

NEW EUROPE PROPERTY INVESTMENTS PLC

AIM share code: NEPI JSE share code: NEP BVB share code: NEP
ISIN: IM00B23XCH02



Current report according to Law no. 297/2004, Regulation no. 1/2006

Registered office: 2nd floor Anglo International House, Lord Street Douglas, Isle of Man IM1 4LN
Company registration number: 001211V
(Registered as an external company with limited liability under the laws of South Africa, registration number 2009/000025/10)

Regulated markets on which the issued shares are traded: Bucharest Stock Exchange, JSE
("NEPI" or "the Company")

IMPORTANT EVENTS TO BE REPORTED: CANCELLATION OF ADMISSION OF THE COMPANY'S SHARES TO TRADING ON AIM

1. Introduction

Following a careful review of the benefits and drawbacks of being an AIM quoted company, the Board has concluded that cancellation of the admission of NEPI Shares to trading on AIM ("Cancellation" or "Delisting") is in the best interests of the Company.

It is anticipated that trading in NEPI Shares on AIM will cease at close of business on 7 October 2016. Delisting will take effect when a Dealing Notice is issued, which is expected to be at 7.00 a.m. (UK time) on 10 October 2016.

Pursuant to Rule 41 of the AIM Rules, the Company, through its nominated adviser, Smith & Williamson, (i) has notified the London Stock Exchange of the proposed Cancellation and intended Cancellation date and (ii) has agreed with the London Stock Exchange that, given NEPI Shares are traded on the JSE Limited and the Bucharest Stock Exchange and Shareholders will therefore continue to be able to trade NEPI Shares following Delisting, Cancellation will not require (and is therefore not conditional upon) Shareholder consent in general meeting.

The JSE has been notified of Delisting in terms of paragraph 18.23 of the JSE Listings Requirements and Shareholders are hereby notified of Delisting including for the purposes of Rule 41 of the AIM Rules. The Company will continue to maintain its listings on the JSE and the BVB. Shareholders wishing to trade NEPI Shares after Cancellation will be able to do so on either the JSE or BVB as described below.

In order for UK Shareholders to be able to trade their NEPI Shares on the JSE or the BVB following Delisting, they will need to follow the procedures outlined below to transfer their NEPI Shares to either (i) the South African Register for trading on the JSE or (ii) to the Romanian Central Depository Account for trading on the BVB.

UK Shareholders should note that if they take no action and do not transfer their NEPI Shares from the UK Register to either the South African Register for trading on the JSE or to the Romanian Central Depository Account for trading on the BVB then, following Delisting, they will be unable to trade their NEPI Shares.

Shareholders' voting rights and entitlements to distributions will not be affected by Delisting.

2. Background and reasons for Delisting

The Board has conducted a review of the benefits and drawbacks to NEPI retaining its quotation on AIM. The Board believes that Delisting is in the best interests of the Company and its Shareholders as a whole and in reaching this conclusion, the Board has considered a number of key factors.

NEPI Shares have been admitted to trading on AIM since 22 August 2007. NEPI Shares were initially listed on the Alternative Exchange (AltX) of the JSE on 17 April 2009 and subsequently transferred to the Main Board of the JSE on 4 August 2010. In addition, NEPI Shares were listed on the BVB on 20 June 2011 and the Company has maintained its multiple listing status since then.

Since 2013, NEPI has completed a number of accelerated book builds to raise equity predominantly from investors based in South Africa. As a result, the number of NEPI Shares registered and maintained on the South African Register has risen to approximately 99% of the issued share capital of NEPI as at the last practicable date prior to publication of this announcement. The Board has no current plans to raise additional capital through the AIM Market.

Whilst NEPI remains cognisant of the interests of all Shareholders, the rationale for Delisting is informed by the low volume of trade in NEPI Shares on AIM which has reduced significantly.

In light of the above, the Board has undertaken a careful review of the costs and benefits of maintaining a quotation on AIM and has concluded that the costs to the Company (including management resources and time) and regulatory requirements associated with maintaining its AIM quotation outweigh the benefits. After careful consideration, the Board has concluded that it is in the best interests of the Company and Shareholders as a whole if the Company's admission to trading on AIM is cancelled.

NEPI Shares will continue to be listed on the JSE and the BVB. Following Cancellation, UK Shareholders will be able to trade their NEPI Shares on the JSE or the BVB by following the procedures outlined below.

Delisting may have positive or negative taxation consequences for UK Shareholders. UK Shareholders who are in any doubt about their tax position should consult their own professional independent adviser immediately.

