

**This is a convenience translation. Only the German version of the invitation to vote is binding!**

## **INVITATION TO VOTE**

concerning the

### **CORPORATE BOND 2021/2027**

the

#### **The Grounds Real Estate Development AG Berlin, Germany**

registered in the Commercial Register of the Charlottenburg Local Court under number HRB  
191556 B,  
Business address Charlottenstraße 79/80 , 10117 Berlin,  
("Issuer" or "Company")

**due on February 18, 2027**

ISIN DE000A3H3FH2 - WKN A3H3FH

with a total nominal value of EUR 16,800,000.00 and divided into 16,800 bearer bonds with a nominal value of EUR 1,000.00 each (each a "**Bond**" and together the "**Bonds**").

The Grounds Real Estate Development AG hereby invites the holders of the bonds pertaining to the aforementioned corporate bond 2021/2027 ("**Bond 2021**") ("**Bondholders**") to vote in a vote without a meeting within the period

beginning on **Wednesday, October 16, 2024 at 0:00 a.m.** and

ending on **Friday, October 18, 2024 at 24:00**

to the notary Christoph Wagner  
with his office in Berlin ("**voting manager**").

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## Hinweis

Inhaber der EUR 16.800.000,00 Inhaber-Teilschuldverschreibungen der Unternehmensanleihe 2021/2027, ISIN DE000A3H3FH2 („Anleihe 2021“) der The Grounds Real Estate Development AG („Emittentin“ oder „Gesellschaft“) sollten die nachfolgenden Hinweise beachten.

Die Veröffentlichung dieser Aufforderung zur Stimmabgabe stellt kein Angebot dar. Insbesondere stellt die Veröffentlichung weder ein öffentliches Angebot zum Verkauf noch ein Angebot oder eine Aufforderung zum Erwerb, Kauf oder zur Zeichnung von Schuldverschreibungen oder sonstigen Wertpapieren dar.

Die nachfolgenden Vorbemerkungen dieser Aufforderung zur Stimmabgabe (s. Abschnitt A.) sind von der Emittentin freiwillig erstellt worden, um den Inhabern der Anleihe 2021 („Anleihegläubiger“) die Hintergründe für die Beschlussgegenstände der Abstimmung ohne Versammlung und die konkreten Beschlussvorschläge zu erläutern. Die betreffenden Ausführungen sind keinesfalls als abschließende Grundlage für das Abstimmungsverhalten der Anleihegläubiger zu verstehen. Die Emittentin übernimmt keine Gewähr dafür, dass die Vorbemerkungen dieser Aufforderung zur Stimmabgabe alle Informationen enthalten, die für eine Entscheidung über die Beschlussgegenstände erforderlich oder zweckmäßig sind.

Diese Aufforderung zur Stimmabgabe ersetzt nicht eine eigenständige Prüfung und Bewertung der Beschlussgegenstände sowie eine weitere Prüfung der rechtlichen, wirtschaftlichen, finanziellen und sonstigen Verhältnisse der Emittentin durch jeden einzelnen Anleihegläubiger. Jeder Anleihegläubiger sollte seine Entscheidung über die Abstimmung zu den Beschlussgegenständen der Abstimmung ohne Versammlung nicht allein auf der Grundlage dieser Aufforderung zur Stimmabgabe, sondern unter Heranziehung aller verfügbaren Informationen über die Emittentin nach Konsultation mit seinen eigenen Rechtsanwälten, Steuer- und/oder Finanzberatern treffen.

Diese Aufforderung zur Stimmabgabe ist seit dem 30. September 2024 auf der Internetseite der Emittentin (<https://www.thegroundsag.com/de/investor-relations/anleihe/>) und seit dem 30. September 2024 im Bundesanzeiger veröffentlicht. Die hierin enthaltenen Informationen sind nach Auffassung der Emittentin, soweit nichts anderes angegeben ist, aktuell. Diese Informationen können nach dem Veröffentlichungsdatum der Aufforderung zur Stimmabgabe unrichtig werden. Weder die

## Important Notice

Holders of the EUR 16,800,000.00 bearer bonds of the corporate bond 2021/2027, ISIN DE000A3H3FH2 ("**Bond 2021**") of The Grounds Real Estate Development AG ("**Issuer**" or "**Company**") should take note of the instructions set out below.

The publication of this voting request does not constitute an offer. In particular, the publication constitutes neither a public offer to sell nor an offer or a request to acquire, purchase or subscribe for bonds or other securities.

The following preliminary remarks (see para. A.) have been drawn up voluntarily by the Issuer to outline the background of the resolutions to be passed at the vote without a meeting and the concrete proposals for decision for the holders of the Bond 2021 ("**Bondholders**"). The relevant explanations are by no means to be understood as a complete basis for the Bondholders' voting behavior. The Issuer shall not warrant that the preliminary remarks to this invitation to vote contain all the information necessary or appropriate for passing on the resolutions.

This invitation to vote does not replace an independent review and assessment of the resolutions as well as a further review of the Issuer's situation regarding legal, economic, financial and other matters by each individual Bondholder. The Bondholders should not vote on the resolutions of the vote without a meeting solely on the basis of this invitation to vote but upon consulting their own attorneys, tax and financial advisors and considering all the information available on the Issuer.

This invitation to vote has been published on the Issuer's website since September 30, 2024 (<https://www.thegroundsag.com/de/investor-relations/note/>) and since September 30, 2024 in the German Federal Gazette. In the Issuer's opinion, the information contained herein is up to date where not stated otherwise. This information may become inaccurate after the publishing date of the invitation to vote. Regarding this invitation to vote, neither the Issuer nor its respective legal representatives, employees or advisors and

Emittentin noch deren jeweilige gesetzliche Vertreter, Angestellte oder Berater und Beauftragte oder deren jeweilige gesetzliche Vertreter, Angestellte und Berater übernehmen im Zusammenhang mit dieser Aufforderung zur Stimmabgabe eine Verpflichtung zur Aktualisierung dieser Informationsunterlage oder zur Information über Umstände nach dem Datum dieser Aufforderung zur Stimmabgabe.

