



**Hinweis / Important Notice**

**Inhaber der EUR 300.000.000 Schuldverschreibungen 2018 / 2023 ("2023 Schuldverschreibung") der Corestate Capital Holding S.A. ("Emittentin") sollten die nachfolgenden Hinweise beachten.**

***Holders of the EUR 300,000,000 notes 2018 / 2023 ("2023 Notes") of Corestate Capital Holding S.A. ("Issuer") should take note of the instructions set out below.***

Diese Einladung zur Gläubigerversammlung ("**Einladung**", "**Versammlung**", "**Gläubigerversammlung**") stellt kein öffentliches Angebot dar. Insbesondere stellt diese Einladung weder ein öffentliches Angebot zum Verkauf noch ein Angebot oder eine Aufforderung zum Erwerb, Kauf oder zur Zeichnung von Schuldverschreibungen oder sonstigen Wertpapieren der Emittentin dar.

*This invitation for a noteholders' meeting ("**Invitation**", "**Meeting**", "**Noteholders' Meeting**") does not constitute a public offer. In particular, the Invitation constitutes neither a public offer to sell nor an offer or a notification to acquire, purchase or subscribe for notes or other securities of the Issuer.*

Die nachfolgenden Vorbemerkungen sowie sämtliche weiteren Ausführungen in dieser Einladung ("**Ausführungen**") sind von der Emittentin freiwillig erstellt worden, um den Inhabern der 2023 Schuldverschreibungen ("**Anleihegläubiger**") die Hintergründe für die Beschlussgegenstände der Gläubigerversammlung und die konkreten Beschlussvorschläge zu erläutern. Die Emittentin übernimmt keine Gewähr gleich welcher Art dafür, dass die Ausführungen alle Informationen enthalten, die für eine Entscheidung über die Beschlussgegenstände erforderlich oder zweckmäßig sind. Diese Einladung enthält Aussagen, welche die zukünftige Entwicklung der Emittentin betreffen. Diese Aussagen beruhen auf gegenwärtigen Annahmen und Schätzungen, die nach bestem Wissen der Emittentin getroffen wurden. Solche in die Zukunft gerichteten Aussagen unterliegen jedoch Risiken und Ungewissheiten, da sie sich auf zukünftige Ereignisse beziehen und auf Annahmen basieren, die gegebenenfalls in der Zukunft nicht eintreten werden. Die tatsächlichen Ergebnisse können wesentlich von den erwarteten Ergebnissen abweichen.

*The following preliminary remarks and any other of the remarks in this Invitation ("**Remarks**") have been drawn up voluntarily by the Issuer to outline the background of the resolutions to be passed at the Noteholders' Meeting and the concrete proposals for decision for the holders of the 2023 Note ("**Noteholders**"). The Issuer shall not warrant in any way that the Remarks contain all information necessary or appropriate for deciding upon proposals for the resolutions. This Invitation contains statements concerning future developments of the Issuer. These statements are based on current assumptions and estimates made to the best knowledge*

*of the Issuer. Such statements are subject to risks and uncertainties as they relate to future events and are based on assumptions that may not occur in the future. Actual results may differ significantly from those anticipated.*

Diese Einladung 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.

*This Invitation 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 Noteholder.*

Diese Einladung wurde am 10. November 2022 im Bundesanzeiger und auf der Internetseite der Emittentin (<https://corestate-capital.com/de/gv/> unter der Rubrik "Aktionäre") veröffentlicht. Die hierin enthaltenen Informationen sind nach Auffassung der Emittentin, soweit nicht anders angegeben, aktuell. Es ist weder beabsichtigt, noch übernimmt die Emittentin eine gesonderte Verpflichtung, die Angaben zu aktualisieren, um sie an Ereignisse oder Entwicklungen nach dem Datum dieser Einladung anzupassen.

*This Invitation was published in the German Federal Gazette and on the Issuer's website (<https://corestate-capital.com/en/nhm/> under the section "Shareholders") on 10 November 2022. Unless otherwise stated, the information contained herein is, in the Issuer's judgement, up to date. It is neither intended nor does the Issuer assume any separate obligation to update the information to reflect events or developments after the date of this Invitation.*

Für Richtigkeit und Vollständigkeit der Ausführungen besteht keine Gewähr oder anderweitige Garantie. Jegliche Haftung im Zusammenhang mit den Ausführungen ist ausgeschlossen. Insbesondere wird keine Haftung übernommen für Schäden, die mittelbar oder unmittelbar im Zusammenhang mit der Verwendung dieser Ausführungen, insbesondere Schäden, die auf Investitionsentscheidungen beruhen, die auf der Grundlage dieser Ausführungen oder ihres Inhalts getroffen wurden.

*There is no guarantee or any other form of representation for the correctness and completeness of the Remarks. Any liability in connection with the Remarks is excluded. In particular, no liability is assumed for damages directly or indirectly related to the use of these Remarks especially damages resulting from investment decisions made based on the Remarks or their contents.*

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Vorstehendes gilt in gleicher Weise, falls es bis zum Ablauf einer gegebenenfalls erforderlichen zweiten Gläubigerversammlung in Bezug auf die 2023 Schuldverschreibungen zu Änderungen der Beschlussvorschläge kommen sollte.

*The above shall apply in the same manner, if amendments to the proposed resolutions are made until the end of the second Noteholders' Meeting regarding the 2023 Notes, which may be required.*



**Corestate Capital Holding S.A.  
Grand Duchy of Luxembourg**

2018 / 2023 Notes

ISIN: DE000A19YDA9 / WKN: A19YDA

**Convening Notice attend the noteholders' meeting**

concerning the

EUR 300,000,000.00 3.5% notes of Corestate Capital Holding S.A. ("**Corestate**,"  
"**Company**" or "**Issuer**"),

divided into equal-ranking bearer notes with a nominal amount of  
EUR 100,000.00 each ("**2023 Notes**").

