements. The Notes may not be offered, sold or (in the case of Notes in bearer form) delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S) except in certain transactions exempt from the registration requirements of the Securities Act. For a description of these and certain further restrictions on offers, sales and transfers of Notes, see "*Subscription and Sale*".

**NEITHER THE PROGRAMME NOR THE NOTES HAVE BEEN APPROVED OR DISAPPROVED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION (THE "SEC"), ANY STATE SECURITIES COMMISSION IN THE UNITED STATES OR ANY OTHER U.S. REGULATORY AUTHORITY, NOR HAS ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF ANY OFFERING OF NOTES OR THE ACCURACY OR ADEQUACY OF THIS BASE PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.**

Neither this Base Prospectus nor any Final Terms constitutes an offer or an invitation to subscribe for or purchase any Notes and should not be considered as a recommendation by any of the Issuers, the Guarantor, the Dealers or any of them that any recipient of this Base Prospectus or any Final Terms should subscribe for or purchase any Notes. Each recipient of this Base Prospectus or any Final Terms shall be taken to have made its own investigation and appraisal of the condition (financial or otherwise) of the Issuers and the Guarantor.

**IMPORTANT – EEA AND UK RETAIL INVESTORS** If the Final Terms (or Drawdown Prospectus, as the case may be) in respect of any Notes includes a legend entitled "*Prohibition of Sales to EEA and UK 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 or the UK. 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 (EU) 2016/97 (the "**Insurance Distribution Directive**"), 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 Regulation (EU) No 1286/2014 (as amended or superseded, the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or the UK may be unlawful under the PRIIPs Regulation.

**MiFID II product governance / target market** – The Final Terms (or Drawdown Prospectus, as the case may be) in respect of any Notes will include a legend entitled "*MiFID II product governance/Professional investors and ECPs only target market*" which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the 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 target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the "**MiFID Product Governance Rules**"), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

The JFSC has consented to the circulation of this Base Prospectus, to the extent necessary, by the Issuers. The Commission is protected by the Control of Borrowing (Jersey) Law 1947 ("**COBO**"), as amended, against liability arising from the discharge of its functions under COBO. Atrium is regulated by the JFSC as a certified fund pursuant to the Collective Investment Funds (Jersey) Law 1988, as amended ("**CIF Law**"). The JFSC is protected by the CIF Law against liability arising from the discharge of its functions under this law. The Notes are not regulated or authorised by either the JFSC or the Jersey Company Registry.

### **Benchmark Regulation**

Interest and/or other amounts payable under the Notes may be calculated by reference to certain reference rates. Any such reference rate may constitute a benchmark for the purposes of Regulation (EU) 2016/1011 (the "**Benchmark Regulation**"). If any such reference rate does constitute such a benchmark, the Final Terms will indicate whether or not the benchmark is provided by an administrator included in the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority ("**ESMA**") pursuant to Article 36 (*Register of administrators and benchmarks*) of the Benchmark Regulation. Transitional provisions in the Benchmark Regulation may have the result that the administrator of a particular benchmark is not required to appear in the register of administrators and benchmarks at the date of the Final Terms. The registration status of any administrator under the Benchmark Regulation is a matter of public record and, save where required by applicable law, the Issuers do not intend to update the Final Terms to reflect any change in the registration status of the administrator.

## **PRODUCT CLASSIFICATION PURSUANT TO SECTION 309B OF THE SECURITIES AND FUTURES ACT (CHAPTER 289 OF SINGAPORE)**

The Final Terms in respect of any Notes may include a legend entitled "Singapore Securities and Futures Act Product Classification" which will state the product classification of the Notes pursuant to section 309B(1) of the Securities and Futures Act (Chapter 289 of Singapore) (the "SFA"). The relevant Issuer will make a determination in relation to each issue about the classification of the Notes being offered for purposes of section 309B(1)(a). Any such legend included on the applicable Final Terms will constitute notice to "relevant persons" for the purposes of section 309B(1)(c) of the SFA.

### **Stabilisation**

**In connection with the issue of any Tranche of Notes, the Dealer or Dealers (if any) named as the Stabilisation Manager(s) (or persons acting on behalf of any Stabilisation Manager(s)) in the applicable Final Terms may over allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilisation 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 relevant Tranche of 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 relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the Stabilisation Manager(s) (or persons acting on behalf of the Stabilisation Manager(s)) in accordance with all applicable laws and rules.**

### **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:

- i. have 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 Base Prospectus or any applicable supplement;
- ii. have access to, and knowledge of, appropriate analytical tools to evaluate, the in context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- iii. have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes;
- iv. understand thoroughly the terms of the Notes; 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.

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.

Legal investment considerations may restrict certain investments. 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 legal advisers to determine whether and to what extent (i) the Notes are legal investments for it, (ii) the Notes can be used as collateral for various types of borrowing and (iii) other restrictions apply to its purchase or pledge of the Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of the Notes under any applicable risk-based capital or similar rules.

## FORWARD-LOOKING STATEMENTS

Certain statements included in this Base Prospectus may constitute "forward-looking statements". Forward-looking statements are all statements in this Base Prospectus that do not relate to historical facts and events and include statements concerning the Issuers, the Guarantor or the plans, objectives, goals, targets, strategies and future operations and performance of the Group and the assumptions underlying these forward-looking statements. The Issuers and the Guarantor use the words "may", "will", "could", "believes", "assumes", "intends", "estimates", "expects", "plans", "seeks", "approximately", "aims", "projects", "anticipates" or similar expressions, or the negative thereof, to generally identify forward-looking statements.

Forward-looking statements are set forth in a number of places in this Base Prospectus and the Issuers and the Guarantor have based these forward-looking statements on its current views with respect to future events and financial performance. These views involve uncertainties and are subject to certain risks, the occurrence of which could cause actual results to differ materially from those predicted in the forward-looking statements contained in this Base Prospectus and from past results, performance or achievements. Although the Issuers and the Guarantor believe that the estimates and the projections reflected in its forward-looking statements are reasonable, if one or more of the risks or uncertainties materialise or occur, including those which the Issuers and the Guarantor have identified in this Base Prospectus, or if any of the Issuers' or the Guarantor's underlying assumptions prove to be incomplete or incorrect, the Group's actual results of operations may vary from those expected, estimated or projected.

These forward-looking statements are made only as at the date of this Base Prospectus. Except to the extent required by law, the Issuers and the Guarantor are not obliged to, and do not intend to, update or revise any forward-looking statements made in this Base Prospectus whether as a result of new information, future events or otherwise. All subsequent written or oral forward-looking statements attributable to the Issuers or the Guarantor, or persons acting on the Issuers' or the Guarantor's behalf, are expressly qualified in their entirety by the cautionary statements contained throughout this Base Prospectus. As a result of these risks, uncertainties and assumptions, a prospective purchaser of the Notes should not place undue reliance on these forward-looking statements.

Atrium is regulated by the JFSC as a certified fund pursuant to the CIF Law. In order to facilitate the internalisation of its management, Atrium was, in 2008, granted permission by the JFSC to be treated as a Listed Fund (as published by the JFSC) under a fast-track authorisation process. Holding an investment in Atrium is suitable therefore only for professional or experienced investors, or those who have taken appropriate professional advice. Regulatory requirements, which may be deemed necessary for the protection of retail or inexperienced investors, do not apply to Listed Funds. Any person holding an investment in Atrium will be deemed to have acknowledged that he or she is a professional or experienced investor, or has taken appropriate professional advice, and has accepted the reduced requirements accordingly. You are wholly responsible for ensuring that all aspects of this fund are acceptable to you. Investment in listed funds may involve special risks that could lead to a loss of all or a substantial portion of such investment. Unless you fully understand and accept the nature of this fund and the potential risks inherent in this fund you should not invest in this fund.

Further information in relation to the regulatory treatment of Listed Funds domiciled in Jersey may be found on the website of the Jersey Financial Services Commission at [www.jerseyfsc.org](http://www.jerseyfsc.org).

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## GENERAL DESCRIPTION OF THE PROGRAMME

*The following overview of key features of the Programme is qualified in its entirety by the remainder of this Base Prospectus. Words and expressions defined in "Forms of the Notes" or "Terms and Conditions of the Notes" below shall have the same meanings in this overview of key features of the Programme.*

<b>Issuers:</b>	Atrium, Atrium Finance Issuer B.V. and Atrium Finance Limited
<b>Guarantor:</b>	Atrium, in respect of Notes issued by Atrium Finance Issuer B.V. only.
<b>Legal Entity Identifiers:</b>	Atrium: 213800OJ67K27RCO2J56 Atrium Finance Issuer B.V.: 254900SPU76HSRZ8ZM02 Atrium Finance Limited: 254900S97VONWYW91C97
<b>Website of Group:</b>	www.aere.com
<b>Programme Amount:</b>	Up to €1,500,000,000 (or the equivalent in other currencies at the date of issue) aggregate principal amount of Notes outstanding at any one time. The Issuers may increase the amount of the Programme in accordance with the terms of the Dealer Agreement.
<b>Arranger:</b>	Citigroup Global Markets Limited
<b>Dealers:</b>	Citigroup Global Markets Europe AG, Citigroup Global Markets Limited, Deutsche Bank Aktiengesellschaft, HSBC Bank plc, ING Bank N.V., Morgan Stanley & Co. International plc, Raiffeisen Bank International AG and any other Dealer appointed from time to time by the Issuers either generally or in respect of the Programme or in relation to a particular Tranche of Notes
<b>Principal Paying Agent:</b>	Citibank, N.A., London Branch (the " <b>Principal Paying Agent</b> ")
<b>Transfer Agent:</b>	Citibank, N.A., London Branch
<b>Registrar:</b>	Citibank, N.A., London Branch (the " <b>Registrar</b> ")
<b>Trustee:</b>	Citibank, N.A., London Branch (the " <b>Trustee</b> ")
<b>Currencies:</b>	Notes may be denominated in Euros or in any other currency or currencies, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements.
<b>Method of Issue:</b>	Notes will be issued in Series. Each Series may comprise one or more Tranches issued on different issue dates. The Notes of each Series will all be subject to identical terms, except that the issue date and the amount of the first payment of interest may be different in respect of different Tranches. The Notes of each Tranche will all be subject to identical terms in all respects save that a Tranche may comprise Notes of different denominations.
<b>Denominations:</b>	Notes will be issued in such denominations as may be agreed between the relevant Issuer and the relevant Dealer(s) (subject to compliance with all applicable legal and/or regulatory and/or central bank requirements), save that the minimum denomination of each Note will be EUR 100,000 (or the equivalent in any other currency).
<b>Maturities:</b>	Any maturity, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements.  Any Notes in respect of which the issue proceeds are received by the relevant Issuer in the United Kingdom and which have a maturity of less

than one year must (a) have a minimum redemption value and minimum denomination of £100,000 (or its equivalent in other Specified Currencies) **provided, however, that** the minimum denominations will always be the equivalent of at least EUR 100,000 per Note and be issued only to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their business; or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses or (b) be issued in other circumstances which do not constitute a contravention of section 19 of the Financial Services and Markets Act 2000 ("**FSMA**") by the relevant Issuer.

**Listing and Trading:** Applications have been made for Notes to be admitted during the period of twelve months after the date hereof to listing on the official list and to trading on the regulated market of the Luxembourg Stock Exchange.

Notes may be listed or admitted to trading, as the case may be, on other or further stock exchanges or markets agreed between the Issuers and the relevant Dealer in relation to the Series. Notes which are neither listed nor admitted to trading on any market may also be issued.

The applicable Final Terms will state whether or not the relevant Notes are to be listed and/or admitted to trading and, if so, on which stock exchanges and/or markets.

**Status of Notes:** The Notes shall constitute direct, unconditional and (subject to Condition 5(a) *Covenants - Negative Pledge*) unsecured and unsubordinated obligations of the relevant Issuer and shall at all times rank *pari passu*, without any preference among themselves, with all other outstanding unsecured and unsubordinated obligations of the relevant Issuer, present and future, but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights.

**Status of the Guarantee:** The guarantee of the obligations of Atrium Finance Issuer B.V. under and in relation to the Notes issued by Atrium Finance Issuer B.V. is unconditional and irrevocable and is an unsecured and unsubordinated obligation of the Guarantor and shall at all times rank *pari passu* with all other outstanding unsecured and unsubordinated obligations of the Guarantor, present and future, but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights.

**Final Terms or Drawdown Prospectus:** Notes issued under the Programme may be issued either (1) pursuant to this Base Prospectus and associated Final Terms or (2) pursuant to a Drawdown Prospectus. The terms and conditions applicable to any particular Tranche of Notes will be the Conditions as completed by the relevant Final Terms or, as the case may be, as supplemented, amended and/or replaced by the relevant Drawdown Prospectus.

**Issue Price:** Notes may be issued at any price, as specified in the relevant Final Terms or Drawdown Prospectus. The price and amount of Notes to be issued under the Programme will be determined by the relevant Issuer and the relevant Dealer(s) at the time of issue in accordance with prevailing market conditions.

**Clearing Systems:** Euroclear Bank SA/NV ("**Euroclear**") and/or Clearstream Banking S.A. ("**Clearstream, Luxembourg**" and together with Euroclear, the "**ICSDs**") and/or, in relation to any Tranche of Notes, any other clearing system as may be specified in the relevant Final Terms.

**Forms of Notes:** Notes may be issued in bearer form ("**Bearer Notes**") or in registered form ("**Registered Notes**") (as allowed by the laws applicable to each Issuer).

Bearer Notes will not be exchangeable for Registered Notes and Registered Notes will not be exchangeable for Bearer Notes. No single Series or Tranche may comprise both Bearer Notes and Registered Notes.

Each Tranche of Bearer Notes will initially be in the form of either a temporary global note (the "**Temporary Global Note**") or a permanent global note (the "**Permanent Global Note**"), in each case as specified in the relevant Final Terms (each a "**Global Note**"). Each Global Note which is not intended to be issued in new global note form ("NGN"), as specified in the relevant Final Terms, will be deposited on or around the relevant Issue Date with a depository or a common depository for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and each Global Note which is intended to be issued in NGN form, as specified in the relevant Final Terms, will be deposited on or around the relevant Issue Date with a common safekeeper for Euroclear and/or Clearstream, Luxembourg. Each Temporary Global Note will be exchangeable for a Permanent Global Note or, if so specified in the relevant Final Terms, for Definitive Notes. If the TEFRA D Rules are specified in the relevant Final Terms as applicable, certification as to non-U.S. beneficial ownership will be a condition precedent to any exchange of an interest in a Temporary Global Note or receipt of any payment of interest in respect of a Temporary Global Note.

Each Permanent Global Note will be exchangeable for Definitive Notes in accordance with its terms. Definitive Notes will, if interest-bearing, have Coupons attached and, if appropriate, a Talon for further Coupons.

Each Tranche of Registered Notes will initially be represented by a Global Registered Note which will either be: (a) in the case of Note which is not to be held under the new safekeeping structure ("**New Safekeeping Structure**" or "**NSS**"), registered in the name of a common depository (or its nominee) for Euroclear and/or Clearstream, Luxembourg and the relevant Global Registered Note will be deposited on or about the issue date with the common depository; or (b) in the case of a note to be held under the New Safekeeping Structure, registered in the name of a common safekeeper (or its nominee) for Euroclear and/or Clearstream, Luxembourg and the relevant Global Registered Note will be deposited on or about the Issue Date with the common safekeeper for Euroclear and/or Clearstream, Luxembourg.

**Negative Pledge:**

The Notes will have the benefit of a negative pledge as described in Condition 5(a).

**Financial Covenants:**

So long as any Note remains outstanding (as defined in the Trust Deed), Atrium undertakes that:

- (i) it will not, and will not permit any Subsidiary to, incur directly or indirectly any Indebtedness or any guarantee and/or indemnity in respect of any Indebtedness (excluding for the purposes of Condition 5(b) any Permitted Refinancing Indebtedness) if, on the date of such incurrence and after giving pro forma effect thereto (including pro forma application of the proceeds), the Consolidated Solvency Ratio shall not exceed 0.60;
- (ii) it will not, and will not permit any Subsidiary to incur directly or indirectly, any Secured Indebtedness (excluding for the purposes of Condition 5(b) any Permitted Refinancing Indebtedness relating to the same previously secured assets) if, on the date of such incurrence and after giving pro forma effect thereto

(including pro forma application of the proceeds) the Consolidated Secured Solvency Ratio shall not exceed 0.40; and

- (iii) in relation to the Group taken as a whole the Consolidated Coverage Ratio shall be at least 1:5:1.

See "*Terms and Conditions of the Notes – Condition 5(b) (Financial Covenants)*" and related defined terms.

**Cross-Default and Cross-Acceleration:**

The terms of the Notes contain a cross-default and cross acceleration provision. See "*Terms and Conditions of the Notes – Condition 13(c) (Cross-default/Cross-acceleration of Atrium or Material Subsidiary)*"

**Interest:**

Notes may be interest-bearing or non-interest bearing. Interest (if any) may accrue at a fixed rate or a floating rate and the method of calculating interest may vary between the issue date and the maturity date of the relevant Series. Interest on the Notes will not be contingent in an amount that is determined by reference to the receipts, sales, income, profits or cashflow or the relevant Issuer or a related person, or the change in value of any property held by the relevant Issuer or a related person. Interest may be subject to a Rate Adjustment in certain circumstances (as described in Condition 7A (*Adjustment of Interest Rate*)).

**Redemption:**

Unless previously redeemed, or purchased and cancelled, Notes will be redeemed at their Final Redemption Amount (as specified in the relevant Final Terms) on the Maturity Date.

**Optional Redemption:**

Subject to certain conditions, Notes may be redeemed before the Maturity Date (i) at the option of the relevant Issuer as described in Condition 9(c) (*Redemption and Purchase – Redemption at the option of the Issuer*) or in the circumstances described in Condition 9(g) (*Redemption and Purchase – Clean-up Call Option*), or (ii) at the option of the Noteholders (in the circumstances described in Condition 9(e) (*Redemption and Purchase – Redemption at the option of Noteholders*)) and/or upon a Change of Control Put Event (as described in Condition 9(f) (*Redemption and Purchase – Change of Control Put Option*)), in each case, to the extent (if at all) specified in the relevant Final Terms.

**Tax Redemption:**

Except as described in "*Optional Redemption*" above, early redemption will only be permitted for tax reasons, as described in Condition 9(b) (*Redemption and Purchase – Redemption for tax reasons*).

**Taxation:**

All payments of principal and interest in respect of the Notes and the Coupons by or on behalf of the relevant Issuer or the Guarantor (where applicable) shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature ("**Taxes**") imposed, levied, collected, withheld or assessed by or on behalf of any Relevant Jurisdiction (as defined in the Terms and Conditions of the Notes) or any authority therein or thereof having the power to tax, unless such withholding or deduction of Taxes is required by law. In that event, the relevant Issuer or the Guarantor (if applicable) shall (subject to certain exceptions) pay such additional amounts as will result in receipt by the Noteholders and the Couponholders of such amounts as would have been received by them had no such withholding or deduction been required. See "*Terms and Conditions of the Notes—Taxation*".

**Risk Factors:**

Investing in Notes issued under the Programme involves certain risks. The principal risk factors that may affect the ability of the Issuers and the Guarantor (the latter only in respect of Notes issued by Atrium Finance

Issuer B.V.) to fulfil their respective obligations under the Notes are discussed under "*Risk Factors*" below.

**Governing Law:**

English law

**Ratings:**

Atrium is rated Baa3 by Moody's and BBB by Fitch.

In accordance with Moody's ratings definitions available as at the date of this Base Prospectus on <https://www.moody.com/ratings-process/Ratings-Definitions/002002>, obligations rated 'Baa' are judged to be medium-grade and subject to moderate credit risk and as such may possess certain speculative characteristics.

In accordance with Fitch's ratings definitions available as at the date of this Base Prospectus on [https://www.fitchratings.com/site/definitions?rd\\_file=ltr#str](https://www.fitchratings.com/site/definitions?rd_file=ltr#str), an obligation rated 'BBB' indicates that expectations of default risk are currently low; the capacity for payment of financial commitments is considered adequate, but adverse business or economic conditions are more likely to impair this capacity.

Tranches of Notes issued under the Programme may be rated or unrated. Where a Tranche of Notes is rated, such rating will not necessarily be the same as the rating(s) (if any) assigned to the relevant Issuer or the rating(s) assigned to Notes already issued. Where a Tranche of Notes is rated, the applicable rating(s) will be specified in the relevant Final Terms. A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the assigning rating organisation. Any change in the rating of Notes could adversely affect the price that a purchase would be willing to pay for Notes. Whether or not each credit rating applied for in relation to the relevant Series of Notes will be issued by a credit rating agency established in the European Union or The United Kingdom and registered under the CRA Regulation will be disclosed in the Final Terms.

**Selling Restrictions:**

For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of offering material in the United States of America, the European Economic Area, the United Kingdom, the Netherlands, Jersey, Japan and Singapore, see "*Subscription and Sale*" below.

Notes issued by Atrium Finance Limited will be sold only to companies within the Group (as defined herein).

**Use of proceeds:**

The net proceeds from each issue of Notes will be used for the general corporate purposes of the Group and for the repayment of some of the Group's existing indebtedness. If, in respect of any particular issue, there is a particular identified use of proceeds, this will be stated in the applicable Final Terms. In particular, if so specified in the applicable Final Terms, the relevant Issuer will apply the net proceeds from an offer of Notes specifically the financing or refinancing of Green Assets (as defined in the "Use of Proceeds" section) under Atrium's Green Financing Framework (as defined in the "Documents Incorporated by Reference" section) which is incorporated in and forms part of this Base Prospectus. Such Notes may also be referred to as "**Green Bonds**". See "*Use of Proceeds*" below.

## RISK FACTORS

*Investment in the Notes involves certain risks.*

*Atrium believes that the following risk factors may affect its ability to fulfil its obligations under the Notes.*

*Although the most material risk factors have been presented first within each category, the order in which the remaining risks are presented is not necessarily an indication of the likelihood of the risks actually materialising, of the potential significance of the risks or of the scope of any potential negative impact to Atrium's business, financial condition, results of operations and prospects. Atrium may face a number of these risks described below simultaneously and some risks described below may be interdependent. While the risk factors below have been divided into categories, some risk factors could belong in more than one category and prospective investors should carefully consider all of the risk factors set out in this section.*

*Factors which Atrium believes may be material for the purpose of assessing the market risks associated with the Notes are also described below.*

*Atrium believes that all the factors described below represent the material risks inherent in investing in the Notes, however Atrium may be unable to pay interest, principal or other amounts on or in connection with the Notes for other reasons that are currently unknown to Atrium or that Atrium does not currently consider to be material. Other risks, events, facts or circumstances not included in this Base Prospectus, not presently known to Atrium, or that Atrium currently deems to be immaterial could, individually or cumulatively, prove to be important and may have a significant negative impact on Atrium's group business, financial condition, results of operations and prospects. Prospective investors should carefully read and review the entire Base Prospectus and should form their own views before making an investment decision with respect to the Notes. Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus (including any documents incorporated by reference in, and forming part of, this Base Prospectus) and reach their own views prior to making any investment decision.*

*Before making an investment decision with respect to any Notes, prospective investors should consult their own stockbroker, bank manager, lawyer, accountant or other financial, legal and tax advisers and carefully review the risks entailed by an investment in the Notes and consider such an investment decision in the light of the prospective investor's personal circumstances.*

### RISKS RELATED TO ATRIUM AND THE GROUP

#### **1. Risks related to the business sector and operating environment**

***The continuing spread of a new strain of coronavirus, which causes the viral disease known as COVID-19 and any (future) outbreak of an infectious disease, European or global pandemic event or any other serious public health concerns, may adversely affect the business and financial condition of the Group***

Since its discovery in December 2019, a new strain of coronavirus, which causes COVID-19, has spread from China to many other countries, including the Group's core markets in the Czech Republic and Poland.

Considerable uncertainty still surrounds the COVID-19 pandemic and its potential effects, and the extent of and effectiveness of any responses taken on a national and local level. The impact of the COVID-19 pandemic on the Group's markets and the world economy is uncertain and is expected to result in a worldwide economic downturn that may lead to corporate bankruptcies in the most affected industries and has already led to a substantial increase in unemployment.

Since March 2020, government-imposed trading restrictions in the Group's areas of operations were introduced at all shopping centres with only grocery stores/supermarkets, pharmacies/drugstores and other necessity services allowed to operate. Restrictions began to be lifted in early May 2020 and as at the date

of this Base Prospectus, 92% of the Group's GLA and base rental is open. As a result, the COVID-19 pandemic has impacted and will continue to impact the Group's business and operating results.

COVID-19 has changed the global economic outlook for at least this year and this will inevitably impact the Group's business. There is no doubt that the short-term implications of these restrictions will bring commercial and financial challenges at least for 2020. Irrespective of the easing of the strict lockdown measures in some of the Group's regions, there is a risk that some governments which have reduced strict lockdown measures impose new or stricter temporary measures and regulations or prolong imposed quarantines and other government measures and regulations. The increase in e-commerce fuelled by COVID-19 may continue and previous consumer shopping habits may be permanently affected as a result of the pandemic.

Quarantines, states of emergencies and other government measures and regulations taken in response to the evolving COVID-19 situation within the Group's operational jurisdictions may negatively impact the business, the value of the Group's assets, financial condition, access to debt capital markets/loans, the ability to further execute the Group's asset rotation strategy, to expand Group's investment strategy into the residential for rent asset class, the result of operations and prospects of the Group.

The extent to which the COVID-19 pandemic impacts the Group's operations will depend on future developments, which are highly uncertain and cannot be predicted with confidence, including the duration of the outbreak, new information that may emerge concerning the severity of the COVID-19 pandemic and the actions taken to contain the COVID-19 pandemic or treat its impact, among others.

In addition, a risk exists of further waves of the COVID-19 pandemic that could result in government restrictions on the Group's ability to trade, or any (future) outbreak of any infectious diseases or any other serious public health concerns in the various countries the Group operates, or in other parts of the world, which could adversely impact the business, financial condition, result of operations including valuations, investment grade ratings and prospects of the Group.

#### ***The Group is exposed to certain risks relating to real estate investments***

Investing in real estate is generally subject to various risks, including adverse changes in national or international economic conditions, political instability, sanctions, weaker demographics (including aging) and changes in urbanisation trends, declining flow of capital due to global changes and reduced available liquidity, adverse local market conditions, the financial condition of the retail sector, changes in the availability of debt financing, changes in interest rates and foreign exchange rates, real estate tax rates and other operating expenses, environmental and operational laws and regulations (for example, opening hour restrictions), planning laws and other governmental rules and fiscal policies, changes in technology and online retailing, changes in the relative popularity of real estate types and locations and operational risks.

These factors could cause fluctuations in rental income, operating expenses, occupancy rate<sup>1</sup> and/or the value of the properties, causing a negative effect on the operating returns derived from properties. The value of properties may also be significantly diminished in the event of a downturn in real estate prices or the occurrence of any of the other factors noted above. Such a decrease in rental income, increase in operating expenses and decrease in the occupancy rate or in the value of the properties could have a material adverse effect on the Group's business, financial condition, prospects and results of operations.

#### ***The fair value of the Group's properties may fluctuate***

The fair value of the Group's investment properties is inherently uncertain due to the individual nature of each property and the characteristics of the local, regional and national real estate markets. The fair value

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<sup>1</sup> Approximately 95.4% at 30 June 2020 and 97.0% at 31 December 2019.

is influenced by several factors, such as general and local economic conditions, interest rates, inflation expectations, current and future market rent levels, currency fluctuations, vacancy rates, property investors' yield requirements and competition. In particular, the continuing spread of the COVID-19 pandemic and the related government-imposed trading restrictions in response to the pandemic could have a negative impact on the fair value of the Group's investment properties.

The valuation of investment property is inherently subjective due to, among other factors, the individual nature of each property, its location, the expected future rental revenues from that particular property, the expected expenses, subsidies, capital expenditures and, in the case of development land, the expectations as to the cost and timing of that development and its ability to attract tenants.

As a result, the valuations of investment property, which account for the vast majority of the Group's assets, will be subject to a high degree of uncertainty and will be made on the basis of assumptions, which may not prove to be accurate, particularly in periods of volatility or low transaction volume in the real estate property market.

The fair value is influenced by several factors. In particular, the continuing spread of the COVID-19 pandemic and the related government-imposed trading restrictions in response to this pandemic could have a negative impact on the fair value of the Group's investment properties. The uncertainty related to the COVID-19 pandemic has led to a significant reduction in the number of real estate transactions since February 2020 and has impacted the availability of reliable market data relating to conditions as at 30 June 2020. The latest valuation date of the Group's investment properties was 30 June 2020. Due to limited available market data, a high degree of judgment has been applied in determining the estimated cash flows used in the assessment of the fair value of investment properties. Consequently, a higher level of uncertainty exists in the latest valuation than would normally be the case. The fair values as determined by external, independent real estate valuation experts as at 30 June 2020 have used all available information from reliable sources in developing appropriate assumptions to determine the fair value of investment properties.

The valuations are therefore reported as being subject to 'material valuation uncertainty' as set out in VPS 3 and VPGA 10 of the RICS Valuation – Global Standards. Consequently, less certainty and a higher degree of caution were attached to the valuation. Approximately 48% of the Standing Investments were valued externally across all asset sizes, prime and secondary cities. The remaining standing investments portfolio was valued internally in line with yield changes and similar assumptions derived from the external valuation. Please also see the statements under "*Emphasis of Matter – significant estimation uncertainty in investment properties' valuation*" by PricewaterhouseCoopers CI LLP under "*Auditors*" of the chapter General Information.

A reduction of the market value of a property based on such a valuation analysis could have an adverse effect, among other things, on the Group's value of its total assets and its profitability. In addition, the Group's existing debt facilities contain certain covenants, such as an obligation to maintain a maximum loan to valuation ratio, which could also be adversely affected by a decrease in the market value of its investment properties. As a result, fluctuations in the valuation of the Group's properties could have a material adverse effect on the Group's business, financial condition, prospects, results of operations and execution of its strategy.

***A decreased demand for, or an increased supply of, or a contraction of the market for, properties in the Czech Republic, Poland, Russia, Slovakia and Turkey (the "Region") could adversely affect the business and financial condition of the Group***

Changes in supply and demand for real estate, or a contraction of the property market in any of the countries in which the Group has its operations or assets, in particular in respect of its Standing Investments, may negatively influence the occupancy rates of the Group's properties, the rental rates, the level of demand and ultimately the value of such properties. Similarly, the demand for rental space at the Group's existing properties may decrease as a result of poor economic conditions, an increase in available space, new or



renewed adjacent competitive schemes and heightened competition for stronger and better performing tenants. This could result in lower occupancy rates, higher capital expenditure required to contract or retain tenants, lower rental income owing to lower rental rates, as well as, shorter lease periods.

The execution of Atrium's first pillar of its strategy to focus on core markets continues to be realised through the planned dispositions of high yielding secondary assets to improve the quality of the portfolio and the security of current and future cash flows. Atrium's dominant assets in strong locations remain the focus of the portfolio, further supported by redevelopments and the expansion of the Group's investment strategy into the residential for rent asset class. There can be no guarantee that Atrium will be able in the future to execute disposals at all or execute them at acceptable prices or at prices that are higher than the fair market valuation of a particular property, in particular in the current economic environment driven by the impact of the COVID-19 pandemic on the Group's markets.

All of these risks, if realised, could have a material adverse effect on the Group's business, financial condition, prospects and results of operations.

#### ***Increasing competition in the real estate market***

The Group faces competition from other owners, operators and developers of retail real estate. One of the primary areas of focus for the Group is the active management of its Standing Investments through optimising its tenant mix and ensuring asset attractiveness is achieved and improved by finding the right balance between retaining existing tenants and re-letting rental space to new tenants. The Group competes with local real estate developers, private investors, property funds and other retail property owners for tenants. Other than the requirements for capital, there are few other barriers to entry to the property market. Some of the Group's competitors may have properties that are newer, better located or in superior condition to its properties.

The dominance of a shopping centre in a particular area is an important factor that determines the shopping centre's ability to compete for tenants. If there are several centres in the same area, competition is more intense and the Group may experience increased competition for tenants. The competition for tenants may negatively affect the Group's ability to optimise the tenant mix, attract new tenants, retain existing tenants and may also negatively influence the terms of the Group's lease agreements, including the amount of rent that it charges and the incentives that it provides to tenants, thereby adversely affecting the Group's business, financial condition, prospects and results of operations.

#### ***A further increase in online sales could have an adverse effect on shopping centre sales and decrease demand for retail premises***

The Group has a majority of food and fashion anchored shopping centres and retail properties that meet the everyday needs of consumers. This makes the Group vulnerable to changes in trends in the behaviour of consumers. The retail industry continues to transform as online retail grows and consumers increasingly use online shopping. In particular the continuing spread of the COVID-19 pandemic has pushed more consumers to shift their shopping habits online.

The growth of online sales may affect consumers' behaviour, demand for commercial retail premises, decrease in footfall and may also lead to higher investment needs and higher pressure on margins. Shopping centres are constantly adapting their services and tenant offerings to meet changing consumer behaviour and demand to continue to attract customers. The Group aims to adapt its operations to the effects of increasing online retail by focusing on prime urban locations, in growing demographics which are more resilient to internet penetration. However, there can be no certainty as to the successful implementation of the strategy nor that the strategy will work which could result in lower cash flows and valuations.

An increase in online retail may lead to a decrease in footfall and tenant's sales, demand for commercial retail premises and the occupancy rate of the Group, which could have a material adverse effect on the

Group's business, financial condition, prospects and results of operations.

***The Group is subject to the counterparty risk of its tenants***

The creditworthiness of a tenant can decline over the short or medium term, for example as a result of change in the economic environment or the COVID-19 pandemic, leading to a risk that the tenant will become insolvent or be otherwise unable to meet its obligations under the lease. In particular, the government-imposed trading restrictions in response to the evolving COVID-19 pandemic in the Group's areas of operations, which have been introduced at all shopping centres with only grocery stores/supermarkets, pharmacies/drugstores and other necessity services allowed to operate have a negative impact on the Group's tenants and their profitability which could have a direct impact on the earning of the Group, as some tenants' rent is based on the turnover generated.

Although the Group receives and holds advance deposits, such deposits may be insufficient and the amounts payable to the Group under its lease agreements with tenants that are not secured (by deposits, bank guarantees or corporate guarantees) bear the risk that these tenants may be unable to pay such amounts when due. The Group is not insured against this credit risk. If a tenant seeks bankruptcy protection, the Group may be subject to delays in receipt of rental and other contractual payments, if it is able to collect such payments at all, and the Group may not be able to secure vacant possession of the property without a court order, thus preventing the Group from re-letting that property to a new tenant. The Group may not be able to limit its potential loss of revenues from tenants who are unable to make their lease payments. The Group's credit losses may increase in the future. Any significant credit losses could have a material adverse effect on the Group's business, financial condition, cash flows, prospects and results of operations.

***Risk related to climate change***

The Group is exposed to the potential impacts of future climate change and climate change-related risks. In particular, the Group is exposed to unpredictable physical risks from possible future changes in climate and rare catastrophic weather events. Over 40% of the Group's income derives from tenants who are active in the fashion industry. Such tenants may be unable to plan products based on seasonality which means that winter or summer collections may fail, which could result in tenants encountering financial difficulties, which could in turn impact their ability to pay rent. Climate change could ultimately have a material adverse effect on the Group's business, financial condition, cash flows, prospects and results of operations.

**2. Risks related to Group's operations**

***Risks related to change in strategy following a strategic review***

On 10 December 2019, Atrium announced that it was considering a change in its strategic review in order to identify further growth opportunities with a focus on, amongst other things, densification of core retail assets and diversification into other classes of real estate, including focussing on residential for rent. On 25 February 2020, the Directors endorsed the outcome of the aforementioned strategic review. Following the implementation of the strategic review, Atrium will invest in a new asset class, residential for rent, which might expose Atrium to new and additional industry and other risks to which it is currently not subject and are currently not known to Atrium and may be identified during the implementation phase. The change of strategy as a result of the implementation of the strategic review or a failure to properly implement the strategy could have a material adverse effect on the Group's business, financial condition, prospects and results of operations.

***The performance of the portfolio of the Group is exposed to concentration risks***

The Group's real estate portfolio is concentrated and consists almost entirely retail properties of which 85% by fair value as at 30 June 2020 are located in Poland (65%) and the Czech Republic (20%) and more than half thereof in Warsaw and Prague (39% and 16%, respectively). The performance of the real estate

portfolio of the Group may be disproportionately impacted by events or market developments occurring in specific regions of the portfolio or by developments that affect certain types of commercial or residential real estate. The Group's high level of concentration in retail properties and its dependency on the Polish and Czech Republic's markets may have a material adverse effect on the Group's business, financial condition, prospects and results of operations.

***The Group may not be able to execute disposals of real estate at acceptable prices, on acceptable terms or at all***

In accordance with its asset rotation programme, the Group has in the past sold non-core properties or divested from non-strategic geographies, and it may continue to divest properties that are not considered to be part of its core portfolio in the future. The Group intends to continue to improve the quality of its portfolio through additional divestments in the coming years.

The value and price of disposed properties are influenced by several factors, such as general economic conditions, investor base, asset class and quality, interest rates, inflation expectations, investor yield requirements, available financing and competitive dynamics. There can be no guarantee that the Group will be able to execute future disposals at acceptable prices or at prices that are similar or higher than the fair market valuation of a particular property, in particular in the current economic environment driven by the impact of the COVID-19 pandemic on the Group's markets and world economies. The inability of the Group to sell at acceptable prices, or any such shortfall, delay or restriction, or any claim under the sale agreement, or any failure by a buyer to repay vendor loans could have an unfavourable impact of the Group's balance sheet and may have a material adverse effect on the Group's business, financial condition, prospects and results of operations and execution of its strategy.

***The ability to identify and successfully execute new acquisitions is essential for meeting the Group's growth targets***

In accordance with its asset rotation strategy and in addition to the redevelopments projects, the Group intends to grow through selective acquisitions. However, there can be no guarantee that the Group will find new targets that will fit its strategy at acceptable commercial terms or that it will succeed to negotiate and complete new acquisitions.

Moreover, those investments require, among other things, an analysis of a wide variety of factors, including subjective assessments and assumptions. It is possible that the Group may overestimate the potential of those investments, when making investments decisions or may base its decision on inaccurate information or assumptions that turn out to be incorrect. For example, the Group may overestimate the attractiveness of a property or its location, or the demand for such premises, in which case it may be difficult to find suitable tenants that are willing to enter into favourable leases. The Group may also underestimate the likelihood that a newly acquired real estate asset will require substantial renovation, capital repairs or an environmental action. Such errors may only become apparent at a later stage and force the Group to recognise fair value losses on its statement of financial position and income statement.

Furthermore, the Group cannot guarantee that its due diligence when acquiring a real estate asset will uncover all the potential liabilities and risks related to the property, such as construction defects, or that it will have recourse to the seller of the property for the non-disclosure of such risks. Official information in the land register of some of the countries in which the Group has its operations or assets may not be accurate and complete. Thus, although the Group may have to rely upon the information contained in land registers, it may not have effective redress against the government of the relevant country if the information upon which the Group relied in deciding whether or not to make an investment was inaccurate, misleading or incomplete.

In addition, as the Group acquires properties and increases its market share, compliance with competition regulations may become more onerous. It is possible that competition authorities may rule that certain future

acquisitions are anti-competitive. Adverse proceedings with authorities regarding acquisitions could harm the Group investment and expansion plans.

Any of these factors, alone or in combination, could have a material adverse effect on the Group's business, financial condition, prospects and results of operations.

***The financial performance of the Group is subject to the Group's ability to secure initial tenants, rent renewals or re-lettings and manage lease expiries***

The financial performance of the Group is subject to the Group's ability to secure initial tenants, rent renewals or re-lettings and manage lease expiries which are reflected in the occupancy rates of the Group's properties. The Group's ability to manage occupancy rates is also dependent upon its ability to attract tenants, the remaining term of the Group's lease agreements, the financial position of its current tenants and the attractiveness of properties to current and prospective tenants. As such the evolving COVID-19 situation could have a negative impact on ability to attract tenants, the remaining term of the Group's lease agreements, the financial position of its current tenants and the attractiveness of properties to current and prospective tenants.

In order to retain current tenants or attract new tenants the Group may be required to offer lease incentives such as reductions in rent, capital expenditure programmes, rent clauses based on turnover rent, gross rentals and other terms in its lease agreements that make such leases less favourable to the Group.

Some of the Group's lease agreements with anchor and other tenants provide for break clauses after an initial tenancy period of five to fifteen years. It is possible that some of the tenants may choose to exercise their rights under the respective break clauses and terminate their leases early. In particular, in response to the outbreak of COVID-19, Russia has adopted rules allowing tenants to re-negotiate or even terminate lease agreements and postpone rent payments in certain cases.

The weighted average lease terms of the Group might decrease as food anchors and consumer electronics which typically have longer leases are reducing their footprint. In addition, the Group may not be successful in maintaining or increasing occupancy rates or successfully negotiating favourable terms and conditions in relation to its lease agreements. A failure to do so could have a material adverse effect on the Group's business, financial condition, prospects and results of operations.

***The Group is dependent on the presence of anchor tenants***

The Group relies on the presence of anchor tenants in its retail centres. Anchor tenants play an important part in generating consumer traffic and making a centre a desirable location for other tenants. The failure to renew the lease of an anchor store, the termination of an anchor store's lease, restrictions imposed on the business of the anchor tenants (e.g. COVID-19 measures) or the bankruptcy or economic decline of an anchor tenant can have a material adverse effect on the economic performance of the centres. There can be no assurance that, if the anchor stores were to close or fail to renew their leases, the Group would be able to replace such anchor tenants in a timely manner or that it could do so without incurring material additional costs and suffering adverse economic effects. The presence of an alternative anchor tenant with similar retail strength and the ability to maintain similar or better lease terms is highly correlated to the size of the relevant market, competitive environment, market conditions and asset position; the expiration of an anchor lease may make a secured loan financing of such a centre, if required, difficult. Furthermore, the deterioration of the Group's relationships with any of its anchor tenants may negatively impact on the Group's ability to secure anchor tenants for its future projects. Any of the above risks, if realised, could have a material adverse effect on the Group's business, financial condition, prospects and results of operations.

***Risks related to the evolution of rent levels, in particular upon renewal of an existing lease, and increases in operating and administrative expenses***

The average length of the leases in the portfolio at 30 June 2020 was 5.3 years (31 December 2019: 5.3 years). Upon expiry of an existing lease, the Group is subject to the risk of a downward negotiation of the rent by the tenant depending notably on the rental levels in the market which are affected by overall conditions in the economy. Both rental income and property values may also be affected by factors specific to the real estate market, including (i) rent reviews with tenants, particularly anchor tenants, may not be agreed at the current rental values and rents payable by such tenants may be tied to their turnover – such that, if the turnover of such tenant declines, the rent payable by such tenant also decreases; and (ii) most lease agreements to which the Group is a party include clauses which provide for partial or full indexation of rent, which, in most cases, is indexed in line with a consumer price index. Consequently, the increase in the rental proceeds from such leases is dependent not only on general economic developments or market conditions, but largely on future rates of inflation which can be subject to governmental or European monetary policy adoptions such as quantitative easing. Each of these factors may restrict the Group's ability to increase rents and could therefore have a material adverse effect on the Group's business, growth opportunities (both organic and by means of acquisitions), financial condition, prospects and results of operations. Besides these factors, governments in the Group's markets have implemented legislation in response to the COVID-19 crisis which provides the tenants *inter alia* with the option to reduce the rent during the lockdown period, defer rent payments, and in some cases the right to terminate unfavourable long-term leases.

Given the uncertain nature of the current COVID-19 situation, the Group is unable at this stage to quantify the duration and the extent that the impact of this or any future legislation will have on its operations and Group earnings.

In addition, the Group's operating and administrative expenses, as well as increasing repair and maintenance costs related to the gradual ageing of the Group's properties, could increase without a corresponding increase in turnover or tenant reimbursements, mainly owing to reimbursement caps that may be included in various lease agreements or other legal restrictions. Further, there may be expenses which are not rechargeable to tenants. Factors which could increase operating and administrative expenses include, amongst others, increases relating to the rate of inflation, payroll expenses, legal expenses, property taxes and other statutory charges, energy costs and cost of services provided by third party providers; movements in foreign exchange rates; increases in insurance premium; increases in construction, redevelopment and maintenance costs and increases in capital expenditure which arise as a result of defects relating to the properties needing to be rectified. Any such increases, if not reimbursed by the Group's tenants, could have a material adverse effect on the Group's business, financial condition, prospects and results of operations.

***The Group is exposed to risks related to capex, maintenance, repositioning and repair of properties. Those initiatives may take more time, be more expensive or ultimately generate a lower yield than originally anticipated***

The Group is required to maintain the properties in the portfolio of the Group in good condition, based not only on the requirements of law and its obligations under the relevant lease agreements, but also based on the quality of similar properties in the relevant regions of the portfolio. The Group performs maintenance and repairs, as well as invests capex, in its properties for many reasons, including amongst others to increase value or in order to avoid loss of value and to maintain demand for its properties. Modernisation, refurbishment and capex for the Group's properties may also be necessary in order to increase their appeal or to meet changing legal requirements, such as provisions relating to modernisation and energy savings and health requirements/social distancing under COVID-19 measures. In some cases, the amount invested in a property by the Group may be significant.

The properties in the portfolio of the Group may from time to time require investment for targeted

modernisation and repositioning. Although the Group takes steps to predict the expenses associated with its properties, there is no guarantee that the Group has predicted, or will correctly predict in the future, the amount of time and money that it must spend on maintenance, repairs, modernisation, repositioning, fit-out or capex and development of its properties. These costs may increase substantially as a result of many factors, such as increased costs of materials, increased labour costs, increased energy costs, bad weather conditions, unexpected safety requirements or unforeseen complexities and developments at the building site. The Group may be unable to undertake work on its properties in a timely fashion or at all for many reasons, including lack of a skilled labour force, bad weather conditions or the failure of contractors or subcontractors to adhere to agreed-upon time schedules or continue as going concerns during the course of necessary work. Further, necessary building or other permits may be delayed or denied, or only issued subject to further restrictions or with fewer rights than anticipated by the Group. The occurrence of any of the foregoing factors may have a material adverse effect on the business, net assets, cash flows, financial condition, results of operations and net profits.