Weder die Emittentin noch deren jeweiligen gesetzlichen Vertreter, Angestellten oder Berater und Beauftragte oder deren jeweilige gesetzliche Vertreter, Angestellte und Berater noch irgendeine andere Person, insbesondere solche Berater, die in den nachfolgenden Vorbemerkungen dieser Aufforderung zur Stimmabgabe genannt sind, sichern die Richtigkeit und Vollständigkeit der in den Vorbemerkungen enthaltenen Informationen zu. Weder die Emittentin noch deren jeweilige gesetzliche Vertreter, Angestellte oder Berater und Beauftragte oder deren jeweilige gesetzliche Vertreter, Angestellte oder Berater und Beauftragte noch irgendeine andere Person, insbesondere solche Berater, die in den nachfolgenden Vorbemerkungen dieser Aufforderung zur Stimmabgabe genannt sind, übernehmen im Zusammenhang mit den Vorbemerkungen dieser Aufforderung zur Stimmabgabe irgendeine Haftung. Insbesondere haften sie nicht für Schäden, die mittelbar oder unmittelbar im Zusammenhang mit der Verwendung der Informationen der Vorbemerkungen der Aufforderung zur Stimmabgabe entstehen, insbesondere für Schäden aufgrund von Investitionsentscheidungen, die auf der Grundlage der Informationen der Vorbemerkungen der Aufforderung zur Stimmabgabe getroffen werden, oder die durch Unrichtigkeit oder Unvollständigkeit der in den Vorbemerkungen der Aufforderung zur Stimmabgabe enthaltenen Informationen verursacht wurden.

Die Vorbemerkungen (Abschnitt A.) dieser Aufforderung zur Stimmabgabe enthalten bestimmte in die Zukunft gerichtete Aussagen. In die Zukunft gerichtete Aussagen sind alle Aussagen, die sich nicht auf historische Tatsachen oder Ereignisse beziehen. Dies gilt insbesondere für Angaben über die Absichten, Überzeugungen oder gegenwärtigen Erwartungen der Emittentin in Bezug auf ihre zukünftige finanzielle Ertragsfähigkeit, Pläne, Liquidität, Aussichten, Wachstum, Strategie und Profitabilität sowie die wirtschaftlichen Rahmenbedingungen, denen die Emittentin ausgesetzt ist. Die in die Zukunft gerichteten Aussagen beruhen auf gegenwärtigen, nach bestem Wissen vorgenommenen Einschätzungen und Annahmen der Emittentin.

agents or their respective legal representatives, employees and advisors undertake to update this information or to inform on circumstances after the date of this invitation to vote.

Neither the Issuer nor its respective legal representatives, employees or advisors and agents or their respective legal representatives, employees and advisors, nor any other person, particularly such advisors named in the following preliminary remarks to this invitation to vote warrant the accuracy and completeness of the information contained in the preliminary remarks. Neither the Issuer nor its respective legal representatives, employees or advisors and agents or their respective legal representatives, employees and advisors, nor any other person, particularly such advisors named in the following preliminary remarks to this invitation to vote, assume any liability in connection with the preliminary remarks to this invitation to vote. In particular, they are not liable for any damage arising directly or indirectly from the use of the information contained in the preliminary remarks to the invitation to vote, especially not for damage caused by investment decisions made on the basis of the information contained in the preliminary remarks to the invitation to vote, or caused by any inaccuracy or incompleteness of the information contained in the preliminary remarks to the invitation to vote.

The preliminary remarks (para. A.) to the invitation to vote contain specific forward-looking statements. Forward looking statements include all statements which are not related to historical facts or events. This applies especially to information on the Issuer's intentions, convictions or current expectations regarding its future financial earning capacity, plans, liquidity, prospects, growth, strategy and profitability as well as economic parameters the Issuer may be exposed to. The forward-looking statements are based on current assessments and assumptions to the best of the Issuer's knowledge. However, such forward-looking statements are subject to risks and uncertainties, as they refer to events

Solche in die Zukunft gerichteten Aussagen unterliegen jedoch Risiken und Ungewissheiten, da sie sich auf Ereignisse beziehen und auf Annahmen basieren, die gegebenenfalls in der Zukunft nicht eintreten werden.

Vorstehendes gilt in gleicher und besonderer Weise, falls es bis zum Ablauf der ggf. erforderlichen sog. zweiten Anleihegläubigerversammlung zu Änderungen der Beschlussvorschläge kommen sollte.

and are based on assumptions which might not occur in future.

The above applies equally and particularly, if amendments to the resolution proposals are made until the end of the so-called second Bondholders' meeting, which might possibly be required.

## **A. Background to the request to vote without a meeting**

In February 2021, The Grounds Real Estate Development AG issued a corporate convertible bond 2021/2024 (ISIN: DE000A3H3FH2) with an annual interest rate of 6% and an initial volume of EUR 12 million, then increased the volume to up to EUR 16.8 million in October 2021 ("Bond 2021").

Against the backdrop of a difficult financial situation as a result of the general crisis on the real estate markets, the company announced several capital measures on 13 October 2023 with the aim of securing financing for the coming years and a planned partnership with H.I.G. Capital Group ("H.I.G."), one of the world's leading investment companies in the field of alternative investments. As one of the measures to improve the company's financing structure, the bondholders of the 2021 bond approved the conversion of the convertible bond into a bond without conversion rights and the simultaneous extension of the term by a further three years at an increased interest rate of 8% p.a. in December 2023 at the proposal of the company in a vote without a meeting. The corresponding conversion was completed in February 2024. The 2021 bond is traded in the Quotation Board segment of the Open Market of the Frankfurt Stock Exchange.

