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## **Instone sets price range for initial share offering and listing on Frankfurt Stock Exchange**

- Price range set at EUR 21.50 to EUR 25.50 per share.
- Placement of 7,000,000 new shares and sale of 13,350,000 existing shares, plus over-allotment option of up to 3,050,000 shares.
- Offer to institutional investors will start on February 2, 2018 and is expected to end on February 13, 2018.
- First day of trading on the Frankfurt Stock Exchange is expected for February 15, 2018.
- Price range corresponds to a market capitalization of approximately EUR 795 million to EUR 943 million.

**Essen, February 2, 2018.** Instone Real Estate Group B.V. (the “Company” and, together with its subsidiaries, “Instone”), a leading nationwide residential real estate developer in Germany’s key metropolitan regions, today set the price range for its planned private placement at EUR 21.50 to EUR 25.50 per share. The offer period for the private placement with institutional investors exclusively will start on February 2, 2018, and is expected to end on February 13, 2018.

The Base Offer will consist of 7,000,000 newly issued shares from a capital increase, equivalent to EUR 150.5 million to EUR 178.5 million of gross proceeds across the price range; in addition to 13,350,000 existing shares from the holdings of the current shareholders, funds established by ActivumSG Capital Management Limited (“ASG”). An additional up to 3,050,000 shares to cover an over-allotment option of up to 15 percent of the Base Offer will also be made available by ASG. The final number of Instone shares that will be placed in the private placement and the final placement price will be determined on the basis of a book building process.

Instone intends to use approximately EUR 55 million of the net proceeds from the placement of new shares to fully repay an existing shareholder loan. The remaining net proceeds of approximately EUR 87.2 million to EUR 114.3 million are intended for the acquisition and development of new residential projects, as well as for other corporate expenses.

Kruno Crepulja, CEO of Instone: “We intend to accelerate our ongoing growth through the acquisition and development of new residential projects in German key metropolitan regions. With expected around EUR 100 million in net proceeds at the mid-point of the price range, we will be able to acquire new land plots and work towards reaching our target sales volume of EUR 900 million to EUR 1 billion by 2021.”



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Upon successful completion of the private placement, Instone shares will be listed on the regulated market (Prime Standard) of the Frankfurt Stock Exchange (Frankfurter Wertpapierbörse) on February 15, 2018, under the German Securities Code (WKN) A2JCTW and International Securities Identification Number (ISIN) NL0012757355. Based on the price range, Instone's market capitalization would amount to approximately EUR 795 million to EUR 943 million.

ActivumSG and the Company will be subject to a lock-up of 6 months, subject to customary exemptions. Senior management will be subject to a lock-up of up to 3 years, with a third of their shares being released from lock-up at every full year anniversary of admission.

Credit Suisse and Deutsche Bank are acting as Joint Global Coordinators, and together with BNP PARIBAS, Morgan Stanley and UniCredit Bank AG as Joint Bookrunners. Lilja & Co acts as financial advisor to Instone and ActivumSG.

## **Contact details**

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## **About Instone**

Instone is a leading nationwide residential real estate developer in Germany. Instone develops modern, urban, multi-family, residential properties and redevelops monument-protected buildings for residential use. Instone develops and sells residential units to owner-occupiers, private buy-to-let and institutional investors, and has developed more than one million square



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meters over 26 years. The Company has a workforce of around 240 employees at eight locations around Germany. As of September 30, 2017, Instone's project portfolio comprises 48 development projects with an aggregate expected sales volume of approximately EUR 3.4 billion and more than 8,000 units. The Instone brand was created through the combination of formart GmbH & Co. KG and GRK-Holding GmbH in 2017.

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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 Company's shares to be placed have been subject to a product approval process, which has determined that such shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "Target Market Assessment"). Notwithstanding the Target Market Assessment, Distributors should note that: the price of the



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Company's shares may decline and investors could lose all or part of their investment; the Company's shares to be placed offer no guaranteed income and no capital protection; and an investment in such shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Private Placement. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Joint Bookrunners will only procure investors who meet the criteria of professional clients and eligible counterparties in the Private Placement. 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 Company's shares. Each distributor is responsible for undertaking its own target market assessment in respect of the shares and determining appropriate distribution channels.