3. City Code

Shareholders should note that following and as a consequence of Cancellation, the City Code will no longer apply to the Company and Shareholders will no longer be afforded the protections provided by the City Code in respect of their NEPI Shares.

4. Process for Delisting

Pursuant to AIM Rule 41, a cancellation of admission to trading on AIM is, unless the London Stock Exchange otherwise agrees, conditional upon the consent of not less than 75 per cent of votes cast by shareholders (in person or by proxy) at a general meeting. Shareholders should note that the Company, through its nominated adviser, Smith & Williamson, has consulted and

agreed with the London Stock Exchange that, given NEPI Shares are traded on the JSE and the BVB, Shareholder consent to Delisting at a general meeting is not required.

Furthermore, Rule 41 of the AIM Rules requires an AIM company that wishes the London Stock Exchange to cancel the admission of its shares to trading on AIM to notify such intended cancellation and separately inform the London Stock Exchange of its preferred cancellation date at least 20 business days prior to such date. In accordance with AIM Rule 41, the Directors have notified the London Stock Exchange of the Company's intention to cancel the Company's admission of the Ordinary Shares to trading on AIM. Accordingly, Delisting will become effective at 7.00 a.m. on 10 October 2016.

After Delisting, the Company will no longer be subject to the AIM Rules and will not be required to retain a nominated adviser or broker.

Following Delisting, the Board intends to continue to operate the Group's business in the same manner and with the same strategy as at present.

5. Action to be taken by UK Shareholders

A UK Shareholder can elect to:

- (i) Transfer such Shareholder's NEPI Shares to the South African Register in order to trade such NEPI Shares on the JSE following Delisting (see paragraph 6 below); or**
- (ii) Transfer such Shareholder's NEPI Shares to the Romanian Central Depository Account in order to trade such NEPI Shares on the BVB following Delisting (see paragraph 7 below).**

UK Shareholders should note that cash dividends payable to Shareholders holding NEPI Shares on the South African Register will be denominated in Rand and cash dividends payable to Shareholders holding NEPI Shares in the Romanian Central Depository Account will be denominated in Euros.

UK Shareholders should also note that if they take no action and do not transfer their NEPI Shares from the UK Register to the South African Register for trading on the JSE or to the Romanian Central Depository Account for trading on the BVB they will not be able to trade their NEPI Shares following Delisting but will continue to be able to receive distributions (denominated in Euros) and be able to participate in corporate actions.

6. Transfer of NEPI Shares to the South African Register and trading NEPI Shares on the JSE

The JSE is one of the world's major stock markets. Share trading in South Africa is on "T+3 settlement", meaning that share transactions are settled (i.e. both money and securities) 3 business days after the relevant trading date.

Parties trading in NEPI Shares on the JSE must settle their trades through their stockbrokers directly or through custodians. For those Shareholders who have deposited their NEPI Shares in a South African broking account or in their designated South African based CSDP stock account, settlement is effected electronically with Strate, the registered central securities depository in terms of the Financial Markets Act.

Any UK Shareholder who already has a South African brokerage account may transfer such Shareholder's NEPI Shares onto the South African Register before Delisting takes effect using the existing transfer process in place between Computershare UK and Computershare South Africa as described below. Computershare UK can be contacted at AIJEGlobalTransactionTeam@computershare.co.je should you have any queries in relation to the share transfer process.

6.1. Certificated Shareholders holding NEPI Shares on the UK Register wishing to transfer to the South African Register

UK Shareholders who hold Certificated Shares on the UK Register who wish to transfer their NEPI Shares to the South African Register must submit a removal form and their current valid share certificate to Computershare UK, Queensway House, Hilgrove Street, St Helier, Jersey JE1 1ES. Copies of the removal form can be requested from Computershare UK at AIJEGlobalTransactionTeam@computershare.co.je. Once processed, shareholders will receive new share certificates issued on the South African Register in respect of their NEPI Shares.

6.2. Uncertificated Shareholders holding NEPI Shares on the UK Register wishing to transfer to the South African Register

Uncertificated Shareholders are advised that NEPI Shares can only be transferred from the UK Register to the South African Register in certificated form. Prior to transferring their NEPI Shares to the South African Register, UK Shareholders who hold their Uncertificated Shares on the UK Register must convert their Uncertificated Shares to Certificated Shares by completing a stock withdrawal form through their broker. Once such NEPI Shares have been converted into certificated form, a removal form must be completed and posted, along with the UK Shareholder's original share certificate, to Computershare UK, Queensway House, Hilgrove Street, St Helier, Jersey JE1 1ES. Copies of the removal form can be requested from Computershare UK at AIJEGlobalTransactionTeam@computershare.co.je.