***The Group is exposed to risks related to its redevelopment projects***

Since 2015, Atrium has focused on the redevelopment and extension of the Group's existing properties. The Group has reported a pipeline of €0.4 billion scheduled for ongoing investment in redevelopment projects, although the Group has postponed planned investments in redevelopments for the period from 2020 to 2022/2023 as part of its action plan for strengthening its liquidity due to the impact of COVID-19 on its operations (as further set out in under "*Description of Atrium and the Group*" under "*Action Plan*").

The construction and redevelopment of properties is subject to a risk of defective construction, corrective or other works and associated adverse publicity, cost overruns, commercial related risks (lack of demand for new or redeveloped space or tenants wanting to step-out of projects), delays in construction work or other unforeseen delays and planning, permitting, zoning, procedural and compliance risks.

Any claim brought against the Group, and the surrounding negative publicity concerning the quality of its properties or projects, irrespective of whether the claim is successful, or an inability to complete the construction of a project on schedule or on budget, could have a material adverse effect on how its business, properties and projects are perceived by target tenants. This could negatively affect the Group's ability to market and lease its properties in the future.

The Group has commissioned the construction of some of the properties that it owns. As the owner and developer, the Group is liable for possible defects found in such properties as well as other direct or indirect damage relating to such properties. Potential damage related to construction and consequent liabilities may affect the profitability of the Group's business and lower the fair value of affected properties owned by the Group. The occurrence of any of the foregoing factors may have a material adverse effect on the business, net assets, cash flows, financial condition, prospects, results of operations and net profits.

***The Group is exposed to the counter-party risk of its partners with respect to certain co-ownership or co-operation arrangements, including joint venture arrangements***

Some of the Group's properties are held and operated, or may be proposed to be developed, through co-ownership or co-operation arrangements (including among others joint venture arrangements) with third parties.

Specific risks arising from co-ownership and co-operation arrangements or relating to title sharing, which are not present in relation to projects that are wholly-owned, operated and developed by the Group, include risks that (i) the Group's relevant partners may have different objectives from the Group, including with respect to the appropriate timing and pricing of any sale or refinancing of an investment property held as part of a co-ownership arrangement; (ii) the Group's relevant partners may take action contrary to the Group's instructions or requests, policies or objectives, or frustrate its actions; (iii) the Group's relevant partners might become bankrupt or insolvent; and (iv) with respect to co-title and development projects,

the Group may be required to provide additional financing to make up for any shortfall due to the Group's relevant partner(s) failing to provide such finance or to furnish any required collateral to any financing banks. In addition, risks relating to joint venture arrangements may include potential joint and several or secondary liability for transactions and liabilities of the joint venture entity; the difficulty of maintaining uniform standards, controls, procedures and policies; and depending on the specific joint venture terms, the possible termination or commencement of a forced buy or sell procedure in relation to either the investment property or a stake in the joint venture. These risks, if realised, could have a material adverse effect on the Group's business, financial condition, prospects and results of operations.

***The Group's insurance coverage may be inadequate***

The Group's insurance policies may not cover it for all losses and certain types of insurance are not available on commercially reasonable terms or at all in certain countries in which the Group has its operations or assets, owing to the fact that the respective insurance industries in these countries are at a relatively early stage of development. Forms of insurance common in mature markets may not yet be available in certain countries in which the Group has its operations or assets. As a result, the Group's insurance may not fully compensate it for losses associated with damage to the real estate assets it owns, operates and develops. In addition, there are certain types of losses, generally of a catastrophic nature, such as earthquakes, floods, hurricanes, terrorism or acts of war, that may be uninsurable or that are not economically insurable. Other factors might also result in insurance proceeds being insufficient to repair or replace a property if it is damaged or destroyed, such as inflation, taxation, changes in building codes and ordinances and environmental considerations. The Group may incur significant losses, damage to its assets or business or other liabilities for which it may not be compensated fully or at all, which could have a material adverse effect on the Group's business, financial condition, prospects and results of operations.

In addition, the Group's insurance policies may not cover the current aggregate market value of its portfolio, particularly where the market value of its portfolio increases. As a result, it may not have sufficient coverage against all losses that it may experience. Should an uninsured loss or a loss in excess of insured limits occur, the Group could lose capital invested in the affected property as well as anticipated future revenue from that property. In addition, it could be liable to repair damage caused by uninsured risks. The Group may also remain liable for any debt or other financial obligation related to that damaged property. No assurance can be given that material losses in excess of insurance coverage limits will not occur in the future. As a result, any uninsured losses or losses in excess of insured limits could have a material adverse effect on the Group's business, financial condition, prospects and results of operations.

***The Group may incur environmental liabilities or compliance costs***

The environmental laws of certain countries in which the Group has its operations or assets impose actual and potential obligations to conduct remedial action on sites contaminated with hazardous or toxic substances. In such circumstances, the owner's liability is generally not limited under such laws and the costs of any required removal, investigation or remediation can be substantial. The presence of such substances on, or in, any of the Group's properties, or the liability for failure to remedy property contamination from such substances, could adversely affect the Group's ability to let or sell such property or to borrow funds using such property as collateral, which could have an effect on its generation of rental income or return on investment which could have a material adverse effect on the Group's business, financial condition, prospects and results of operations.

Furthermore, the Group may be required to comply with stricter environmental, health, fire and safety laws or enforcement policies or become involved in claims and lawsuits relating to environmental matters. Meeting stricter compliance standards or defending potential actions, including for any alleged non-compliance with applicable laws and regulations, may have a significant negative impact on its results of operations. Since the outbreak of COVID-19 the Group has to comply with stricter health and safety policies and Atrium is unable at this stage to quantify the duration and the extent that the impact of these stricter health and safety policies will have on its operations and Group earnings.

If the relevant authorities in a country where the Group has its operations or assets determine violations of applicable environmental laws, the Group may be subject to fines and other penalties. Any of these matters could have a material adverse effect on the Group's business, financial condition, prospects and results of operations.

***Entities of the Group may be subject to litigation, administrative proceedings and similar claims***

Entities of the Group have been and will likely continue to be subject to various administrative and legal proceedings. These proceedings, even for routine matters, can be lengthy and expensive and involve substantial resources at the Group. In addition, larger or unexpected proceedings may distract or delay management from implementing the Group's business strategy. The Group may also be subject to litigation involving tax authorities or in connection with agreements entered into by Atrium or members of the Group relating to the purchase and/or sale of property, interests in companies or other assets, or other activities of the Group. It is impossible for the Group to predict if and when significant litigation or administrative or legal proceedings may occur. The occurrence of any of these factors may have a material adverse effect on the business, cash flows, financial condition, results of operations, net profits and prospects of the Group.

***Atrium is subject to certain obligations and restrictions due to the stock listings of Atrium***

Presently, Atrium's shares are admitted to trading on the Vienna Stock Exchange and Euronext in Amsterdam under ticker: ATRS. Consequently, Atrium is exposed to the restrictions and obligations arising from the applicable laws and regulations in Austria and the Netherlands. These stock listings impose obligations and restrictions on Atrium, under the applicable capital markets provisions, such as the European Market Abuse Regulation, including prohibitions of insider trading, insider lists, disclosure of inside information as well as under the applicable rules of the relevant stock exchange. In addition, Atrium is subject to applicable capital markets laws and regulations, such as certain notification obligations on shareholding, public takeover regulations and squeeze-out provisions. These laws and regulations are constantly evolving, and the diversity and complexity of these laws and regulations create a risk that, in some instances, Atrium may be deemed liable for violations of such laws and regulations, in particular, in connection with a failure to comply with those laws and regulations. Any violation or breach of these laws and regulations could affect the overall reputation of Atrium and, depending on the case, expose Atrium to administrative or judicial proceedings, which could result in adverse judgments. The occurrence of any of these factors may have a material adverse effect on the Group's business, financial condition, cash flows, results of operations, net profits and prospects.

***The Group relies on the expertise of professional management and key personnel***

The success of the Group depends, among other things, on the professional skills of the Directors and the Group's management and other key personnel as well as on the ability to retain its current management and to be able to recruit new skilled personnel when needed. Whereas the Directors pro-actively manage the succession of senior roles, the unexpected loss of some or all of these individuals, including potentially to the Group's competitors, or an inability to attract, retain and maintain additional personnel could prevent the Group from implementing its business strategy and could adversely affect the Group's business, financial condition, prospects and results of operations. The Group does not carry key man insurance with respect to any of these individuals. There can be no assurance that the Group will be able to retain all of its existing senior personnel or to attract additional qualified personnel when needed which in turn could affect adversely the Group's business, financial condition, prospects and results of operations.

***The Group is exposed to disruption and other damages to its information technology infrastructure and operations and breaches in data security***

The Group is dependent on the proper functioning of its information technology systems and processes. The Group's systems and the services of external system providers on which it relies are vulnerable to damage or interruption from various factors, including but not limited to, power loss, telecommunication



failures, data corruption, network failure, computer viruses, security breaches, natural disasters, theft, vandalism or other acts or events. Increased frequency and sophistication of cyber threats, could lead to installation of malicious software, unauthorised access to data and other electronic security breaches that could lead to disruptions in systems, unauthorised disclosure of confidential or otherwise protected information and the corruption of data. A disruption in the infrastructure that supports the Group's businesses could have a material adverse effect on its ability to continue to operate the Group's business which in turn could lead to loss of business and the incurrence of significant costs related to information retrieval and verification and the restoration of normal service.

The Group also accumulates stores and uses in its operations data for marketing purposes, in particular, and such data may be protected by data protection laws. Although the Group takes precautions to protect private data in accordance with the applicable laws, the Group cannot discount the possibility of future data breaches. The Group works with third-party service providers, such as certain software companies, which may not fully comply with the relevant contractual terms and all data protection obligations imposed on them. The Group's insurance also covers disruption of its information technology systems and cyber threats, but there is no guarantee that such insurance is adequate to cover all potential losses. Unanticipated information technology problems, system failures, computer viruses, intentional/unintentional misuses, hacker attacks or unauthorised access to the Group's network or other failures could result in a failure to maintain and protect customer data in accordance with applicable regulations and requirements and could affect the quality of the Group's services, compromise the confidentiality of its privacy regulated data or cause service interruptions, and may result in the imposition of fines, claims for damages, prosecution of relevant employees and managers, reputational damage and customer churn and may have a material adverse effect on the Group's business, prospects, results of operation and financial condition.

#### ***Atrium may qualify as an alternative investment fund***

Atrium believes that it does not fall within the scope of the European Commission published Directive 2011/61/EU, the Alternative Investment Fund Managers Directive, which was published on 1 July 2011 (the "AIFM Directive"). The AIFM Directive was implemented through secondary legislation and became effective in all European jurisdictions in July 2014. The legislation seeks to regulate alternative investment fund managers based in the EU ("AIFM") and prohibits such managers from managing any alternative investment fund ("AIF") or marketing shares in such funds to EU investors unless they have been granted authorisation. The AIFM Directive imposes additional requirements, among others, relating to risk management, minimum capital requirements, the provision of information, governance and compliance requirements, with consequent increase, potentially a material increase, in governance and administration expenses.

Based upon legal advice, Atrium does not believe that it is an AIF, as defined under the AIFM Directive. It, therefore, does not constitute an AIFM and does not need to comply with the AIFM Directive. However, there is no definitive guidance from national or EU-wide regulators whether real estate companies, like Atrium, are subject to the AIFM Directive or not. As such, there is the possibility that these regulators may, in the future, decide that businesses such as Atrium fall within the scope of the AIFM Directive, in which case Atrium will have to comply with this directive (including the abovementioned requirements). The cost of compliance, including maintaining a minimum level of capital, could have a material adverse effect on the Group's business, financial condition, prospects and results of operations.

***The risk management and compliance systems of the Group may prove to be partially or completely insufficient or fail, and unknown, unrecognised, underestimated or unexpected risks may materialise, any of which could lead to government investigations and significant reputational, financial or other damages. The Group may fail to adequately identify, recognise or account for potential liabilities or risk exposures***

The Group has put in place risk management and compliance systems that it believes are suitable to its business, and the Group continues to develop and update its risk management and compliance systems in

order to monitor market risk, liquidity and financial risk, operational risk, organisational risk and the risk of reputational damage. There is no guarantee, however, that the Group's risk management or compliance systems are in fact sufficient to manage the risks faced by the Group. The Group may be faced with risks that were previously unknown, unrecognised, underestimated or unconsidered, and its risk management or compliance systems may function incorrectly or fail. Inappropriate risk management or compliance measures may cause irregularities leading to among other things cash losses or delays in development of the Group, or to official investigations or third-party claims against the Group, which in turn could have significant financial, reputational and other consequences. The Group books provisions for potential liabilities such as tax liabilities, litigation exposure and bad debt. These provisions are based on management's assumptions, estimates and judgments, and there is no guarantee that the provisions taken by the Group adequately account for the Group's potential or actual liabilities or risk exposures. Failure to take adequate provisions against potential liabilities could have significant financial, reputational and other consequences for Atrium or the Group.

The occurrence of any of these risks could have a material adverse effect on the Group's business, net assets, financial condition, cash flows, results of operations, net profits, reputation and prospects.

***A loss of reputation or harm to the brand name of the Group may reduce the demand for the Group's properties, shares or debt, reduce the ability of the Group to raise capital or debt on attractive terms and to retain key personnel***

The Group's ability to attract and retain tenants, raise capital, issue debt or gain access to bank financing, as well as retain personnel in its employment may suffer if the Group's reputation is damaged or harm to the brand name of the Group is done. Matters affecting the Group's reputation may include, amongst other things, the quality and safety of the Group's assets, compliance with legislation and regulations.

Any damage to the Group's reputation may result in a material decline in the share price of Atrium or the trading prices of its securities, and may have a material adverse effect on the business, net assets, cash flows, financial condition, results of operations, net profits and prospects of the Group.

### **3. Risks related to the financial condition of the Group**

***The Group may be forced to refinance its debt or may forfeit significant secured assets if it fails to meet the obligations and requirements under its loan agreements or debt securities***

As at 30 June 2020, the Group had total borrowings, including bonds and bank loans, with a carrying value of €1,277 million, of which €978 million was unsecured. As at 30 June 2020, the market value of properties secured in favour of external creditors was €547 million. In 2020, the Group repaid bonds that matured in April 2020 in a total amount of €133 million. As at the date of this Base Prospectus, the Group has €234 million unutilised credit facilities.

Atrium's EUR 240,824,000 3.625 per cent. Notes due 17 October 2022 and EUR 500,000,000 3.000 per cent. Notes due 11 September 2025 contain covenants which require the Group to maintain its solvency ratio at or below 60%, its secured solvency ratio at or below 40% and an interest coverage ratio of at least 1.5:1. As at 30 June 2020, the Group's solvency ratio was 42.9%, its secured solvency ratio was 9.4% and its interest coverage ratio was 2.25:1. The Group's existing secured debt facilities also contain covenants, such as an obligation to maintain a maximum loan to valuation ratio, income to interest coverage ratio and minimum equity. The Group's compliance with such covenants is dependent on, amongst other things, the fair market value and income yielding capacity of its properties which are subject to fluctuations and which in addition might be adversely affected by the COVID-19 pandemic. A decline in the fair market value or net income of such properties could affect the Group's compliance with these covenants.

A breach of any of the covenants contained in the Group's loan agreements or bonds (including the Notes) could result in the acceleration of its payment obligations, the locking of cure accounts, the forfeiture of its

secured assets or make future borrowing difficult or impossible. In these circumstances, the Group could also be forced in the long term to sell some of its assets to meet its debt obligations. Any of the events described above could have a material adverse effect on the Group's business, financial condition, prospects and results of operations.

***The Group may not be able to secure financing in the future***

The Group operates in a sector that requires high level of capital investment for growth. The Group uses, and has used in the past, debt, together with free cash flow, to finance the Group's acquisitions. The Group's growth strategy, future investments and maturity schedule of its existing debt will create a need for new funding. The availability of financing in line with the financial covenants of the Group and loan margins may fluctuate over time. Furthermore, overall declines in stock prices in several European countries have negatively affected the share value of many real estate companies, decreasing the attractiveness of equity financing from a company standpoint. The factors that affect the availability of financing and financing costs and the ability to raise external bank financing as a result of the COVID-19 pandemic, which includes the maintenance of Atrium's investment grade credit ratings, could have a material adverse effect on the execution of the Group's strategy or the inability to refinance on commercially acceptable terms debt falling due in accordance with the maturity schedule of the Group's indebtedness which could in turn have a material adverse effect on the Group's business, financial condition, prospects and results of operations.

***A rise in interest levels and credit margins might increase the Group's financing costs***

Changes in interest rates have a significant effect on the real estate sector. Market interest rates have fluctuated strongly due to the credit crisis, during which interest rates that were relatively high fell sharply in the autumn of 2008 and have stayed at low levels in historical terms since then. In 2019, interest rates for the Euro reached all time lows and this trend continued in 2020, however, interest rates are generally expected to increase over time. In addition, the spread for financing has increased due to the changed market conditions as a result of COVID-19. The Group has no unhedged interest rate variable indebtedness as at 30 June 2020. Fluctuations in interest rates affect the value of the Group's interest swap facility. As at 30 June 2020, there were two interest swap facilities amounting to €22.9 million. An increase in interest rates may negatively affect private consumption or the ability of the Group's tenants to pay rents or may lead to a decrease in occupancy rates.

Tightening regulation of the banking sector (Basel III) and insurance sector may contribute to higher costs of financing for the banks, which may again result in an increase in the price of the Group's new debt financing and the Group's average interest rate level. Furthermore, over the coming years, the Group will have to refinance bonds or loans and the margins on these loans and bonds or the cost of related derivatives may increase. Such a rise in loan margins is likely to push the Group's average interest rate upwards in the future. Any increase in interest rates, the Group's interest expense or credit margins could have a material adverse effect on the Group's business, financial condition, prospects and results of operations.

***The Group's financing agreements involve counterparty risk***

International financial institutions are counterparties to the Group's long-term bank loans, derivative contracts and insurance contracts. During the financial crisis, many banks and insurance companies in the United States and Europe experienced financial difficulties resulting in numerous mergers, acquisitions, and bankruptcies among financial institutions, including the government takeover of certain financial institutions. Should one or more of the financial institutions that are the Group's counterparties descend into financial difficulties or bankruptcy, this could have a material adverse effect on the Group's business, financial condition, prospects and results of operations.

***Atrium is a holding company and its ability to pay interest and/or principal depends upon the receipt of sufficient funds from its subsidiaries***

As a result of conducting its business through its consolidated subsidiaries (the “Group Companies”), Atrium's ability to pay interest and/or principal under the Notes, and on any other of its borrowings, depends on the earnings and cash flow of the Group Companies and their ability to pay dividends to Atrium or to advance or repay loans to it or pay interest thereon. Other contractual and legal restrictions applicable to the Group Companies could also limit Atrium's ability to obtain cash from Group Companies. In particular, the continuing spread of the COVID-19 pandemic and the related government-imposed trading restrictions in response to this has had a negative impact on the cash flow of the Group Companies and could adversely affect its ability to pay interest on intercompany loans.

There can be no assurance that Atrium will receive sufficient funds from its subsidiaries to meet its financial obligations.

In addition, Atrium's right to participate in any distribution of its subsidiaries' assets upon their liquidation, reorganisation or insolvency would generally be subject to prior claims of the subsidiaries' creditors, including lenders and trade creditors.

***Changes in accounting standards may impact the financial situation and results presented in the financial statements of the Group***

The Group's accounting policies and methods are fundamental to how it records and reports its financial condition and results of operations. From time to time amendments are adopted to the applicable financial accounting and reporting standards that govern the preparation of the Group's financial statements. The new standards and interpretations which are already endorsed by the European Union and which apply to the Group's financial reporting from 1 January 2019, consist of, in particular, IFRS 16: Leases. IFRS 16 eliminates the classification of leases as either operating leases or finance leases as is required by IAS 17 and, instead, introduces a single lessee accounting model. The new standard IFRS 16 has been implemented as per 1 January 2019, with no significant impact on the results for the year ended 31 December 2019.

As a result of the COVID-19 pandemic, the Group is in continuous dialogue with its tenants about lease incentives to support them with the challenges that the COVID-19 pandemic is presenting. In some countries, these are mandated by local legislations. Under IFRS 16, under certain conditions rent concessions might be treated as lease modifications and, consequently, the Group would straight-line the concessions over the remaining lease term.

Any amendment to the IFRS which, in future, is adopted by the European Union and which concerns the valuation of the balance sheet, off-balance sheet items, disclosures or creating write-downs and provisions, may have a negative impact on the presentation of the financial and economic situation of the Group and consequently on its ability to perform its obligations under the Notes.

#### **4. Risks related to the markets in which the Group operates**

***The markets in the Region are subject to greater risks than more developed markets, including significant legal, economic and political risks and the imposition of sanctions, that could have a material adverse effect on the Group's business***

Investors in emerging and developing markets such as the countries in which the Group has its operations or assets, particularly Russia, should be aware that these markets are subject to greater legal, economic, fiscal and political risks than mature markets and are subject to rapid and sometimes unpredictable change. In general, investing in the securities of issuers with substantial operations in emerging or developing markets like the Region involves a higher degree of risk than investing in the securities of issuers with substantial operations in the countries of Western Europe or other similar jurisdictions. Changes in

economic and political situations in one emerging or developing market country may consequently have a negative related or unrelated impact on the economic and political situation in other emerging or developing market countries. In addition, the markets in the Region are vulnerable to geopolitical risks arising from conflicts between or within states with significant potential consequences for the political, economic, and social status quo of the Group's markets.

The Group may be exposed to the imposition of sanctions on certain Russian persons and entities by the U.S., the EU and certain other nations and, in retaliation, sanctions imposed by Russia.

The Group's operations in the Region are also exposed to risks common to all regions that have recently undergone, or are undergoing, political, economic and social change, including currency fluctuations, exchange control restrictions, an evolving regulatory environment, inflation, economic downturns, local market disruptions, labour unrest, changes in disposable income or gross national product, variations in interest rates and taxation policies as well as their interpretations, expected declines in the birth rate and other similar factors. Political or economic instability resulting from the occurrence of any of these risks may adversely affect the real estate market in the affected country or countries of the Region. The level of risk that the Group faces differs significantly between the different countries where the Group operates. It is generally believed that the risk in Central and Eastern European countries, which are members of the European Union, is lower compared to countries, such as Russia, which are not members of the European Union. However, the Group could be affected by these issues in each of the countries in which it has its operations or assets.

The political systems in some of the countries of the Region such as Russia may be vulnerable to public dissatisfaction and social changes causing political instability which may disrupt day-to-day operations or discourage foreign investment in such countries. Further, large parts of Europe have experienced uncertainty and political unrest in recent years as a result of a backlash against Euro zone policy makers and governments and political parties who advocated greater fiscal austerity measures in relation to their respective national economies. New legislations on the back of certain political changes can in some cases put significant burden on the fiscal budget and can have severe impact on the economy.

As a result, the Group's performance could be significantly affected by events in the Region beyond its control, such as a general downturn in the economy of countries in which the Group has its operations or assets, political instability, changes in regulatory requirements and applicable laws and their interpretation (including in relation to taxation), the condition of financial markets and interest and inflation rate fluctuations. Such events and adverse economic or political developments in the markets in which the Group has its operations or assets could reduce the Group's rental income and/or the market value of its properties which could have a material adverse effect on the Group's business, financial condition, prospects and results of operations.

#### ***The Group is exposed to foreign exchange risk***

The Group's tenants mostly have their income denominated in the local currency of the relevant country in which they are based, such as the Polish Zloty, Czech Koruna, Russian Ruble or others. The occupancy cost ratio, which reflects the tenants' rental cost as a proportion of their turnover, can be severely affected by fluctuations of the euro, the currency in which most of the rent is based or payable, against the relevant local currency in which the tenant generates turnover. Accordingly, a weakening of the local currency against the euro could result in the Group's properties becoming less attractive, or over-rented. Such fluctuations could also result in such rent becoming unsustainable with respect to the concerned tenant leading to a demand for discounts or even default by the respective tenants. If realised, these risks could adversely affect the Group's business, financial condition, prospects and results of operations.

In addition, in order to prepare its financial statements, Atrium must convert the values of the Group's assets, liabilities, revenues and expenses denominated in currencies other than euro into euro at exchange rates applicable in the relevant time period. For example, a proportion of the rents and service charges

payable to the Group under the various lease agreements with tenants are denominated in currencies other than euro. Accordingly, significant movements in currency rates between the euro and the currency in which rental or service charges are payable may have a material adverse effect on the Group's business, financial condition, prospects and results of operations.

***Different legal and regulatory systems may create an uncertain environment for investment and business activities***

The Group's operations are subject to a range of laws and regulations and require the maintenance and renewal of commercial licenses and permits. In many countries, the interpretation and procedural safeguards of the new legal and regulatory systems are still being developed, which may result in the promulgation of new laws, changes in existing laws, inconsistent application of existing laws and regulations and uncertainty as to the application and effect of new laws and regulations.

Government authorities have a high degree of discretion in several countries in the Region and at times may exercise their discretion arbitrarily, without hearing or prior notice, and sometimes in a manner that is contrary to law. Moreover, governments may have the power in certain circumstances, by regulation or a government act, to place Group Companies in liquidation and more generally interfere with the performance of, nullify or terminate contracts. Unlawful or arbitrary governmental actions may include the withdrawal of licenses, sudden and unexpected tax audits, criminal prosecutions and civil actions.

Additionally, in some circumstances, it may not be possible to obtain the legal remedies provided for under relevant laws and regulations in a reasonably timely manner or at all. Although institutions and legal and regulatory systems characteristic of parliamentary democracies have been developed in most countries of the Region, some of them lack an institutional history, and there may be no generally observed procedural guidelines. Moreover, a lack of legal certainty or the inability to obtain effective legal remedies in a reasonably timely manner may have a material adverse effect on the Group's business, financial condition, prospects and results of operations.

***The Group's assets may be subject to expropriation, nationalisation and confiscation***

The governments of some countries in the Czech Republic, Poland, Russia, Slovakia and Turkey may expropriate (either permanently or temporarily) part or all of a property at less than its full market value. In the event that the Group's property is expropriated or nationalised, legislation provides for compensation to be paid to the Group. However, there can be no certainty that such protections will be enforced or adequate. This uncertainty is due to several factors, including, in some countries, the lack of an independent judicial system, insufficient mechanisms to enforce judgments and corruption among state officials.

Expropriation or nationalisation of the companies in which the Group invests, their assets or portions thereof, potentially with little or no compensation could have a material adverse effect on the Group's business, financial condition, prospects and results of operations.

***There are uncertainties in the taxation and fiscal systems in the countries in which the Group has its operations or assets***

The taxation and fiscal systems in the countries in which the Group has, or may have, its operations or assets are not as well-established, compared to those in more developed economies. The lack of established jurisprudence and case law may result in unclear, inconsistent or non-existent regulations, decrees and explanations of the taxation laws and/or views on interpretations thereof. In some cases, laws may be enacted with retrospective effect and the application of international legal frameworks and treaties reinterpreted. Moreover, taxation laws (including case law) in those countries may as a result be more likely to be subject to changes which can result in unusual complexities and more significant tax risks for the relevant Group Company operating in those countries and the business of the Group generally. For example, tax law and regulations or their interpretation or application in relation to tax deductibility of interest

expenses, taxable income, tax receivables or liabilities, withholding taxes levied on any income distributions or cross-border payments as well as deferred tax assets or liabilities may be subject to change. In addition, there are various supra-national initiatives which impact national tax systems intended to counter certain tax structures such as Base Erosion and Profit Shifting projects (“**BEPS**”), European Union legislation aimed at counteracting aggressive tax planning such as Anti-Tax Avoidance Directive I and Anti-Tax Avoidance Directive II and the enactment of local legislation e.g. imposing economic substance requirements on certain Jersey companies. As currently in force, the economic substance requirements in Jersey do not affect Atrium as the requirements do not apply to regulated collective investment funds. However, guidance has been issued suggested a change of law may be implemented this year that has the potential to bring Atrium within the scope of the economic substance requirements. To date it is not clear how this will affect the Group. Any of these matters, alone or in combination, could have a material adverse effect on the Group’s business, financial condition, prospects and results of operations.

In addition, the Group’s future effective tax rates may be adversely affected by a number of factors, including unilateral changes to double taxation treaties, or changes in the value of Atrium’s deferred tax assets and liabilities, increases in expenses not deductible for tax purposes, the outcome of any potential discussions with the relevant tax authorities, changes in relation to taxation laws or tax rates or the interpretation of such taxation laws and changes in generally accepted accounting principles. Any significant increase in the Group’s future effective tax rates could adversely impact the net results for such future periods and as a result could have a material adverse effect on the Group’s business, financial condition, prospects and results of operations.

## **5. Risks related to Atrium Finance Issuer B.V. and Atrium Finance Limited**

*Each of Atrium Finance Issuer B.V. and Atrium Finance Limited has limited resources available to meet its obligations*

Atrium Finance Issuer B.V. and Atrium Finance Limited are both funding vehicles for the Group and their sole purpose is to raise finance and provide funds to the Group, and in the case of Atrium Finance Limited only, also to certain external parties (for example vendor financing).

Atrium Finance Issuer B.V. and Atrium Finance Limited do not engage in any other activity and do not have any other sources of revenue, except for the revenue generated from financing to the Group, and to a limited extent, in the case of Atrium Finance Limited only, also from external parties.

The ability of Atrium Finance Issuer B.V. and Atrium Finance Limited to meet their respective obligations in full to pay principal and interest on the Notes will be mainly dependent on the receipt by them of funds from the Group. Given their main purpose as funding vehicles for the Group, any risk factors affecting the ability of their borrowers to meet their respective financial obligations also affect each of Atrium Finance Issuer B.V. and Atrium Finance Limited and should be read accordingly (taking into account that only Notes issued by Atrium Finance Issuer B.V. are guaranteed by the Guarantor).

## **RISK FACTORS THAT ARE SPECIFIC AND MATERIAL TO THE NOTES**

### **1. Risks related to the nature of the Notes**

*The relevant Issuer may redeem the Notes prior to maturity*

The Terms and Conditions of the Notes provide that the relevant Issuer may in certain limited circumstances redeem the Notes prior to maturity. Such redemption may take place at times when prevailing interest rates may be relatively low. In such circumstances an investor may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the Notes and/or may forego a capital gain in respect of the Notes that would have otherwise arisen but for such redemption.

Any redemption prior to maturity as set out above could have a material adverse effect on the value of the Notes as the relevant redemption amount may be less than the then current market value of the Notes.

***The financial condition of the Issuers could necessitate an increase in its indebtedness***

In the future, any of the Issuers could decide to increase its indebtedness, which could make it difficult to meet its obligations in the context of the Notes or could cause the value of the Notes to decrease. The Terms and Conditions of the Notes do not limit the amount of unsecured debts that the relevant Issuer can incur. If an Issuer incurs additional debts, this could have important consequences for the Noteholders, as it could become more difficult for such Issuer to meet its obligations with respect to the Notes, which could lead to a loss in the commercial value of the Notes.

***The Notes will constitute unsecured obligations of the Issuers and the Guarantor***

The Issuers' and the Guarantor's obligations under Notes issued under the Programme will be unsecured. Accordingly, any claims against the Issuers or the Guarantor under the Notes would be unsecured claims. The relevant Issuer's or the Guarantor's ability to pay such claims will depend upon, among other factors, its liquidity, overall financial strength and ability to generate cash flows, which could be affected by (*inter alia*) the circumstances described in these risk factors. Any such factors could affect the Issuers' and the Guarantor's ability to make payment of interest and principal under the Notes or to make payments on the Guarantee.

***Claims of Noteholders under the Notes are effectively subordinated to those of certain other creditors of the Issuers, the Guarantor and to creditors of the Issuers' or the Guarantor's subsidiaries***

Notes issued under the Programme will be direct, unconditional, unsecured and unsubordinated obligations of the Issuers and the Guarantor. The Notes and the Guarantee (the latter only in respect of Notes issued by Atrium Finance Issuer B.V.) will rank equally with all of the relevant Issuer's or the Guarantor's other unsecured and unsubordinated indebtedness; however, the Notes and the Guarantee will be effectively subordinated to the relevant Issuer's or Guarantor's secured indebtedness and securitisations, if any, to the extent of the value of the assets securing such transactions, and will be subject to certain preferential obligations under Jersey law, Dutch law or Cypriot law (as applicable), such as wages of employees.

Generally, lenders and trade and other creditors of the Issuers' or the Guarantor's subsidiaries are entitled to payment of their claims from the assets of such subsidiaries before these assets would be available for distribution to the Issuers or Guarantor, as direct or indirect shareholder, which would then allow for the Issuers or the Guarantor to make payments under the Notes or the Guarantee. Any debt that the Issuers' or the Guarantor's subsidiaries may incur in the future will also rank structurally senior to Notes issued under the Programme or the Guarantee.

A significant part of the Group's assets and revenues are generated by Atrium's subsidiaries. The subsidiaries are legally separated from the Issuers and the Guarantor and the subsidiaries' ability to make payments to the Issuers or the Guarantor is restricted by, among other things, the availability of funds, corporate restrictions and local law. Furthermore, in the event of insolvency, liquidation or a similar event relating to one of the subsidiaries, all creditors of such subsidiary would be entitled to payment in full out of the assets of such subsidiary before any entity within the Group, as a shareholder, would be entitled to any payments. Thus, Notes issued under the Programme and the Guarantee (the latter only in respect of Notes issued by Atrium Finance Issuer B.V.) are structurally subordinated to the liabilities of the subsidiaries of the Issuers or the Guarantor.

***The Terms and Conditions of the Notes contain provisions which may permit their modification without the consent of all investors and confer significant discretions on the Trustee which may be exercised without the consent of the Noteholders and without regard to the individual interests of particular Noteholders***



The Terms and Conditions of the Notes contain provisions for calling meetings of Noteholders to consider and vote upon matters affecting their interests generally, or to pass resolutions in writing or through the use of electronic consents. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting or, as the case may be, did not sign the written resolution or give their consent electronically, and including those Noteholders who voted in a manner contrary to the majority.

The Terms and Conditions of the Notes also provide that the Trustee may, without the consent of Noteholders and without regard to the interests of particular Noteholders, agree to (i) any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of the Notes or (ii) determine without the consent of the Noteholders that any Event of Default (as defined in Condition (13) (*Events of Default*) of the relevant Terms and Conditions) or potential Event of Default shall not be treated as such or (iii) the substitution of another company as principal debtor under any Notes in place of Atrium, in the circumstances described in Condition (18) (*Meetings of Noteholders; Modification and Waiver*).

Further, pursuant to Condition 7(e) (*Benchmark Discontinuation*), certain changes may be made to the Conditions of any Notes linked to a rate or index deemed to be a benchmark if a Benchmark Event (as defined in the Conditions) occurs without the requirement for consent of the Noteholders.

Noteholders are therefore exposed to the risk that changes are made to the Terms and Conditions of the Notes without their knowledge or consent which may be against the interest of such Noteholder and this may have an adverse effect on the (value of the) Notes. Moreover, Noteholders should be aware that if they intend to sell any of the Notes, the fact that changes may be made to the Terms and Conditions of the Notes without their knowledge or consent, could have an adverse effect on the value of such Notes.

***In respect of any Notes issued with a specific use of proceeds, such as a Green Bond, there can be no assurance that such use of proceeds will meet investor expectations***

The Final Terms relating to any specific Tranche of Notes may provide that it will be the relevant Issuer's intention to apply the proceeds from an offer of those Notes to the financing or refinancing of Green Assets (as defined in the "Use of Proceeds" section) under Atrium's Green Financing Framework (as defined in the "Documents Incorporated by Reference" section) (Green Assets, as defined in the "Use of Proceeds" section). Prospective investors should have regard to the Green Financing Framework available at <https://aere.com/Files/OtherDocuments/AEREGreenFinancingFramework.pdf> and must determine for themselves the relevance of such information for the purpose of any investment in such Notes together with any other investigation such investor deems necessary.

In particular no assurance is given by the relevant Issuer or any Dealer that the use of such proceeds for any Green Assets will satisfy, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable law or regulations or by its own by-laws or other governing rules or investment portfolio mandates, in particular with regard to any direct or indirect environmental, sustainability or social impact of any projects or uses, the subject of or related to, any Green Assets.

Accordingly, no assurance is or can be given that Green Assets will meet investor expectations or requirements regarding "green", "sustainable", "social" or similar labels (including Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment, the so called "EU Taxonomy") or that any adverse environmental, social and/or other impacts will not occur during the implementation of any projects or uses the subject of, or related to, any Green Assets.

In connection with an issuance of Green Bonds, Atrium has appointed Sustainalytics to provide a second opinion (the "**Second Opinion**") in relation to Atrium's Green Financing Framework. The Second Opinion aims to provide transparency to investors that seek to understand and act upon potential exposure to climate

risks and impacts of the Notes issued under the Green Financing Framework. The Second Opinion is only an opinion and not a statement of fact. No assurance or representation is given as to the suitability or reliability for any purpose whatsoever of the Second Opinion which may be made available in connection with the issue of the relevant Green Bonds and in particular with any Green Assets to fulfil any environmental, sustainability, social and/or other criteria. The Second Opinion is not, nor should be deemed to be, a recommendation by Atrium or any other person to buy, sell or hold any the Notes. The Second Opinion is only current as at the date that opinion is issued. Prospective investors must determine for themselves the relevance of the Second Opinion and/or the information contained therein and/or the provider of the Second Opinion for the purpose of any investment in the Notes. Currently, the provider of such opinions are not subject to any specific regulatory or other regime or oversight. Furthermore, the Noteholders will have no recourse against the provider of the Second Opinion. A negative change to, or a withdrawal of, the Second Opinion of the Green Financing Framework may affect the value of the Notes and may have consequences for certain investors with portfolio mandates to invest in Green Assets.

In the event that any such Notes are listed or admitted to trading on any dedicated "green", "environmental", "sustainable" or other equivalently-labelled segment of any stock exchange or securities market (whether or not regulated), no representation or assurance is given by the relevant Issuer or any Dealer or any other person that such listing or admission satisfies, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable law or regulations or by its own by-laws or other governing rules or investment portfolio mandates, in particular with regard to any direct or indirect environmental, sustainability or social impact of any projects or uses, the subject of or related to, any Green Assets. Furthermore, it should be noted that the criteria for any such listings or admission to trading may vary from one stock exchange or securities market to another. Nor is any representation or assurance given or made by the relevant Issuer or any other person that any such listing or admission to trading will be obtained in respect of any such Notes or, if obtained, that any such listing or admission to trading will be maintained during the life of the Notes.

While it is the intention of the relevant Issuer to apply the proceeds of any Green Bonds in, or substantially in, the manner described in the relevant Final Terms, there can be no assurance that the relevant intended project(s) or use(s) the subject of, or related to, any Green Assets will be capable of being implemented in or substantially in such manner and/or in accordance with any timing schedule and that accordingly such proceeds will be totally disbursed for the specified Green Assets. Nor can there be any assurance that such Green Assets will be completed within any specified period or at all or with the results or outcome (whether or not related to the environment) as originally expected or anticipated by the relevant Issuer. Any such event or failure by the relevant Issuer will not constitute an Event of Default under the Notes.

Any such event of failure to apply the proceeds of any issue of Green Bonds as aforesaid and/or withdrawal of the Second Opinion attesting that the relevant Issuer is not complying in whole or in part with any matters for which the Second Opinion is opining or certifying on and/or any such Notes no longer being listed or admitted to trading on any stock exchange or securities market as aforesaid may have a material adverse effect on the value of such Green Bonds and also potentially the value of any other Notes which are intended to finance Green Assets and/or result in adverse consequences for certain investors with portfolio mandates to invest in securities to be used for a particular purpose.

None of the Dealers will verify or monitor the proposed use of proceeds of Notes issued under the Programme.

## **2. Risks related to the holding of the Notes**

***Because the Global Notes are held by or on behalf of Clearstream, Luxembourg and Euroclear investors will have to rely on their procedures for transfer, payment and communication with the relevant Issuer***

Notes issued under the Programme may be represented by one or more Global Notes or Global Registered Notes. Such Global Notes or Global Registered Notes will be deposited with (in the case of a CGN or a

Note not to be held under the NSS) a common depository for Euroclear and Clearstream, Luxembourg, or (in the case of NGN or a Note to be held under the NSS) Euroclear and Clearstream, Luxembourg as common safekeeper. Except in the circumstances described in the relevant Global Note or Global Registered Note, investors will not be entitled to receive Definitive Notes or Individual Note Certificates. Euroclear and Clearstream, Luxembourg will maintain records of the beneficial interests in the Global Notes or Global Registered Notes. While the Notes are represented by one or more Global Notes or Global Registered Notes, investors will be able to trade their beneficial interests only through Euroclear and Clearstream, Luxembourg.

While the Notes are represented by one or more Global Notes or Global Registered Notes, the relevant Issuer or the Guarantor (where applicable) will discharge its payment obligations under the Notes or the Guarantee (where applicable) by making payments to (in the case of CGN or a Note that is not to be held under the NSS) the common depository for Euroclear and Clearstream, Luxembourg, or (in the case of NGN or a Note that is to be held under the NSS) Euroclear and Clearstream, Luxembourg as common safekeeper for distribution to their account holders. A holder of a beneficial interest in a Global Note or a Global Registered Note must rely on the procedures of Euroclear and Clearstream, Luxembourg to receive payments under the relevant Notes or the Guarantee (where applicable). The relevant Issuer or the Guarantor (where applicable) has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Notes or the Global Registered Notes.

Further, holders of beneficial interests in the Global Notes or Global Registered Notes will not have a direct right to vote in respect of the Notes. Instead, such holders will be permitted to act only to the extent that they are enabled by Euroclear and Clearstream, Luxembourg to appoint appropriate proxies. There can be no assurance that procedures implemented for the granting of such proxies will be sufficient to enable investors to vote on any matters on a timely basis.

#### ***Integral multiples of less than €100,000***

In relation to any issue of Notes which have denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount, it is possible that such Notes may be traded in amounts that are not integral multiples of such minimum Specified Denomination. In such a case a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system at the relevant time may not receive a Definitive Note in respect of such holding (should Definitive Notes be printed) and would need to purchase a principal amount of Notes such that its holding amounts to a Specified Denomination.

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

### **3. Risks related to the admission of the Notes to trading on a regulated market**

#### ***There is no public trading market for the Notes and an active trading market may not develop or be sustained in the future***

There is no active trading market for investments in Notes issued under the Programme. If investments in the Notes are traded after their initial issuance, then they might trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the Group's financial condition and results of operations. Although application has been made for the Notes to be listed on the official list and trading on the Luxembourg Stock Exchange's regulated market, there is no assurance that such application will be accepted, or that an active trading market will develop. Accordingly, there is no assurance as to the development or liquidity of any trading market for the Notes. Therefore, investors may not be able to sell their Notes easily or at all, or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. Illiquidity may have a severely adverse effect on the market value of the Notes.

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

##### ***The Notes are exposed to market interest rate risk***

Investment in the Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the Notes. The longer the maturity of Notes, the more exposed Notes are to fluctuations in market interest rates. Fluctuations in interest rates can affect the market values of, and corresponding levels of capital gains or losses on, fixed rate securities. During periods of rising interest rates, the prices of fixed rate securities, such as the Notes, tend to fall and gains are reduced or losses incurred upon their sale. Therefore, investment in the Notes involves the risk that changes in market interest rates may adversely affect the value of the Notes.

##### ***The market price of the Notes is subject to a high degree of volatility***

The market price of investments in Notes issued under the Programme could be subject to significant fluctuations in response to actual or anticipated variations in the relevant Issuer's operating results, adverse business developments, changes to the regulatory environment in which the Issuer operates, changes in financial estimates by securities analysts and the actual or expected sale by the relevant Issuer of other debt securities, as well as other factors, including the trading market for notes issued by entities in the jurisdiction of the relevant Issuer. In addition, in recent years, the global financial markets have experienced significant price and volume fluctuations that, if repeated in the future, could adversely affect the market price of investments in the Notes without regard to the Issuers' financial condition or results of operations.

##### ***The market value of the Notes may be affected by the creditworthiness of the Issuers and the Group, the credit rating of the Notes and a number of additional factors***

The value of the Notes may be affected by the creditworthiness of the Issuers and the Group, the credit rating of the Notes and a number of additional factors, such as market interest and yield rates and the time remaining to the maturity date and more generally all economic, financial and political events in any country, including factors affecting capital markets generally and the stock exchanges on which the Notes are traded.

The credit ratings of Notes issued under the Programme may not reflect the potential impact of all risks related to structure, market and other factors that may affect the value of the Notes. Credit ratings assigned to the Notes do not necessarily mean that they are a suitable investment. A rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time. Similar ratings on different types of notes do not necessarily mean the same thing. The significance of each rating should be analysed independently from any other rating.

Any of the factors indicated above could adversely affect the trading price for the Notes. The price at which a Noteholder will be able to sell the Notes prior to maturity may be at a discount, which could be substantial, from the issue price or the purchase price paid by such purchaser.

##### ***Exchange rate risks and exchange controls may result in investors receiving less interest or principal than expected***

The relevant Issuer or the Guarantor (where applicable) will pay principal and interest on the Notes or the Guarantee (the latter only in respect of Notes issued by Atrium Finance Issuer B.V.) in the Specified Currency. 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 the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency 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 Specified Currency 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. As a result, investors may receive less interest or principal than expected, or no interest or principal.

#### ***Inflation risk***

The value of future payments of interest and principal may be reduced as a result of inflation as the real rate of interest on an investment in the Notes will be reduced at rising inflation rates and may be negative if the inflation rate rises above the nominal rate of interest on the Notes.

### **5. Risks related to the interest rate structure of the Notes**

#### ***The Issuers may create and issue further Notes***

The Issuers may from time to time without the consent of the Noteholders create and issue further Notes, having terms and conditions that are the same as those of an existing Series, or the same except for the amount of the first payment of interest, which new Notes may be consolidated and form a single series with the outstanding Notes of the relevant Series even if doing so may adversely affect the value of the original Notes of that Series.

#### ***Fixed Rate Notes are exposed to specific market risks***

A holder of a security with a fixed interest rate is exposed to the risk that the price of such security falls as a result of changes in the current interest rate on the capital markets (the "**Market Interest Rate**"). While the nominal rate of a security with a fixed interest rate is fixed for a specified period, the Market Interest Rate typically changes on a daily basis. As the Market Interest Rate changes, the price of such security is likely to change in the opposite direction. If the Market Interest Rate increases, the price of such security typically falls, until the yield of such security is approximately equal to the Market Interest Rate. If the Market Interest Rate falls, the price of a security with a fixed compensation rate typically increases, until the yield of such security is approximately equal to the Market Interest Rate. Investors should be aware that movements of the Market Interest Rate can adversely affect the price of the fixed rate Notes and can lead to losses for the Noteholders if they sell such Notes.

