CEVA Group Plc
(a public limited company incorporated under the laws of England and Wales under company number 5900853)

as Issuer

U.S.$264,715,000 Floating Rate Notes due 2021

On 31 August 2014 (the **"Issue Date"**), CEVA Group Plc (the **"Issuer"**), issued U.S.$264,715,000 in aggregate principal amount floating rate notes due 2021 (the **"Notes"**).

Unless previously redeemed or repurchased and cancelled, the Notes will mature on 19 March 2021. The Notes bear interest on their outstanding principal amount from and including 31 August 2014 (the **"Interest Commencement Date"**), and interest will be payable on each date specified in the table set forth in Schedule 1 (*Interest Payment Dates*) of the section entitled *"Condition of the Notes"* (each an **"Interest Payment Date"**). The Issuer may redeem all or some of the Notes from time to time, at its option, at the principal amount plus any accrued and unpaid interest, if any, on any Interest Payment Date once a notice has been served as described in *"Condition of the Notes"*.

Application has been made to the Irish Stock Exchange (the **"ISE"**) for the approval of this document as Listing Particulars. Application has also been made to the ISE for the Notes to be admitted to the Official List and to trading on the Global Exchange Market (**"GEM"**), which is the exchange-regulated market of the ISE. The GEM is not a regulated market for the purposes of Directive 2004/39/EC as amended (the **"Prospectus Directive"**).

INVESTING IN THE NOTES INVOLVES SUBSTANTIAL RISKS. SEE THE SECTION ENTITLED "*RISK FACTORS*" BEGINNING ON PAGE 8.

The Notes were issued in the form of a global note in registered form, without interest coupons attached.

THE NOTES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND, SUBJECT TO CERTAIN EXCEPTIONS, MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS SUCH TERM IS DEFINED IN REGULATION S UNDER THE SECURITIES ACT). THERE WILL BE NO PUBLIC OFFER OF THE NOTES IN THE UNITED STATES.

Listing Particulars dated 30 September 2014

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NOTICE TO INVESTORS

These Listing Particulars do not constitute an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. The distribution of these Listing Particulars and any offer or sale of Notes in certain jurisdictions is restricted by law. No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose. Accordingly, the Notes may not be offered or sold, directly or indirectly, and these Listing Particulars may not be distributed, in any jurisdiction except in accordance with the legal requirements applicable in such jurisdiction. Persons into whose possession these Listing Particulars come are required by the Issuer to inform themselves about, and observe, such restrictions. Investors must comply with all laws applicable in any jurisdiction in which they buy, offer or sell the Notes or possess or distribute these Listing Particulars, and they must obtain all applicable consents and approvals; neither the Issuer nor any other person shall have any responsibility for any of the foregoing legal requirements. See the section entitled "*Subscription and Sale*" starting on page 60 below.

The Issuer accepts responsibility for the information contained in these Listing Particulars and confirms that, to the best of its knowledge and belief (having taken all reasonable care to ensure that such is the case), the information contained in these Listing Particulars is in accordance with the facts and does not omit anything likely to affect the import of such information.

Neither the Issuer nor any of the Issuer's representatives is making any representation to the investors regarding the legality of an investment in the Notes, and nothing in these Listing Particulars should be construed as legal, business, financial, tax or other advice. Investors should consult their own advisors as to the legal, tax, business, financial and related aspects of an investment in the Notes. In making an investment decision regarding the Notes, investors must rely on their own examination of the Issuer and the terms of the offering, including the merits and risks involved.

By accepting delivery of these Listing Particulars, investors agree to the foregoing restrictions, to make no photocopies of these Listing Particulars or any documents referred to herein and not to use any information herein for any purpose other than considering an investment in the Notes.

These Listing Particulars contain summaries believed to be accurate with respect to certain documents, but reference is made to the actual documents for complete information. All such summaries are qualified in their entirety by such reference. Investors can access, in physical form and during the life of the Notes, documents referred to within these Listing Particulars at the registered office of the Issuer.

No person is authorised in connection with the Notes and/or these Listing Particulars to give any information or to make any representation not contained in these Listing Particulars and, if given or made, such other information or representation must not be relied upon as having been authorised by the Issuer.

Unless stated otherwise, the information contained in these Listing Particulars is as of the date hereof. Neither the delivery of these Listing Particulars at any time after the date of publication nor any subsequent commitment to purchase the Notes shall, under any circumstances, create an implication that there has been no change in the information set forth in these Listing Particulars or in the Issuer's business since the date of these Listing Particulars.

The Notes have not been and will not be registered under the Securities Act or the securities laws of any state of the United States, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

These Listing Particulars have been prepared on the basis that any offer of the Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (each a **"Relevant Member State"**) will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for the offers of the Notes. Accordingly any person making or intending to make an offer in the Relevant Member State of the Notes may only do so in circumstances in which no obligation arises for the Issuer to publish a prospectus pursuant to Article 3 of the Prospectus Directive, in each case, in relation to such offer. The Issuer has not authorised, nor does it authorise, the making of any offer of the Notes in circumstances in which an obligation arises for the Issuer to publish a prospectus for such offer.

PRESENTATION OF INFORMATION

Unless otherwise indicated, or as the context otherwise requires, in these Listing Particulars:

- **CEVA** means CEVA Group Plc and its predecessors and consolidated subsidiaries, as applicable and references to **we**, **us** and **our** mean CEVA and its predecessors and consolidated subsidiaries, as applicable;
- **EBITDA** means earnings before interest, tax, depreciation and amortisation;
- **Holdings** means Ceva Holdings LLC, the parent company of the Issuer; and
- **Issuer** or **issuer** means CEVA Group Plc, excluding its subsidiaries.

FORWARD-LOOKING STATEMENTS

These Listing Particulars, and the information incorporated by reference herein, contain "forward-looking statements" with respect to the Issuer's financial condition, results of operations and business, and its expectations or beliefs concerning future events. Such statements may include or include, in particular, statements about its plans, strategies and prospects under the headings "*Risk Factors*" and "*Description of the Issuer*" starting at pages 8 and 20 below. Investors can identify certain forward-looking statements by the use of forward-looking terminology such as, but not limited to, "believes", "expects", "anticipates", "estimates", "intends", "plans", "targets", "likely", "will", "would", "could" and similar expressions (or the negative of the aforementioned terminologies or expressions) that identify forward-looking statements. All forward-looking statements involve risks and uncertainties. Many risks and uncertainties are inherent in the Issuer's industry and markets. Others are more specific to its business and operations. The occurrence of the events described and the achievement of the expected results depend on many events, some or all of which are not predictable or within its control. Actual results may differ materially from the forward-looking statements contained or incorporated by reference in these Listing Particulars. Factors that could cause actual results to differ materially from those expressed or implied by the forward-looking statements are disclosed under the heading "*Risk Factors*", in the documents incorporated herein by reference and elsewhere in these Listing Particulars, including, without limitation, in conjunction with the forward-looking statements included in these Listing Particulars. All forward-looking statements in these Listing Particulars and subsequent written and oral forward-looking statements attributable to the Issuer, or persons acting on its behalf, are expressly qualified in their entirety by the cautionary statements.

Some of the factors that the Issuer believes could affect its results include:

- negative changes in economic conditions, and the Issuer's inability to reduce costs in the event of economic downturns;
- increased costs or decreased availability of third-party providers of certain transportation services;
- risks that the Issuer may be required to bear increases in operating costs under its multi-year contracts with customers, or certain fixed costs in the event of early termination of contracts;
- its history of losses and uncertainty regarding its profitability in the future;
- changes in the trend toward outsourcing of logistics activities;
- competition and consolidation in the industries in which it operates;
- its substantial indebtedness and ability to comply with the terms of our existing and future indebtedness, including limitations on its flexibility in operating its business;
- its ability to maintain and continuously improve its information technology and operational systems and financial reporting and internal controls;
- risks relating to its customers and the industries in which it operates;
- its ability to manage its labour costs and labour relations and attract and retain qualified employees;
- the risks that regulation and litigation pose to its business, including its ability to maintain required licenses and regulatory approvals and comply with applicable laws and regulations, and the effects of potential changes in governmental regulations;
- risks associated with the Issuer's global operations, including natural disasters and currency fluctuations;
- changes in the Issuer's effective income tax rate or accounting standards;
- costs or liabilities associated with environmental, health and safety matters;

- the control of a majority of the voting interests of the Issuer by Apollo, conflicts of their interests with the Issuer's interests or with the interests of the current holders of Holdings Common Shares; and

- the other factors presented under the heading "*Risk Factors*".

Investors should note that the foregoing list of important factors may not contain all of the material factors that are important to investors. In addition, in light of these risks and uncertainties, the matters referred to in the forward-looking statements contained or incorporated by reference in these Listing Particulars may not in fact occur.

The Issuer is not obliged to, and do not intend to update or revise any forward-looking statements in these Listing Particulars whether as a result of new information, future events or otherwise. All subsequent written or oral forward-looking statements attributable to the Issuer or any person acting on their behalf, are expressly qualified in their entirety by the cautionary statements contained throughout these Listing Particulars. As a result of these risks, uncertainties and assumptions, investors should not place undue reliance on these forward-looking statements.

DOCUMENTS INCORPORATED BY REFERENCE

The following pages of the annual reports of the Issuer for the years ended 31 December 2013 and 2012 are incorporated by reference into these Listing Particulars:

- pages 18 to 86 and page 88 of the CEVA Group Plc Annual Report as of and for the year ended 31 December 2013; and
- pages 18 to 76 of the CEVA Group Plc Annual Report as of and for the year ended 31 December 2012,

together, the **"Issuer's Annual Reports"**.

The Issuer's Annual Reports have been filed by the Issuer with the ISE and can be inspected, *inter alia*, at the Issuer's registered office at 20-22 Bedford Row, London, WC1R 4JS, United Kingdom.

Any statement contained in a document incorporated or considered to be incorporated by reference in these Listing Particulars shall be considered to be modified or superseded for purposes of these Listing Particulars to the extent that a statement contained in these Listing Particulars modifies or supersedes such statement. Any statement that is modified or superseded shall not, except as so modified or superseded, constitute a part of these Listing Particulars. Any other information that is included in the Issuer's Annual Reports which is not incorporated by reference into these Listing Particulars is not relevant for investors or is covered elsewhere in these Listing Particulars.

Except for the specific pages of the documents expressly incorporated herein by reference, the Issuer's website and the information contained therein or connected thereto will not be deemed to be incorporated into these Listing Particulars, and investors should not rely on any such information in deciding whether to invest in the Notes. Where documents expressly incorporated herein by reference, themselves incorporate information by reference, such information does not form part of these Listing Particulars.

RISK FACTORS

The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Notes, as applicable. Some of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring or not occurring.

In addition, factors which are material for the purpose of assessing the market risks associated with the Notes are also described below. If any of the risks described below actually materialises, the Issuer's business, prospects, financial condition, cash flows or results of operations could be materially adversely affected. If this were to happen, the trading price of the Notes could decline or the Issuer could be unable to pay interest, principal or other amounts on or in connection with the Notes or unable to fulfil its obligations under the Notes.

The Issuer believes that the factors described below represent the principal risks inherent in investing in the Notes, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with the Notes, or otherwise perform its obligations under the Notes, may occur for other reasons that may not be considered significant risks by the Issuer based on information currently available to it or for reasons which it may not currently be able to anticipate. Investors should also read the detailed information set out elsewhere in these Listing Particulars together with the information incorporated by reference herein and reach their own views prior to making an investment decision.

The order in which these risk factors are presented does not necessarily reflect the likelihood of their occurrence or the magnitude of their potential impact on the Issuer's business, prospects, financial condition, cash flows or results of operations.

1. Risks Related to the Notes

1.1 The Notes will mature after a substantial portion of our other indebtedness.

The Notes will mature on 19 March 2021. A majority of our existing indebtedness will mature prior to the maturity date for the Notes. If we do not have sufficient cash to repay our debt when it matures, we will need to refinance such indebtedness. There can be no assurance that we will have the ability to borrow or otherwise raise the amounts necessary to repay such amounts. We may not be able to refinance such indebtedness on satisfactory terms, if at all, and would be required to do so prior to the maturity of the Notes. As a result, we may not have sufficient cash to repay all amounts owing on the Notes at maturity.

1.2 As a holding company with no independent operations, our ability to repay our debt, including the Notes, depends upon the performance of our subsidiaries.

We are a holding company with no independent operations. All of our operations are conducted by our subsidiaries, and we have no significant assets other than the equity interests in our subsidiaries. As a result, our cash flow and the ability to service our indebtedness, including our ability to pay the interest and principal amount of the Notes when due, depend on the performance of our subsidiaries and the ability of those entities to distribute funds to us.

Accordingly, repayment of our indebtedness, including the Notes, depends on the ability of our subsidiaries to make such cash available to us, by dividend, debt repayment or otherwise. Our subsidiaries do not have any obligation to pay amounts due on the Notes or to make funds available for that purpose. Our subsidiaries may not be able to make distributions to enable us to make payments in respect of our indebtedness, including the Notes. Each subsidiary is a distinct legal entity and, under certain circumstances, legal and contractual restrictions may limit our ability to obtain cash from our subsidiaries. In the event that we do not receive distributions from our subsidiaries, we may be unable to make required principal and interest payments on our indebtedness, including the Notes.

In addition, any payment of interest, dividends, distributions, loans or advances by our operating subsidiaries to us could be subject to restrictions on dividends or repatriation of distributions under applicable local law, monetary transfer restrictions and foreign currency exchange regulations in the jurisdictions in which the subsidiaries operate or under arrangements with local partners. For example, our Dutch subsidiaries may only distribute dividends to the extent they have sufficient distributable reserves, and in Australia a company must not pay a dividend unless its assets exceed its liabilities immediately before the dividend is declared and the excess is sufficient for the payment

of the dividend, the payment of the dividend is fair and reasonable to the company's shareholders as a whole, and the payment of the dividend does not materially prejudice the company's ability to pay its creditors. In addition, payments of dividends may be subject to dividend withholding tax where an Australian entity pays unfranked dividends to a non-Australian shareholder.

1.3 **We may not be able to generate sufficient cash to service all of our indebtedness, including the Notes, and may be forced to take other actions to satisfy our obligations under the terms of our indebtedness that may not be successful.**

Our ability to generate cash depends on many factors beyond our control. We cannot assure you that our business will generate sufficient cash flow from operations, or that future borrowings will be available to us, in an amount sufficient to fund our liquidity needs, including the payment of principal and interest on the Notes. In the event that we have insufficient cash to pay our obligations as they mature or to fund our liquidity needs, we may be forced to:

- reduce or delay business activities and capital expenditures;
- sell assets;
- obtain additional debt or equity capital; or
- restructure or refinance all or a portion of our debt, including the Notes, on or before maturity.

These alternative measures may not be successful, and may not permit us to meet our scheduled debt service obligations. Our ability to restructure or refinance our debt will depend on the condition of the capital markets and our financial condition at such time. Any refinancing of our debt could be at higher interest rates and may require us to comply with more onerous covenants, which could further restrict our business operations. In addition, the terms of existing or future debt agreements may restrict us from adopting some of these alternatives. In the absence of such operating results and resources, we could face substantial liquidity problems and might be required to dispose of material assets or operations to meet our debt service and other obligations. We may not be able to consummate these disposals for fair value or at all. Furthermore, any proceeds that we could realise from any such disposals may not be adequate to meet our debt service obligations then due.

In May 2013, we completed the Recapitalization, which reduced our consolidated net debt by approximately $1.6 billion and annual cash interest expense by approximately $170 million or approximately 50%. Most of our debt outstanding prior to the Recapitalization was converted into equity of our parent, Holdings. We can make no assurance that we will not have to undergo a recapitalization again in the future.

1.4 **If we default on our obligations to pay our other indebtedness, results of operations and financial condition may be adversely affected and we may not be able to make payments on the Notes.**

Any default under the agreements governing our indebtedness could prohibit us from making payments of principal, premium, if any, or interest on the Notes and could substantially decrease the market value of the Notes. If we are unable to generate sufficient cash flow and are otherwise unable to obtain funds necessary to meet required payments of principal, premium, if any, or interest on our indebtedness, or if we otherwise fail to comply with the various covenants, including financial and operating covenants, in the instruments governing our indebtedness we could be in default under the terms of the agreements governing such indebtedness. In the event of any default, the holders of such indebtedness could elect to declare all the funds borrowed thereunder to be due and payable, together with accrued and unpaid interest.

If the indebtedness were to be accelerated after an event of a default, our assets may not be sufficient to repay such indebtedness in full and our lenders could foreclose on our pledged assets. Under these circumstances, we cannot give assurance that a refinancing would be possible or that any additional financing could be obtained on acceptable terms or at all and we may be forced to explore other alternatives, which could include a potential reorganisation or restructuring.

1.5 **Despite our substantial indebtedness, we may still be able to incur significantly more debt.**

The provisions contained or to be contained in the agreements relating to our indebtedness, including the Notes, do not completely prohibit our ability to incur additional indebtedness, and the amount of additional indebtedness that

we could incur could be substantial. Accordingly, we could incur significant additional indebtedness in the future, much of which could constitute secured or senior indebtedness.

1.6 **Variable rate indebtedness subjects us to interest rate risk, which could cause our debt service obligations to increase significantly.**

The Notes, being floating rate instruments, are at variable rates of interest and expose us to interest rate risk. If interest rates increase, our annual debt-service obligations rate indebtedness under the Notes would increase, and could increase significantly, even though the amount borrowed remained the same, and our net income would decrease.

1.7 **European Union savings directive.**

Under EC Council Directive 2003/48/EC on the taxation of savings income, each Member State is required to provide the tax authorities of another Member State details of payments of interest or other similar income payments (**"Savings Income"**) made by a person within its jurisdiction to or collected by such a person for an individual or to certain other persons, resident in that other Member State (interest payments on the Notes will for these purposes be Savings Income). However, for a transitional period, Austria and Luxembourg may instead apply a withholding system in relation to such payments, deducting tax at 35% (subject to a procedure whereby, on meeting certain conditions, the beneficial owner of the interest or other income may request that no tax be withheld-see below). The termination of such transitional period is dependent upon the conclusion of certain other agreements by certain other countries relating to the exchange of information relating to such payments. Luxembourg has announced that it will cease to withhold from 1 January 2015 and instead it will provide the required information.

A number of non-EU countries and certain dependent or associated territories of certain Member States have adopted and implemented similar measures (either provision of information or transitional withholding) in relation to payments of Savings Income made by a person within its jurisdiction to an individual, or to certain other persons, resident in a Member State. In addition, Member States have entered into reciprocal arrangements with certain of those non-EU countries and dependent or associated territories of certain Member States in relation to payments of Savings Income made by a person in a Member State to an individual, or to certain other persons, resident in certain dependent or associated territories or non-EU countries.

Where an individual holder receives a payment of Savings Income from any Member State or dependent or associated territory employing the withholding arrangement, the individual holder may be able to elect not to have tax withheld. The formal requirements may vary slightly from jurisdiction to jurisdiction. They generally require the individual holder to produce certain information (such as his tax number) and consent to details of payments and other information being transmitted to the tax authorities in his home state. Provided that the other Tax Authority receives all of the necessary information the payment will not suffer a withholding under EC Council Directive 2003/48/EC or the relevant law conforming with the directive in a dependent or associated territory.

Investors should note that an amended version of the directive was adopted by the European Council on 24 March 2014, which, among other changes, will extend the application of the directive to (i) payments channelled through certain intermediate structures (whether or not established in a Member State) for the ultimate benefit of an EU resident individual, and (ii) a wider range of income similar to savings income. The amendments must be transposed by Member States prior to 1 January 2016 and will apply from 1 January 2017.