Please note:

This Convening Notice of the Noteholders' Meeting, the terms and conditions of the Notes, further information and forms as well as corresponding convenience translations into the English language are available on the issuer's website (<https://corestate-capital.com/en/nhm/> under the section "Shareholders").

**Dear holders of the 2023 Notes:**

Our company, Corestate Capital Holding S.A., is facing substantial challenges.

For months, the economy and the entire real estate industry have been confronted with an ongoing and dynamically intensifying inflation/interest-rate spiral. The known driving forces, i.e., COVID 19 and the war in Ukraine, have immense consequences which policy-makers and central banks struggle to deal with. The challenges posed to supply chains have reached a new dimension. Price increases are at the levels of severe inflation; in October 2022, the inflation rate in Germany was 10.4%, a figure unprecedented since the German reunification. Inflation forecasts for 2023 expect a level of 8.8%.

The costs of wages, energy and materials are skyrocketing – and interest rates are rising as well. The medium- and long-term interest rates (5- and 10-year swap rates) have increased

from about 0% at the end of last year to about 3% at present. The short-term base rate is now at 2.0% (as of November 2, 2022), the highest level in a decade. All this is already reflected in a considerable reduction in transaction activity and will continue to affect real estate transactions significantly. With interest rates for construction financing increasing substantially, costs rising and construction materials being in short supply, construction processes will be delayed further, so that real estate projects stagnate and cannot be realized as scheduled.

The dynamic created by these negative factors can, at any time, cause the economic conditions of the entire real estate industry to deteriorate further. The challenges faced by the economy in general and the real estate industry in particular are not decreasing. On the contrary: Additional obstacles have emerged which impair the refinancing of new real estate projects. At present, there are no indications for a short-term recovery at the macroeconomic level and the market environment continues to be marked by uncertainty.

These developments affect the financial and economic situation of the Issuer significantly. The Company initiated operative restructuring measures some time ago with the objective of achieving substantial cost savings. Nevertheless, a repayment of the Convertible Bond at the relevant nominal amount on the maturity date is not possible. As a consequence, the Issuer intends to implement a comprehensive restructuring of its outstanding liabilities, which include the 2023 Notes.

In light of the foregoing, we invite you as a noteholder of the 2023 Notes to attend a noteholders' meeting in which we wish to present you different restructuring plans proposed to the Issuer and put them to a vote with regard to the 2023 Notes.

The noteholders' meeting will take place on

**November 28, 2022 at 10 am (CET) at**

**Novotel Luxembourg Kirchberg  
6 Rue du Fort Niedergrünwald  
Luxembourg – 2226**

The resolution on the Issuer's restructuring plan requires the presence of at least 50% of the outstanding 2023 Notes in the upcoming noteholders' meeting. This restructuring plan can be implemented only if you exercise your voting right. Only then can the restructuring be effected in a way that is in your interest. It is, therefore, important that you attend the noteholders' meeting and give your consent to the resolutions.

In our capacity as the members of the Management Board, we, therefore, ask you to attend the noteholders' meeting on November 28, 2022 and to exercise your voting right. If you cannot attend the noteholders' meeting yourself, you may authorize a third party to represent you or you may authorize a proxy appointed by the Company, who will vote as per your express instructions.

To attend the noteholders' meeting, noteholders must register; the registration must be received by

Corestate Capital Holding S.A.  
"2023 Schuldverschreibung"  
c/o Computershare Operations Center  
80249 Munich  
E-mail: [anmeldestelle@computershare.de](mailto:anmeldestelle@computershare.de)

(hereinafter "**Computershare**")

by the expiry of **November 25, 2022**. For all information required in this connection, please see the invitation below.

On behalf of the Company and its employees, in the interest of the shareholders and, last but not least, in your own interest as a holder of the 2023 Notes, we kindly ask that you attend and actively participate in the noteholders' meeting.

We thank you in advance for your assistance.

*Sgd. Stavros Efremidis,  
Udo Giegerich,  
Izabela Danner,  
Ralf Struckmeyer*



**Convening Notice to attend the Noteholders' Meeting**

concerning

**Corestate Capital Holding S.A.  
Grand Duchy of Luxembourg**

EUR 300,000,000.00 3.5% notes 2018 / 2023

ISIN: DE000A19YDA9 / WKN: A19YDA

divided into equal-ranking bearer notes with a nominal amount of  
EUR 100,000.00 each  
(each a "**2023 Note**")

of Corestate Capital Holding S.A. ("**Corestate**," "**Company**" or "**Issuer**"), Luxembourg, registered with the Luxembourg commercial register (*Registre de Commerce et des Sociétés*) under B199780, having its registered office in 4, rue Jean Monnet, 2180 Luxembourg, Grand Duchy of Luxembourg.

The Issuer hereby invites the holders of the 2023 Notes (each a "**Noteholder**" and together the "**Noteholders**") to attend the meeting of the Noteholders (the "**Noteholders' Meeting**") to be held

on **November 28, 2022** at **10 am (CET)** at

**Novotel Luxembourg Kirchberg  
6 Rue du Fort Niedergrünwald  
Luxembourg – 2226.**

Doors will open at 9 am (CET).

Please note that, pursuant to the terms and conditions of the 2023 Notes (the "**Terms and Conditions of the Notes**"), attendance at the meeting and exercise of voting rights is subject to the Noteholders' registration prior to the Noteholders' Meeting. The registration must be received by Computershare, the service provider engaged by the Company, by the third day

preceding the Noteholders' Meeting, i.e., by expiry of November 25, 2022 (by 24:00 hours (CET)), at the following address or via e-mail to the following e-mail address:

Corestate Capital Holding S.A.  
"2023 Schuldverschreibung"  
c/o Computershare Operations Center  
80249 Munich  
E-mail: [anmeldestelle@computershare.de](mailto:anmeldestelle@computershare.de)

Noteholders may register for the Noteholders' Meeting using the form published on the Issuer's website at <https://corestate-capital.com/en/nhm/> under the section "*Shareholders*." Effective registration is also possible, however, without using this form.