### **Development of the company since October 2023**

Since October 2023, the company's operating situation has developed significantly differently than targeted.

In December, the company had to announce that possible claims from the adjustment of the purchase price ("debtor warrant") for the logistics property in Hangelsberg, which was sold at the end of 2020, have been postponed to 2024. These claims are dependent on the entry into force of a development plan that meets certain requirements. On 14 December 2023, the Grünheide municipal council approved the statutes for development plan 57 (GreenWorkPark Grünheide), but a payment obligation from the debtor warrant is linked to the development plan coming into force. As of the date of this request, the approval of the Ministry of the Environment Brandenburg is still pending. Due to the complexity of the agreed debtor warrant, it is also still unclear to what extent claims will arise from the debtor warrant. The postponement has reduced the sales and profit expectations for the receivable not realized in 2023 by around EUR 4.5 million in sales and around EUR 3.73 million in earnings (EBIT).

At the end of 2023, The Grounds Real Estate AG was in advanced, promising negotiations regarding the sale of a majority stake in Grundstücksgesellschaft Börde Bogen. This potential sale was expected to have a significant positive impact on revenue and earnings in 2023. However, following delays in the sales negotiations, no sale was realized in the 2023 financial year.

At the end of December 2023, the company terminated the contract concluded on March 18, 2022 for the sale of the Terra Homes project in Erkner with a sales volume of EUR 18.5 million. The contract was terminated by mutual agreement at the request of the buyer and involved the company receiving a compensation payment of EUR 5.55 million. As a result, the company had to revalue the project, which led to a EUR 3.3 million reduction in the valuation.

Due to all of these circumstances, the company fell well short of its sales and earnings targets for the 2023 financial year and generated annual sales of around EUR 24 million (originally planned: between EUR 40 million and 45 million) and EBIT of EUR -4.8 million (planned: EUR 4 million to 5 million). In addition to the circumstances described above, the main reasons for this were the revaluation of fixed assets with a 3% impairment of the property portfolio and expenses from a debt assumption for a company investment accounted for using the equity method (Terminal 3) in the amount of EUR 3.5 million. Group equity fell by EUR 7.6 million to EUR 24.8 million in the 2023 financial year due to the negative consolidated profit, resulting in

an equity ratio of 16.8%.

The following significant developments have occurred since the beginning of 2024:

Although the Property Garden project in Magdeburg and the Maggie project in Berlin-Lichtenberg, which have already been sold in full, were ready for occupancy and the two projects made a significant contribution of EUR 6.4 million to the total revenue of EUR 8.7 million in the first half of 2024, neither the planned sale of a majority stake in the property company in the Börde Bogen project nor a further sale of the Terra Homes project have been realized to date. The planned sale in the Central Offices project is also still pending.

Due to the current business development in 2024 and a continued tense market situation as well as weak demand from institutional investors, the Issuer has also decided to write down the project development ("Highfly") in Blankenfelde-Mahlow by EUR 4.2 million and to write down a receivable from a shareholder loan granted as part of a smaller joint venture project in Remscheid by EUR 350 thousand for reasons of prudence in connection with the half-year financial statements as at June 30, 2024. This has resulted in an adjustment to the original earnings forecast for the current financial year, for which the company now expects a negative EBIT of between EUR -7 million and EUR -9 million based on sales of between EUR 10 million and EUR 12 million. EBIT of EUR -4.3 million and the Group's half-year result of EUR -8.1 million were clearly negative. EUR -5.4 million of the half-year result was attributable to the shareholders of the parent company.

## Recently completed and ongoing major projects of the issuer

### i) Retail development projects

Name of the project	Location	Type	Usable floor space in	Status
Lenné Quarter	Magdeburg	Residential property	5,100	Completed in 2023, 100% sold by Q1 2021
Property Garden	Magdeburg	Residential property	3,637	Completed in 2024, 100% sold by Q2 2022
Maggie	Berlin-Lichtenberg	Residential property	1,859	Under construction, 100% sold by Q2 2024
Betty	Königs Wusterhausen	Residential property	6,640	In planning, sales not yet started

### ii) Development projects for resale and retail

Name of the project	Location	Type	Usable floor space in square meters	Status
Börde Bogen (joint venture)	Magdeburg	Predominantly residential property	67,857 (gross floor area)	In planning, in the sales process
Highfly (Joint Venture)	Blankenfelde-Mahlow	Predominantly residential real estate	32,099 (gross floor area)	In planning, sale not yet started
Terra Homes	Erkner-Hohenbinde	Residential real estate	4,279	Under construction, in the sales process

iii) Development projects for resale

Name of the project	Location	Type	Usable floor space in square meters	Status
Central Offices	Magdeburg	Commercial property	17,140 (gross floor area)	Under construction, completion planned for 2027 In the sales process

Issuer's real estate portfolio

i) Own real estate portfolio for rental (fixed assets)

Location	Type	Units	Usable floor space in square meters	Rental income p.a. in EUR thousand (December 31, 2023)
Stendal/Prignitz etc.	Residential property	227	14,751	775
Bernau	Residential property	59	4,118	397
Schorfheide (Eberswalde)	Residential property	38	2,066	144
Kremmen	Residential property	24	1,430	119
Rauen (Fürstenwalde)	Residential property	27	1,554	107
Berlin-Lichtenberg Margaretenstr. Front building	Residential property	22	1,089	105
Fehrbellin	Residential property	24	1,503	82
<b>Total</b>		<b>421</b>	<b>26,511</b>	<b>1,729</b>

ii) Retail real estate portfolio

Location	Type	Units (Dec. 31, 2023)	Usable floor space in square meters	Rental income p.a. in kEUR (Dec. 31, 2023)	Status
Meppen	Residential property	7	463	27	100% sold by Q2 2024
Dallgow-Döberitz	Residential property	13	1,841	129	61 % sold until Q2 2024
<b>Total</b>		<b>20</b>	<b>2,304</b>	<b>156</b>	

## Planned financing measures

The ongoing difficult situation in the real estate sector with a challenging interest rate environment and an uncertain economic and geopolitical situation requires an additional inflow of funds to ensure liquidity and the continuation of the company. In order to raise the necessary funds, the company is now taking the next steps in connection with the aforementioned strategic partnership with H.I.G.

