

**NOT FOR DISTRIBUTION IN OR INTO THE UNITED STATES OR IN OR INTO AUSTRALIA, CANADA, JAPAN, SOUTH AFRICA OR ANY OTHER JURISDICTION IN WHICH SUCH DISTRIBUTION WOULD BE PROHIBITED BY APPLICABLE LAW.**

**Lisbon, 17 April 2019.** VIC Properties S.A. ("**VIC Properties**" or the "**Company**"), a public limited liability company (*société anonyme*) incorporated and existing under the laws of the Grand Duchy of Luxembourg having its registered office at 10, rue Antoine Jans, L-1820 Luxembourg, and registered with the Luxembourg "Registre de Commerce et des sociétés" under number B147402, announces today the launch of an offering (the "**Offering**") of EUR 200 million Secured Pre-IPO Convertible Bonds (the "**Bonds**"). At its sole discretion, the Company may increase the size of the Offering to up to EUR 250 million by exercising an increase option of up to EUR 50 million prior to or at the time of pricing.

The Bonds will have a minimum denomination of EUR 100,000.00 each and a maturity of six years. The Bonds will be issued at an issue price of 90% of their principal amount and will carry a coupon of 2.50-3.00% per annum payable semi-annually in arrear in equal instalments commencing on 28 November 2019 and if not previously purchased, redeemed or converted will be redeemed at 105% of their principal amount on the maturity date (the "**Redemption Amount**").

Bondholders will have the right to request the early redemption of the Bonds on the 3<sup>rd</sup> and/or 4<sup>th</sup> anniversary of the issuance of the Bonds at the Redemption Amount plus all the remaining interest payments to and including the maturity date.

The Company will grant a Luxembourg law first ranking pledge over 100% of the shares of VIC One S.à r.l. and over 100% of the shares of Smarfil S.A. (the "**Pledge Subsidiaries**"). The Pledge Subsidiaries are indirect owners of the Prata Riverside Village Project and are expected to be indirect owners of the Committed Acquisition (as defined in the terms and conditions of the Bonds), details of which are available on the company website. The Company will also grant an English law fixed charge over a bank account in its name (the "**Debt Service Reserve Account**") into which the first six interest payments will be deposited on the closing date and released as the interest payments become due.

The Company undertakes among other things, not to incur any debt if, following the use of the net proceeds of any such debt, the LTV Ratio (as defined in the terms and conditions of the Bonds) would exceed 70%. The Bonds will include additional covenants and restrictions on subsidiaries, use of proceeds, reporting obligations and others.

The initial conversion price will be set at a premium of 20.0% to 30.0% above the Initial Reference Price which will be determined depending on the timing of the IPO and the free float of the Company, as further described in the terms and conditions of the Bonds.

The Company will undertake: (i) to use a majority of the proceeds for the Committed Acquisition; (ii) to credit the Debt Service Reserve Account on the closing date with the coupons described above; and (iii) to use the balance (if any) to acquire additional development assets, to develop existing assets and/or to repay indebtedness.

The outcome of the Offering and the final terms of the Bonds will be determined via a book-building process which is expected to be completed and announced on or around 26 April 2019, subject to the right of the Company to close earlier, or extend, the book-building process.

Subject to successful placing and issuance of the Bonds an application will be made by the Company to admit the Bonds to trading on the Open Market (*Freiverkehr*) segment of the Frankfurt Stock Exchange within six months after the closing date.

The Bonds will be offered and sold outside the United States in reliance on Regulation S of the US Securities Act 1933.

UBS Investment Bank is acting as Sole Global Coordinator and Sole Bookrunner. Nomura International Plc is acting as Selling Agent.