6.3. Trading NEPI Shares on the JSE

After transferring their NEPI Shares from the UK Register to the South African Register, Shareholders on the UK Register will be able to trade their NEPI Shares on the JSE in a similar manner as for AIM quoted companies, either by liaising directly with their broker or through an internet trading account. Shares can only be traded on the JSE in uncertificated form. Accordingly, before trading NEPI Shares on the JSE, Shareholders whose NEPI Shares are currently on the UK Register will need to open a brokerage or CSDP account and convert their Certificated Shares to Uncertificated (dematerialised) Shares (as described above).

The steps Certificated Shareholders need to take in order to trade their Certificated Shares on the JSE are as follows:

- (i) contact a South African broker or a UK broker with South African partners to establish a trading account on the JSE. You will need to provide your broker with all documents requested in respect of your Certificated Shares and for the purposes of opening a JSE trading account;
- (ii) in order to trade, UK Shareholders are required to surrender their share certificates to Computershare UK together with details of their South African brokerage or CSDP account. Computershare UK can be contacted by email at

AIJEGlobalTransactionTeam@computershare.co.ie should you have any queries in relation to surrendering your share certificate;

Computershare South Africa is available to assist shareholders to trade their NEPI Shares on the JSE and can be contacted by email at Removals@Computershare.co.za should you require assistance in opening a South African brokerage account;

- (iii) once your NEPI Shares have been transferred into your South African brokerage account, you will be free to trade in your NEPI Shares, in a similar manner as for AIM quoted companies.

7. Transfer of NEPI Shares to the Romanian Central Depository Account and trading NEPI Shares on the BVB

Share trading in Romania is on "T+2 settlement", meaning that share transactions are settled (i.e. both money and securities) 2 business days after the relevant trading date.

Parties trading in shares in Romania must settle their trades executed on the BVB through their stockbrokers directly or through custodians. Settlement is effected electronically by the Central Depository.

Information regarding the Central Depository participants and contact details can be found at <https://www.depozitarulcentral.ro/home/index.aspx> should any UK Shareholders require assistance in opening a Romanian brokerage account.

7.1 Certificated Shareholders holding NEPI Shares on the UK Register wishing to transfer to the Romanian Central Depository Account

Certificated Shareholders are advised that NEPI Shares can only be transferred from the UK Register to the Romanian Central Depository Account in uncertificated form and that NEPI Shares can only be traded in uncertificated form on the BVB. In order to transfer their NEPI Shares to the Romanian Central Depository Account for trading on the BVB, UK Shareholders who hold their Certificated Shares on the UK Register must first convert their Certificated Shares to Uncertificated Shares by contacting their UK broker. To transfer their NEPI Shares to the Romanian Central Depository Account, UK Shareholders will also need to open a custodian or a brokerage account with a custodian or a broker in Romania that is a participant in the Central Depository if they do not already have an account.

7.2 Uncertificated Shareholders holding NEPI Shares on the UK Register wishing to transfer to the Romanian Central Depository Account

UK Shareholders who hold their Uncertificated Shares on the UK Register wishing to transfer their NEPI Shares to the Romanian Central Depository Account in order to trade their NEPI Shares on the BVB must liaise with their UK broker and their Romanian broker or custodian to arrange for an intra-CREST transfer to be completed into an account opened by them with a Romanian broker or custodian who is a member of the Central Depository. UK Shareholders will need to open a custodian or a brokerage account with a custodian or a broker that is a participant in the Central Depository if they do not already have an account.

7.3 Trading NEPI Shares on the BVB

Romania follows general EU regulations regarding opening of brokerage accounts and trading of shares. In order to trade their shares on the BVB, UK Shareholders will need to have a brokerage account opened with a broker in Romania.

The Company cannot advise Shareholders on tax or other consequences of moving NEPI Shares to the South African Register or Romanian Central Depository Account as it will depend on the jurisdiction in which each Shareholder resides. Shareholders should take their own professional advice on such matters.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Date of this announcement	9 September 2016
Delisting from AIM	10 October 2016

DEFINITIONS

The following definitions apply throughout this announcement unless the context requires otherwise:

