City of Buenos Aires, August 8, 2019

**Comisión Nacional de Valores**

**Bolsas y Mercados Argentinos S.A.**

**Mercado Abierto Electrónico S.A.**

Ref: Relevant Fact: Execution of New Agreements.

Optimization of the Company Recapitalization Plan.

Ladies & Gentlemen,

I am addressing you in my capacity as the Head of Market Relations of TGLT S.A. ("TGLT" or the "Company"), in relation to the relevant facts ID N° 4-2430609-D, ID N° 4-2437411-D, ID N° 4-2438165-D, N° 4-2482468-D, N° 4-2491678-D and N° 4-2502039-D, each published by the Company on the *Autopista de la Información Financiera* of the webpage of the Argentine Securities Commission*,* dated on January 25, 2019; February 12, 2019; February 14, 2019; May 30, 2019; June 27, 2019; and July 29, 2019, respectively, whereby it was announced that the Company had entered into a recapitalization support agreement (the "Initial RSA") and an interest deferral agreement related to interest to be paid by the Company on February 15, 2019 (the "Initial IDA" and, together with the Initial RSA, the "Initial Agreements") with a substantial majority of the holders of its Convertible Subordinated Notes due 2027 issued on August 3, 2017 in the aggregate principal amount of US$150,000,000 (the "Convertible Notes") pursuant to the indenture, dated as of August 3, 2017, among the Company, The Bank of New York Mellon and Banco Santander Río S.A., as amended on April 20, 2018 (together, the "Indenture"), for the purpose of implementing a recapitalization plan with holders of Convertible Notes who intend to participate therein (the "Participating Holders"), which would allow the Company to improve its net worth position and reduce its liabilities in foreign currency ("Original Recapitalization Plan"). The term of these Initial Agreements was extended in several instances by the Company and the Participating Holders, as the Company has informed to the investing public on a timely basis through this method.

Likewise, as previously announced, the Company has been exploring a recapitalization proposal complementary to the one established in the Initial RSA, in order to optimize and complement its Original Recapitalization Plan, further strengthening its net worth position and the establishment of a capital structure consistent with the scope of its operations (the "Optimized Recapitalization Plan"). Through the Optimized Recapitalization Plan, the Company intends to: (i) obtain a significant reduction in financial liabilities in foreign currency, which will imply a significant reduction of its exposure to the risk of exchange rate fluctuations, and will significantly improve its balance sheet; (ii) rebuild its net worth in a sustainable manner over the time and with greater strength; (iii) consolidate a more robust capital structure; and (iv) have greater capital resources to develop its business activities. In addition, the Company seeks to increase the level of participation of the holders of Convertible Notes in the recapitalization process.

As a result of the development of such Optimized Recapitalization Plan, at the date hereof, the Company entered, together with a substantial majority of the holders of the Convertible Notes (the "Accepting Holders"), into a new recapitalization agreement (the "New RSA"), whereby the Company committed to the Accepting Holders to:

1. make a public offering of new Class A preferred shares of the Company (the "Class A Public Offering" and the "Class A Preferred Shares", respectively), which may be subscribed in cash, and/or in kind, and/or by capitalization of the Company's debt, at a subscription price per Class A Preferred Share of US$1 (or its equivalent in Argentine Pesos);
2. make a public offering of new Class B preferred shares of the Company (the "Class B Preferred Shares"), which may be subscribed by means of (i) an exchange for ordinary shares of the Company (the "Exchange Offer for Ordinary Shares"), at an exchange ratio of one Class B Preferred Share for every 6.94 ordinary shares of the Company; and/or (ii) an exchange for Convertible Notes (the "Convertible Notes Exchange Offer" and, together with the Ordinary Shares Exchange Offer, the "Class B Public Offering"), at an exchange ratio of one Class B Preferred Share for each US$1 of Convertible Notes and each US$1 of rights to deferred interest held by IDA Holders (as defined below) (including accrued and unpaid interest under the Convertible Notes), excluding rights to deferred interest held by IDA Holders (as defined below)); concurrently with a consent solicitation to the Accepting Holders to amend certain provisions of the Indenture; and
3. grant an option (the "Option") to the Accepting Holders to subscribe for new Class C preferred shares of the Company (the "Class C Preferred Shares" and, together with Class A Preferred Shares and Class B Preferred Shares, the "Preferred Shares") in a public offering for cash (the "Class C Public Offering" and, together with the Class A Public Offering and the Class B Public Offering, the "Public Offers") to be made if, and only if: (a) the Class A Public Offering and the Class B Public Offering have been consummated; and (b) a certain number of holders of the Option have exercised such Option at a subscription price per Class C Preferred Share of US$1 (or its equivalent in Argentine Pesos).