#### ***Floating Rate Notes***

Floating rate Notes bear interest by reference to an underlying reference rate. Unlike fixed rate Notes, the interest income on floating rate Notes is variable and, at the time of purchase, investors are not able to determine a yield for floating rate Notes. As such, the return on investment cannot be compared with that of investments which have fixed interest periods. Investors are also exposed to the reinvestment risk of the interest income if the Market Interest Rates decline.

#### ***Risks relating to Notes which are linked to "benchmarks"***

Interest rates or other types of rates and indices which are deemed to be "benchmarks" are the subject of ongoing national and international regulatory discussions and proposals for reform. Some of these reforms are already effective whilst others are still to be implemented. The Benchmark Regulation, applicable in full since 1 January 2018, could have a material impact on any Notes linked to LIBOR, EURIBOR or another "benchmark" rate or index, in particular, if the methodology or other terms of the "benchmark" are changed in order to comply with the terms of the Benchmark Regulation, and such changes could (amongst other things) have the effect of reducing or increasing the rate or level, or affecting the volatility of the published rate or level, of the benchmark. In addition, the Benchmark Regulation stipulates that each administrator of a "benchmark" regulated thereunder must be licensed by the competent authority of the Member State where such administrator is located. There is a risk that administrators of certain "benchmarks" will fail to obtain a necessary licence, preventing them from continuing to provide such "benchmarks". Other administrators may cease to administer certain "benchmarks" because of the

additional costs of compliance with the Benchmark Regulation and other applicable regulations, and the risks associated therewith. There is also a risk that certain benchmarks may continue to be administered but may in time become obsolete. As an example of such benchmark reforms, in the United Kingdom the Financial Conduct Authority has announced that it will no longer persuade or compel banks to submit rates for the calculation of the LIBOR benchmark after 2021. The continued publication of LIBOR on the current basis (or at all) therefore cannot and will not be guaranteed after 2021 and alternative reference rates that are based firmly on transactions, such as reformed SONIA (the Sterling Over Night Index Average) are beginning to be used.

On 21 September 2017, the European Central Bank announced that it would be part of a new working group tasked with the identification and adoption of a "risk free overnight rate" which can serve as a basis for an alternative to current benchmarks used in a variety of financial instruments and contracts in the euro area.

Following the implementation of any such potential reforms, the manner of administration of benchmarks may change, with the result that they may perform differently than in the past, or the benchmark could be eliminated entirely, or there could be other consequences that cannot be predicted. The elimination of the LIBOR benchmark or any other benchmark, or changes in the manner of administration of any benchmark, could require or result in an adjustment to the interest calculation provisions of the Conditions (as further described in Condition 7(e) (*Benchmark Discontinuation*)), or result in adverse consequences to holders of any Notes linked to such benchmark (including Floating Rate Notes whose interest rates are linked to LIBOR, EURIBOR or any other such benchmark that is subject to reform). Furthermore, even prior to the implementation of any changes, uncertainty as to the nature of alternative reference rates and as to potential changes to such benchmark may adversely affect such benchmark during the term of the relevant Notes, the return on the relevant Notes and the trading market for securities (including the Notes) based on the same benchmark.

The "*Terms and Conditions of the Notes*" set out below provide for certain fallback arrangements in the event that a published benchmark, such as LIBOR, (including any page on which such benchmark may be published (or any successor service)) becomes unavailable, including the possibility that the rate of interest could be set by reference to a successor rate or an alternative reference rate following the relevant Issuer's consultation with an Independent Adviser (as defined in the Conditions) and that such successor rate or alternative reference rate may be adjusted (if required) in order to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as applicable) to investors arising out of the replacement of the relevant benchmark. In certain circumstances the ultimate fallback of interest for a particular Interest Period may result in the rate of interest for the last preceding Interest Period being used. This may result in the effective application of a fixed rate for Floating Rate Notes based on the rate which was last observed on the Relevant Screen Page. In addition, due to the uncertainty concerning the availability of successor rates and alternative reference rates and the involvement of an Independent Adviser, the relevant fallback provisions may not operate as intended at the relevant time.

Any such consequences could have a material adverse effect on the value of and return on any such Floating Rate Notes. Moreover, any of the above matters or any other significant change to the setting or existence of any relevant reference rate could affect the ability of the relevant Issuer to meet its obligations under the Floating Rate Notes or could have a material adverse effect on the value or liquidity of, and the amount payable under, the Floating Rate Notes. Investors should consult their own independent advisers and make their own assessment about the potential risks imposed by the Benchmark Regulation reforms in making any investment decision with respect to any Notes linked to or referencing a benchmark.

### ***Zero coupon Notes***

Zero coupon Notes do not provide for interest payments. They are issued at a discount to their principal amount or an accumulated interest basis. Instead of periodic interest payments, the difference between the redemption amount and the issue price constitutes interest income until maturity. A holder of a zero coupon Note is particularly exposed to the risk that the price of such Note falls as a result of changes in the Market Interest Rate. Prices of zero coupon Notes are more volatile than prices of fixed rate Notes and are likely

to respond to a greater degree to Market Interest Rate changes than interest bearing notes with a similar maturity.

## **6. Risks related to taxation**

### ***Potential purchasers and sellers of the Notes may be required to pay taxes or other documentary charges or duties in accordance with the laws and practices of the country where the Notes are transferred or other jurisdictions***

Potential purchasers and sellers of the Notes should be aware that they may be required to pay taxes or other documentary charges or duties in accordance with the laws and practices of the country where the Notes are transferred or other jurisdictions. Potential investors are advised not to rely upon the tax summary contained in this Base Prospectus but to seek the advice of a tax professional regarding their individual tax liabilities with respect to the acquisition, sale and redemption of the Notes. Only these advisors are in a position to duly consider the specific situation of the potential investor. This investment consideration has to be read in connection with the taxation sections of this Base Prospectus.

### ***Payments on the Notes may be subject to U.S. withholding tax under FATCA***

The United States has enacted rules, commonly referred to as "FATCA", that generally impose a new reporting and withholding regime with respect to certain payments made by entities that are classified as financial institutions under FATCA. The United States has entered into an intergovernmental agreement regarding the implementation of FATCA with the Netherlands and the Republic of Cyprus (the "IGA"). Under the IGA, as currently drafted, the Issuers and the Guarantor do not expect payments made on or with respect to the Notes or the Guarantee to be subject to withholding under FATCA. However, significant aspects of when and how FATCA will apply remain uncertain, and no assurance can be given that withholding under FATCA will not become relevant with respect to payments made on or with respect to the Notes or the Guarantee in the future. Prospective investors should consult their own tax advisors regarding the potential impact of FATCA.

### ***Dutch Withholding Tax Act 2021***

Under current law, the Netherlands does not levy a withholding tax on interest payments. However, on 27 December 2019, the Withholding Tax Act 2021 (*Wet bronbelasting 2021*) was published in the Dutch Official Gazette (*Staatsblad 2019, 513*). This legislation introduces a conditional withholding tax on interest and royalties that will enter into effect (*in werking treden*) on 1 January 2021. As of this date, the conditional withholding tax may apply on certain (deemed) payments of interest made to an affiliated (*gelieerde*) entity of the Issuer if such entity (i) is considered to be resident of a jurisdiction that is listed in the yearly updated Dutch Regulation on low-taxing states and non-cooperative jurisdictions for tax purposes (*Regeling laagbelastende staten en niet-coöperatieve rechtsgebieden voor belastingdoeleinden*), or (ii) has a permanent establishment located in such jurisdiction to which the interest is attributable, or (iii) is entitled to the interest payable for the main purpose or one of the main purposes to avoid taxation of another person, or (iv) is a hybrid entity, or (v) is not resident in any jurisdiction, all within the meaning of the Dutch Withholding Tax Act 2021.

In case payments made by Atrium Finance Issuer B.V. in respect of the Notes are, as of 1 January 2021, subject to the conditional interest withholding tax, Atrium Finance Issuer B.V. (i) may be obliged to pay additional amounts as provided or referred to in Condition 12), and (ii) may redeem the Securities pursuant to its option under Condition 9(b).

## INFORMATION INCORPORATED BY REFERENCE

The following information shall be deemed to be incorporated in, and to form part of, this Base Prospectus:

1. the auditors' report and audited consolidated annual financial statements for the financial year ended 31 December 2019 of Atrium (the "**Atrium 2019 Financial Statements**") prepared in accordance with the IFRS as adopted by the European Union ("EU"), available [https://www.aere.com/Files/FinancialReports/20200226\\_ATRIUM\\_ANNUAL\\_FINANCIAL\\_REPORT\\_2019.pdf](https://www.aere.com/Files/FinancialReports/20200226_ATRIUM_ANNUAL_FINANCIAL_REPORT_2019.pdf) including the information set out at the following pages in particular:

Consolidated Statement of Financial Position	Page 57
Consolidated Statement of Profit or Loss	Page 58
Consolidated Statement of Other Comprehensive Income	Page 58
Consolidated Cash Flow Statement	Page 59
Consolidated Statement of Changes in Equity	Page 60
Notes to the Financial Statements	Page 61
Independent Auditors' Report	Page 124
  
2. the auditors' report and audited consolidated annual financial statements for the financial year ended 31 December 2018 of Atrium (the "**Atrium 2018 Financial Statements**") prepared in accordance with IFRS, available [https://www.aere.com/Files/FinancialReports/20190228\\_ATRIUM\\_ANNUAL\\_FINANCIAL\\_REPORT\\_2018.pdf](https://www.aere.com/Files/FinancialReports/20190228_ATRIUM_ANNUAL_FINANCIAL_REPORT_2018.pdf) including the information set out at the following pages in particular:

Consolidated Statement of Financial Position	Page 55
Consolidated Statement of Profit or Loss	Page 56
Consolidated Statement of Other Comprehensive Income	Page 56
Consolidated Cash Flow Statement	Page 57
Consolidated Statement of Changes in Equity	Page 58
Notes to the Financial Statements	Page 59
Independent Auditors' Report	Page 124
  
3. the auditor's review report and the unaudited condensed consolidated financial statements of Atrium for the six-month period ended 30 June 2020 (the "**Atrium June 2020 Interim Financial Statements**") prepared in accordance with International Accounting Standard ("IAS") 34 "Interim Financial Reporting," the standard of IFRS applicable to the preparation of interim financial statements, available [https://www.aere.com/Files/FinancialReports/20200805\\_Atrium\\_2020\\_interim\\_financial\\_report\\_ENG.pdf](https://www.aere.com/Files/FinancialReports/20200805_Atrium_2020_interim_financial_report_ENG.pdf) including the information set out at the following pages in particular:

Condensed consolidated Statement of Financial Position	Page 24
Condensed consolidated Statement of Profit or Loss	Page 25
Condensed consolidated Statement of Other Comprehensive Income	Page 25
Condensed consolidated Cash Flow Statement	Page 26
Consolidated Statement of Changes in Equity	Page 27
Notes to the condensed consolidated Interim Financial Statements	Page 28
Independent Auditors' Report	Page 37
  
4. all pages of the green financing framework requirements adopted by Atrium (the "**Green Financing Framework**"), available <https://aere.com/Files/OtherDocuments/AEREGreenFinancingFramework.pdf>
  
5. financial statements for the opening balance as at 31 August 2020 of Atrium Finance Issuer B.V. (the "**Atrium Finance Issuer 2020 Opening Financial Statements**"), available <https://www.aere.com/Files/emtn/Atrium%20Finance%20Issuer%20BV%20O.B.financials.pdf>
  
6. auditor's report and audited annual financial statements for the financial year ended 31 December 2019 of Atrium Finance Limited prepared in accordance with IFRS as adopted by the EU and the



requirements of the Cyprus Companies Law, Cap. 113 (the "**Atrium Finance Limited 2019 Financial Statements**"), available <https://www.aere.com/Files/emtn/Atrium%20Finance%20Limited%202019%20financial%20statements.pdf> including the information set out at the following pages in particular:

Statement of Profit or Loss and other Comprehensive income	Page 5
Statement of Financial Position	Page 6
Statement of Changes in Equity	Page 7
Cash Flow Statement	Page 8
Notes to the Financial Statements	Page 9
Independent Auditors' Report	Page 2

save, that any statement contained in a document which is incorporated by reference herein shall be modified or superseded for the purpose of this Base 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 Base Prospectus.

Any other information incorporated by reference that is not included in the cross-reference lists above is considered to be additional information to be disclosed to investors rather than information required by the relevant Annexes of Commission Delegated Regulation (EU) No 2019/980.

Any documents themselves incorporated by reference in the documents incorporated by reference in this Base Prospectus shall not form part of this Base Prospectus. Any information contained in or incorporated by reference in any of the documents referred to in this Base Prospectus which is not incorporated by reference are either not relevant for an investor or are covered elsewhere in this Base Prospectus and for the avoidance of doubt, unless specifically incorporated by reference into this Base Prospectus, information contained on the website does not form part of the Base Prospectus.

The Independent Auditor's Reports relating to Atrium 2019 Financial Statements, Atrium 2018 Financial Statements and Atrium June 2020 Interim Financial Statements mentioned above contain references to "other information" (including the annual report), to the standalone financial statements of Atrium and to the statement on the Group management report for the Six month period ended 30 June 2020 and on the directors' statement in accordance with §125 börsegesetz 2018. Such other information, standalone financial statements of the Issuer and statement on the Group management report and on the directors' statement do not form part of this Base Prospectus.

Copies of documents incorporated by reference in, and forming part of, this Base Prospectus may be obtained (without charge) from the registered offices of Atrium, the website of Atrium ([www.aere.com](http://www.aere.com)) and the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)). The Issuers and the Guarantor will, in the event of any significant new factor, material mistake or material inaccuracy relating to information included in this Base Prospectus which is capable of affecting the assessment of any Notes, prepare a supplement to this Base Prospectus or publish a new Base Prospectus for use in connection with any subsequent issue of Notes.

## PRESENTATION OF CERTAIN INFORMATION

### Atrium and Group Companies

In this Base Prospectus, unless expressed otherwise, references to the "Group" are to Atrium and its consolidated subsidiaries and references to "Group Companies" are to the members of the Group.

### Real Estate Data

In this Base Prospectus, references to Gross Lettable Area ("**GLA**") are references to the total area of a property used and occupied by tenants or currently vacant, excluding all common areas such as restrooms, corridors, kiosks, etc. References to occupancy by GLA are references to the total GLA that is used and occupied by the tenants compared to the total GLA of the given property (including GLA that is currently vacant) expressed as a percentage. References to occupancy is calculated by the Group by dividing the period-end estimated rental value of occupied units by the period-end estimated rental value of all units (including vacant ones).

The property data and the lettable sq. m. totals included in this Base Prospectus, as well as the sq. m. figures used as a basis for the calculation of property data are originated from the Group. There is no obligation to have these audited or reviewed.

References to investment properties are to the Group's standing investments and developments and land. For a description of the Group's portfolio, comprising standing investments and developments and land, see "*Description of Atrium and the Group – Description of the Portfolio*".

References to "sq. m." or "m<sup>2</sup>" are to square metres.

### Certain Jurisdictions

In this Base Prospectus, all references to:

- "**Central Europe**" or "**CE**" are to Austria, Croatia, the Czech Republic, Germany, Hungary, Poland, Slovakia, Slovenia and Switzerland;
- "**EEA**" are to the European Economic Area and its member states as at the date of this Base Prospectus;
- "**EU**" are to the European Union and its member states as at the date of this Base Prospectus;
- a "**Member State**" are to a Member State of the European Economic Area;
- the "**Region**" are to the Czech Republic, Poland, Romania, Russia, Slovakia and Turkey;
- "**Russia**" are to the Russian Federation;
- "**Slovakia**" are to the Slovak Republic;
- "**Turkey**" are to the Republic of Turkey;
- "**U.K.**" are to the United Kingdom;
- "**U.S.**" are to the United States of America; and
- "**Western Europe**" are to Andorra, Austria, Belgium, Cyprus, Denmark, Finland, France, Germany, Gibraltar, Greece, Iceland, Ireland, Italy, Liechtenstein, Luxembourg, Malta, Monaco, the Netherlands, Norway, Portugal, San Marino, Spain, Sweden, Switzerland, the United Kingdom of Great Britain and Northern Ireland and the Vatican.

## **Currencies**

In this Base Prospectus, all references to:

- **"CZK", "Koruna", or "Czech Koruna"** are to the lawful currency of the Czech Republic;
- **"EUR", "€" or "euro"** are to the lawful currency introduced at the start of the third stage of European economic and monetary union, pursuant to the Treaty establishing the European Community as amended by the Treaty on European Union;
- **"PLN", "Zloty" or "Polish Zloty"** are to the lawful currency of the Republic of Poland;
- **"RUR", "Ruble" or "Russian Ruble"** and are to the lawful currency of the Russian Federation; and
- **"U.S.\$", "\$", "dollar" or "U.S. dollar"** are to the lawful currency of the United States of America.

## **Rounding**

Certain figures included in this Base Prospectus have been subject to rounding adjustments; accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

## FINAL TERMS AND DRAWDOWN PROSPECTUSES

In this section the expression "**necessary information**" means, in relation to any Tranche of Notes, the information necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the Issuers and the Guarantor and of the rights attaching to the Notes and the Guarantee and the reasons for the issuance and its impact on the relevant Issuer. In relation to the different types of Notes which may be issued under the Programme, the Issuers and the Guarantor have included in this Base Prospectus all of the necessary information except for information relating to the Notes which is not known at the date of this Base Prospectus and which can only be determined at the time of an individual issue of a Tranche of Notes.

Any information relating to the Notes which is not included in this Base Prospectus and which is required in order to complete the necessary information in relation to a Tranche of Notes will be contained either in the relevant Final Terms or in a Drawdown Prospectus.

For a Tranche of Notes which is the subject of Final Terms, those Final Terms will, for the purposes of that Tranche only, complete this Base Prospectus and must be read in conjunction with this Base Prospectus. The terms and conditions applicable to any particular Tranche of Notes which is the subject of Final Terms are the Conditions described in the relevant Final Terms as completed to the extent described in the relevant Final Terms.

The terms and conditions applicable to any particular Tranche of Notes which is the subject of a Drawdown Prospectus will be the Conditions as supplemented, amended and/or replaced to the extent described in the relevant Drawdown Prospectus. In the case of a Tranche of Notes which is the subject of a Drawdown Prospectus, each reference in this Base Prospectus to information being specified or identified in the relevant Final Terms shall be read and construed as a reference to such information being specified or identified in the relevant Drawdown Prospectus unless the context requires otherwise.

## FORMS OF THE NOTES

### **Bearer Notes**

Each Tranche of Notes in bearer form ("**Bearer Notes**") will initially be in the form of either a temporary global note in bearer form (the "**Temporary Global Note**"), without interest coupons, or a permanent global note in bearer form (the "**Permanent Global Note**"), without interest coupons, in each case as specified in the relevant Final Terms. Each Temporary Global Note or, as the case may be, Permanent Global Note (each a "**Global Note**") which is not intended to be issued in new global note ("**NGN**") form (a "**CGN**"), as specified in the relevant Final Terms, will be deposited on or around the issue date of the relevant Tranche of the Notes with a depository or a common depository for Euroclear Bank SA/NV ("**Euroclear**") and/or Clearstream Banking S.A. ("**Clearstream, Luxembourg**") and/or any other relevant clearing system and each Global Note which is intended to be issued in NGN form, as specified in the relevant Final Terms, will be deposited on or around the issue date of the relevant Tranche of the Notes with a common safekeeper for Euroclear and/or Clearstream, Luxembourg.

In the case of each Tranche of Bearer Notes, the relevant Final Terms will also specify whether United States Treasury Regulation §1.163-5(c)(2)(i)(C) (the "**TEFRA C Rules**") or United States Treasury Regulation §1.163-5(c)(2)(i)(D) (the "**TEFRA D Rules**") are applicable in relation to the Notes or, if the Notes do not have a maturity of more than 365 days, that neither the TEFRA C Rules nor the TEFRA D Rules are applicable.

### ***Temporary Global Note exchangeable for Permanent Global Note***

If the relevant Final Terms specifies the form of Notes as being "Temporary Global Note exchangeable for a Permanent Global Note", then the Notes will initially be in the form of a Temporary Global Note which will be exchangeable, in whole or in part, for interests in a Permanent Global Note, without interest coupons, not earlier than 40 days after the issue date of the relevant Tranche of the Notes upon certification as to non-U.S. beneficial ownership. No payments will be made under the Temporary Global Note unless exchange for interests in the Permanent Global Note is improperly withheld or refused. In addition, interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership.

Whenever any interest in the Temporary Global Note is to be exchanged for an interest in a Permanent Global Note, the relevant Issuer shall procure (in the case of first exchange) the delivery of a Permanent Global Note, duly authenticated and, in the case of a NGN, effectuated, to the bearer of the Temporary Global Note or (in the case of any subsequent exchange) an increase in the principal amount of the Permanent Global Note in accordance with its terms against:

- (i) presentation and (in the case of final exchange) presentation and surrender of the Temporary Global Note to or to the order of the Principal Paying Agent; and
- (ii) receipt by the Principal Paying Agent of a certificate or certificates of non-U.S. beneficial ownership,

within 7 days of the bearer requesting such exchange.

### ***Temporary Global Note exchangeable for Definitive Notes***

If the relevant Final Terms specifies the form of Notes as being "Temporary Global Note exchangeable for Definitive Notes" and also specifies that the TEFRA C Rules are applicable or that neither the TEFRA C Rules or the TEFRA D Rules are applicable, then the Notes will initially be in the form of a Temporary Global Note which will be exchangeable, in whole but not in part, for Bearer Notes in definitive form ("**Definitive Notes**") not earlier than 40 days after the issue date of the relevant Tranche of the Notes.

If the relevant Final Terms specifies the form of Notes as being "Temporary Global Note exchangeable for Definitive Notes" and also specifies that the TEFRA D Rules are applicable, then the Notes will initially be in the form of a Temporary Global Note which will be exchangeable, in whole or in part, for Definitive Notes not earlier than 40 days after the issue date of the relevant Tranche of the Notes upon certification as to non-U.S. beneficial ownership. Interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership.

Whenever the Temporary Global Note is to be exchanged for Definitive Notes, the relevant Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached (if so specified in the relevant Final Terms), in an aggregate principal amount equal to the principal amount of the Temporary Global Note to the bearer of the Temporary Global Note against the surrender of the Temporary Global Note to or to the order of the Principal Paying Agent within 30 days of the bearer requesting such exchange.

In relation to any issue of Notes which have a denomination consisting of the minimum Specified Denomination plus a higher integral multiple of another smaller amount, the Temporary Global Note shall only be exchangeable for Definitive Notes in the limited circumstances specified in the Temporary Global Note.

#### ***Permanent Global Note exchangeable for Definitive Notes***

If the relevant Final Terms specifies the form of Notes as being "Permanent Global Note exchangeable for Definitive Notes", then the Notes will initially be in the form of a Permanent Global Note which will be exchangeable in whole, but not in part, for Definitive Notes:

- (i) on the expiry of such period of notice as may be specified in the relevant Final Terms; or
- (ii) at any time, if so specified in the relevant Final Terms; or
- (iii) if the relevant Final Terms specifies "in the limited circumstances described in the Permanent Global Note", then if either of the following events occurs:
  - (a) Euroclear or Clearstream, Luxembourg or any other relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business; or
  - (b) any of the circumstances described in Condition 13 (*Events of Default*) occurs.

Whenever the Permanent Global Note is to be exchanged for Definitive Notes, the relevant Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached (if so specified in the relevant Final Terms), in an aggregate principal amount equal to the principal amount of Notes represented by the Permanent Global Note to the bearer of the Permanent Global Note against the surrender of the Permanent Global Note to or to the order of the Principal Paying Agent within 30 days of the bearer requesting such exchange.

In relation to any issue of Notes which have a denomination consisting of the minimum Specified Denomination plus a higher integral multiple of another smaller amount, the Permanent Global Note shall only be exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note.

#### ***Terms and Conditions applicable to the Notes***

The terms and conditions applicable to any Definitive Note will be endorsed on that Note and will consist of the terms and conditions set out under "*Terms and Conditions of the Notes*" below and the provisions of the relevant Final Terms which supplement those terms and conditions.

The terms and conditions applicable to any Note in global form will differ from those terms and conditions which would apply to the Note were it in definitive form to the extent described under "*Summary of Provisions Relating to the Notes while in Global Form*" below.

#### ***Legend concerning United States persons***

In the case of any Tranche of Bearer Notes having a maturity of more than 365 days, the Notes in global form, the Notes in definitive form and any Coupons and Talons appertaining thereto will bear a legend to the following effect:

*"Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code"*

## Registered Notes

Each Tranche of Registered Notes will be represented by either individual Note Certificates in registered form ("**Individual Note Certificates**") or a global note in registered form (a "**Global Registered Note**"), in each case as specified in the relevant Final Terms.

Each Global Registered Note will either be: (a) in the case of a Note which is not to be held under the new safekeeping structure for registered notes (the "**New Safekeeping Structure**" or "NSS"), registered in the name of a common depository (or its nominee) for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and the relevant Global Registered Note will be deposited on or about the issue date with the common depository and will be exchangeable in accordance with its terms; or (b) in the case of a Note to be held under the NSS, be registered in the name of a common safekeeper (or its nominee) for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and the relevant Global Registered Note will be deposited on or about the issue date with the common safekeeper for Euroclear and/or Clearstream, Luxembourg and will be exchangeable for Individual Note Certificates in accordance with its terms.

If the relevant Final Terms specifies the form of Notes as being "Global Registered Note exchangeable for Individual Note Certificates", then the Notes will initially be in the form of a Global Registered Note which will be exchangeable in whole, but not in part, for Individual Note Certificates:

- (a) on the expiry of such period of notice as may be specified in the relevant Final Terms; or
- (b) at any time, if so specified in the relevant Final Terms; or
- (c) if the relevant Final Terms specifies "in the limited circumstances described in the Global Registered Note", then if either of the following events occurs:
  - (i) Euroclear or Clearstream, Luxembourg or any other relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business; or
  - (ii) any of the circumstances described in Condition 13 (*Events of Default*) occurs.

Whenever the Global Registered Note is to be exchanged for Individual Note Certificates, the relevant Issuer shall procure that Individual Note Certificates will be issued in an aggregate principal amount equal to the principal amount of the Global Registered Note within five business days of the delivery, by or on behalf of the registered holder of the Global Registered Note to the Registrar of such information as is required to complete and deliver such Individual Note Certificates (including, without limitation, the names and addresses of the persons in whose names the Individual Note Certificates are to be registered and the principal amount of each such person's holding) against the surrender of the Global Registered Note at the specified office of the Registrar.

Such exchange will be effected in accordance with the provisions of the Trust Deed and the Agency Agreement and the regulations concerning the transfer and registration of Notes scheduled to the Agency Agreement and, in particular, shall be effected without charge to any Noteholder, but against such indemnity as the Registrar may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such exchange.

In relation to any issue of Notes which have a denomination consisting of the minimum Specified Denomination plus a higher integral multiple of another smaller amount, the Global Registered Note shall only be exchangeable for Individual Note Certificates in the limited circumstances described in the Global Registered Note.

### ***Terms and Conditions applicable to the Notes***

The terms and conditions applicable to any Individual Note Certificate will be endorsed on that Individual Note Certificate and will consist of the terms and conditions set out under "*Terms and Conditions of the Notes*" below and the provisions of the relevant Final Terms which complete those terms and conditions.

The terms and conditions applicable to any Global Registered Note will differ from those terms and conditions which would apply to the Note were it in definitive form to the extent described under "*Summary of Provisions Relating to the Notes while in Global Form*" below.

## **Summary of Provisions relating to the Notes while in Global Form**

### ***Clearing System Accountholders***

In relation to any Tranche of Notes represented by a Global Note in bearer form, references in the terms and conditions of the Notes to "Noteholder" are references to the bearer of the relevant Global Note which, for so long as the Global Note is held by a depositary or a common depositary, in the case of a CGN, or a common safekeeper, in the case of an NGN, for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system, will be that depositary or common depositary or, as the case may be, common safekeeper.

In relation to any Tranche of Notes represented by a Global Registered Note, references in the terms and conditions of the Notes to "Noteholder" are references to the person in whose name such Global Registered Note is for the time being registered in the Register which, for so long as the Global Registered Note is held by or on behalf of a common depositary or a common safekeeper for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system, will be that common safekeeper or common depositary or a nominee for that common depositary or common safekeeper.

Each of the persons shown in the records of Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system as being entitled to an interest in a Global Note or a Global Registered Note (each an "**Accountholder**") must look solely to Euroclear and/or Clearstream, Luxembourg and/or such other relevant clearing system (as the case may be) for such Accountholder's share of each payment made by the relevant Issuer or, if applicable, the Guarantor to the holder of such Global Note or Global Registered Note and in relation to all other rights arising under the Global Note or Global Registered Note. The extent to which, and the manner in which, Accountholders may exercise any rights arising under the Global Note or Global Registered Note will be determined by the respective rules and procedures of Euroclear and Clearstream, Luxembourg and any other relevant clearing system from time to time. For so long as the relevant Notes are represented by a Global Note or Global Registered Note, Accountholders shall have no claim directly against the relevant Issuer or, if applicable, the Guarantor in respect of payments due under the Notes and such obligations of the relevant Issuer and, if applicable, the Guarantor will be discharged by payment to the holder of such Global Note or Global Registered Note.

### ***Conditions applicable to Global Notes***

Each Global Note and Global Registered Note will contain provisions which modify the terms and conditions of the Notes as they apply to the Global Note or Global Registered Note. The following is a summary of certain of those provisions:

*Payments:* All payments in respect of the Global Note or Global Registered Note which, according to the terms and conditions of the Notes, require presentation and/or surrender of a Note, Note Certificate or Coupon will be made against presentation and (in the case of payment of principal in full with all interest accrued thereon) surrender of the Global Note or Global Registered Note to or to the order of any Paying Agent and will be effective to satisfy and discharge the corresponding liabilities of the relevant Issuer in respect of the Notes. On each occasion on which a payment of principal or interest is made in respect of the Global Note, the relevant Issuer shall procure that in respect of a CGN the payment is noted in a schedule thereto and in respect of an NGN the payment is entered *pro rata* in the records of Euroclear and Clearstream, Luxembourg.

*Payment Business Day:* in the case of a Global Note or a Global Registered Note, shall be: if the currency of payment is euro, any day which is a TARGET Settlement Day and a day on which dealings in foreign currencies may be carried on in each (if any) Additional Financial Centre; or, if the currency of payment is not euro, any day which is a day on which dealings in foreign currencies may be carried on in the Principal Financial Centre of the currency of payment and in each (if any) Additional Financial Centre.

*Payment Record Date:* Each payment in respect of a Global Registered Note will be made to the person shown as the Noteholder in the Register at the close of business (in the relevant clearing system) on the Clearing System Business Day before the due date for such payment (the "**Record Date**") where "**Clearing**



**System Business Day**" means a day on which each clearing system for which the Global Registered Note is being held is open for business.

*Exercise of put option:* In order to exercise the option contained in Condition 9(e) (*Redemption at the option of Noteholders*) or Condition 9(f) (*Change of Control Put Option*) the bearer of a Permanent Global Note or the holder of a Global Registered Note must, within the period specified in the Conditions for the deposit of the relevant Note and put notice, give written notice of such exercise to the Principal Paying Agent specifying the principal amount of Notes in respect of which such option is being exercised. Any such notice will be irrevocable and may not be withdrawn.

*Partial exercise of call option:* In connection with an exercise of the option contained in Condition 9(c) (*Redemption at the option of the Issuer*) in relation to some only of the Notes, the Permanent Global Note or Global Registered Note may be redeemed in part in the principal amount specified by the relevant Issuer in accordance with the Conditions and the Notes to be redeemed will not be selected as provided in the Conditions but in accordance with the rules and procedures of Euroclear and/or Clearstream, Luxembourg (to be reflected in the records of Euroclear and/or Clearstream, Luxembourg as either a pool factor or a reduction in principal amount, at their discretion).

*Notices:* Notwithstanding Condition 21 (*Notices*), while all the Notes are represented by a Permanent Global Note (or by a Permanent Global Note and/or a Temporary Global Note) or a Global Registered Note and the Permanent Global Note is (or the Permanent Global Note and/or the Temporary Global Note are), or the Global Registered Note is, deposited with a depositary or a common depositary for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system or a common safekeeper, notices to Noteholders may be given by delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and, in any case, such notices shall be deemed to have been given to the Noteholders in accordance with Condition 21 (*Notices*) on the date of delivery to Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system.

## TERMS AND CONDITIONS OF THE NOTES

*The following is the text of the terms and conditions which, as completed by the relevant Final Terms or as supplemented, amended and/or replaced by the relevant Drawdown Prospectus, will be endorsed on each Note in definitive form issued under the Programme. The terms and conditions applicable to any Note in global form will differ from those terms and conditions which would apply to the Note were it in definitive form to the extent described under "Forms of the Notes - Summary of Provisions Relating to the Notes while in Global Form" above.*

### 1. Introduction

- (a) **Programme:** Atrium European Real Estate Limited ("**Atrium**"), Atrium Finance Issuer B.V. and Atrium Finance Limited (the "**Issuers**" and each an "**Issuer**") have established a Euro Medium Term Note Programme (the "**Programme**") for the issuance of up to €1,500,000,000 in aggregate principal amount of notes (the "**Notes**") unconditionally and irrevocably guaranteed, in respect of Notes issued by Atrium Finance Issuer B.V. only, by Atrium European Real Estate Limited (the "**Guarantor**").
- (b) **Final Terms:** Notes issued under the Programme are issued in series (each a "**Series**") and each Series may comprise one or more tranches (each a "**Tranche**") of Notes. Each Tranche is the subject of a final terms (the "**Final Terms**") which supplements these terms and conditions (the "**Conditions**"). The terms and conditions applicable to any particular Tranche of Notes are these Conditions as completed by the relevant Final Terms. References in these Conditions to the "Issuer" are to the Issuer of Notes of the relevant Tranche or Series named in the relevant Final Terms. The relevant Final Terms should be read in conjunction with these Conditions.
- (c) **Trust Deed:** The Notes are constituted by, are subject to, and have the benefit of, a trust deed dated 24 September 2020 (as amended or supplemented from time to time, the "**Trust Deed**") between the Issuers, the Guarantor and Citibank, N.A., London Branch as trustee (the "**Trustee**", which expression includes all persons for the time being trustee or trustees appointed under the Trust Deed).
- (d) **Agency Agreement:** The Notes are the subject of an issue and paying agency agreement dated 24 September 2020 (as amended or supplemented from time to time, the "**Agency Agreement**") between the Issuers, the Guarantor, Citibank, N.A., London Branch as principal paying agent (the "**Principal Paying Agent**", which expression includes any successor principal paying agent appointed from time to time in connection with the Notes), Citibank, N.A., London Branch as registrar (the "**Registrar**", which expression includes any successor registrar appointed from time to time in connection with the Notes), the paying agents named therein (together with the Principal Paying Agent, the "**Paying Agents**", which expression includes any successor or additional paying agents appointed from time to time in connection with the Notes), the transfer agents named therein (together with the Registrar, the "**Transfer Agents**", which expression includes any successor or additional transfer agents appointed from time to time in connection with the Notes) and the Trustee. In these Conditions references to the "**Agents**" are to the Paying Agents and the Transfer Agents and any reference to an "**Agent**" is to any one of them.
- (e) **The Guarantee:** Pursuant to the Trust Deed the Guarantor has irrevocably and unconditionally agreed to guarantee the obligations of Atrium Finance Issuer B.V. under and in relation to the Notes issued by Atrium Finance Issuer B.V.
- (f) **The Notes:** The Notes may be issued in bearer form ("**Bearer Notes**"), or in registered form ("**Registered Notes**"). All subsequent references in these Conditions to "Notes" are to the Notes which are the subject of the relevant Final Terms. Copies of the relevant Final Terms are available for viewing on the website of the Guarantor and at the registered office of the Guarantor at 11-15 Seaton Place, St Helier, Jersey JE4 0QH, Channel Islands.
- (g) **Summaries:** Certain provisions of these Conditions are summaries of the Trust Deed and the Agency Agreement and are subject to their detailed provisions. Noteholders (as defined below) and the holders of the related interest coupons, if any, (the "**Couponholders**" and the "**Coupons**", respectively) and any Talons are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and the Agency Agreement applicable to them. Copies of the Trust Deed and the

Agency Agreement are available for inspection by Noteholders during normal business hours at the Specified Offices of each of the Agents, the initial Specified Offices of which are set out below.

## 2. Interpretation

(a) **Definitions:** In these Conditions the following expressions have the following meanings:

"**Accrual Yield**" has the meaning given in the relevant Final Terms;

"**Additional Business Centre(s)**" means the city or cities specified as such in the relevant Final Terms;

"**Additional Financial Centre(s)**" means the city or cities specified as such in the relevant Final Terms;

"**Adjusted EBITDA**" means the consolidated profit/(loss) of Atrium before taxes, depreciation, amortisation and impairments and excluding any revaluation changes, financial income and financial expenses, net result on acquisitions and disposals and any other exceptional or non-recurring items, as determined by reference to the most recent audited annual or unaudited semi-annual, as the case may be, consolidated income statement of Atrium;

"**Adjustment Spread**" means either (a) a spread (which may be positive, negative or zero), or (b) a formula or methodology for calculating a spread, in each case to be applied to the Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which:

- (i) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body;
- (ii) the Issuer, following consultation with the Independent Adviser, determines, is customarily applied to the relevant Successor Rate or the Alternative Rate (as the case may be) in international debt capital markets transactions to produce an industry-accepted replacement rate for the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be); or
- (iii) (if the Issuer determines that no such customary market usage is recognised or acknowledged) the Issuer, in its discretion, following consultation with the Independent Adviser and acting in good faith, determines to be appropriate;

"**Alternative Rate**" means an alternative to the Reference Rate which the Issuer determines in accordance with Condition 7(e)(ii) has replaced the Original Reference Rate customarily applied in international debt capital markets transactions for the purposes of determining rates of interest (or the relevant component part thereof) for the same interest period and in the same Specified Currency as the Notes or, if the Independent Adviser determines there is no such rate, such other rate as the Issuer determines (following consultation with the Independent Adviser and acting in good faith) is most comparable to the relevant Reference Rate;

"**Benchmark Amendments**" has the meaning given to it in Condition 7(e)(iv);

"**Benchmark Event**" means:

- (a) the relevant Reference Rate has ceased to be published on the Relevant Screen Page as a result of such benchmark ceasing to be calculated or administered; or
- (b) a public statement by the administrator of the relevant Reference Rate that (in circumstances where no successor administrator has been or will be appointed that will continue publication of such Reference Rate) it has ceased publishing such Reference Rate permanently or indefinitely or that it will cease to do so by a specified future date (the "**Specified Future Date**"); or

- (c) a public statement by the supervisor of the administrator of the relevant Reference Rate that such Reference Rate has been or will, by a Specified Future Date, be permanently or indefinitely discontinued; or
- (d) a public statement by the supervisor of the administrator of the relevant Reference Rate that means that such Reference Rate will, by a Specified Future Date, be prohibited from being used or that its use will be subject to restrictions or adverse consequences, either generally or in respect of the Notes; or
- (e) a public statement by the supervisor of the administrator of the relevant Reference Rate (as applicable) that, in the view of such supervisor, (i) such Reference Rate is or will, by a Specified Future Date, be no longer representative of an underlying market or (ii) the methodology to calculate such Reference Rate has materially changed; or
- (f) it has or will, by a specified date within the following six months, become unlawful for the Calculation Agent to calculate any payments due to be made to any Noteholder using the relevant Reference Rate (as applicable) (including, without limitation, under the Benchmarks Regulation (EU) 2016/1011, if applicable),

in each case, as determined by the Issuer or, in the case of sub-paragraph (f) above, the Calculation Agent.

Notwithstanding the sub-paragraphs above, where the relevant Benchmark Event is a public statement within sub-paragraphs (b), (c), (d) or (e) above and the Specified Future Date in the public statement is more than six months after the date of that public statement, the Benchmark Event shall not be deemed occur until the date falling six months prior to such Specified Future Date;

**"Business Day"** means:

- (a) in relation to any sum payable in euro, a TARGET Settlement Day and a day on which commercial banks and foreign exchange markets settle payments generally in each (if any) Additional Business Centre; and
- (b) in relation to any sum payable in a currency other than euro, a day on which commercial banks and foreign exchange markets settle payments generally in London, in the Principal Financial Centre of the relevant currency and in each (if any) Additional Business Centre;

**"Business Day Convention"**, in relation to any particular date, has the meaning given in the relevant Final Terms and, if so specified in the relevant Final Terms, may have different meanings in relation to different dates and, in this context, the following expressions shall have the following meanings:

- (a) **"Following Business Day Convention"** means that the relevant date shall be postponed to the first following day that is a Business Day;
- (b) **"Modified Following Business Day Convention"** or **"Modified Business Day Convention"** means that the relevant date shall be postponed to the first following day that is a Business Day unless that day falls in the next calendar month in which case that date will be the first preceding day that is a Business Day;
- (c) **"Preceding Business Day Convention"** means that the relevant date shall be brought forward to the first preceding day that is a Business Day;
- (d) **"FRN Convention"**, **"Floating Rate Convention"** or **"Eurodollar Convention"** means that each relevant date shall be the date which numerically corresponds to the preceding such date in the calendar month which is the number of months specified in the relevant Final Terms as the Specified Period after the calendar month in which the preceding such date occurred **provided, however, that:**

- (i) if there is no such numerically corresponding day in the calendar month in which any such date should occur, then such date will be the last day which is a Business Day in that calendar month;
  - (ii) if any such date would otherwise fall on a day which is not a Business Day, then such date will be the first following day which is a Business Day unless that day falls in the next calendar month, in which case it will be the first preceding day which is a Business Day; and
  - (iii) if the preceding such date occurred on the last day in a calendar month which was a Business Day, then all subsequent such dates will be the last day which is a Business Day in the calendar month which is the specified number of months after the calendar month in which the preceding such date occurred; and
- (e) **"No Adjustment"** means that the relevant date shall not be adjusted in accordance with any Business Day Convention;

**"Calculation Agent"** means the Principal Paying Agent or such other Person specified in the relevant Final Terms as the party responsible for calculating the Rate(s) of Interest and Interest Amount(s) and/or such other amount(s) as may be specified in the relevant Final Terms;

**"Calculation Amount"** has the meaning given in the relevant Final Terms;

**"Call Option Notice"** has the meaning given to such term in Condition 9(c);

**"Change of Control"** has the meaning given to such term in Condition 9(f);

**"Change of Control Put Option"** has the meaning given to such term in Condition 9(f);

**"Change of Control Notice"** has the meaning given to such term in Condition 9(f);

**"Change of Control Period"** means the period commencing on the Relevant Announcement Date and ending 180 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 180 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 Period"** has the meaning given to such term in Condition 9(f);

**"Change of Control Put Option Notice"** has the meaning given to such term in Condition 9(f);

**"Change of Control Put Option Receipt"** has the meaning given to such term in Condition 9(f);

**"Clean-up Call Redemption Amount"** means, in respect of any Note, its principal amount or such other Final Redemption Amount as may be specified in the relevant Final Terms;

**"Consolidated Coverage Ratio"** means, in respect of any Measurement Date, (x) the aggregate amount of Adjusted EBITDA for the period of the most recent two consecutive semi-annual periods ending on such Measurement Date divided by (y) the Consolidated Interest Expense for such two semi-annual periods;

**"Consolidated Interest Expense"** means, for any period, all charges, interest, commission, fees, discounts and other finance costs in respect of Indebtedness incurred by the Group as shown in the most recent audited annual or unaudited semi-annual, as the case may be, consolidated income statement of Atrium, excluding any costs incurred in connection with the early repayment or early redemption of outstanding debt, as recognised in the consolidated profit and loss accounts of Atrium;

**"Consolidated Secured Solvency Ratio"** means, in relation to Atrium and its Subsidiaries and in respect of any Measurement Date, the Secured Consolidated Total Indebtedness divided by Consolidated Total Assets;

**"Consolidated Solvency Ratio"** means, in relation to Atrium and its Subsidiaries and in respect of any Measurement Date, the Consolidated Total Indebtedness divided by Consolidated Total Assets;

**"Consolidated Total Assets"** means the total assets (excluding intangible assets) of the Group as shown in the most recent audited annual or unaudited semi-annual, as the case may be, consolidated statement of financial position of Atrium;

**"Consolidated Total Indebtedness"** means the total Indebtedness of the Group as determined by reference to the most recent audited annual or unaudited semi-annual, as the case may be, consolidated statement of financial position of Atrium;

**"Coupon Sheet"** means, in respect of a Note, a coupon sheet relating to the Note;

**"Czech Koruna"** or **"CZK"** refer to the lawful currency of the Czech Republic;

**"DA Selected Bond"** means the selected government security or securities agreed between the Issuer and an investment bank or financial institution of international standing determined to be appropriate by the Issuer (which, for the avoidance of doubt, could be the Determination Agent, if applicable) as having an actual or interpolated maturity comparable with the remaining term of the Notes (or, if a Par Call Commencement Date is specified in the applicable Final Terms, the period to the Par Call Commencement Date), 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 Specified Currency and of a comparable maturity to the remaining term of the Notes (or, if a Par Call Commencement Date is specified in the applicable Final Terms, the period to the Par Call Commencement Date);

**"Day Count Fraction"** means, in respect of the calculation of an amount for any period of time (the **"Calculation Period"**), such day count fraction as may be specified in these Conditions or the relevant Final Terms and:

- (a) if **"Actual/Actual (ICMA)"** is so specified, means:
  - (i) where the Calculation Period is equal to or shorter than the Regular Period during which it falls, the actual number of days in the Calculation Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and
  - (ii) where the Calculation Period is longer than one Regular Period, the sum of:
    - (A) the actual number of days in such Calculation Period falling in the Regular Period in which it begins divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year; and
    - (B) the actual number of days in such Calculation Period falling in the next Regular Period divided by the product of (1) the actual number of days in such Regular Period and (2) the number of Regular Periods in any year;
- (b) if **"Actual/Actual (ISDA)"** is so specified, means the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);
- (c) if **"Actual/365 (Fixed)"** is so specified, means the actual number of days in the Calculation Period divided by 365;
- (d) if **"Actual/360"** is so specified, means the actual number of days in the Calculation Period divided by 360;

- (e) if "**30/360**" is so specified, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows

Day Count Fraction =

$$\frac{[360x(Y_2 - Y_1)] + [30x(M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"**Y1**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y2**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M1**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M2**" is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

"**D1**" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D1 will be 30; and

"**D2**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and D1 is greater than 29, in which case D2 will be 30";

- (f) if "**30E/360**" or "**Eurobond Basis**" is so specified, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

Day Count Fraction =

$$\frac{[360x(Y_2 - Y_1)] + [30x(M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"**Y1**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y2**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M1**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M2**" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**D1**" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D1 will be 30; and

"**D2**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D2 will be 30; and

- (g) if "**30E/360 (ISDA)**" is so specified, the number of days in the Calculation Period divided by 360, calculated on a formula basis as follows:

Day Count Fraction =

$$\frac{[360x(Y_2 - Y_1)] + [30x(M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"**Y1**" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"**Y2**" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**M1**" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"**M2**" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"**D1**" is the first calendar day, expressed as a number, of the Calculation Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D1 will be 30; and

"**D2**" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D2 will be 30,

**provided, however, that** in each such case the number of days in the Calculation Period is calculated from and including the first day of the Calculation Period to but excluding the last day of the Calculation Period;

"**Determination Agent**" means an investment bank or financial institution of international standing selected by the Issuer;

"**Early Redemption Amount (Tax)**" means, in respect of any Note, its principal amount or such other amount as may be specified in the relevant Final Terms;

"**Early Termination Amount**" means, in respect of any Note, its principal amount or such other amount as may be specified in these Conditions or the relevant Final Terms;

"**EURIBOR**" means, in respect of any specified currency and any specified period, the interest rate benchmark known as the Euro zone interbank offered rate which is calculated and published by a designated distributor (currently Thomson Reuters) in accordance with the requirements from time to time of the European Money Markets Institute (or any other person which takes over the administration of that rate);

"**Existing Holders**" means, individually or jointly, any and all of (i) Gazit Globe Ltd and (ii) any person or persons from time to time controlling, controlled by or under common control with any of the foregoing persons. For the purposes of this definition, control is deemed to be the ownership, including any voting rights in relation thereto, or ability to direct 30 per cent. or more of the equity share capital of a person;

"**Extraordinary Resolution**" has the meaning given in the Trust Deed;

"**Final Redemption Amount**" means, in respect of any Note, its principal amount or such other Final Redemption Amount as may be specified in the relevant Final Terms;

"**First Interest Payment Date**" means the date specified in the relevant Final Terms;



**"Fixed Coupon Amount"** has the meaning given in the relevant Final Terms;

**"Gross Redemption Yield"** means, with respect to a security, the gross redemption yield on such security, expressed as a percentage and calculated by a Determination Agent appointed by the Issuer on the basis set out by the United Kingdom Debt Management Office in the paper "*Formulae for Calculating Gilt Prices from Yields*" page 5, Section One: Price/Yield Formulae "*Conventional Gilts; Double-dated and Undated Gilts with Assumed (or Actual) Redemption on a Quasi-Coupon Date*" (published 8 June 1998 and updated on 15 January 2002 and 16 March 2005, and as further amended, updated, supplemented or replaced from time to time) or, if such formula does not reflect generally accepted market practice at the time of redemption, a gross redemption yield calculated in accordance with generally accepted market practice at such time as determined by the Determination Agent;

**"Group"** means Atrium and its Subsidiaries;

**"Guarantee"** means the unconditional and irrevocable guarantee of the Notes issued by Atrium Finance Issuer B.V. given by the Guarantor in the Trust Deed;

**"Holder"** in the case of Bearer Notes, has the meaning given in Condition 3(b) (*Form, Denomination, Title and Transfer – Title to Bearer Notes*) and, in the case of Registered Notes, has the meaning given in Condition 3(d) (*Form, Denomination, Title and Transfer – Title to Registered Notes*);

**"IFRS"** means International Financial Reporting Standards, including International Accounting Standards and Interpretations, issued by the International Accounting Standards Board as endorsed by the EU (as amended, supplemented or re-issued from time to time);

**"Indebtedness"** means, with respect to any Person at any date of determination (without duplication) any debt of such Person, including:

- (a) all indebtedness of such Person for borrowed money in whatever form;
- (b) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments;
- (c) all obligations of such Person in respect of letters of credit or other similar instruments (including reimbursement obligations with respect thereto, except to the extent any such reimbursement obligations relate to trade payables);
- (d) all obligations of such Person to pay the deferred and unpaid purchase price of property, assets or services which purchase price is due more than 90 days after the earlier of the date of placing such property in service or taking delivery and title thereof or the completion of such services excluding:
  - (i) any trade payables or other liability to trade creditors; and
  - (ii) any post-closing payment adjustments in connection with the purchase by the Issuer or any Subsidiary of any business to which the seller may become entitled, to the extent such payment is determined by a final closing balance sheet or such payment depends on the performance of such business after the closing and provided that (x) the amount of any such payment is not determinable at the time of closing and, (y) to the extent such payment thereafter becomes fixed and determined, the amount is paid within 90 days thereafter;
- (e) all capitalised lease obligations of such Person, to the extent treated as indebtedness in the financial statements of such Person under IFRS;
- (f) all obligations of the type referred to in paragraphs (a) to (e) of other Persons guaranteed by such Person to the extent such obligation is guaranteed by such Person; and
- (g) all obligations of the type referred to in paragraphs (a) to (f) of other Persons secured by any Security Interest over any asset of such Person (the amount of such obligation being deemed to be the lesser of (i) the book value of such asset as shown in the most recent

audited annual or unaudited semi-annual financial statements of such Person and (ii) the amount of the obligation so secured), whether or not such indebtedness is assumed by such Person,

*provided that*, indebtedness which is: (i) treated as equity (other than redeemable shares) in accordance with IFRS; and (ii) structured to receive a level of equity credit by a Rating Agency in accordance with IFRS, shall not be deemed to be Indebtedness for the purpose of these Conditions.

