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Primecity Investment Plc successfully places convertible bond offering

November 7, 2014 – Primecity Investment Plc (the “**Company**”) announces the successful placement of EUR 100 million senior, secured convertible bonds (the “**Bonds**”) convertible into new ordinary shares having a par value of EUR 0.01 (the “**Shares**”) of the Company.

Following an accelerated book building process, the Company fixed the nominal coupon at 4.00 % p. a., payable semi-annually in arrear. The initial conversion price was fixed at EUR 3.00. The Bonds will be issued at 100% of their principal amount and will be redeemed at maturity at 110 % of their principal amount.

The offer was oversubscribed. The net proceeds from the placement of the Bonds will be used by Primecity to fund the Company’s acquisitions pipeline as well as further investments into its current hotel portfolio. The Company is in advanced acquisition processes for hotel assets with a total volume of more than EUR 50 million.

Settlement is expected to take place on or around November 13, 2014. The Bonds will be listed on the Open Market (Freiverkehr) of the Frankfurt Stock Exchange.

Anoa Capital is acting as Sole Bookrunner and KNG Securities as Co-manager in relation to the transaction.

About Primecity Investment

Primecity is a specialist real estate company focused on investing in and repositioning mismanaged Hotel properties primarily in Germany. The hotel properties are located in key German locations which enjoy high tourism, business and exhibitions, such as Berlin, North Rhine Westphalia, Frankfurt and Dresden. Primecity Investment (ISIN: CY0104972217) is a public limited liability company incorporated under the laws of Cyprus (HE 151151), having its registered office at 2, Faros Avenue, Spyros Thalassines Alkyonides - Pervolia PC 7560 Larnaca, Cyprus. For more information please refer to the Company’s website www.prime-city.com.

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