

Corporate News

ERWE Immobilien AG: Extraordinary General Meeting resolves adjournment

- **New Annual General Meeting to be convened for 10 October 2023**
- **No resolutions have yet been passed on the proposed capital measures**
- **ERWE expects further constructive discussions among the shareholders.**

Frankfurt/M., 28 August 2023. The Extraordinary General Meeting of ERWE Immobilien AG (ISIN DE000A1X3WX6), Frankfurt/M., was adjourned last Friday following a constructive debate on the resolution of the meeting without any resolutions being passed on the capital measures proposed by the management. With 99.6 percent of the share capital present, the shareholders approved the adjournment to the next possible date proposed by the shareholder Elbstein Aktiengesellschaft in agreement with the Management Board and the Supervisory Board with 99.9 percent of the votes cast. The postponement gives the company the opportunity to provide shareholders with further information on the current development of the company and its financial status in the run-up to the new Extraordinary General Meeting. ERWE will therefore publish preliminary figures for the 2022 financial year and for the first six months of the current year before the date of the Extraordinary General Meeting. ERWE also expects that further constructive discussions will be held within the shareholder base in order to convince those shareholders of the necessity and appropriateness of the planned capital measures who have requested even more detailed information during the EGM.

The new extraordinary general meeting is to be convened for 10 October 2023.

This postpones the subsequent payment of bond interest for the first interest period of the current year (10 June 2023). In accordance with the restructuring agreement with the bondholders, it will now be paid after the Extraordinary General Meeting at which the resolutions on the capital increase are passed.

As a reminder: The Extraordinary General Meeting is to create the basis for a comprehensive financial restructuring of ERWE and adopt far-reaching capital measures to this end. These include a capital cut in a ratio of 20:1 from the previous €24.56 million to €1.228 million and a subsequent cash capital

increase of €12 million. Enforceable resolutions on the capital increase will also implement the consent of the creditors of the 2019/2023 bond to waive €33 million. The creditors are to be repaid €7 million at the end of 2023, as well as the deferred interest due in itself on 10 June 2023, following the passing of the resolution. The payments to the creditors as well as the cash capital increase were guaranteed by investors from among ERWE's major shareholders, unless all shareholders exercise their subscription rights from the cash capital increase. ERWE's liquidity requirements are thus secured for at least the next 12 months.

The capital measures had become necessary because ERWE, after only a short phase of building up its real estate portfolio, was generating continuously increasing income from real estate management, but this was not yet sufficient to meet the increased debt service. The weak state of the real estate market also precluded the possibility of disposing of holdings in the portfolio in order to generate sufficient liquid funds.

ERWE Immobilien AG focuses on building up a profitable portfolio of mixed-use properties in the office, service, retail, hotel and residential sectors. Preferred locations are promising inner-city locations in major German cities and exclusively "A" locations in smaller cities and municipalities. Properties are acquired whose potential for value appreciation can be sustainably exploited through new utilisation concepts, resulting in a high-yield, value-retaining portfolio with significantly rising income. The company is listed in the Scale Segment of the Frankfurt Stock Exchange (ISIN: DE000A1X3WX6).

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