



GSG GROUP
Société Anonyme
40, rue de la Vallée
L-2661 Luxembourg
R.C.S. LUXEMBOURG B 102254
(hereinafter the "**Company**")

SHARE BUY-BACK PROGRAMME OF THE COMPANY

I. Introduction

GSG GROUP (formerly ORCO Germany S.A.), a *société anonyme*, incorporated and existing under Luxembourg law, was founded in 2004. The Company is a real estate and hotel investor, promoter and manager and focuses on investment properties, realizes development potentials and offers full-service asset management for third parties. It is mainly active on the CEE and Berlin market.

The shares of the Company (ISIN LU0251710041) are officially listed on the Regulated Market of the Frankfurt Stock Exchange, respectively in the General Standard segment.

In application of article 49-2 ff of the Luxembourg law of 10 August 1915 on commercial companies, as amended (the "**1915 Law**"), as well as of the EC Directive EC/2004/109, also known as the "Transparency" Directive and of the EC/2003/6 Directive, also known as the "Market Abuse" Directive, the purpose of the present note is to describe the objectives, finalities and modalities of the repurchase/redemption programme of its own shares by the Company it is proposed to implement and of the authorization to be conferred to the board of directors of the Company to implement such programme.

II. Issuer

GSG GROUP (formerly named ORCO GERMANY S.A.), with its registered seat at 40, rue de la Vallée, L-2661 Luxembourg, Grand Duchy of Luxembourg, R.C.S. LUXEMBOURG B 102254

III. Share buyback programme (the "**Programme**")

- The shares concerned: GSG GROUP shares – both listed (ISIN LU0251710041) and unlisted shares. Only fully paid-up shares may be repurchased.
- Modalities of the repurchase of the shares: the shares can be repurchased by the Company itself, or through a company in which the Company holds directly the majority of the voting rights, or through a person acting in its own name but for the account of the Company.

They can be repurchased on the Frankfurt Stock Exchange or directly from existing and/or future shareholders by consensual or private sale, without prejudice to the principle of equal treatment of all shareholders who are in the same position.

- The maximum number of shares to be repurchased: 750,000,000.
- The maximum redemption price is set at five euros (€ 5.-) per share.
- The minimum redemption price is set at one euro cent (€ 0.01) per share.
- Programme's duration: 5 years from the general meeting of the shareholders of the Company of 28 August 2014 (or in case of adjourning or reconvening the general meeting because no quorum has been reached, five years from the date of the adjourned or reconvened general meeting).
- Financial conditions: The acquisitions/repurchases/redemptions of its own shares by the Company, including shares previously acquired by the Company and held by it, as well as shares acquired by a person acting in his own name but on behalf of the Company, may not have the effect of reducing the net assets of the Company below the amount of the subscribed capital plus the reserves which may not be distributed under 1915 Law or by virtue of the articles of the Company.

IV. Date of the General Meeting of shareholders having authorised the Programme

It is proposed to the general meeting of the shareholders of the Company to be held on 28 August 2014 (or in case of adjourning or reconvening the general meeting because no quorum has been reached, the date of the adjourned or reconvened general meeting) to approve the Programme and to authorise the board of directors of the Company to implement the Programme. In particular, it is proposed to authorise the board of directors of the

Company, to implement the share repurchase Programme in one or several steps, to proceed with the payment of the relevant repurchase price out of the Company's available funds, to take all required actions to complete any repurchase of shares and to verify that process of share repurchase is made in compliance with the legal provisions of the LCA.

V. Legal framework

Those aspects related to the share redemption Programme are set forth in the provisions of EC Directive 2006/68/EC, as well as of the EC Directive EC/2004/109, also known as the "Transparency" Directive and of the EC/2003/6 Directive, also known as the "Market Abuse" Directive.

The aspects related to company law are set forth in article 49-2 ff of the 1915 Law.

The approval of the modification of the Company's articles of association concerning the redemption of own shares is set forth in the agenda of the extraordinary general meeting of the Company's shareholders to be held on 28 August 2014, with the following resolution proposal:

Proposed resolution:

The Meeting resolves to amend article 5 of the articles of association of the Company, by inserting a new sub paragraph 5.3 expressly authorizing the Company to redeem its own shares, so as to read:

"5.3. Redemption of its own shares

The Company may acquire its own shares, either on its own, or through a company in which the Company holds directly the majority of the voting rights, or through a person acting in its own name but for the account of the Company, subject to the conditions of the Luxembourg law dated 10 August 1915 on commercial companies, as amended (the "LCA")."

VI. The total number of voting rights and share capital of GSG GROUP as of 25 July 2014

As at 25 July 2014 the corporate capital GSG GROUP is € 292,082,390.40, which is comprised of 2,920,823,904 shares, having a nominal value of ten eurocents (EUR 0.10) each.

VII. Objectives of the new buyback Programme

Pursuant to the implementation of the European Regulation, the objectives of this share buyback Programme are the capital reduction of the Company (in value or in number of shares), the conversion of bonds and/or warrants and other debt financial instruments exchangeable into equity instruments issued by the Company, the improvement of the balance sheet structure, the creation of stock options plans and employee share option programs or other allocations of shares to employees of the Company or of an associate company, the improvement of the shareholding value in order to have the flexibility to intervene in the market if necessary or to have the possibility to meet obligations arising from above.

The realisation of those different objectives must be carried out in abidance with regulations in force and taking into account those precisions provided by the four supervisory authorities at the places of listing regarding complementary market practices concerning the one or more liquidity contracts that could eventually be entered into with an investment services provider and the purchase for the purpose of conservation and later remittance to exchange or for payment within the framework of possible outside growth operations.

Luxembourg, 25 July 2014

Yours faithfully,

The Board of Directors of the Company