The capital increase of up to EUR 53,416,548.00 announced in October 2023 has now been resolved at the Annual General Meeting on 19 September 2024 ("**capital increase**"). Shareholders were granted statutory subscription rights. The capital increase is to be preceded by a capital reduction to EUR 8,902,758.00, which was resolved at the same Annual General Meeting. The capital reduction is for the purpose of offsetting losses. The background to the capital reduction is also that the company has decided to write down various properties and loan repayment receivables from affiliated companies and companies in which an equity interest is held for reasons of prudence in its half-year financial statements as at 30 June 2024. This will lead to an annual result for 2024 that differs from the original forecast. The company expects a negative EBIT of between EUR -7 million and EUR -9 million.

Tempus Holdings 112 S.à r.l., a company belonging to a fund managed by H.I.G. ("**Anchor Investor**"), has undertaken to subscribe for 40,000,000 new shares from the aforementioned capital increase under a pre-subscription agreement ("**Pre-subscription Agreement**"). The subscription obligation is subject to various conditions precedent, in particular that:

- a) a shareholders' agreement was concluded between the Anchor Investor and some existing shareholders of the Issuer with the essential content in accordance with the Pre-subscription Agreement;
- b) an agreement was concluded between the Anchor Investor, the Issuer, a creditor and HAT 3 Projektentwicklungsgesellschaft mbH regarding joint liability of the Issuer for liabilities of HAT 3 Projektentwicklungsgesellschaft mbH;
- c) the obligation and option agreements concluded between the Anchor Investor and certain shareholders of the Company relating to the Company's shares are not terminated or contested;
- d) creditors have waived their rights under change of control agreements and similar arrangements in connection with the Anchor Investor's shareholding
- e) with some exceptions, all loans or credits granted to the Issuer and/or any of its affiliates that expire or are due for repayment in 2024 have been extended;
- f) two members of the Supervisory Board of the Issuer have resigned and two persons nominated by the Anchor Investor have been appointed to the Supervisory Board by the competent court with a term of office until (at least) the next Annual General Meeting;
- g) the participation of the Anchor Investor in the Issuer was approved by the Federal Cartel Office;
- h) there are no material adverse circumstances within the meaning of the Pre-subscription Agreement;
- i) the 2021 bond was changed to a zero-coupon bond without interest.

The approval of the German Federal Cartel Office has now been granted. Shareholders of the company, who together hold around 73% of the company's current share capital, had undertaken to support the resolutions on the capital reduction and capital increase at the Annual General Meeting on 19 September 2024 and have undertaken to transfer their subscription rights to new shares from the capital increase to the Anchor Investor.

If the capital increase is fully placed and the Anchor Investor subscribes for 40,000,000 new shares, it will become the company's largest shareholder with a stake of around 64.2%. In addition, the Anchor Investor has call options on existing shares in the company, which it can



exercise to increase its stake in the company's share capital to more than 75% after the capital increase. If no one other than the Anchor Investor subscribes to the capital increase, it would hold around 81.8% of the shares as a result of the subscription of 40,000,000 new shares alone.

At the same time, in August 2024, H.I.G. provided the company with a further EUR 4,500,000.00 at short notice as part of an increase in the senior secured bond issued in October 2023 ("**H.I.G. Bond**"). Together with an earlier increase, the volume of this H.I.G. bond thus amounts to EUR 17,000,000.00. At the same time, an extension of the term of the H.I.G. bond until December 31, 2029 was agreed. The interest on the H.I.G. bond is payable on maturity. The company's liquidity was thus secured in the short term in August 2024.

However, this is only a temporary stabilization. Without the implementation of further measures, it is highly likely that the company will be in acute danger of insolvency by the end of 2024 due to the threat of insolvency.

### **Amendment of the 2021 bond into a zero-coupon bond without interest as a condition precedent for further H.I.G. investment**

The Anchor Investor's subscription obligation is subject, among other things, to the condition precedent that the 2021 bond is converted into a zero-coupon bond (waiver of accrued interest and interest for the remaining term of the bond with the exception of any default interest) by way of a further amendment to the terms and conditions of the bond.

No new acquisitions have been made since August 2022. All existing financing will be extended and there will be no unscheduled repayments. From February 2025 at the latest, the Issuer would probably run out of liquidity without further financing. Further liabilities cannot be settled without the capital increase. Due to some standstill agreements with creditors that expire if the capital increase does not take place, liquidity could even be exhausted as early as December 2024. If the capital increase is completed as planned in December 2024 and H.I.G. provides EUR 40 million to further finance the company as part of the capital increase, this will enable the company to stabilize.

The funds accruing to the company as a result of the capital increase also potentially increase the recoverability of the repayment claim from the bond. Without the injection of liquidity, there is a risk of insolvency as early as December 2024.

In the event of insolvency, a very low ratio (< 10%) is expected for the bondholders of the 2021 bond at the level of the issuer, as the portfolio properties of the subsidiaries have a high LTV (= "loan to value", a financial ratio used in real estate financing to describe the relationship between the amount of the loan and the value of the property serving as collateral) and excess proceeds from the sale are not expected. The LTV of existing properties is already 70-75%. In the current difficult market environment, there is no realistic prospect of liquidation for development assets, meaning that no liquidation proceeds are expected for the bondholders of the 2021 bond.