1.8 **Change of tax law.**

Statements in these Listing Particulars concerning the taxation of noteholders are of a general nature and are based upon current tax law and published practice in the jurisdictions stated. Such law and practice is, in principle, subject to change, possibly with retrospective effect, and any such change could adversely affect noteholders. In addition, any change in the Issuer's tax status or in taxation legislation or practice in a relevant jurisdiction could adversely impact the ability of the Issuer to service the Notes and the market value of the Notes.

1.9 **The Notes will be effectively subordinated to any secured debt.**

Our obligations under the Notes will rank effectively junior to any other debt that is currently secured or that we may secure in the future by charging or pledging any of our assets to secure such debt to the extent of the value of the assets securing such debt. If we become insolvent or are liquidated, or if payment in respect of such secured indebtedness is accelerated, the holders of such secured indebtedness will be entitled to exercise the remedies available to secured creditor under applicable law (in addition to any remedies that may be available under documents pertaining to the secured indebtedness).

2. **Risks Related to Our Business**

2.1 **The supply chain management industry may be materially adversely affected by negative changes in economic conditions.**

The supply chain management business is susceptible to trends in economic activity, including but not limited to industrial production, consumer spending and retail activity, and an economic crisis or slowdown may negatively affect our business in a number of ways. In particular, our results of operations and financial condition are directly tied to the purchase and production of goods across the global economy. The primary activity of our Freight Management business is to transport goods, and our Contract Logistics business is an integral part of the production, storage and distribution of goods in many different industries. Changes in economic conditions, including the recent Eurozone issues, could materially adversely impact our customers, which could in turn impact their demand for our services and the terms on which we provide such services to our customers. We derive 11% of our revenues for the year ended 31 December 2013 from countries in Southern Europe, including Italy, Spain, Portugal and Greece. Revenues, particularly in Freight Management, were also negatively impacted by the loss of volume due to uncertainty created during the Recapitalization which was announced and commenced on 3 April 2013 and was closed successfully on 2 May 2013.

2.2 **Increased costs or decreased availability of third-party providers of certain transportation services could increase our operating expenses, reduce our net income and have a material adverse effect on our financial condition.**

We do not in general maintain our own transportation networks. Instead, we rely on third-party transportation service providers for most of our contract logistics transport services and substantially all of our Freight Management services. Our ability to serve some of our customers depends on the availability of air and sea cargo space, including space on passenger and cargo airlines and ocean carriers that service the transportation lanes our customers use. We cannot assure you that we will be able to obtain access to preferred third-party networks at attractive rates or that these networks will have adequate available capacity to meet our needs. In addition, although we seek to pass through third-party transportation rate increases to our customers, in certain instances, we may not be able to raise prices in sufficient amounts or on a sufficiently rapid basis, which could materially adversely affect our profitability and results of operations.

2.3 **Despite the large variable cost component of our business model, we may not be able to reduce our costs as much or as quickly as we would like, including in the event of future economic downturns or other changes in economic conditions.**

In response to the economic downturn of the last five years, we have executed and are continuing to execute a number of initiatives to reduce our costs. Despite this, in 2012 our operating costs increased faster than our revenue growth causing margin declines primarily driven by cost information. In October 2012, a cost reduction program was announced targeting $130 million net cost savings. We cannot assure you that we will achieve these cost savings. Should the economic recovery fail to progress, we may need to implement further cost reduction initiatives to adjust our cost base if revenues decline, but such initiatives may not achieve the cost savings necessary to maintain our margins or offset a decline in revenue or grow slower than costs. Termination of low margin contracts may result in lower revenues and a reduction in volume discounts from carriers. In addition, regardless of prevailing economic conditions, we consistently target incremental cost savings as part of our operational improvements. We may not achieve our targeted cost savings in the amounts or in the time frames expected or at all.

2.4 **We have multi-year contracts that may require us to bear the risk of increases in our operating costs or to bear certain fixed costs in the event our customers terminate their contracts prior to anticipated expiration dates.**

We enter into multi-year contracts with many of our customers. We also enter into contracts with third parties who provide services or property to us in connection with our provision of services under our customer contracts. These supplier contracts may provide for fixed pricing and other terms which we negotiate based on our assumptions regarding our customers' scope of services and volumes, the operational efficiencies and productivity improvements we expect to achieve and other estimates. In contract logistics, specifically, we make assumptions and estimates about the implementation of starting up operations for a new customer, location or service. These assumptions and estimates may prove to be inaccurate as a result of poor information provided by the customer, changes to economic conditions, reductions in volume or termination of customers' activities with us and other developments, and as a result, our operating margins under these customer contracts may be materially adversely affected.

In addition, although we seek to retain flexibility in our contractual arrangements with our customers to adjust pricing terms or terminate contracts that become economically onerous, we sometimes bear a portion of cost increases over the short term. For example, our suppliers pass on increases in fuel prices to us and we generally pass these price increases on to our customers through a surcharge, but in some cases we may not be able to transfer these increases to our customers on a sufficiently rapid basis. Furthermore, our business may be materially adversely affected by macroeconomic risks such as inflation, wage increases and currency exchange rates, due to a limited sharing of such risks in certain of our contracts.

Although we seek to structure our arrangements with third parties on a back-to-back basis with the related customer arrangements-for example, by entering into lease agreements with durations and termination rights that are coterminous with the duration of the customer contracts that the leased property is used to service-or otherwise seek to require our customers to assume these costs and commitments if they prematurely terminate their contracts with us, certain arrangements require us to make investments in property, plant, and equipment and expand our personnel and management, and there may be instances where we are not able to offset or transfer such costs to our customers. For example, many of our contracts are terminable by our customers with limited advance notice periods, and as a result we may have fixed costs and excess capacity that could materially adversely affect our business, results of operations and financial condition.

2.5 **The trend toward outsourcing of supply chain management activities, either globally or within specific industries, may change, thereby reducing demand for our services.**

Our growth strategy is partially based on the assumption that the trend toward outsourcing of supply chain management services will continue. Third-party service providers like CEVA are generally able to provide such services more efficiently than otherwise could be provided "in-house," primarily as a result of our expertise, technology and lower and more flexible employee cost structure. However, many factors could cause a reversal in the trend. For example, our customers may see risks in relying on third-party service providers, or they may begin to define these activities as within their own core competencies and decide to perform supply chain operations themselves. If our customers are able to improve the cost structure of their in-house supply chain activities, including in particular their labour-related costs, we may not be able to provide our customers with an attractive alternative for their supply chain needs. If our customers in-source significant aspects of their supply chain operations, or if potential new customers decide to continue to perform their own supply chain activities, our business, results of operations and financial condition may be materially adversely affected.

2.6 **Changing trends in our customers' preferred modes of freight may materially adversely affect our business.**

There are a variety of modes in which freight can be transported, including by air, ocean, road or railroad. We have differing market positions and exposure to various modes of freight, which have differing margin levels and net working capital requirements. While not all of these modes are interchangeable, depending on the origin and destination of freight our customers have substantial flexibility to choose the mode that best suits their needs in terms of type of freight, cost, speed, certainty of arrival time and other factors. Trends in preferred modes may shift over time as their characteristics change or our customers' priorities change. For example, during periods of economic contraction and inventory de-stocking, certain customers may find that speed and certainty of arrival time

is less important than when inventory levels were tight. If this is the case, such customers may choose ocean freight as a lower-cost but slower alternative to air freight. In recent years, we experienced a shift in our air freight volumes to ocean freight volumes, particularly in Asia, which contributed to a softening of our overall air freight volumes and negatively impacted our margins and net working capital requirements. While these trends may to some extent be cyclical in nature, there can be no assurance that the trend from air freight to ocean freight does not continue, and we may not be able to prepare for or predict future shifts in demand for particular transportation services, which may have a materially adverse effect on our business.

2.7 **Competition and consolidation in the freight forwarding and contract logistics industries may materially adversely affect our business.**

The freight forwarding and contract logistics industries in which we operate are highly competitive, and we expect them to remain so in the foreseeable future. If we do not have sufficient market presence or are unable to differentiate ourselves from our competitors, we may not be able to compete successfully against other companies. The competition we face may also increase as a result of consolidation within the contract logistics and freight forwarding industries. If as a result of such consolidation, our competitors are able to obtain more favourable terms from suppliers, offer more comprehensive services to customers, or otherwise take actions that could increase their competitive strengths, our competitive position and therefore our business, results of operations and financial condition may be materially adversely affected.

2.8 **Our substantial indebtedness could adversely affect our ability to raise additional capital to fund our operations and limit our ability to react to changes in the economy or our industry.**

As of 31 December 2013, we had approximately $2,803 million of outstanding total indebtedness. Our ability to generate sufficient cash flow from operations to make scheduled payments on our debt depends on a range of economic, competitive and business factors, many of which are outside our control. Our business may not generate sufficient cash flow from operations to meet our obligations, and currently anticipated cost savings, operating improvements and other cash management initiatives may not be realised on schedule, or at all. In the event we require additional external financing, we would need to seek new commitments from existing or new lenders, and there can be no assurance that such financing will be available on acceptable terms or at all or that we will be permitted to incur such financing under our existing debt agreements. Certain of our other indebtedness contains, or will contain, a number of restrictive covenants that will impose significant operating and financial restrictions on us. Our inability to comply with these obligations or generate sufficient cash flow to satisfy our debt, or to refinance our obligations on commercially reasonable terms, would have a material adverse effect on our business, financial condition and results of operations.

Our substantial indebtedness impacts our flexibility in operating our business and could have important consequences for our business and operations, including the following:

- it may limit our flexibility in planning for, or reacting to, changes in our operations or business or developments in market conditions;
- it may make us more vulnerable to downturns in our business or the economy;
- a substantial portion of our cash flows from operations will be dedicated to the repayment of our indebtedness and will not be available for other purposes;
- it may restrict us from making strategic acquisitions, introducing new technologies, or exploiting business opportunities; and
- it may materially adversely affect terms under which suppliers provide material and services to us.

2.9 **In the event we require additional external financing, there can be no assurance that such financing will be available on acceptable terms or at all.**

At 31 December 2013, we had $574 million in cash. In addition to this cash, we had access to $553 million of central credit facilities, of which $375 million was drawn at 31 December 2013. Accordingly, at 31 December 2013, we had total cash and available central credit facilities of $752 million. In the event we are unable to increase the borrowing capacity under current financing arrangement, we would need to seek new commitments from existing or new lenders, and there can be no assurance that such financing will be available on acceptable terms or at all or that it will be permitted to incur such financing under our existing debt agreements.

2.10 **A failure to maintain and continuously improve our information technology and operational systems to support the anticipated growth and improvements in our operations could have a material adverse effect on our business and operations.**

To manage our growth and improve our performance, we must maintain and continuously improve our operational systems and processes. Recently, we substantially completed two projects to update our operations: (1) the outsourcing of our financial processes and (2) the streamlining of our Freight Management systems. We cannot assure you that we will be able to develop and implement, on a timely basis, projects, systems, procedures and controls required to support the growth and development of our operations. If we are unable to manage our growth and improve our performance, our business, results of operations and financial condition may be materially adversely affected.

In addition, we expect our customers will continue to demand more sophisticated and fully integrated information technology systems compatible with their own information technology environment. Our information systems must frequently interact with those of our customers and service providers and must function across multiple territories. Our future success will depend on our ability to employ software that meets industry standards and customer demands across multiple territories, and to continue to upgrade and develop our software to ensure it remains state of the art. The failure of the hardware or software that supports our information technology systems or the loss of data in the systems, or the inability to access or interact with our customers electronically, could significantly disrupt customer workflows and cause economic losses for which we could be held liable and that would damage our reputation. If we fail to meet the demands of our customers or protect against disruptions of our own and our customers' operations, we may lose customers, which could materially adversely affect our business, results of operations and financial condition.

2.11 **We have certain customers and operate in certain industries that represent a considerable portion of our revenues.**

Although we have a relatively diversified customer base, with our top 10 customers representing approximately 22% of our revenues in 2013 and our largest customer representing approximately 5% of our revenue, we do have some customers that represent a considerable portion of our revenue. If a major customer decides to terminate or not renew existing contracts or arrangements, decides to reduce the services we provide to them, seeks to renegotiate the terms of our contracts in ways that are adverse to us or becomes bankrupt, insolvent or otherwise unable to pay for our services, this could have a material adverse effect on our business, results of operations and financial condition.

In addition, our services focus on specific industry sectors, and we are therefore directly impacted by market developments and economic conditions in these sectors. Our single largest sector is automotive, which accounted for approximately 28% of our revenues in 2013. Other sectors to which we have substantial exposure include technology, consumer & retail, industrial and energy. Future downturns in any of these sectors, or any other sector that we serve - including plant closings, bankruptcies and consolidations - could materially harm our business, results of operations and financial condition.

2.12 **Apollo controls us pursuant to the terms of the LLC Agreement and may have conflicts of interest with our investors or us in the future.**

Pursuant to contractual arrangements under the Second Amended and Restated Limited Liability Company Agreement of Holdings (the **"LLC Agreement"**), Apollo and its affiliates hold a majority of the share voting power of Holdings and have the right to appoint a majority of the members of the board of managers of Holdings until the

Sunset Date (as defined in the LLC Agreement). The LLC Agreement provides that the members of Holdings shall direct the Issuer to cause the board of directors of the Issuer to be identical to the board of managers of Holdings; therefore the boards of both Holdings and the Issuer are identical. As a result, Apollo controls our ability to enter into any corporate transaction and can prevent any transaction that requires the approval of equity holders, regardless of whether the holders of the Notes believe that any such transactions are beneficial to their interests. For example, Apollo could cause us to make acquisitions that increase the amount of indebtedness that is secured on an equal priority basis to the Notes or to sell revenue-generating assets, impairing our ability to make payments under the Notes. Additionally, Apollo is in the business of making investments in companies and may from time to time acquire and hold interests in businesses that compete, directly or indirectly, with us. Apollo may also pursue acquisition opportunities that may be complementary to our business and, as a result, those acquisition opportunities may not be available to us. So long as Apollo continues to control Holdings pursuant to the LLC Agreement, it will continue to be able to strongly influence or effectively control our decisions. Because our equity securities are not registered under the securities laws of the United States or in any other jurisdiction and are not listed on any U.S. securities exchange, we are not subject to any of the corporate governance requirements of U.S. securities authorities or U.S. securities exchanges.

2.13 **We are dependent on key members of our leadership team and other qualified personnel, and an inability to attract and retain qualified employees could materially adversely affect us.**

Our ability to operate our business and implement our strategies depends, in part, on the efforts of key members of our leadership team and other qualified personnel, and our future success will depend on, among other factors, our ability to attract and retain qualified management, sales representatives, agents, carrier representatives and other qualified personnel. The loss of the services of our key employees or the failure to retain and attract other qualified personnel could have a material adverse effect on our business, results of operations and financial condition. Moreover, the market for qualified individuals may be highly competitive and we may not be able to attract and retain qualified personnel to replace or succeed members of our senior management or other key employees, should the need arise.

2.14 **We may be required to expend significant time and expense in dealing with our employees, some of whom are subject to stringent local employment laws that are onerous to employers, including with respect to labour and employment litigation.**

Some of our employees reside in countries with stringent labour and employment laws that provide significant bargaining or other rights which can be onerous to employers. Compliance with these laws may limit our flexibility in and increase the cost of managing our relations with our employees. For example, many of our employees in Europe are represented by works councils, which have certain rights to approve changes in conditions of employment, including restructuring initiatives and changes in salaries and benefits. While we believe we maintain good relationships with our employees and their representatives, a significant dispute could disrupt our operations, divert management's attention and otherwise hinder our ability to conduct our business or to achieve planned cost savings.

Furthermore, as part of our business development, we may take assignment of employment arrangements from our customers or build up long-term employment records with our employees, which may cause us, in some territories, to assume by operation of law certain rights and obligations relating to such employees. Unanticipated liabilities or extended commitments from such arrangements could materially adversely affect our business, results of operations and financial condition.

Additionally, we have been and currently are subject to numerous proceedings and disputes which allege various causes of action and raise legal challenges to our labour and employment practices, particularly in Brazil and Italy, which have litigious and unpredictable legal environments with respect to employment. These proceedings in Brazil and Italy include individual claims and lawsuits, disputes with unions and governmental or quasi-governmental investigations of our labour practices and in Brazil supervision of our labour practices. Any failure in our ability to manage employment litigation and related regulatory risks in Brazil, Italy or any of the other jurisdictions in which we operate could have a material adverse effect on our business, results of operations and financial condition.

2.15 **If we fail to extend or renegotiate our collective bargaining agreements with our labour unions as they expire from time to time, or if our employees were to engage in a strike or other work stoppage, our business and operating results could be materially adversely affected.**

As of 31 December 2013, approximately half of our employees were unionised or represented by works councils that have collective bargaining agreements. We cannot assure you that we will be able to successfully extend or renegotiate our collective bargaining agreements as they expire from time to time. If we fail to extend or renegotiate our collective bargaining agreements or are only able to renegotiate them on terms that are less favourable to us, or if disputes with our unions arise or our unionised workers engage in a strike or other work stoppage, we could incur higher labour costs or experience a significant disruption of operations, which could have a material adverse effect on our business, results of operations and financial condition.

2.16 **Our business is subject to various laws and regulations around the world; failure to comply with these provisions, as well as any adverse changes in applicable laws and regulations, may restrict or prevent us from doing business in certain countries or jurisdictions, require us to incur additional costs in operating our business or otherwise materially adversely affect our business.**

The supply chain management services we provide are regulated by various governmental authorities around the world. A failure to comply with applicable laws and regulations and maintain appropriate authorizations could result in substantial fines, operational restrictions or possible revocations of authority to conduct operations, which could have a material adverse impact on our business, results of operations and financial condition. Future regulations or changes in existing regulations, or in the interpretation or enforcement of regulations, could require us or our customers to incur additional capital or operating expenses or modify business operations to achieve or maintain compliance. For example, the global responses to terrorist threats have resulted in a proliferation of cargo security regulations which have created a marked difference in the security arrangements required to move shipments around the globe, and we expect regulations to become more stringent in the future.

In addition, due to the cross-border nature of our activities and the large number of countries in which we operate, we must continually monitor our compliance with anti-corruption laws (including the U.S. Foreign Corrupt Practices Act and the U.K. Bribery Act), trade control and sanctions laws and regulations (including those promulgated and enforced by the U.S. Treasury Department's Office of Foreign Assets Control (**"OFAC"**) and by other national and supranational institutions) and antitrust and competition laws. Recent years have seen a substantial increase in global enforcement of these laws, with more frequent voluntary self-disclosures by companies, industry-wide investigations and criminal and civil enforcement proceedings by U.S. and other government agencies resulting in substantial fines and penalties.

We may be subject to criminal and civil penalties and other remedial measures as a result of any violation of such laws and regulations, which could have a material adverse effect on our business, results of operations and financial condition. While we have in place policies and procedures relating to compliance with these laws, there can be no assurance that our internal policies or procedures will work effectively to ensure that we comply with such laws and regulations all of the time or to protect us against liability under such laws and regulations for actions taken by our employees or by our third-party service providers (or their subcontractors) with respect to our business, which may be outside our direct control or knowledge.

For example, through an internal review of our global operations, we identified certain transactions in an Initial Notice of Voluntary Self-Disclosure that CEVA filed with OFAC on 28 October 2013. CEVA's review is ongoing. CEVA will file a supplemental voluntary disclosure with OFAC after completing its review. The internal review indicates that in February 2013, CEVA Freight Holdings (Malaysia) SDN BHD ("**CEVA Malaysia**") provided customs brokerage for export and local haulage services for a shipment of polyethylene resin to Iran shipped on a vessel owned and/or operated by HDS Lines, included on the Specially Designated Nationals and Blocked Persons List maintained by OFAC. In September 2013, CEVA Malaysia provided customs brokerage services for the import into Malaysia of fruit juice from Alifard Co. in Iran via HDS Lines. These transactions violate the terms of internal CEVA compliance policies, which prohibit transactions involving Iran. Upon discovering these transactions, CEVA promptly launched an internal investigation, and is taking action to block and prevent such transactions in the future. CEVA intends to cooperate with OFAC in its review of this matter.