For the purpose of determining the euro-equivalent of Indebtedness denominated in a foreign currency, the euro-equivalent principal amount of such Indebtedness pursuant thereto shall be calculated based on the relevant official central bank currency exchange rate in effect on the date of determination thereof.

The amount of Indebtedness of any Person at any date shall be the outstanding balance at such date of all unconditional obligations as described above provided that (i) with respect to contingent obligations as described above, will be the value of the contingency, if any, giving rise to the obligation as reported in that Person's financial statements and (ii) in the case of Indebtedness sold at a discount, the amount of such Indebtedness at any time will be the accreted value thereof at such time;

**"Independent Adviser"** means an independent financial institution of international repute or an independent financial adviser with appropriate expertise selected and appointed by the Issuer under Condition 7(e)(i);

**"Interest Amount"** means, in relation to a Note and an Interest Period, the amount of interest payable in respect of that Note for that Interest Period;

**"Interest Commencement Date"** means the Issue Date of the Notes or such other date as may be specified as the Interest Commencement Date in the relevant Final Terms;

**"Interest Determination Date"** has the meaning given in the relevant Final Terms;

**"Interest Payment Date"** means the First Interest Payment Date and any other date or dates specified as such in, or determined in accordance with the provisions of, the relevant Final Terms and, if a Business Day Convention is specified in the relevant Final Terms:

- (a) as the same may be adjusted in accordance with the relevant Business Day Convention; or
- (b) if the Business Day Convention is the FRN Convention, Floating Rate Convention or Eurodollar Convention and an interval of a number of calendar months is specified in the relevant Final Terms as being the Specified Period, each of such dates as may occur in accordance with the FRN Convention, Floating Rate Convention or Eurodollar Convention at such Specified Period of calendar months following the Interest Commencement Date (in the case of the First Interest Payment Date) or the previous Interest Payment Date (in any other case);

**"Interest Period"** means each period beginning on (and including) the Interest Commencement Date or any Interest Payment Date and ending on (but excluding) the next Interest Payment Date;

**"ISDA Benchmarks Supplement"** means the Benchmarks Supplement (as supplemented, amended and updated as at the date of issue of the first Tranche of the Notes of the relevant Series (as specified in the relevant Final Terms)) published by the International Swaps and Derivatives Association, Inc. including, if specified in the relevant Final Terms, the ISDA Benchmark Supplement;

**"ISDA Definitions"** means the 2006 ISDA Definitions (as amended and updated as at the date of issue of the first Tranche of the Notes of the relevant Series (as specified in the relevant Final Terms) as published by the International Swaps and Derivatives Association, Inc.);

**"Issue Date"** has the meaning given in the relevant Final Terms;

"**Japanese Yen**" means the lawful currency for the time being of Japan;

"**LIBOR**" means, in respect of any specified currency and any specified period, the interest rate benchmark known as the London interbank offered rate which is calculated and published by a designated distributor (currently Thomson Reuters) in accordance with the requirements from time to time of ICE Benchmark Administration Limited (or any other person which takes over the administration of that rate);

"**Margin**" has the meaning given in the relevant Final Terms;

"**Maturity Date**" has the meaning given in the relevant Final Terms;

"**Maximum Rate of Interest**" has the meaning given in the relevant Final Terms;

"**Maximum Redemption Amount**" has the meaning given in the relevant Final Terms;

"**Minimum Rate of Interest**" has the meaning given in the relevant Final Terms;

"**Minimum Redemption Amount**" has the meaning given in the relevant Final Terms;

"**Measurement Date**" means each day which is (i) the last day of Atrium's financial year in any year (the "**Annual Measurement Date**") or (ii) the last day of the first half of Atrium's financial year in any year (the "**Semi-Annual Measurement Date**");

"**Noteholder**", in the case of Bearer Notes, has the meaning given in Condition 3(b) (*Form, Denomination, Title and Transfer - Title to Bearer Notes*) and, in the case of Registered Notes, has the meaning given in Condition 3(d) (*Form, Denomination, Title and Transfer - Title to Registered Notes*);

"**Optional Redemption Amount (Change of Control)**" means, in respect of any Note, 100 per cent. of the principal amount of the Notes;

"**Optional Redemption Amount (Call)**" means, in respect of any Note, its principal amount or such other amount as may be specified in the relevant Final Terms;

"**Optional Redemption Amount (Put)**" means, in respect of any Note, its principal amount or such other amount as may be specified in the relevant Final Terms;

"**Optional Redemption Date (Call)**" means at any time following the expiry of the notice period set out in Condition 9(c) (or the relevant Final Terms) or on the dates specified in the relevant Final Terms, in each case as specified in the relevant Final Terms;

"**Optional Redemption Date (Change of Control)**" has the meaning given in Condition 9(f);

"**Optional Redemption Date (Put)**" has the meaning given in the relevant Final Terms;

"**Original Reference Rate**" means the originally-specified Reference Rate used to determine the Rate of Interest (or any component part thereof) on the Notes;

"**Par Call Commencement Date**" has the meaning given in the relevant Final Terms;

"**Payment Business Day**" means:

- (a) if the currency of payment is euro, any day which is:
  - (i) a day on which banks in the relevant place of presentation are open for presentation and payment of bearer debt securities and for dealings in foreign currencies; and
  - (ii) in the case of payment by transfer to an account, a TARGET Settlement Day and a day on which dealings in foreign currencies may be carried on in each (if any) Additional Financial Centre; or

- (b) if the currency of payment is not euro, any day which is:
  - (i) a day on which banks in the relevant place of presentation are open for presentation and payment of bearer debt securities and for dealings in foreign currencies; and
  - (ii) in the case of payment by transfer to an account, a day on which dealings in foreign currencies may be carried on in the Principal Financial Centre of the currency of payment and in each (if any) Additional Financial Centre;

**"Permitted Refinancing Indebtedness"** means any Indebtedness of Atrium or any of its Subsidiaries raised or issued in exchange for, or the net proceeds of which are used to renew, refund, refinance, replace, exchange or discharge other Indebtedness of Atrium or any member of the Group (other than intra-group Indebtedness); provided that:

- (a) the aggregate principal amount (or accretable value) of such Permitted Refinancing Indebtedness does not exceed the principal amount (or accreted value, if applicable) of the Indebtedness renewed, refunded, refinanced, replaced, exchanged or discharged (plus all accrued interest on the Indebtedness and the amount of all fees and expenses, including premiums, incurred in connection therewith);
- (b) such Permitted Refinancing Indebtedness has a final maturity date, or may only be redeemed or repaid at the option of Atrium, either (i) no earlier than the stated final maturity date of the Indebtedness being renewed, refunded, refinanced, replaced, exchanged or discharged or (ii) after the final maturity date of the Notes;
- (c) if the Indebtedness being renewed, refunded, refinanced, replaced, exchanged or discharged is expressly, contractually subordinated in right of payment to the Notes, such Permitted Refinancing Indebtedness is subordinated at least to the same extent in right of payment to the Notes; and
- (d) if Atrium was the obligor on the Indebtedness being renewed, refunded, refinanced, replaced, exchanged or discharged, such Indebtedness is incurred by Atrium;

**"Permitted Security Interest"** means a Security Interest (A) on the undertaking or assets of a company acquired by the Issuer or any of its Subsidiaries after the relevant Issue Date, provided that (i) such Security Interest was not created in contemplation of or in connection with such acquisition, (ii) the amounts secured by such Security Interest have not been increased in contemplation of or in connection with such acquisition, and (iii) the Security Interest has not been extended to any additional undertakings, assets or revenues in contemplation of or in connection with such acquisition or (B) created or subsisting in respect of intra-group Indebtedness;

**"Person"** means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other entity, whether or not having separate legal personality;

**"PRIBOR"** means, in respect of any specified period, the interest rate benchmark known as the Prague interbank offered rate which is calculated and published by a designated calculation agent in accordance with the requirements from time to time of the Czech National Bank (or any other person which takes over the administration of that rate) (details of historic PRIBOR rates can be obtained from the Czech National Bank);

**"Principal Financial Centre"** means, in relation to any currency, the principal financial centre for that currency **provided, however, that:**

- (a) in relation to euro, it means the principal financial centre of such Member State of the European Union as is selected (in the case of a payment) by the payee or (in the case of a calculation) by the Issuer and notified to the Calculation Agent; and
- (b) in relation to New Zealand dollars, it means either Wellington or Auckland as is selected (in the case of a payment) by the payee or (in the case of a calculation) by the Issuer and notified to the Calculation Agent;

**"Put Option Notice"** means a notice which must be delivered to a Paying Agent by any Noteholder wanting to exercise a right to redeem a Note at the option of the Noteholder under Condition 9(e);

**"Quotation Time"** shall be as set out in the relevant Final Terms;

**"Put Option Receipt"** means a receipt issued by a Paying Agent to a depositing Noteholder upon deposit of a Note with such Paying Agent by any Noteholder wanting to exercise a right to redeem a Note at the option of the Noteholder pursuant to Condition 9(e);

**"Rate of Interest"** means the rate or rates (expressed as a percentage per annum) of interest payable in respect of the Notes specified in the relevant Final Terms or calculated or determined in accordance with the provisions of these Conditions and/or the relevant Final Terms;

**"Redemption Amount"** means, as appropriate, the Final Redemption Amount, the Early Redemption Amount (Tax), the Optional Redemption Amount (Call), the Optional Redemption Amount (Change of Control), the Optional Redemption Amount (Put), the Clean-up Call Redemption Amount, the Early Termination Amount or such other amount in the nature of a redemption amount as may be specified in the relevant Final Terms;

**"Redemption Margin"** shall be as set out in the relevant Final Terms;

**"Reference Banks"** has the meaning given in the relevant Final Terms or, if none, four major banks selected by the Issuer (or an independent investment bank, commercial bank or stockbroker appointed by the Issuer) in the market that is most closely connected with the Reference Rate;

**"Reference Bond"** shall be as set out in the relevant Final Terms or, if not so specified or to the extent that such Reference Bond specified in the Final Terms is no longer outstanding on the relevant Reference Date, the DA Selected Bond;

**"Reference Bond Price"** means, with respect to any Reference Date, (i) the arithmetic average of the Reference Government Bond Dealer Quotations for such date of redemption, after excluding the highest and lowest such Reference Government Bond Dealer Quotations, or (ii) if fewer than five such Reference Government Bond Dealer Quotations are received, the arithmetic average of all such quotations;

**"Reference Bond Rate"** means, with respect to any Reference Date, the rate per annum equal to the yield to maturity or interpolated yield to maturity (on the relevant day count basis) of the Reference Bond, assuming the price for the Reference Bond (expressed as a percentage of its principal amount) equal to the Reference Bond Price for such Reference Date;

**"Reference Date"** means the date falling three business days prior to the Optional Redemption Date (Call);

**"Reference Government Bond Dealer"** means each of five banks selected by the Issuer which are (i) primary government securities dealers, and their respective successors, or (ii) market makers in pricing corporate bond issues;

**"Reference Government Bond Dealer Quotations"** means, with respect to each Reference Government Bond Dealer and any Reference Date, the arithmetic average, as determined by the Determination Agent of the bid and offered prices for the Reference Bond (expressed in each case as a percentage of its principal amount) quoted in writing to the Determination Agent by each Reference Government Bond Dealer at the Quotation Time on the Reference Date;

**"Reference Price"** has the meaning given in the relevant Final Terms;

**"Reference Rate"** means EURIBOR, LIBOR, PRIBOR, TELBOR or WIBOR or as specified in the relevant Final Terms in respect of the currency and period specified in the relevant Final Terms;

**"Register"** has the meaning given to such term in Condition 3(d);

**"Regular Period"** means:

- (a) in the case of Notes where interest is scheduled to be paid only by means of regular payments, each period from and including the Interest Commencement Date to but excluding the First Interest Payment Date and each successive period from and including one Interest Payment Date to but excluding the next Interest Payment Date;
- (b) in the case of Notes where, apart from the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where **"Regular Date"** means the day and month (but not the year) on which any Interest Payment Date falls; and
- (c) in the case of Notes where, apart from one Interest Period other than the first Interest Period, interest is scheduled to be paid only by means of regular payments, each period from and including a Regular Date falling in any year to but excluding the next Regular Date, where **"Regular Date"** means the day and month (but not the year) on which any Interest Payment Date falls other than the Interest Payment Date falling at the end of the irregular Interest Period;

**"Relevant Date"** means, in relation to any payment, 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 in the Principal Financial Centre of the currency of payment by 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;

**"Relevant Financial Centre"** has the meaning given in the relevant Final Terms;

**"Relevant Indebtedness"** means any Indebtedness which is in the form of or represented by any bond, note, debenture, debenture stock, loan stock, certificate or other instrument which is, for the time being, or is ordinarily capable of being, listed, quoted or traded on any stock exchange or in any securities market (including, without limitation, any over-the-counter market);

**"Relevant Indebtedness Guarantee"** means, in relation to any Relevant Indebtedness of any Person, any obligation of another Person to pay such Relevant Indebtedness including (without limitation):

- (a) any obligation to purchase such Relevant Indebtedness;
- (b) any obligation to lend money, to purchase or subscribe shares or other securities or to purchase assets or services for the express purpose of providing funds for the payment of such Relevant Indebtedness;
- (c) any indemnity against the consequences of a default in the payment of such Relevant Indebtedness; and
- (d) any other agreement to be responsible for such Relevant Indebtedness;

**"Relevant Jurisdiction"** means Poland, the Czech Republic, Slovakia, Russia, Jersey, the Netherlands and Cyprus, as applicable, and any taxing jurisdiction to which the Issuer or Guarantor, as applicable, becomes subject at any time;

**"Relevant Nominating Body"** means, in respect of a Reference Rate:

- (a) the central bank for the currency to which the Reference Rate relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the Reference Rate; or
- (b) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank for the currency to which the Reference Rate relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of the Reference Rate, (c) a group of the aforementioned central banks or other supervisory authorities or (d) the Financial Stability Board or any part thereof;

**"Relevant Period"** means each period of 12 consecutive calendar months;

**"Relevant Potential Change of Control Announcement"** means any public announcement or statement by the Issuer, any actual or potential bidder or any adviser acting on behalf of any actual or potential bidder relating to any potential Change of Control where within 180 days following the date of such announcement or statement, a Change of Control occurs;

**"Relevant Screen Page"** means the page, section or other part of a particular information service (including, without limitation, Reuters) specified as the Relevant Screen Page in the relevant Final Terms, or such other page, section or other part as may replace it on that information service or such other information service, in each case, as may be nominated by the Person providing or sponsoring the information appearing there for the purpose of displaying rates or prices comparable to the Reference Rate;

**"Relevant Time"** has the meaning given in the relevant Final Terms;

**"Reporting Date"** means a date falling no later than 30 days after (i) the publication of Atrium's audited annual consolidated financial statements, with respect to an Annual Measurement Date, or (ii) the publication of Atrium's unaudited semi-annual consolidated financial statements, with respect to a Semi-Annual Measurement Date;

**"Reserved Matter"** means any proposal to change any date fixed for payment of principal or interest in respect of the Notes, to reduce the amount of principal or interest payable on any date in respect of the Notes (save for any such reduction of interest following a Step Down Event pursuant to Condition 7A (*Adjustment of Interest Rate*)), to alter the method of calculating the amount of any payment in respect of the Notes on redemption or maturity in each case, other than any change arising from the occurrence of a Benchmark Event or any Benchmark Amendments, or the date for any such payment, to change the currency of any payment under the Notes, modifying or cancelling the Guarantee, to change the quorum requirements relating to meetings or the majority required to pass an Extraordinary Resolution or to amend the definition of Reserved Matter;

**"Secured Consolidated Total Indebtedness"** means such amount of Consolidated Total Indebtedness that is secured by a Security Interest granted by Atrium or a Subsidiary of Atrium;

**"Secured Indebtedness"** means any Indebtedness or any guarantee and/or indemnity in respect of any Indebtedness that is secured in whole or in part by a Security Interest granted over any assets of any member of the Group;

**"Security Interest"** means any mortgage, charge, pledge, lien or other security interest including, without limitation, anything analogous to any of the foregoing under the laws of any jurisdiction;

**"Specified Currency"** has the meaning given in the relevant Final Terms;

**"Specified Denomination(s)"** has the meaning given in the relevant Final Terms;

**"Specified Office"** has the meaning given in the Agency Agreement;

**"Specified Period"** has the meaning given in the relevant Final Terms;

**"Subsidiary"** means, in relation to any Person (the **"first Person"**) at any particular time, any other Person (the **"second Person"**):

- (a) whose affairs and policies the first Person controls or has the power to control, whether by ownership of share capital, contract, the power to appoint or remove members of the governing body of the second Person or otherwise; or
- (b) whose financial statements are, in accordance with applicable law and generally accepted accounting principles, consolidated with those of the first Person;

**"Successor Rate"** means a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body;

"**Talon**" means a talon for further Coupons;

"**TARGET2**" means the Trans-European Automated Real-Time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on 19 November 2007;

"**TARGET Settlement Day**" means any day on which TARGET2 is open for the settlement of payments in euro;

"**TELBOR**" means, in respect of any specified currency and any specified period, the interest rate benchmark known as the Tel Aviv interbank offered rate;

"**WIBOR**" means, in respect of any specified currency and any specified period, the interest rate benchmark known as the Warsaw interbank offered rate which is calculated and published by a designated distributor (currently Thomson Reuters) in accordance with the requirements from time to time of GPW Benchmark S.A. (or any other person which takes over the administration of that rate) (details of historic WIBOR rates can be obtained from the designated distributor); and

"**Zero Coupon Note**" means a Note specified as such in the relevant Final Terms.

(b) **Interpretation:** In these Conditions:

- (i) if the Notes are Zero Coupon Notes, references to Coupons and Couponholders are not applicable;
- (ii) if Talons are specified in the relevant Final Terms as being attached to the Notes at the time of issue, references to Coupons shall be deemed to include references to Talons;
- (iii) if Talons are not specified in the relevant Final Terms as being attached to the Notes at the time of issue, references to Talons are not applicable;
- (iv) any reference to principal shall be deemed to include the Redemption Amount, any additional amounts in respect of principal which may be payable under Condition 12 (*Taxation*), any premium payable in respect of a Note and any other amount in the nature of principal payable pursuant to these Conditions;
- (v) any reference to interest shall be deemed to include any additional amounts in respect of interest which may be payable under Condition 12 (*Taxation*) and any other amount in the nature of interest payable pursuant to these Conditions;
- (vi) references to Notes being "outstanding" shall be construed in accordance with the Trust Deed;
- (vii) if an expression is stated in Condition 2(a) (*Definitions*) to have the meaning given in the relevant Final Terms, but the relevant Final Terms gives no such meaning or specifies that such expression is "not applicable" then such expression is not applicable to the Notes; and
- (viii) any reference to the Trust Deed or the Agency Agreement shall be construed as a reference to the Trust Deed or the Agency Agreement, as the case may be, as amended and/or supplemented up to and including the Issue Date of the Notes.

### 3. **Form, Denomination, Title and Transfer**

- (a) **Bearer Notes:** Bearer Notes are in the Specified Denomination(s) with Coupons and, if specified in the relevant Final Terms, a Talon attached at the time of issue. In the case of a Series of Bearer Notes with more than one Specified Denomination, Bearer Notes of one Specified Denomination will not be exchangeable for Bearer Notes of another Specified Denomination.
- (b) **Title to Bearer Notes:** Title to Bearer Notes and the Coupons will pass by delivery. In the case of Bearer Notes, "**Holder**" means the holder of such Bearer Note and "**Noteholder**" and "**Couponholder**" shall be construed accordingly.



- (c) **Registered Notes:** Registered Notes are in the Specified Denomination(s), which may include a minimum denomination specified in the relevant Final Terms and higher integral multiples of a smaller amount specified in the relevant Final Terms.
- (d) **Title to Registered Notes:** The Registrar will maintain the register (the "**Register**") in accordance with the provisions of the Agency Agreement. A certificate (each, a "**Note Certificate**") will be issued to each Holder of Registered Notes in respect of its registered holding. Each Note Certificate will be numbered serially with an identifying number which will be recorded in the Register. In the case of Registered Notes, "**Holder**" means the person in whose name such Registered 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.
- (e) **Ownership:** The Holder of any Note or Coupon shall (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any other interest therein, any writing thereon or, in the case of Registered Notes, on the Note Certificate relating thereto (other than the endorsed form of transfer) or any notice of any previous loss or theft thereof) and no Person shall be liable for so treating such Holder. No person shall have any right to enforce any term or condition of any Note under the Contracts (Rights of Third Parties) Act 1999.
- (f) **Transfers of Registered Notes:** Subject to paragraphs (i) (*Closed periods*) and (j) (*Regulations concerning transfers and registration*) below, a Registered Note may be transferred upon surrender of the relevant Note Certificate, with the endorsed form of transfer duly completed, at the Specified Office of the Registrar or any Transfer Agent, together with such evidence as the Registrar or (as the case may be) such Transfer Agent may reasonably require to prove the title of the transferor and the authority of the individuals who have executed the form of transfer; **provided, however, that** a Registered Note may not be transferred unless the principal amount of Registered Notes transferred and (where not all of the Registered Notes held by a Holder are being transferred) the principal amount of the balance of Registered Notes not transferred are Specified Denominations. Where not all the Registered Notes represented by the surrendered Note Certificate are the subject of the transfer, a new Note Certificate in respect of the balance of the Registered Notes will be issued to the transferor.
- (g) **Registration and delivery of Note Certificates:** Within five business days of the surrender of a Note Certificate in accordance with paragraph (f) (*Transfers of Registered Notes*) above, the Registrar will register the transfer in question and deliver a new Note Certificate of a like principal amount to the Registered Notes transferred to each relevant Holder at its Specified Office or (as the case may be) the Specified Office of any Transfer Agent or (at the request and risk of any such relevant Holder) by uninsured first class mail (airmail if overseas) to the address specified for the purpose by such relevant Holder. In this paragraph, "**business day**" means a day on which commercial banks are open for general business (including dealings in foreign currencies) in the city where the Registrar or (as the case may be) the relevant Transfer Agent has its Specified Office.
- (h) **No charge:** The transfer of a Registered Note will be effected without charge by or on behalf of the Issuer or the Registrar or any Transfer Agent but against such indemnity as the Registrar or (as the case may be) such Transfer Agent may require in respect of any tax or other duty of whatsoever nature which may be levied or imposed in connection with such transfer.
- (i) **Closed periods:** Noteholders may not require transfers to be registered during the period of 15 days ending on the due date for any payment of principal or interest.
- (j) **Regulations concerning transfers and registration:** All transfers of Registered Notes and entries on the Register are subject to the detailed regulations concerning the transfer of Registered Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuers with the prior written approval of the Registrar and the Trustee. A copy of the current regulations will be mailed (free of charge) by the Registrar to any Noteholder who requests in writing a copy of such regulations.

4. **Status and Guarantee**

- (a) **Status of the Notes:** The Notes constitute direct, unconditional and (subject to Condition 5(a) Negative Pledge)) unsecured and unsubordinated obligations of the Issuer and (subject as provided above) shall at all times rank *pari passu*, without any preference among themselves, and at least *pari passu* with all other outstanding unsecured and unsubordinated obligations of the Issuer, present and future, but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights.
- (b) **Guarantee of the Notes:** The Guarantor has in the Trust Deed unconditionally and irrevocably guaranteed the due and punctual payment of all sums from time to time payable by Atrium Finance Issuer B.V. under the Trust Deed, the Notes and the Coupons. This Guarantee constitutes direct, unconditional, unsecured and unsubordinated obligations of the Guarantor which will at all times rank at least *pari passu* with all other outstanding unsecured and unsubordinated obligations of the Guarantor, present and future, but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights.

5. **Covenants**

(a) **Negative Pledge**

So long as any Note or Coupon remains outstanding (as defined in the Trust Deed), the Guarantor shall not, and each of the Issuer and the Guarantor shall procure that none of its Subsidiaries will create or permit to subsist any Security Interest (other than a Permitted Security Interest) upon the whole or any part of its present or future undertaking, assets or revenues (including uncalled capital) to secure any Relevant Indebtedness of the Issuer, Guarantor or a Subsidiary of the Issuer or Guarantor, or Relevant Indebtedness Guarantee given by the Issuer, Guarantor or a Subsidiary of the Issuer or Guarantor in respect of Relevant Indebtedness without (a) at the same time or prior thereto securing the Notes or the Guarantee (as applicable) equally and rateably therewith or (b) providing such other security for the Notes or the Guarantee (as applicable) (i) as the Trustee in its absolute discretion deems not materially less beneficial to the interests of the Noteholders or (ii) as may be approved by an Extraordinary Resolution (as defined in the Trust Deed) of Noteholders.

(b) **Financial Covenants**

So long as any Note remains outstanding (as defined in the Trust Deed), Atrium undertakes that:

- (i) it will not, and will not permit any Subsidiary to, incur directly or indirectly any Indebtedness or any guarantee and/or indemnity in respect of any Indebtedness (excluding for the purposes of this Condition (5)(b) any Permitted Refinancing Indebtedness) if, on the date of such incurrence and after giving pro forma effect thereto (including pro forma application of the proceeds), the Consolidated Solvency Ratio would exceed 0.60;
- (ii) it will not, and will not permit any Subsidiary to incur directly or indirectly, any Secured Indebtedness (excluding for the purposes of this Condition 5(b) any Permitted Refinancing Indebtedness relating to the same previously secured assets) if, on the date of such incurrence and after giving pro forma effect thereto (including pro forma application of the proceeds) the Consolidated Secured Solvency Ratio would exceed 0.40; and
- (iii) in relation to the Group taken as a whole the Consolidated Coverage Ratio will at all times be at least 1.5:1.

Atrium shall engage external independent international valuation companies and real estate consultants, having an appropriately recognised professional qualification and recent experience in the respective locations and categories of real estate assets being valued, to value at least 85 per cent. (by market valuation) of the Group's standing investments and developments and land at least once per calendar year.

Atrium will promptly notify the Trustee in accordance with the Trust Deed in the event that any of the ratios or levels in this Condition 5(b) (i) to (iii) are breached at any time.

(c) **Compliance Certificate**

For so long as the Notes remain outstanding, Atrium will deliver a certificate to the Trustee on each Reporting Date signed by two authorised signatories certifying that the Group is and has been in compliance with the covenants set out in this Condition 5 at all times during the relevant period or, if the Group has not complied with Conditions 5(b)(i) to (iii), giving details of such non-compliance.

Any certificate addressed to the Trustee signed by two authorised signatories of Atrium may be relied upon by the Trustee, and shall be conclusive and binding on Atrium and Noteholders.

6. **Fixed Rate Note Provisions**

(a) **Application:** This Condition 6 (*Fixed Rate Note Provisions*) is applicable to the Notes only if the Fixed Rate Note Provisions are specified in the relevant Final Terms as being applicable.

(b) **Accrual of interest:** The Notes bear interest from the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Condition 10 (*Payments - Bearer Notes*) and Condition 11 (*Payments - Registered Notes*). Each Note will cease to bear interest from the due date for final redemption unless, upon due presentation, payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition 6(b) (as well after as before judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Principal Paying Agent or the Trustee has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

(c) **Fixed Coupon Amount:** The amount of interest payable in respect of each Note for any Interest Period shall be the relevant Fixed Coupon Amount and, if the Notes are in more than one Specified Denomination, shall be the relevant Fixed Coupon Amount in respect of the relevant Specified Denomination.

(d) **Calculation of interest amount:** The amount of interest payable in respect of each Note for any period for which a Fixed Coupon Amount is not specified shall be calculated by applying the Rate of Interest to the Calculation Amount, multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of such Note divided by the Calculation Amount. For this purpose a "sub-unit" means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.

(e) **Notes accruing interest otherwise than a Fixed Coupon Amount:** This Condition 6(e) shall apply to Notes which are Fixed Rate Notes only where the Final Terms for such Notes specify that the Interest Payment Dates are subject to adjustment in accordance with the Business Day Convention specified therein. The relevant amount of interest payable in respect of each Note for any Interest Period for such Notes shall be calculated by the Calculation Agent by multiplying the product of the Rate of Interest and the Calculation Amount by the relevant Day Count Fraction and rounding the resultant figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards). The Calculation Agent shall cause the relevant amount of interest and the relevant Interest Payment Date to be notified to the Issuer, the Trustee, the Paying Agents, the Registrar (in the case of Registered Notes) and the Noteholders in accordance with Condition 21 (*Notices*) and, if the Notes are listed on a stock exchange and the rules of such exchange so requires, such exchange as soon as possible after their determination or calculation but in no event later than the fourth Business day thereafter or, if earlier in the case of notification to the stock exchange, the time required by the rules of the relevant stock exchange.

7. **Floating Rate Note Provisions**

(a) **Application:** This Condition 7 (*Floating Rate Note Provisions*) is applicable to the Notes only if the Floating Rate Note Provisions are specified in the relevant Final Terms as being applicable.

- (b) **Accrual of interest:** The Notes bear interest from the Interest Commencement Date at the Rate of Interest payable in arrear on each Interest Payment Date, subject as provided in Condition 10 (*Payments - Bearer Notes*) and Condition 11 (*Payments - Registered Notes*). Each Note will cease to bear interest from the due date for final redemption unless, upon due presentation, payment of the Redemption Amount is improperly withheld or refused, in which case it will continue to bear interest in accordance with this Condition (before and after judgment) until whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Principal Paying Agent or the Trustee has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).
- (c) **Screen Rate Determination:** If Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to the Notes for each Interest Period will be determined by the Calculation Agent on the following basis:
- (i) if the Reference Rate is a composite quotation or customarily supplied by one entity, the Calculation Agent will determine the Reference Rate which appears on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;
  - (ii) if Linear Interpolation is specified as applicable in respect of an Interest Period in the applicable Final Terms, the Rate of Interest for such Interest Period shall be calculated by the Calculation Agent by straight-line linear interpolation by reference to two rates which appear on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date, where:
    - (A) one rate shall be determined as if the relevant Interest Period were the period of time for which rates are available next shorter than the length of the relevant Interest Period; and
    - (B) the other rate shall be determined as if the relevant Interest Period were the period of time for which rates are available next longer than the length of the relevant Interest Period;

**provided, however, that** if there is no rate available for the period of time next shorter or, as the case may be, next longer, then the Calculation Agent shall calculate the Rate of Interest at such time and by reference to such sources as the Issuer, in consultation with an Independent Adviser appointed by the Issuer, and such Independent Adviser acting in good faith and in a commercially reasonable manner as an expert, determines appropriate;
  - (iii) in any other case, the Calculation Agent will determine the arithmetic mean of the Reference Rates which appear on the Relevant Screen Page as of the Relevant Time on the relevant Interest Determination Date;
  - (iv) if, in the case of (i) or (ii) above, such rate does not appear on that page or, in the case of (iii) above, fewer than two such rates appear on that page or if, in the case of (i), (ii) or (iii), the Relevant Screen Page is unavailable:
    - (A) the Issuer (or an independent investment bank, commercial bank or stockbroker appointed by the Issuer) will request the principal Relevant Financial Centre office of each of the Reference Banks to provide a quotation of the Reference Rate at approximately the Relevant Time on the Interest Determination Date to prime banks in the Relevant Financial Centre interbank market in an amount that is representative for a single transaction in that market at that time and notify the Calculation Agent of such quotations provided; and
    - (B) the Calculation Agent will determine the arithmetic mean of such quotations; and
  - (v) if fewer than two such quotations are provided as requested, the Calculation Agent will determine the arithmetic mean of the rates (being the nearest to the Reference Rate, as determined by the Calculation Agent) quoted by major banks in the Principal Financial Centre of the Specified Currency, selected by the Issuer (or an independent investment

bank, commercial bank or stockbroker appointed by the Issuer), at approximately 11.00 a.m. (local time in the Principal Financial Centre of the Specified Currency) on the first day of the relevant Interest Period for loans in the Specified Currency to leading European banks for a period equal to the relevant Interest Period and in an amount that is representative for a single transaction in that market at that time, such quotations to be notified to the Calculation Agent by the Issuer (or such independent investment bank, commercial bank or stockbroker appointed by the Issuer),

and the Rate of Interest for such Interest Period shall be the sum of the Margin and the rate or (as the case may be) the arithmetic mean so determined; **provided, however, that** if the Calculation Agent is unable to determine a rate or (as the case may be) an arithmetic mean in accordance with the above provisions in relation to any Interest Period, the Rate of Interest applicable to the Notes during such Interest Period will be the sum of the Margin and the rate or (as the case may be) the arithmetic mean last determined in relation to the Notes in respect of a preceding Interest Period.

Unless otherwise stated in the relevant Final Terms the Minimum Rate of Interest shall be deemed to be zero.

(d) **ISDA Determination:** If ISDA Determination is specified in the relevant Final Terms as the manner in which the Rate(s) of Interest is/are to be determined, the Rate of Interest applicable to the Notes for each Interest Period will be the sum of the Margin and the relevant ISDA Rate where "ISDA Rate" in relation to any Interest Period means a rate equal to the Floating Rate (as defined in the ISDA Definitions) that would be determined by the Calculation Agent under an interest rate swap transaction if the Calculation Agent were acting as Calculation Agent for that interest rate swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (i) the Floating Rate Option (as defined in the ISDA Definitions) is as specified in the relevant Final Terms;
- (ii) the Designated Maturity (as defined in the ISDA Definitions) is a period specified in the relevant Final Terms;
- (iii) the relevant Reset Date (as defined in the ISDA Definitions) is either (A) if the relevant Floating Rate Option is based on LIBOR for a currency, the first day of that Interest Period or (B) in any other case, as specified in the relevant Final Terms; and
- (iv) if Linear Interpolation is specified as applicable in respect of an Interest Period in the applicable Final Terms, the Rate of Interest for such Interest Period shall be calculated by the Calculation Agent by straight-line linear interpolation by reference to two rates based on the relevant Floating Rate Option, where:
  - (A) one rate shall be determined as if the Designated Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Period; and
  - (B) the other rate shall be determined as if the Designated Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Period,

**provided, however, that** if there is no rate available for the period of time next shorter or, as the case may be, next longer, then the Calculation Agent shall calculate the Rate of Interest at such time and by reference to such sources as the Issuer, in consultation with an Independent Adviser appointed by the Issuer, and such Independent Adviser acting in good faith and in a commercially reasonable manner as an expert, determines appropriate.

Unless otherwise stated in the relevant Final Terms the Minimum Rate of Interest shall be deemed to be zero.

(e) **Benchmark Discontinuation:**

(i) *Independent Adviser*

If the Issuer determines that a Benchmark Event has occurred in relation to an Original Reference Rate when any Rate of Interest (or any component part thereof) remains to be determined by reference to such Original Reference Rate, then the Issuer shall notify the Calculation Agent and shall use its reasonable endeavours to select and appoint and consult with an Independent Adviser, as soon as reasonably practicable, with a view to the Issuer determining a Successor Rate, failing which an Alternative Rate (in accordance with Condition 7(e)(ii)) and, in either case, an Adjustment Spread if any (in accordance with Condition 7(e)(iii)) and any Benchmark Amendments (in accordance with Condition 7(e)(iv)) no later than 10 Business Days prior to the Interest Determination Date relating to the next succeeding Interest Period (the "**Interest Determination Cut-off Date**") for the purposes of determining the Rate of Interest applicable to the Notes for all future Interest Periods (subject to the subsequent operation of this Condition 7(e)).

An Independent Adviser appointed pursuant to this Condition 7(e) shall act in good faith as an expert and (in the absence of bad faith or fraud) shall have no liability whatsoever to the Issuer, the Paying Agents, the Noteholders or the Couponholders for any determination made by it or for any advice given to the Issuer in connection with any determination made by the Issuer, pursuant to this Condition 7(e).

(ii) *Successor Rate or Alternative Rate*

If the Issuer, following consultation with the Independent Adviser and acting in good faith, determines and notified the Calculation Agent prior to the Interest Determination Cut-off Date that:

- (A) there is a Successor Rate, then such Successor Rate and the applicable Adjustment Spread shall subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 7(e)); or
- (B) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate and the applicable Adjustment Spread shall subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 7(e)).

(iii) *Adjustment Spread*

The Adjustment Spread (or the formula or methodology for determining the Adjustment Spread) shall be applied to the Successor Rate or the Alternative Rate (as the case may be). If the Issuer, following consultation with the Independent Adviser, is unable to determine the quantum of, or a formula or methodology for determining, such Adjustment Spread, then the Successor Rate or the Alternative Rate (as applicable) will apply without an Adjustment Spread and it shall notify the Calculation Agent of such.

(iv) *Benchmark Amendments*

If any Successor Rate or Alternative Rate and, in either case, the applicable Adjustment Spread is determined in accordance with this Condition 7(e) and the Issuer, following consultation with the Independent Adviser and acting in good faith, determines (i) that amendments to these Conditions and/or the Trust Deed and/or the Agency Agreement are necessary to ensure the proper operation of such Successor Rate or the Alternative Rate and/or (in either case) the applicable Adjustment Spread (such amendments, the "**Benchmark Amendments**") and (ii) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 7(e)(v), without any requirement for the consent or approval of Noteholders, vary these Conditions and/or

the Trust Deed to give effect to such Benchmark Amendments with effect from the date specified in such notice.

At the request of the Issuer, but subject to receipt by the Trustee and the Agents of a certificate signed by two Authorised Signatories of the Issuer pursuant to Condition 7(e)(v), the Trustee and the Agents shall (at the expense of the Issuer), without any requirement for the consent or approval of the Noteholders, concur with the Issuer in effecting any Benchmark Amendments (including, *inter alia*, by the execution of a deed supplemental to or amending the Trust Deed or the Agency agreement (as applicable)) regardless of whether or not giving effect to such Benchmark Amendments would constitute a Reserved Matter (as defined in the Trust Deed) or one or more provisions under Condition 18 (*Meetings of Noteholders; Modification and Waiver*), **provided that** neither the Trustee nor the Agents (as applicable) shall be obliged so to concur if in the opinion of the Trustee and/or the Agents doing so would (i) exposing the Trustee and/or the Agents (as applicable) to any liabilities against which it has not been indemnified and/or secured and/or prefunded to its satisfaction or (ii) impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Trustee and/or the Agents in these Conditions, the Agency Agreement or the Trust Deed (including, for the avoidance of doubt, any supplemental trust deed) in any way.

In connection with any such variation in accordance with this Condition 7(e)(iv), the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

(v) *Notices, etc.*

Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 7(e) will be notified promptly by the Issuer to the Trustee, the Calculation Agent, the Paying Agents and, in accordance with Condition 21 (*Notices*), the Noteholders. Such notice shall be irrevocable and shall specify the effective date, which shall not be less than the Interest Determination Cut-off Date, of the Benchmark Amendments, if any.

No later than notifying the Noteholders of the same, the Issuer shall deliver to the Trustee a certificate signed by two Authorised Signatories of the Issuer confirming (a)(i) that a Benchmark Event has occurred, (ii) the Successor Rate or, as the case may be, the Alternative Rate, (iii) the applicable Adjustment Spread and (iv) the specific terms of the Benchmark Amendments (if any), in each case as determined in accordance with the provisions of this Condition 7(e), and (b) certifying that the Benchmark Amendments (if any) are, in the Issuer's opinion (following consultation with the Independent Adviser and acting in good faith), necessary to ensure the proper operation of such Successor Rate or Alternative Rate and (in either case) the applicable Adjustment Spread.

The Trustee and the Agents shall be entitled to rely on such certificate (without liability to any person) as sufficient evidence thereof. The Successor Rate or Alternative Rate and the Adjustment Spread and the Benchmark Amendments (if any) specified in such certificate will (in the absence of manifest error or bad faith in the determination of the Successor Rate or Alternative Rate and the Adjustment Spread and the Benchmark Amendments (if any) and without prejudice to the Trustee's or the Agent's ability to rely on such certificate as aforesaid) be binding on the Issuer, the Trustee, the Calculation Agent, the Paying Agents, the Noteholders and the Couponholders.

(vi) *Survival of Original Reference Rate*

Without prejudice to the obligations of the Issuer under Conditions 7(e)(i), (ii), (iii) and (iv), the Original Reference Rate and the fallback provisions provided for in Conditions 7(c)(iv) and (v) will continue to apply unless and until the Calculation Agent has been notified of the Successor Rate or the Alternative Rate (as the case may be), any Adjustment Spread (if applicable) and Benchmark Amendments (if applicable), in accordance with Condition 7(e)(v).