If, on the other hand, the bondholders approve the conversion of the 2021 bond into a zero-coupon bond, the liquidity of the Issuer will be improved as a result of the capital increase and the chance of repayment of the 2021 bond in the amount of the entire outstanding nominal amount on the repayment date will be significantly increased from the company's perspective.

### **Proposed resolutions**

In light of the above, the Issuer proposes the following resolutions to the Bondholders of the 2021 Bond:

- Change to a zero-coupon bond without interest from 18 August 2024, corresponding amendment of § 2 and § 3 of the bond conditions
- Election of a joint representative

In accordance with the terms and conditions of the 2021 bond, the resolution will be passed as a vote without a meeting in accordance with the provisions of Section 18 SchVG.

## **B. Items to be voted on without a meeting and proposed resolutions of the Issuer**

### **TOP 1: Resolution on the amendment of § 2 (Interest rate) and § 3.1 (Final maturity) of the terms and conditions of the 2021 Bond**

The Grounds Real Estate Development AG, represented by the Management Board, proposes that the bondholders adopt the following resolutions:

- a) *Subject to the condition precedent that Tempus Holdings 112 S.à r.l. and/or another H.I.G Capital Group company subscribes for at least 40,000,000 new shares from the capital increase resolved by the company's Annual General Meeting on 19 September 2024 under agenda item 7 and the implementation of the capital increase is entered in the company's commercial register by 31 January 2025, , Section 2 (Interest) of the bond terms and conditions is amended as follows:*

<b>§ 2 Verzinsung</b>	<b>§ 2 Interest</b>
<p>2.1 <b>Zinssatz und Zinszahlungstage.</b> Die Schuldverschreibungen werden ab dem 18. Februar 2021 (einschließlich) („<b>Ausgabetag</b>“) bis zum 17. Februar 2024 (einschließlich) mit jährlich 6,0 % („<b>Zinssatz</b>“) auf ihren ausstehenden Nennbetrag verzinst. Ab dem 18. Februar 2024 (einschließlich) bis zum 17. August 2024 (einschließlich) beträgt der Zinssatz 8 % p.a. Ab dem 18. August 2024 (einschließlich) bis zum Endfälligkeitstag (wie unter § 3.1 definiert) werden keine periodischen Zinszahlungen geleistet (zero coupon). Die Zinsen sind halbjährlich nachträglich jeweils am 18. August und 18. Februar eines jeden Jahres (jeweils ein „<b>Zinszahlungstag</b>“), zahlbar. Die erste Zinszahlung ist am</p>	<p>2.1 <b>Interest Rate and Interest Payment Dates.</b> From (including) 18 February 2021 (“<b>Issue Date</b>“) until 17 February 2024 (including), the Notes shall bear interest at the rate of 6,0% per annum (“<b>Interest Rate</b>“) on their outstanding Nominal Amount. From (including) 18 February 2024 until 17 August 2024 (including), the Notes shall bear interest at the rate of 8,0% per annum. From (including) 18 August 2024 until the Maturity Date (as defined under § 3.1), will be paid no interest (zero coupon). Interest shall be payable semi-annually in arrears on 18 August and on 18 February of each year (each, an “<b>Interest Payment Date</b>“). The first interest payment is due on</p>

18. August 2021 und die letzte Zinszahlung ist am 18. August 2024 fällig.

18 August 2021 and the last interest payment on 18 August 2024.

2.2 **Verzug.** Sofern die Emittentin die Schuldverschreibungen nicht innerhalb von sieben Bankarbeitstagen (wie in § 4(4) definiert) nach Fälligkeit zurückzahlt, wird der Nennbetrag vom Zahlungstag (wie in § 4(5) definiert) bis zum Tag der tatsächlichen Rückzahlung der Schuldverschreibungen (ausschließlich) mit einem jährlichen Zinssatz von 5 Prozentpunkten über dem Basiszinssatz (§ 247 BGB) verzinst. Die Geltendmachung eines weiteren Schadens ist nicht ausgeschlossen.

2.2 **Default Interest.** If the Issuer fails to redeem the Notes within seven Business Days (as defined in § 4(4)) when due, interest shall accrue on the Nominal Amount at a rate of 5 percentage points above the prime lending rate (Basiszinssatz) (§ 247 German Civil Code (Bürgerliches Gesetzbuch)) per annum from the Payment Date (as defined in § 4(5)) until (but not including) the date of actual redemption of the Notes. Claims for further damages are not excluded.

2.3 **Zinstagequotient.** Zinsen, die auf einen Zeitraum von weniger als einem Jahr zu berechnen sind, werden auf Basis der tatsächlich verstrichenen Tage, geteilt durch 365, nach ISDA berechnet (bzw. falls ein Teil dieses Zeitraums in ein Schaltjahr fällt, auf der Grundlage der Summe von (i) der tatsächlichen Anzahl von Tagen des Zeitraums, die in dieses Schaltjahr fallen, dividiert durch 366, und (ii) der tatsächlichen Anzahl von Tagen des Zeitraums, die nicht in das Schaltjahr fallen, dividiert durch 365).

2.3 **Day Count Fraction.** Where interest is to be calculated in respect of a period which is shorter than one year, the interest will be calculated according to ISDA on the basis of the actual number of days elapsed, divided by 365 (respectively, if a part of the period is in a leap year, on the basis of the amount of (i) the actual number of days of the period which fall into this leap year, divided by 366, and (ii) the actual number of days of the period which do not fall into this leap year, divided by 365).

b) "Subject to the condition precedent that Tempus Holdings 112 S.à r.l. and/or another company of the H.I.G Capital Group subscribes for at least 40,000,000 new shares from the capital increase resolved by the company's Annual General Meeting on 19 September 2024 under agenda item 7 and the implementation of the capital increase is entered in the company's commercial register by 31 January 2025, § 3.1 (Final Maturity) of the bond conditions is amended as follows

3.1 **Endfälligkeit.** Endfälligkeitstag ist der 18. Februar 2027

3.1 **Final Maturity.** The date of final maturity is 18 February 2027

*(„Endfälligkeitstag“). Die Schuldverschreibungen werden am Endfälligkeitstag zu ihrem Nennbetrag zurückgezahlt, sofern sie nicht vorher zurückgezahlt oder zurückgekauft worden sind.*

*(“Maturity Date”). The Notes shall be redeemed at the Nominal Amount on the Maturity Date, unless they have previously been redeemed or repurchased.*

The occurrence of the condition precedent must be evidenced by publication of the fact that this subscription has been made on the company's website. If a joint representative is elected, a copy of the subscription form must also be sent to this representative.