2.17 **We are or have been subject to investigations into possible price-fixing and other improper collusive activity by various law enforcement authorities, which may form the basis for criminal and/or civil charges and sanctions that could materially adversely affect our business, results of operations and financial condition.**

We are or have been subject to, and cooperating with, inquiries and/or investigations by the European Commission (**"EC"**) and governmental authorities in certain other jurisdictions regarding possible price fixing and other improper collusive activity. Several investigations (including by the U.S. Department of Justice (**"DOJ"**) and by authorities in Canada, Japan, New Zealand and Switzerland) have been resolved. In February 2010, we received a statement of objections from the EC concerning our alleged participation in certain price-fixing cartels in the air freight forwarding business in violation of the European Union antitrust rules. We submitted a response, and on 28 March 2012, the EC issued its ruling. The EC ruled that EGL, Inc. and two of its subsidiaries (now known as CEVA Freight (UK) Limited and CEVA Freight Shanghai Limited) had violated European Union competition law by participating in two infringements of competition law in relation to the pricing of two discrete fees. The EC imposed a total fine of approximately $4 million on EGL, Inc. and its subsidiaries, which we have paid pending our appeal, which has been filed. We have cooperated with the EC throughout its investigation and received substantial reductions in fines as a result. Other jurisdictions in which we are subject to antitrust investigation or inquiry include Brazil and Italy, where we received notice of a fine, which we have paid pending our appeal, and Singapore, where we received a letter of inquiry dated 14 December 2011. In addition, we entered into a settlement agreement in a putative class action lawsuit in the U.S. related to alleged price fixing activities, which the court approved on 23 September 2013 and dismissed the case with prejudice. We have recorded provisions in respect of certain of these matters in our accounts.

Some of these investigations have resulted in, and pending matters could result in, additional impositions of administrative or civil sanctions against us, including fines, penalties, damages and debarment from federal contacting in the U.S. or other sanctions, and could have a material adverse effect on our business, results of operations and financial condition.

2.18 **If regulatory authorities or courts determine that our owner-operators are employees, our costs related to tax, unemployment compensation and workers' compensation payments could increase significantly.**

Our Freight Management operations in the United States rely primarily on drivers who are independent contractor owner-operators. The owner-operator model is periodically challenged by federal and state governmental and regulatory authorities, including tax authorities, as well as by individual drivers as private plaintiffs, seeking to have drivers reclassified as employees rather than independent contractors. We are currently subject to a lawsuit in California, as well as a regulatory action arising out of an audit by California's Employment Development Department, each in connection with the classification of independent contractor owner-operators.

If our independent contractor drivers were to be deemed to be employees, whether due to regulatory or judicial determinations or changes in applicable federal and state laws and regulations, it could, among other things, entitle drivers to reimbursement by us of certain expenses and to the benefit of wage-and-hour laws, subject us to employment and withholding tax and benefit liabilities, significantly increase our unemployment compensation and workers' compensation payments, and have other substantial negative financial, tax and operational impacts on our business, and would require significant changes to how our Freight Management operations are conducted. As a result, our operating costs could increase significantly and our business, results of operations and financial condition could be materially adversely affected.

2.19 **We may acquire businesses in the future that are difficult to integrate, disruptive to our existing businesses or are based on valuation determinations and projections that prove to be inaccurate.**

Acquisition opportunities that we may pursue in the future could subject us to various risks, including (1) difficulties in integrating the acquired business with our existing operations; (2) disruptions to our existing businesses and diversion of management's attention or other resources; (3) failure of the acquired business to achieve anticipated financial results; and (4) unanticipated liabilities of the acquired business. If these factors limit our ability to integrate the acquired operations successfully or on a timely basis, our business, results of operations and financial condition may be materially adversely affected.

2.20 **We are subject to risks associated with the global scope of our operations.**

We have significant operations in multiple jurisdictions throughout the world. Risks inherent in the global scope of our operations include, but are not limited to, changes in local economic conditions, storms, floods, other natural and manmade disasters, riots, fires, sabotage, acts of terrorism, civil commotion or civil unrest, interference by civil or military authorities, expropriation or trade protectionism or other similar government actions and other conflicts or unstable political conditions. For example, recent political turmoil in Thailand, including political demonstrations in Thailand have affected our volumes and business growth in Thailand. In response to these and other political conflicts, the international community may impose stricter import and export controls and economic sanctions which could adversely affect our business in such region. In addition, our global operations require us to comply with various laws such as anticorruption laws and economic laws in various jurisdictions. Any of these factors could materially adversely affect our business, financial condition and results of operations.

2.21 **We are subject to currency fluctuation risks relating to the different currencies in which we conduct and report the results of our business.**

As a result of our global operations, our business, results of operations and financial condition may be materially adversely affected by fluctuations in currency exchange rates. For example, we are subject to currency risks because our revenues may be generated in different currencies from the currencies in which our related costs are incurred, and because our cash flow may be generated in currencies that do not match our debt service obligations. In addition, our reporting currency is the euro, and therefore our reporting results are subject to translational risks relating to currency exchange rate fluctuations. Given the volatility of exchange rates, our failure to effectively hedge or otherwise manage such currency risks effectively may materially adversely affect our financial condition and results of operations.

2.22 **Changes in our effective income tax rate and results of tax audits could materially adversely impact our results of operations, cash flows and profitability.**

As a global company, we generate taxable income in different countries throughout the world, with different effective income tax rates. Our future effective income tax rate will be impacted by a number of factors, including the geographic composition of our worldwide taxable income and our ability to allocate debt effectively. If tax authorities in the jurisdictions in which we operate were to change applicable tax laws or successfully challenge the manner in which our income taxes are currently recognized, our effective income tax rate could increase, which would adversely impact our cash flow and profitability. Furthermore, in many of these jurisdictions, the tax laws are very complex and are open to different interpretations and application. We are regularly under audit by tax authorities within a number of jurisdictions. Although we believe our tax estimates are reasonable, the final determination of tax audits could be materially different from our tax provisions and accruals and negatively impact our financial results.

2.23 **We are a party to several joint ventures, and our ability to manage and develop the businesses conducted by these joint ventures depends on our relationship with our joint venture partners.**

We have entered into joint venture arrangements in multiple jurisdictions, including our Anji-CEVA joint venture in China. Under these arrangements, our joint venture partners have certain rights to exercise control or influence over operations and decision-making. Therefore, our ability to manage and develop these operations may be limited, and we may be unable to prevent actions that we believe are not in our best interests or the best interests of the relevant joint venture. The continued viability of these joint ventures depends on our relationship with, and the cooperation of, our joint venture partners.

2.24 **We are subject to risks related to legal claims and proceedings filed by or against us, and adverse outcomes in these matters may materially harm our business.**

We are subject to various claims, litigation, investigations and other legal proceedings, and we cannot predict with certainty the cost of defence, prosecution or the ultimate outcome of claims filed by or against us. Legal claims and proceedings may relate to labour and employment, commercial arrangements, personal injury and property damage claims (including claims seeking to hold us liable for accidents involving our independent owner-operators), international trade, intellectual property, environmental, health, and safety, tariff enforcement, property damage,

subrogation claims and various other matters. Adverse outcomes in these matters may materially adversely affect our business, results of operations and financial condition.

2.25 **We may face significant costs or liabilities associated with environmental, health and safety matters.**

We and many of our customers handle hazardous materials in the ordinary course of operations. In connection with these operations, there have been in the past, and may be in the future, spills or releases of hazardous materials into the environment. At sites we own, lease or operate or have previously owned, leased or operated, or where we have disposed or arranged for the disposal of hazardous materials, we could be liable for historical contamination. We have been, and may in the future be, required to participate in the remediation or investigation of, or otherwise bear liability for, such releases and be subject to claims from third parties whose property damage or personal injury is caused by such releases or other contamination. Furthermore, if we fail to comply with applicable environmental, health and safety laws and regulations, we may face administrative, civil or criminal fines or penalties, including bans on making future shipments in particular geographic areas, and the suspension or revocation of necessary permits, licenses and authorizations, all of which may materially adversely affect our business, results of operations and financial condition.

Current and future environmental, health and safety laws, regulations and permit requirements could require us to make changes to our operations, or incur significant costs relating to compliance. For example, as climate change issues become more prevalent, foreign, federal, state and local governments and our customers have been responding to these issues. National and transnational laws and initiatives to reduce and mitigate the effects of climate change, such as the Kyoto Protocol, could significantly impact transportation modes and the economics of the transportation industry. Environmental laws have tended to become more stringent over time. The increased focus on environmental sustainability may result in new regulations and customer requirements, or changes in current regulations and customer requirements, which could materially adversely affect our business, results of operations and financial condition.

2.26 **Although we purchase insurance coverage in the ordinary course of our business, it may not address all of our potential exposures or, in the case of substantial losses, may be inadequate.**

We purchase insurance coverage to address risks of losses and liability associated with our operations, which primarily relate to equipment and property damage or loss (including damage or loss of goods and property of our customers), bodily injury and workers' compensation claims. However, our insurance coverage may be inadequate in the case of substantial losses, or our insurers may refuse to cover us on specific claims. If we are unable to obtain insurance coverage, whether at an acceptable cost or at all, or if there is an increase in the frequency or amount of claims against us or our liability as a result of these claims, our business, results of operations and financial condition may be materially adversely affected.

2.27 **Potential future changes in accounting standards may impact reporting of our performance and our financial position.**

Future changes in accounting standards or practices, and related legal and regulatory interpretations of those changes, may adversely impact public companies in general, the transportation industry, or our operations specifically. Our consolidated financial statements are prepared in accordance with IFRS, as promulgated by the IASB.

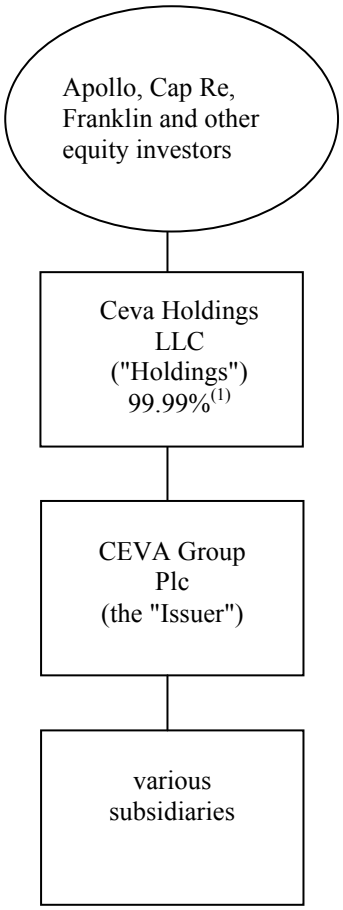
In addition, the IASB recently issued a proposal on lease accounting that could significantly change the accounting and reporting for lease arrangements. We often use operating leases to match the terms of customer contracts. The main objective of the proposed standard is to create a new accounting model that would replace the existing concepts of operating and capital leases with models based on "right-of-use" concepts. The proposed new models would result in the elimination of most off-balance sheet lease financing for lessees, such as operating leases, and would apply to the accounting for all leases, with some exceptions. The draft proposals would bifurcate operating lease payments into rental and interest components, which may increase our reported Adjusted EBITDA, and bring future lease obligations and the leased asset onto the consolidated balance sheet, which may increase our reported debt obligations. If adopted, these potential changes in IFRS regarding how we and our customers are required to account for leases could have a material adverse effect on our business, results of operations and financial condition.

DESCRIPTION OF THE ISSUER

1. Introduction

The Issuer was incorporated in England on 9 August 2006 with the name Louis No.1 Plc. The Issuer is a public limited liability company with registered number 5900853. The registered office of the Issuer is 20-22 Bedford Row, London, WC1R 4JS, United Kingdom, and its telephone number is +44 1530 568500. The Issuer changed its name from Louis No.1 Plc to CEVA Group Plc on 18 January 2007.

As of the date of these Listing Particulars, the authorised ordinary share capital of £350,000 is divided into 350,000 ordinary shares with a par value of £1 each. As of 31 December 2013, 349,999 ordinary shares of a par value of £1 each in the Issuer were held by Holdings and one ordinary share of a par value of £1 was held by CIL Limited. Accordingly, the Issuer is a wholly owned subsidiary of Holdings. The following diagram summarises the Issuer's corporate structure as of 31 December 2013.



(1) Holdings own 99.99% of the Issuer. CIL and Louis Cayman Second Holdco Limited own the remaining 0.01% of the Issuer.

The rights of the holders of the common shares in the Issuer are contained in the Articles of Association of the Issuer, and the Issuer will be managed by its directors in accordance with those articles and in accordance with the laws of England and Wales.

2. Accounting Principle

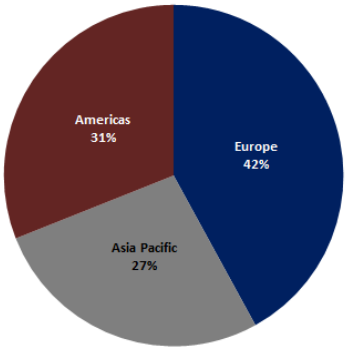
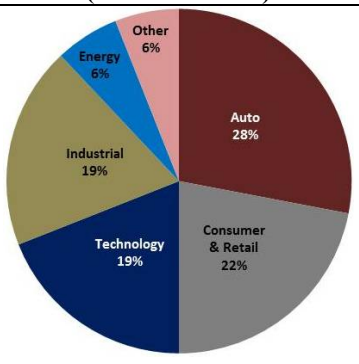
The obligor of the Notes will be the Issuer. The financial statements of the Issuer as of and for the year ended 31 December 2013 from the Issuer's Annual Report for the year ended 31 December 2013 and the financial statements of the Issuer as of and for the year ended 31 December 2012 from the Issuer's Annual Report for the year ended 31 December 2012 have been incorporated into these Listing Particulars by reference.

The financial information of the Issuer is prepared in accordance with International Financial Reporting Standards (**"IFRS"**) as adopted by the European Union (the **"EU"**). IFRS as adopted by the EU differs in certain respects from IFRS as issued by the International Accounting Standards Board (**"IASB"**). However, the Issuer does not believe that its financial statements would be materially different had they been prepared in accordance with IFRS as issued by the IASB. References to IFRS hereafter should be construed as references to IFRS as adopted by the EU.

3. Business

3.1 Overview

We are the world's fourth largest fully integrated logistics solution provider, as measured by 2013 revenues. We design, implement and operate complex, end-to-end supply chain solutions using a combination of international and local air, ocean and ground freight forwarding, contract logistics and other value-added services. We operate globally in over 170 countries in more than 1,000 locations, and serve approximately 15,000 customers primarily in five key industries: automotive, consumer and retail, technology, industrial and energy. We leverage our sector-focused expertise, global and local resources and advanced technology systems to deliver a complete spectrum of supply chain services to our clients on a global scale. Our services enable our clients to focus on their core competencies while reducing their costs and inventory levels, shortening their lead time to market, and enhancing their supply chain visibility. Our asset-light strategy enables us to more quickly scale our operations in order to adapt to changing industry conditions and environments and supports our free cash flow generation. In combination with flexible operations, our expansive geographic coverage serves the increasingly international supply chain needs of our customers. We generated approximately 33% of our 2013 revenues from high-growth geographies, including Asia Pacific (excluding Japan, Korea, Australia and New Zealand), Latin America, Eastern Europe, the Middle East and Africa, and have leading positions in North America and Western Europe. With sales generated across a balanced business, geographic and industry mix, we have a well-diversified revenue stream and significant access to growth opportunities. For the fiscal year ended 31 December 2013, we generated $8.5 billion of revenue, $277 million of Adjusted EBITDA and $393 million of Pro Forma Adjusted EBITDA.

Business Split (2013 Revenues)	**Geographic Split (2013 Revenues)[1]**	**Industry Split (2013 Revenues)**
		

(1) Americas includes, among others, the U.S., Canada, Brazil, Argentina and Mexico. Asia Pacific includes, among others, Australia, China, Singapore, Thailand, Malaysia and India. Europe includes, among others, the U.K., Ireland, the Nordics, Benelux, France, Germany, Eastern Europe, Italy, Spain, Turkey, Greece, the Middle East and Africa.

We offer a wide range of services that are classified into two business segments: Freight Management and Contract Logistics. We are one of the leading companies in freight management globally, coordinating the movement of products and materials by air, sea and ground. Our contract logistics business, which provides warehousing and ground-based distribution services, is the third largest in the world, as measured by 2013 revenues. We utilize our full suite of services and leverage synergies between our two segments to deliver integrated end-to-end solutions to our customers. As a result of our strong product mix and global scale, we are able to serve both international and regional customers and benefit from secular trends in the overall globalization of trade and manufacturing.

We have a strong presence in targeted industries where we believe our services are most valued and which have a high potential for growth. Our expertise in these industries has been developed through long-term partnerships with our customers, as evidenced by an average relationship of approximately 19 years (as of 31 December 2013) with our top 20 clients. We serve 23 of the top 25 supply chains in the world, based on operational and financial performance and peer surveys as defined by Gartner. Our customer base includes blue chip clients such as Ford, Heinz, Honda, Procter & Gamble, Lenovo, SAIC, GM, Transocean and GE. Our customer portfolio is also well balanced, with our top 10 customers representing approximately 22% of our 2013 revenues and our largest customer representing approximately 5%.

(a) Service Offering

We design, implement and operate end-to-end integrated solutions using a combination of international air, ocean and domestic freight forwarding, contract logistics, and other value-added services, which we classify into two business segments: Freight Management and Contract Logistics.

(b) *Freight Management*

Our Freight Management segment operates in a €123 billion market, as of 2013 according to TI, driven by global GDP growth and growth in global trade of materials and products. We provide asset-light transport

solutions that coordinate the movements of products and materials, using our scale and expertise to provide our customers with attractive transportation options in terms of costs, speed, reliability and security. Key services include international and local air, ocean and ground-based freight forwarding, customs brokerage and other value-added services. We operate a structurally flexible and scalable asset-light business model as we do not own aircraft or vessels and instead almost exclusively outsource transportation to third-party carriers. We operate through a network of approximately 250 stations across six continents where our employees organize the consolidation of freight and work with transportation suppliers to arrange for the delivery of our customers' shipments. We are one of the top ten freight forwarders in the world.

We operate an asset-light, structurally flexible and scalable business model. We do not own or operate aircraft or vessels, instead contracting asset-intensive third-party carriers (such as airlines or ocean carriers) to ship freight on our behalf. This allows us to tailor our services to our clients' needs by choosing among the various transportation methods and providers available. In addition, by not owning physical assets such as planes and ships, we limit our fixed cost base and capital expenditure, which enables us to more quickly scale our operations, and adapt to changing industry conditions and environments and supports our free cash flow generation. We generally derive our revenues from charging a spread over the carrier's charge to us for transporting the shipment, in addition to charges for customs brokerage and other ancillary services that we are able to sell to our customers. Because of the volume of freight we control and our ability to consolidate shipments, we are generally able to obtain lower rates per kilogram or container than the shipper would be able to procure by going directly to the carrier. Due to our experience in providing these services and our understanding of the global transportation network, we are able to provide our customers with highly effective and flexible solutions.

