

PRESS RELEASE

Eastern Property Holdings Ltd announces the issuance of secured and subordinated notes in the amount of EUR 43 million to its major shareholders

21 February 2018, Road Town, Tortola, BVI

As per today, Eastern Property Holdings Ltd. (the "Issuer") has received EUR 43 million by issuance of subordinated & secured notes (the "Notes") to its two largest shareholders at an interest rate of 1.5% p.a. and secured by pledged shares of the Cyprus holding company of City Gate Stuttgart GmbH. Unless previously redeemed, the Issuer undertakes to repay all outstanding Notes at par of their aggregate principal amount, without further notice on 21 February 2024. At any time on or after 1 March 2019, the Issuer may redeem all but not only some of the Notes for the time being outstanding at par with interest accrued to the day of redemption.

Eastern Property Holdings Ltd. intends to use the funds to further strengthen the Group's business and follow its strategy to invest in premium quality income producing commercial property assets in Europe.

***Eastern Property Holdings Ltd.** is an investment company listed on SIX Swiss Exchange which holds interest in office, residential and retail properties. EPH is managed by Valartis International Ltd. a wholly-owned subsidiary of Valartis Group AG.*

Additional information on Eastern Property Holdings is available by contacting Anna Bernhart Tel: +41 44 503 5400.