The Company intends to appoint Stifel Nicolaus Europe Limited and Nomura International Plc as market makers in the Bonds. The market makers will use reasonable endeavours to (i) provide an indicative estimate only on a bid-offer level on a publicly accessible Reuters or Bloomberg page, (ii) provide a month end valuation for the Bonds to Bondholders upon request, and (iii) subject to applicable law and under normal market conditions, identify and contact potential buyers and sellers of the Bonds in order to facilitate a secondary market in the Bonds. However, the market makers (i) shall execute all trades in the Bonds in a secondary market on an agency only basis, (ii) shall not be required to guarantee any minimum level of liquidity at any time and (iii) shall not be required to hold any Bonds on their own balance sheets. In addition, no assurance can be given that such market making will continue at all times whilst the Bonds remain outstanding

### **About VIC Properties**

VIC Properties designs, constructs and markets residential properties to individual buyers. Its core business is the development of residential multi-storey buildings as well as large development schemes in Portugal's largest cities, notably Lisbon, Oporto and the Algarve region. It specialises in the development of entire neighbourhoods with a view of developing high quality and affordable real estate.

VIC Properties is engaged from the sourcing of the land plots throughout the planning phase to construction and sale, as well as property management and the associated services. The undersupplied residential market and the deeply fragment real estate development market in Portugal provide a unique market opportunity for the Company.

### **IMPORTANT NOTICE**

**NO ACTION HAS BEEN TAKEN BY VIC PROPERTIES S.A. (THE "ISSUER"), USB AG LONDON BRANCH (THE "SOLE BOOKRUNNER"), NOMURA INTERNATIONAL PLC ("NOMURA" OR THE "SELLING AGENT"), STIFEL NICOLAUS EUROPE LIMITED (TOGETHER WITH NOMURA, THE "MARKET MAKERS") OR ANY OF THEIR RESPECTIVE AFFILIATES THAT WOULD PERMIT AN OFFERING OF THE BONDS OR POSSESSION OR DISTRIBUTION OF THIS PRESS RELEASE OR ANY OFFERING OR PUBLICITY MATERIAL RELATING TO THE BONDS IN ANY JURISDICTION WHERE ACTION FOR THAT PURPOSE IS REQUIRED. PERSONS INTO WHOSE POSSESSION THIS PRESS RELEASE COMES ARE REQUIRED BY THE ISSUER, THE SOLE BOOKRUNNER, THE SELLING AGENT AND THE MARKET MAKERS TO INFORM THEMSELVES ABOUT, AND TO OBSERVE, ANY SUCH RESTRICTIONS.**

**THIS PRESS RELEASE IS NOT FOR DISTRIBUTION, DIRECTLY OR INDIRECTLY IN OR INTO THE UNITED STATES. THIS PRESS RELEASE IS NOT AN OFFER TO SELL SECURITIES OR THE SOLICITATION OF ANY OFFER TO BUY SECURITIES, NOR SHALL THERE BE ANY OFFER OF SECURITIES IN ANY JURISDICTION IN WHICH SUCH OFFER OR SALE WOULD BE UNLAWFUL.**

**THIS PRESS RELEASE AND THE OFFERING WHEN MADE ARE ONLY ADDRESSED TO, AND DIRECTED IN, MEMBER STATES OF THE EUROPEAN ECONOMIC AREA (THE "EEA") (EACH, A "MEMBER STATE"), AT PERSONS WHO ARE "QUALIFIED INVESTORS" WITHIN THE MEANING OF ARTICLE 2(1)(E) OF THE PROSPECTUS DIRECTIVE ("QUALIFIED INVESTORS"). FOR THESE PURPOSES, THE EXPRESSION "PROSPECTUS DIRECTIVE" MEANS DIRECTIVE 2003/71/EC (AND AMENDMENTS THERETO, INCLUDING THE 2010 PD AMENDING DIRECTIVE), AND INCLUDES ANY RELEVANT IMPLEMENTING MEASURE IN THE MEMBER STATE AND THE EXPRESSION "2010 PD AMENDING DIRECTIVE" MEANS DIRECTIVE 2010/73/EU.**

**SOLELY FOR THE PURPOSES OF THE PRODUCT GOVERNANCE REQUIREMENTS CONTAINED WITHIN: (A) EU DIRECTIVE 2014/65/EU ON MARKETS IN FINANCIAL**

