

ESPG AG invites bondholders of the 2018/2026 bond to vote on the suspension of the total LTV covenant as a precautionary measure

Cologne, 16 February 2024: The Management Board of ESGP AG ("**ESPG**" or "**Company**") has decided today to request the holders of the 2018/2026 bond to vote in a resolution without a bondholders' meeting. The background to this is a possible breach by the Company of the obligation under Section 11(1) of the terms and conditions of the Bonds, according to which the Company must ensure that the total LTV of the ESGP Group on a consolidated basis does not exceed the total LTV within the meaning of the terms and conditions of the bond ("**Total LTV Covenant**") on any reporting date. The relevant comparative value is set at 75% as of 31 December 2023, 70% as of 31 December 2024 and 65% as of 31 December 2025 in Section 11(1) of the terms and conditions of the bond.

According to the currently available, but still preliminary valuation and calculation bases, the Management Board assumes that the total LTV as at 31 December 2023 was 74.3% and that the total LTV covenant was therefore met. However, as this preliminary value is only just below the relevant comparative value and changes or adjustments to the valuation and calculation bases may still be made during the audit of the financial statements, it cannot be ruled out that the comparative value of 75% as at 31 December 2023, which must be complied with, will ultimately be exceeded. As a precautionary measure, the Management Board has therefore decided to ask the holders of the 2018/2026 bond to approve the suspension of the total LTV covenant as at the reporting date of 31 December 2023. The vote without a meeting will take place in the period from 18 to 20 March 2024. A corresponding invitation to bondholders to cast their votes is expected to be published on the company's website on 19 February 2024 and in the Federal Gazette on 20 February 2024.

In addition to the suspension of the total LTV covenant as of 31 December 2023, the company proposes to the bondholders to grant the joint representative of the bondholders the authority to approve a (renewed) suspension of the total LTV covenant vis-à-vis the issuer for 2024 and 2025 if necessary.

In addition, as a precautionary measure, a possible increase in the volume of the 2018/2026 bond by 20% of the currently outstanding total nominal amount at a price of at least 95% of the nominal amount in accordance with Section 11(5)(c) of the bond terms and conditions is to be approved in order to provide the company with financial flexibility.

The invitation to vote will also contain proposals by the issuer for further amendments to the terms and conditions of the bonds.

Important information

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