As a freight forwarder, we typically act as a freight consolidator: we obtain shipments from our customers, consolidate shipments bound for a particular destination, determine the best transportation route for the shipment to its destination, select the carrier on which the consolidated lot is to move and tender each consolidated lot as a single shipment to the carrier for transportation to a destination. We select the carrier for a shipment based on route, service capability, available cargo capacity and cost, and charter cargo aircraft and vessels depending upon seasonality, freight volumes and other factors. At the destination, we or our agent receive the consolidated lot, break it into its component shipments and distribute the individual shipments to the consignees. Occasionally, when the volume on a given route does not warrant consolidation with other shipments or when specifically requested by our customers, we forward the freight individually as an agent of the carrier transporting the shipment. Whether acting as a consolidator or agent, we leverage our scale, global network and local knowledge to provide our customers with optimal transportation execution in terms of cost, speed, reliability, and security.

As part of our Freight Management offering, we also provide worldwide customs brokerage and other ancillary services. In our capacity as a customs broker, key services include preparing and filing formal documentation as well as facilitating customs bonds and the payment of duties and collection of refunds. Our customs brokers and support staff have substantial knowledge of the complex tariff laws and customs regulations in their respective countries, and within the U.S. we employ a significant number of personnel holding individual customs broker licenses. We also provide consulting and other ancillary services to our Freight Management customers, such as picking and packing, labeling and home delivery.

(c) *Contract Logistics*

Our Contract Logistics segment operates in a large and under-penetrated global market where approximately 15-20% is outsourced to Contract Logistics companies, implying a Contract Logistics market size of $223 billion in 2013 according to TI. We provide solutions to our clients by assuming control of all or a portion of their supply chain operations, typically under multi-year contracts. Key services include inbound logistics, manufacturing support, outbound/distribution logistics and aftermarket/reverse logistics. We rely on our proprietary information systems, deep industry knowledge and culture of operational excellence to deliver best-in-class supply chain solutions to our customers. Contracts are typically for multiple years (weighted average contract duration is 2.2 years), with high renewal rates (86% in 2013), as switching costs are typically material given our systems and employees are tightly integrated into our customers' operations. Our asset-light business model operates almost exclusively using leased or customer-owned facilities and with minimal net working capital. We manage approximately 600

contract logistics locations across six continents, the majority of which are leased on a back-to-back basis with our customer contracts. According to data reported by TI, we are one of only two companies in the world with top ten market positions in contract logistics in both North America and Europe, and we estimate that we have a top ten position in Asia Pacific (excluding Japan) as well. We believe this is a critical advantage in winning new business given the increasingly global nature of the industry. CEVA is well positioned in emerging markets, particularly in China, which according to the TI report is expected to grow by almost 70% from 2013 to 2017, with a corresponding CAGR of 14.1%. CEVA specifically has growth opportunities in China's automotive sector, which has, according to OICA, already the largest vehicle production in the world with over 22.1 million vehicles produced per year, more than double the second placed USA at 11 million.

We deliver our services mainly through the provision of people, technology and systems and typically work on leased or customer-owned premises with modest capital expenditures tied to new contract wins. When we win new business, we often lease assets and hire employees specifically for that contract, and the substantial proportion of our leases are scheduled to terminate in line with contract maturities in order to reduce the potential burden of unutilized assets. As of 31 December 2013, our multi-year contracts have a weighted average duration of approximately two and a half years. The majority of our contracts are based on a price per unit of volume, with protections related to volume and scope changes and indexation clauses such as fuel cost pass-through and inflation adjustments. We tend to have high renewal rates as a result of our performance and incumbent advantage related to experience and integration into our customers' operations and systems, which has helped us to build an average relationship of approximately 21 years with our top 15 Contract Logistics customers.

Our Contract Logistics services can be grouped as follows:

Inbound Logistics. We optimize our customers' collection routes, reduce their inventory through warehouse management and consolidation, enhance their production efficiency by kitting and sequencing their unassembled parts, and provide quality control and other value-added services.

Manufacturing Support. We manage our customers' inventory to maintain optimal stock levels for manufacturing, and support product line replenishment and feeding procedures. We also provide customized solutions to package finished goods and facilitate safe transport.

Outbound / Distribution Logistics. We provide dedicated warehousing tailored to individual customer needs and also manage multi-user solutions focused on industry-specific requirements. We also arrange transport between customer locations and coordinate the distribution of our clients' finished products to end customers, typically using third-party local operators. Finally, we provide related services such as picking and packing, home delivery and installation of large items.

Aftermarket / Reverse Logistics. We provide spare parts warehousing and forward stock locations to support aftermarket activities such as swaps, returns and repairs. We also manage call centers to perform diagnostics and coordinate distribution and collection services.

3.2 Integrated Business Model and Cross-Selling

Our integrated business model allows us to act as a "one-stop" provider for all our customers' supply chain needs and provide integrated end-to-end solutions that optimize the performance, cost and cash flow of their supply chains. This model facilitates unique cross-selling opportunities and strengthens our relationship with our customers as we become a more integral part of their supply chain.

Our sales staff are trained to sell our full suite of services and are organized by industry sector. We also believe a stronger focus on Freight Management products and dedicated sales teams contribute significant added value to our integrated business model. This helps us to better address each industry's unique requirements and positions us to expand our customer relationships and win more business across their supply chain. The increasing scale and complexity of our customers' operations have driven demand for suppliers that can offer a full spectrum of supply chain management services across multiple geographies. Our ability to manage the complete supply chain allows our customers to reduce the number of service

providers they engage, thus saving them time and money and simplifying their operations, while also providing enhanced supply chain visibility.

Countries of Operation for our top 10 Century Accounts										
	1	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**
Canada	✓	✓		✓			✓		✓	✓
United States	✓	✓	✓	✓		✓	✓	✓	✓	✓
Mexico	✓	✓	✓	✓		✓	✓	✓		✓
Brazil	✓	✓	✓	✓		✓	✓	✓	✓	
UK		✓	✓	✓	✓		✓		✓	✓
Ireland					✓		✓			
Sweden									✓	✓
Netherlands					✓	✓		✓	✓	✓
Belgium		✓			✓		✓		✓	
France		✓					✓		✓	✓
Germany	✓	✓	✓	✓	✓		✓	✓	✓	✓
Czech Republic			✓	✓		✓				✓
Poland		✓	✓	✓	✓		✓	✓	✓	✓
Italy	✓	✓	✓			✓	✓			
Spain		✓	✓	✓	✓		✓		✓	✓
Portugal				✓			✓			
Turkey	✓	✓		✓	✓	✓	✓			✓
UAE							✓		✓	✓
South Africa				✓					✓	
Indonesia	✓	✓		✓	✓	✓	✓			
Malaysia	✓						✓	✓	✓	✓
Philippines	✓			✓		✓	✓			
Singapore	✓						✓	✓	✓	✓
Vietnam	✓				✓		✓			✓
Japan	✓	✓	✓	✓		✓	✓	✓	✓	✓
Korea	✓	✓		✓			✓		✓	✓
India	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Australia	✓	✓	✓	✓		✓	✓	✓	✓	
New Zealand	✓	✓		✓			✓	✓		
China	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Thailand	✓			✓		✓	✓		✓	✓
Other	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	24	**21**	**15**	**27**	**12**	**17**	**38**	**14**	**24**	**23**

As a long-term contract logistics provider with control over critical parts of our clients' supply chains, we are ideally positioned to cross-sell freight forwarding and other services. Similarly, we seek to introduce our freight forwarding clients to our contract logistics services, such as packing or kitting at origination or destination, as a stepping stone to cross-selling our full suite of contract logistics solutions. We originally set ourselves cross-selling targets after developing our integrated business model in 2007, and achieved €542 million of cumulative cross-selling revenues through 2009, exceeding our three-year target of €500 million after only two years. This effort has been so successful that around 80% of our established "Century" accounts (which consist of approximately 80 of our existing top customers) used both our Freight Management and Contract Logistics services in 2013.

As our customers have shifted to sourcing, manufacturing and distributing products on a global basis, the complexity, cost and risk of their supply chains have increased. To tackle the most complex, integrated solutions, we have created an elite Supply Chain Solutions (**"SCS"**) organization to better serve the needs of our multinational and Century customers with large, global supply chains. The SCS team provides solutions that manage global sourcing and inventory activity, monitor supplier and third-party transport provider performance, and enable end-to-end supply chain visibility.

(a) Our Customers

We have an attractive, blue chip customer portfolio and service many industry leaders across multiple sectors including automotive, technology, consumer & retail, industrial and energy. For example, we work with eight of the top ten manufacturers in the automotive sector, fourteen of the top fifteen consumer

electronics companies in the technology sector, seven of the top ten retailers, and four of the top five independent off-shore drillers in the energy sector. We generated approximately 22% of our 2013 revenues from our 10 largest customers, 32% from our 20 largest customers, 53% from our Century customers, who are primarily large blue-chip customers operating in our target industry sectors, and 54% from our 80 largest customers. Our expertise in these industries has been developed over time in partnership with our customers, resulting in an average relationship of 19 years with our top 20 customers. We also consider our global scale to be a competitive advantage. For example, in 2013 our top 10 global customers used us on average in 22 countries each (as shown in the table below), and approximately 83% of our Century customers use our services in ten countries or more. We are highly diversified, with over 15,000 customers worldwide and our largest customer accounting for approximately 5% of our revenues. Our customer base includes leading companies such as Ford, Heinz, Honda, Petrobras, Procter & Gamble, Lenovo, SAIC, GM, Transocean and GE.

(b) Sales and Marketing

Our integrated Sales and Marketing organization, which comprises over 1,300 professionals globally, is focused on selling the full scope of our supply chain management solutions, allowing us to act as a "one-stop" provider for all our customers' logistics needs and helping us to optimize the performance, cost and cash flow of their supply chains.

We have a tiered market approach, with individual field sales people looking after medium to small customers at the local level, and teams including individuals at the country, regional and global levels covering medium to large customers. Our global and regional account managers are trained to offer our full scope of services, including international air, ocean and domestic freight forwarding, contract logistics and other value added services. These account managers are dedicated to specific industry sectors to ensure we go to market with a high level of industry-specific expertise. The industry teams are led by global and regional sector leaders, who oversee our sales efforts across a given industry and are able to create and tailor industry-specific products and services that we can leverage across our global customer base. Our business development team works together with product specialists such as our team of over 185 logistics engineers who design and evaluate supply chain solutions and collaborate globally to drive innovation.

We introduced our Century Program in 2008 to provide a higher level of coverage and more client touch points for approximately 80 of our customers who present major opportunities across geographies and sectors. This program ensures that each of these customers receives consistent and superior focus by integrating management efforts across all countries in which the customer operates. Through global account managers, supported by executive management sponsorship, we have continued to build our partnerships with these clients, leveraging our entire service portfolio and global presence. We have also created an elite Supply Chain Solutions organization to better serve the needs of our multinational and Century customers with large, global supply chains.

Our global sales activities are supported by a common platform to monitor our pipeline of opportunities. We have established a regular, rigorous pipeline management process, underpinned by data analysis and forecasting, followed by the identification of key steps and closing actions. This process is led by our global and regional sector leaders, and overseen by our Chief Commercial Officer, who ensures consistency and manages progress against the organization's quarterly targets.

Our sales and marketing activities also include communications campaigns, sales promotions, mailing activities, press releases and the design and maintenance of our external websites. In addition, we participate in industry trade fairs and conferences to market our services.

(c) Technology Systems and Personnel

We believe that the continuous development of our technology systems is essential not only to improve our internal operations and financial performance, but also to provide our customers with the most cost-effective, timely, and reliable solutions. We have approximately 750 technology personnel. We regularly evaluate our technology systems and personnel to ensure that they continue to provide a competitive advantage.

Information technology is a critical differentiator for customers in the supply chain logistics industry, providing the crucial ability to track the locations of large numbers of products along the supply chain. We maintain proprietary technology platforms that we offer to customers to enhance our value proposition. Although we have not and do not expect to integrate the technology platforms utilized by our Contract Logistics and Freight Management divisions, we will continue to leverage the technology expertise of these two businesses to drive down cost and improve service. Our software solutions enhance productivity, optimize decision-making, and result in more efficient and cost-effective processes for our customers. The quality of our information technology capabilities has garnered us industry awards for technology innovation and excellence, such as the Technology Award for Excellence at the Australian Freight Industry Awards in 2010, the Award for Information and Communication Technology Innovation in the Logistics, Operations and Supply Chain functions in 2011 by Smau, a Certificate of Merit for Quality, Service, Technology and Price in 2012 by General Motors as well as ISO 20000 and ISO 27001 accreditations.

Our technology personnel are skilled in designing and implementing customized solutions that integrate multiple systems into a functional, compatible and seamless communication and operating environment. This is a critical differentiator for clients, many of whom operate disparate and disjointed systems. These highly tailored and integrated solutions provide unique benefits to customers, translating into longer relationships and opportunities to realize higher margins.

(d) Competition

The freight forwarding and contract logistics industries in which we operate are highly competitive, and we expect this dynamic to continue for the foreseeable future. We believe that the most important competitive factors in these industries are quality of service (including reliability, responsiveness, expertise and convenience), scope of operations, geographic coverage, information technology and price. We are the fourth largest supply chain business in the world based on 2013 revenues and have an extensive global presence; however, we face competition on both regional and local levels and from companies with similarly global operations.

The past decade has seen significant consolidation and increased competition within the industry. Despite this general trend, the market for supply chain management services generally continues to remain fragmented and is characterized by a large number of small- to medium-sized companies operating on a regional basis or in specific end markets. According to TI, the ten leading providers of freight forwarding and contract logistics accounted for only 43% and 20% of their respective global markets in 2013.

Our key asset-light peers include Kuehne + Nagel and DSV, each of which provide both freight forwarding and contract logistics services, together with Expeditors and Panalpina, which compete primarily for freight forwarding business. Other significant competitors include Deutsche Post (DHL/Exel) and DB/Schenker. In addition, we face competition from niche regional or local providers, some of which have a strong market presence in their respective sectors, and regional and/or local markets.

(e) Employees

As of 31 December 2013, we had approximately 44,000 employees, of which approximately half were covered by collective labor agreements. We believe we have good relations with both our union and non-union employees.

We have adopted policies and processes that are designed to support effective recruitment, retention, and motivation of skilled employees and managers to fulfill their roles in our organization. We have implemented a robust performance-measurement system, which is directly linked with our incentive programs. This system is designed to provide managers and employees with regular feedback on their performance. Equity awards have been granted to over 200 of our senior managers. Over 200 senior managers have equity investments in the business and all members of our management group of over 900 employees have compensation packages tied to our performance, creating an alignment of interests between our employees and shareholders.

We consider our people to be a crucial asset and thus aim to be the employer of choice for the best talent in the industry. Our ability to attract and retain employees in highly competitive labor markets is an important competitive advantage. To support our growth we continue to focus on enhancing our management quality and organizational effectiveness. Our continuing education programs help develop the professional skills of our workforce and prepare promising talent for future management positions.

(f) Properties

As of 31 December 2013, our global network spanned over 170 countries and we delivered services in over 1,000 locations, with approximately 100 million square feet of warehousing and manufacturing space, substantially all of which are leased or customer-owned.

Our Freight Management segment operates through a network of approximately 250 stations across six continents. The properties related to this segment consist principally of freight forwarding offices, customs brokerage offices, and warehouse and distribution facilities, as well as sales and administrative offices. Our freight forwarding terminals are typically located at or near major metropolitan airports or seaports, with leased offices, warehouse space, bays for loading and unloading and facilities for packing. Terminal leases generally expire on various dates through 2020. From time to time, we may open, close or relocate terminals to optimize our network footprint.

Our Contract Logistics operations include approximately 600 locations. Substantially all of the facilities are leased or customer-owned (approximately 2% of the facilities are owned by CEVA) with a key operating principle being to enter into leases on dedicated facilities on a back-to-back basis in line with the relevant contracts.

(g) Government Regulation

The supply chain management industry is subject to a broad range of local, national and supranational regulations.

Our air freight business is subject to commercial standards set forth by the International Air Transport Association, U.S. federal regulations issued by the Transportation Security Administration, and comparable regulations in other jurisdictions, and our ocean transportation business to and from the U.S. is subject to regulation by the Federal Maritime Commission. Outside of the U.S., we are regulated by various government agencies and may be subject to the requirements of local country national air cargo security programs.

Our ground transportation business in the U.S. is subject to the broad regulatory powers and safety and insurance requirements prescribed by the Federal Motor Carrier Safety Administration (the **"FMCSA"**), and by various state agencies, and our ground transportation business in other jurisdictions is also subject to similar regulations around driver and vehicle safety, licensing, and insurance requirements.

Our import- and export-related operations, including our customs brokerage operations, are subject to customs and agency regulations throughout the world that include significant notice and registration requirements. We are a customs broker in the U.S. licensed by U.S. Customs and Border Protection (**"CBP"**). Our international operations are impacted by a wide variety of government and other regulations, including regulations issued by the U.S. Department of Commerce, the U.S. Department of State, the U.S. Department of Justice, OFAC, CBP, and analogous agencies of the European Union and various other countries, including sanctions and embargo regulations and other trade, export, and import laws and regulations. In addition, some of our U.S. warehouse operations require authorizations and bonds in accordance with applicable regulatory requirements.

We also participate in a number of government-business supply chain security programs such as CBP's "Customs-Trade Partnership against Terrorism" (**"C-TPAT"**) program in the U.S., the EU Authorized Economic Operator program, Canada's Partners in Protection program, and Singapore's Secure Trade Partnership. Participation in such government-business supply chain security programs generally permits

more efficient and expedited processing of our customers' shipments through customs agencies in multiple countries around the globe.

Because some of our operations involve contracts and business with the U.S. Government, we are subject to various government contracting, acquisition, and procurement regulations. We are subject to similar government contracting requirements in other jurisdictions.

We are subject to a broad range of foreign and domestic environmental and health and safety requirements, including those relating to the discharge of hazardous substances into soils and waters, emissions of toxic air pollutants, and the generation, handling, disposal, storage and release of solid and hazardous substances and wastes, and human health and safety. In the course of our operations, we may be asked to store, transport or arrange for the storage or transportation of substances defined as hazardous under applicable laws, which could result in liability under such laws if released into the environment. If a release of hazardous substances occurs on or from our facilities or from the transporter, we may be required to participate in, or have liability for, the response costs and remediation of such release and/or we may be subject to claims for personal injury, property damage and damage to natural resources. Further, at sites we own, lease or operate or have previously owned, leased or operated, or where we have disposed or arranged for the disposal of hazardous substances, we could be liable for historical contamination, regardless of fault or the legality of the original conduct. National and transnational laws and initiatives to reduce and mitigate the effects of climate change, such as the Kyoto Protocol, could significantly impact transportation modes and the economics of the transportation industry.

In addition, we are subject to anti-money laundering legislation in various jurisdictions in which we operate. We are also subject to a number of anticorruption laws and regulations, including the Foreign Corrupt Practices Act in the U.S., the U.K. Bribery Act and similar legislation in the other jurisdictions in which we operate. We must also comply with various regulations of the U.S. Department of Homeland Security and other governmental agencies, both in the U.S. and abroad, regarding safety, security and anti-terrorism measures.

We believe that we are substantially compliant with current applicable material laws and regulations and that the costs of regulatory compliance are an ordinary operating cost of our business. We do not believe that costs of regulatory compliance have had a material adverse impact on our operations to date. However, our failure to comply with applicable regulations or to maintain required permits, licenses, or authorizations could result in substantial fines or revocation of our operating permits, licenses, or authorizations. We have adopted compliance programs and procedures designed to comply in all material respects with applicable laws, rules and regulations. Future regulations may increase our regulatory obligations and require us to incur additional capital or operating expenses or to modify our business operations to achieve or maintain compliance.