**A. Reasons for convening the Noteholders' Meeting and explanation of the proposed resolutions**

**I. Corestate: business activities and general information**

The Issuer is a joint-stock company organized under Luxembourg law, having its registered office at 4, rue Jean Monnet, 2180 Luxembourg, Grand Duchy of Luxembourg, registered with the Luxembourg commercial register (*Registre de Commerce et des Sociétés*, Luxembourg) under B 199780.

Corestate is an investment manager and co-investor with around EUR 17.3 billion in assets under management (as at: August 31, 2022 (preliminary figure) – EUR 22 billion as at December 31, 2021), EUR 15.8 billion thereof in its core business segments real estate equity and real estate debt. Corestate is listed on the Frankfurt Stock Exchange in the prime standard segment. Corestate operates as a business partner for institutional and semi-institutional investors as well as high-net-worth private investors in six countries across Europe, with offices in Luxembourg, Frankfurt, Leipzig, Pfäffikon, Paris, Madrid and Oxford. Corestate sees itself as a manager for the entire length of the real estate value chain. Thanks to its fully integrated real estate platform, Corestate is able to offer investors a wide range of services, especially the opportunity to invest in large-scale societal trends such as urbanization, demographic shifts or sustainability – trends that will continue to have a decisive influence on the living and working environments in the long term. The consistent focus on asset classes that will be successful in the long run constitutes a central cornerstone of Corestate's strategy. At Corestate, all concepts are supported with ESG expertise that is unique in the industry. Corestate offers its clients and investors a full range of services and consultation from a single source, from project financing and real estate management to sales.

In addition, Corestate provides services in relation to real estate investment management for third parties and assets held for warehousing purposes, i.e., assets which Corestate acquires on its own balance sheet and holds only for a certain period. Warehousing aims at developing and eventually re-selling the real estate assets. To a lesser extent, Corestate also acquires assets owned by non-client third parties, with the aim of actively value-enhancing and optimizing the assets. Corestate also structures the exit from such real estate investments.

Corestate's business activities can be divided into the following business segments:

- (i) "Real Estate Equity:" This segment encompasses the sourcing and acquisition of real estate opportunities and investments for third parties. It covers ongoing and day-to-day asset and property management and other related services as well as project monitoring over the holding period with the aim of actively enhancing value and optimizing the relevant assets. It also encompasses the realization of the value of investment products through multiple possible exit channels (e.g., asset-by-asset sales, portfolio sales, auctions). Revenues are generated through acquisition fees, asset management fees, property management fees and sales and promote fees.

- (ii) "Real Estate Debt:" This segment encompasses the structuring and implementation of investment products via Corestate Bank. Furthermore, with its subsidiary HFS (Helvetic Financial Services), Corestate offers mezzanine financing (i.e., financing that ranks below senior loans but senior to ordinary shareholders' equity) for residential and commercial real estate developments in Germany, Austria, Switzerland and Spain and seeks to gain cross-selling opportunities from being involved in its clients' development from a very early stage.

This segment focuses on the structuring and implementation of real estate investments via debt securities, e.g., bonds. The (fund) capital raised by Corestate for the relevant project from (third-party) lenders is used to acquire bonds which are invested by the bond issuer, typically a real estate development company, for the early stages of a real estate development. This serves, for example, as equity-replacing bridge financing until certain milestones (e.g., building permit or construction progress) have been achieved and the follow-on financing for the entire project has been secured.

The segment encompasses proceeds from underwriting and structuring fees, asset management fees (for debt products), performance fees, i.e., coupon participation fees, and income from bridge loans.

- (iii) "Other Segments" comprise alignment capital management activities, i.e., co-investing in a minority shareholding in real estate vehicles established by Corestate itself, and assets held for warehousing purposes as described above.

Its integrated business model enables Corestate to cover the entire lifecycle of investments in real estate equity and debt. Corestate is a one-stop shop providing the full range of asset, fund and property management services and related investment products (open-ended and closed-ended funds, club deals, alternative investment funds and individual mandates). Moreover, Corestate offers financial investment structuring and advisory services, covering all major real estate asset classes and all relevant investment vehicles. The diversified product offering covers a broad range of asset classes with different risk-return profiles (from value-add/opportunistic to core), including office, residential, micro living/purpose-built student accommodation, city quarters, retail, hotel, logistics, debt and mezzanine financing services. This enables Corestate to target a broad range of clients, cross-sell its products and address the specific needs of different client types (institutional, semi-professional and private). In the future, the focus of Corestate's business strategy will be on core and core+ investments. The diversification offers additional business opportunities while mitigating business risks at the same time.