**INSTRUMENTS, AS AMENDED (“MIFID II”); (B) ARTICLES 9 AND 10 OF COMMISSION DELEGATED DIRECTIVE (EU) 2017/593 SUPPLEMENTING MIFID II; AND (C) LOCAL IMPLEMENTING MEASURES (TOGETHER, THE “MIFID II PRODUCT GOVERNANCE REQUIREMENTS”), AND DISCLAIMING ALL AND ANY LIABILITY, WHETHER ARISING IN TORT, CONTRACT OR OTHERWISE, WHICH ANY “MANUFACTURER” (FOR THE PURPOSES OF THE MIFID II PRODUCT GOVERNANCE REQUIREMENTS) MAY OTHERWISE HAVE WITH RESPECT THERETO, THE BONDS HAVE BEEN SUBJECT TO A PRODUCT APPROVAL PROCESS, WHICH HAS DETERMINED THAT: (I) THE TARGET MARKET FOR THE BONDS IS ELIGIBLE COUNTERPARTIES AND PROFESSIONAL CLIENTS ONLY, EACH AS DEFINED IN MIFID II; AND (II) ALL CHANNELS FOR DISTRIBUTION OF THE BONDS TO ELIGIBLE COUNTERPARTIES AND PROFESSIONAL CLIENTS ARE APPROPRIATE. ANY PERSON SUBSEQUENTLY OFFERING, SELLING OR RECOMMENDING THE BONDS (A "DISTRIBUTOR") SHOULD TAKE INTO CONSIDERATION THE MANUFACTURER’S TARGET MARKET ASSESSMENT; HOWEVER, A DISTRIBUTOR SUBJECT TO MIFID II IS RESPONSIBLE FOR UNDERTAKING ITS OWN TARGET MARKET ASSESSMENT IN RESPECT OF THE BONDS (BY EITHER ADOPTING OR REFINING THE MANUFACTURER’S TARGET MARKET ASSESSMENT) AND DETERMINING APPROPRIATE DISTRIBUTION CHANNELS.**

**THE TARGET MARKET ASSESSMENT IS WITHOUT PREJUDICE TO THE REQUIREMENTS OF ANY CONTRACTUAL OR LEGAL SELLING RESTRICTIONS IN RELATION TO ANY OFFERING OF THE BONDS.**

**FOR THE AVOIDANCE OF DOUBT, THE TARGET MARKET ASSESSMENT DOES NOT CONSTITUTE: (A) AN ASSESSMENT OF SUITABILITY OR APPROPRIATENESS FOR THE PURPOSES OF MIFID II; OR (B) A RECOMMENDATION TO ANY INVESTOR OR GROUP OF INVESTORS TO INVEST IN, OR PURCHASE, OR TAKE ANY OTHER ACTION WHATSOEVER WITH RESPECT TO THE BONDS.**

**THE BONDS ARE NOT INTENDED TO BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO AND SHOULD NOT BE OFFERED, SOLD OR OTHERWISE MADE AVAILABLE TO ANY RETAIL INVESTOR IN THE EEA. FOR THESE PURPOSES, A RETAIL INVESTOR MEANS A PERSON WHO IS ONE (OR MORE) OF: (I) A RETAIL CLIENT AS DEFINED IN POINT (11) OF ARTICLE 4(1) OF MIFID II; OR (II) A CUSTOMER WITHIN THE MEANING OF DIRECTIVE 2016/97/EU, 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 (THE "PRIIPS REGULATION") FOR OFFERING OR SELLING THE BONDS OR OTHERWISE MAKING THEM AVAILABLE TO RETAIL INVESTORS IN THE EEA HAS BEEN PREPARED AND THEREFORE OFFERING OR SELLING THE BONDS OR OTHERWISE MAKING THEM AVAILABLE TO ANY RETAIL INVESTOR IN THE EEA MAY BE UNLAWFUL UNDER THE PRIIPS REGULATION.**

