

ESPG AG: Creditors approve restructuring plan

- **All creditor groups approve the submitted restructuring plan**
- **Court confirmation of the restructuring plan expected within the next week**
- **Bondholders participate in further business development via innovative concept**
- **New liquidity of EUR 11.6 million available for investments in the Science Park portfolio following the successful conclusion of the StaRUG proceedings**

Cologne, 4 December 2024: The European Science Park Group (ESPG), a real estate company specialising in science parks, has received the approval of all creditors as part of the StaRUG proceedings. The confirmation of the restructuring plan by the competent local court – restructuring court – in Cologne is expected within the next week. The restructuring plan will become legally binding by the end of the year.

The bondholders, represented by the joint representative, also approved and accepted the restructuring plan at the court discussion and voting meeting in accordance with the German Act on the Stabilisation and Restructuring Framework for Companies ('StaRUG'). Previously the conditions for the group of bondholders had been improved compared to the draft plan submitted on 28 October 2024.

Ralf Nöcker, Executive Board Member of ESGP AG: "We would like to thank the bondholders for the constructive dialogue over the last few weeks and are pleased with the high level of approval. We have thus secured sustainable financial stability and can lead ESGP into an economically successful future. The existing bondholders, who have paved the way for this perspective with their support, will now also benefit from this."

Bondholders benefit from the economic development of ESGP

The key element of the approved and authorised restructuring concept is the participation of ESGP BondCo S.à r.l. (**BondCo**) with 15% of the equity of ESGP AG. In return, BondCo will assume all liabilities from the bond from the company. This structure allows the existing bondholders to benefit indirectly from the economic development of ESGP AG. The original restructuring plan intended a 10% participation by BondCo.

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According to the calculations submitted to the court, the value of BondCo's participation directly after the conclusion of the StaRUG proceedings corresponds to around 15.4% of the outstanding bond liabilities. According to the company's plans, which were confirmed by the expert reports submitted, this value could rise to more than 34% of the outstanding bond.

With the successful conclusion of the StaRUG proceedings, ESPG will receive new liquidity totalling EUR 11.6 million for the planned investments. Of this, EUR 2.5 million have already been released to enable initial investments.

With the financial opportunities thus created, ESPG AG will be able to implement a substantial investment programme and significantly reduce the vacancy rate and increase rental income and cash flow over the next two years without the need for further equity and without taking out substantial new loans.

Sustained profitable growth

ESPG plans to invest around EUR 13.6 million in the further development of the Scienc Park portfolio over the next three years. This is also intended to eliminate the maintenance backlog. Further amounts are to be used for tenant refurbishments. By 2026, the successful restructuring will almost halve the current annual financing costs of EUR 13 million (2024). The company will thus be geared towards sustained profitable growth.

Markus Drews, Executive Board Member of ESPG AG: “The market environment remains challenging. Nevertheless, the agreement opens up new opportunities for us. We are aiming to reduce the vacancy rate to 12 to 15 per cent through the upcoming investments in our portfolio and the letting activities that have already been launched. With the growing importance of science for the modern economy, the demand for specialised real estate is increasing. As one of the largest portfolio holders and investors in science parks in Germany, we are well positioned to benefit from this trend and the resulting growth opportunities.”

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About ESGP

The European Science Park Group (ESPG) is a real estate company specialising in science parks. The company focuses on the development of science parks, predominantly characterised by tenants from future-oriented sectors such as life sciences, green technologies or digital transformation, which benefit from their proximity to each other and their direct proximity to universities, hospitals or research locations. ESGP's portfolio already comprises 16 science parks across Europe with a total area of 126,000 square metres. The sites are generally located outside metropolises, in areas that are considered science clusters or have a high concentration of innovative companies.

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