

**NEPI Rockcastle plc**

Incorporated and registered in the Isle of Man

Registered number 014178V

Share code: NRP

ISIN: IM00BDD7WV31

("NEPI Rockcastle" or "the Company")



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**FURTHER UPDATE ON THE DISPOSAL OF THE ROMANIAN OFFICE PORTFOLIO**

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Reference is made to the previous announcements published in respect of the disposal of the Romanian office portfolio (the "**disposal**") by the Company's wholly-owned subsidiaries NE Property B.V., Ingen Europe B.V. and NEPI Bucharest Two SRL (the "**sellers**") to AFI Europe NV, a wholly-owned subsidiary of AFI Properties Ltd. ("**AFI Europe**" or the "**purchaser**"). As per the last Business Update published on 20 May 2020 shareholders were advised that the disposal was not completed.

NEPI Rockcastle and AFI Europe (hereinafter collectively referred to as "**the parties**") initiated arbitration proceedings (the "**arbitration**") in connection with the disputed matter of the sellers requesting the purchaser to pay the contractual guarantee, and the purchaser contesting the validity of the sellers' claim and requesting specific performance of the disposal.

In addition, the sellers and AFI Europe have entered into a non-binding memorandum of understanding ("**MOU**") pursuant to which, under certain conditions, the parties may terminate the arbitration and enter into a new binding agreement regarding the disposal, based on the pricing and other terms of the original transaction (as announced on 17 December 2019), subject to any requisite amendments required in relation to the payment dates and completion. The MOU has been signed on 5 July 2020 and negotiations will be conducted on a without prejudice basis in respect of the arbitration.

The progress of the new transaction will be notified in due course.

For further information please contact:

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