## **Item 2: Resolution on the election of a joint representative of the bondholders**

The bondholders Peter Ackermann and Axxion S.A., the latter acting on behalf of the special fund Ganador - Spirit Invest, propose that the bondholders adopt the following resolution:

### ***I. Appointment of joint representatives***

*Buchalik Brömmekamp Rechtsanwaltsgesellschaft mbH, Prinzenallee 15, 40549 Düsseldorf, represented by the managing directors, is appointed as joint representative of all bondholders of the bond issued by The Grounds Real Estate Development AG, Charlottenstraße 79-80, 10117 Berlin (ISIN: DE000A3H3FH2 / WKN: A3H3FH).*

### ***II Powers of the joint representative***

*(II.1) The joint representative has the powers granted to him by the bond terms and conditions, the German Bond Act and by the bondholders by majority resolution. It must follow the instructions of the bondholders.*

*(II.2) Insofar as the joint representative is authorized to assert the rights of the bondholders, the individual bondholders are not authorized to assert these rights independently.*

*(II.3) The joint representative is authorized and obliged to assert all rights of any kind of the bondholders arising from the bond. This excludes the conversion right, the termination of the bond and the termination of the bond for good cause. The aforementioned rights (conversion right, termination of the bond and termination of the bond for good cause) are to be exercised exclusively by the bondholders themselves.*

*(II.4) The joint representative must report to the bondholders on its activities.*

### ***III. Remuneration***

*(III.1) The joint representative shall receive appropriate remuneration and reimbursement of costs and expenses incurred in accordance with Section 7 (6) SchVG<sup>1</sup> from the Issuer. The costs and expenses also include the costs for any engagement of external advisors, in particular financial advisors, lawyers, auditors, tax advisors, appraisers or other professional advisors or experts, which the joint representative considers appropriate for the exercise of its rights.*

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<sup>1</sup> SchVG = Schuldverschreibungsgesetz = German Bond Act

*The joint representative may rely on the advice or services of professional advisors or experts.*

- (III.2) The amounts owed pursuant to this resolution (in particular costs and expenses as well as the remuneration of the joint representative) are due after proper invoicing. The joint representative is entitled to invoice the Issuer in advance.*
- (III.3) The joint representative is also entitled to take out pecuniary loss liability insurance with an appropriate sum insured for his activities as joint representative. The costs of this pecuniary loss liability insurance shall be reimbursed by the Company upon presentation of a verifiable invoice and confirmation of payment by the joint representative.*
- (III.4) In the event of the opening of insolvency proceedings, the joint representative is authorized and entitled to retain costs and expenses as well as the remuneration of the joint representative itself from amounts paid to the joint representative by any insolvency administrator or other third parties for the purpose of payment to the bondholders. If no (effective) remuneration agreement can be concluded with the insolvency administrator at the expense of the estate, the costs, expenses and remuneration of the joint representative shall be offset against any quota in the insolvency proceedings in such a way that the costs, expenses and remuneration of the joint representative are first deducted from the insolvency quota and the remaining amount is then paid out to the creditors. The joint representative is instructed to carry out this offsetting.*

#### **IV. Exemption from § 181 BGB**

*The joint representative is exempt from the restrictions of Section 181 BGB (and comparable provisions of foreign law).*

#### **V. Liability**

- (V.1) The joint representative is liable to the bond creditors as joint creditor for the proper performance of his duties; in his activities, he must exercise the diligence of a prudent and conscientious businessman. In particular, there is no breach of duty if the joint representative could reasonably assume that he is acting in the best interests of the company on the basis of appropriate information when making a business decision.*
- (V.2) The joint representative is not subject to a reversal of the burden of proof analogous to Section 92 (2) sentence 2 of the German Stock Corporation Act (and comparable provisions of foreign law).*
- (V.3) The joint representative's liability is limited to ten times his annual remuneration, unless he has acted with intent or gross negligence. The bondholders shall decide on the assertion of any claims for compensation against the joint representative by majority resolution."*

The Issuer declares already now, i.e. with the announcement of this invitation to vote, its consent to the above proposed appointment of the joint representative.

#### **C. Legal basis for voting without a meeting, quorum and majority requirement**

1. Pursuant to Section 15.1 sentence 1 of the Terms and Conditions, Sections 5 to 22 of the German Bond Act (Schuldverschreibungsgesetz - "**SchVG**") apply to the Bonds and the Terms and Conditions. As a result, the Bondholders may approve amendments

to the Terms and Conditions by majority resolution and appoint a joint representative to exercise their rights (Section 15.1 sentence 2 of the Terms and Conditions).

2. According to Section 15.2 sentence 1 of the Bond Conditions, all votes pursuant to the German Bond Act will be conducted exclusively by way of voting without a meeting, unless the Issuer decides otherwise in individual cases. Furthermore, a creditors' meeting will be held if convened by the Voting Manager in accordance with Section 18 para. 4 sentence 2 of the German Bond Act (Section 15.2 sentence 2 of the Bond Conditions).
3. In the case of voting without a meeting, a quorum is present in accordance with Section 18 (1) SchVG in conjunction with Section 15 (3) sentence 1 SchVG if the bondholders participating in the vote without a meeting represent at least half of the bonds outstanding at the time the resolution is passed.
4. If the bondholders participating in the vote without a meeting have a quorum and approve a proposed resolution with the required majority, this has the legal consequence in particular that the resolutions adopted are equally binding for all bondholders, even if they did not participate in the resolution or did not participate within the voting period or voted against the proposed resolution.

