

February 8, 2018



## Prime Announces Sale of Property in Milan, Extension of Warrants Expiration by Three Years

SHIJIAZHANG, China--(BUSINESS WIRE)-- Prime Acquisition Corp. (“Prime” or the “Company”) (OTCQB: Common Stock: “PACQF”, Units: “PAQUF”, Warrants: “PAQWF”), an owner and operator of office, commercial and industrial properties in Italy, today announced the sale of a property under its Ellegi S.r.l. subsidiary, a strategic transaction that will streamline the Company’s real estate portfolio and improve its financial position.

Prime closed on the sale of a portion (approximately 52% of gross leasable area) of the via Lazio building, an office property in southwest Milan, for €1.85 million (approximately US\$2.27 million, using an exchange rate of €1 to US\$1.2270) on February 8, 2018. The remaining portion of the building is 100% occupied.

The Company also announced that it has sold an option to purchase its via Buozzi building to a third party for an exercise price of €150,000, which expires at the end of 2018. The via Buozzi building is an office property located approximately five miles from the via Lazio building and is also owned under Prime’s Ellegi S.r.l. subsidiary.

The Company intends to use the proceeds from the via Lazio transaction to pay off a significant portion of the building’s mortgage, reduce debt, and make select structural improvements.

Prime’s portfolio of properties includes office, logistics, commercial and industrial real estate assets located in Milan, Italy, and the surrounding areas. Prime’s real estate portfolio consists of the following nine properties, which includes the remaining ownership position in the via Lazio property.

### Real Estate Portfolio Summary

Property Name/Location	Type	Approx. Gross Leasable Area (in sq. meters)	Purchase Price on 9/30/2013 (\$ in millions)	Tenant	Average Lease Duration (Years)
1 Milanofiori, Building A5	Office	865	\$3.13	Various int’l and Italian	10

2	Milanofiori, Building Q7	Office	586	\$1.27	firms Various int'l and Italian firms	10
3	Milanofiori, Building N	Office	1,750	\$4.48	Various int'l and Italian firms	10
4	Viale Lucania, Buccinasco	Office, Industrial	16,230	\$22.27	Microelettrica Scientifica	18
5	Via Buozzi 22, Buccinasco	Office	545	\$1.85	Various int'l and Italian firms	10
6	Via Lazio 95, Buccinasco (portion of building)	Office, Warehouse	2,050 <sup>1</sup>	\$2.55 <sup>2</sup>	Italian firms	10
7	Via Emilia, Buccinasco	Commercial	200	\$0.35	Italian commercial co.	10
8	Via Mulino, Buccinasco	Commercial	360	\$1.37	Merkur	8
9	Milanofiori, Building Q5	Office	400	\$1.26	Italian firms	10
			22,986	\$38.53		

<sup>1</sup> Represents remaining ownership in the via Lazio building after closing of the sale transaction on Feb. 8, 2018

<sup>2</sup> Proportional amount of current ownership

The Company also announced the extension of the expiration date for its warrants from March 30, 2018, to March 30, 2021.

### **Management Commentary**

Mr. William Yu, Chief Executive Officer and Director of Prime, stated, "We are pleased to have closed on the via Lazio building sale, another positive step forward in our ongoing efforts to right-size our portfolio of real estate assets in Italy and strengthen the Company's financials. This transaction will enable Prime to pay off a significant portion of the building's mortgage, making the remaining portion of via Lazio mortgage-free; reduce tax debt; and make necessary structural improvements. Given our long-term strategy and view for the Company, we are pleased to extend the expiration of our warrants by three years, from 2018 to 2021. We continue working to streamline our operations and improve our financial standing, while exploring opportunities to grow our asset portfolio and business."

### **About Prime Acquisition Corp.**

Prime Acquisition Corp. is a Cayman Islands company that owns and operates office, commercial and industrial properties in Italy. Prime is focused on building a portfolio of high yield-producing assets.

### **Forward-looking Statements**

This press release may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 about Prime Acquisition Corp. Forward-looking statements are statements that are not historical facts. Such forward-looking statements, based upon the current beliefs and expectations of Prime's management, are subject to risks and uncertainties, which could cause actual results to differ from the forward-looking statements. The following factors, among others, could cause actual results to meaningfully differ from those set forth in the forward-looking statements:

- Continued compliance with government regulations;
- Changing legislation or regulatory environments;
- Requirements or changes affecting the businesses in which Prime is engaged;
- Industry trends, including factors affecting supply and demand;
- Labor and personnel relations;
- Credit risks affecting the combined business' revenue and profitability;
- Changes in the Italian real estate industry;
- Changing interpretations of generally accepted accounting principles;
- General economic conditions; and
- Other relevant risks detailed in Prime's filings with the Securities and Exchange Commission.

The information set forth herein should be read in light of such risks. Prime does not assume any obligation to update the information contained in this press release.

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