## **II. Situation of the Issuer/status and causes of the current crisis**

### **1. Balance sheet of Corestate as at December 31, 2021 (consolidated)**

The most recent published annual report of Corestate Group for the 2021 financial year shows a positive EBITDA of EUR 26.4 million (previous year: EUR 16.2 million) and strong equity of EUR 626.2 million (previous year: EUR 688.5 million). The auditor of

the Company, EY, declared on April 21, 2022 that the Issuer is able to continue as a going concern based on the following items:

€ million	Notes	31 Dec 2021	31 Dec 2020
<b>Non-Current Assets</b>			
Goodwill	E.1	487.2	577.7
Other Intangible Assets	E.2	84.8	87.8
Investment in Associates and Joint Ventures	E.3	145.9	120.8
Other Financial Instruments	E.4	151.5	153.9
Property, Plant and Equipment	E.5/E.6	13.4	22.3
Non-Current Receivables	E.7	51.7	53.7
Non-Current Loans to Associated Entities	E.8	14.9	19.6
Deferred Tax Assets	D.10	41.5	20.7
<b>Total Non-Current Assets</b>		<b>990.9</b>	<b>1,056.6</b>
<b>Current Assets</b>			
Inventories	E.9	100.0	73.8
Trade Receivables	E.10	47.2	33.0
Contract Assets	E.11	58.5	51.0
Receivables from Associated Entities		16.8	13.6
Other Current Financial Assets	E.12	86.5	126.7
Other Current Assets	E.13	12.1	16.6
Current Income Tax Assets		2.5	2.7
Restricted Cash	E.14	12.9	23.0
Cash and Cash Equivalents	E.14	62.8	68.2
<b>Total Current Assets</b>		<b>399.2</b>	<b>408.5</b>
Assets Held for Sale from Discontinued Operations	B.2.3	23.5	-
<b>TOTAL ASSETS</b>		<b>1,413.6</b>	<b>1,465.0</b>

€ million	Notes	31 Dec 2021	31 Dec 2020
<b>Equity</b>			
Share Capital	E.15	2.6	1.9
Other Reserves	E.15.3	821.7	752.9
Net Profit/(Loss) for the Period		(201.1)	(69.1)
Equity attributable to Shareholders of Parent Company		623.2	685.8
Non-controlling Interests		3.0	2.7
<b>Total Equity</b>		<b>626.2</b>	<b>688.5</b>
<b>Non-Current Liabilities</b>			
Non-Current Financial Liabilities from Bonds	E.16	298.0	491.0
Non-Current financial Liabilities to Banks	E.17	3.5	4.6
Other Non-Current Financial Liabilities	E.18	19.9	29.3
Other Non-Current Provisions	E.19	1.2	1.8
Other Non-Current Liabilities		8.9	9.2
Deferred Tax Liabilities	D.10	17.5	13.0
<b>Total Non-Current Liabilities</b>		<b>349.1</b>	<b>548.8</b>

€ million	Notes	31 Dec 2021	31 Dec 2020
<b>Current Liabilities</b>			
Current Financial Liabilities from Bonds	E.20	190.9	-
Other Current Provisions	E.21	13.6	10.1
Other Current Financial Liabilities to Banks	E.22	68.3	68.7
Current Liabilities to Associated Entities		18.1	9.3
Trade Payables	E.23	27.6	13.1
Current Income Tax Liabilities		29.5	36.0
Other Current Financial Liabilities	E.24	41.4	42.0
Other Current Liabilities	E.25	40.0	48.5
<b>Total Current Liabilities</b>		<b>429.4</b>	<b>227.7</b>
Liabilities Held for Sale from Discontinued Operations	B.2.3	8.9	-
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,413.6</b>	<b>1,465.0</b>

## 2. Economic and financial situation and other developments

Following several months of an increasingly negative trend, the economic and financial conditions, both on a macroeconomic level and in the real estate sector specifically, deteriorated rapidly in particular due to the strongly increasing interest and inflation levels and, as a result, so did the situation of the Issuer and its subsidiaries (together the "**Corestate Group**"). As a consequence, there is now a real risk that the Issuer will not be able to continue as a going concern. Such continuation depends upon the success of the restructuring measures.

Falling and persistently low interest rates had been a key driver of the high momentum in the real estate investment market for years. This momentum has cooled rapidly in recent months and the recovery from the consequences of the COVID pandemic, which had been gathering momentum since the beginning of last year, was abruptly interrupted.

The war in Ukraine and its outcome further pushed up inflation, which was already high, and also ensured that the interest rate reversal occurred earlier and was more pronounced than had previously been expected. A long phase of low cost of debt thus came to an end.

Amid market volatility and high inflation, lenders are now increasingly focused on mitigating risk. This has led to a shift in the markets, which, combined with the rise in the base rates, has increased the cost of debt for borrowers, bringing pricing back into focus. The cost of debt increased almost threefold (see also the described interest rate development), reaching a level roughly equivalent to, and in some cases higher than, prime yields for real estate in many segments. The increased financing costs also led to many investors recalculating in ongoing bidding processes and reducing their willingness to pay. This delayed many processes. Many properties were not offered at all and in many cases, sellers had to take already offered properties off the market because the sales price expectation could not be realized. In addition, some investors sit and wait, i.e., they are refraining from purchases altogether for the time being. All of the above is reflected in the recent substantial reduction in transaction volume.

Taking these general circumstances into account, Corestate had a very subdued business performance in the first half of 2022, as expected. At EUR 22.9 million, aggregated revenue and gains from continuing operations in the first six months were significantly below the level of the previous year.

		H1-2022	H1-2021
Aggregated Revenue and Gains	€ million	22.9	98.3
EBITDA	€ million	-125.4	35.7
Net Profit	€ million	-521.8	3.2
Adjusted Net Profit <sup>1</sup>	€ million	-150.5	17.2
Earnings per Share	€	-15.28	0.11

After Corestate had already made valuation adjustments to balance sheet items in the previous financial year, the Management Board had to decide in the second quarter of 2022 to adjust the goodwill and current balance sheet items with critical maturities once again. The starting point for this decision was on the one hand the worsening external framework conditions, but above all the restructuring discussions that had begun regarding the Stratos funds presently still managed by HFS. Against the backdrop of the significant deterioration in the macroeconomic environment, it was inevitable that the goodwill of Corestate Bank be adjusted as well. In view of the great economic importance of the Stratos II fund in particular and the financing activities of Corestate Bank for the business prospects of Corestate Group, this inevitably led to an adjustment of the corresponding balance sheet items.