“AIM” or the “AIM Market”	the market of that name operated by the London Stock Exchange;
“AIM Rules”	the AIM Rules for Companies published by the London Stock Exchange from time to time;
“Board” or “Directors”	the board of Directors for the time being of the Company acting either by itself or through any committee thereof to or upon whom the powers of the directors in are delegated or are conferred;
“BVB”	Bucharest Stock Exchange;
“business day”	any day, other than a Saturday, Sunday or public holiday in the United Kingdom, South Africa or Romania;
“Cancellation” or “Delisting”	the cancellation of admission of the Shares to trading on AIM becoming effective in accordance with Rule 41 of the AIM Rules as described in this announcement;
“Central Depository” or “Romanian Central Depository”	Depozitarul Central S.A., a joint stock company duly incorporated in accordance with the laws of Romania, authorised by the FSA and the National Bank of Romania, as central securities depository and which is responsible for the electronic settlement

system on the BVB;

“Certificated Shares”	a share or other security registered on the UK Register which is not in uncertificated form (that is not in CREST);
“City Code”	the City Code on Takeovers and Mergers issued and administered by the Panel;
“Company” or “NEPI”	New Europe Property Investments PLC, incorporated and registered in the Isle of Man (Registered number 001211V) and registered as an external company with limited liability under the laws of South Africa (Registration number 2009/000025/10);
“CREST”	the system for the paperless settlement of trades in securities and the holding of uncertificated securities operated by Euroclear UK and Ireland Limited;
“CSDP”	Central Securities Depository Participant defined as a “participant” in section 1 of the Financial Markets Act and appointed by individual NEPI shareholders for purposes of, and in regard to, dematerialisation of documents of title for the purpose of incorporation into Strate;
“Dealing Notice”	a notification by the London Stock Exchange disseminated through the regulatory information service operated by the London Stock Exchange giving notice that NEPI Shares are cancelled from trading on AIM expected to be at 7.00a.m. on 10 October 2016;
“Euroclear”	Euroclear UK & Ireland Limited;
“Financial Markets Act”	Financial Markets Act of South Africa Act 19 of 2012, as amended;
“FSA”	means the Financial Supervision Authority (in Romanian “Autoritatea de Supraveghere Financiară”), the regulatory authority which exercises the supervision over the capital market, regulated markets and operations with securities in Romania;
“Group”	the Company and its subsidiaries;
“JSE”	JSE Limited (Registration number 2005/022939/06), a public company incorporated in accordance with the laws of South Africa and licensed as an exchange

	under the Financial Markets Act;
“JSE Listings Requirements”	the Listings Requirements as published by the JSE, as amended from time to time;
“last practicable date”	the last practicable date prior to release of this announcement, being 8 September 2016;
“London Stock Exchange” or “LSE”	London Stock Exchange plc;
“NEPI Shares”	318,843,185 ordinary shares in the share capital of NEPI with a par value of €0.01 each in issue as at the date of this announcement;
“Panel” or “Takeover Panel”	the Panel on Takeovers and Mergers in the United Kingdom;
“RNS”	Regulatory News Service of the LSE;
“Romania”	the Republic of Romania;
“Romanian Central Depository Account”	the securities account opened by the Romanian Central Depository custodian on behalf of the Central Depository in CREST and reflected on the share register maintained on behalf of the Company by the UK Transfer Secretaries in Jersey;
“SENS”	Stock Exchange News Service of the JSE;
“Shareholder(s)”	a registered holder of NEPI Shares registered on the South African Register, the UK Register or in the Romanian Central Depository Account;
“Smith & Williamson”	Smith & Williamson Corporate Finance Limited (registration number 04533970), 25 Moorgate, London EC2R 6AY, United Kingdom;
“South Africa”	the Republic of South Africa;
“South African Transfer Secretaries” or “Computershare South Africa”	Computershare Investor Services Proprietary Limited, Ground Floor, 70 Marshall Street, Johannesburg, 2001;
“South African Register”	the share register maintained on behalf of the Company in South Africa by the South African Transfer Secretaries;
“Strate”	the settlement and clearing system used by the JSE, managed by Strate Limited (registration number 1998/022242/06), a limited liability public company duly incorporated in South Africa;

“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland;
“UK Certificated Shareholder”	UK Shareholders holding Certificated Shares in the Company;
“UK Uncertificated Shareholders”	UK Shareholders who hold shares in dematerialised (uncertificated) form through CREST;
“UK Register”	the share register maintained on behalf of the company in Jersey by the UK Transfer Secretaries, excluding the Romanian Central Depository Account and South African Register;
“UK Shareholders”	a registered holder of NEPI shares registered on the UK Register;
“UK Transfer Secretaries” or “Computershare UK”	Computershare Offshore, Queensway House, Hilgrove Street, St Helier Jersey, JE1 IES; and
“Uncertificated Shares”	a share or other security which is recorded on the register of members as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST.

9 September 2016

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