**D. Voting procedure without a meeting and type of vote**

1. The vote without a meeting will be conducted by the voting manager, notary Christoph Wagner, with his office in Berlin ("**voting manager**"), in accordance with Section 18 (2) SchVG.
2. Bondholders who wish to participate in the vote must submit their vote in text form (Section 126b of the German Civil **Code** ("**BGB**")) to the Voting Manager at the address listed under D.3 ("**Voting**") in the period from Wednesday, 16 October 2024 at 0:00 hours to Friday, 18 October 2024 at 24:00 hours ("**Voting Period**"). Votes are deemed to have been cast upon receipt by the voting manager.
3. Votes can be submitted by post, fax or e-mail to the following address:

Notary Christoph Wagner with his office in Berlin  
**- Voting manager -**  
Keyword: "**The Grounds Real Estate Development AG Bond 2021/2027**"  
c/o  
HEUKING KÜHN LÜER WOJTEK  
Partnership with limited professional liability  
from lawyers and tax consultants  
Kurfürstendamm 32  
10719 Berlin  
Germany  
or by fax to the fax number +49 (0) 30 88 00 97-99  
or by e-mail to [thegrounds@heuking.de](mailto:thegrounds@heuking.de)  
(please send only once).

The following documents must be attached to the voting document, unless these documents have already been submitted:

- a power of attorney as described below under **F**, provided that the bondholder is represented by a third party at the vote without a meeting.

4. In order to facilitate and accelerate the counting of votes, bondholders are requested to use the form available for voting on the website of The Grounds Real Estate Development in the section "Investor Relations - Bond" (<https://www.thegroundsag.com/de/investor-relations/anleihe/>) from the date of publication of this invitation to vote.
5. However, the effectiveness of a vote does not depend on the use of this form. Any countermotions and/or requests for additions to the agenda that have been duly and timely submitted by then will also be included in the voting form within a reasonable period of time.
6. The result of the vote is determined using the addition method. In the addition procedure, only the yes votes and the no votes are counted. All votes duly cast during the voting period and accompanied by the required evidence are taken into account.

**E. Eligibility to attend, voting rights and proofs, quorum, second creditors' meeting**

1. Every holder of bonds of the 2021 bond is entitled to participate in the vote without a meeting. The decisive factor is ownership during the voting period.
2. The bondholders must prove their entitlement to participate in the vote in accordance with Section 10 (3) sentence 2 SchVG.

As evidence, a special certificate issued in text form (Section 126b BGB) by the custodian bank or the clearing system regarding the creditor's ownership of the bonds ("**Special Evidence**") must be sent with a blocking note from the custodian bank in favor of the paying agent as depositary. The Special Evidence is a certificate of the relevant Bondholder's Custodian Bank containing the full name and address of the Bondholder and stating the total nominal amount of the Bonds credited to the Bondholder's securities account with such Custodian Bank. For the purposes of the Terms and Conditions, "Custodian Bank" means any bank or other recognized financial institution which is authorized to operate the securities custody business and with which the Noteholder maintains a securities account for the Notes, including the Clearing System. The special evidence must relate to the entire voting period. Clearing System within the meaning of the Terms and Conditions means Clearstream Banking AG, Mergenthalerallee 61, 65760 Eschborn, Germany, as well as any functional successor.

In addition to the special evidence, a so-called blocking notice must also be submitted. The blocking notice is a note stating that the partial debentures held by the bondholder concerned are blocked at the custodian bank from the date on which the special evidence is sent (inclusive) until the end of the voting period (inclusive).

Bondholders should contact their custodian bank regarding the issuance of the special evidence or the blocking notice.

A sample form for the special proof can be **found** on the website of The Grounds Real Estate Development AG at <https://www.thegroundsag.com/de/investor-relations/anleihe/>.

3. Each creditor entitled to participate takes part in the vote in proportion to the nominal amount held by him or the arithmetical share of his entitlement to the outstanding bonds. Otherwise, Section 6 SchVG applies.

4. Voting is only possible if the bondholders participating in the vote without a meeting represent at least half of the bonds outstanding at the time of the resolution, otherwise there is no quorum.
5. If the voting manager determines that there is no quorum, he may convene a creditors' meeting for the purpose of passing a new resolution in accordance with Section 18 para. 4 sentence 2 SchVG. The meeting is deemed to be a second creditors' meeting within the meaning of Section 15 para. 3 sentence 3 SchVG.

#### **F. Representation by authorized representatives**

1. Each bondholder may be represented by a proxy of his choice when casting his vote (Section 14 SchVG in conjunction with Section 18 (1) SchVG).
2. The power of attorney and any instructions from the principal to the representative must be in text form within the meaning of Section 126b BGB. A form that can be used to grant a proxy can be found on the website of The Grounds Real Estate Development in the section "**Investor Relations - Anleihe**" (<https://www.thegroundsag.com/de/investor-relations/anleihe/>). We recommend using the form for voting.
3. Proof of authorization must be provided to the voting manager by submitting the proxy declaration in text form by the end of the voting period at the latest. In the case of voting by proxy, timely proof of the bondholder status of the authorizing party is also required in the form of special proof.
4. As a special service, the Issuer offers the bondholders the option of being represented by the proxies appointed by the issuer, Mr. André Heimerdinger and Mr. Joachim Lorenzen, both employees of UBJ. GmbH, domiciled in Hamburg ("**proxies**"), each individually and with the right to grant sub-authorization, in the vote without a meeting. The power of attorney and any instructions issued by the authorizing party to the proxies appointed by the Issuer must be in text form within the meaning of Section 126b BGB. A form that can be used for granting a power of attorney and issuing instructions to the proxies nominated by the Issuer is available on the website of The Grounds Real Estate Development in the section "**Investor Relations - Anleihe**" (<https://www.thegroundsag.com/de/investor-relations/anleihe/>).