The impact on Corestate's results is significant. EBITDA from continuing operations is now minus EUR 125.4 million in the first half of 2022. After considering the significantly increased depreciation and amortization, Corestate Group's net profit from continuing operations in the same period amounts to minus EUR 521.8 million. After offsetting the PPA effects, goodwill impairments and other one-off charges, the adjusted net profit from continuing operations is minus EUR 150.5 million (previous year: EUR 17.2 million). With the repeated revaluation of the balance sheet items as well as the extensive risk provisioning, Corestate intends to create the necessary conditions for a new start of Corestate Group.

The high degree of general uncertainty in the real estate market, in conjunction with the open refinancing on the corporate side, is leading to a significant burden on Corestate's operating business with negative consequences, especially for new commitments but also in the existing portfolio with Corestate's clients. The Management Board and Supervisory Board of Corestate therefore decided in May to withdraw the forecast for 2022 and the corresponding dividend statement for 2023 until further notice.

It should also be noted that the various changes in the composition of Corestate's Management Board have an effect on trust among investors. Institutional investors in particular have become more reserved towards Corestate and, in some cases, have terminated engagements for that reason and due to the lower ratings of the Company.

### 3. Liquidity position of Corestate Group

The Noteholders' Meeting is scheduled to be held on the envisaged maturity date of the EUR 200 million convertible bonds issued by the Issuer (ISIN: DE000A19SPK4 / WKN: A19SPK) (the "**Convertible Bonds**;" together with the 2023 Notes, the "**Notes**"). Together with the 2023 Notes maturing on April 15, 2023, the Issuer thus faces payment obligations of EUR 488.4 million at short notice; the Issuer holds a portion of EUR 11.6 million of the Convertible Bonds itself (original nominal amount: EUR 200 million).

The developments described above and the impending maturity of the Convertible Bonds and the 2023 Notes have escalated Corestate's liquidity position. The Issuer, therefore, prepares a weekly rolling liquidity plan covering the coming 12 months together with its professional advisers. In this plan, the Issuer considers its own liquidity as well as any free liquidity which its subsidiaries can, and are likely to, provide to it.



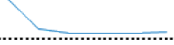









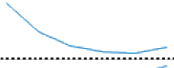

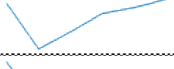


The liquidity plan is based on a comprehensive restructuring of the Convertible Bonds and the 2023 Notes to the effect that the Issuer will not repay (either in full or in part) any Convertible Bonds or 2023 Notes from its own funds at least on the maturity date. The liquidity position is such that no repayment of the nominal amounts outstanding under the Convertible Bonds and the 2023 Notes would be possible anyway. Irrespective of the above, the current situation and development of Corestate in terms of liquidity depend on various developments and receipts of payments, which the Management Board deems to be predominantly likely, but which cannot be predicted with any certainty.

In light of the foregoing, the Issuer's liquidity plan as of October 28, 2022 for the period from week 44 onwards forecasts a liquidity gap at the level of the Issuer for week 46 and onwards. As of the date when this invitation is published, Corestate Group is in negotiations with existing creditors; the Issuer itself is also in negotiations with investors to obtain a bridging financing. The business plan of Corestate Group forecasts that about EUR 25 million in liquidity will be required in the aggregate for 2023.

### **III. Outlook and Corestate Group's business plan**

In view of the macroeconomic developments, geopolitical uncertainties and challenges within Corestate described above, the Management Board adopted an ambitious business plan in September 2022.






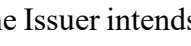

This business plan illustrates, amongst other things, that Corestate, despite its ambitious restructuring plans, will not generate positive EBITDA again before 2025, provided that the assumptions underlying the business plan turn out to be true.

in EURm	2021A	2022FC <sup>1)</sup>	2023B <sup>2)</sup>	2024B <sup>3)</sup>	2025B	2026B	Trend
 Total Revenues	261.9	117.1	75.7	76.3	80.5	83.6	
Aggregated Revenues	245.6	96.4	75.0	75.7	79.8	82.9	
 Expenses	237.1	352.7	92.9	78.9	68.1	64.4	
EBITDA	24.7	(235.6)	(17.3)	(2.6)	12.4	19.2	
 EBITDA margin	9%	-201%	-23%	-3%	15%	23%	
Adjusted EBITDA	42.1	(221.7)	(17.3)	0.4	12.4	19.2	
 Adjusted net Profit	17.6	(253.7)	(23.9)	(3.6)	8.9	14.2	
 AuM (in bn)	27.4	19.3	15.4	13.9	13.4	14.9	
 Transaction Volume (in bn)	2.5	1.0	1.6	2.1	2.3	2.6	
 FTEs	811	319	313	250	252	256	

1) 2022: Includes total one-offs of € 227.3m, primarily € 200m risk provisioning (Investments, OFIs, Warehousing), Project Calypso € 10m, severance pay € 3.9m  
2) 2023: Includes total one-offs of € 6m for risk provisioning (Investments, Warehousing)  
3) 2024: Includes total one-offs of € 3.5m for severance pay and € 2m for risk provisioning (Investments)

Corestate's business plan forecasts a stabilization and slight recovery of the assets under management ("AuM"):




#### 1. Real Estate Equity (between 2021A and 2026B)

in EURm	2021A	2022FC	2023B	2024B	2025B	2026B	Trend
RE Equity	20,848	13,685	11,756	12,305	13,263	14,519	
Corestate Boutique	5,190	2,889	990	960	1,310	1,760	
HL Boutique	8,693	5,506	5,479	5,472	5,437	5,588	
STAM Boutique	1,587	1,666	1,434	1,834	2,284	2,734	
Capera	2,561		n/a	n/a	n/a	n/a	
Upartments	14	557	299	124	174	274	
CRM	2,802	3,623	3,854	4,039	4,233	4,436	

The Issuer believes that it is very challenging in the current market environment to generate new business in the Real Estate Equity segment. Nevertheless, the Issuer intends to negotiate new transactions and also to carry out co-investments.