(h) Litigation and Legal Proceedings

CEVA is involved in several legal proceedings relating to the normal conduct of its business. While the outcome of these legal proceedings is uncertain, CEVA believes that it has provided for all probable and estimable liabilities arising from the normal course of business, and we therefore do not expect any liability arising from any of these legal proceedings to have a material impact on our results of operations, liquidity, capital resources or financial position.

- ***Surcharge Antitrust Investigation and Litigation***

Several CEVA subsidiaries and certain current and former employees have been or are subject to, and cooperating with, investigations by the European Commission (**"EC"**) and the governments of Brazil and Singapore for possible price-fixing and other improper collusive activity with respect to certain accessorial and other charges, along with several other entities in the freight forwarding industry. Several investigations (including by the U.S. Department of Justice (**"DOJ"**) and by authorities in Canada, Japan, New Zealand, and Switzerland) have been resolved.

In February 2010, we received a statement of objections from the EC concerning our alleged participation in certain price-fixing cartels in the air freight forwarding business in violation of the European Union antitrust rules. We submitted a response, and on 28 March 2012, the EC issued its ruling. The EC ruled that EGL, Inc. and two of its subsidiaries (now known as CEVA Freight (UK) Limited and CEVA Freight Shanghai Limited) had violated European Union competition law by participating in two infringements of competition law in relation to the pricing of two discrete fees. The EC imposed a total fine of approximately US$4 million (€3 million) on EGL, Inc. and its subsidiaries, which we paid, pending our appeal. CEVA cooperated with the EC throughout its investigation and received substantial reductions in its fines as a result.

With regard to the Brazilian investigation, on 6 August 2010, the Brazilian antitrust enforcement authorities announced an administrative proceeding against numerous freight forwarding companies, including CEVA Logistics Holdings B.V. and CEVA Logistics Ltda., and against numerous individuals, including one current and one former employee of CEVA. Pursuant to the applicable administrative process, we submitted a response in May 2014 and the proceedings have begun.

The Competition Commission of Singapore (**"CCS"**) issued a formal request for information in November 2012, which appears to be focused on the subject matters of the DOJ plea agreement, the New Zealand Commerce Commission settlement, and the EC statement of objections. We are cooperating with the CCS to provide requested information.

We cannot determine the timing or outcome of the governmental investigations that remain pending. While we intend to vigorously defend ourselves in these proceedings, these investigations could result in the imposition of administrative or civil sanctions, including fines, penalties, damages, and debarment from federal contracting in the U.S. or other sanctions which could have a material adverse effect on our financial position, results of operations, operating cash flows, and business activities.

We are also the subject of an investigation by the Italian competition authority related to possible price-fixing and other improper collusive activity with respect to international road freight forwarding to and from Italy. On 16 June 2011, we were notified that the Italian competition authority has found an infringement of Italian law and imposed fines and penalties against a number of freight-forwarders, including a subsidiary of CEVA. We paid the fines, pending our appeal. Our initial appeals were rejected, but we have filed a further appeal.

- ***Independent Contractor Related Proceedings***

The classification of drivers as independent contractors—which we believe to be a common practice in our industry in the U.S.—is challenged from time to time by federal and state governmental and regulatory authorities, including tax authorities, as well as by individual drivers who seek to have drivers reclassified as employees. We are currently party to a lawsuit styled Mohit Narayan, et al. v. EGL, Inc. and CEVA Freight, LLC, in which the plaintiffs filed a putative class action, seeking a declaratory judgment, restitution, damages and other relief. The case is currently on remand from the Ninth Circuit Court of Appeals to the federal district court in the Northern District of California. In September 2012, the district court denied the plaintiffs' request to certify the lawsuit as a class action. The plaintiffs asked the Ninth Circuit Court of Appeals to review that ruling, but the court denied that request. That means individual members of the former putative class must pursue their own individual claims, which some are doing, including a claim under California's Private Attorneys General Act.

In addition, in October 2009, the California Employment Development Department (**"EDD"**), based on a worker classification audit, determined that such individuals should be reclassified as employees for purposes of state unemployment tax, employment training tax, disability insurance contributions, and personal income tax, and the EDD issued a tax assessment. We have petitioned the EDD to review its assessment, with a potential for abating a majority of the assessed taxes.

While we cannot provide assurances with respect to the outcome of these cases and it is possible that we could incur a material loss in connection with any of these matters, we intend to vigorously defend ourselves in these proceedings.

- ***CIL Related Proceedings***

CIL Limited (formerly CEVA Investments Limited), the former parent of CEVA Group Plc, is involved in a consensually filed liquidation proceeding in the Cayman Islands and an involuntary Chapter 7 proceeding in the Bankruptcy Court for the Southern District of New York. The trustee in the Chapter 7 proceeding is undertaking discovery to assess potential estate claims and has issued a subpoena to CEVA Group Plc, among others, and CEVA Group Plc is responding.

- ***Tax Proceedings***

We are involved in tax audits in various jurisdictions relating to the normal conduct of our business. While the outcome of these audits is uncertain, we believe that we have provided for all probable and estimable tax liabilities arising from the normal course of business, and we therefore do not expect any liability arising from these audits to have a material impact on our results of operations, liquidity, capital resources, or financial position.

- ***Other Proceedings***

From time to time, we are involved in a variety of legal proceedings and disputes arising in the ordinary course of business. For example, we have been and currently are subject to numerous labor and employment proceedings and disputes in both Italy and Brazil alleging various causes of action and raising other legal challenges to our labor and employment practices. Such proceedings include individual claims and lawsuits, disputes with unions, class action claims, and governmental or quasi-governmental investigations. While the outcome of these legal proceedings is uncertain and may not be capable of estimation, we believe that resolution of these matters and the incurrence of their related costs and expenses should not have a material adverse effect on our results of operations, liquidity, capital resources, or financial position.

4. Management

4.1 Executive Officers and Board of Directors

The following table provides information regarding CEVA's executive officers and the members of our board of directors as of the date of these Listing Particulars (ages are given as of 30 June 2014). The business address of each of our executive officers and directors listed below is c/o CEVA House, Excelsior Road, Ashby de la Zouch, Leicestershire, LE65 9BA, U.K.

Name	Age	Title
Marvin O. Schlanger	66	Chairman of the Board of Directors
Xavier Urbain	57	Chief Executive Officer, Interim President - Americas and Director
Hakan Bicil	43	Chief Commercial Officer
Shane Kimzey	44	Chief Compliance Officer
Rubin J. McDougal	57	Chief Financial Officer
AnneHarm Barkema	54	Chief Human Resources Officer

Christophe Cachat	46	Chief Information Officer
Kenneth Burch	42	Chief Legal Officer
Brett Bissell	47	Chief Operating Officer, Contract Logistics
Michael Schaecher	45	Chief Operating Officer, Global Airfreight
Dominik Tichelkamp	51	Chief Operating Officer, Global Oceanfreight
Peter Dew	54	President – Asia Pacific
Leigh Pomlett	57	President - Europe
Marc Becker	41	Non-Executive Director
Michael Jupiter	33	Non-Executive Director
Alan Miller	77	Non-Executive Director
Tom White	56	Non-Executive Director
Emanuel Pearlman	54	Non-Executive Director
John Smith	64	Non-Executive Director
Thomas Stallkamp	67	Non-Executive Director

Marvin Schlanger is our Chairman of the Board of Directors. Mr. Schlanger was our Chief Executive Officer from October 2012 through January 2014 and served as interim President of the Americas from August 2013 through March 2014. He has been the Chairman of our Board of Directors since February 2009. He is also a principal in the firm of Cherry Hill Chemical Investments, LLC, which provides management services and capital to the chemical and allied industries. Mr. Schlanger has been involved with a number of Apollo companies over the past decade as chairman or at the board level. He currently also serves as a director of UGI Corporation, UGI Utilities, Amerigas Partners LP, Momentive Performance Materials Holdings LLC, Taminco Acquisition Corporation and is Chairman of the Supervisory Board of LyondellBasell Industries N.V.

Xavier Urbain is our Chief Executive Officer and Interim President - Americas. Mr. Urbain was named CEO of CEVA in January 2014. He brings a long and outstanding career in the Supply Chain industry to CEVA, serving on the Management Board and Board of Directors and in several senior executive positions at Kuehne + Nagel as well as CEO of ACR Logistics. He also held executive positions in logistics working for Mayne Nickless and serving as CEO of Hays Logistics. In addition, Mr. Urbain has led entrepreneurial ventures working mainly with private equity firms as senior advisor and a board member. He started his career with Deloitte & Touche as an external auditor, before joining the international retail group Auchan, serving in both financial and logistics positions. He holds a PhD in economics and a degree in advanced accounting studies (DECS).

Hakan Bicil is our Chief Commercial Officer. Mr. Bicil joined CEVA in May 2014 from Panalpina where he was Executive Vice President, Head of Strategic Business Development. Previously he served as Managing Director, EMEA for Toll Global Forwarding, and throughout his career has held increasingly senior positions within the logistics industry, including with Kuehne + Nagel, spanning both Contract

Logistics and Freight Management. As CEVA's Chief Commercial Officer, he is responsible for leading the company's global sales organization.

Shane Kimzey is our Chief Compliance Officer and leads our global Compliance & Ethics program. Mr. Kimzey joined CEVA in 2007, became Deputy Chief Legal Officer in January 2012, and became Chief Compliance Officer in April 2014. After graduating from the University of Texas School of Law, he clerked for a United States District Judge in Houston, Texas. Before joining CEVA, Mr. Kimzey worked in private practice at the Baker Botts law firm, and then as in-house counsel at Burlington Resources and ConocoPhillips.

Rubin J. McDougal is our Chief Financial Officer. Mr. McDougal joined CEVA on June 23, 2009 and has been the Chief Financial Officer of CEVA Group Plc since July 2009. Mr. McDougal has over 29 years of finance experience that includes operational finance, management and public company Chief Financial Officer roles. Prior to joining CEVA, Mr. McDougal had been Chief Financial Officer of Case New Holland since 2006. Prior to joining Case New Holland in 2006, Mr. McDougal spent 23 years of his career within the Whirlpool Corporation in a variety of financial and strategic roles across the globe, culminating in a two-year position as Vice President Finance for the North American Region.

AnneHarm Barkema is our Chief Human Resources Officer. Mr. Barkema has been the Chief Human Resources Officer of CEVA Group Plc since September 2010. Prior to joining CEVA, Mr. Barkema worked for various leading multinational companies, including Dell, Honeywell and Philips, based in all key business regions of the world during this time. He spent six years at Dell where he held various roles, most notably the HR leader for Europe and the Vice President of HR for its Asia business.

Christophe Cachat is our Chief Information Officer. Mr. Cachat joined CEVA in June 2014 and brings extensive industry experience to CEVA, recently serving as Senior Vice President IT, Americas for Kuehne + Nagel. Prior to that he worked as Chief Technology Officer for ACR Logistics in the United Kingdom, with earlier roles including security, technology and engineering director roles at ALSTOM in France, Banque Indosuez (now Crédit Agricole) and CEGETEL/SFR (Vivendi group). As CEVA's Chief Information Officer, he will oversee and grow the company's technology capabilities, including its key CEVA Matrix® offering, for the benefit of its customers.

Kenneth Burch is our Chief Legal Officer. Mr. Burch joined CEVA in 2003 and led the Insurance and Litigation functions until 2006 when he was appointed General Counsel for the Americas region. He became Chief Legal Officer in April 2014. Prior to joining CEVA Mr. Burch worked in in-house roles for the insurance industry and in private practice.

Brett Bissell is our Chief Operating Officer - Contract Logistics. Mr. Bissell was appointed to this position in July 2014 and joined CEVA in January 2011, leading the company's Latin America operations, where he built a strong team that transformed CEVA's business and prospects in the region. Prior to joining CEVA he served in executive positions with Flextronics International and prior to that in operational roles at Qualcomm, Motorola and Toshiba. While at Flextronics he oversaw operations in Japan and in Latin America for over 12 years. He is a member of the Executive Board, responsible for leading strategy, process, KPIs and growing the company's key global Contract Logistics business line.

Michael Schaecher is our Chief Operating Officer - Global Airfreight. Mr. Schaecher joined CEVA in April 2014 and is an industry veteran who brings extensive Airfreight knowledge and experience to CEVA, in addition to a broad range of industry networks. He has held a wide selection of senior leadership and operations roles including executive positions with DHL Global Forwarding, Star Broker AG, and Panalpina World Transport GmbH. Mr. Schaecher joined CEVA in 2014, most recently serving as Chief Executive Officer for Air Cargo Germany GmbH. He is a member of the Executive Board, responsible for leading CEVA's global Airfreight business.

Dominik Tichelkamp is our Chief Operating Officer - Oceanfreight. Mr. Tichelkamp started his career in the shipping industry in Northern Germany, followed by 15 years within the VW Group where he held various positions within VW's transport and logistics division including assignments to Mexico and Hungary. In his last position he acted as Chief Product and Procurement Officer for Panalpina. In late 2010,

Mr. Tichelkamp became Executive Vice President and Global Head of CEVA's Oceanfreight group and in May 2014 was appointed as Chief Operating Officer–Oceanfreight . He is a member of the Executive Board responsible for Oceanfreight and driving CEVA's global Freight Management initiatives.

Peter Dew is our President - Asia Pacific. Mr. Dew joined CEVA in April 2008 as Chief Information Officer. Since joining CEVA, in addition to his role as CIO, Mr. Dew has held various other positions within the organization, including Chief Human Resources Officer. Prior to joining CEVA, Mr. Dew was employed with the BOC Group, where he became Chief Information Officer in 1998. When BOC was acquired by the Linde Group in 2006, Mr. Dew became the CIO of the combined entity.

Leigh Pomlett is our President - Europe. Mr. Pomlett joined CEVA in September 2009 as Executive Vice President for U.K. & Ireland, having started his extensive career in logistics in 1980. Since then he has held various senior country and regional positions with Exel and DHL Supply Chain. Mr. Pomlett joined the Executive Board as President, Northern Europe in November 2010, whilst retaining management responsibility for the U.K., Ireland and the Nordics. With experience spanning all business sectors, Mr. Pomlett is also a Visiting Professor of Logistics at Cumbria University.

Marc Becker has been a member of our board of directors since June 2014 and previously served on our board of directors from August 2013 until January 2014. Mr. Becker is a senior partner of Apollo, where he has been employed since 1996. Prior to joining Apollo in 1996, Mr. Becker was employed by Smith Barney Inc. within its Investment Banking division. Mr. Becker graduated cum laude with a BS in Economics from the University of Pennsylvania's Wharton School of Business. Mr. Becker serves on several corporate boards of directors, including Realogy Corp., Affinion Group, Apollo Residential Mortgage, Pinnacle Holdings, and Novitex Corp. Previously, Mr. Becker has also served on the boards of directors of EVERTEC, National Financial Partners, Countrywide plc, SourceHOV, Metals USA, Pacer International, Quality Distribution, United Agri Products and Vantium Capital.

Michael Jupiter has been a member of our board of directors since 4 February 2010. Mr. Jupiter is a partner of Apollo, where he has been employed since 2004. Prior to joining Apollo in 2004, Mr. Jupiter was a member of the Financial Institutions group of Goldman, Sachs & Co.

Alan B. Miller has been a member of our board of directors since June 2013. Mr. Miller served as a partner and currently serves as a senior counsel at Weil Gotshal & Manges LLP, where he has been employed since 1969, specializing in complex bankruptcy and restructuring matters. Since 2007, he has also served as special counsel and litigation trustee to Collins & Aikman Corporation during its bankruptcy. Mr. Miller currently also serves as a member of the boards of directors of Chicago Loop Parking LLC and Trinity Place Holdings, Inc.

Emanuel R. Pearlman has been a member of our board of directors since June 2013. Mr. Pearlman is the founder, chairman and chief executive officer of Liberation Investment Group, LLC. Mr. Pearlman currently also serves as chairman of the board of directors of Empire Resorts, Inc. and as a member of the boards of directors of Fontainebleau Miami JV, LLC and Network-1 Security Solutions, Inc.

John F. Smith has been a member of our board of directors since June 2013. Mr. Smith is a principal at Eagle Advisors, LLC. From 2000 to 2010, Mr. Smith served in positions of increasing responsibility with General Motors Corporation in sales and marketing, product planning and corporate strategy, most recently as Group Vice President, Corporate Planning and Alliances. During his 42-year career in the automotive industry, Mr. Smith also served as General Manager of Cadillac Motor Car, President of Allison Transmission, and Vice President, Planning at General Motors International Operations in Zurich, Switzerland. Mr. Smith currently also serves on the boards of directors of American Axle & Manufacturing and Smith Electric Vehicles and the advisory boards of VNG.CO and Palogix International. Mr. Smith currently also serves on the boards of several non-profit organizations, including the National Advisory Board of Boy Scouts of America and St. John's Providence Health System in Michigan.

Thomas Stallkamp has been a member of our board of directors since January 2014. Mr. Stallkamp is the founder and principal of Collaborative Management LLC. From 2004 to 2010, Mr. Stallkamp was an Industrial Partner in Ripplewood Holdings L.L.C. From 2003 to 2004, Mr. Stallkamp served as Chairman

of MSX International, Inc., and from 2000 to 2003, he served as Vice-Chairman and Chief Executive Officer of MSX. From 1980 to 1999, Mr. Stallkamp held various positions with DaimlerChrysler Corporation and its predecessor Chrysler Corporation, the most recent of which was Vice Chairman and President. Mr. Stallkamp serves as a director of BorgWarner Inc. and as a trustee of EntrepreneurShares Series Trust.

Tom White has been a member of our board of directors since January 2009 and has been an Operating Partner for Apollo in the distribution and transportation industries since 2007. From 2002 to 2007, Mr. White was the Senior Vice President, Chief Financial Officer and Treasurer of Hub Group, Inc. Prior to joining Hub Group, Mr. White was at Arthur Andersen where he spent 23 years in a variety of partner leadership roles including as senior audit partner. He became a Certified Public Accountant in 1981. Mr. White served as acting Chief Operating Officer of CEVA from June 2013 until June 2014 and as Chief Financial Officer of CEVA from April 2009 until the appointment of Rubin McDougal in July 2009. During 2010, Mr. White served as interim Chief Financial Officer of SkyLink Aviation, Inc. an Apollo owned entity based in Toronto, Canada. During 2011 and 2012 he served as interim Chief Financial Officer of Constellium, an Apollo owned entity based in Paris, France. He currently also serves on the boards of Landauer, Inc., Evertec, Inc. and Quality Distribution, Inc.

There are no family relationships between any of our executive officers and directors. As at the date of these Listing Particulars, there is no potential conflict or conflicts of interest existing between any duties owed to the Issuer by its executive officers or members of its Board of Directors and their private interests and/or other duties in respect of their management roles.

4.2 Director and Management Contacts

All executive officers and members of the board may be contacted at: Jordans, Corporate Secretary, 20-22 Bedford Row, London WC1R 4JS, United Kingdom.

4.3 Board Structure and Non-Employee Director Compensation

Pursuant to contractual arrangements under the LLC Agreement, Apollo and its affiliates hold a majority of the share voting power of Holdings and have the right to appoint a majority of the members of the board of managers of Holdings until the Sunset Date. All other members have the right to appoint the remaining members of the board of managers. As a result of their equity ownership, Cap Re and Franklin, together, have the ability to appoint the remaining managers. Certain major corporate actions by the respective boards of Holdings and CEVA require approval of a majority of the managers not designated by Apollo.

The LLC Agreement provides that the members of Holdings shall direct Holdings to cause the board of directors of the Issuer to be identical to the board of managers of Holdings; therefore the boards of both Holdings and the Issuer are identical.