The Preferred Shares to be issued by the Company under the Public Offers will be senior with respect to dividends and liquidation to all existing and future classes of common or preferred shares of the Company and will be subordinated to any current or future indebtedness of the Company. In addition, each Preferred Share will have one vote per share, provided that no single holder of voting equity securities of the Company will be entitled to vote more than 30% of the total voting equity securities of the Company in any vote with respect to the Company’s board of directors or the appointment of members of the Company’s supervisory committee. Dividends will be calculated at an annual rate of 10%, and, if this amount of dividends is not declared and paid in full in any year, its rate will increase at a rate of 1% per annum until the Company pays off all accumulated dividends in full, at which time dividends will revert to an annual rate of 10%. Additionally, the convertible Preferred Shares shall be convertible at any time, either at the option of the holder or on a mandatory basis, into common shares of the Company, if certain conditions described in the New Agreements are met. For the purposes of such conversion, the conversion price shall be the equivalent of (a) US$0.11 in the case of Class A Preferred Shares; (b) US$0.33 in the case of Class B Preferred Shares; and (c) the lesser of (i) US$0.50 and (ii) 90% of the volume-weighted average price of the common shares of the Company for 5 trading dates in the market, if less (but never less than US$0.15) in the case of Class C Preferred Shares. These conversion prices will be subject to adjustments based on anti-dilution formulas, all as approved by the shareholders' meeting of the Company.

Furthermore it is established that: (a) the Class A Public Offering and the Class B Public Offering shall be jointly consummated; (b) in each of the Public Offers, the holders of ordinary shares of the Company shall have the right to exercise their respective pre-emptive rights, in the terms provided by the Company's bylaws and the Argentine Capital Markets Law; and (c) the exchange ratios and subscription prices provided in the New RSA are subject to the approval by the shareholders' meeting of the Company.

Moreover, with the intention of allowing and facilitating the implementation of the Optimized Recapitalization Plan, at the date hereof, the Company has entered into, with a substantial majority of the holders of Convertible Notes (the "IDA Holders"), an agreement to defer the payments of interest payable on February 15, 2019 and August 15, 2019 until November 8, 2019 (the "New IDA" and, together with the New RSA, the "New Agreements"). It is expressly stated that the deferral of interest will only and exclusively apply to IDA Holders who voluntarily decide to become parties to the New IDA. Accordingly, the interest payable on the Convertible Notes on August 15, 2019 and February 15, 2019, if applicable, corresponding to those holders of the Convertible Notes who have not become parties to the New IDA as of that date shall not be deferred.

TGLT points out that it will continue working during the following weeks, within the conditions permitted by applicable law, with the objective of obtaining the support of the holders of Convertible Notes who have not yet signed the New Agreements, in order to increase the number of accepting holders.

In support of the Optimized Recapitalization Plan, today IRSA Propiedades Comerciales S.A. ("IRSA") and PointArgentum Master Fund LP ("PointArgentum"), as Accepting Holders, entered into certain share subscription commitments with the Company, whereby IRSA, on the one hand, and PointArgentum, on the other, have committed to make capital contributions to the Company (in cash and/or in kind and/or through the capitalization of certain credits that they have against the Company, as applicable) jointly, for a total amount of US$39,000,000, through the subscription of Class A Preferred Shares under the Class A Public Offering (the "Subscription Commitments").

In addition, the Company, at the date hereof, and together with the Accepting Holders, entered into an option contract for the subscription of Class C Preferred Shares (the "Option Contract"), whereby holders of Convertible Notes who are party to, or to become party to, the New Agreements up to a certain date, will be granted the right to exercise a subscription option for Class C Preferred Shares. Such offer will be conditioned to the provisions of the Option Contract and the New RSA.

Likewise, as additional evidence of the Accepting Holders' confidence in the Company's ability to create value through the generation of new investment projects, within the framework of the described operation it was agreed that those Accepting Holders who hold Class B Preferred Shares will have co-investment rights with the Company in future projects that TGLT (or any company that belongs 100% to TGLT) develops in Argentina or Uruguay, in which TGLT considers necessary to have a partner that makes a capital contribution for the development of the same for an amount equal to or greater than US$25.000.000.

The New Agreements establish certain milestones to be met in the process of implementing the upcoming Optimized Recapitalization Plan, including: (i) the approval of the issuance of the Preferred Shares and the Public Offers by the shareholders' meeting of TGLT; (ii) the launch of the Convertible Notes Exchange Offer; (iii) the launch of the Class A Public Offering; (iv) the consummation of the Class A Public Offering and the Class B Public Offering; and (v) the exercise of the Option; all in order to complete the implementation of the Optimized Recapitalization Plan as soon as possible.

In this context, within the framework of the New Agreements, TGLT has committed, among other things and subject to certain conditions, to continue operating its business in its usual manner and as it has been doing as of today; not to grant guarantees, not to dispose of its assets, not to carry out transactions with related parties (except in those cases expressly permitted), and not to pay dividends or make capital distributions.

It is expressly stated that the terms and conditions of the Agreements have been considered reasonably adequate to the standard and customary market conditions by the Company's Audit Committee.

Sincerely,



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Federico Wilensky

Head of Market Relations

The Preferred Shares will not be registered under the United States Securities Act of 1933, as amended (the “Securities Act”), and may not be offered or sold in the United States or to any U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

**Forward-Looking Statements**

This press release contains "forward-looking statements" within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are made as of the date they were first issued and were based on current expectations, estimates, forecasts and projections as well as the beliefs and assumptions of management. These statements identify prospective information and may include words such as “believe,” “may,” “will,” “aim,” “estimate,” “continue,” “anticipate,” “intend,” “expect,” “forecast,” “plan,” “predict,” “project,” “potential,” “aspiration,” “objectives,” “should,” “purpose,” “belief,” and similar, or variations of, or the negative of such words and expressions, although not all forward-looking statements contain these identifying words.

Forward-looking statements are subject to a number of risks and uncertainties, many of which involve factors or circumstances that are beyond the Company’s control.