Generating sales revenue from co-investments is also very difficult, as attractive sales of real estate projects are simply not possible in the current economic environment and the other co-investors therefore usually prefer a later exit at a higher price.

## 2. Real Estate Debt (between 2021A and 2026B)

in EURm	2021A	2022FC	2023B	2024B	2025B	2026B	Trend
RE Debt	6,577	5,611	3,597	1,581	180	360	
HFS Boutique	6,577	5,611	3,597	1,581	180	360	
Cbank	n/a	n/a	n/a	n/a	n/a	n/a	

The Stratos II fund, which was always a strong driver of Corestate's revenue and extremely profitable in the past, will no longer be available as a profit driver in the future. Although EUR 13 million in coupon participation fees (CPFs) have recently been paid out for the 2021 financial year and further payments may still be made, HFS and the fund management company decided to terminate HFS's engagement as an advisor as per the end of 2022 and to arrange for an orderly transition of such role to a successor.

Following adoption of the business plan, an agreement was reached with HansaInvest to terminate the engagement as an advisor for the Stratos II fund as of the end of 2022, which provides for a payment of the full amount of the coupon participation fees for 2020/21, which has already been made in the amount of EUR 13 million. A similar agreement is currently being negotiated with respect to the Stratos IV fund. In total, the Issuer expects this to result in income of about EUR 35 million (including the EUR 13 million already received).

For the medium term, Corestate plans to launch a new senior debt fund (outside of the HFS platform).

## IV. **Operative restructuring measures already initiated**

Despite the challenges described above, the Management Board is consistently pursuing its strategic agenda. This means, amongst other things, that internal structures and processes are being consistently reviewed with the aim of significantly reducing complexity in the business units as well as in the organization as a whole. These measures are part of the efficiency program (*move to the future*) initiated at the beginning of the year, which has since been significantly expanded. Corestate is currently working at all levels to make the company flexible and efficient and to position it for a successful new start.





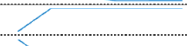
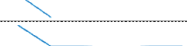

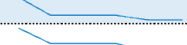
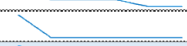

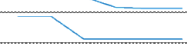
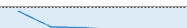




In this connection, Corestate is working at full speed to implement the ongoing cost-cutting measures. To this end, Corestate has already bundled operational areas and consistently reduced duplicate functions and overheads; Corestate is also in the process of closing offices and putting all material costs and other expenses to the test. On the costs side, the savings will already be noticeable in the fourth quarter of 2022 and will then be fully reflected in the coming year. The business plan adopted in September 2022 provides for additional cost reductions until 2026.

This entails in particular massive cutbacks in staff within the Corestate Boutique: It is envisaged to reduce the staff to about 10% until 2026 (14 FTE in 2026 compared to 139 FTE in 2021). The substantial HFS valuation adjustment will also be reflected in the personnel planning (reduction from 23 FTE to 5 FTE). Across Corestate Group as a



whole, the staff is intended to be reduced until 2026 to 256 FTE from 811 FTE (as of: 2021).

The goal is to implement a structural adjustment of Corestate Group towards an efficient and effective investment house with the existing focus on the key segments real estate equity and real estate debt by mid-2023. This restructuring is intended to also cover the various fund management companies. In addition to revitalizing and developing Corestate's investment business, a major challenge in the current difficult market environment is to restructure Corestate Group's financial liabilities, in particular the Convertible Bonds and the 2023 Notes, and to free up liquidity. This, however, is essential for ensuring that Corestate is able to act and also to survive in the future.

	2021A	2022FC	2023B	2024B	2025B	2026B	Trend
 FTEs	811	319	313	250	252	256	
RE Equity	692	247	245	202	211	215	
Corestate Boutique	139	48	48	14	14	14	
HL Boutique	78	61	46	40	40	40	
STAM Boutique	21	24	24	24	24	24	
Capera	269	0					
Upartments	79	20	20	15	20	20	
CRM	106	94	107	109	113	117	
RE Debt	58	33	33	33	28	28	
HFS Boutique	23	10	10	10	5	5	
Cbank	36	23	23	23	23	23	
Central Functions	60	39	34	14	12	12	
Central Functions Corestate	51	30	30	10	8	8	
Central Functions HL	9	9	5	5	5	5	
FTEs excl CRM	705	226	206	141	139	139	

## V. Description of the proposed restructuring plans for the Convertible Bonds and the 2023 Notes and of possible alternative solutions

Since May 2022, the Company has discussed and negotiated with a group of holders of the Convertible Bonds and the 2023 Notes ("**Ad Hoc Committee**") the possibility of restructuring Corestate and the structure and terms and conditions of such restructuring; reportedly, the Ad Hoc Committee held initially – as of July 2022 – about 57% of the Convertible Bonds and 82% of the 2023 Notes; the Ad Hoc Committee then coordinated with further holders of the Convertible Bonds and the 2023 Notes as a Co-Com, which held in the aggregate about 73% of the Convertible Bonds and even 85% of the 2023 Notes. Since November 1, 2022, the Ad Hoc Committee is reportedly holding 49% of the Convertible Bonds. The negotiations have concerned at any time both the Convertible Bonds and the 2023 Notes issued by the Issuer. From the perspective of the Company, negotiating with the Ad Hoc Committee has always seemed constructive and expedient, since the Ad Hoc Committee's consent ensures a resolution on the restructuring of the Convertible Bonds and the 2023 Notes in accordance with the provisions of the German Act on Issues of Debt Securities (*SchVG*). On this basis, the Ad Hoc Committee has proposed a restructuring plan ("**Alternative Restructuring Plan**"), which is described in more detail in the AHC Proposal Term Sheet published on the Issuer's website (<https://corestate-capital.com/en/nhm/>) under the section "*Shareholders*" ("**AHC Proposal Term Sheet**").