As a result of certain voting rights under the LLC Agreement and the power to appoint the majority of the members of the board of managers of Holdings, Apollo currently has the power to control us and our affairs and policies, including the appointment of our management team. Four of the members of our board are partners or employees of Apollo and four of the members of our board are independent.

After the Sunset Date, Apollo will no longer have the contractual right to appoint a majority of the members of the board of managers of Holdings. The Sunset Date will occur under the LLC Agreement upon the later to occur of: (i) the date upon which the absence of Apollo's manager designation rights and majority voting rights set forth in the LLC Agreement would not constitute an event of default under or require CEVA to make an offer to repurchase under any outstanding indebtedness for borrowed money and (ii) the date upon which the removal of Apollo's manager designation rights and majority voting rights set forth in the LLC Agreement would not reasonably be expected (based upon advice of Holding's tax advisors) to result in (x) a change of control of Holdings or CEVA for UK tax purposes, and (y) the loss of a material amount of favorable tax attributes to Holdings or CEVA, as determined in good faith by a majority of the board of managers of Holdings who are not Apollo designees, in each case, subject to obtaining any required regulatory approvals. Following the Sunset Date, each holder of more than 15% of

Holding's common shares on an as-converted basis will have the right (but not the obligation) to designate one member of Holdings board of managers (which right may be waived), and all holders of common shares will be able to vote for the election of the remaining members of the board of managers of Holdings.

Our board has an audit committee, an executive committee and a compensation committee. The duties and responsibilities of the audit committee include recommending the appointment or termination of the engagement of independent accountants, otherwise overseeing the independent auditor relationship and reviewing significant accounting policies and controls. Messrs. Jupiter (Chair), Pearlman and White are members of our audit committee. The duties and responsibilities of the executive committee include exercising all powers and authority of the board to the fullest extent permitted by law. Messrs. Jupiter (Chair), Smith and White are members of our executive committee. The duties and responsibilities of the compensation committee include overseeing the compensation of the managers, directors, officers and other employees of CEVA, along with CEVA's overall compensation policies, strategies, plans and programs. Messrs. Jupiter, Schlanger and Miller are members of our compensation committee.

Each of the non-employee managers of Holdings who is not affiliated with Apollo is entitled to be paid $25,000 for each calendar quarter of service. All other non-employee managers are entitled to be paid $15,000 for each calendar quarter of service. Independent non-employee managers are entitled to receive two awards of restricted share or restricted share units of Holdings each having a fair market value on the date of grant of $75,000. The first award is issued following appointment of the manager to the board of managers and the second award is issued following the first board meeting in the calendar year following the manager's initial appointment to the board of managers. The Chairman receives €20,000 per month for his service as Chairman.

In connection with their appointment to Holdings' board of managers in June 2013, Messrs. Miller, Pearlman and Smith each received 75 restricted share units, which will settle on 31 December 2014, and in February 2014, each received an additional 75 restricted share units, which will settle on 31 December 2015. In connection with his appointment to Holdings' board of managers, Thomas Stallkamp received 75 restricted share units, which will settle on 31 December 2014. Mr. Schlanger holds 641 restricted share units, which will settle on 31 December 2014, and options to purchase 2,564 common shares of Holdings at $1,000 per share, which were issued in three tranches of 1,025.6 (Tranche A), 769.2 (Tranche B) and 769 (Tranche C) options. Mr. White holds 373 restricted share units, which will settle on 31 December 2014, and options to purchase 1,104 common shares of CEVA Holdings LLC at $1,000 per share, which were issued in three tranches of 662.4 (Tranche A), 55.2 (Tranche B) and 55.2 (Tranche C) options. The vesting and other terms of equity awards held by Messrs. Schlanger and White are described in " - Management Equity Investment and Equity Award Grants" below.

4.4 Management Arrangements

We have entered into employment agreements, letters or term sheets with each of our executive officers. We may terminate certain executive officers' employment with us for "cause" upon advance written notice, without remuneration, for certain acts of the officer. Each executive officer may terminate his or her employment at any time upon advance written notice to us. In the event that a certain officer's employment is terminated by us without cause or by him or her for "good reason," the officer is entitled to certain payments as provided by applicable laws or as otherwise provided under the applicable employment agreement, letter or term sheet. Except for the foregoing, our executive officers are not entitled to any severance payments upon the termination of their employment for any reason.

Under such employment agreements, letters and term sheets, each of our executive officers has also agreed not to engage or participate in any business activities that compete with us or solicit our employees or customers for one or two years (depending on the officer) after the termination of his or her employment. They have further agreed not to use or disseminate any confidential information concerning us and to assign to us the intellectual property rights in work generated by them as a result of performing their duties or using our resources during their employment with us.

4.5 Committees

The Issuer's board has an audit committee, an executive committee and a compensation committee. The duties and responsibilities of the audit committee include recommending the appointment or termination of the engagement of independent accountants, otherwise overseeing the independent auditor relationship and reviewing significant accounting policies and controls. Messrs. Jupiter and White are members of our audit committee. The duties and responsibilities of the executive committee include exercising all powers and authority of the board to the fullest extent permitted by law. Messrs. Parker, Jupiter and Schlanger (chairman) are members of our executive committee. The duties and responsibilities of the compensation committee include overseeing the compensation of our directors, officers and other employees, along with our overall compensation policies, strategies, plans and programs. Messrs. Parker (chairman), Schlanger and Jupiter are members of our compensation committee.

4.6 Corporate Governance

The Issuer complies with the corporate governance regimes of their jurisdictions of incorporation.

5. Principal Shareholders

As of 31 December 2013, 99.99% of the issued share capital of the Issuer is held by Holdings, 0.01% is held by CIL Limited, and one ordinary share is held by Louis Cayman Second Holdco Limited, a wholly owned subsidiary of CIL Limited, on trust as bare nominee for CIL Limited.

The following table sets forth certain beneficial ownership information regarding the shareholders of Holdings and the number and percentage of shares owned by such shareholders as of 31 December 2013, in each case, assuming shares of Series A-1 Preferred Shares and Series A-2 Preferred Shares held by the shareholders have been converted to common shares of Holdings.

Name of beneficial owner	Number of shares beneficially owned	Ownership percentage
Apollo	236,742	21.5%
Franklin Advisers, Inc.	306,329	27.8%
Capital Research and Management Company	318,165	28.9%
Other[(1)]	240,146	21.8%
Total	1,101,382	100.0%

(1) None of the other shareholders owns 5% or more of the common shares of Holdings.

6. Certain Relationships and Related Party Transactions

6.1 The Restructuring and Recapitalization

On 2 May 2013 CEVA and Holdings completed the recapitalization (the **"Recapitalization"**). In connection with the Recapitalization, Apollo and CapRe agreed to backstop a portion of the Rights Offering pursuant to the terms of a Backstop Agreement. In addition, Franklin entered into the Financing Commitment Agreement pursuant to which Franklin agreed to (i) cancel an aggregate of $304,863,114 in aggregate principal amount of CEVA's debt then held by Franklin (consisting of First Lien Notes and term loans under the First Lien Credit Facility) in exchange for the issuance by CEVA to Franklin of $304,863,114 in aggregate principal amount of Senior Secured Notes and (ii) provide access to additional liquidity of €65 million.

Following the Recapitalization, Holdings became the ultimate parent company of CEVA. In the Recapitalization, equity interests held by affiliates of Apollo in CEVA Investments Limited were eliminated, and Apollo affiliates acquired a stake of over 20% in the equity of Holdings through exchanging CEVA debt it held and through the cash purchase of equity, while Franklin acquired a stake in excess of 25%, and funds affiliated with CapRe acquired a stake in excess of 15%. Pursuant to the limited

liability company agreement of Holdings, Apollo affiliates hold a majority of the voting power of Holdings and have the right to elect a majority of the respective boards of Holdings and CEVA. Upon receipt of regulatory approvals, CapRe's stake will be in excess of 25%. No other shareholder will hold more than 5% of the equity of Holdings.

6.2 **Prior Debt Transactions**

(a) Assignment of Senior Unsecured Bridge Loans

To fund the acquisition of EGL, Inc. in 2007, CEVA entered into the Senior Unsecured Bridge Loan Agreement. On 1 April 2008, the underwriting banks assigned loans (the **"Original Senior Unsecured Bridge Loans"**) under the Senior Unsecured Bridge Loan Agreement with an aggregate principal amount of $509 million to affiliates of Apollo, who paid these lenders an acquisition price that reflected a discount to the par value of the loan. As a result of the assignment, we paid a fee of 1.6875% to each assigning lender in lieu of a 2.0% conversion fee outstanding at that time.

(b) July 2009 Exchange Offers

On 22 July 2009, CEVA issued €120 million aggregate principal amount of 12% Second-Priority Notes due 2014 (the **"12% Second-Priority Notes"**) in exchange for €153 million outstanding 8.5% Senior Notes and €50 million outstanding Senior Subordinated Notes, and issued $127 million aggregate principal amount of 12% Second-Priority Notes in exchange for $205 million of Original Senior Unsecured Bridge Loans. We refer in these Listing Particulars to these exchange offers as the **"July 2009 Exchange Offers"**. In the July 2009 Exchange Offers, Apollo privately exchanged with CEVA (1) $172 million of Original Senior Unsecured Bridge Loans for $107 million of 12% Second Priority Notes and (2) €30 million of 8.5% Senior Notes for €19 million of 12% Second-Priority Notes.

(c) March 2010 Transactions

The March 2010 Transactions refer to (1) CEVA's offering of the Second Lien Notes; (2) CEVA's offer to purchase 10% Second-Priority Notes and 12% Second-Priority Notes, and related consent solicitation, pursuant to the Offer to Purchase and Consent Solicitation Statement dated 24 February 2010, as supplemented on 2 March 2010, as further supplemented on 9 March 2010; (3) the private exchange by Apollo with CEVA of 10% Second- Priority Notes and 12% Second-Priority Notes for Second Lien Notes; and (4) the private exchange by Apollo with CEVA of (i) 8.5% Senior Notes held by Apollo for a like principal amount of 8.5% Senior Notes due 2018 (the **"Extended Senior Notes"**), (ii) the Senior Subordinated Notes held by Apollo for a like principal amount of 10% Senior Subordinated Notes due 2018 (the **"Extended Senior Subordinated Notes"**) and (iii) Original Senior Unsecured Bridge Loans held by Apollo for a like principal amount of Senior Unsecured Bridge Loans.

In March 2010, Apollo privately exchanged all of the 12% Second-Priority Notes and 10% Second-Priority Notes held by it in exchange for $77 million in principal amount of Second Lien Notes. In addition, Apollo committed to privately exchange all of the 8.5% Senior Notes, Senior Subordinated Notes and Original Senior Unsecured Bridge Loans held by it in exchange for a like principal amount of Extended Senior Notes, Extended Senior Subordinated Notes and Senior Unsecured Bridge Loans. The purpose of the private exchange was to extend the maturities of the 8.5% Senior Notes, Senior Subordinated Notes and Original Senior Unsecured Bridge Loans currently held by Apollo to no earlier than 30 June 2018.

(d) Subsequent Debt Amendments

On 21 November 2011, CEVA entered into amendments to the agreements governing the Senior Unsecured Bridge Loans, the Extended Senior Notes and the Extended Senior Subordinated Notes. Pursuant to such amendments, instead of receiving scheduled interest payments in the fourth quarter of 2011, Apollo agreed to receive accrued and unpaid interest on 1 February 2012 in exchange for a nominal consent fee, the purpose of which was to improve the balance of the timing of CEVA's interest payments.

(e) February 2012 Refinancing

On 1 February 2012, concurrently with the issuance by CEVA of $325 million of First Lien Notes and $620 million of Senior Unsecured Notes, funds affiliated with Apollo completed (1) an exchange of an aggregate of over €870 million in indebtedness of CEVA and CIL held by them in exchange for newly-issued Class B ordinary shares of CIL (the **"February 2012 Refinancing"**), and (2) a private exchange of €109 million of CEVA debt held by them into $145 million of the aforementioned $620 million Senior Unsecured Notes (the **"2012 Debt Exchange"**).

The debt exchanged in the February 2012 Refinancing consisted of all of Apollo's holdings of the Extended Senior Notes, the Extended Senior Subordinated Notes and the CIL PIK Instruments, as well as $516 million of Senior Unsecured Bridge Loans. All of the debt exchanged in the February 2012 Refinancing was retired and is no longer outstanding.

Pursuant to their terms, the Class B ordinary shares issued in the February 2012 Refinancing would be mandatorily exchangeable for ordinary shares, are only entitled to dividends if and when declared on the ordinary shares, and have certain other rights, including voting rights.

In the 2012 Debt Exchange, Apollo (1) exchanged €109 million principal amount of the 8½% Senior Notes and Senior Subordinated Notes for $145 million of Senior Unsecured Notes and (2) received accrued and unpaid interest in cash payable to the date of the 2012 Debt Exchange with respect to the debt that was exchanged. The notes issued in the 2012 Debt Exchange were issued under the same indenture, and are treated as a single class for all purposes under the indenture relating to the Senior Unsecured Notes and are fungible.

(f) Master Accounts Receivable Transfer Agreement

During September and October 2012, CEVA subsidiaries entered into a purchase and sale agreement pursuant to which an aggregate €14 million of their trade accounts receivables were sold to an affiliate of Apollo on terms which management believes compared favourably to market pricing. Under the terms of the agreement, the receivables are sold at a small discount relative to their carrying value in exchange for all interests in such receivables; the CEVA subsidiaries retain the obligation to service the collection of the receivables on the purchasers' behalf for which they are paid a fee; and the purchasers defer payment of a portion of the receivables purchase price. Zero borrowings were outstanding pursuant to this agreement as of 31 December 2013.

(g) May 2013 Refinancing

On 2 May 2013, the Issuer issued $304,863,114 in aggregate principal amount of 4.00% first lien senior secured notes due 2018 and $688,893,689 in aggregate principal amount of 10% second lien secured PIK notes due 2023.

(h) March 2014 Refinancing

On 13 March 2014, the Issuer issued $300,000,000 in aggregate principal amount of 7.0% First Lien Senior Secured Notes due 2021 and $325,000,000 in aggregate principal amount of 9.0% Senior Secured Notes due 2021.

6.3 **CIL Bankruptcy Proceeding**

On 22 April 2013, certain funds managed by Cyrus Capital Partners holding PIK notes issued by CIL in the total amount of approximately $53.4 million filed an involuntary petition against CIL in the Bankruptcy Court for the Southern District of New York, requesting an order for relief under Chapter 7 of the U.S. Bankruptcy Code (Case No. 13-11272). CIL did not contest the involuntary petition, and on 14 May 2013, the Court granted the petition and appointed Salvatore LaMonica of LaMonica, Herbst & Maniscalco, LLP as Interim Trustee of the CIL estate (the **"Chapter 7 Trustee"**). Subsequently, on 3 July 2013, the Chapter 7 Trustee filed a motion for an order pursuant to Bankruptcy Rule 2004 (**"Rule 2004"**) authorizing the

Chapter 7 Trustee to serve document requests and take depositions in order to "identify[] and assess[] the merits of potential valuable estate claims," including an intercompany claim CIL purports to hold against various subsidiaries of CEVA in the approximate amount of €14 million (the **"Rule 2004 Motion"**). On 6 August 2013, the Bankruptcy Court granted the Rule 2004 Motion, and on 7 August 2013, the Chapter 7 Trustee served a subpoena on CEVA seeking a wide variety of documents. The Chapter 7 Trustee has served subpoenas on other parties as well, including CEVA's financial advisor, Houlihan Lokey Inc. CEVA and other parties have responded to the subpoenas. The Chapter 7 Trustee has not yet asserted claims against CEVA or any other party in connection with the proceeding.

6.4 Management Agreement with Apollo

In connection with the formation of CIL and the acquisition of TNT N.V.'s logistics business, Apollo and its affiliates entered into a management agreement with CIL and CEVA Limited relating to the provision of certain financial and strategic advisory services and consulting services. CEVA Limited agreed to pay to Apollo an annual monitoring fee equal to the greater of €3 million and 1.5% of our Adjusted EBITDA before such fees, plus related expenses. For the year ended 31 December 2012, Apollo received a management fee of €4 million. Management fees for 2013 and 2014 have been waived by Apollo. CEVA Limited has agreed to indemnify Apollo and its affiliates and their directors, officers and representatives for losses relating to the services contemplated by the management agreement and for the engagement of affiliates of Apollo pursuant to, and the performance by them of the services contemplated by, the management agreement.

6.5 Affiliated Underwriter

On 1 February 2012, we issued $325 million in aggregate principal amount of the 8.375% First Lien Senior Secured Notes and $475 million in aggregate principal amount of 12.75% Senior Notes. One of the initial purchasers in the offering of the 8.375% First Lien Senior Secured Notes and 12.75% Senior Notes was Apollo Global Securities, an affiliate of Apollo.

6.6 Transactions with Joint Ventures

We also have a number of transactions with joint ventures over which we have joint control with our partners.

USE OF PROCEEDS

The net proceeds of the issue of the Notes will be used for general corporate purposes.

CONDITIONS OF THE NOTES

*The following is the text of the terms and conditions of the Notes (the **"Conditions"**) which (subject to modification, amendment and completion and except for the text in italics) will be endorsed on the Certificates issued in respect of the Notes:*

The U.S.$ 264,715,000 Floating Rate Notes due 2021 (the **"Notes"**, which expression shall in these Conditions, unless the context otherwise requires, include any further notes issued pursuant to Condition 13 and forming a single series with the Notes) of CEVA Group Plc (the **"Issuer"**) are issued pursuant to an instrument dated 31 August 2014 executed by the Issuer (the **"Instrument"**). The original Instrument is available for inspection by the Noteholders at the Issuer's registered office at 20-22 Bedford Row, London, WC1R 4JS, United Kingdom.

The Issuer has appointed Citibank, N.A., London Branch to act as fiscal agent (the **"Fiscal Agent"**) and paying agent (the **"Paying Agent"**, and together with the Fiscal Agent, the **"Agent"**) under the Notes under an agency agreement (the **"Agency Agreement"**) dated on or around 3 October 2014. The holders of the Notes (the **"Noteholders"**) are entitled to the benefit of a Deed of Covenant (the **"Deed of Covenant"**) dated on or around 3 October 2014 and made by the Issuer. The original of the Deed of Covenant is held by the Fiscal Agent on behalf of the Noteholders at its specified office.

*The owners shown in the records of Euroclear Bank S.A./N.V. (**"Euroclear"**) and Clearstream Banking, société anonyme (**"Clearstream, Luxembourg"**) of book-entry interests in the Notes are deemed to have notice of all the provisions of the Agency Agreement applicable to them.*

1. FORM, DENOMINATION AND TITLE

1.1 Form and Denomination

The Notes are issued in registered form in the denomination of U.S.$1,000. A note certificate (each a **"Certificate"**) will be issued to each Noteholder in respect of its registered holding of Notes. Each Certificate will be serially numbered with an identifying number which will be recorded on the relevant Certificate and in the register of Noteholders which the Issuer will procure to be kept by the Registrar.

1.2 Title

Title to the Notes passes only by registration in the register of Noteholders. The holder of any Note will (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest or any writing on, or the theft or loss of, the Certificate issued in respect of it) and no person will be liable for so treating the holder. In these Conditions, **Noteholder** and (in relation to a Note) **holder** means the person in whose name a Note is registered in the register of Noteholders.

2. TRANSFERS OF NOTES AND ISSUE OF CERTIFICATES

2.1 Transfers

A Note may be transferred by depositing the Certificate issued in respect of that Note, with the form of transfer on the back duly completed and signed, at the specified office of the Registrar or any of the other Agents.