**IN ADDITION, IN THE UNITED KINGDOM THIS PRESS RELEASE IS BEING DISTRIBUTED ONLY TO, AND IS DIRECTED ONLY AT, QUALIFIED INVESTORS (I) WHO HAVE PROFESSIONAL EXPERIENCE IN MATTERS RELATING TO INVESTMENTS FALLING WITHIN ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005, AS AMENDED (THE “ORDER”) AND QUALIFIED INVESTORS FALLING WITHIN ARTICLE 49(2)(A) TO (D) OF THE ORDER, AND (II) TO WHOM IT MAY OTHERWISE LAWFULLY BE COMMUNICATED (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS “RELEVANT PERSONS”). THIS PRESS RELEASE MUST NOT BE ACTED ON OR RELIED ON (I) IN THE UNITED KINGDOM, BY PERSONS WHO ARE NOT RELEVANT PERSONS, AND (II) IN ANY MEMBER STATE OF THE EEA OTHER THAN THE UNITED KINGDOM, BY PERSONS WHO ARE NOT QUALIFIED INVESTORS. ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THIS**

**PRESS RELEASE RELATES IS AVAILABLE ONLY TO (A) RELEVANT PERSONS IN THE UNITED KINGDOM AND WILL BE ENGAGED IN ONLY WITH RELEVANT PERSONS IN THE UNITED KINGDOM AND (B) QUALIFIED INVESTORS IN MEMBER STATES OF THE EEA (OTHER THAN THE UNITED KINGDOM).**

**ANY DECISION TO PURCHASE ANY OF THE BONDS SHOULD ONLY BE MADE ON THE BASIS OF AN INDEPENDENT REVIEW BY A PROSPECTIVE INVESTOR OF THE ISSUER'S PUBLICLY AVAILABLE INFORMATION. NEITHER THE MANAGERS NOR ANY OF THEIR RESPECTIVE AFFILIATES ACCEPT ANY LIABILITY ARISING FROM THE USE OF, OR MAKE ANY REPRESENTATION AS TO THE ACCURACY OR COMPLETENESS OF, THIS PRESS RELEASE OR THE ISSUER'S PUBLICLY AVAILABLE INFORMATION. THE INFORMATION CONTAINED IN THIS PRESS RELEASE IS SUBJECT TO CHANGE IN ITS ENTIRETY WITHOUT NOTICE UP TO THE CLOSING DATE.**

**EACH PROSPECTIVE INVESTOR SHOULD PROCEED ON THE ASSUMPTION THAT IT MUST BEAR THE ECONOMIC RISK OF AN INVESTMENT IN THE BONDS OR THE SHARES TO BE ISSUED OR TRANSFERRED AND DELIVERED UPON CONVERSION OF THE BONDS AND NOTIONALLY UNDERLYING THE BONDS (TOGETHER WITH THE BONDS, THE "SECURITIES"). NONE OF THE ISSUER, THE SOLE BOOKRUNNER, THE SELLING AGENT OR THE MARKET MAKERS MAKES ANY REPRESENTATION AS TO (I) THE SUITABILITY OF THE SECURITIES FOR ANY PARTICULAR INVESTOR, (II) THE APPROPRIATE ACCOUNTING TREATMENT AND POTENTIAL TAX CONSEQUENCES OF INVESTING IN THE SECURITIES OR (III) THE FUTURE PERFORMANCE OF THE SECURITIES EITHER IN ABSOLUTE TERMS OR RELATIVE TO COMPETING INVESTMENTS.**

**EACH OF THE SOLE BOOKRUNNER, THE SELLING AGENT AND THE MARKET MAKERS IS ACTING ON BEHALF OF THE ISSUER AND NO ONE ELSE IN CONNECTION WITH THE BONDS AND WILL NOT BE RESPONSIBLE TO ANY OTHER PERSON FOR PROVIDING THE PROTECTIONS AFFORDED TO CLIENTS OF THE SOLE BOOKRUNNER, THE SELLING AGENT AND THE MARKET MAKERS OR FOR PROVIDING ADVICE IN RELATION TO THE SECURITIES.**

**EACH OF THE ISSUER, THE SOLE BOOKRUNNER, THE SELLING AGENT, THE MARKET MAKERS AND THEIR RESPECTIVE AFFILIATES EXPRESSLY DISCLAIMS ANY OBLIGATION OR UNDERTAKING TO UPDATE, REVIEW OR REVISE ANY STATEMENT CONTAINED IN THIS PRESS RELEASE WHETHER AS A RESULT OF NEW INFORMATION, FUTURE DEVELOPMENTS OR OTHERWISE.**