Differences in terms of the risk positions between the Convertible Bonds and the 2023 Notes were thus disregarded in the negotiations; apart from the different maturity dates, the Convertible Bonds and the 2023 Notes differ in particular in terms of the interest rate, the conversion right and the covenants. Accordingly, the proposed commercial solution applies to the holders of the Convertible Bonds and the 2023 Notes in each case on a pro rata basis at a ratio of 188.4/488.4 (Convertible Bonds) to 300/488.4 (2023 Notes).

In addition to the negotiations with the Ad Hoc Committee, the Company has identified several potential investors who are interested in an equity investment in the Issuer. The Issuer has discussed and negotiated at its own initiative with several investors individual solutions and terms of such a restructuring; after having conducted a review of the business plan and a related due diligence, several investors have submitted an offer which envisages an equity investment ("**Restructuring Plan**"). On this basis, investors have agreed to provide the Issuer with the new money required by it and signed equity commitment letters, which are described in more detail in the Share Capital Increase Proposal Term Sheet published on the Issuer's website (<https://corestate-capital.com/en/nhm/>) under the section "*Shareholders*" ("**Share Capital Increase Proposal Term Sheet**").

The key elements and terms of the two restructuring plans are described below:

1. Description of the Share Capital Increase Proposal (*Main Proposal*)
  - a. Provision of new money

The Company has identified interested investors willing to provide the Company at short notice with the new money urgently required in view of the current situation. After having been approached by the Company, each of these investors undertook towards the Company under equity commitment letters to provide new money in the amount of EUR 45 million. The new money will be provided (a) in an amount of EUR 15 million against the issuance of a total of 45,979,831 new shares in the Company (together with the issuance of 9,059,690 bonus shares to the management, the "**Share Capital Increase**") and (b) in an amount of EUR 30 million against the issuance of 300 convertible bearer notes with mandatory conversion ("**Mandatory Convertible Notes**").

The Mandatory Convertible Notes will be issued in a denomination of EUR 100k each and will have a term of 5 years with a scheduled maturity in January 2028. The Mandatory Convertible Notes will bear interest at a rate of 4.50% p.a., with any interest payments being deferred until the Mandatory Convertible Notes are converted. The Mandatory Convertible Notes are subordinated to all other liabilities of the Issuer, except for liabilities arising from the shares in the Company.

Generally, the mandatory conversion of the Mandatory Convertible Notes occurs upon maturity. The conversion price amounts to EUR 0.40 for each new share in the Company. In the aggregate, with the interest accruing until the conversion being

capitalized, 91,875,000 new shares in the Company carrying profit participation rights as from January 1, 2028 will be issued.

For further details, please refer to the Mandatory Convertible Notes Term Sheet published on the Issuer's website (<https://corestate-capital.com/en/nhm/>) under the section "*Shareholders*."

b. Further financial restructuring

In addition, it is envisaged to reduce the existing debt in form of the Notes to an amount of EUR 100 million (on a pro rata basis over the Convertible Bonds and the 2023 Notes).

The Noteholders waive any interest accrued but unpaid as of the day of this Noteholders' Meeting. The interest rate of the 2023 Notes will be increased to 4.50%, with interest being payable annually in arrears on December 15 of each year, for the first time on December 15, 2023. A PIK toggle option applies to the first interest period ending on December 15, 2023, pursuant to which any due interest payments may be capitalized against an increase in the interest rate. The adjusted 2023 Notes will mature upon the earlier of the occurrence of an Exit (*as defined below*) and 60 months after the implementation of the restructuring ("**Closing**").

The Restructuring Plan envisages that proceeds or income of Corestate Group not included in the business plan will be partially paid out to the holders of the Notes upon the occurrence of certain events ("**Upside-Sharing**").

In addition, the 2023 Notes, which are completely unsecured at the moment, will be secured for the first time by means of a security package consisting of (a) first-ranking pledges of shares held in Corestate Capital Group GmbH, Corestate Capital AG and Genova AIF S.à r.l. and (b) a pledge on bank accounts and security assignment of intragroup liabilities.

The further terms and details are described in the Share Capital Increase Proposal Term Sheet.

2. IN THE ALTERNATIVE: Description of the Alternative Restructuring Plan  
(Alternative Proposal)

If the Main Proposal is not put to the vote or does not receive the required majority of Noteholders' votes, the Company will put the Alternative Restructuring Plan as described below to the vote:

a. Conversion of the 2023 Notes into new shares in the Issuer and into New OpCo Notes

The amount of the financial liabilities of the Issuer under the Convertible Bonds and the 2023 Notes is to be reduced on the terms and conditions set forth in the AHC Proposal Term Sheet and the Convertible Bonds and the 2023 Notes are to be replaced by secured notes ("**New OpCo Notes**"; together with the New Super Senior Notes (*as defined below*) the "**Secured Notes**") to be issued by Corestate Capital Group GmbH ("**New OpCo**") in the amount of EUR 100 million (on a pro rata basis over the existing Convertible Bonds and 2023 Notes) on the terms and conditions set forth in the AHC Proposal Term Sheet. The Secured Notes are to be listed on the Luxembourg Stock Exchange. Any obligations under the Convertible Bonds and the 2023 Notes will cease to exist upon the issuance of the New OpCo Notes and the conversion of the Convertible Bonds and the 2023 Notes into new shares in the Issuer (debt-to-equity swap).