2.2 Delivery of new Certificates

Each new Certificate to be issued upon a transfer of the Notes will, within five business days of receipt by the Registrar or the relevant Agent of the duly completed form of transfer endorsed on the relevant Certificate, be mailed by uninsured mail at the risk of the holder entitled to the Note to the address specified in the form of transfer. For the purposes of this Condition, **business day** shall mean a day on which banks are open for business in the city in which the specified office of the Agent with whom a Certificate is deposited in connection with a transfer is located.

Where some but not all of the Notes in respect of which a Certificate is issued are to be transferred a new Certificate in respect of the Notes not so transferred will, within five business days of receipt by the Registrar or the relevant Agent of the original Certificate, be mailed by uninsured mail at the risk of the holder of the Notes not so transferred to the address of such holder appearing on the register of Noteholders or as specified in the form of transfer.

2.3 Formalities free of charge

Registration of transfer of Notes will be effected without charge by or on behalf of the Issuer or any Agent but upon payment (or the giving of such indemnity as the Issuer or the relevant Agent may reasonably require) in respect of any tax or other governmental charges which may be imposed in relation to such transfer.

2.4 Closed Periods

No Noteholder may require the transfer of a Note to be registered during the period of 15 days ending on the due date for any payment of principal or interest on that Note.

2.5 Regulations

All transfers of Notes and entries on the register of Noteholders will be made subject to the detailed regulations concerning transfer of Notes scheduled to the Agency Agreement. The regulations may be changed by the Issuer with the prior written approval of the Registrar. A copy of the current regulations will be mailed (free of charge) by the Registrar to any Noteholder who requests one.

3. STATUS

The Notes constitute direct, unconditional and unsecured obligations of the Issuer and rank and will rank *pari passu*, without any preference among themselves, with all other outstanding unsecured and unsubordinated obligations of the Issuer, present and future, but, in the event of insolvency, only to the extent permitted by applicable laws relating to creditors' rights.

4. INTEREST

4.1 Interest Payment Dates

The Notes bear interest on their outstanding principal amount from and including 31 August 2014 (the **"Interest Commencement Date"**), and interest will be payable on each date specified in the table set forth in Schedule 1 (*Interest Payment Dates*) of these Conditions (each an **"Interest Payment Date"**). The first Interest Payment Date will be 30 September 2014. If any Interest Payment Date would otherwise fall on a day which is not a Business Day (as defined below), it shall be postponed to the next day which is a

Business Day unless it would then fall into the next calendar month, in which event the Interest Payment Date shall be brought forward to the immediately preceding Business Day. The period from and including the Interest Commencement Date to but excluding the first Interest Payment Date, and each successive period from and including an Interest Payment Date to but excluding the next succeeding Interest Payment Date, is called an **Interest Period**.

4.2 Interest Accrual

Each Note will cease to bear interest from and including the due date for redemption unless, upon due presentation, payment of the principal in respect of the Note is improperly withheld or refused or unless default is otherwise made in respect of the payment. In such event, interest will continue to accrue until whichever is the earlier of:

(a) the date on which all amounts due in respect of such Note have been paid; and

(b) five days after the date on which the full amount of the moneys payable in respect of such Notes has been received by the Fiscal Agent or the Registrar, as the case may be, and notice to that effect has been given to the Noteholders in accordance with Condition 11.

4.3 Rate of Interest

The rate of interest payable from time to time in respect of the Notes (the **"Rate of Interest"**) will be determined on the basis of the following provisions:

(a) On each Interest Determination Date (as defined below), the Fiscal Agent or its duly appointed successor (in such capacity, the **"Agent Bank"**) will determine the Screen Rate (as defined below) for the relevant Interest Period at approximately 11.00 a.m. (London time) on that Interest Determination Date. If the Screen Rate is unavailable, the Agent Bank will request the principal London office of each of the Reference Banks (as defined below) to provide the Agent Bank with the rate at which deposits in U.S. dollars are offered by it to prime banks in the London interbank market for the Applicable Period at approximately 11.00 a.m. (London time) on the Interest Determination Date in question and for a Representative Amount (as defined below).

(b) The Rate of Interest for the Interest Period shall, subject as provided in paragraph (d) below, be the Screen Rate plus the Margin (as defined below) or, if the Screen Rate is unavailable, and at least two of the Reference Banks provide such rates, the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) as established by the Agent Bank of such rates, plus the Margin.

(c) If fewer than two rates are provided as requested, the Rate of Interest for that Interest Period will be the arithmetic mean of the rates quoted by major banks in London, selected by the Agent Bank at approximately 11.00 a.m. (London time) on the first day of such Interest Period for loans in U.S. dollars to leading European banks for the Applicable Period commencing on the first day of such Interest Period and for a Representative Amount, plus the Margin. If the Rate of Interest cannot be determined in accordance with the above provisions, the Rate of Interest shall be determined as at the last preceding Interest Determination Date.

(d) In no event shall the Rate of Interest be less than 6.50 per cent. per annum.

(e) The Margin (the **"Margin"**) in relation to the Notes is 5.50 per cent. per annum.

(f) In these Conditions (except where otherwise defined), the expression:

"Applicable Period" means:

(i) in the case of the First Interest Period, two months;

(ii) in the case of an Interest Period commencing in September in each year, one month;

(iii) in the case of an Interest Period commencing in January in each year, two months; or

(iv) in the case of an Interest Period commencing in March, June or October in each year, three months;

"Banking Day" means, in respect of any city, any day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in that city;

"Business Day" means a day which is a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in both London and New York City;

"First Interest Period" means the period from and including the Interest Commencement Date to but excluding the first Interest Payment Date;

"Interest Determination Date" means the second London Banking Day before the commencement of the Interest Period for which the rate will apply;

"Reference Banks" means the principal London office of each of four major banks engaged in the London interbank market selected by the Agent Bank with the approval of the Issuer, provided that, once a Reference Bank has been selected by the Agent Bank, that Reference Bank shall not be changed unless and until it ceases to be capable of acting as such;

"Representative Amount" means, in relation to any quotation of a rate for which a Representative Amount is relevant, an amount that is representative for a single transaction in the relevant market at the relevant time; and

"Screen Rate" means, in respect of an Interest Period, the rate for deposits in U.S. dollars for the Applicable Period which appears on Reuters Page LIBOR01 (or such replacement page on that service which displays the information).

4.4 Determination of Rate of Interest and Interest Amount

The Agent Bank shall, as soon as practicable after 11.00 a.m. (London time) on each Interest Determination Date, but in no event later than the third Business Day thereafter, determine the U.S. dollar amount payable in respect of interest on the principal amount of each Note (the **"Interest Amount"**) for the relevant Interest Period. The Interest Amount shall be determined by applying the Rate of Interest to the principal amount of a Note, multiplying the sum by the actual number of days in the Interest Period concerned divided by 360 and rounding the resultant figure to the nearest cent (half a cent being rounded upwards). The Interest Amount payable in respect of each Note for any Interest Period shall be subject to such adjustment as may be agreed between the Issuer and the Noteholders from time to time.

4.5 Publication of Rate of Interest and Interest Amount

The Agent Bank shall cause the Rate of Interest and the Interest Amount for each Interest Period and the relative Interest Payment Date to be notified to the Issuer, the Fiscal Agent and to any stock exchange or other relevant authority on which the Notes are at the relevant time listed and to be published in accordance with Condition 11 as soon as possible after their determination, and in no event later than the second Business Day thereafter. The Interest Amount and Interest Payment Date may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without notice in the event of an extension or shortening of the Interest Period.

4.6 Notifications, etc. to be Final

All notifications, opinions, determinations, certificates, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition, whether by the Reference Banks (or any of them) or the Agent Bank, will (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Agents and all Noteholders and (in the absence of wilful default, bad faith or manifest error) no liability to the Issuer or the Noteholders shall attach to the Reference Banks (or any of them) or to the Agent Bank in connection with the exercise or non-exercise by any of them of their powers, duties and discretions under this Condition.

4.7 Agent Bank

The Issuer shall procure that, so long as any of the Notes remains outstanding, there is at all times an Agent Bank for the purposes of the Notes and the Issuer may terminate the appointment of the Agent Bank. In the event of the appointed office of any bank being unable or unwilling to continue to act as the Agent Bank or failing duly to determine the Rate of Interest and the Interest Amount for any Interest Period, the Issuer shall appoint the London office of another major bank engaged in the London interbank market to act in its place. The Agent Bank may not resign its duties or be removed without a successor having been appointed.

5. PAYMENTS

5.1 Payments in respect of the Notes

Payment of principal and interest will be made by transfer to the registered account of the Noteholder or by a U.S. dollar cheque drawn on a bank that processes payments in U.S. dollars mailed to the registered address of the Noteholder if it does not have a registered account. Interest on Notes due on an Interest Payment Date will be paid to the holder shown on the register of Noteholders at the close of business on the date (the **"record date"**) being the fifteenth day before the due date for the payment of interest.

For the purposes of this Condition, a Noteholder's registered account means the U.S. dollar account maintained by or on behalf of it with a bank that processes payments in U.S. dollars, details of which appear on the register of Noteholders at the close of business, in the case of principal, on the second Business Day (as defined below) before the due date for payment and, in the case of interest, on the relevant record date, and a Noteholder's registered address means its address appearing on the register of Noteholders at that time.

5.2 Payments subject to Applicable Laws

Payments of principal and interest in respect of the Notes are subject in all cases to (i) any fiscal or other laws and regulations applicable in the place of payment, but without prejudice to the provisions of

Condition 7, and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the US Internal Revenue Code of 1986 (the **"Code"**) or otherwise imposed pursuant to Sections 1471 through 1474 of the Code, any regulations or agreements thereunder, any official interpretations thereof, or (without prejudice to the provisions of Condition 7) any law implementing an intergovernmental approach thereto.

5.3 No commissions

No commissions or expenses shall be charged to the Noteholders in respect of any payments made in accordance with this Condition.

5.4 Payment on Business Days

Where payment is to be made by transfer to a registered account, payment instructions (for value the due date or, if that is not a Business Day (as defined below), for value the first following day which is a Business Day) will be initiated and, where payment is to be made by cheque, the cheque will be mailed, on the Business Day preceding the due date for payment.

Noteholders will not be entitled to any interest or other payment for any delay after the due date in receiving the amount due if the due date is not a Business Day or if a cheque mailed in accordance with this Condition arrives after the due date for payment.

In this Condition **Business Day** means a day (other than a Saturday or Sunday) on which commercial banks are open for business in London, New York City, and, in the case of presentation of a Certificate, in the place in which the Certificate is presented.

5.5 Partial Payments

If the amount of principal or interest which is due on the Notes is not paid in full, the Registrar will annotate the register of Noteholders with a record of the amount of principal or interest in fact paid.

5.6 Agents

The Issuer reserves the right at any time to vary or terminate the appointment of any Agent and to appoint additional or other Agents provided that the Issuer will at all times maintain: (a) a Fiscal Agent; (b) an Agent (which may be the Fiscal Agent) having a specified office in a European city; (c) a Paying Agent (which may be the Fiscal Agent) with a specified office in a Member State of the European Union that is not obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any law implementing or complying with, or introduced in order to conform to, such Directive; (d) a Registrar (which may be the Fiscal Agent); and (e) an Agent Bank (which may be the Fiscal Agent).

Notice of any such termination or appointment and of any changes in the specified offices of the Agents will be given to the Noteholders in accordance with Condition 11 as soon as practicable thereafter. Under no circumstances will interest be payable in the United States of America or any possession of the United States of America.

6. REDEMPTION AND PURCHASE

6.1 Final Redemption

Unless previously redeemed or purchased and cancelled as provided below, the Issuer will redeem each Note at its outstanding principal amount on the Interest Payment Date falling in March 2021.

6.2 Scheduled Redemption

Unless previously redeemed or purchased and cancelled as provided below, the Notes will be partially redeemed in quarterly instalments on each Scheduled Redemption Date specified in the table set forth in Schedule 2 (*Scheduled Redemption*) of these Conditions, commencing on the Scheduled Redemption Date falling in September 2014. The amount of principal to be redeemed on each Note on each such Scheduled Redemption Date shall be the amount (the **"Amortisation Amount"**) set forth opposite the relevant Scheduled Redemption Date.

6.3 Redemption for Taxation Reasons

The Issuer may also, at its option, having given not less than 15 nor more than 30 days' notice to the Noteholders in accordance with Condition 11 (which notice shall be irrevocable), redeem all the Notes, but not some only, on the Interest Payment Date falling on or next following the date of expiry of such notice period at their outstanding principal amount if:

(a) as a result of any change in, or amendment to, the laws or regulations of a Relevant Jurisdiction (as defined in Condition 7), or any change in the application or official interpretation of the laws or regulations of a Relevant Jurisdiction, which change or amendment becomes effective after 31 August 2014, on the next Interest Payment Date the Issuer would be required to pay additional amounts as provided or referred to in Condition 7; and

(b) the requirement cannot be avoided by the Issuer taking reasonable measures available to it.

Prior to the publication of any notice of redemption pursuant to this Condition 6.3, the Issuer shall deliver to the Fiscal Agent a certificate signed by two authorised signatories of the Issuer stating that the requirement referred to in paragraph (a) above will apply on the next Interest Payment Date and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of the change or amendment.

6.4 Redemption at the Option of the Issuer

The Issuer may, having given not less than 15 nor more than 30 days' notice to the Noteholders in accordance with Condition 11 (which notice shall be irrevocable and shall specify the date fixed for redemption), redeem all or some of the Notes, on the Interest Payment Date falling on or next following the date of expiry of such notice period at their outstanding principal amount.

6.5 Purchases

The Issuer or any of its subsidiaries may at any time purchase or otherwise acquire Notes in any manner and at any price in the open market or otherwise.

6.6 Cancellations

All Notes which are redeemed pursuant to this Condition 6 by the Issuer shall be cancelled and accordingly may not be reissued or resold. Notes purchased by or on behalf of the Issuer or any of its subsidiaries may be held or reissued or resold or surrendered for cancellation.

7. TAXATION

7.1 Payment without Withholding

All payments in respect of the Notes by or on behalf of the Issuer shall be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature (**"Taxes"**) imposed or levied by or on behalf of the Relevant Jurisdiction, unless the withholding or deduction of the Taxes is required by law. In that event, the Issuer will pay such additional amounts as may be necessary in order that the net amounts received by the Noteholders after the withholding or deduction shall equal the respective amounts which would have been receivable in respect of the Notes in the absence of the withholding or deduction; except that no additional amounts shall be payable in relation to any payment in respect of any Note:

(a) presented for payment by or on behalf of a holder who is liable to the Taxes in respect of the Note by reason of his having some connection with the Relevant Jurisdiction other than the mere holding of the Note; or

(b) presented for payment in the United Kingdom; or

(c) presented for payment by or on behalf of a holder who would not be liable or subject to the withholding or deduction by making a declaration of non-residence or other similar claim for exemption to the relevant tax authority; or

(d) where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC or any law implementing or complying with, or introduced in order to conform to, such Directive;

(e) presented for payment by or on behalf of a holder who would have been able to avoid such withholding or deduction by presenting the relevant Note to another Paying Agent in a Member State of the European Union; or

(f) presented for payment more than 30 days after the Relevant Date (as defined below) except to the extent that a holder would have been entitled to additional amounts on presenting the same for payment on the last day of the period of 30 days assuming that day to have been a Business Day (as defined in Condition 5).

7.2 Interpretation

In these Conditions:

(a) **"Relevant Date"** means the date on which the payment first becomes due but, if the full amount of the money payable has not been received by the Fiscal Agent on or before the due date, it means the date on which, the full amount of the money having been so received, notice to that effect has been duly given to the Noteholders by the Issuer in accordance with Condition 11; and

(b) **"Relevant Jurisdiction"** means the United Kingdom or any political subdivision or any authority thereof or therein having power to tax or any other jurisdiction or any political subdivision or any authority thereof or therein having power to tax to which the Issuer becomes subject in respect of payments made by it of principal and interest on the Notes.

7.3 Additional Amounts

Any reference in these Conditions to any amounts in respect of the Notes shall be deemed also to refer to any additional amounts which may be payable under this Condition 7.

8. PRESCRIPTION

Claims in respect of the Notes will become prescribed unless presented for payment within periods of ten years (in the case of principal) and five years (in the case of interest) from the Relevant Date, subject to the provisions of Condition 5.

9. EVENTS OF DEFAULT

The holder of any Note may give notice to the Issuer that the Note is, and it shall accordingly forthwith become, immediately due and repayable at its outstanding principal amount, together with interest accrued to the date of repayment, if any of the following events (**"Events of Default"**) shall have occurred and be continuing:

(a) if default is made in the payment of any principal or interest due in respect of the Notes or any of them and the default continues for a period of seven (7) Business Days (as defined in Condition 5); or

(b) if any order is made by any competent court or resolution is passed for the winding up or dissolution of the Issuer; or

(c) if the Issuer threatens to suspend payment of, or is unable to, or admits inability to, pay, its debts (or any class of its debts) as they fall due or is deemed unable to pay its debts pursuant to or for the purposes of any applicable law, or is adjudicated or found bankrupt or insolvent; or

(d) if (i) proceedings are initiated against the Issuer under any applicable liquidation, insolvency, composition, reorganisation or other similar laws or an application is made (or documents filed with a court) for the appointment of an administrative or other receiver, manager, administrator or other similar official, or an administrative or other receiver, manager, administrator or other similar official is appointed, in relation to the Issuer or, as the case may be, in relation to the whole or substantially the whole of its undertaking or assets or an encumbrancer takes possession of the whole or substantially the whole of its undertaking or assets, or a distress, execution, attachment, sequestration or other process is levied, enforced upon, sued out or put in force against the whole or substantially the whole of its undertaking or assets, and (ii) in any such case (other than the appointment of an administrator) unless initiated by the relevant company, is not discharged within l4 days; or

(e) if the Issuer (or their respective directors or shareholders) initiates or consents to judicial proceedings relating to itself under any applicable liquidation, insolvency, composition, reorganisation or other similar laws (including the obtaining of a moratorium) or makes a conveyance or assignment for the benefit of, or enters into any composition or other arrangement

with, its creditors generally (or any class of its creditors) or any meeting is convened to consider a proposal for an arrangement or composition with its creditors generally (or any class of its creditors).

10. REPLACEMENT OF CERTIFICATES

If any Certificate is lost, stolen, mutilated, defaced or destroyed it may, subject to all applicable laws and stock exchange requirements, be replaced at the specified office of the Registrar upon payment by the claimant of the expenses incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Certificates must be surrendered before replacements will be issued.

11. NOTICES

All notices to the Noteholders will be valid if mailed to them at their respective addresses in the register of Noteholders maintained by the Registrar. The Issuer shall also ensure that notices are duly given or published in a manner which complies with the rules and regulations of any stock exchange or other relevant authority on which the Notes are for the time being listed. Any notice shall be deemed to have been given on the day after being so mailed or on the date of publication or, if so published more than once or on different dates, on the date of the first publication.

12. MEETINGS OF NOTEHOLDERS AND MODIFICATION

12.1 Meetings of Noteholders

The Agency Agreement contains provisions for convening meetings of the Noteholders to consider any matter affecting their interests, including the modification by Extraordinary Resolution of any of these Conditions or any of the provisions of the Agency Agreement. The quorum at any meeting for passing an Extraordinary Resolution will be one or more persons present holding or representing more than 50 per cent. in principal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons present or representing Noteholders whatever the principal amount of the Notes so held or represented, except that, at any meeting the business of which includes the modification of certain of these Conditions, the necessary quorum for passing an Extraordinary Resolution will be one or more persons present holding or representing not less than two-thirds, or at any adjourned meeting not less than one-third, of the principal amount of the Notes for the time being outstanding. An Extraordinary Resolution passed at any meeting of the Noteholders will be binding on all Noteholders, whether or not they are present or represented at the meeting.