The authorization and instruction form for the proxies appointed by the company must be sent to the following address:

Mr. André Heimerdinger and Mr. Joachim Lorenzen  
- **Proxy** -  
Keyword: "**The Grounds Real Estate Development AG Bond 2021/2027**"  
c/o UBJ. GmbH  
House of Economy  
Cape Town Ring 10  
22297 Hamburg  
Germany  
or by fax to the fax number +49 (0) 6378 5423  
or by e-mail to [gv@ubj.de](mailto:gv@ubj.de)

#### **G. Countermotions and requests for additions**

1. Each bondholder is entitled to submit their own resolution proposal ("**counter-motion**") on the resolution items on which a resolution is to be passed following this invitation to



vote. Counter-motions should be submitted in good time so that they can be published on the website of The Grounds Real Estate Development AG in the "**Investor Relations - Bond**" section (<https://www.thegroundsag.com/de/investor-relations/anleihe/>) before the start of the voting period.

2. Bondholders whose Bonds together amount to 5% of the outstanding Bonds of the 2021 Bond may request within the statutory period that new items be announced for resolution ("**Supplementary Motion**"). Supplementary motions must be submitted in good time so that they can be published in the Federal Gazette no later than the third day before the first day of the voting period.
3. The announcement of counter-motions as well as requests for supplements must be sent to the address

The Grounds Real Estate Development AG  
- **Issuer** -  
Charlottenstrasse 79/80  
10117 Berlin  
or by fax to the fax number +49 (30) 20 21 68 - 49  
or by e-mail to [bond@tgd.ag](mailto:bond@tgd.ag)

or

Notary Christoph Wagner with his office in Berlin  
- **Voting Manager** -  
Keyword: "**The Grounds Real Estate Development AG Bond 2021/2027**"  
c/o  
HEUKING KÜHN LÜER WOJTEK  
Partnership with limited professional liability  
of lawyers and tax consultants  
Kurfürstendamm 32  
10719 Berlin  
Germany  
or by fax to the fax number +49 (0) 30 88 00 97-99  
or by e-mail to [thegrounds@heuking.de](mailto:thegrounds@heuking.de)

to be sent. In each case, proof of creditor status and - in the case of a supplementary request - proof of the 5 % quorum must be enclosed.

#### **H. Further information and documents**

Bondholders can find further information on the progress of the proceedings and answers to frequently asked questions (FAQs) on the website of The Grounds Real Estate Development AG in the "**Investor Relations - Bond**" section.

From the date of the invitation to vote until the end of the voting period, the following documents will be available to bondholders on the website of The Grounds Real Estate Development AG in the "**Investor Relations - Bond**" section:

- this invitation to vote,
- the current terms and conditions of the 2021 bond,

- the amended terms and conditions of the 2021 bond (new) with comparative version of the amendments,
- the form for voting in the context of voting without a meeting,
- the power of attorney form for granting powers of attorney to third parties
- the proxy authorization form for granting power of attorney and issuing instructions to the proxies and
- a form for the special proof

At the request of a bondholder, copies of the aforementioned documents will be sent to him without delay and free of charge. The request should be sent by post, fax or e-mail to:

Notary Christoph Wagner with his office in Berlin  
**- Voting Manager -**

Keyword: "**The Grounds Real Estate Development AG Bond 2021/2027**"

c/o

HEUKING KÜHN LÜER WOJTEK  
 Partnership with limited professional liability  
 from lawyers and tax consultants  
 Kurfürstendamm 32  
 10719 Berlin  
 Germany

or by fax to the fax number +49 (0) 30 88 00 97-99  
 or by e-mail to [thegrounds@heuking.de](mailto:thegrounds@heuking.de)

The notary Christoph Wagner with registered office in Berlin, Germany, appointed as Voting Manager by The Grounds Real Estate Development AG, also invites the bondholders of the bond of The Grounds Real Estate Development AG to cast their votes with the Voting Manager in a vote without a meeting within the period beginning on Wednesday, 16 October 2024 at 0:00 a.m. and ending on Friday, 18 October 2024 at 24:00 hours (received) in text form (Section 126 b BGB) in accordance with the above invitation to vote and puts the proposed resolutions submitted by The Grounds Real Estate Development AG under item B of the invitation to vote to the vote.

### **Notes on data protection**

Regulation (EU) 2016/679 (General Data Protection Regulation or GDPR) has been in force throughout Europe since 25 May 2018. The protection of bondholders' personal data and its legally compliant processing is a high priority for The Grounds Real Estate Development AG. The following categories of personal data are processed in the course of this vote without a meeting: Contact details, number of bonds held by you, information on your custodian institution; if applicable, data on a representative appointed by you. The Grounds Real Estate Development AG processes this data exclusively in order to fulfill its legal obligations (e.g. under the German Bond Act). We store your data for as long as this is required by law (under tax law and the German Bond Act). Your above-mentioned data will be forwarded to Mr. Christoph Wagner, notary public with his office in Berlin, and, if necessary, to other service providers, e.g. lawyers, who will assist in organizing the upcoming vote. We store this data for as long as is necessary to fulfill the statutory retention obligations. For further information on data processing (e.g. the contact details of the data protection officer and your rights as a data subject, including your right to lodge a complaint with a data protection supervisory authority),

please refer to our general privacy policy at  
<https://www.thegroundsag.com/de/datenschutzerklaerung/>.

**Berlin, September 2024**

**The Grounds Real Estate Development AG**

**Notary Christoph Wagner**