Notwithstanding any other provision of this Condition 7(e), if in the Calculation Agent's opinion there is any uncertainty between two or more alternative courses of action in making any determination or calculation under this Condition 7(e), the Calculation Agent shall promptly notify the Issuer thereof and the Issuer shall direct the Calculation Agent in writing as to which alternative course of action to adopt. If the Calculation Agent is not promptly provided with such direction, or is otherwise unable to make such calculation or determination for any reason it shall notify the Issuer thereof and the Calculation Agent shall be under no obligation to make such calculation or determination and shall not incur any liability for not doing so.

(vii) *Fallbacks*

If, following the occurrence of a Benchmark Event and in relation to the determination of the Rate of Interest on the relevant Interest Determination Date, the Issuer is unable to appoint an Independent Adviser, or the Issuer fails to determine and notify to the Calculation Agent a Successor Rate or, failing which, an Alternative Rate and notifies the Calculation Agent of such determination prior to the Interest Determination Cut-off Date, the Rate of Interest applicable to the next succeeding Interest Period shall be equal to the Rate of Interest last determined in relation to the Notes in respect of the immediately preceding Interest Period (though substituting, where a different Margin or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin or Maximum or Minimum Rate of Interest relating to the relevant Interest Period, in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Period).

- (f) **Maximum or Minimum Rate of Interest:** If any Maximum Rate of Interest or Minimum Rate of Interest is specified in the relevant Final Terms, then the Rate of Interest shall in no event be greater than the maximum or be less than the minimum so specified.
- (g) **Calculation of Interest Amount:** The Calculation Agent will, as soon as practicable after the time at which the Rate of Interest is to be determined in relation to each Interest Period, calculate the Interest Amount payable in respect of each Note for such Interest Period. The Interest Amount will be calculated by applying the Rate of Interest for such Interest Period to the Calculation Amount, multiplying the product by the relevant Day Count Fraction, rounding the resulting figure to the nearest sub-unit of the Specified Currency (half a sub-unit being rounded upwards) and multiplying such rounded figure by a fraction equal to the Specified Denomination of the relevant Note divided by the Calculation Amount. For this purpose a "**sub-unit**" means, in the case of any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, in the case of euro, means one cent.
- (h) **Publication:** The Calculation Agent will cause each Rate of Interest and Interest Amount determined by it, together with the relevant Interest Payment Date, and any other amount(s) required to be determined by it together with any relevant payment date(s) to be notified to the Paying Agents, the Issuer, the Trustee and each competent authority, stock exchange and/or quotation system (if any) by which the Notes have then been admitted to listing, trading and/or quotation as soon as practicable after such determination but (in the case of each Rate of Interest, Interest Amount and Interest Payment Date) in any event not later than the first day of the relevant Interest Period. Notice thereof shall also promptly be given to the Noteholders. The Calculation Agent will be entitled to recalculate any Interest Amount (on the basis of the foregoing provisions) without notice in the event of an extension or shortening of the relevant Interest Period. If the Calculation Amount is less than the minimum Specified Denomination the Calculation Agent shall not be obliged to publish each Interest Amount but instead may publish only the Calculation Amount and the Interest Amount in respect of a Note having the minimum Specified Denomination.
- (i) **Notifications etc:** All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of this Condition by the Calculation Agent or, in the case of quotations given to the Issuer (or an independent investment bank, commercial bank or stockbroker appointed by the Issuer) under Condition 7(c), the Issuer (or such independent investment bank, commercial bank or stockbroker appointed by the Issuer) will (in the absence of manifest error) be binding on the Issuer, the Guarantor, the Trustee, the Paying Agents, the Noteholders and the Couponholders and (subject as aforesaid) no liability to



any such Person will attach to the Calculation Agent or the Issuer (or an independent investment bank, commercial bank or stockbroker appointed by the Issuer) in connection with the exercise or non-exercise by it of its powers, duties and discretions for such purposes.

**7A. Adjustment of Interest Rate**

This Condition 7A shall apply to Notes which are Fixed Rate Notes or Floating Rate Notes only where the Final Terms state that the Notes are subject to a Ratings Step Up/Step Down. The Rate of Interest will initially be the Initial Rate of Interest. The Initial Rate of Interest payable on the Notes will be subject to adjustment in the event of a Step Up Event and any subsequent Step Down Event (each such adjustment a "**Rate Adjustment**"). Any Rate Adjustment shall be effective from and including the Interest Payment Date immediately following the date of the relevant Step Up Event or the relevant Step Down Event (and, in the case of Fixed Rate Notes, the relevant Fixed Coupon Amount shall be adjusted accordingly).

For any Interest Period commencing on or after the first Interest Payment Date immediately following the occurrence of a Step Up Event, the Rate of Interest shall be increased by the Step Up Margin. In the event that a Step Down Event occurs after the date of a Step Up Event then for any Interest Period commencing on or after the first Interest Payment Date following the occurrence of such Step Down Event, the Rate of Interest shall revert to the Initial Rate of Interest. However, if a Step Up Event occurs and subsequently, a Step Down Event occurs during the same Interest Period, the Rate of Interest shall be neither increased nor decreased as a result of either such event.

There shall be no limit on the number of times that a Rate Adjustment may be made pursuant to this Condition during the term of the Notes, **provided always that** at no time during the term of the Notes will the rate of interest payable on the Notes be less than the Initial Rate of Interest and in the case of Floating Rate Notes only, any Minimum Rate of Interest specified or more than the Initial Rate of Interest plus the Step Up Margin and in the case of Floating Rate Notes only, any Maximum Rate of Interest specified.

The Issuer will cause each change of interest as a result of a Step Up Event and each Step Down Event to be notified to the Trustee and the Principal Paying Agent and notice thereof to be published in accordance with Condition 21 (*Notices*), and as required by any applicable rules of the Luxembourg Stock Exchange (where relevant), as soon as reasonably practicable after such change becomes effective.

For so long as any of the Notes are outstanding, Atrium shall procure that the Notes shall at all times be assigned a rating by at least one Rating Agency.

If the rating designations employed by any Rating Agency are changed from those which are described in this Condition 7(A), the Issuer shall determine the rating designations of the relevant Rating Agency that are most nearly equivalent to the prior rating designations of the relevant Rating Agency and, accordingly, the resulting Step Up Event, the Step Down Event and the Rate Adjustment which would apply to the Notes. The Issuer will notify the Noteholders and the Trustee in accordance with Condition 21 (*Notices*) and the Trust Deed respectively upon any such change of rating designations of such change.

Where in this Condition 6 (*Adjustment of Rate of Interest*) reference is made to a rating being assigned to the Notes by a Rating Agency, in each case where more than two ratings are assigned to the Notes by Rating Agencies, the lowest of such ratings shall be disregarded.

This Condition 7A shall not apply if the Notes are assigned a rating of equal or higher than "BBB" or the most nearly equivalent by any two Rating Agencies.

Where:

**"Initial Rate of Interest"** means (a) in the case of Fixed Rate Notes, the Rate of Interest (expressed as a percentage per annum) initially payable in respect of the Notes specified in the relevant Final Terms; (b) in the case of Floating Rate Notes, the Rate of Interest that is payable in respect of the Notes as calculated in accordance with Condition 7 (*Floating Rate Note Provisions*);

**"Rating"** means the rating of the relevant Series of Notes;

**"Rating Agency"** shall mean S&P Global Ratings Europe Limited, Fitch Ratings Limited, Moody's Investors Service Ltd or any of their respective successors or any other internationally recognised rating agency (a **"Substitute Rating Agency"**) substituted for any of them by the Issuer from time to time, in each case as appointed by, or with the consent of, the Issuer;

**"Rating Decrease"** means a decrease in the Rating to below the Specified Threshold;

**"Specified Threshold"** means "BBB-" in the case of S&P Global Ratings Europe Limited and Fitch Ratings Limited and "Baa3-" in the case of Moody's Investors Service Ltd and the most nearly equivalent of any other internationally recognised rating agency or any other threshold as specified in the relevant Final Terms;

**"Step Down Event"** means where the Rate of Interest has previously been subject to an increase as a result of a Step Up Event due to (i) the first public announcement by any Rating Agency of a Rating Decrease, the first public announcement by any one Rating Agency that it has assigned a Rating equal to or higher than the Specified Threshold, or (ii) the failure to assign, or withdrawal of, a Rating by all Rating Agencies, the reinstatement of a Rating by any one Rating Agency equal to or higher than the Specified Threshold;

**"Step Up Event"** means (i) the first public announcement by any Rating Agency of a Rating Decrease that results in the Rating assigned by at least two Rating Agencies being below the Specified Threshold, or (ii) the failure to assign, or withdrawal of, a Rating by all Rating Agencies; and

**"Step Up Margin"** has the meaning given to it in the Final Terms.

#### 8. **Zero Coupon Note Provisions**

- (a) **Application:** This Condition 8 (*Zero Coupon Note Provisions*) is applicable to the Notes only if the Zero Coupon Note Provisions are specified in the relevant Final Terms as being applicable.
- (b) **Late payment on Zero Coupon Notes:** If the Redemption Amount payable in respect of any Zero Coupon Note is improperly withheld or refused, the Redemption Amount shall thereafter be an amount equal to the sum of:
  - (i) the Reference Price; and
  - (ii) the product of the Accrual Yield (compounded annually) being applied to the Reference Price on the basis of the relevant Day Count Fraction from (and including) the Issue Date to (but excluding) whichever is the earlier of (i) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (ii) the day which is seven days after the Principal Paying Agent or the Trustee has notified the Noteholders that it has received all sums due in respect of the Notes up to such seventh day (except to the extent that there is any subsequent default in payment).

#### 9. **Redemption and Purchase**

- (a) **Scheduled redemption:** Unless previously redeemed, or purchased and cancelled, the Notes will be redeemed at their Final Redemption Amount on the Maturity Date, subject as provided in Condition 10 (*Payments - Bearer Notes*) and Condition 11 (*Payments - Registered Notes*).
- (b) **Redemption for tax reasons:** Unless the Issuer has given notice of redemption under Condition 9(c) or given a Change of Control Notice pursuant to Condition 9(f), the Notes may be redeemed at the option of the Issuer in whole, but not in part:
  - (i) at any time (unless the Floating Rate Note Provisions are specified in the relevant Final Terms as being applicable); or
  - (ii) on any Interest Payment Date (if the Floating Rate Note Provisions are specified in the relevant Final Terms as being applicable),

on giving not less than 10 nor more than 60 days' notice to the Trustee and the Noteholders, (which notice shall be irrevocable), at their Early Redemption Amount (Tax), together with interest accrued (if any) to the date fixed for redemption, if, immediately before giving such notice, the Issuer satisfies the Trustee that:

- (A) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 12 (*Taxation*) as a result of any change in, or amendment to, the laws or regulations of the Relevant Jurisdiction or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction) (other than the entry into force of the Dutch Withholding Tax Act 2021 (*Wet bronbelasting 2021*)), which change or amendment becomes effective on or after the date of issue of the first Tranche of the Notes and such obligation cannot be avoided by the Issuer taking reasonable measures available to it; or
- (B) the Guarantor has or (if a demand was made under the Guarantee) would become obliged to pay additional amounts as provided or referred to in Condition 12 (*Taxation*) or the Guarantor has or will become obliged to make any such withholding or deduction as is referred to in Condition 12 (*Taxation*) from any amount paid by it to the Issuer in order to enable the Issuer to make a payment of principal or interest in respect of the Notes, in either case as a result of any change in, or amendment to, the laws or regulations of the Relevant Jurisdiction or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), which change or amendment becomes effective on or after the date of issue of the first Tranche of the Notes, and such obligation cannot be avoided by the Guarantor taking reasonable measures available to it,

**provided, however, that** no such notice of redemption shall be given earlier than:

- (1) where the Notes may be redeemed at any time, 90 days prior to the earliest date on which the Issuer or, if applicable, the Guarantor would be obliged to pay such additional amounts or the Guarantor would be obliged to make such withholding or deduction if a payment in respect of the Notes were then due or (as the case may be) a demand under the Guarantee were then made; or
- (2) where the Notes may be redeemed only on an Interest Payment Date, 60 days prior to the Interest Payment Date occurring immediately before the earliest date on which the Issuer or, if applicable, the Guarantor would be obliged to pay such additional amounts or the Guarantor would be obliged to make such withholding or deduction if a payment in respect of the Notes were then due or (as the case may be) a demand under the Guarantee were then made.

Prior to the publication of any notice of redemption pursuant to this Condition 9(b), the Issuer shall deliver or procure that there is delivered to the Trustee a certificate signed by two directors of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred.

The Trustee shall be entitled to accept such certificate as sufficient evidence of the satisfaction of the circumstances set out above and the Issuer's entitlement to effect such redemption, in which event it shall be conclusive and binding on the Noteholders.

Upon the expiry of any such notice as is referred to in this Condition 9(b), the Issuer shall be bound to redeem the Notes in accordance with this Condition 9(b).

- (c) **Redemption at the option of the Issuer:** If the Call Option is specified in the relevant Final Terms as being applicable, unless a Change of Control Notice has been given pursuant to Condition 9(f) or a notice of redemption has been given pursuant to Condition 9(b), the Notes may be redeemed at the option of the Issuer in whole or, if so specified in the relevant Final Terms, in part on any Optional Redemption Date (Call) on the Issuer's giving not less than 10 nor more than 60 days' notice to the Trustee and the Noteholders (the "**Call Option Notice**"), or such other period(s) as may be specified in the relevant Final Terms (which notice shall be irrevocable and shall oblige the Issuer to redeem the Notes or, as the case may be, the Notes specified in such notice on the relevant Optional Redemption Date (Call) (i) at the Optional Redemption Amount (Call) or (ii) at the Make Whole Redemption Price and, **in either case, together with** accrued interest (if any) to the Optional Redemption Date (Call)).

The "**Make Whole Redemption Price**" will, in respect of any Note, be:

- (A) if "**Sterling Make Whole Redemption Amount**" is specified as being applicable in the relevant Final Terms, an amount equal to the higher of (i) 100 per cent. of the principal amount of such Note and (ii) the principal amount of such Note multiplied by the price (expressed as a percentage), as reported in writing to the Issuer by the Determination Agent, at which the Gross Redemption Yield on such Note on the Reference Date is equal to the Gross Redemption Yield at the Quotation Time on the Reference Date of the Reference Bond, plus the Redemption Margin (if any); or
- (B) if "**Non-Sterling Make Whole Redemption Amount**" is specified as being applicable in the relevant Final Terms, an amount equal to the higher of (i) 100 per cent. of the principal amount of the Notes so redeemed and (ii) the sum of the then present values of each remaining scheduled payments of principal and interest on such Notes to maturity or, if Par Call Commencement Date is specified in the applicable Final Terms, to the Par Call Commencement Date (not including any interest accrued on the Notes to, but excluding, the relevant Optional Redemption Date (Call)) discounted to the relevant Optional Redemption Date (Call) on an annual basis at the Reference Bond Rate plus the Redemption Margin (if any) specified in the applicable Final Terms,

all as determined by the Determination Agent.

Where the Make Whole Redemption Price is specified in the relevant Final Terms, any such notice of redemption may, at the Issuer's discretion, be subject to one or more conditions precedent, in which case such notice shall state that, in the Issuer's discretion, the Optional Redemption Date (Call) may be delayed until such time as any or all such conditions shall be satisfied (or waived by the Issuer in its sole discretion), or such redemption may not occur and such notice may be rescinded in the event that any or all such conditions shall not have been satisfied (or waived by the Issuer in its sole discretion) by the Optional Redemption Date (Call), or by the Optional Redemption Date (Call) so delayed. The Issuer shall notify the Trustee and the Noteholders no later than three business days in advance of the Optional Redemption Date (Call) that the Optional Redemption Date (Call) is delayed and as soon as practicable thereafter but no later than three business days in advance of such delayed Optional Redemption Date (Call) of any such delayed Optional Redemption Date (Call) and shall notify the Trustee and the Noteholders of any such rescission of its notice of redemption no less than three business days prior to such Optional Redemption Date (Call) or Optional Redemption Date (Call) so delayed.

For the avoidance of doubt, if the Optional Redemption Date (Call) occurs on or after the Par Call Commencement Date (if any) specified in the relevant Final Terms, the Optional Redemption Amount (Call) will be equal to 100 per cent. of the principal amount of the Notes plus accrued interest (if any) to the Optional Redemption Date (Call).

- (d) **Partial redemption:** If the Notes are to be redeemed in part only on any date in accordance with Condition 9(c) (*Redemption at the option of the Issuer*), in the case of Bearer Notes, the Notes to be redeemed shall be selected by the drawing of lots in such place and in such manner as may be fair and reasonable in the circumstances, taking account of prevailing market practices, subject to compliance with applicable law, the rules of each competent authority, stock exchange and/or quotation system (if any) by which the Notes have then been admitted to listing, trading and/or quotation and the notice to Noteholders referred to in Condition 9(c) (*Redemption at the option of*

*the Issuer*) shall specify the serial numbers of the Notes so to be redeemed, and, in the case of Registered Notes, each Note shall be redeemed in part in the proportion which the aggregate principal amount of the outstanding Notes to be redeemed on the relevant Optional Redemption Date (Call) bears to the aggregate principal amount of outstanding Notes on such date. If any Maximum Redemption Amount or Minimum Redemption Amount is specified in the relevant Final Terms, then the Optional Redemption Amount (Call) shall in no event be greater than the maximum or be less than the minimum so specified.

- (e) **Redemption at the option of Noteholders:** If the Put Option is specified in the relevant Final Terms as being applicable, the Issuer shall, at the option of the Holder of any Note redeem such Note on the Optional Redemption Date (Put) specified in the relevant Put Option Notice at the relevant Optional Redemption Amount (Put) together with interest (if any) accrued to such date. In order to exercise the option contained in this Condition 9(e), the Holder of a Note must, not less than 10 days nor more than 60 days before the relevant Optional Redemption Date (Put) (or such other period(s) as may be specified in the relevant Final Terms), deposit with any Paying Agent such Note (together with any unmatured Coupons relating thereto) or Note Certificate (as applicable) and a duly completed Put Option Notice in the form obtainable from any Paying Agent. The Paying Agent with which a Note or Note Certificate (as applicable) is so deposited shall deliver a duly completed Put Option Receipt to the depositing Noteholder. No Note or Note Certificate (as applicable), once deposited with a duly completed Put Option Notice in accordance with this Condition 9(e) (*Redemption and Purchase – Redemption at the option of Noteholders*), may be withdrawn, **provided, however, that** if, prior to the relevant Optional Redemption Date (Put), any such Note becomes immediately due and payable or, upon due presentation of any such Note on the relevant Optional Redemption Date (Put) payment of the redemption moneys is improperly withheld or refused, the relevant Paying Agent shall mail notification thereof to the depositing Noteholder at such address as may have been given by such Noteholder in the relevant Put Option Notice and shall in the case of a Bearer Note, hold such Note at its Specified Office for collection by the depositing Noteholder against surrender of the relevant Put Option Receipt and, in the case of a Registered Note, mail such Note Certificate by uninsured post to, and at the risk of, the Noteholder at such address as may have been given by such Noteholder in the relevant Put Option Notice. For so long as any outstanding Note is held by a Paying Agent in accordance with this Condition 9(e) (*Redemption and Purchase – Redemption at the option of Noteholders*), the depositor of such Note and not such Paying Agent shall be deemed to be the Holder of such Note for all purposes. The Holder of a Note may not exercise such option in respect of any Note which is the subject of an exercise by the Issuer of its option to redeem such Note under Condition 9(b) (*Redemption and Purchase – Redemption for tax reasons*), 9(c) (*Redemption and Purchase – Redemption at the option of the Issuer*), or 9(d) (*Redemption and Purchase – Partial redemption*) and any exercise of the first-mentioned option in such circumstances shall have no effect.
- (f) **Change of Control Put Option:** If the Change of Control Put Option is specified as applicable in the relevant Final Terms, if at any time while any Note remains outstanding, there occurs a Change of Control Put Event (as defined below), each Noteholder will have the option (the "**Change of Control Put Option**") (unless, prior to the giving of the Change of Control Notice (as defined below), the Issuer gives notice to redeem the Notes under Condition 9(b) or 9(c)) to require the Issuer to redeem or, at the Issuer's option, to procure the purchase of, all or part of its Notes, on the Optional Redemption Date (Change of Control) (as defined below) at the Optional Redemption Amount (Change of Control) together with (or where purchased, together with an amount equal to) interest accrued to, but excluding, the Optional Redemption Date (Change of Control).

Where:

A "**Change of Control Put Event**" will be deemed to occur if:

- (i) any person or any persons acting in concert, other than the Existing Holders or a holding company whose shareholders are or are to be substantially similar to the pre-existing shareholders of Atrium and/or any direct or indirect holding company of Atrium, shall acquire a controlling interest in (A) more than 50 per cent. of the issued or allotted ordinary stated capital of Atrium or (B) shares in the stated capital of Atrium carrying more than 50 per cent. of the voting rights normally exercisable at a general meeting of Atrium) (each such event being a "**Change of Control**"); and

- (ii) on the date (the "**Relevant Announcement Date**") that is the earlier of (1) the date of the first public announcement of the relevant Change of Control and (2) the date of the earliest Relevant Potential Change of Control Announcement (if any):
- (A) any Notes that have been issued and are outstanding carry an investment grade credit rating (BBB-, or its equivalent, or higher) (an "**Investment Grade Rating**") from any Rating Agency, and such rating is, within the Change of Control Period, downgraded to a non-investment grade credit rating (BB+, or its equivalent, or worse) and such rating is not within the Change of Control Period restored to an Investment Grade Rating by such Rating Agency or replaced by an Investment Grade Rating of another Rating Agency, or any such Rating Agency withdraws its rating of any such Notes and the rating of such Rating Agency is not within the Change of Control Period replaced by an Investment Grade Rating of another Rating Agency; or
  - (B) no such Notes carry an Investment Grade Rating from at least one Rating Agency and the Issuer is unable to acquire and maintain thereafter an Investment Grade Rating during the Change of Control Period from at least one Rating Agency,
- provided that** if at the time of the occurrence of the Change of Control any such Notes carry a credit rating from more than one Rating Agency, at least one of which is an Investment Grade Rating, then only sub-paragraph (A) shall be relevant for this purpose; and
- (iii) in making any decision to downgrade or withdraw a credit rating pursuant to paragraph (ii) above or to decline to confer an Investment Grade Rating, the relevant Rating Agency announces publicly or confirms in writing to the Issuer that such decision(s) resulted, in whole or in part, from the occurrence of the Change of Control or the Relevant Potential Change of Control Announcement.

Promptly upon but in any case no later than five Business Days after the Issuer becoming aware that a Change of Control has occurred, the Issuer shall give notice (a "**Change of Control Notice**") to the Noteholders in accordance with Condition 21 (*Notices*) specifying the nature of the Change of Control and the procedure for exercising the Change of Control Put Option contained in this Condition 9(f).

In order to exercise the Change of Control Put Option contained in this Condition 9(f) (*Redemption and Purchase – Change of Control Put Option*), the Holder of a Note must, within the period (the "**Change of Control Put Period**") of 30 days (or such other period as may be specified in the relevant Final Terms) after a Change of Control Notice is given, deposit with any Paying Agent during normal business hours such Note or Note Certificate (as applicable) and a duly completed notice of exercise in the form obtainable from any Paying Agent (a "**Change of Control Put Option Notice**"). In the case of Bearer Notes, the Note should be delivered together with all Coupons appertaining thereto maturing after the date which is seven days after the expiration of the Change of Control Put Period, failing which the Paying Agent will require payment from or on behalf of the Noteholder of an amount equal to the face value of any missing such Coupon. Any amount so paid will be reimbursed to the Noteholder against presentation and surrender of the relevant missing Coupon (or any replacement therefor issued pursuant to Condition 16 (*Replacement of Notes and Coupons*)) at any time after such payment, but before the expiry of the period of five years from the date on which such Coupon would have become due, but not thereafter.

The Paying Agent with which a Note or Note Certificate (as applicable) is so deposited shall deliver a duly completed receipt (a "**Change of Control Put Option Receipt**") to the depositing Noteholder. The Issuer shall redeem or, at the option of the Issuer, procure the purchase of, the Notes in respect of which a valid Change of Control Put Option Notice has been given on the date which is 7 days following the end of the Change of Control Put Period (the "**Optional Redemption Date (Change of Control)**").

No Note or Note Certificate (as applicable), once deposited with a duly completed Change of Control Put Option Notice in accordance with this Condition 9(f) (*Redemption and Purchase –*

*Change of Control Put Option*), may be withdrawn; **provided, however, that** if, prior to the relevant Optional Redemption Date (Change of Control), any such Note becomes immediately due and payable or payment of the redemption moneys is improperly withheld or refused on the Optional Redemption Date (Change of Control), the relevant Paying Agent shall mail notification thereof to the depositing Noteholder at such address as may have been given by such Noteholder in the relevant Change of Control Put Option Notice and shall in the case of a Bearer Note, hold such Note at its Specified Office for collection by the depositing Noteholder against surrender of the relevant Change of Control Put Option Receipt and, in the case of a Registered Note, mail such Note Certificate by uninsured post to, and at the risk of, the Noteholder at such address as may have been given by such Noteholder in the relevant Change of Control Put Option Notice. For so long as any outstanding Note is held by a Paying Agent in accordance with this Condition 9(f) (*Redemption and Purchase – Change of Control Put Option*) the depositor of such Note and not such Paying Agent shall be deemed to be the Holder of such Note for all purposes. The Holder of a Note may not exercise such option in respect of any Note which is the subject of an exercise by the Issuer of its option to redeem such Note under Condition 9(b) (*Redemption and Purchase - Redemption for tax reasons*), 9(c) (*Redemption and Purchase – Redemption at the option of the Issuer*) or 9(d) (*Redemption and Purchase - Partial redemption*) and any exercise of the first-mentioned option in such circumstances shall have no effect.

The Trustee is under no obligation to ascertain whether a Change of Control Put Event or any event which could lead to the occurrence of or could constitute a Change of Control Put Event has occurred and, until it shall have actual knowledge or express notice in writing pursuant to the Trust Deed to the contrary, the Trustee may assume that no Change of Control or other such event has occurred.

If the rating designations employed by any of the Rating Agencies are changed from those which are described in paragraph (ii) of the definition of "Change of Control Put Event" above, or if a rating is procured from a Substitute Rating Agency, the Issuer shall determine the rating designations of Fitch or Moody's or such Substitute Rating Agency (as appropriate) as are most equivalent to the prior rating designations of Rating Agencies and this Condition 9(f) shall be construed accordingly.

Where in this Condition 9(f) (*Change of Control Put Option*) reference is made to a rating being assigned to the Issuer by a Rating Agency, in each case where more than two ratings are assigned to the Issuer by Rating Agencies, the lowest of such ratings shall be disregarded.

- (g) **Clean-up Call Option:** If Clean-up Call Option is specified in the relevant Final Terms as being applicable, in the event that Notes representing an aggregate amount equal to or exceeding 75 per cent. of the principal amount of the Notes have been purchased and cancelled or redeemed by the Issuer (other than as a result of the exercise by the Issuer of its redemption right under Condition 9(c) (*Redemption at the Option of the Issuer*)), the Issuer may, on giving not less than 10 nor more than 60 days' irrevocable notice to the Trustee and the Noteholders in accordance with Condition 21 (*Notices*) (or such other notice period as may be specified in the applicable Final Terms), redeem on the date specified in such notice all, but not some only, of the remaining Notes in that Series at their Clean-up Call Redemption Amount (as specified in the relevant Final Terms) together with any interest accrued to but excluding the date set for redemption.
- (h) **No other redemption:** The Issuer shall not be entitled to redeem the Notes otherwise than as provided in paragraphs (a) to (g) above.
- (i) **Early redemption of Zero Coupon Notes:** Unless otherwise specified in the relevant Final Terms, the Redemption Amount payable on redemption of a Zero Coupon Note at any time before the Maturity Date shall be an amount equal to the sum of:
  - (i) the Reference Price; and
  - (ii) the product of the Accrual Yield (compounded annually) being applied to the Reference Price from (and including) the Issue Date to (but excluding) the date fixed for redemption or (as the case may be) the date upon which the Note becomes due and payable.

Where such calculation is to be made for a period which is not a whole number of years, the calculation in respect of the period of less than a full year shall be made on the basis of such Day Count Fraction as may be specified in the relevant Final Terms for the purposes of this Condition 9(h) or, if none is so specified, a Day Count Fraction of 30E/360.

(j) **Purchase:** The Issuer, the Guarantor or any of their Subsidiaries may at any time purchase Notes in the open market or otherwise and at any price, **provided that** all unmatured Coupons are purchased therewith. Notes so purchased, while held by or on behalf of the Issuer, the Guarantor or any such Subsidiary, 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 or for the purposes of Condition 18(a) (*Meetings of Noteholders; Modification and Waiver – Meetings of Noteholders*).

(k) **Cancellation:** All Notes so redeemed or purchased by the Issuer, the Guarantor or any of their Subsidiaries and any unmatured Coupons attached to or surrendered with them shall be cancelled and may not be reissued or resold.

#### 10. **Payments - Bearer Notes**

This Condition 10 is only applicable to Bearer Notes.

(a) **Principal:** Payments of principal shall be made only against presentation and (**provided that** payment is made in full) surrender of Bearer Notes at the Specified Office of any Paying Agent outside the United States by cheque drawn in the currency in which the payment is due on, or by transfer to an account denominated in that currency (or, if that currency is euro, any other account to which euro may be credited or transferred) and maintained by the payee with, a bank in the Principal Financial Centre of that currency.

(b) **Interest:** Payments of interest shall, subject to paragraph (i) below, be made only against presentation and (**provided that** payment is made in full) surrender of the appropriate Coupons at the Specified Office of any Paying Agent outside the United States in the manner described in paragraph (a) above.

(c) **Payments in New York City:** Payments of principal or interest may be made at the Specified Office of a Paying Agent in New York City if (i) the Issuer has appointed Paying Agents outside the United States with the reasonable expectation that such Paying Agents will be able to make payment of the full amount of the interest on the Notes in the currency in which the payment is due when due, (ii) payment of the full amount of such interest at the offices of all such Paying Agents is illegal or effectively precluded by exchange controls or other similar restrictions and (iii) payment is permitted by applicable United States law.

(d) **Payments subject to fiscal laws:** All payments in respect of the Bearer Notes are subject in all cases to any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 12 (*Taxation*). No commissions or expenses shall be charged to the Noteholders in respect of such payments.

(e) **No commissions:** No commissions or expenses shall be charged to the Noteholders or Couponholders in respect of such payments.

(f) **Deductions for unmatured Coupons:** If the relevant Final Terms specifies that the Fixed Rate Note Provisions are applicable and a Bearer Note is presented without all unmatured Coupons relating thereto:

(i) if the aggregate amount of the missing Coupons is less than or equal to the amount of principal due for payment, a sum equal to the aggregate amount of the missing Coupons will be deducted from the amount of principal due for payment; **provided, however, that** if the gross amount available for payment is less than the amount of principal due for payment, the sum deducted will be that proportion of the aggregate amount of such missing Coupons which the gross amount actually available for payment bears to the amount of principal due for payment;



- (ii) if the aggregate amount of the missing Coupons is greater than the amount of principal due for payment:
  - (A) so many of such missing Coupons shall become void (in inverse order of maturity) as will result in the aggregate amount of the remainder of such missing Coupons (the "**Relevant Coupons**") being equal to the amount of principal due for payment; **provided, however, that** where this sub-paragraph would otherwise require a fraction of a missing Coupon to become void, such missing Coupon shall become void in its entirety; and
  - (B) a sum equal to the aggregate amount of the Relevant Coupons (or, if less, the amount of principal due for payment) will be deducted from the amount of principal due for payment; **provided, however, that**, if the gross amount available for payment is less than the amount of principal due for payment, the sum deducted will be that proportion of the aggregate amount of the Relevant Coupons (or, as the case may be, the amount of principal due for payment) which the gross amount actually available for payment bears to the amount of principal due for payment.

Each sum of principal so deducted shall be paid in the manner provided in paragraph (a) above against presentation and (**provided that** payment is made in full) surrender of the relevant missing Coupons.

- (g) **Unmatured Coupons void:** If the relevant Final Terms specifies that this Condition 10(g) is applicable or that the Floating Rate Note Provisions are applicable, on the due date for final redemption of any Note or early redemption in whole of such Note pursuant to Condition 9(b) (*Redemption for tax reasons*), Condition 9(c) (*Redemption at the option of the Issuer*), Condition 9(e) (*Redemption at the option of Noteholders*), Condition 9(f) (*Change of Control Put Option*), Condition 9(g) (*Redemption and Purchase – Clean-up Call Option*) or Condition 13 (*Events of Default*), all unmatured Coupons relating thereto (whether or not still attached) shall become void and no payment will be made in respect thereof.
- (h) **Payments on business days:** If the due date for payment of any amount in respect of any Bearer Note or Coupon is not a Payment Business Day in the place of presentation, the Holder shall not be entitled to payment in such place of the amount due until the next succeeding Payment Business Day in such place and shall not be entitled to any further interest or other payment in respect of any such delay.
- (i) **Payments other than in respect of matured Coupons:** Payments of interest other than in respect of matured Coupons shall be made only against presentation of the relevant Bearer Notes at the Specified Office of any Paying Agent outside the United States (or in New York City if permitted by paragraph (c) above).
- (j) **Partial payments:** If a Paying Agent makes a partial payment in respect of any Bearer Note or Coupon presented to it for payment, such Paying Agent will endorse thereon a statement indicating the amount and date of such payment.
- (k) **Exchange of Talons:** On or after the maturity date of the final Coupon which is (or was at the time of issue) part of a Coupon Sheet relating to the Bearer Notes, the Talon forming part of such Coupon Sheet may be exchanged at the Specified Office of the Principal Paying Agent for a further Coupon Sheet (including, if appropriate, a further Talon but excluding any Coupons in respect of which claims have already become void pursuant to Condition 14 (*Prescription*)). Upon the due date for redemption of any Bearer Note, any unexchanged Talon relating to such Note shall become void and no Coupon will be delivered in respect of such Talon.

## 11. **Payments - Registered Notes**

This Condition 11 is only applicable to Registered Notes.

- (a) **Principal:** Payments of principal shall be made by application by a Holder of a Registered Note to the Specified Office of the Principal Paying Agent not later than the fifteenth day before the due date for any such payment, by transfer to an account denominated in that currency (or, if that

currency is euro, any other account to which euro may be credited or transferred) and maintained by the payee with, a bank in the Principal Financial Centre of that currency and (in the case of redemption) upon surrender (or, in the case of part payment only, endorsement) of the relevant Note Certificates at the Specified Office of any Paying Agent.

- (b) **Interest:** Payments of interest shall be made by application by a Holder of a Registered Note to the Specified Office of the Principal Paying Agent not later than the fifteenth day before the due date for any such payment, by transfer to an account denominated in that currency (or, if that currency is euro, any other account to which euro may be credited or transferred) and maintained by the payee with, a bank in the Principal Financial Centre of that currency and (in the case of interest payable on redemption) upon surrender (or, in the case of part payment only, endorsement) of the relevant Note Certificates at the Specified Office of any Paying Agent.
- (c) **Payments subject to fiscal laws:** All payments in respect of the Registered Notes are subject in all cases to any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 12 (*Taxation*).
- (d) **Payments on business days:** Where payment is to be made by transfer to an account, payment instructions (for value the due date, or, if the due date is not Payment Business Day, for value the next succeeding Payment Business Day) will be initiated and (i) (in the case of payments of principal and interest payable on redemption) on the later of the due date for payment and the day on which the relevant Note Certificate is surrendered (or, in the case of part payment only, endorsed) at the Specified Office of a Paying Agent and (ii) (in the case of payments of interest payable other than on redemption) on the due date for payment. A Holder of a Registered Note shall not be entitled to any interest or other payment in respect of any delay in payment resulting from the due date for a payment not being a Payment Business Day.
- (e) **Partial payments:** If a Paying Agent makes a partial payment in respect of any Registered Note, the Issuer shall procure that the amount and date of such payment are noted on the Register and, in the case of partial payment upon presentation of a Note Certificate, that a statement indicating the amount and the date of such payment is endorsed on the relevant Note Certificate.
- (f) **Record date:** Each payment in respect of a Registered Note will be made to the person shown as the Holder in the Register at the opening of business in the place of the Registrar's Specified Office on the fifteenth day before the due date for such payment (the "**Record Date**").

## 12. **Taxation**

- (a) **Gross up:** All payments of principal and interest in respect of the Notes and the Coupons by or on behalf of the Issuer or, if applicable, the Guarantor shall be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the Relevant Jurisdiction or any political subdivision thereof or any authority therein or thereof having power to tax, unless the withholding or deduction of such taxes, duties, assessments, or governmental charges is required by law. In that event, the Issuer or (as the case may be) the Guarantor shall pay such additional amounts as will result in receipt by the Noteholders and the Couponholders after such withholding or deduction of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable in respect of any Note or Coupon:
  - (i) held by or on behalf of a Holder which is liable to such taxes, duties, assessments or governmental charges in respect of such Note or Coupon by reason of its having some connection with the Relevant Jurisdiction other than the mere holding of the Note or Coupon; or
  - (ii) where the relevant Note or Coupon or Note Certificate is presented or surrendered for payment more than 30 days after the Relevant Date except to the extent that the Holder of such Note or Coupon or Note Certificate would have been entitled to such additional amounts on presenting or surrendering such Note or Coupon or Note Certificate for payment on the last day of such period of 30 days.

Notwithstanding anything to the contrary in this Conditions, none of the Issuer, the Guarantor, any Paying Agent or any other person shall be required to pay any additional amounts with respect to any withholding or deduction imposed on or with respect to any Note pursuant to Section 1471 to 1474 of the U.S. Internal Revenue Code of 1986 ("**FATCA**"), any treaty, law, regulation or other official guidance implementing FATCA, or any agreement (or related guidance) between the Issuer, the Guarantor, a Paying Agent or any other person and the United States, any other jurisdiction, or any authority of any of the foregoing implementing FATCA.

- (b) **Taxing jurisdiction:** If the Issuers or the Guarantor become subject at any time to any taxing jurisdiction other than a Relevant Jurisdiction, references in these Conditions to such Relevant Jurisdiction shall be construed as references to the Relevant Jurisdiction and/or such other jurisdiction.

### 13. **Events of Default**

If any of the following events occurs and is continuing, then the Trustee at its discretion may and, if so requested in writing by Holders of at least one quarter of the aggregate principal amount of the outstanding Notes or if so directed by an Extraordinary Resolution, shall (subject, in all cases, to the Trustee having been indemnified and/or secured and/or pre-funded to its satisfaction) give written notice to the Issuer declaring the Notes to be immediately due and payable, whereupon they shall become immediately due and payable at their Early Termination Amount together with accrued interest (if any) without further action or formality:

- (a) **Non-payment:** the Issuer fails to pay any amount of principal in respect of the Notes or fails to pay any amount of interest in respect of the Notes, in each case within 30 days of the due date for payment; or
- (b) **Breach of other obligations:** the Issuer or, if applicable, the Guarantor defaults in the performance or observance of any of its other obligations under or in respect of the Notes, the Guarantee or the Trust Deed and such default is (i) in the opinion of the Trustee incapable of remedy or (ii) in the opinion of the Trustee capable of remedy and is not remedied within 90 days after written notice of such default shall have been given to the Issuer and the Guarantor by the Trustee; or
- (c) **Cross-default/Cross-acceleration of Atrium or Material Subsidiary:** a default under any Indebtedness of the Issuer, Guarantor or any Material Subsidiary, if that default (i) is caused by a failure to make any payment in respect of such Indebtedness and any originally applicable grace period has expired or (ii) results in the acceleration of such Indebtedness prior to its stated maturity; provided that the amount of Indebtedness referred to in sub-paragraph (i) and/or sub-paragraph (ii) above individually or in the aggregate exceeds EUR50,000,000 (or its equivalent in any other currency or currencies); or
- (d) **Enforcement proceedings:** a distress, attachment, execution or other legal process, the award or decision in respect of which, in each case, is final and not subject to further appeal, is levied, enforced or sued out on or against any part of the property, assets or revenues of the Issuer, Guarantor or any Material Subsidiary in an amount which exceeds 15 per cent. of the Consolidated Total Assets of the Group and is not discharged or stayed within 120 days; or
- (e) **Security Enforced:** any mortgage, charge, pledge, lien or other encumbrance, present or future, created or assumed by the Issuer, the Guarantor or any Material Subsidiary in respect of an amount which exceeds 15 per cent. of the Consolidated Total Assets of the Group becomes enforceable and any step is taken to enforce it (including the taking of possession or the appointment of a receiver, manager or other similar person); or
- (f) **Insolvency etc:** (i) the Issuer or the Guarantor is insolvent or any Material Subsidiary is adjudicated as insolvent or (ii) any of the Issuer or the Guarantor or any Material Subsidiary is unable to pay its debts, stops, suspends or threatens to stop or suspend payment of all or a substantial part of (or of a particular type of) its debts, proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any of such debts or a moratorium is agreed or declared or comes into effect in respect of or affecting all or any part of (or of a particular type of) the debts of the Issuer, the Guarantor or any Material Subsidiary except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or

consolidation (x) pursuant to Condition 14 (*Reorganisation and Substitution of Atrium*), (y) on terms approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders or (z) in the case of a Material Subsidiary, whereby the undertaking and assets of such Material Subsidiary are transferred to or otherwise vested in the Issuer or the Guarantor or another Material Subsidiary (or a Subsidiary of the Issuer or the Guarantor which, upon such transfer or vesting, will become a Material Subsidiary); or

- (g) **Winding up etc:** an administrator, liquidator, receiver or any other similar officer is appointed, an order is made or an effective resolution passed for the winding-up or dissolution or administration of the Issuer, Guarantor or any Material Subsidiary, or the Issuer, Guarantor or any Material Subsidiary shall apply or petition for a winding-up or administration order in respect of itself in each case except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation (i) pursuant to Condition 14 (*Reorganisation and Substitution*), (ii) on terms approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Noteholders or (iii) in the case of a Material Subsidiary, whereby the undertaking and assets of such Material Subsidiary are transferred to or otherwise vested in the Issuer, the Guarantor or another Material Subsidiary (or a Subsidiary of the Issuer or the Guarantor which, upon such transfer or vesting, will become a Material Subsidiary); or
- (h) **Guarantee not in force:** the Guarantee is not (or is claimed by the Guarantor not to be) in full force and effect; or
- (i) **Nationalisation:** the assets of the Group in an amount which exceeds 15 per cent. of the Consolidated Total Assets of the Group are expropriated, seized or nationalised by any person; or
- (j) **Analogous event:** any event occurs which under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in the foregoing paragraphs.

For the purposes of this Condition 13, "**Material Subsidiary**" means each of any Subsidiary of Atrium whose total assets or gross revenues ((i) each as determined by reference to the relevant Subsidiary's most recent annual, or unaudited semi-annual, as the case may be, IFRS financial statements and (ii) excluding any intra-Group Indebtedness and related receivables eliminated in the consolidated financial statements of Atrium) exceed 15 per cent. of the Consolidated Total Assets or gross revenues of the Group, as the case may be (each as determined by reference to Atrium's most recent audited annual, or unaudited semi-annual, as the case may be, consolidated financial statements). Atrium will procure that the Auditors (as defined in the Trust Deed) of the Group deliver on each Reporting Date a certificate addressed to the Issuer and the Trustee confirming, in their opinion, which Subsidiaries of Atrium are Material Subsidiaries as at each Measurement Date and such certificate may be relied on 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.

#### 14. **Reorganisation and Substitution**

The Trust Deed contains provisions under which:

- (i) a legal entity formed by any consolidation or merger of Atrium with or into any other corporation or corporations (whether or not affiliated with Atrium), or successive consolidations or mergers into which Atrium or its successor or successors shall have been merged or consolidated;
- (ii) a legal entity to which Atrium has sold, conveyed or leased all or substantially all of the property of Atrium (whether or not affiliated with Atrium);
- (iii) any new holding company of the Group holding, indirectly or indirectly, 100 per cent. of the shares of Atrium (a "**New Holding Company**"); or
- (iv) any Subsidiary of Atrium or any New Holding Company of Atrium,

(any such legal entity, a "**Substituted Obligor**") may, without the consent of the Noteholders or Couponholders assume the obligations of Atrium as an issuer and principal debtor or as the

guarantor, as applicable, under the Trust Deed or the Notes, as applicable, provided that certain conditions specified in the Trust Deed are fulfilled, including but not limited to the following:

- (A) in the case of (i) and (ii) above, that the Substituted Obligor takes direct or indirect ownership of at least 80 per cent. of Consolidated Total Assets;
- (B) that the Substituted Obligor is a legal entity incorporated in a Member State of the European Economic Area or Jersey; and
- (C) in the case of (iv) above, that Atrium or the New Holding Company, as the case may be, unconditionally and irrevocably guarantees all amounts payable under the Notes.

In addition, the Trustee may, without the consent of the Noteholders or Couponholders, agree in respect of Notes issued by either Atrium Finance Issuer B.V. or Atrium Finance Limited, to the substitution in place of the Issuer (or of any previous substitute under this Condition) as an issuer and principal debtor under the Trust Deed and the Notes, of another company that is a member of the Group, provided that (i) in respect of Atrium Finance Issuer B.V. only, Atrium (or any previous substitute guarantor under this Condition) unconditionally and irrevocably guarantees all amounts payable under the Notes; and (ii) certain conditions specified in the Trust Deed are fulfilled.

No Noteholder or Couponholder shall, in connection with any substitution, be entitled to claim any indemnification or payment in respect of any tax consequence thereof for such Noteholder or (as the case may be) Couponholder except to the extent provided for in Condition 12 (*Taxation*) (or any undertaking given in addition to or substitution for it pursuant to the provisions of the Trust Deed).

15. **Prescription**

Claims for principal in respect of Bearer Notes shall become void unless the relevant Bearer Notes are presented for payment within ten years of the appropriate Relevant Date. Claims for interest in respect of Bearer Notes shall become void unless the relevant Coupons are presented for payment within five years of the appropriate Relevant Date. Claims for principal and interest on redemption in respect of Registered Notes shall become void unless the relevant Note Certificates are surrendered for payment within ten years of the appropriate Relevant Date.