12.2 Modification

The Issuer and the Fiscal Agent may agree, without the consent of the Noteholders, to any modification of any of these Conditions or any of the provisions of the Agency Agreement either (i) for the purpose of curing any ambiguity or of curing, correcting or supplementing any manifest or proven error or any other defective provision contained herein or therein or (ii) in any other manner which is not materially prejudicial to the interests of the Noteholders. Any modification shall be binding on the Noteholders and, unless the Fiscal Agent agrees otherwise, any modification shall be notified by the Issuer to the Noteholders as soon as practicable thereafter in accordance with Condition 11.

13. FURTHER ISSUES

The Issuer may from time to time without the consent of the Noteholders create and issue further notes, having terms and conditions the same as those of the Notes, or the same except for the amount of the first payment of interest, which may be consolidated and form a single series with the outstanding Notes.

14. GOVERNING LAW AND SUBMISSION TO JURISDICTION

14.1 Governing Law

The Agency Agreement, the Deed of Covenant and the Notes and any non-contractual obligations arising out of or in connection with the Agency Agreement, the Deed of Covenant and the Notes are governed by, and shall be construed in accordance with, English law.

14.2 Jurisdiction of English courts

The Issuer has irrevocably agreed for the benefit of the Noteholders that the courts of England are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Notes and accordingly has submitted to the exclusive jurisdiction of the English courts. The Issuer has waived any objection to the courts of England on the grounds that they are an inconvenient or inappropriate forum.

To the extent permitted by law, the Noteholders may take any suit, action or proceeding arising out of or in connection with the Notes (together referred to as **Proceedings**) against the Issuer in any other court of competent jurisdiction and concurrent Proceedings in any number of jurisdictions.

15. RIGHTS OF THIRD PARTIES

No rights are conferred on any person under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Note, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

SCHEDULE 1

INTEREST PAYMENT DATES

Interest Payment Dates
30 September 2014
31 January 2015
31 March 2015
30 June 2015
30 September 2015
31 October 2015
31 January 2016
31 March 2016
30 June 2016
30 September 2016
31 October 2016
31 January 2017
31 March 2017
30 June 2017
30 September 2017
31 October 2017
31 January 2018
31 March 2018
30 June 2018
30 September 2018
31 October 2018
31 January 2019
31 March 2019
30 June 2019
30 September 2019
31 October 2019
31 January 2020
31 March 2020
30 June 2020
30 September 2020
31 October 2020
31 January 2021
19 March 2021

SCHEDULE 2

SCHEDULED REDEMPTION

The table below shows the Amortisation Amount per U.S.$1,000 denomination of each Note.

Scheduled Redemption Dates	Repayment of Outstanding Principal Amount of each Note on the relevant Scheduled Redemption Date	Outstanding Principal Amount of each Note on the relevant Scheduled Redemption Date prior to partial redemption	Outstanding Principal Amount of each Note on the relevant Scheduled Redemption Date after partial redemption
30 September 2014	U.S.$2.50	U.S.$1,000.00	U.S.$997.50
31 December 2014	U.S.$2.50	U.S.$997.50	U.S.$995.00
31 March 2015	U.S.$2.50	U.S.$995.00	U.S.$992.50
30 June 2015	U.S.$2.50	U.S.$992.50	U.S.$990.00
30 September 2015	U.S.$2.50	U.S.$990.00	U.S.$987.50
31 December 2015	U.S.$2.50	U.S.$987.50	U.S.$985.00
31 March 2016	U.S.$2.50	U.S.$985.00	U.S.$982.50
30 June 2016	U.S.$2.50	U.S.$982.50	U.S.$980.00
30 September 2016	U.S.$2.50	U.S.$980.00	U.S.$977.50
31 December 2016	U.S.$2.50	U.S.$977.50	U.S.$975.00
31 March 2017	U.S.$2.50	U.S.$975.00	U.S.$972.50
30 June 2017	U.S.$2.50	U.S.$972.50	U.S.$970.00
30 September 2017	U.S.$2.50	U.S.$970.00	U.S.$967.50
31 December 2017	U.S.$2.50	U.S.$967.50	U.S.$965.00
31 March 2018	U.S.$2.50	U.S.$965.00	U.S.$962.50
30 June 2018	U.S.$2.50	U.S.$962.50	U.S.$960.00
30 September 2018	U.S.$2.50	U.S.$960.00	U.S.$957.50
31 December 2018	U.S.$2.50	U.S.$957.50	U.S.$955.00
31 March 2019	U.S.$2.50	U.S.$955.00	U.S.$952.50
30 June 2019	U.S.$2.50	U.S.$952.50	U.S.$950.00
30 September 2019	U.S.$2.50	U.S.$950.00	U.S.$947.50
31 December 2019	U.S.$2.50	U.S.$947.50	U.S.$945.00
31 March 2020	U.S.$2.50	U.S.$945.00	U.S.$942.50
30 June 2020	U.S.$2.50	U.S.$942.50	U.S.$940.00
30 September 2020	U.S.$2.50	U.S.$940.00	U.S.$937.50
31 December 2020	U.S.$2.50	U.S.$937.50	U.S.$935.00

THE GLOBAL CERTIFICATE

The Global Certificate contains the following provisions which apply to the Notes in respect of which they are issued whilst they are represented by the Global Certificate, some of which modify the effect of the Conditions. Terms defined in the Conditions have the same meaning in paragraphs 1 to 6 below.

1. ACCOUNTHOLDERS

For so long as any of the Notes are represented by the Global Certificate, each person (other than another clearing system) who is for the time being shown in the records of Euroclear or Clearstream, Luxembourg (as the case may be) as the holder of a particular aggregate principal amount of such Notes (each an **"Accountholder"**) (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg (as the case may be) as to the aggregate principal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes) shall be treated as the holder of such aggregate principal amount of such Notes (and the expression "Noteholders" and references to "holding of Notes" and to "holder of Notes" shall be construed accordingly) for all purposes other than with respect to payments on such Notes, the right to which shall be vested, as against the Issuer, solely in the nominee for the relevant clearing system (the **"Relevant Nominee"**) in accordance with, and subject to the terms of, the Global Certificate. Each Accountholder must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for its share of each payment made to the Relevant Nominee.

2. CANCELLATION

Cancellation of any Note following its redemption or purchase by the Issuer or any of its subsidiaries will be effected by reduction in the aggregate principal amount of the Notes in the register of Noteholders.

3. PAYMENTS

Payments of principal and interest in respect of Notes represented by the Global Certificate will be made in accordance with the Conditions and, if no further payment falls to be made in respect of the Notes, against presentation and surrender of the Global Certificate to, or to the order of, the Fiscal Agent or such other Agent as shall have been notified to the holder of the Global Certificate for such purpose.

Distributions of amounts with respect to book-entry interests in the Notes held through Euroclear or Clearstream, Luxembourg will be credited, to the extent received by the Fiscal Agent, to the cash accounts of Euroclear or Clearstream, Luxembourg participants in accordance with the relevant system's rules and procedures.

A record of each payment made will be endorsed on the register of Noteholders by or on behalf of the Fiscal Agent and shall be *prima facie* evidence that payment has been made.

Payments of principal and interest in respect of the Global Certificate will be made, or procured to be made, by the Fiscal Agent for settlement on the relevant payment date in accordance with the Agency Agreement in U.S. dollars, by the relevant Paying Agent crediting the Accountholder's registered U.S. dollar account at Euroclear and/or Clearstream, Luxembourg, through the facilities of Euroclear and Clearstream, Luxembourg.

For the purposes of Condition 5.1, so long as the Notes are represented by the Global Certificate and such Global Certificate is held on behalf of a clearing system, the record date in respect of the Notes shall be the

close of the business day (being for this purpose a day on which Euroclear and Clearstream, Luxembourg are open for business) before the relevant due date.

4. NOTICES

So long as the Notes are represented by the Global Certificate and the Global Certificate is held on behalf of a clearing system, notices to Noteholders may be given by delivery of the relevant notice to that clearing system for communication by it to entitled Accountholders in substitution for notification as required by Condition 11. Any such notice shall be deemed to have been given to the Noteholders on the day after the day on which such notice is delivered to Euroclear and/or Clearstream, Luxembourg (as the case may be) as aforesaid.

5. REGISTRATION AND EXCHANGE

Interests in the Global Certificate will only be exchangeable in whole but not in part for individual Certificates if: (i) the Issuer has been notified by Euroclear or Clearstream, Luxembourg, as appropriate, that it is unwilling or unable to continue as a clearing system in connection with the Global Certificate and in each case a successor clearing system is not appointed by the Issuer within 90 days after receiving such notice from Euroclear or Clearstream, Luxembourg, or (ii) either Euroclear or Clearstream, Luxembourg is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise). In these circumstances, title to a Note will be transferred into the names of holders notified by the Relevant Nominee in accordance with the Conditions, except that Certificates in respect of Notes so transferred may not be available until 21 days after the request for transfer is duly made. In addition, the Issuer has undertaken in the Global Certificate to procure that the holder of each individual Certificate is entered by the Registrar in the register of Noteholders, such registration constituting due legal title of such Noteholder to the relevant Notes.

Where beneficial interests in any Note are represented by the Global Certificate and the Global Certificate (or any part thereof) has become due and repayable in accordance with the Conditions and payment in full of the amount due has not been made in accordance with the provisions of the Global Certificate then, unless within the period of three days commencing on the relevant due date payment in full of the amount due in respect of the Global Certificate is received by the holder in accordance with the provisions of the Global Certificate, the Global Certificate will become void in accordance with its terms and Accountholders will become entitled to proceed directly against the Issuer on the basis of statements of account provided by Euroclear or Clearstream, Luxembourg on and subject to the terms of a deed of covenant (the **Deed of Covenant**) dated on or around 3 October 2014 and executed by the Issuer.

6. TRANSFERS

Transfers of book-entry interests in the Notes will be effected through the records of Euroclear and Clearstream, Luxembourg and their respective participants in accordance with the rules and procedures of Euroclear and Clearstream, Luxembourg and their respective direct and indirect participants.

UNITED KINGDOM TAXATION

The following is a summary of certain aspects of United Kingdom taxation based on current United Kingdom law and the practice of Her Majesty's Revenue and Customs (**"HMRC"**) at the date hereof in relation to payments of interest in respect of the Notes.

The following is a general guide and is not intended to be exhaustive and should be treated with appropriate caution. Noteholders who are in any doubt as to their tax position should consult their professional advisers. In particular, Noteholders should be aware that they may be liable to taxation in relation to payments in respect of Notes even if such payments may be made without withholding or deduction for or on account of taxation under the laws of the United Kingdom.

UK withholding tax on UK source interest

The UK potentially imposes withholding tax on payments of interest, but not principal. However, the obligation to withhold or deduct United Kingdom income tax from payments of interest is subject to certain exemptions.

The Notes will constitute "quoted Eurobonds" within the meaning of section 987 of the Income Tax Act 2007 provided that they are and continue to be listed on a recognised stock exchange within the meaning of section 1005 of the Income Tax Act 2007. HMRC may designate certain exchanges as recognized stock exchanges. Securities which are listed on a recognized stock exchange means securities which are admitted to trading on that exchange and which are included in the official UK list or are listed in a qualifying country outside the UK in accordance with provisions corresponding to those generally applicable in EEA States. The Irish Stock Exchange is a recognised stock exchange, and securities listed on the Official List and admitted to trading on the Global Exchange Market of the Irish Stock Exchange meet the definition of "listed". Application will be made to the Irish Stock Exchange for admission of the Notes to the Official List and to trading on the Global Exchange Market for these purposes. While the Notes are and continue to be quoted Eurobonds, payments of interest on the Notes by the Issuer can be made without withholding or deduction for or on account of United Kingdom income tax.

In addition to the exemption from withholding tax for interest payments on quoted Eurobonds (the **"Quoted Eurobond Exemption"**), there will generally be no withholding tax on interest payments by the Issuer where the Issuer reasonably believes that the person beneficially entitled to the interest is:

(a) a company resident in the United Kingdom;

(b) a company not resident in the United Kingdom which carries on a trade in the United Kingdom through a permanent establishment and the interest falls to be brought into account in computing its profits chargeable to United Kingdom corporation tax; or

(c) a partnership each member of which is a company mentioned in (a) or (b) above or a combination of companies referred to in (a) or (b) above,

and HMRC has not given a direction that the interest should be paid under deduction of tax.

In cases falling outside the Quoted Eurobond Exemption and the exception for payments between companies set out above, interest on the Notes may fall to be paid under deduction of United Kingdom income tax at the basic rate (currently 20%) subject to such relief as may be available under the provisions of any applicable double taxation treaty or to any other exemption which may apply.

Other rules relating to United Kingdom withholding tax

Where Notes are, or may fall to be, redeemed at a premium, then any such element of premium and, in certain cases, discount may constitute a payment of interest. Payments of interest are subject to United Kingdom withholding tax as outlined above and reporting requirements as outlined below. Where interest has been paid under deduction of United Kingdom income tax, Noteholders who are not resident in the United Kingdom may be able to recover all or part of the tax deducted if there is an appropriate provision in any applicable double taxation treaty.

The references to interest in this "United Kingdom Taxation" section mean "interest" as understood in United Kingdom tax law. The statements do not take any account of any different definitions of "interest" or "principal" which may prevail under any other law or which may be created by the terms and conditions of the Notes or any related documentation.

The above description of the United Kingdom withholding tax position assumes that there will be no substitution of the Issuer and does not consider the tax consequences of any such substitution.

Financial Transaction Tax

The European Commission has published a proposal for a Directive for a common FTT in certain participating Member States.

The proposed FTT has very broad scope and could apply to certain dealings in financial instruments (including secondary market transactions).

The FTT could apply to persons both within and outside of the participating Member States. Generally, it would apply to certain transactions relating to financial instruments where at least one party is a financial institution (as defined), and either (i) at least one party is established or deemed to be established in a participating Member State or (ii) the financial instruments are issued in a participating Member State.

Certain aspects of the current proposal are controversial and, if the FTT is progressed, may be altered prior to implementation, for which no firm date has yet been set. Additional Member States may also decide to participate.

Prospective holders of Notes are advised to seek their own professional advice in relation to the FTT.

European Union Savings Directive

Under EC Council Directive 2003/48/EC on the taxation of savings income each Member State is required to provide to the tax authorities of another Member State details of payments of interest or other similar income payments (Savings Income) made by a person within its jurisdiction to or collected by such a person for an individual or to certain other persons, resident in that other Member State (interest payments on the Notes will for these purposes be Savings Income). However, for a transitional period, Austria and Luxembourg may instead apply a withholding system in relation to such payments, deducting tax at 35%. This transitional period will terminate at the end of the first fiscal year following agreement with certain non-EU countries to the exchange of information relating to such payments. The Luxembourg government has announced that Luxembourg will adopt the exchange of information as of 1 January 2015

A number of non-EU countries and certain dependent or associated territories of certain Member States have adopted and implemented similar measures (either provision of information or transitional withholding) in relation to payments of Savings Income made by a person within its jurisdiction to an individual, or to certain other persons, resident in a Member State. In addition, Member States have entered into reciprocal arrangements with certain of those non-EU countries and dependent or associated territories of certain Member States in relation to payments of Savings Income made by a person in a Member State to an individual, or to certain other persons, resident in certain dependent or associated territories or non-EU countries.

Where an individual Noteholder receives a payment of Savings Income from any Member State or dependent or associated territory employing the withholding arrangement, the individual Noteholder may be able to elect not to have tax withheld. The formal requirements may vary slightly from jurisdiction to jurisdiction. They generally require the individual Noteholder to produce certain information (such as his tax number) and consent to details of payments and other information being transmitted to the tax authorities in his home state. Provided that the other Tax Authority receives all of the necessary information the payment will not suffer a withholding under EC Council Directive 2003/48/EC or the relevant law conforming with the directive in a dependent or associated territory.

Investors should note that an amended version of the directive was adopted by the European Council on 24 March 2014, which, among other changes, will extend the application of the directive to (i) payments channelled through certain intermediate structures (whether or not established in a Member State) for the ultimate benefit of an EU

resident individual, and (ii) a wider range of income similar to savings income. The amendments must be transposed by Member States prior to 1 January 2016 and will apply from 1 January 2017.

SUBSCRIPTION AND SALE

General

No action has been taken by the Issuer which would, or is intended to, permit a public offer of Notes in any country or jurisdiction where any such action for that purpose is required.

United States of America

The Notes have not been, and will not be, registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and, subject to certain exceptions, may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act). There will be no public offer of the Notes in the United States.

The Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and Treasury regulations promulgated thereunder.

GENERAL INFORMATION

1. **Authorisation**

The creation and issue of the Notes has been authorised by a resolution of the Board of Directors of the Issuer dated 27 February 2014.

2. **Listing**

Application has been made to the Irish Stock Exchange for the approval of this document as Listing Particulars. Application has been made to the Irish Stock Exchange for the Notes to be admitted to the Official List and to trading on the Global Exchange Market which is the exchange regulated market of the Irish Stock Exchange. The Global Exchange Market is not a regulated market for the purposes of Directive 2004/39/EC. The total expenses of admission to trading are expected to be EUR 2,940.

3. **Listing Agent**

Arthur Cox Listing Services Limited is acting solely in its capacity as listing agent for the Issuer in connection with the Notes and is not itself seeking admission of the Notes to the Official List of the Irish Stock Exchange or to trading on the Global Exchange Market.

4. **Clearing Systems**

The Global Certificate (ISIN XS1117608023 and Common Code 111760802) has been accepted for clearance through Euroclear and Clearstream.

5. **Significant or Material Adverse Change**

There has been no significant change in the financial or trading position of the Issuer and its subsidiaries taken as a whole since 31 December 2013. There has been no material adverse change in the prospects of the Issuer since 31 December 2013.

6. **Interests of Natural and Legal Persons Involved in the Issue**

So far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.

7. **Potential Conflicts**

Pursuant to contractual arrangements under the LLC Agreement of Holdings, Apollo and its affiliates have the right to appoint a majority of the members of the board of managers of Holdings. The LLC Agreement provides that the members of Holdings shall direct the Issuer to cause the board of directors of the Issuer to be identical to the board of managers of Holdings. Therefore, Apollo has the power to control us and our affairs and policies. A majority of members of our board are partners or employees of Apollo.

8. **Accounts and Auditors**

The Issuer's consolidated financial statements for the years ended 31 December 2013 and 2012, incorporated by reference into these Listing Particulars, have been audited by PricewaterhouseCoopers LLP of 1 Embankment Place, London, WC2N 6RH, United Kingdom, as independent auditors, as set forth in their report thereon. PricewaterhouseCoopers LLP is a member of the Institute of Chartered Accountants in England and Wales, and has no material interest in the Issuer.

9. **Litigation**

Save as disclosed in "*Description of the Issuer – Business – Litigation and Legal Proceedings*", there are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware), which may have, or have had, during the 12 months prior to the

date of these Listing Particulars, a significant effect on the Issuer's or the Group's financial position or profitability.

10. Material Contracts

The Issuer has not entered into any material contract outside the ordinary course of its business, which could result in the Issuer being under an obligation or entitlement that is material to its ability to meet its obligations in respect of the Notes.

11. Documents on Display

During the life of the Notes, investors can access in physical form the following documents, free of charge, at the registered office of the Issuer:

(i) the Memorandum and Articles of Association of the Issuer;

(ii) the Issuer's Annual Reports for the years ended 31 December 2013 and 31 December 2012;

(iii) the Agency Agreement dated on or around 3 October 2014; and

(iv) the Deed of Covenant dated on or around 3 October 2014.

THE ISSUER

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To the Issuer as to English law

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FISCAL AGENT AND REGISTRAR

As Fiscal Agent and Registrar of the Notes

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