16. **Replacement of Notes and Coupons**

If any Note, Note Certificate or Coupon is lost, stolen, mutilated, defaced or destroyed, it may be replaced at the Specified Office of the Principal Paying Agent, in the case of Bearer Notes, or the Registrar, in the case of Registered Notes (and, if the Notes are then admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system which requires the appointment of a Paying Agent or Transfer Agent in any particular place, the Paying Agent or Transfer Agent having its Specified Office in the place required by such competent authority, stock exchange and/or quotation system), subject to all applicable laws and competent authority, stock exchange and/or quotation system requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may reasonably require. Mutilated or defaced Notes, Note Certificates or Coupons must be surrendered before replacements will be issued.

17. **Trustee and Agents**

Under the Trust Deed, the Trustee is entitled to be indemnified and/or secured and/or prefunded to its satisfaction before taking any steps or actions or initiating any proceedings and relieved from responsibility in certain circumstances and to be paid its costs, fees and expenses in priority to the claims of the Noteholders. In addition, the Trustee is entitled to enter into business transactions with the Issuers, the Guarantor and any entity relating to the Issuers or the Guarantor without accounting for any profit.

In the exercise of its powers and discretions under these Conditions and the Trust Deed, the Trustee will have regard to the interests of the Noteholders as a class and will not be responsible for any

consequence for individual Holders of Notes as a result of such Holders being connected in any way with a particular territory or taxing jurisdiction.

In acting under the Agency Agreement and in connection with the Notes and the Coupons, the Agents and any Calculation Agent act solely as agents of the Issuers 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 or Couponholders.

The initial Agents and their initial Specified Offices are listed below. The initial Calculation Agent (if any) is specified in the relevant Final Terms. The Issuers and the Guarantor reserve the right (with the prior written approval of the Trustee) at any time to vary or terminate the appointment of any Agent and to appoint a successor principal paying agent or registrar or Calculation Agent and additional or successor paying agents and transfer agents; **provided, however, that:**

- (i) the Issuers and the Guarantor shall at all times maintain a principal paying agent and a registrar; and
- (ii) if a Calculation Agent is specified in the relevant Final Terms, the Issuer and the Guarantor (if applicable) shall at all times maintain a Calculation Agent; and
- (iii) if and for so long as the Notes are admitted to listing, trading and/or quotation by any competent authority, stock exchange and/or quotation system which requires the appointment of a Paying Agent and/or a Transfer Agent in any particular place, the Issuer and, if applicable, the Guarantor shall maintain a Paying Agent and/or a Transfer Agent having its Specified Office in the place required by such competent authority, stock exchange and/or quotation system.

Notice of any change in any of the Agents or any Calculation Agent or in their Specified Offices shall promptly be given by the Issuer to the Trustee and the Noteholders.

#### 18. **Meetings of Noteholders; Modification and Waiver**

- (a) **Meetings of Noteholders:** The Trust Deed contains provisions for convening meetings of Noteholders to consider matters relating to the Notes, including the modification of any provision of these Conditions. Any such modification may be made if sanctioned by an Extraordinary Resolution. Such a meeting may be convened by the Issuer and, if applicable, the Guarantor (acting together) or by 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 Noteholders holding not less than 10 per cent. of the aggregate principal amount of the outstanding Notes. The quorum at any meeting convened to vote on an Extraordinary Resolution will be two or more Persons holding or representing more than 50 per cent. of the aggregate principal amount of the outstanding Notes or, at any adjourned meeting, two or more Persons being or representing Noteholders whatever the principal amount of the Notes held or represented; **provided, however, that** Reserved Matters may only be sanctioned by an Extraordinary Resolution passed at a meeting of Noteholders at which two or more Persons holding or representing not less than 75 per cent. or, at any adjourned meeting, not less than 25 per cent. of the aggregate principal amount of the outstanding Notes form a quorum. Any Extraordinary Resolution duly passed at any such meeting shall be binding on all the Noteholders and Couponholders, whether present or not.

In addition, a resolution in writing signed by or on behalf of holders of not less than 75 per cent. in principal amount of the Notes outstanding will take effect as if it were an Extraordinary Resolution. 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.

The consent or approval of the Noteholders shall not be required in the case of amendments to the Conditions pursuant to Condition 7(e) to vary the method or basis of calculating the rate or rates or amount of interest or the basis for calculating any Interest Amount in respect of the Notes or for any other variation of these Conditions, the Trust Deed and/or the Agency Agreement required to be made in the circumstances described in Condition 7(e), where the Issuer has delivered to the Trustee a certificate pursuant to Condition 7(e)(v) or with respect to any Benchmark Amendments.

- (b) **Modification and waiver:** The Trustee may, without the consent of the Noteholders or Couponholders, agree to (i) any modification of these Conditions, the Agency Agreement, the Trust Deed or the Notes (other than in respect of a Reserved Matter) which, in the opinion of the Trustee, will not be materially prejudicial to the interests of Noteholders and to (ii) any modification of these Conditions, the Agency Agreement, the Notes or the Trust Deed which, in the opinion of the Trustee, is of a formal, minor or technical nature or is to correct a manifest error.

In addition, the Trustee may, subject to and in accordance with the Trust Deed, without the consent of the Noteholders or Couponholders, authorise or waive any proposed breach or breach of these Conditions, the Agency Agreement, the Notes or the Trust Deed or determine that any Event of Default or Potential Event of Default shall not be treated as such for the purposes of the Trust Deed if, in the opinion of the Trustee, the interests of the Noteholders will not be materially prejudiced thereby.

In addition, the Issuer may, subject to Condition 7(e) (*Benchmark Discontinuation*), vary or amend these Conditions, the Notes, the Trust Deed and/or the Agency Agreement to give effect to certain amendments to the interest calculation provisions of the Floating Rate Notes without any requirement for the consent or approval of the Noteholders as described in Condition 7(e)(iv) and the Trustee shall agree to such variations or amendments on the basis set out in Condition 7(e)(iv).

Any such authorisation, determination, waiver or modification shall be notified by the relevant Issuer and, if applicable, the Guarantor to the Noteholders as soon as practicable thereafter.

#### 19. **Enforcement**

The Trustee may at any time, at its discretion and without notice, institute such proceedings and/or take such steps or actions as it thinks fit to enforce its rights under the Trust Deed in respect of the Notes, but it shall not be bound to do so unless:

- (i) it has been so requested in writing by the Holders of at least one quarter of the aggregate principal amount of the outstanding Notes or has been so directed by an Extraordinary Resolution; and
- (ii) it has been indemnified and/or secured and/or prefunded to its satisfaction.

No Noteholder may proceed directly against the Issuer or, if applicable, the Guarantor unless the Trustee, having become bound to do so, fails to do so within a reasonable time and such failure is continuing.

#### 20. **Further Issues**

The Issuer may from time to time, without the consent of the Noteholders and in accordance with the Trust Deed, create and issue further notes having the same terms and conditions as the Notes in all respects (or in all respects except for the first payment of interest) so as to form a single series with the Notes. The Issuer may from time to time, with the consent of the Trustee, create and issue other series of notes having the benefit of the Trust Deed.

#### 21. **Notices**

- (a) **Bearer Notes:** Notices to the Holders of Bearer Notes shall be valid if published on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) or, if such publication is not practicable, in a leading English language daily newspaper having general circulation in Europe. The Issuer shall also ensure that notices are duly published in a manner which complies with the rules of any stock exchange or other relevant authority on which the Notes are for the time being listed or by which they have been admitted to trading. Any such notice shall be deemed to have been given on the date of first publication (or if required to be published in more than one newspaper, on the first date on which publication shall have been made in all the required newspapers). Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the Holders of Bearer Notes.
- (b) **Registered Notes:** Notices to the Holders of Registered Notes shall be sent to them by first class mail (or its equivalent) or (if posted to an overseas address) by airmail at their respective addresses

on the Register or, if such notification is not practicable, in a leading English language daily newspaper having general circulation in Europe. Any such notice shall be deemed to have been given on the fourth day after the date of mailing.

22. **Rounding**

For the purposes of any calculations referred to in these Conditions (unless otherwise specified in these Conditions or the relevant Final Terms), (a) all percentages resulting from such calculations will be rounded, if necessary, to the nearest one hundred-thousandth of a percentage point (with 0.000005 per cent. being rounded up to 0.00001 per cent.), (b) all United States dollar amounts used in or resulting from such calculations will be rounded to the nearest cent (with one half cent being rounded up), (c) all Japanese Yen amounts used in or resulting from such calculations will be rounded downwards to the next lower whole Japanese Yen amount, and (d) all amounts denominated in any other currency used in or resulting from such calculations will be rounded to the nearest two decimal places in such currency, with 0.005 being rounded upwards.

23. **Governing Law and Jurisdiction**

- (a) **Governing law:** The Notes, Coupons, Talons and the Trust Deed and all non-contractual obligations arising out of or in connection with them are governed by English law.
- (b) **Jurisdiction:** The Issuer and the Guarantor has in the Trust Deed (i) agreed that the courts of England shall have exclusive jurisdiction to settle any dispute (a "**Dispute**") arising out of or in connection with the Notes; (ii) agreed that those courts are the most appropriate and convenient courts to settle any Dispute and, accordingly, that it will not argue that any other courts are more appropriate or convenient; (iii) designated a person in England to accept service of any process on its behalf. The Trust Deed also states that nothing contained in the Trust Deed prevents the Trustee or any of the Noteholders from taking proceedings relating to a Dispute ("**Proceedings**") in any other courts with jurisdiction and that, to the extent allowed by law, the Trustee or any of the Noteholders may take concurrent Proceedings in any number of jurisdictions.



## FORM OF FINAL TERMS

**[PROHIBITION OF SALES TO EEA AND UK 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 European Economic Area (the "EEA") or the United Kingdom (the "UK"). 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 Directive 2014/65/EU (as amended, "MiFID II"); or (ii) a customer within the meaning of Directive (EU) 2016/97 (the "Insurance Distribution Directive"), 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 Regulation (EU) No 1286/2014 (as amended or superseded, the "PRIIPs Regulation") for offering or selling the Notes or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPs Regulation.]

**[MiFID II product governance/Professional investors and ECPs only target market** – Solely for the purposes of [the]/[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 for the Notes is eligible counterparties and professional clients only, each as defined in [Directive 2014/65/EU (as amended, "MiFID II")]/[MiFID II]; and (ii) all channels for 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 manufacturer['s/s'] 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 manufacturer['s/s'] target market assessment) and determining appropriate distribution channels.]

**[Singapore Securities and Futures Act Product Classification** – Solely for the purposes of its obligations pursuant to sections 309B(1)(a) and 309B(1)(c) of the Securities and Futures Act (Chapter 289 of Singapore) (the "SFA"), the Issuer has determined and hereby notifies all relevant persons (as defined in section 309A of the SFA) that the Notes are ["prescribed capital markets products"/"capital markets products other than prescribed capital markets products"] (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and ["Excluded Investment Products"/"Specified Investment Products"] (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).]

**Final Terms dated [•]**

**[ATRIUM EUROPEAN REAL ESTATE LIMITED / ATRIUM FINANCE ISSUER B.V. /  
ATRIUM FINANCE LIMITED]**

**Legal Entity Identifier (LEI):** [[213800OJ67K27RCO2J56] / [254900SPU76HSRZ8ZM02] / [254900S97VONWYW91C97]]

**Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]**

**[Guaranteed by ATRIUM EUROPEAN REAL ESTATE LIMITED]**

**€1,500,000,000 [Euro Medium Term Note Programme]**

### PART A – CONTRACTUAL TERMS

[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "Conditions") set forth in the Base Prospectus dated 24 September 2020 [and the supplemental Base Prospectus dated [•]] which [together] constitute[s] a base prospectus (the "Base Prospectus") for the purposes of the Prospectus Regulation.

[This document constitutes the Final Terms relating to the issue of Notes described herein for the purposes of the Prospectus Regulation and must be read in conjunction with the Base Prospectus in order to obtain all the relevant information.]<sup>2</sup> / [This document does not constitute the Final Terms relating to the issue of

<sup>2</sup> Include this wording where the Notes are to be issued pursuant to the Prospectus Regulation.

Notes described herein for the purposes of the Prospectus Regulation, as these Notes are not being issued pursuant to the Prospectus Regulation.]<sup>3</sup>

The Base Prospectus has been published on [www.aere.com](http://www.aere.com).

These Final Terms will be published on [www.bourse.lu](http://www.bourse.lu).

The expression "**Prospectus Regulation**" means Regulation (EU) 2017/1129.

- |    |  |  |
|----|--|--|
| 1. | (i) Issuer:                                    | [Atrium European Real Estate Limited / Atrium Finance Issuer B.V. / Atrium Finance Limited]  |
|    | [(ii) Guarantor:                               | Atrium European Real Estate Limited– <i>only in respect of Notes issued by Atrium Finance Issuer B.V.</i> ]  |
| 2. | (i) Series Number:                             | [•]  |
|    | (ii) Tranche Number:                           | [•]  |
|    | (iii) Date on which the Notes become fungible: | [Not Applicable]/[The Notes shall be consolidated, form a single series and be interchangeable for trading purposes with the [•] on [[•]]/the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph 24 below [which is expected to occur on or about [•]].] |
| 3. | Specified Currency or Currencies:              | [•]  |
| 4. | Aggregate Nominal Amount:                      | [•]  |
|    | [(i) Series:                                   | [•]]   |
|    | [(ii) Tranche:                                 | [•]]   |
| 5. | Issue Price:                                   | [•] per cent. of the Aggregate Nominal Amount [plus accrued interest from [•]]   |
| 6. | (i) Specified Denominations:                   | [•]  |
|    | (ii) Calculation Amount:                       | [•]  |
| 7. | (i) Issue Date:                                | [•]  |
|    | (ii) Interest Commencement Date:               | [[•]/Issue Date/Not Applicable]  |
| 8. | Maturity Date:                                 | Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on [•] [ <i>Specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year</i> ]  |

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<sup>3</sup> Include this wording where the Notes are not to be issued pursuant to the Prospectus Regulation.

9. (i) Interest Basis: [[•] per cent. Fixed Rate]  
 [[EURIBOR/LIBOR/[PRIBOR/TELBOR/  
 WIBOR]]+/- [•] per cent. Floating Rate]  
 [Zero Coupon]  
 (see paragraph [14/15/16] below)
- (ii) Ratings Step Up/Step Down: [Applicable/Not Applicable]
- (iii) [Step-Up Margin:] [[•] per cent. per annum]
- (iv) [Specified Threshold:] [•] / [As per Condition 7A(*Adjustment of Interest Rate*)]
10. Redemption/Payment Basis: Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at [*other amount not less than par*]/[100] per cent. of their nominal amount.
11. Change of Interest Basis: [For the period from (and including) the Interest Commencement Date, up to (but excluding) [*date*] paragraph [14/15] applies and for the period from (and including) [*date*], up to (and including) the Maturity Date, paragraph [14/15] applies] / [Not Applicable]
12. Put/Call Options: [Noteholder Put]  
 [Change of Control Put Option] (*This option is contained in Condition 9(f)*)  
 [Issuer Call]  
 [Clean-Up Call]  
 [(See paragraph [17/18/19/20] below)]
13. [(i)] Status of the Notes: Senior
- [(ii)] Status of the Guarantee: Senior
- [(iii)] [Date [Board] approval for issuance of Notes [and Guarantee [respectively]] obtained: [•]

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

14. **Fixed Rate Note Provisions** [Applicable/Not Applicable]  
 (*If not applicable, delete the remaining subparagraphs of this paragraph*)
- (i) Rate[(s)] of Interest: [•] per cent. per annum payable in arrear on each Interest Payment Date
- (ii) Interest Payment Date(s): [•] in each year [adjusted in accordance with [*specify Business Day Convention*]]

- (iii) Fixed Coupon Amount[(s)]: [[•] per Calculation Amount/Not Applicable]
- (iv) Broken Amount(s): [•] per Calculation Amount, payable on the Interest Payment Date falling [in/on] [•]
- (v) Day Count Fraction: [Actual/Actual ICMA]/[Actual/Actual ISDA]/[Actual 365 (Fixed)]/[Actual 360]/[30/360]/[30E/360]/[Eurobond Basis]/[30E/360 (ISDA)]
- (vi) [Party responsible for calculating the amount of interest payable for any interest period following any Rate Adjustment:] [The Principal Paying Agent/other]
15. **Floating Rate Note Provisions** [Applicable/Not Applicable]
- (If not applicable delete the remaining sub-paragraphs of this paragraph)*
- (i) Specified Period: [•]
- (ii) Interest Payment Dates: [•]
- (iii) First Interest Payment Date: [•]
- (iv) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/ Modified Following Business Day Convention/ Preceding Business Day Convention]
- (v) Additional Business Centre(s): [Not Applicable/[•]]
- (vi) Manner in which the Rate(s) of Interest is/are to be determined: [Screen Rate Determination/ISDA Determination]
- (vii) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the Principal Paying Agent): [•] shall be the Calculation Agent/Not Applicable
- (viii) Screen Rate Determination:
- Reference Rate: [•] month [EURIBOR / LIBOR/ [PRIBOR/ TELBOR/WIBOR]]
  - Interest Determination Date(s): [•]
  - Relevant Screen Page: [•]
  - Relevant Time: [•]
  - Relevant Financial Centre: [•]
- (ix) ISDA Determination:
- Floating Rate Option: [•]
  - Designated Maturity: [•]
  - Reset Date: [•]

	• ISDA Supplement:	Benchmarks	[Applicable / Not Applicable]
(xi)	Margin(s):		[+/-][•] per cent. per annum
(xii)	Minimum Rate of Interest:		[•] per cent. per annum
(xiii)	Maximum Rate of Interest:		[•] per cent. per annum
(xiv)	Day Count Fraction:		[Actual/Actual ICMA]/[Actual/Actual ISDA]/[Actual 365 (Fixed)]/[Actual 360]/[30/360]/[30E/360]/[Eurobond Basis]/[30E/360 (ISDA)]
(xv)	[Linear Interpolation:		Not Applicable/Applicable – the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation ( <i>specify for each short or long interest period</i> )
(xvi)	Reference Banks:		[•]/[As per Condition 2 ( <i>Interpretation</i> )]
16.	<b>Zero Coupon Note Provisions</b>		[Applicable/Not Applicable]  <i>(If not applicable, delete the remaining subparagraphs of this paragraph)</i>
(i)	Accrual Yield:		[•] per cent. per annum
(ii)	Reference Price		[•]
(iii)	Day Count Fraction in relation to Early Redemption Amount:		[Actual/Actual ICMA]/[Actual/Actual ISDA]/[Actual 365 (Fixed)]/[Actual 360]/[30/360]/[30E/360]/[Eurobond Basis]/[30E/360 (ISDA)]

**PROVISIONS RELATING TO REDEMPTION**

17.	<b>Call Option</b>		[Applicable/Not Applicable]
(i)	Optional Redemption Date(s) (Call):		[•]
(ii)	Par Call Commencement Date:		[[•]/Not Applicable]
(iii)	Optional Redemption Amount(s) (Call) of each Note:		[[•] per Calculation Amount/[Sterling Make Whole Redemption Amount/Non-Sterling Make Whole Redemption Amount]] ( <i>include this option where one Optional Redemption Amount (Call) is required</i> )
			[If the Optional Redemption Date (Call) is before the date falling [•] days/months prior to the Maturity Date: [•] per Calculation Amount/[Sterling Make Whole Redemption Amount/Non-Sterling Make Whole Redemption Amount]
			[If the Optional Redemption Date (Call) is on or after the date falling [•] days/months prior to the Maturity Date: [•] per [Calculation Amount/Sterling Make Whole Redemption Amount/Non-Sterling Make Whole

Redemption Amount]] (include this option where more than one Optional Redemption Amount (Call) is required)

- [(a) Reference Bond: [•]]
  - (If a Par Call Commencement Date is included, the Reference Bond should mature on the Par Call Commencement Date rather than the Maturity Date)
  - [(b) Quotation Time [•]]
  - [(c) Redemption Margin: [•]]
  - [(d) Reference Date: [•]/ As per Condition 2 (Interpretation)]
  - (v) If redeemable in part:
    - (a) Minimum Redemption Amount: [•] per Calculation Amount
    - (b) Maximum Redemption Amount: [•] per Calculation Amount
  - (vi) Notice period: [•]
- 18. **Clean-up Call Option** [Applicable/Not Applicable]
  - (i) Clean-up Call Redemption Amount: [•]
  - (ii) Notice Period: [•]
- 19. **Put Option** [Applicable/Not Applicable]
 

(If not applicable, delete the remaining subparagraphs of this paragraph)

  - (i) Optional Redemption Date(s) (Put): [•]
  - (ii) Optional Redemption Amount(s) (Put) of each Note: [•] per Calculation Amount
  - (iii) Notice period: [•]
- 20. **Change of Control Put Option:** [Applicable/Not Applicable] (This option is contained in Condition 9(f))
  - [(i) Change of Control Put Period [•]]
- 21. **Final Redemption Amount of each Note** [•] per Calculation Amount
- 22. **Early Redemption Amount (Tax)** [[•] per Calculation Amount/Not Applicable]
- 23. **Early Termination Amount** [[•] per Calculation Amount/Not Applicable]

**GENERAL PROVISIONS APPLICABLE TO THE NOTES**

- 24. **Form of Notes:** **Bearer Notes:**

[Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes on [•]

days' notice/at any time/in the limited circumstances specified in the Permanent Global Note]

[Temporary Global Note exchangeable for Definitive Notes on [•] days' notice]

[Permanent Global Note exchangeable for Definitive Notes on [•] days' notice/at any time/in the limited circumstances specified in the Permanent Global Note]

#### Registered Notes:

[Global Registered Note exchangeable for Individual Note Certificates on [•] days' notice/at any time/in the limited circumstances specified in the Global Registered Note registered in the name of a nominee for [a common depositary for Euroclear and Clearstream, Luxembourg/a common safekeeper for Euroclear and Clearstream, Luxembourg (that is, held under the New Safekeeping Structure (NSS))].]

25. New Global Note: [Yes]/[No]/ [Not Applicable]
26. Additional Financial Centre(s) or other special provisions relating to payment dates: [Not Applicable/[•]]
27. Talons for future Coupons to be attached to Definitive Notes (and dates on which such Talons mature): [Yes/No. As the Notes have more than 27 coupon payments, talons may be required if, on exchange into definitive form, more than 27 coupon payments are left.]
28. Prohibition of Sales to EEA and UK Retail Investors: [[Applicable]<sup>4</sup>/[Not Applicable]<sup>5</sup>/[Not Applicable, Key Information Document prepared]<sup>6</sup>]
29. Relevant Benchmark[s]: [[EURIBOR/LIBOR[/PRIBOR/ TELBOR/WIBOR]] is provided by [administrator legal name]][repeat as necessary]. As at the date hereof, [[administrator legal name][appears]/[does not appear]][repeat as necessary] in the register of administrators and benchmarks established and maintained by ESMA pursuant to Article 36 (*Register of administrators and benchmarks*) of the Benchmark Regulation]/[As far as the Issuer is aware, as at the date hereof, [EURIBOR/LIBOR[/PRIBOR/ TELBOR/WIBOR]] does not fall within the

<sup>4</sup> Insert "Applicable" where the Notes may constitute "packaged" products and no key information document required by Regulation (EU) No 1286/2014 (the "PRIIPs Regulation") will be prepared.

<sup>5</sup> Insert "Not Applicable" where the Notes clearly do not constitute "packaged" products.

<sup>6</sup> Insert "Not Applicable, Key Information Document prepared" where a key information document required by the PRIIPs Regulation will be prepared.

scope of the Benchmark Regulation]/[Not  
Applicable]

**SIGNED** on behalf of [Atrium European Real Estate Limited / Atrium Finance Issuer B.V. / Atrium  
Finance Limited]:

By: .....  
Duly authorised

**[SIGNED** on behalf of Atrium European Real Estate Limited  
(as Guarantor)

By: .....  
Duly authorised]



## PART B – OTHER INFORMATION

### 1. LISTING AND ADMISSION TO TRADING

- (i) Listing: [The official list of the Luxembourg Stock Exchange] / [Not Applicable]<sup>7</sup>
- (ii) Admission to Trading: [Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the regulated market of the Luxembourg Stock Exchange with effect from [ ].] [Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the regulated market of the Luxembourg Stock Exchange with effect from [ ].] / [Not Applicable.]<sup>8</sup>
- (iii) Estimate of total expenses related to admission to trading: [ ] / [Not Applicable]<sup>9</sup>

### 2. RATINGS

[The Notes to be issued [have been/are expected to be] rated]/[The following ratings reflect ratings assigned to Notes of this type issued under the Programme generally]:

Ratings:

[Moody's: [•]]

[Fitch: [•]]

*[Include a brief summary of the meaning of the ratings if this has previously been published by the ratings provider.]*

[[•] is established in the EEA or in the United Kingdom and registered under Regulation (EU) No 1060/2009, as amended (the "**CRA Regulation**").]

[[•] is established in the EEA or in the United Kingdom and has applied for registration under Regulation (EU) No 1060/2009, as amended (the "**CRA Regulation**"), although notification of the corresponding registration decision has not yet been provided by the [relevant competent authority] / [European Securities and Markets Authority].]

[[•] is established in the EEA or in the United Kingdom and is neither registered nor has it applied for registration under Regulation (EU) No 1060/2009, as amended (the "**CRA Regulation**").]

<sup>7</sup> Insert "Not Applicable" where the Notes are not to be listed.

<sup>8</sup> Insert "Not Applicable" where the Notes are not to be admitted to trading.

<sup>9</sup> Insert "Not Applicable" where the Notes are not to be admitted to trading.

[[•] is not established in the EEA or the United Kingdom but the rating it has given to the Notes is endorsed by [*insert legal name of credit rating agency*], which is established in the EEA or the United Kingdom and registered under Regulation (EU) No 1060/2009, as amended (the "**CRA Regulation**").]

[[•] is not established in the EEA or the United Kingdom but is certified under Regulation (EU) No 1060/2009, as amended (the "**CRA Regulation**").]

[[•] is not established in the EEA or the United Kingdom and is not certified under Regulation (EU) No 1060/2009, as amended (the "**CRA Regulation**") and the rating it has given to the Notes is not endorsed by a credit rating agency established in the EEA or the United Kingdom and registered under the CRA Regulation.]

3. **INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER**

[Save for any fees payable to the [Managers/Dealers], so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer. The [Managers/Dealers] and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer [and the Guarantor] and [its/their] affiliates in the ordinary course of business [•]/[Not Applicable]

4. **YIELD**

Indication of yield: [•] / [Not Applicable]

5. **OPERATIONAL INFORMATION**

ISIN: [•]

Common Code: [•]

Delivery: Delivery [against/free of] payment

Names and addresses of additional Paying Agent(s) (if any): [•]

Intended to be held in a manner which would allow Eurosystem eligibility:

[Yes. Note that the designation "yes" simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper [[, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper,][*include this text for registered notes*]] and 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 ECB being satisfied that Eurosystem eligibility criteria have been met.]/

[No. Whilst the designation is specified as "no" at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper [[, and registered in the name of a nominee of one of the ICSDs acting as common safekeeper,][*include this text for registered notes*]]. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]

6. **DISTRIBUTION**

- (i) Method of Distribution: [Syndicated/Non-syndicated]
- (ii) If syndicated:
  - (A) Names of Managers [Not Applicable/*give names*]
  - (B) Stabilisation Manager(s), if any: [Not Applicable/*give names*]
- (iii) If non-syndicated, name of Dealer: [Not Applicable/*give names*]
- (iv) U.S. Selling Restrictions: [Reg. S Compliance Category 2]; [TEFRA C/TEFRA D / TEFRA not applicable]

7. **REASONS FOR THE OFFER AND ESTIMATED NET AMOUNT OF PROCEEDS**

Reasons for the offer: [ ] [See ["*Use of Proceeds*"] in Base Prospectus/[ ]<sup>10</sup>

*(In case Green Bonds are issued, the category and prescribed eligibility criteria of Green Assets must be specified)*

Estimated net proceeds: [ ]

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<sup>10</sup> Give details if reason for the offer differs from what is disclosed in the Base Prospectus.

## USE OF PROCEEDS

The Issuers will use the net proceeds from the issue of each Series of Notes for the general corporate purposes of the Group (including investments, acquisitions and development projects) and for the repayment of some of the Group's existing indebtedness (including any indebtedness that may be owed to any of the Dealers) or as may otherwise be disclosed in the applicable Final Terms.

In particular, if so specified in the applicable Final Terms, the relevant Issuer will apply the net proceeds from an offer of Notes specifically for the financing or refinancing, in part or in full, of new and/or existing assets, developments or projects (the "**Green Assets**") that meet the requirements of the Green Financing Framework. Such Notes may also be referred to as "**Green Bonds**". In the event of future Green Bond issuances, investors would be able to obtain information on the same from the Group's Green Financing Framework, which is incorporated in and forms part of this Base Prospectus. In connection with the issue of Green Bonds, Atrium has appointed Sustainalytics to provide a second opinion (the "**Second Opinion**") of the Group's Green Financing Framework. According to the Second Opinion, Atrium's Green Financing Framework is credible and impactful and aligns with the four core components of the Green Bond Principles 2018 as reflected in the Green Financing Framework.

## OVERVIEW OF FINANCIAL INFORMATION

The information below shows certain of the Group's consolidated financial information as at 30 June 2020, 31 December 2019 and 31 December 2018, for the six-month periods ended 30 June 2020 and 2019 and for the years ended 31 December 2019 and 2018. The consolidated financial information for the six-month periods ended 30 June 2020 and 2019 has been extracted from, and should be read in conjunction with, the Atrium June 2020 Interim Financial Statements incorporated by reference in, and forming part of, this Base Prospectus. The consolidated financial information as at and for the years ended 31 December 2019 and 2018 has been extracted from, and should be read in conjunction with, the Atrium 2019 Financial Statements and Atrium 2018 Financial Statements incorporated by reference in, and forming part of, this Base Prospectus. The information presented below under the caption "Other Financial Information" is derived from the unaudited management accounts of Atrium, which are not prepared in accordance with IFRS.

### Consolidated Income Statements of profit or loss

	For the six-months ended 30 June		For the year ended 31 December	
	2020	2019	2019	2018
	<i>(unaudited)</i>			
	<i>(€ in thousands)</i>			
Gross rental income .....	74,291	91,609	177,299	175,157
<i>of which</i>				
<i>Poland</i> .....	43,547	57,414	108,354	101,176
<i>Czech Republic</i> .....	9,368	9,794	19,862	19,323
<i>Slovakia</i> .....	4,030	5,597	11,166	10,692
<i>Russia</i> .....	17,346	18,804	37,917	38,506
<i>Hungary</i> .....	-	-	-	1,270
<i>Romania</i> .....	-	-	-	4,190
Service charge income .....	23,429	33,267	65,253	67,198
Net property expenses .....	<u>(30,631)</u>	<u>(36,647)</u>	<u>(74,542)</u>	<u>(73,058)</u>
<b>Net rental income</b> .....	<b><u>67,089</u></b>	<b><u>88,229</u></b>	<b><u>168,010</u></b>	<b><u>169,297</u></b>
<i>of which</i>				
<i>Poland</i> .....	37,685	55,166	102,002	96,005
<i>Czech Republic</i> .....	8,803	9,730	19,335	18,887
<i>Slovakia</i> .....	4,081	5,505	11,110	10,373
<i>Russia</i> .....	16,520	17,828	35,563	39,142
<i>Hungary</i> .....	-	-	-	929
<i>Romania</i> .....	-	-	-	3,961
Net result on disposals .....	(90)	(523)	3,923	(3,082)
Costs connected with developments .....	(468)	(394)	(986)	(905)
Revaluation of standing investments, net .....	(85,440)	7,265	(5,437)	17,224
Revaluation of redevelopments and land, net	-	(4,903)	(8,058)	(19,244)
Depreciation, amortisation and impairments .....	(1,757)	(1,423)	(2,982)	(2,287)
Administrative expenses .....	(9,150)	(10,835)	(28,405)	(28,282)
Share of profit of equity-accounted investments in joint ventures .....	<u>(2,292)</u>	<u>3,987</u>	<u>11,930</u>	<u>10,071</u>

	For the six-months ended 30 June		For the year ended 31 December	
	2020	2019	2019	2018
	<i>(unaudited)</i>			
	<i>(€ in thousands)</i>			
<b>Net operating profit (loss)</b> .....	<b>(32,108)</b>	<b>81,403</b>	<b>137,995</b>	<b>142,792</b>
<i>of which</i>				
<i>Poland</i> .....	(24,666)	53,206	87,934	99,565
<i>Czech Republic</i> .....	(2,425)	12,082	30,058	28,172
<i>Slovakia</i> .....	3,310	5,275	5,026	9,436
<i>Russia</i> .....	(5,233)	16,264	31,628	17,551
<i>Hungary</i> .....	-	-	-	2,234
<i>Romania</i> .....	-	-	-	6,866
<i>Other</i> <sup>(1)</sup> .....	(413)	(572)	(5,164)	(10,229)
<i>Unallocated expenses</i> .....	(2,681)	(4,852)	(11,487)	(10,803)
Interest expenses, net .....	(19,721)	(19,304)	(38,854)	(34,163)
Foreign currency differences .....	1,502	(108)	1,027	323
Other financial expenses, net .....	(8,297)	(2,006)	(3,819)	(21,300)
<b>Profit (loss) before taxation</b> .....	<b>(58,624)</b>	<b>59,985</b>	<b>96,349</b>	<b>87,652</b>
Taxation charge for the period .....	(4,221)	(3,075)	(11,923)	(27,025)
<b>Profit (loss) after taxation for the period</b> .....	<b>(62,845)</b>	<b>56,910</b>	<b>84,426</b>	<b>60,627</b>

(1) Other comprises in 2020 and in 2019: net operating loss in Romania, Hungary, Turkey and Cyprus and in 2018: net operating loss in Turkey and Cyprus.

(2) The split per country is not presented in the Atrium June 2020 Interim Financial Statements.

## Consolidated Statements of Financial Position

	As at 30 June	As at 31 December	
	2020	2019	2018
	<i>(unaudited)</i>		
	<i>(€ in thousands)</i>		
<b>Assets</b>			
<b>Non-current assets</b>			
Standing investments .....	2,367,037	2,445,280	2,732,038
Redevelopments and land .....	265,487	266,093	255,429
Equity-accounted investment in joint ventures .....	182,206	184,501	177,909
Other non-current assets.....	44,824	36,167	13,675
	<b>2,859,554</b>	<b>2,932,041</b>	<b>3,179,051</b>
<b>Current assets</b>			
Cash and cash equivalents.....	246,905	126,851	38,493
Other current assets.....	52,946	70,187	46,729
Assets held for sale.....	38,916	75,268	29,063
	<b>338,767</b>	<b>272,306</b>	<b>114,285</b>

<b>Total assets</b> .....	<b>3,198,321</b>	<b>3,204,347</b>	<b>3,293,336</b>
<b>Equity</b> .....	<b>1,643,895</b>	<b>1,766,014</b>	<b>1,793,049</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Long term borrowings .....	1,024,971	1,052,316	1,186,060
Other non-current liabilities .....	160,199	157,923	157,523
	<b>1,185,170</b>	<b>1,210,239</b>	<b>1,343,583</b>
<b>Current liabilities</b>			
Short term borrowings .....	251,788	134,440	62,978
Other current liabilities .....	117,468	93,654	93,726
	<b>369,256</b>	<b>228,094</b>	<b>156,704</b>
<b>Total liabilities</b> .....	<b>1,554,426</b>	<b>1,438,333</b>	<b>1,500,287</b>
<b>Total equity and liabilities</b> .....	<b>3,198,321</b>	<b>3,204,347</b>	<b>3,293,336</b>

#### Other Financial Information<sup>(1)(2)</sup>

	<b>For the six-months ended 30 June</b>		<b>For the year ended 31 December</b>	
	<b>2020</b>	<b>2019</b>	<b>2019</b>	<b>2018</b>
			<i>(unaudited)</i>	
			<i>(€ in thousands)</i>	
EPRA like-for-like gross rental income <sup>(3)</sup> .....	57,611	62,857	86,492	83,760
EPRA like-for-like net rental income <sup>(3)</sup> .....	52,247	60,893	81,701	80,782
	<b>For the six-months ended 30 June</b>		<b>For the year ended 31 December</b>	
	<b>2020</b>	<b>2019</b>	<b>2019</b>	<b>2018</b>
			<i>(unaudited)</i>	
			<i>(€ in thousands)</i>	
EBITDA <sup>(4)(5)</sup> .....	61,642	81,517	153,572	156,405
Company adjusted EPRA earnings <sup>(6)(7)</sup> .....	37,194	58,159	106,016	110,751
	<b>As at 30 June</b>		<b>As at 31 December</b>	
	<b>2020</b>	<b>2019</b>	<b>2019</b>	<b>2018</b>
			<i>(unaudited)</i>	
			<i>(€ in thousands, except for percentages)</i>	
Net loan to value ratio <sup>(8)</sup> .....		36.1%	35.1%	37.9%
EPRA net asset value <sup>(9)(10)</sup> .....		1,767,713	1,884,419	1,911,391

(1) The other financial information includes a 75% stake in assets held in Joint Ventures

(2) This Base Prospectus contains certain financial measures that are not defined or recognised under IFRS and which are considered to be "alternative performance measures" as defined in the "ESMA Guidelines on Alternative Performance Measures" issued by the European Securities and Markets Authority on 5 October 2015 (the "Alternative Performance Measures" or "APMs"). Such APMs include, *inter alia*, measures and ratios calculated and presented following the recommendations published by the European Public Real Estate Association's or EPRA's Reporting and Accounting Committee ("EPRA Recommendations"). However, these APMs should not be used instead of or considered as alternatives to the Group's financial results based on IFRS as set out in the Atrium 2019 Financial Statements and Atrium 2018 Financial Statements. Atrium believes that the presentation of APMs enhances an investor's understanding of its financial performance. Management uses APMs to

assess the Group's operating performance and financial condition because it believes these are important supplemental measures of such performance and financial condition. In addition, Atrium believes APMs are frequently used by securities analysts, investors and other interested parties in the evaluation of companies in the real estate industry. The APMs are not presentations made in accordance with IFRS and the Group's use of such terms may vary from others in the real estate industry. The APMs have limitations as analytical tools, and should not be considered in isolation, or as substitutes for financial information as reported under IFRS.

- (3) The Group defines “**EPRA like-for-like gross rental income**” and “**EPRA like-for-like net rental income**” as the gross, or net, rental income of the portfolio that has been consistently in operation, and not under development, during a defined period. Like-for-like rental income for each relevant period is the rental income of the portfolio in each such period which has been consistently in operation, and not under development, during both such periods. Information on the growth in rental income other than from acquisitions and disposals, allows investors to arrive at an estimate of organic growth. To enhance the comparability of gross and net rental income, prior period values for like-for-like properties have been recalculated using the average exchange rates for the subsequent period.
- (4) “**EBITDA**” as defined by the Group is the consolidated profit for the period before taxes, depreciation, amortisation and impairments and excluding revaluation changes, financial income and financial expenses, net result on disposals and corporate fees and other costs (includes the transaction costs in relation with the recommended cash acquisition by Gazit Globe Ltd. and costs mainly in relation with the takeover of Atrium Dominikanska management contract).
- (5) The following is a reconciliation of profit after taxation for the period to EBITDA for the six months ended 30 June 2020 and 2019 and for the years ended 31 December 2019 and 2018:

	For the six-months ended 30 June		For the year ended 31 December	
	2020	2019	2019	2018
	<i>(unaudited)</i>			
	<i>(€ in thousands)</i>			
<b>Profit (loss) after taxation for the year .....</b>	<b>(62,845)</b>	<b>56,910</b>	<b>84,426</b>	<b>60,627</b>
Interest expenses, net .....	19,721	19,304	38,854	34,163
Foreign currency differences .....	(1,502)	108	(1,027)	(323)
Other financial expenses .....	8,297	2,006	3,819	21,300
Taxation charge for the period .....	4,221	3,075	11,923	27,025
Depreciation, amortisation and impairments .....	1,757	1,423	2,982	2,287
Revaluation of standing investments .....	91,903	(7,265)	1,725	(17,895)
Revaluation of redevelopments and land, net .....	-	4,903	8,058	19,244
Net result on disposals .....	90	523	(3,923)	3,082
Corporate fees and other costs .....	-	530	6,735	6,895
<b>EBITDA .....</b>	<b>61,642</b>	<b>81,517</b>	<b>153,572</b>	<b>156,405</b>

- (6) “**EPRA Earnings**” are recurring earnings from core operational activities and are defined by the Group as earnings attributable to equity holders of the parent company before (i) changes in value of investment properties, (ii) Net result on disposals of investment properties, (iii) amortisation of intangible assets, (iv) deferred tax in respect of EPRA adjustments, (v) changes in fair value of financial instruments, debt and associated close-out costs (vi) joint venture interest in respect of the above adjustments.

“**Company adjusted EPRA Earnings**” include adjustments that management considers appropriate to demonstrate the underlying performance of the Group but which the Best Practices Recommendations require to be shown separately to EPRA Earnings. The adjustments represent adjustments of other non-recurring items which could distort the Group's operating results. Such non-recurring items are disclosed separately in order to provide stakeholders with the most relevant information regarding the performance of the underlying property portfolio. Company adjusted EPRA



Earnings is defined by the Group as EPRA Earnings before (i) foreign exchange differences, (ii) deferred tax not related to revaluations (iii) changes in the fair value of financial instruments, (iv) non-recurring tax charges, (v) corporate fees and other costs (includes the transaction costs in relation with the recommended cash acquisition by Gazit Globe Ltd. and costs mainly in relation with the takeover of Atrium Dominikanska management contract).

- (7) The following is a reconciliation of earnings attributed to equity holders of the parent company to Company adjusted EPRA Earnings for the six months ended 30 June 2020 and 2019 and for the years ended 31 December 2019 and 2018:

	<b>For the six-months ended 30 June</b>		<b>For the year ended 31 December</b>	
	<b>2020</b>	<b>2019</b>	<b>2019</b>	<b>2018</b>
	<i>(unaudited)</i>			
	<i>(€ in thousands)</i>			
<b>Earnings attributable to equity holders of the parent company</b> .....	(62,845)	56,910	84,426	60,627
Changes in value of investment properties.....	85,440	(2,362)	13,495	2,020
Net result on disposals of investment properties.....	90	523	(3,923)	3,082
Amortisation of intangible assets.....	863	618	1,372	1,334
Deferred tax in respect of EPRA adjustments	(11,449)	509	962	3,833
Close-out costs of financial instruments.....	6,173	-	-	17,225
Joint venture interest in respect of the above adjustments.....	6,463	-	(3,712)	(671)
<b>EPRA earnings</b> .....	<b>24,735</b>	<b>56,198</b>	<b>92,620</b>	<b>87,450</b>
<b>Company adjustments</b> .....				
Foreign exchange differences.....	(1,502)	108	(1,027)	(323)
Deferred tax not related to revaluations.....	13,961	1,323	5,567	24,462
Non recurring tax charges.....	-	-	2,121	(7,733)
Corporate fees and other costs.....	-	530	6,735	6,895
<b>Company adjusted EPRA earnings</b> .....	<b>37,194</b>	<b>58,159</b>	<b>106,016</b>	<b>110,751</b>

- (8) “**Net loan to value ratio**” is calculated as net debt of the Group (being the sum of long and short term borrowings minus cash and cash equivalents of the Group adjusted for assets classified as held for sale) divided by the market value of the Group’s investment property portfolio (including standing investments and redevelopments and land).
- (9) “**EPRA net asset value**”, or “**EPRA NAV**”, highlights the fair value of net assets on an ongoing, long-term basis. Assets and liabilities that are not expected to crystallise in normal circumstances such as the fair value of financial instruments and deferred taxes on property valuation surpluses are therefore excluded. The Group defines EPRA NAV in line with EPRA Recommendations as diluted net asset value after the exercise of options and before (i) fair value of financial instruments, (ii) deferred tax.
- (10) The following is a reconciliation of the net asset value of the Group to its EPRA NAV as at 30 June 2020 and for the years ended 31 December 2019 and 2018:

	<b>As at 30 June</b>	<b>As at 31 December</b>	
	<b>2020</b>	<b>2019</b>	<b>2018</b>
	<i>(unaudited)</i>		
	<i>(€ in thousands)</i>		
<b>Net asset value per the financial statements</b> .....	1,643,895	1,766,014	1,793,049
Diluted NAV, after the exercise of options.....	1,651,723	1,773,182	1,801,764

Fair value of financial instruments....	22,894	17,753	5,097
Deferred tax.....	93,096	93,484	104,530
<b>EPRA NAV .....</b>	<b><u>1,767,713</u></b>	<b><u>1,884,419</u></b>	<b><u>1,911,391</u></b>

## DESCRIPTION OF ATRIUM AND THE GROUP

### General

Atrium was incorporated in Jersey on 8 December 1997 as a company with limited liability under the Jersey Companies Law and is regulated by the JFSC as a certified fund pursuant to the CIF Law, as amended. In 2008, in order to facilitate the internalisation of its management, Atrium was granted permission by the JFSC to be treated as a Listed Fund.

Atrium's affairs are managed by the Board of Directors, with its seat outside the EU. Atrium's registered office is 11-15 Seaton Place, St. Helier, Jersey JE4 0QH, Channel Islands with telephone number: +44 (0)153 483 3000 and its principal office 4th Floor, Channel House, Green Street, St Helier, Jersey JE2 4UH, Channel Islands with telephone number: +44 (0)153 461 7450. Atrium is registered in Jersey with registration number 70371. The legal name of Atrium is "Atrium European Real Estate Limited". The current Articles of Association of Atrium (the "**Articles**") were adopted by special resolution of the members of Atrium passed on 15 June 2020.

In 2008, Atrium's name was changed to "Atrium European Real Estate Limited" and several governance changes were introduced to the Group following the strategic investment made by Gazit Globe Ltd. and a consortium managed by CPI CEE Management LLC and controlled by Apollo Global Real Estate Management LP. These changes included the reconstitution of the Board of Directors and the appointment of a new internal management team. In 2009, Atrium obtained a dual listing of its ordinary shares (the "**Shares**") on the official market (*Amtlicher Handel*) of the Vienna Stock Exchange and on Euronext Amsterdam by Euronext N.V. ("**Euronext Amsterdam**"), the regulated market of Euronext Amsterdam N.V. ("**Euronext**"). Atrium does not have a separate trading or commercial name and the duration of Atrium is indefinite.

Atrium's authorised stated capital is unlimited with no par value shares. The shares are governed by the laws of Jersey.

As at 30 June 2020, the total number of ordinary shares issued was 377,860,475 (31 December 2019: 378,163,861 shares), of which 377,850,474 ordinary shares were registered in the name of Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V. (trading as "**Euroclear**"), 10,000 ordinary shares were registered in the name of individual shareholders and one ordinary share in the name of Aztec Financial Services (Jersey) Limited. The Shares are listed on the Vienna Stock Exchange and Euronext under ticker: ATRS.

### Share buy back

On 17 March 2020, the Board of Directors resolved to utilise the authorisation, which was renewed at Atrium's Annual General Meeting on 24 July 2019, to buy-back shares of Atrium of up to 25 million shares. As at the date of this Base Prospectus, a total of 630 thousand shares at an average price of €2.62 per share representing a value of €1.6 million has been bought back and cancelled.

### Scrip Dividend Alternative

In May 2020, the Group announced a voluntary scrip dividend alternative for each of the second, third and fourth quarter of 2020 dividend distributions (the "**Scrip Dividend Alternative**"). At the extraordinary General Meeting of Atrium held on 15 June 2020, Atrium's shareholders granted their approval to the Board of Directors to offer shareholders the opportunity to take dividends in the form of newly issued, fully paid-up ordinary shares in the capital of Atrium rather than cash (the "**Scrip Dividend Programme**"). The Scrip Dividend Programme is valid until the next Annual General Meeting under the resolution adopted by the General Meeting on 15 June 2020.

In accordance with the Scrip Dividend Programme, shareholders were able to elect to receive all of their second quarter dividend of €cents 6.75 per ordinary share in the form of new shares instead of cash. On 2 July 2020, the Group announced that 38.9% of its shareholders elected for the Scrip Dividend Alternative for the second quarter of 2020. As a result, on 8 July 2020 the Group issued 3,706,593 of new shares and distributed €15.6 million in cash.

## **COVID-19**

### **Update on trading since the onset of the COVID-19 pandemic**

Since the onset of the COVID-19 pandemic in the first quarter of 2020, shopping centres within Poland, the Czech Republic, Slovakia and Russia have faced government imposed trading restrictions. In each of these countries the restrictions excluded grocery stores/supermarkets, pharmacists/drugstores and other necessity services, which comprised 21% of the Group's GLA and 16% of the Group's base rental income.

Restrictions began to be lifted in early May 2020 and as at the date of this Base Prospectus, 92% of the Group's GLA and base rental income for Poland, Czech Republic and Slovakia is open. Including our reopened shopping centres in Russia, 89% of the Group GLA is open.

#### ***Poland***

In March 2020, the Polish government imposed rental and service charge relief as an option for tenants during the period of closure, subject to a mandatory lease extension of six months plus the length of time the unit was under enforced closure. On 4 May 2020 the restrictions were eased and all shopping malls were able to reopen.

Since then, the restrictions have been lifted on the majority of the tenants and 91% of the Group's GLA in Poland is open as of the date of this Base Prospectus.

As of 30 June 2020, the Group estimated that the vast majority of the tenants will apply for the relief option. The actual take-up of the relief by the tenants as at 10 September 2020 was approximately 90% of GLA.

#### ***The Czech Republic***

In May 2020, the Czech government approved a rent subsidy programme for businesses that were affected by the pandemic and, where relevant, restrictions were enforced. The state agreed to pay 50% of their rent for the period from 1 April until 30 June 2020, capped up to 10 million CZK per tenant. The tenant would pay to the landlord 20% of its rent and the remaining 30% would be waived by the landlord. Tenants that choose not to participate in the rent subsidy programme are able to defer rental payments during the enforced closed period until December 2020.

On 11 May 2020, the restrictions were eased and all shopping malls were able to reopen. As such, 93% of the Group's GLA in the Czech Republic is open as at the date of this Base Prospectus.

As of 30 June 2020, the Group estimates that approximately 70% of tenants will utilise the rent subsidy program.

#### ***Slovakia***

In June 2020, the Slovakian government approved a rent subsidy programme for businesses that were affected by the pandemic. Landlords are expected to provide rent discounts in order to be able to benefit from the subsidy scheme. The financial compensation will be equal to the amount of the discount up to the maximum of 50% of rent for the rent period affected by the restrictions. If the discount is lower than 50%, the remaining part of the rent due will be repaid throughout the period of maximum of 48 months in 48 equal monthly repayments. Tenants that choose not to participate in the rent subsidy programme can defer rental payments during the enforced closed period until December 2020.

Following the easing of restrictions on 20 May 2020, allowing all shopping malls to reopen, 99% of the Group's GLA in Slovakia is operational as at the date of this Base Prospectus.

As of 30 June 2020, the Group estimates that the vast majority of the tenants will utilise the rent subsidy programme.

#### ***Russia***

The government has announced that rents for the closed period and 50% of the rent from the period of

reopening until October 2020 can be deferred to 2021-2023.

In addition, a new law came into force in Russia in June 2020 for tenants from small and medium size business who are operating in sectors of the Russian economy that have been most affected by the COVID-19 pandemic (less than 25% of Atrium's tenants). It allows them to ask for rent discounts for up to one year under a lease agreement concluded before the adoption by the government of a high-alert regime. Based on the new law, if within fourteen days from the tenant's request the tenant and landlord do not reach an agreement about rent reduction, the tenant has the right until 1 October 2020 to terminate the contract. In this case, there will be no penalty for termination and the landlord is entitled to keep the deposit.

Between 1 June 2020 and 1 August 2020, the restrictions were gradually eased throughout Russia, allowing shopping malls to reopen. As at the date of this Base Prospectus, six of Atrium's seven centres in Russia (79% of GLA) are open and one centre remains closed.

### ***Action taken by Atrium***

In response to the COVID-19 pandemic, the Group responded proactively and quickly, putting the following action plan in place:

#### Liquidity and cash conservation:

Significant reduction in non-essential capital expenditure of approx. €15 million for 2020, €3 million reduction in operational costs and €2 million in administrative costs;

Approximately €60 million planned investment in redevelopments for 2020 postponed to 2022/2023;

Bond buy back of €217.8 million of the outstanding bonds due 2022 and issuance of €200 million of notes due in 2025, resulting in an extension of the Group's average debt maturity to five years and average cost of debt 2.9%; and

A voluntary Scrip Dividend Alternative for each of Q2, Q3 and Q4 2020 dividend distributions was announced on 29 May 2020 and approved in an extraordinary general meeting on 15 June 2020. As a result, the Group conserved cash of €9.9 million for Q2 dividend.

#### Secure occupancy and tenant mix

Proactive asset management initiatives, such as short term tenant support in exchange for lease extensions, click and collect incorporation in turnover rent amongst others; and

Protect health and safety of employees, tenants and consumers and implementation of health and safety measures in order to build up consumer confidence and ensure safe shopping.

### ***Liquidity and financial overview***

A cash balance of €53 million as at 11 September 2020, €234 million unutilised credit facilities;

Next bond repayment of €242 million in October 2022;

72%/€1.8 billion of unencumbered standing investments; and

Net LTV of 36.1% with 5 years average bonds and loans maturity as at 30 June 2020.

### ***The Group operational performance was impacted by the pandemic***

Footfall and sales are gradually recovering to pre-COVID-19 levels as consumers gain confidence in the public health measures that have been taken. Sales improved from 9% in April 2020 to 82% (excluding Russia) in July 2020 while weekly footfall levels moved from 66% year on year at the end of May 2020 to 75% in last week of July 2020.

In countries where shopping centres were opened in May 2020, footfall is generally trading at 70 -80% of the same period last year. In Russia, where most of Atrium's shopping centres have opened in June and July, footfall in the last week of July was 75% versus last year. Urban centres are still lagging in terms of footfall and sales compared to other centres. Another notable trend is the higher conversion rates and average basket, with sales decreasing less than footfall.

**Group NRI** decreased by €21 million in the first half of 2020, including a €12 million impact of COVID-19 (relating mainly to the rent and service charge relief imposed by the government in Poland for the lockdown period) and a €10 million impact of net disposals.

**EBITDA** decreased by 24.4% to €61.6 million while EBITDA margin remained relatively stable, reflecting the Group's action plan to reduce administrative expenses and apply cost savings initiatives.

**Collection rate**<sup>11</sup> for the first six months of non-deferred invoices issued was at 87% as at 31 August 2020, with 98% attributable to the first quarter of the year invoices and 72% to second quarter invoices.

## **Corporate Structure**

Atrium is the holding company of the Group and, through the Board of Directors, its main functions include the overall strategic management of the Group, the determination of the objectives and strategies of the Group, central co-ordination of the activities of the Group Companies and central allocation of resources and monitoring of Group activities.

As at the date of this Base Prospectus, Atrium had a total of 91 subsidiaries. The Group Companies comprise real estate holding companies and management companies in all of the countries in which the Group has its operations or assets, and intermediate holding companies established in other jurisdictions. Atrium does not directly hold properties. Generally, the purpose of each real estate holding company within the Group is to hold one or more properties of the Group in the relevant country.

### ***Description of the Group's Operational Activities***

Atrium is a leading owner, operator and redeveloper of shopping centres and retail real estate in Central Europe, predominantly in Poland and the Czech Republic. Atrium specializes in locally dominant food, fashion and entertainment shopping centres in strong urban locations.

As at 30 June 2020, the Group owned and operated 26 retail properties and shopping centres (one is externally managed) ("**Standing Investments**") with a market valuation of €2.5 billion and 808,100 sq. m. of GLA (including a 75% stake in assets held in Joint Ventures and excluding five assets in Poland classified as held for sale as at 30 June 2020 which were sold in July 2020 for €32.0 million) and owned a redevelopment and land portfolio ("**Redevelopments and Land**"), with a market valuation of €265.5 million.

The Group's business is divided into two segments: (i) Standing Investments and (ii) Redevelopments and Land. The Standing Investments segment comprises the leasing, operation and management of the Group's income-yielding portfolio.

Twenty-four of the assets owned by the Group as at 30 June 2020 were shopping centres, sixteen of which were large scale centres of over 30,000 sq. m. of GLA, while the other eight ranged in size from between 10,000 sq. m. and 30,000 sq. m. of GLA. The two remaining assets are mainly smaller-scale properties leased to a variety of retailers ranging from food anchors to do-it-yourself ("**DIY**") stores. The Redevelopments and Land segment comprises the Group's development activities, including extensions to existing real estate within the Group's portfolio.

The Group plans to invest up to €400 million in its redevelopments projects by 2024 of which €168 million has already been invested as at 30 June 2020. The Group manages each of the two segments separately and dedicates key personnel to each sector.

As at 30 June 2020, the Group owned developments and land portfolio of €265.5 million compared to €266.1 million as at 31 December 2019. It comprises of €171.0 million (31 December 2019: €176.9 million) land, which Atrium continues to seek to monetise, mainly through sales, and €94.5 million (31 December 2019: €89.2 million), of redevelopments. In August 2020, Atrium sold a land plot in Lublin, Poland for € 5.9 million.

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<sup>11</sup> On a cash basis, excl. VAT and 75% stake in an asset held in Joint Ventures.

A key element of the Group's asset management strategy is to ensure that its centres have a healthy tenant mix that is relevant to its local environment and anchored by food, fashion as well as leisure and entertainment tenants. This increases the resilience of the portfolio by allowing it to both meet the everyday needs of consumers while at the same time be positioned as an attractive destination. This combination is fundamental to driving footfall, generating additional income and therefore value creation. We are able to maintain close working relationships with our tenants through our on-the-ground management teams, who are able to provide vital insight into each of our assets' local requirements and market dynamics.

As a result of the COVID-19 pandemic, the Group is in continuous dialogue with its tenants and is providing them short term support in exchange for lease extensions and incorporation of other favourable lease terms amendments.

### ***Property management***

Property management teams at the local level are dedicated to the management of properties in a given country, building relationships with incumbent tenants and providing insight into the local requirements and market dynamics at each of the Group's assets. With the exception of one, all of the Group's Standing Investments are currently managed by the Group's internal property management team. They are also responsible for managing tenants and the creation of the shopping and entertainment environment and monitoring compliance with regulatory requirements. The Group's property management approach is centered around personal and regular contact with tenants, marketing and local community involvement and facility management.

### ***Leasing***

The Group has experienced local leasing professionals within the property management teams in each country in which it operates. The task of the leasing teams includes, amongst others, keeping strong occupancy levels of all properties at 90-100% through renewals and re-lettings and monitoring the tenant mix to match the needs of the market and consumers. These teams work closely with the Group's current tenants as well as potential new tenants. These relationships also enable the Group to involve its tenants in the early stages of development or redevelopment of projects and thus, where appropriate, it actively approaches tenants from its network of existing relationships selected on the basis of analyses conducted in relation to the area in which a property may be situated. These initiatives often help in reducing the Group's leasing risk.

The Group employs a range of strategies to maintain a high occupancy rate. The leasing teams attempt to find the most successful and productive tenants in every segment, and draw on existing commercial relationships to generate market interest in its properties. In addition, the Group looks for those tenants who best complement the product range and mix for consumers in a specific location. The Group is also at times able to match the geographical expansion plans of its tenants with the Group's properties in the relevant areas. The Group's portfolio scale allows us to optimise occupancy by bundling together leases for properties which attract strong tenant demand with properties which attract relatively weaker demand.

### ***Acquisition process and disposals***

The Group continues the process of repositioning the portfolio towards high quality assets in well-connected strong urban locations within Poland and the Czech-Republic, the region's largest and strongest economies, and specifically in their respective capital cities of Warsaw and Prague.

Acquisitions of properties are initiated by the Group executive management, the Group acquisition department and local management. The Group is able to leverage its wider contacts in the retail and real estate industries in order to identify and pursue potential acquisition opportunities. The Group reviews and analyses all opportunities and where an opportunity reaches suitable investment criteria and following appropriate commercial, financial, tax, legal and technical diligence, approval is sought from the Board of Directors. Once such approval has been obtained, the acquisition is typically executed primarily by the Group Executive team and the appropriate teams located in the relevant countries. The Group continues to engage in acquisitions in furtherance of its strategy.

Disposals of properties are initiated by the Group in furtherance of its strategy when such properties no longer meet the Group's strategy and or investment criteria.

In February 2018, a 41,200 sq. m. portfolio of assets in Budapest, comprising the Atrium Euro Center, the Szombathely Family Center and adjacent Szombathely Praktiker building, was sold for €42.0 million, which effectively means that the Group exits Hungary.

In February 2018, Atrium sold its interest in the 18,800 sq. m. Futurum Shopping Centre in Brno, in the Czech Republic for €13.6 million.

In May 2018, the Group completed the disposal of Atrium Saratov in Slovakia for €10.3 million.

In July 2018, the Group completed the disposal of Atrium Militari shopping centre in Bucharest, Romania for €95 million.

Also during August and September 2018, the Group completed the disposal of the four residual assets in Hungary for €11.6 million.

In October 2018, the Group completed the acquisition of Wars Sawa Junior, a prime retail asset located in the heart of Warsaw, for a consideration of €301.5 million.

In June 2019, the Group completed the acquisition of King Cross Shopping Centre in Warsaw, for a consideration of €43 million.

In July 2019, the Group completed the sale of two shopping centres in Poland, Atrium Koszalin, in Koszalin and Atrium Felicity, in Lublin, for €298 million.

In January 2020, the Group completed the sale of Atrium Duben shopping centre in Zilina, Slovakia for €37.2 million.

In July and August 2020, the Group completed the sale of a portfolio of five secondary assets in Poland for €32.0 million.

The Group's focus remains on continuing the strategy of repositioning the portfolio towards large, high quality assets, in strong urban locations and capital cities; with an emphasis on Warsaw and Prague where Atrium has significant critical mass, and which are better placed to benefit from leveraging efficiencies and economies of scale.

The above transactions should be viewed in that light and have allowed Atrium to shift its weighting to the aforementioned cities.

### **Green Financing Framework**

In February 2020, Atrium launched its Green Financing Framework. The Green Financing Framework is expected to further support Atrium's sustainability strategy and enable Atrium to broaden its investor base. The Green Financing Framework is available at <https://aere.com/Files/OtherDocuments/AEREGreenFinancingFramework.pdf>.



## Description of the Portfolio

### Standing Investments

As at 30 June 2020, the Group's income producing portfolio comprised 26 operating assets with a total GLA of 808,100 sq. m. and a market valuation of €2.5 billion (excluding five assets in Poland classified as held for sale as at 30 June 2020 which were sold in July 2020 for €32.0 million) (see "Description of the Group's Operational Activities—Acquisition process and disposals" above).

As at 30 June 2020, 24 of Atrium's assets were shopping centres, sixteen of which were large scale centres of over 30,000 sq. m. of GLA, while the other eight ranged in size between 10,000 sq. m. and 30,000 sq. m. of GLA. The two remaining assets are mainly smaller-scale properties leased to a variety of retailers ranging from food anchors to DIY stores.

The Group's focus on the proactive asset management of its Standing Investments underpins its property management strategy. The Group reviews and analyses the existing property portfolio with the aim of identifying assets which require upgrading, refurbishment or extension, or to dispose of properties which do not continue to meet the Group's strategic investment objectives.

A full valuation is performed at year-end by external valuation companies in relation to all Standing Investments. On a semi-annual basis, key valuation inputs are reviewed by the external valuers to assess if any major changes have occurred within the asset that may have a material impact on value. A full update of a valuation of an asset is performed only if material changes in net annual rental income occurred during the period or when deemed necessary by management.

The following table provides an overview of the Group's portfolio of Standing Investments (including a break down for the countries in which the Group operates) as at 30 June 2020 and 31 December 2019 and 2018.

	As at 30 June	As at 31 December	
	2020	2019	2018
<b>No. of Standing Investments<sup>(1)</sup></b>		<i>(No. of properties)</i>	
<i>of which</i>			
<i>Poland</i> .....	15	15	22
<i>Czech Republic</i> .....	2	2	2
<i>Slovakia</i> .....	1	1	2
<i>Russia</i> .....	7	7	7
<b>Total</b> .....	<b>25</b>	<b>25</b>	<b>33</b>
<i>Investment in Joint Ventures (75%)</i> .....	1	1	1
<b>Total</b> .....	<b>26</b>	<b>26</b>	<b>34</b>

### Market Value<sup>(1)(2)</sup>

	<i>(€ in million)</i>		
<i>of which</i>			
<i>Poland</i> .....	1,644	1,695	1,956
<i>Czech Republic</i> .....	334	342	337
<i>Slovakia</i> .....	121	121	160
<i>Russia</i> .....	268	287	279
<b>Total</b> .....	<b>2,367</b>	<b>2,445</b>	<b>2,732</b>
<i>Investment in Joint Ventures (75%)</i> .....	176	180	174
<b>Total</b> .....	<b>2,543</b>	<b>2,625</b>	<b>2,906</b>

	As at 30 June	As at 31 December	
	2020	2019	2018
<b>Share of Group Portfolio by Market Value<sup>(1)</sup></b>		<i>(in %)</i>	
<i>of which</i>			
Poland.....	64.7%	64.6%	67.3%
Czech Republic.....	13.2%	13.0%	11.6%
Slovakia.....	4.7%	4.6%	5.5%
Russia.....	10.5%	10.9%	9.6%
<b>Total</b> .....	<b>93.1%</b>	<b>93.1%</b>	<b>94.0%</b>
Investment in Joint Ventures (75%).....	6.9%	6.9%	6.0%
<b>Total</b> .....	<b>100.0%</b>	<b>100%</b>	<b>100%</b>

	<i>(in sq. m.)</i>		
	<b>GLA<sup>(1)</sup></b>		
<i>of which</i>			
Poland.....	432	433	581
Czech Republic.....	61	61	61
Slovakia.....	47	47	69
Russia.....	239	238	240
<b>Total</b> .....	<b>779</b>	<b>779</b>	<b>951</b>
Investment in Joint Ventures (75%).....	29	30	30
<b>Total</b> .....	<b>808</b>	<b>809</b>	<b>981</b>

	<i>(in %)</i>		
	<b>Share of Group Portfolio by GLA<sup>(1)</sup></b>		
<i>of which</i>			
Poland.....	53.5%	53.5%	59.2%
Czech Republic.....	7.5%	7.6%	6.2%
Slovakia.....	5.8%	5.8%	7.0%
Russia.....	29.5%	29.4%	24.5%
<b>Total</b> .....	<b>96.4%</b>	<b>96.3%</b>	<b>96.9%</b>
Investment in Joint Ventures (75%).....	3.6%	3.7%	3.1%
<b>Total</b> .....	<b>100.0%</b>	<b>100%</b>	<b>100%</b>

	<i>(in %)</i>		
	<b>Net Equivalent Yield (including estimated rental income on vacant space)<sup>(2)(3)</sup></b>		
<i>of which</i>			
Poland.....	5.9%	5.7%	5.8%
Czech Republic.....	5.4%	5.3%	5.3%
Slovakia.....	6.7%	6.7%	6.8%
Russia.....	12.7%	12.8%	12.7%
<b>Portfolio Average</b> .....	<b>6.5%</b>	<b>6.4%</b>	<b>6.4%</b>

	<b>EPRA Net Initial Yield<sup>(2)(4)</sup></b>		
<i>of which</i>			
Poland.....	4.8%	5.3%	5.4%
Czech Republic.....	4.0%	5.3%	5.4%
Slovakia.....	4.3%	6.9%	6.8%
Russia.....	7.9%	12.3%	11.9%

	<u>As at 30 June</u>	<u>As at 31 December</u>	
	<u>2020</u>	<u>2019</u>	<u>2018</u>
<b>Portfolio Average</b> .....	<b>5.0%</b>	<b>6.2%</b>	<b>6.1%</b>

- (1) Excluding five assets in Poland classified as held for sale as at 30 June 2020 which were sold in July 2020 for €32.0 million and excluding €74.2 million representing these five assets in Poland and one asset in Slovakia classified as held for sale as at 31 December 2019.
- (2) Presented in the unaudited management accounts of Atrium.
- (3) Net Equivalent Yield is derived from the external valuation process and takes into consideration the current actual net rental income together with the external appraisers' assessment of potential future net rental income, occupancy and lease expiries.
- (4) EPRA Net Initial Yield is calculated as the annualised rental income less non-recoverable property operating expenses, divided by the market value of the property.

#### **Valuations of Investment properties as of 30 June 2020**

	<b>As at 30 June 2020</b>		
	<i>Market value</i>	<i>Revaluation</i>	Net Equivalent Yield
<b>Standing Investments</b> <sup>(1)</sup>	<i>(€ in thousands)</i>		%
<i>Warsaw</i> .....	980,904	(26,677)	5.3%
<i>Other Poland</i> .....	663,366	(26,882)	6.7%
<b>Poland</b> .....	<b>1,644,270</b>	<b>(53,559)</b>	<b>5.9%</b>
<i>Prague</i> <sup>12</sup> .....	408,219	(11,843)	5.3%
<i>Other Czech Republic</i> .....	101,735	(2,333)	6.0%
<b>Czech Republic</b>	<b>509,954</b>	<b>(14,176)</b>	<b>5.4%</b>
<i>Slovakia</i> .....	120,705	(68)	6.7%
<b>Subtotal</b> .....	<b>2,274,929</b>	<b>(67,803)</b>	<b>5.8%</b>
<i>Russia</i> .....	267,891	(20,078)	12.7%
<b>Total</b> .....	<b>2,542,820</b>	<b>(87,881)</b>	<b>6.5%</b>

The Group recognised a 3.3% or €87.9 million devaluation of income producing assets which is primarily due to yield expansion across the portfolio from 6.4% as at 31 December 2019 to 6.5% as at 30 June 2020. The balance is the temporary cash flow impact of COVID-19 tenant support. Warsaw and Prague demonstrated more resilience with a 2.7% devaluation. The devaluation for Russia was 7% reflecting the currency trends in the first half of the year in addition to the above.

As described in the “*Risk Factors*” chapter above, the uncertainty related to the COVID-19 pandemic has led to a significant reduction in the number of real estate transactions since February 2020 and has impacted the availability of reliable market data relating to conditions as at 30 June 2020. Due to limited available market data, a high degree of judgment has been applied in determining the estimated cash flows used in the assessment of the fair value of investment properties. Consequently, a higher level of uncertainty exists in the valuations than would normally be the case. The fair values as determined by external, independent real estate valuation experts as at 30 June 2020 have used all available information from reliable sources in developing appropriate assumptions to determine the fair value of investment properties.

The valuations are therefore reported as being subject to ‘material valuation uncertainty’ as set out in VPS 3 and VPGA 10 of the RICS Valuation – Global Standards. Consequently, less certainty and a higher degree of caution were attached to the valuation. Approximately 48% of the Standing Investments were valued

<sup>12</sup> Including a 75% stake in asset held for sale in joint ventures.

externally across all asset sizes, prime and secondary cities. The remaining standing investments portfolio was valued internally in line with yield changes and similar assumptions derived from the external valuation.

#### *Leases and occupancy*

Leasing activity can be divided into re-lettings, renewals and pre-lettings. Re-lettings relate to the leasing of an existing space - either previously occupied or vacant - to a new tenant, while renewals relate to extensions of existing leases. Pre-lettings relate to securing lease agreements for developments and extensions. The Group monitors rental levels at which the local leasing teams negotiate and conclude lease contracts. The rent levels for the Group's properties are driven by numerous interacting factors, including the attractiveness of the Group's properties (which in the Group's opinion is defined by: their micro-location and accessibility as well as footfall and catchment area), saturation of the local market, demand for retail space as a correlation to tenants' expansion plans on the respective markets, available levels of purchasing power, general economic trends and exchange rate fluctuations in the individual markets in which the property is located.

The occupancy cost ratio, which reflects the tenant's rental cost as a proportion of the tenant's turnover, can be affected by both external and internal factors. Externally, it may be impacted by fluctuations of the currency on which rent is based against the local currency in which the tenant generates turnover, but also by inadequate quality or attractiveness of tenants' offer translating into lower sales. A decrease in turnover as a result of a decrease in customer traffic may be an example of internal factor affecting the occupancy cost ratio. The asset management team dynamically monitors and analyses a range of macro and micro economic factors to determine whether rent levels are appropriate and that properties are not unduly over-rented or under-rented compared to the estimated rental value ("ERV").

The Group's lease agreements vary from one market to another as a result of differences in the relevant legal regimes, which affect lease terms, terminations and annual rent increases, as well as market practice. Rental payments are typically divided into fixed base rent, service charge, marketing fee and turnover top up. Base rent, which is typically subject to annual index-linked increases, accounts for substantially most of the Group's revenue. Service charge covers the cost of running the property and is reflected in the operating margin. Marketing fees are often paid separately is part of the operating expenses focused on generating footfall and sales. Turnover rent is linked to the sales generated by the tenant. Typically, this is incremental to the base rent, with exception to some anchor tenants, which exclusively pay turnover rent (without a minimum rent). Where strategically reasonable, the leasing teams seek to negotiate contractual improvements even in circumstances where a particular lease is not due for renewal. Further, as part of the negotiation process, some lease incentives which include an initial rent-free period, step rent or a fit-out contribution may be provided to anchor tenants.

The Group focuses on occupancy rate as a one of the key performance indicators of its operations. The Group's target is to maintain the highest possible occupancy rates across its various assets and it achieves these through certain ongoing asset management initiatives and building relationships with tenants. EPRA Best practice recommendations provide for a vacancy definition based on the ERV of vacant units divided by the ERV of the whole portfolio. The following table sets out the Group's occupancy rate (excluding five assets in Poland classified as held for sale as at 30 June 2020 and as at 31 December 2019 and one asset in Slovakia classified as held for sale as at 31 December 2019) (see "*Description of the Group's Operational Activities—Acquisition process and disposals*" above) defined as 100% less EPRA vacancy.

	As at 30	As at 31 December	
	June 2020	2019	2018
<b>occupancy rate<sup>(1)</sup></b>		<i>(in %)</i>	
<i>of which</i>			
<i>Poland</i> .....	95.4%	97.6%	96.2%
<i>Czech Republic</i> .....	94.7%	96.7%	99.6%
<i>Slovakia</i> .....	99.4%	100.0%	99.2%
<i>Russia</i> .....	95.3%	94.9%	94.5%
<b>Average</b> .....	<b>95.4</b>	<b>97.0</b>	<b>96.6</b>
	<b>%</b>	<b>%</b>	<b>%</b>

- (1) Best practice recommendations provide for a vacancy definition based on ERV of vacant units divided by the ERV of the whole portfolio. The occupancy rate shown above is therefore defined as 100% less EPRA vacancy.

As a result of the COVID 19 pandemic the Group is in continuous dialogue with its tenants and is providing them short term support in exchange for lease extensions and incorporation of other favorable lease terms amendments. As at 30 June 2020, the Group EPRA occupancy rate remains strong at 95.4%.

#### *Lease expiries*

As at 30 June 2020, the percentage of lease agreements with a remaining contract term of more than five years (based on lease expiry date) was 36.8%, as compared to 32.1% as at 31 December 2019. As at 30 June 2020 and 31 December 2019, the average portfolio lease length (based on lease expiry date and excluding break clauses) was 5.3 years.

Due to COVID-19 pandemic, the Polish legislation allowed tenants to ask for rent relief in exchange for six months lease extensions plus the length of time the unit was under enforced closure. Tenants support given in exchange of lease extensions are expected to extend the average lease duration. The strategy to achieve lease extensions and break option cancellations in exchange for incentives has been adopted also in other markets (e.g. Czech Republic and Russia).

These percentages are calculated using annualised rental income (“ARI”). Additionally, the lease maturities are well spread between the years 2020 and 2024. This provides the Group with a high degree of visibility as to likely future cash flows over the coming years. On the basis of ARI calculated as at 30 June 2020, the expiry schedule of existing lease agreements are as detailed in the following table.

<b>Lease expiry schedule</b>	<b>% of ARI</b>
2020 .....	11.3 %
2021 .....	12.2 %
2022 .....	11.1 %
2023 .....	18.1 %
2024 .....	10.6 %
>2024 .....	34.1 %
Indefinite.....	2.7%
<b>Total</b> .....	<b>100%</b>

Some of the Group’s lease agreements with anchor and other tenants provide for break clauses after an initial tenancy period. The above lease expiry schedule does not factor in any break clauses that may exist in the Group’s lease agreements.

#### *Tenant mix*

The Group continually reviews the various Standing Investments based on a range of factors such as competition and catchment area metrics (including the area’s population demographics and spending patterns), with a view to targeting an optimal tenant mix. The Group defines optimal tenant mix in terms of the type of tenants, such as food retailers, fashion retailers or tenants operating entertainment facilities and restaurants, who would best complement the existing product range on offer at its properties and provide a suitable product mix for consumers in the relevant area. Improvements are implemented at natural points or breaks in the leasing cycle or when an opportunity arises that allows the Group to implement an improvement to the existing tenant mix. The Group, in order to deliver the best possible offer to the customers, redevelops and extends its strongest schemes by adapting the offer and tenant mix as well as asset functions to evolving consumer needs. Whereas the Group’s properties are substantially anchored by hyper/supermarkets, fashion tenants as well as Food & Beverage and entertainment occupiers play a vital role in building proper offer and answering to changing customer expectations. Comprehensive tenant-mix

drive footfall, whilst meeting the needs of the end-consumer in order to add long term value to Group's assets. Fashion and apparel retailers, taken together, represent the largest category of tenants based on ARI.

### ***Redevelopments and Land Portfolio***

As at 30 June 2020, Atrium's redevelopments and land portfolio was valued at €265.5 million. It comprises €171.0 million land, which Atrium continues to seek to monetise, mainly through sales, and €94.5 million of redevelopments. While in exceptional circumstances the Group will consider new developments, its primary focus is currently on this latter section where we continue to pursue our strategy of upgrading and extending proven assets which are already cash generative and therefore have a lower execution risk.

Over the course of the year we have continued to carefully assess which redevelopment projects have the most potential to add value to our portfolio. Our focus is towards growing and strengthening our portfolio in the largest and strongest cities and domestic economies of our region. The decision to redevelop a project is dependent on its location, size, the economic situation in the relevant city and country, competition and the overall risk profile.

By developing and extending its own properties the Group is able to ensure that its projects are constructed in accordance with its own designs and standards, with a view to maximise operational efficiency and optimise the use of space.

Atrium's redevelopment and extension pipeline delivered 20,000 sq. m. of prime new GLA to the Group's portfolio in 2018, while the Group's current expansion plans are expected to add up to approximately 50,000 sq. m. GLA to the Group's portfolio by the end of 2024 primarily in Warsaw. To achieve this, the Group plans to invest up to €400 million in total with €168 million spent up to 30 June 2020.

As a result of the COVID-19 pandemic, approximately €60 million of planned investment in redevelopments for 2020 were postponed to 2022/2023.

In addition, the Group continues to move forward on a number of strategic changes, to create future building rights on and adjacent to existing centres.

### **2019 Atrium Promenada**

In 2015, Atrium embarked on a major extension and modernisation of Atrium Promenada. The redevelopment will create a uniquely modern and interactive shopping centre that stands out as a landmark destination on the right-bank of Warsaw. The enhanced and extended Atrium Promenada is expected to be completed in 2023/24. Numerous amenities for customers are being introduced in response to Atrium's analysis of the changing needs of Warsaw residents and the evolving requirements of retailers and consumers.

**Stage 1** was completed in October 2016 and **Stage 2** opened in October 2018 and comprised the introduction of a brand-new food court area, double shop fronts and a refurbished Fountain Alley. Following these two stages, the total GLA of Atrium Promenada increased to 63,300 sq. m.

The next extension phases will bring additional retail, leisure and Food & Beverage and will commence when sufficient pre leases are secured. When the final phases of the redevelopment are complete in 2023/24, this dominant mixed use asset will have been increased by c. 35,000 sq. m. and will total over 100,000 sq. m. of GLA.

### **Arkady Pankrac**

Arkady Pankrac is a modern, dominant fashion centre, well located in a developing office neighbourhood of Prague, with convenient access to a metro line.

The development of several office buildings in the area brought approximately 5,000 new office employees into the district. As a result, and in response to competition and changes in catchment, the Group has committed to improve the offer and experience of Arkady Pankrac. The redevelopment programme aims

to upgrade and extend the food court, in order to increase and improve the food and beverage offer. In addition, there will also be a repositioning of over twenty fashion concepts to bring the latest offering to the centre.

### **Atrium Palac Pardubice**

Palac Pardubice is a dominant retail and entertainment centre in the region. As such, the Group is committed to further improving the offering and experience of this key centre.

In order to achieve this, the Group has undertaken or is in the process of undertaking a number of initiatives, including the recent refurbishment and expansion of the existing food court. The Group has also purchased an adjacent TESCO department store which it plans to redevelop into modern retail formats, allowing some tenants to upsize and improving the circulation in the centre. The redevelopment will also include a new smaller TESCO convenience supermarket, an electronics store and office space, adding approximately 8,500 sq. m. of new GLA.

### **Atrium Reduta**

Atrium Reduta is a family orientated 2 level shopping centre, located within a densely populated suburban office district of Warsaw.

In November 2018, new leisure facilities were added to the first floor comprising a 2,700 sqm 6 screen Cinema, together with a modern 1,500 sqm fitness centre.

The centre is now under refurbishment, with a new 6 unit foodcourt scheduled for opening in Q2 2021

### **Updated strategy**

On 10 December 2019, Atrium announced that it is considering a change in its strategic review in order to identify further growth opportunities with a focus on, amongst other things, leveraging the operating platform in Poland and the Czech Republic, continued execution of Atrium's asset rotation programme, densification of core retail assets and diversification into other classes of real estate, including focusing on residential for rent targeting the portfolio to become 40% residential and 60% retail. As part of this diversification strategy, Atrium has entered into an agreement which gives it the option to acquire the controlling stake in a future residential building with c. 900 apartments in the heart of Warsaw. The strategy is underpinned by strong macroeconomic fundamentals and urbanisation trends in major cities in Atrium's core geographies, particularly in Warsaw where there is a lack of good quality modern homes for rent to satisfy the rising levels of demand. On 25 February 2020, the Board of Directors endorsed the outcome of the aforementioned strategic review (see risk factor "*Risks related to change in strategy following a strategic review*").

## Directors of Atrium and Group Executive Management

### The Board of Atrium

The Board of Directors of Atrium (the “**Board**”) consists of five<sup>13</sup> directors (the “**Directors**”) who are:

<u>Name</u>	<u>Born</u>	<u>Function</u>	<u>Position held since</u>
Chaim Katzman <sup>(1)</sup> .....	1949	Chairman and Non-Executive Director	August 2008
Andrew Wignall.....	1964	Independent Non-Executive Director	March 2008
Neil Flanzraich.....	1943	Independent Non-Executive Director	April 2017
Lucy Lilley	1972	Independent Non-Executive Director	April 2018
David Fox	1958	Independent Non-Executive Director	May 2020

(1) Appointed by Gazit-Globe Ltd, or an affiliate thereof.

The independent directors have all been assessed as independent as at 11 September 2020. The following are short biographies of the members of the Board:

#### *Chaim Katzman*

Chaim Katzman is the founder, controlling shareholder and CEO of Gazit-Globe Ltd (TASE: GZT), a leading international real estate company listed on the Tel Aviv and New York Stock Exchanges. As the CEO Mr. Katzman leads global operations and affiliate and subsidiary activities and oversees approximately \$11 billion in assets (over 100 properties in over a dozen countries).

Mr. Katzman is also the Chairman of both Citycon Oyj (OMX: CTY), an owner, developer and operator of shopping centers in the Nordic and Baltic and market leader in the Nordic shopping center sector and Atrium European Real Estate (VSX/Euronext Amsterdam: ATR), a leading real estate company that owns, operates and develops shopping centers in central and eastern Europe. He is also the CEO and the Vice Chairman of Norstar Holdings Inc. (TLV: NSTR), the parent company of Gazit-Globe. Mr. Katzman was the Founder and Chairman of Equity One, Inc. (NYSE: EQY), a leading supermarket anchored shopping center REIT focused on urban communities which merged in 2017 with Regency Centers (NYSE: REG) forming a leading shopping center REIT, included in the S&P 500, where Mr. Katzman was the Vice Chairman. Mr. Katzman also previously served as Chairman of First Capital Realty Inc. (TSX: FCR), a leading Canadian real estate company.

Mr. Katzman is a well-known civic leader, philanthropist and supporter of numerous organizations. In 2011, he founded the Gazit-Globe Real Estate Institute at Israel’s Interdisciplinary Center (IDC) Herzliya, an academic and research program focused on innovation and entrepreneurship in the real estate sector that offers a master’s degree in real estate with concentrations in housing, land use and real estate finance.

A pioneer of the investment and development industry, Mr. Katzman is a member of the International Council of Shopping Centers (ICSC), the National Association of Real Estate Investment Trusts (NAREIT), the Real Estate Roundtable and the Association of Foreign Investors in Real Estate (AFIRE), and a Trustee of the Urban Land Institute (ULI). Mr. Katzman was the recipient and winner of the Ernst & Young Entrepreneur Of The Year® 2010 Award in the Real Estate and Construction Services Category in Florida. Mr. Katzman is also the honorary President of the Larger Than Life Foundation.

Mr. Katzman received an LL.B. from Tel Aviv University Law School and serves as a Trustee on the Board of Governors at Tel-Aviv University.

#### *Andrew Wignall*

Andrew Wignall is an independent non-executive director appointed to the Board in March 2008. Mr. Wignall is a Fellow of the Institute of Chartered Accountants in England and Wales, having qualified with Ernst & Young in 1988, where he worked as an auditor primarily with financial services clients. In 1996

<sup>13</sup> Rachel Lavine retired from the Board of Directors as of 24 July 2019.



he was a founding director of Moore Management Limited (“**Moore**”) and since leaving Moore in 2007, Mr. Wignall has acted as an independent non-executive director of a number of private equity, real estate and other alternative fund structures. Mr. Wignall is authorised by the Jersey Financial Services Commission to act as a director of such structures and from 2004 to 2011 was a committee member of the Jersey Funds Association.

#### ***Neil Flanzraich***

Neil Flanzraich is an independent non-executive director appointed to the Board in April 2017. Mr. Flanzraich is Executive Chairman of Cantex Pharmaceuticals, Inc., a privately-owned pharmaceutical company developing medicines for cancer. He is also the Executive Chairman of the Board of Directors of Alzheon, Inc., a privately owned biopharmaceutical company developing disease modifying treatments for Alzheimer’s Disease. Mr. Flanzraich has significant experience leading both public and private pharmaceutical and biotech companies. Mr. Flanzraich also serves as an Expert-in-Residence for an in Entrepreneurship program at Harvard University. He has served as a member of the board of directors of numerous public companies listed on the NYSE or other American stock exchanges. He is the Lead Independent Director of Chipotle Mexican Grill, Inc. (CMG: NYSE), a fast casual restaurant chain, and was also the Lead Independent Director of Equity One Inc., until its acquisition by Regency Centers in April, 2017. Mr. Flanzraich has a BA from Harvard College (Phi Beta Kappa, Magna Cum Laude), and a JD from Harvard Law School (Magna Cum Laude).

#### ***Lucy Lilley***

Lucy Lilley is a chartered surveyor and independent non-executive director appointed to the Board in April 2018. She serves as a non-executive director for a number of real estate companies and funds. Based in Jersey since 2010, Mrs. Lilley was Director and Fund Manager of Schroder Real Estate Managers (Jersey) Limited until September 2015. Prior to that, she was Portfolio Manager with Land Securities. Mrs. Lilley specialised in shopping centres and shopping parks between 2004 and 2015 and has a background in commercial property asset management, portfolio management and fund management. Mrs. Lilley is a Member of the Royal Institution of Chartered Surveyors, the Investment Property Forum, Revo (the British Council of Shopping Centres) and IoD.

#### ***David Fox***

David Fox is an independent non-executive director appointed to the Board in May 2020.

Mr. Fox was a member of the Global Executive Management Committee of Kirkland & Ellis and a senior partner until 2019. During this time, he played a pivotal role in the leadership, culture and success of the firm.

Prior to that, Mr. Fox spent 25 years with Skadden Arps where he was a member of its top governing committee and one of the firm’s most senior partners.

Mr. Fox has been the recipient of numerous industry recognitions, including The Deal’s inaugural “M&A Lifetime Achievement” award, and has been consistently ranked among the top tier for M&A and corporate governance in all of the major legal directories.

Mr. Fox is a member of the board of directors at the Park Avenue Armory and an advisory member of the board of New Alternatives for Children. In addition, Mr. Fox is on the board of governors and an honorary fellow of the Hebrew University, Jerusalem. He is also a director of Israel Discount Bank of New York and MediWound, Ltd.

Mr. Fox holds a degree from Hebrew University of Jerusalem School of Law, LL.B.,

Mr. Fox currently lives in New York with his wife and daughter.

Each Director is subject to retirement at each annual general meeting of Atrium unless re-elected or deemed to be re-elected.

The Directors may be reached at Atrium’s principal office at Channel House, Green Street, St Helier, Jersey JE2 4UH, Channel Islands.

### **Group Executive Management**

The Group Executive Management team includes:

<b>Name</b>	<b>Born</b>	<b>Function</b>	<b>Mandate starts</b>
Liad Barzilai.....	1978	Group Chief Executive Officer	February 2017
Ryan Lee .....	1968	Group Chief Financial Officer	April 2015
Scott Jonathan Dwyer .....	1964	Group Chief Operating Officer	October 2017
Graham Kilbane .....	1965	Group Chief Development Officer	October 2017
Evaristo Paez Rasmussen	1974	Chief Investment Officer	March 2020

The following are short biographies of the members of the Group Executive Management team showing their experience in the industry in which the Group operates and related business areas:

#### ***Liad Barzilai***

*Group Chief Executive Officer*

Liad was appointed as Group Deputy Chief Executive Officer on 21 December 2016 and took over the role of Group Chief Executive Officer on 23 February 2017.

Liad was previously with the Atrium Group from 2008 until November 2015, latterly in the position of Group Chief Investment Officer responsible for the Group’s pipeline of acquisitions and divestments, and from November 2015 until his appointment to Atrium held the role of Chief Investment Officer with Gazit-Globe.

Liad has a B.A. in Business Economics & Management from Guilford Glazer School of Business & Management, Ben-Gurion University and an MBA from Reccanati Business School, Tel Aviv University.

#### ***Ryan Lee***

*Group Chief Financial Officer, also responsible for Compliance, Corporate Legal, HR and IT*

Ryan joined the Group in February 2015 and was appointed as Group Chief Financial Officer in April 2015.

A chartered accountant with 30 years of international financial experience, prior to joining Atrium Group Ryan spent 6 years in senior roles in central and eastern Europe based Private Companies. In addition, he previously held various international senior and board level financial roles with Japan Tobacco International and Unilever plc and its group subsidiaries from 1990-2009.

Ryan has a Bachelor’s degree in Law and Italian from the University of Wales, Cardiff.

#### ***Scott Jonathan Dwyer***

*Group Chief Operating Officer from 1 October 2017*

Scott is responsible for all operational aspects of the business including asset management, leasing, marketing, innovation and sustainability. He joined Atrium in 2014 initially as CEO of the Polish operations where he initiated Atrium’s major redevelopment and extension programs across the Polish portfolio. In October 2017, he was promoted to the Group COO position. Originally from Australia, Scott has more than 20 years’ experience in the central and eastern Europe real estate market having held senior positions at Unibail Rodamco, ING Real Estate and Heitman International. Scott has a Bachelor of Business from UTS Sydney.

### **Graham Kilbane**

*Group Chief Development Officer from 9 October 2017*

Graham has over 30 years of development and refurbishment experience gained throughout the UK and central and eastern European markets. He has completed over 300,000 sq. m. of commercial and mixed-use projects and has extensive real estate experience throughout each stage of the development process. Having joined Atrium from Meyer Bergman, Graham previously ran the Polish development companies for GE Golub and Avestus.

Graham has a Bachelor of Science degree in Estate Management from the Trent University of Nottingham and he is a professional associate of the Royal Institution of Chartered Surveyors.

### **Evaristo Paez Rasmussen**

*Chief Investments Officer from 1 March 2020*

Evaristo started working for Atrium in September 2009 as Chief Development Officer for Turkey, Bulgaria, Georgia & Ukraine. After the unwinding of Atrium's activities in these countries, Evaristo was responsible for selling assets, liquidating the legal entities and closing the books. Evaristo has been based in Warsaw since 2015, coordinating very successfully all the disposals and acquisitions for Atrium Group.

The Group Executive Management may be reached at Atrium's principal office at Channel House, Green Street, St Helier, Jersey JE2 4UH, Channel Islands.

### **Conflict of Interests**

Save as disclosed in this section, in note 2.38 (*Transactions with Related Parties*) of the Annual Report for the year ended 31 December 2019, beginning on page 108 thereof, and note 2.16 of the Interim Report for the six months ended 30 June 2020, beginning on page 35 thereof, Atrium is not aware of any potential conflicts of interest between any duties owed by the Directors or Group Executive Management team to Atrium and their private interests or other duties.

The Directors appointed by Gazit-Globe Ltd, or an affiliate thereof (the "**Investor Parties**") may be conflicted from involvement in decisions by Atrium in relation to matters in which the interests of the Investor Parties may not be aligned with those of Atrium or of its other shareholders. Such decisions may need to be taken by the Directors who are independent of the Investor Parties. Under the Articles, a Director appointed by the Investor Parties shall not be entitled to vote on a resolution to approve:

1. a transaction (other than a transaction of a revenue nature in the ordinary course of business) between Atrium and the party who appointed such Director;
2. an arrangement pursuant to which Atrium and such appointing party each invests in, or provides finance to, another undertaking or asset; or
3. any other similar transaction or arrangement (other than a transaction of a revenue nature in the ordinary course of business) between Atrium and any other person the purpose and effect of which is to benefit such appointing party.

## Major Shareholders

The following table sets forth the ownership of Atrium's Shares, as at 24 August 2020 (being the latest practicable date prior to the publication of this Base Prospectus), in so far as it is known to Atrium, for each shareholder or group of affiliated shareholders who currently own 5% or more of the shares in Atrium.

<u>Shareholders</u>	<u>Number of Shares</u>	<u>% of stated capital</u>
Gazit-Globe Ltd <sup>(1)</sup> .....	260,205,096	68.19
Others .....	121,378,405	31.81
<b>Total</b> .....	<b>381,583,501</b>	<b>100</b>

(1) Gazit-Globe Ltd holds shares in Atrium through intermediate holding companies.

Gazit-Globe Ltd, a company organised in the state of Israel, is controlled by Mr Chaim Katzman, Chairman of the Board of Atrium.

None of the shareholders will have voting rights which differ from any other holders of the Shares.

For so long as Gazit-Globe Ltd holds the required minimum combined investment in Atrium, it is entitled to appoint directors representing less than a majority of the Board of Directors and has certain consent rights over various business and operational matters of Atrium and information access rights. It is exempt from the requirement in the Articles of Atrium to make an offer for the remaining shares of Atrium notwithstanding that its shareholding has exceeded 30%. Otherwise Atrium is not directly or indirectly owned or controlled by another corporation. Atrium does not know of any arrangement that may, at a subsequent date, result in a change of control.

## DESCRIPTION OF ATRIUM FINANCE ISSUER B.V.

Atrium Finance Issuer B.V. was incorporated with limited liability under the laws of the Netherlands on 31 August 2020. The corporate seat (*statutaire zetel*) of Atrium Finance Issuer B.V. is in Amsterdam, the Netherlands and its registered office is at Strawinskylaan 1959, Tower I, 6th Floor, 1077 XX Amsterdam, the Netherlands and its telephone number is +31 20 718 4444. Atrium Finance Issuer B.V. is registered with the Commercial Register of the Chamber of Commerce under number 80192262.

Atrium Finance Issuer B.V. is a special purpose vehicle, whose objects are:

The objects of the company are:

- (a) to participate in, finance, collaborate with, and conduct the management of companies and other enterprises;
- (b) to provide advice and other services;
- (c) to acquire, use and/or assign industrial and intellectual property rights and real property;
- (d) to commit itself, provide security and grant guarantees for the debts of legal entities or other companies with which the company is affiliated or for the debts of third parties;
- (e) to borrow, lend and raise funds, including the issuance of bonds, promissory notes or other securities or evidence of indebtedness, and enter into agreements in connection with these activities;
- (f) to invest funds: and
- (g) to undertake all actions that are deemed to be necessary to the foregoing, or in furtherance thereof,

all in the widest sense of the words.

The issued and paid up capital of Atrium Finance Issuer B.V. is EUR 1, consisting of 1 share of EUR 1.00. The share of Atrium Finance Issuer B.V. is held by Atrium Finance Limited.

The proceeds of any Notes issued by Atrium Finance Issuer B.V. will be remitted to Atrium.

### **Directors**

The managing directors of Atrium Finance Issuer B.V. are Liad Barzilai, Molly Katz and Ryan Lee. The directors' address is the registered office of Atrium Finance Issuer B.V.

#### ***Liad Barzilai***

Liad was appointed as Group Deputy Chief Executive Officer of Atrium on 21 December 2016 and took over the role of Group Chief Executive Officer of Atrium on 23 February 2017.

Liad was previously with the Atrium Group from 2008 until November 2015, latterly in the position of Group Chief Investment Officer responsible for the Group's pipeline of acquisitions and divestments, and from November 2015 until his appointment to Atrium held the role of Chief Investment Officer with Gazit-Globe.

Liad has a B.A. in Business Economics & Management from Guilford Glazer School of Business & Management, Ben-Gurion University and an MBA from Recanati Business School, Tel Aviv University.

***Molly Katz***

Molly joined the Group in October 2015 and serves as Group Financial Controller and Head of Investor Relations of Atrium.

Molly was previously a financial controller at Alony Hetz Properties and Investments Ltd., one of Israel's largest holding real-estate companies traded in the stock market in Tel- Aviv.

Molly is a certified CPA, has a B.A. in Accounting and Economics and an MBA from Recanati Business School, both from the Tel-Aviv university.

***Ryan Lee***

Ryan joined the Group in February 2015 and was appointed as Group Chief Financial Officer of Atrium in April 2015.

A chartered accountant with 30 years of international financial experience, prior to joining Atrium Group Ryan spent 6 years in senior roles in central and eastern Europe based Private Companies. In addition, he previously held various international senior and board level financial roles with Japan Tobacco International and Unilever plc and its group subsidiaries from 1990-2009.

Ryan has a Bachelor's degree in Law and Italian from the University of Wales, Cardiff.

**Conflict of Interests**

There are no potential conflicts of interest between any duties to Atrium Finance Issuer B.V. of the managing directors of Atrium Finance Issuer B.V. and private interests or other duties of the managing directors of Atrium Finance Issuer B.V. or its managing directors.

The financial year of Atrium Finance Issuer B.V. coincides with the calendar year. The first financial year will end on 31 December 2020.

## DESCRIPTION OF ATRIUM FINANCE LIMITED

Atrium Finance Limited was incorporated in Cyprus on 19 February 2019 as a private limited liability company under the provisions of the Cyprus Companies Law, Cap. 113. Its registered office is at Griva Digeni & Chrysanthou Mylona, 1, Panayides Court, 3030, Limassol, Cyprus and its telephone numbers are +357 95953324 and +357 95988565. The corporate seat of Atrium Finance Limited is Limassol, Cyprus. Atrium Finance Limited is registered under number HE 394678.

Atrium Finance Limited is a wholly-owned subsidiary of Atrium.

The principal activity of Atrium Finance Limited is the provision of financing to the Group Companies and external borrowers as well as financial management activities.

As of 30 June 2020, the share capital amounted to EUR200 (31 December 2019: EUR200). The equity of Atrium Finance Limited amounted to EUR117.8 million as at 31 December 2019.

### **Directors**

The directors of Atrium Finance Limited are Liad Barzilai, Ryan Lee, Lyubov Musova, Maria Damianou and Panagiota Nikou. The directors' address is the registered office of Atrium Finance Limited.

#### ***Liad Barzilai***

Liad was appointed as Group Deputy Chief Executive Officer of Atrium on 21 December 2016 and took over the role of Group Chief Executive Officer of Atrium on 23 February 2017.

Liad was previously with the Atrium Group from 2008 until November 2015, latterly in the position of Group Chief Investment Officer responsible for the Group's pipeline of acquisitions and divestments, and from November 2015 until his appointment to Atrium held the role of Chief Investment Officer with Gazit-Globe.

Liad has a B.A. in Business Economics & Management from Guilford Glazer School of Business & Management, Ben-Gurion University and an MBA from Reccanati Business School, Tel Aviv University.

#### ***Ryan Lee***

Ryan joined the Group in February 2015 and was appointed as Group Chief Financial Officer of Atrium in April 2015.

A chartered accountant with 30 years of international financial experience, prior to joining Atrium Group Ryan spent 6 years in senior roles in central and eastern Europe based Private Companies. In addition, he previously held various international senior and board level financial roles with Japan Tobacco International and Unilever plc and its group subsidiaries from 1990-2009.

Ryan has a Bachelor's degree in Law and Italian from the University of Wales, Cardiff.

#### ***Lyubov Musova***

Lyubov joined the Group in September 2018 and since then has held a number of senior positions in the Group.

#### ***Maria Damianou***

Corporate and compliance administrator at Meritservus, a company providing financial and other services.

#### ***Panagiota Nikou***

Corporate and compliance administrator at Meritservus, a company providing financial and other services.

**Conflict of Interests**

There are no potential conflicts of interest between any duties to Atrium Finance Limited of the directors of Atrium Finance Limited and private interests or other duties of the directors of Atrium Finance Limited or its managing directors.

The financial year of Atrium Finance Limited coincides with the calendar year. The first financial year ended on 31 December 2019.



## TAXATION

The tax laws of the investor's Member State and of the Issuers' and the Guarantor's Member State of incorporation might have an impact on the income received from the securities. Prospective purchasers of Notes should consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of Notes and receiving payments of interest, principal and/or other amounts under the Notes and the consequences of such actions under the tax laws of those countries.

### **Taxation in Jersey**

Under the Income Tax (Jersey) Law 1961 (the "**Jersey Income Tax Law**"), Atrium is regarded as resident in Jersey but (being neither a financial services company nor a specified utility company under the Jersey Income Tax Law at the date hereof) will (except as noted below) be subject to Jersey income tax at a rate of zero per cent.

If any Jersey company derives any income from the ownership or disposal of land in Jersey, such income will be subject to tax at the rate of 20 per cent. It is not expected that Atrium will derive any such income.

Under the current law, Atrium will be able to make payments in respect of the Notes without any withholding or deduction for or on account of Jersey tax and Noteholders (other than residents of Jersey) will not be subject to any Jersey tax in respect of the holding, sale or other disposition of their Notes.

Noteholders (other than residents of Jersey) are not subject to any tax in Jersey in respect of the holding, sale or other disposition of Notes.

### ***Goods and services tax***

Atrium is an "international services entity" for the purposes of the Goods and Services Tax (Jersey) Law 2007 (the "**GST Law**"). Consequently, Atrium is not required to:

- (a) register as a taxable person pursuant to the GST Law;
- (b) charge goods and services tax in Jersey in respect of any supply made by it; or
- (c) (subject to limited exceptions that are not expected to apply to any Jersey Company) pay goods and services tax in Jersey in respect of any supply made to it.

### ***Stamp duty, inheritance taxes and capital gains taxes***

Under the current Jersey law, there are no death or estate duties, capital gains, gift, wealth, inheritance or capital transfer taxes. No stamp duty is levied in Jersey on the issue, transfer, acquisition, ownership, redemption, sale or other disposal of Notes. In the event of the death of an individual sole Noteholder, duty at rates of up to 0.75 per cent of the value of the Notes held may be payable on registration of Jersey probate or letters of administration which may be required in order to transfer or otherwise deal with Notes held by the deceased individual sole Noteholder.

### ***EU Common Reporting Standards Regulations***

In keeping with Jersey's policy of constructive international engagement and in line with steps taken by other relevant third countries, Jersey has implemented a system for automatic exchange of information from 1 January 2015 ("**EUSD Regulations**") in respect of payments of interest made to an individual beneficial owner resident in an EU Member State by a paying agent in Jersey. In addition, in 2014 Jersey also entered into an intergovernmental agreement with the UK (UK-Jersey IGA) which was often referred to as UK FATCA. Under the UK-Jersey IGA relevant financial information which was held in Jersey in respect of a person or entity resident in the UK for tax purposes was reported to HM Revenue and Customs. The EUSD Regulations and the UK-Jersey IGA were replaced in January 2016 by the Taxation (Implementation) (International Tax Compliance) (Common Reporting Standard) (Jersey) Regulations 2015 which implement the Common Reporting Standard for the Automatic Exchange of Financial Account Information published by the Organisation for Economic Co-operation and Development. This supports Jersey's commitment to international standards on transparency and is in accord with the signing of agreements for the automatic tax information exchange with the U.S. and the U.K.

### ***Economic substance***

With effect from 1 January 2019, Jersey implemented legislation to meet EU demands for companies to demonstrate economic substance in certain circumstances. As currently in force, the legislation does not apply to regulated collective investment funds, including the Issuer, who are exempt from its requirements. However, in November 2019, the Comptroller of Taxes indicated that legislative change is anticipated which may bring certain activities of the Issuer within the scope of legislation. The impact of this proposed change in legislation and the requirements that may be imposed on the Issuer are currently not clear.

### **Dutch Taxation**

The following summary outlines certain principal Dutch tax consequences of the acquisition, holding, redemption and disposal of Notes, but does not purport to be a comprehensive description of all Dutch tax considerations that may be relevant. For purposes of Dutch tax law, a holder of Notes may include an individual or entity who does not have the legal title of these Notes, but to whom nevertheless the Notes or the income thereof is attributed based on specific statutory provisions or on the basis of such individual or entity having an interest in the Notes or the income thereof. This summary is intended as general information only and each prospective investor should consult a professional tax adviser with respect to the tax consequences of the acquisition, holding, redemption and disposal of Notes.

This summary is based on tax legislation, published case law, treaties, regulations and published policy, in each case as in force as of the date of this Base Prospectus, and it does not take into account any developments or amendments thereof after that date whether or not such developments or amendments have retroactive effect.

This summary does not address the Dutch corporate and individual income tax consequences for:

- (a) investment institutions (*fiscale beleggingsinstellingen*);
- (b) pension funds, exempt investment institutions (*vrijgestelde beleggingsinstellingen*) or other Dutch tax resident entities that are not subject to or exempt from Dutch corporate income tax;
- (c) holders of Notes holding a substantial interest (*aanmerkelijk belang*) or deemed substantial interest (*fictief aanmerkelijk belang*) in Atrium Finance Issuer B.V. and holders of Notes of whom a certain related person holds a substantial interest in Atrium Finance Issuer B.V. Generally speaking, a substantial interest in Atrium Finance Issuer B.V. arises if a person, alone or, where such person is an individual, together with his or her partner (statutorily defined term), directly or indirectly, holds or is deemed to hold (i) an interest of 5% or more of the total issued capital of Atrium Finance Issuer B.V. or 5% or more of the issued capital of a certain class of shares of Atrium Finance Issuer B.V., (ii) rights to acquire, directly or indirectly, such interest or (iii) certain profit-sharing rights in Atrium Finance Issuer B.V.;
- (d) persons to whom the Notes and the income therefrom are attributed based on the separated private assets (*afgezonderd particulier vermogen*) provisions of the Dutch Income Tax Act 2001 (*Wet inkomstenbelasting 2001*);
- (e) entities which are a resident of Aruba, Curacao or Sint Maarten and that have an enterprise which is carried on through a permanent establishment or a permanent representative on Bonaire, Sint Eustatius or Saba and the Notes are attributable to such permanent establishment or permanent representative; and
- (f) individuals to whom Notes or the income there from are attributable to employment activities which are taxed as employment income in the Netherlands.

Where this summary refers to the Netherlands, such reference is restricted to the part of the Kingdom of the Netherlands that is situated in Europe and the legislation applicable in that part of the Kingdom.

### **Dutch Withholding Tax**

All payments made by Atrium Finance Issuer B.V. under the Notes may be made free of withholding or deduction for any taxes of whatsoever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority thereof or therein provided that the Notes do not in fact function

as equity of Atrium Finance Issuer B.V. within the meaning of article 10, paragraph 1, under d of the Dutch Corporate Income Tax Act 1969 (*Wet op de vennootschapsbelasting 1969*).

However, as of 1 January 2021 Dutch withholding tax may apply on certain (deemed) payments of interest made to an affiliated (*gelieerde*) entity of the Issuer if such entity (i) is considered to be resident of a jurisdiction that is listed in the yearly updated Dutch Regulation on low-taxing states and non-cooperative jurisdictions for tax purposes (*Regeling laagbelastende staten en niet-coöperatieve rechtsgebieden voor belastingdoeleinden*), or (ii) has a permanent establishment located in such jurisdiction to which the interest is attributable, or (iii) is entitled to the interest payable for the main purpose or one of the main purposes to avoid taxation of another person, or (iv) is a hybrid entity, or (v) is not resident in any jurisdiction, all within the meaning of the Dutch Withholding Tax Act 2021 (*Wet bronbelasting 2021*).

## **Corporate and Individual Income Tax**

### *Residents of the Netherlands*

If a holder of Notes is a resident of the Netherlands or deemed to be a resident of the Netherlands for Dutch corporate income tax purposes and is fully subject to Dutch corporate income tax or is only subject to Dutch corporate income tax in respect of an enterprise to which the Notes are attributable, income derived from the Notes and gains realised upon the redemption or disposal of the Notes are generally taxable in the Netherlands (at up to a maximum rate of 25%).

If an individual is a resident of the Netherlands or deemed to be a resident of the Netherlands for Dutch individual income tax purposes, income derived from the Notes and gains realised upon the redemption or disposal of the Notes are taxable at the progressive rates (at up to a maximum rate of 49.50%) under the Dutch Income Tax Act 2001, if:

- (a) the individual is an entrepreneur (*ondernemer*) and has an enterprise to which the Notes are attributable or the individual has, other than as a shareholder, a co-entitlement to the net worth of an enterprise (*medegerechtigde*), to which enterprise the Notes are attributable; or
- (b) such income or gains qualify as income from miscellaneous activities (*resultaat uit overige werkzaamheden*), which includes activities with respect to the Notes that exceed regular, active portfolio management (*normaal, actief vermogensbeheer*).

If neither condition (a) nor condition (b) above applies to the holder of the Notes, taxable income with regard to the Notes must be determined on the basis of a deemed return on savings and investments (*sparen en beleggen*), rather than on the basis of income actually received or gains actually realised. This deemed return on savings and investments is fixed at a percentage of the individual's yield basis (*rendementsgrondslag*) at the beginning of the calendar year (1 January), insofar as the individual's yield basis exceeds a statutory threshold (*heffingvrij vermogen*). The individual's yield basis is determined as the fair market value of certain qualifying assets held by the individual less the fair market value of certain qualifying liabilities on 1 January. The fair market value of the Notes will be included as an asset in the individual's yield basis. The deemed return percentage to be applied to the yield basis increases progressively depending on the amount of the yield basis. The deemed return on savings and investments is taxed at a rate of 30%.

### *Non-residents of the Netherlands*

If a person is neither a resident of the Netherlands nor is deemed to be a resident of the Netherlands for Dutch corporate or individual income tax purposes, such person is not liable to Dutch income tax in respect of income derived from the Notes and gains realised upon the redemption or disposal of the Notes, unless:

- (a) the person is not an individual and such person (1) has an enterprise that is, in whole or in part, carried on through a permanent establishment or a permanent representative in the Netherlands to which permanent establishment or a permanent representative the Notes are attributable, or (2) is, other than by way of securities, entitled to a share in the profits of an enterprise or a co-entitlement to the net worth of an enterprise, which is effectively managed in the Netherlands and to which enterprise the Notes are attributable.

This income is subject to Dutch corporate income tax at up to a maximum rate of 25%.

- (b) the person is an individual and such individual (1) has an enterprise or an interest in an enterprise that is, in whole or in part, carried on through a permanent establishment or a permanent representative in the Netherlands to which permanent establishment or permanent representative the Notes are attributable, or (2) realises income or gains with respect to the Notes that qualify as income from miscellaneous activities in the Netherlands which include activities with respect to the Notes that exceed regular, active portfolio management, or (3) is, other than by way of securities, entitled to a share in the profits of an enterprise that is effectively managed in the Netherlands and to which enterprise the Notes are attributable.

Income derived from the Notes as specified under (1) and (2) by an individual is subject to individual income tax at progressive rates up to a maximum rate of 49.50%. Income derived from a share in the profits of an enterprise as specified under (3) that is not already included under (1) or (2) will be taxed on the basis of a deemed return on savings and investments (as described above under "Residents of the Netherlands").

### **Gift and Inheritance tax**

Dutch gift or inheritance taxes will not be levied on the occasion of the transfer of the Notes by way of gift by, or on the death of, a holder of Notes, unless:

- (a) the holder of the Notes is, or is deemed to be, resident in the Netherlands for the purpose of the relevant provisions; or
- (b) the transfer is construed as an inheritance or gift made by, or on behalf of, a person who, at the time of the gift or death, is or is deemed to be resident in the Netherlands for the purpose of the relevant provisions.

### **Value Added Tax**

In general, no value added tax will arise in respect of payments in consideration for the issue of the Notes or in respect of a cash payment made under the Notes, or in respect of a transfer of Notes.

### **Other Taxes and Duties**

No registration tax, customs duty, transfer tax, stamp duty, capital tax or any other similar documentary tax or duty will be payable in the Netherlands by a holder in respect of or in connection with the subscription, issue, placement, allotment, delivery or transfer of the Notes.

### **Taxation in the Republic of Cyprus**

The following is a summary based on the tax laws and practices currently in force in the Republic of Cyprus regarding the tax position of investors beneficially owning their Notes and should be treated with appropriate caution. It does not purport to be a comprehensive analysis of all tax considerations relating to the Notes. Particular rules may apply to certain classes of taxpayers holding Notes. The summary does not constitute tax or legal advice and the comments below are of a general nature only. Prospective investors in the Notes should consult their professional advisers on the tax implications of the purchase, holding, redemption or sale of the Notes and the receipt of interest thereon under the laws of their country of residence, citizenship or domicile.

### ***General information on the taxation of the (additional) Issuer***

Notes may be issued by Atrium Finance Limited, a limited liability company incorporated under the (Cyprus Law) in February 2019 and being a part of Atrium group. Atrium Finance Limited is a 100% subsidiary of the Atrium ultimate parent company in Jersey.

The principal activities of Atrium Finance Limited include a broad range of financing activities, including providing financing to both internal (Atrium group) and external borrowers.

Atrium Finance Limited is part of the tax consolidation group (fiscal unity) in Cyprus which currently includes another Atrium group company and which may be potentially extended in future to include further entities. The terms and conditions of the current fiscal unity arrangement were confirmed with the Cypriot tax authorities in a tax ruling issued.

Atrium Finance Limited is a Cypriot tax resident since its effective management and control is exercised in Cyprus, it is *subject to corporate income tax in Cyprus at 12.5 per cent on its worldwide income, subject to applicable deductions and exemptions. In addition, Atrium Finance Limited should also be subject to Special Defence Contribution on certain passive types of income.*

Atrium Finance Limited activity is assumed to fall within VAT exempt activities.

### ***Tax residency***

#### ***Cyprus tax residency of a company***

In accordance with the Cyprus Income Tax Law, a company is a tax resident in Cyprus if its management and control is exercised in Cyprus. There is no definition in the Cyprus Income Tax Law as to what constitutes management and control however it is understood that the concept of “central management and control” followed by the Cyprus tax authorities is in line with such concepts applied in other common law countries and as it has developed through case law. The concept refers to the highest level at which the business of the company is controlled and the policy decisions of the directors are taken. This place is where the board of directors meet and take key management and commercial decisions.

#### ***Cyprus tax residency of an individual***

In accordance with the Cyprus Income Tax Law, an individual is resident for tax purposes in Cyprus when that person is present in Cyprus for a period or periods exceeding in aggregate 183 days in the tax year or can be considered a Cyprus tax resident if he/she spends at least 60 days in Cyprus in a tax year subject to meeting the following conditions:

- the individual is not a tax resident of another state;
- the individual does not stay for a period exceeding 183 days in aggregate in another state;
- the individual stays in Cyprus for at least 60 days within the tax year;
- the individual exercises any business in Cyprus and/or renders salaried services in Cyprus and/or holds an office in a Cyprus tax resident company at any time during the tax year;
- the individual maintains a permanent residence in Cyprus which the individual either owns or rents.

An individual is considered to be domiciled in Cyprus for the purposes of Special Contribution for the Defence if he/she has a domicile of origin in Cyprus per the Wills and Succession Law (with certain exceptions) or if he/she has been a tax resident in Cyprus for at least 17 out of the 20 tax years immediately prior to the tax year of assessment.

### ***Withholding tax***

Cyprus does not levy any withholding tax on interest payments made to persons not being resident for tax purposes of Cyprus (both legal entities and individuals) or to individuals who are tax residents of Cyprus but do not have a Cyprus domicile (as defined in the Special Contribution for the Defence Law).

Moreover, no withholding tax shall apply in Cyprus on interest paid by the company, which is a tax resident in Cyprus, to Cyprus tax resident lenders when the interest is considered as interest accruing from their ordinary course of business or interest income closely connected with the ordinary course of their business.

Any payment of interest which is not considered as interest accruing from the ordinary course of business or interest income closely connected with the ordinary course of business by the company, which is a tax resident in Cyprus, to Cyprus tax resident lenders (both legal entities and individuals that have a Cyprus domicile) shall be subject to Special Contribution for the Defence (“**Defence Tax**”) at the rate of 30% for legal entities and at the rate of 3% for individuals, whereby the company may be required to withhold such tax from the interest. Depending on the facts and circumstances of the case, the company may not need to act as the withholding tax agent.

### ***Stamp duty***

Cyprus levies stamp duty on every document if:

- (a) it relates to any asset situated in Cyprus; or
- (b) it relates to any matter or thing which is performed or done in Cyprus.

The stamp duty obligation arises irrespective of whether the document is executed in Cyprus or abroad.

Documents are subject to stamp duty in Cyprus at a fixed fee or based on the value of such document with a maximum amount of stamp duty of EUR 20,000 per instrument.

### ***Taxation of Cyprus tax resident Noteholders***

#### *Interest income accruing on the Notes*

In case the interest accruing to the Noteholders on the Notes is considered to arise in the ordinary course of their business or closely connected therewith, it should be subject to Income Tax in Cyprus. Such interest should not be subject to Defence Tax.

In case the Noteholder is an individual, the Personal Income Tax rates apply on the aggregated taxable income derived in the year of assessment at the rates progressively up to 35%;

In case the Noteholder is a legal entity, the applicable Corporate Income Tax rate is 12.5%.

In case the interest accruing on the Notes held by the Noteholders tax residents in Cyprus is considered to arise neither in the ordinary course of their business nor closely connected therewith, it should be exempt from Income Tax. However, the gross amount of such interest should be subject to Defence Tax at a rate of 30% for legal entities and 3% for individuals (provided they have Cyprus domicile).

Interest accruing to the individuals Noteholders (irrespective of their domicile) is also subject to National Health System (“**NHS**”) contributions at the rate of 1.70% from 1/03/2019 up to 29/02/2020 and from 1/04/2020 up to 30/06/2020 and at the rate of 2.65% from 1/03/2020 up to 31/03/2020 and as from 1/07/2020 onwards.

#### *Sale or other disposal of the Notes*

Profits from disposal of “titles” are exempt from Income Tax in Cyprus irrespective of whether they are of a trading or capital nature. “Titles” are defined in the Income Tax Law as “shares, bonds, debentures, founders’ shares and other securities of companies or other legal persons, incorporated under the law in the Republic of Cyprus or abroad and options thereon”.

In case the investment in the Notes made by Noteholders tax residents in Cyprus, is considered to be made in the ordinary course of their business, the resulting profit or loss arising upon future sale or other disposal (including early redemption) of the Notes should be exempt or non-deductible (as the case may be) for income tax purposes regardless of whether the investor is an individual or a legal entity. This conclusion is based on the assumption that the Notes meet the definition of a “title” as this is defined in the Cyprus Income Tax Law.

In case the investment in the Notes is not considered to be made in the ordinary course of business, the future sale or other disposal of the Notes should not be subject to the provisions of the Cyprus Income Tax Law regardless of whether the investor is an individual or a legal entity, since such sale or other disposal of the Notes should be considered as a capital transaction in nature. In such a case the sale or other disposal

of the Notes should be outside the scope of the capital gains tax in Cyprus, since capital gains tax only applies to the sale of immovable property situated in Cyprus, including the sale of shares in companies which are not listed on a recognised stock exchange and which directly or indirectly (subject to conditions in case of indirect ownership) own immovable property situated in Cyprus.

### ***Taxation of non-Cyprus tax resident Noteholders***

#### *Interest income accruing on the Notes*

No Cyprus tax implications should arise for persons who are non-Cyprus tax residents (individuals or legal entities who have no permanent establishment in Cyprus).

#### *Sale or other disposal of the Notes*

Any gain from the sale or other disposal (including early redemption) of the Notes realised by non-Cyprus tax residents (both individuals and legal entities who have no permanent establishment in Cyprus) should not be subject to the provisions of the Cypriot Income Tax Law.

### **The 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"** (as defined in FATCA) 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. The Issuers and the Guarantor may be foreign financial institutions for these purposes. A number of jurisdictions (including the Netherlands and the Republic of Cyprus) 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 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 payments on instruments such as the Notes, such withholding would not apply prior to the date that is two years after the date on which the final regulations defining **"foreign passthru payment"** are filed with the U.S. Federal Register and Notes characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal tax purposes that are issued on or prior to the date that is six months after the date on which final regulations defining **"foreign passthru payments"** are filed with the U.S. Federal Register generally would be **"grandfathered"** for purposes of FATCA withholding unless materially modified after such date. However, if additional notes (as described under *"Terms and Conditions of the Notes—Further Issues"*) that are not distinguishable from previously issued Notes are issued after the expiration of the grandfathering period and are subject to withholding under FATCA, then withholding agents may treat all Notes, including the Notes offered prior to the expiration of the grandfathering period, as subject to withholding under FATCA. Holders should consult their own tax advisers regarding how these rules may apply to their investment in the Notes. Even if in the future withholding may technically apply, a Holder may generally avoid such withholding if it complies with certain disclosure and, in some cases, FATCA registration procedures depending on the Holder's particular classification under FATCA. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, no person will be required to pay additional amounts as a result of the withholding.

### **The Proposed Financial Transactions Tax**

The European Commission has published a proposal for a Directive for a common financial transaction tax (**"FTT"**) in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the **"participating Member States"**). However, Estonia has since stated that it will not participate.

The proposed FTT has very broad scope and could, if introduced in its current form, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances.

Under current proposals the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Notes where at least

one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between the participating Member States and is the subject of legal challenge. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate. Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.



## SUBSCRIPTION AND SALE

Notes may be sold from time to time by each of the Issuers (other than Atrium Finance Limited) to any one or more of Citigroup Global Markets Europe AG, Citigroup Global Markets Limited, Deutsche Bank Aktiengesellschaft, HSBC Bank plc, ING Bank N.V., Morgan Stanley & Co. International plc and Raiffeisen Bank International AG (the "**Dealers**"), provided that Atrium Finance Limited will issue and sell any Notes issued by it to its sole shareholder at the time of the issuance of Notes by it and any provisions contained in this Base Prospectus shall be read subject to this restriction. The Issuers (other than Atrium Finance Limited) reserve the right to sell Notes to dealers other than the Dealers. The arrangements under which Notes may from time to time be agreed to be sold by the relevant Issuer to, and subscribed by, the Dealers are set out in a Dealer Agreement dated 24 September 2020 (the "**Dealer Agreement**") and made between the Issuers, the Guarantor and the Dealers. The Dealer Agreement makes provision for the resignation or termination of appointment of existing Dealers and for the appointment of additional or other Dealers either generally in respect of the Programme or in relation to a particular Tranche of Notes. If in the case of any Tranche of Notes the method of distribution is an agreement between the relevant Issuer, the Guarantor (if applicable) and a single Dealer for that Tranche to be issued by the relevant Issuer and subscribed by that Dealer, the method of distribution will be described in the relevant Final Terms as "**Non-syndicated**" and the name of that Dealer and any other interest of that Dealer which is material to the issue of that Tranche beyond the fact of the appointment of that Dealer will be set out in the relevant Final Terms. If in the case of any Tranche of Notes the method of distribution is an agreement between the relevant Issuer, the Guarantor (if applicable) and more than one Dealer for that Tranche to be issued by the relevant Issuer and subscribed by those Dealers, the method of distribution will be described in the relevant Final Terms as "**Syndicated**", the obligations of those Dealers to subscribe the relevant Notes will be joint and several and the names of those Dealers and any other interests of any of those Dealers which is material to the issue of that Tranche beyond the fact of the appointment of those Dealers (including whether any of those Dealers has also been appointed to act as Stabilisation Manager in relation to that Tranche) will be set out in the relevant Final Terms.

Any such agreement will, *inter alia*, make provision for the form and terms and conditions of the relevant Notes, the price at which such Notes will be subscribed by the Dealer(s) and the commissions or other agreed deductibles (if any) payable or allowable by the relevant Issuer or Guarantor in respect of such subscription.

**United States of America:** *Regulation S Category 2; TEFRA D or TEFRA C as specified in the relevant Final Terms or neither if TEFRA is specified as not applicable in the relevant Final Terms.*

The Notes have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States 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 certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S.

The Bearer Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the United States Internal Revenue Code and regulations thereunder.

Each Dealer has agreed that, and each further Dealer appointed under the programme will be required to agree that, except as permitted by the Dealer Agreement, it will not offer, sell or deliver Notes, (i) as part of its distribution at any time or (ii) otherwise until 40 days after the completion of the distribution of the Notes comprising the relevant Tranche, within the United States or to, or for the account or benefit of, U.S. persons, and such Dealer will have sent to each dealer to which it sells Notes during the distribution compliance period relating thereto 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.

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

### **Prohibition of Sales to European Economic Area and United Kingdom Retail Investors**

Unless the applicable Final Terms in respect of any Notes specifies the "*Prohibition of Sales to EEA and UK Retail Investors*" as "Not Applicable", or "Not Applicable, Key Information Document prepared", each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the applicable Final Terms in relation thereto to any retail investor in the EEA or in the United Kingdom. For the purposes of this provision:

- (d) the expression "**retail investor**" means a person who is one (or more) of the following:
  - (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended ("**MiFID II**")); or
  - (ii) a customer within the meaning of the Insurance Distribution Directive (Directive (EU) 2016/97), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

### **Selling Restrictions Addressing Additional United Kingdom Securities Laws**

Each Dealer has represented, warranted and agreed that:

- (e) **No deposit-taking:** in relation to any Notes having a maturity of less than one year:
  - (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business; and
  - (ii) it has not offered or sold and will not offer or sell any Notes other than to persons:
    - (A) whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses; or
    - (B) who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses,

where the issue of the Notes would otherwise constitute a contravention of Section 19 of the FSMA by the Issuers;

- (f) **Financial promotion:** it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuers; and
- (g) **General compliance:** it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

### **Jersey**

The Notes will not be regulated or authorised by either the JFSC or the Jersey Company Registry. Atrium has obtained all necessary consents, approvals, confirmations and authorisations in Jersey in connection with the issue and performance of the Notes. The JFSC has consented to the circulation of this Base Prospectus, to the extent necessary, by the Issuers. The Commission is protected by COBO, as amended, against liability arising from the discharge of its functions under COBO.

### **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**"). Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree,

that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer to sell any Notes in Japan or to, or for the benefit of, a resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident in Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, FIEA and other relevant laws and regulations of Japan.

### **The Netherlands**

Zero Coupon Notes (as defined below) in definitive form of an Issuer may only be transferred and accepted, directly or indirectly, within, from or into the Netherlands through the mediation of either such Issuer or a member firm of Euronext Amsterdam N.V. in full compliance with the Dutch Savings Certificates Act (*Wet inzake spaarbewijzen*) of 21 May 1985 (as amended) and its implementing regulations. No such mediation is required: (a) in respect of the transfer and acceptance of rights representing an interest in a Zero Coupon Note in global form, or (b) in respect of the initial issue of Zero Coupon Notes in definitive form to the first holders thereof, or (c) in respect of the transfer and acceptance of Zero Coupon Notes in definitive form between individuals not acting in the conduct of a business or profession, or (d) in respect of the transfer and acceptance of such Zero Coupon Notes within, from or into the Netherlands if all Zero Coupon Notes (either in definitive form or as rights representing an interest in a Zero Coupon Note in global form) of any particular Series are issued outside the Netherlands and are not distributed into the Netherlands in the course of initial distribution or immediately thereafter.

As used herein "**Zero Coupon Notes**" are Notes that are in bearer form and that constitute a claim for a fixed sum against the Issuer and on which interest does not become due during their tenor or on which no interest is due whatsoever.

### **Singapore**

This Base Prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Base Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act (Chapter 289) of Singapore (the "SFA")) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation which is not an accredited investor (as defined in Section 4A of the SFA) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

- (i) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- (ii) where no consideration is or will be given for the transfer;
- (iii) where the transfer is by operation of law;

- (iv) as specified in Section 276(7) of the SFA; or
- (v) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

### **General**

Each Dealer has represented, warranted and agreed that, and each further Dealer appointed under the Programme will be required to represent, warrant and agree that it has complied and will comply with all applicable laws and regulations in each country or jurisdiction in or from which it purchases, offers, sells or delivers Notes or possesses, distributes or publishes this Base Prospectus or any Final Terms or any related offering material, in all cases at its own expense. Other persons into whose hands this Base Prospectus or any Final Terms comes are required by the Issuers, the Guarantor and the Dealers to comply with all applicable laws and regulations in each country or jurisdiction in or from which they purchase, offer, sell or deliver Notes or possess, distribute or publish this Base Prospectus or any Final Terms or any related offering material, in all cases at their own expense.

Selling restrictions may be supplemented or modified with the agreement of the Issuers. Any such supplement or modification may be set out in a supplement to this Base Prospectus or in a Drawdown Prospectus.

## GENERAL INFORMATION

### Listing

1. The approval of the Programme is expected to take effect on 24 September 2020. Any Tranche of Notes intended to be admitted to trading on the regulated market of the Luxembourg Stock Exchange will be so admitted to trading upon submission to the Luxembourg Stock Exchange of the relevant Final Terms and any other information required by the Luxembourg Stock Exchange, subject to the issue of the relevant Notes.

However, Notes may be issued pursuant to the Programme which will not be admitted to listing, trading and/or quotation by Luxembourg Stock Exchange or any other listing authority, stock exchange and/or quotation system or which will be admitted to listing, trading and/or quotation by such other or further listing authorities, stock exchanges and/or quotation systems as the relevant Issuer and the relevant Dealer(s) may agree.

### Authorisation

2. The establishment of the Programme was authorised by a resolution of the Board of Atrium passed on 11 September 2020, by a resolution of the Board of Atrium Finance Issuer B.V. passed on 22 September 2020 and by a resolution of the Board of Atrium Finance Limited passed on 17 September 2020. Each of the Issuers and the Guarantor has obtained or will obtain from time to time all necessary consents, approvals and authorisations in connection with the issue and performance of the Notes and the giving of the Guarantee.

### Legal and Arbitration Proceedings

3. There are no governmental, legal or arbitration proceedings, (including any such proceedings which are pending or threatened, of which the Issuers or the Guarantor are aware), which may have, or have had during the 12 months prior to the date of this Base Prospectus, a significant effect on the financial position or profitability of the Issuers, the Guarantor or the Group.

### Significant/Material Change

4. Save as disclosed in the section of this Base Prospectus entitled "*Description of Atrium European Real Estate Limited and the Group – COVID-19*", there has been no significant change in the financial position or the financial performance of (i) Atrium or of the Group since 30 June 2020, or (ii) Atrium Finance Issuer B.V. since the date of its incorporation, or (iii) Atrium Finance Limited since 31 December 2019. Save as disclosed in the section of this Base Prospectus entitled "*Description of Atrium European Real Estate Limited and the Group – COVID-19*", there has been no material adverse change in the prospects of (i) Atrium since 31 December 2019, or (ii) Atrium Finance Issuer B.V. since the date of its incorporation, or (iii) Atrium Finance Limited since 31 December 2019.

### Material Contracts

5. There are no material contracts entered into other than in the ordinary course of Atrium's, Atrium Finance Issuer B.V.'s or Atrium Finance Limited's business, which could result in any member of the Group being under an obligation or entitlement that is material to Atrium's, Atrium Finance Issuer B.V.'s or Atrium Finance Limited's ability to meet its obligations to Noteholders in respect of the Notes.

### Auditors

6. PricewaterhouseCoopers CI LLP, who is registered with the Jersey Financial Services Commission as Recognised Auditors under Article 110 of the Companies (Jersey) Law, 1991, have independently audited, and rendered unqualified audit reports on the Atrium 2019 Financial Statements and Atrium 2018 Financial Statements. The audit reports have been included in this Base Prospectus through incorporation by reference.

PricewaterhouseCoopers CI LLP have reviewed the Atrium June 2020 Interim Financial Statements and rendered unqualified review report. The review report have been included in this Base Prospectus through incorporation by reference.

PricewaterhouseCoopers CI LLP reported that they have applied limited procedures in accordance with the professional standard applicable for a review of Atrium June 2020 Interim Financial Statements. However, their report states that they did not audit, and they do not express an opinion on such interim condensed consolidated financial statements. Accordingly, the degree of reliance on their report on such interim condensed consolidated financial statements should be restricted in light of the limited nature of the review procedures applied.

The review report issued by PricewaterhouseCoopers CI LLP includes the following emphasis of matter:

**“Emphasis of matter – significant estimation uncertainty in investment properties’ valuation**

In forming our conclusion on the interim financial statements, which is not modified, we have considered the adequacy of the disclosures made in notes 2.4 (COVID-19) to the interim financial statements. This note explains that there is significant estimation uncertainty in relation to the valuation of standing investments of €2.5bn included in the condensed consolidated statement of financial position as at 30 June 2020. The third party valuers engaged by management have included a material valuation uncertainty clause in their report. This clause highlights that less certainty, and consequently a higher degree of caution, should be attached to the valuation as a result of the COVID-19 pandemic.”

PricewaterhouseCoopers Ltd, who is registered with the Cyprus Public Audit Oversight Board under Sections 33 and 35 of the Cyprus Auditors Law of 2017 (53(I)/2017), as amended, have independently audited without qualification and in accordance with International Standards on Auditing, the financial statements of Atrium Finance Limited, prepared in accordance with IFRS as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113, for the financial period from 19 February 2019 (date of incorporation) to 31 December 2019.

The financial statements of Atrium Finance Issuer B.V. as of 31 August 2020, prepared in accordance with IFRS as adopted by the European Union, have been audited by PricewaterhouseCoopers Polska spółka z ograniczoną odpowiedzialnością Audyt sp. k. with its registered office in Warsaw at ul. Polna 11, 00-633 Warsaw. PricewaterhouseCoopers Polska spółka z ograniczoną odpowiedzialnością Audyt sp. k. is entered in the register of audit firms held by the National Council of Independent Auditors under entry No. 144.

**Documents on Display**

7. Copies of the following documents (together with English translations where the documents in question are not in English) may be inspected during normal business hours on any weekday (Saturdays and public holidays excepted), at the office of Atrium for 12 months from the date of this Base Prospectus:
  - (a) this Base Prospectus and any supplement to this Base Prospectus (and any documents incorporated by reference in such supplements);
  - (b) the Memorandum and Articles of Association of the Issuers and the Guarantor;
  - (c) Atrium 2019 Financial Statements, Atrium 2018 Financial Statements and Atrium June 2020 Interim Financial Statements;
  - (d) Atrium's Green Financing Framework;
  - (e) Atrium Finance Issuer 2020 Opening Financial Statements;
  - (f) Atrium Finance Limited 2019 Financial Statements;
  - (g) the Trust Deed (which contains the forms of Notes in global and definitive form);

- (h) the Agency Agreement; and
- (i) the Issuer-ICSDs Agreements.

The documents mentioned above in (a) to (i) are available on <https://www.aere.com/emtn.aspx> and <https://www.aere.com/financialresults.aspx>, respectively for at least ten years after their publication on the websites.

#### **Clearing of the Notes**

- 8. The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg. The appropriate common code and the International Securities Identification Number (ISIN) in relation to the Notes of each Tranche will be specified in the relevant Final Terms. The relevant Final Terms shall specify any other clearing system as shall have accepted the relevant Notes for clearance together with any further appropriate information. The Financial Instrument Short Name (FISN) and Classification of Financial Instruments Code (CFI Code) (where applicable) will be available on the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN.

#### **Legal Entity Identifier**

- 9. The Legal Entity Identifier ("LEI") code of Atrium is 213800OJ67K27RCO2J56.

The LEI code of Atrium Finance Issuer B.V. is 254900SPU76HSRZ8ZM02.

The LEI code of Atrium Finance Limited is 254900S97VONWYW91C97.

#### **Issue Price and Yield**

- 10. Notes may be issued at any price. The issue price of each Tranche of Notes to be issued under the Programme will be determined by the relevant Issuer, the Guarantor (if applicable) and the relevant Dealer(s) at the time of issue in accordance with prevailing market conditions and the issue price of the relevant Notes or the method of determining the price and the process for its disclosure will be set out in the applicable Final Terms. In the case of different Tranches of a Series of Notes, the issue price may include accrued interest in respect of the period from the interest commencement date of the relevant Tranche (which may be the issue date of the first Tranche of the Series or, if interest payment dates have already passed, the most recent interest payment date in respect of the Series) to the issue date of the relevant Tranche.

The yield of each Tranche of Notes set out in the applicable Final Terms will be calculated as of the relevant issue date on an annual or semi-annual basis using the relevant issue price. It is not an indication of future yield.

#### **Dealers' Activities**

- 11. In the ordinary course of their business activities, the Dealers 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 Issuers, the Guarantor or Issuers' or the Guarantor's affiliates. Certain of the Dealers or their affiliates that have a lending relationship with the Issuers or the Guarantor routinely hedge their credit exposure to the Issuers and the Guarantor consistent with their customary risk management policies. Typically, such Dealers 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 issued under the Programme. Any such short positions could adversely affect future trading prices of Notes issued under the Programme. The Dealers 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.

**Issuer and Guarantor website**

12. The Issuers' and Guarantor's website is [www.aere.com](http://www.aere.com). Unless specifically incorporated in this Base Prospectus, information contained on the Issuers' and Guarantor's website does not form part of this Base Prospectus.

**Validity of Prospectus and Prospectus Supplements**

13. The Issuers and the Guarantor shall have no obligation to supplement this Base Prospectus after the end of its 12-month validity period in the event of significant new factors, material mistakes or material inaccuracies.



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