In order to implement the measures described above, the Notes will be transferred to a Settlement Bank (*as defined below*) upon a majority resolution of the Noteholders' Meeting, which will contribute them as equity to the Issuer. In return, the holders will receive acquisition rights to acquire new shares in the Issuer (debt-to-equity swap) and New OpCo Notes (debt-to-debt swap) (*each as defined below*), which may be exercised within a specified period ("**Equity Offer Period**"/"**Notes Offer Period**"). As a result of such exchange of the Notes for acquisition rights and upon occurrence of the Closing Conditions for the Alternative Restructuring Plan, the liabilities of the Issuer will be reduced to EUR 0, provided that New OpCo will issue the New OpCo Notes in the amount of EUR 100 million.

- i. Debt-to-equity swap: After the Issuer's authorized share capital has been increased based on a resolution of the general meeting amending the articles of association, the Issuer will issue new shares. The Issuer had already given notice of an extraordinary general meeting held on November 3, 2022 for this purpose; after the required quorum was not reached at that meeting, the Issuer has given notice of a second extraordinary general meeting to be held on November 22, 2022. The result of the vote is not certain as of the time of publication of this Invitation.

These new shares will be subscribed for by the Settlement Bank (*as defined below*).

The holders of the Notes may then notify the Settlement Bank within the Equity Offer Period whether they will exercise their acquisition rights or not. If the acquisition right is exercised, the Settlement Bank will transfer the new shares to the respective holder; otherwise, the Settlement Bank will sell the new shares for which the acquisition right is not exercised and pay out the net proceeds to the relevant holders.

Upon such debt-to-equity swap, the holders of the Notes will acquire up to 81.25% of the Company's share capital; the shareholdings of the existing shareholders will be diluted to 18.75% with a possible further dilution as a result of a planned management incentive program.

- ii. Debt-to-debt swap: In addition, New OpCo will issue to the holders of the Notes New OpCo Notes in the amount of EUR 100 million. These New OpCo Notes will also be subscribed for initially by the Settlement Bank and, if the acquisition right is exercised, will be transferred to the relevant holders, or the New OpCo Notes for which the acquisition right is not exercised will be sold and the net proceeds will be paid out to the relevant holders.

The secured New OpCo Notes are envisaged to mature on December 30, 2026. Interest at a rate of 4% is to be paid semi-annually; in addition, a PIK element of 4% applies. New OpCo is required under the New OpCo Notes to maintain at any time minimum liquidity of at least EUR 30 million and to achieve a certain minimum EBITDA to be determined in accordance with the business plan.

b. Provision of new money

In order to provide Corestate Group with the new money required, certain holders of the Notes have agreed, subject to, amongst other things, a confirmatory due diligence and the appointment of a chief restructuring officer (*CRO*) as a member of the Issuer's Management Board, to subscribe for notes to be issued by New OpCo in the amount of EUR 25 million ("**New Super Senior Notes**"). This is intended to provide Corestate Group with sufficient financial leeway and to facilitate the acquisition of new business.

The New Super Senior Notes will be secured by means of a comprehensive security package, as described in detail in the AHC Proposal Term Sheet. The final negotiations with the Company are to be conducted by the Noteholders' representative to be appointed by the Noteholders at the Noteholders' Meeting. The New Super Senior Notes are envisaged to be senior to the New OpCo Notes; otherwise, the terms and conditions are similar to those of the New OpCo Notes.

c. Key conditions for the Alternative Restructuring Plan – prolongation of the maturity

The implementation of the Alternative Restructuring Plan is subject to several conditions precedent. These conditions precedent include in particular:

- Completion of the ownership control proceedings in Germany, Luxembourg, Switzerland, France and the United Kingdom, if required;
- Anti-trust clearance, if required;

- Waiver by the *Commission de Surveillance du Secteur Financier* ("CSSF") of the implementation of a mandatory takeover offer pursuant to the Luxembourg Law of 19 May 2006 as regards both the acquisition of new shares by the Settlement Bank and the share acquisition rights exercised by the holders of the Notes;
- CSSF's approval pursuant to the Prospectus Regulation of (i) the prospectus for the new shares and (ii) the prospectus for the New OpCo Notes to be listed in Luxembourg, if required; and
- Consent of the Issuer's general meeting to the increase in the authorized share capital as proposed in the convening notice of the general meeting dated October 4, 2022.

d. Intragroup operative restructuring

Following the implementation of the Alternative Restructuring Plan, the Issuer is envisaged to focus on the role as a holding company of Corestate Group in the future. Corestate Capital Group GmbH, as a wholly owned subsidiary of the Issuer, is intended to act as the new operative parent company ("**New OpCo**"). All assets and liabilities of the Issuer are to be transferred from the Company to New OpCo, unless such transfer is legally not possible or would trigger adverse tax effects. This includes in particular the shares in material subsidiaries such as Corestate Bank GmbH (requires ownership control approval), CRM (Students) Ltd., Corestate Capital France HoldCo SAS as the parent of the French STAM group and certain receivables (bridge loans) of Corestate Capital Services AG.

The implementation of the contribution of these assets into New OpCo is also a condition precedent for the Alternative Restructuring Plan.

For further terms and details, please refer to the AHC Proposal Term Sheet.

3. Main differences between the Main Proposal and the Alternative Proposal from the Issuer's perspective

From the Company's perspective, the main differences between the two restructuring plans are

- the amount of the new money provided, its qualification as equity versus super senior debt and the time such fresh money is provided in view of the difference in scope of the closing conditions for each of the two restructuring plans,
- whether changes to the corporate governance, removals and new appointments of members of the Supervisory Board and the appointment of a chief restructuring officer (*CRO*) as a member of the Issuer's Management Board are required,

- the distribution of the net proceeds upon certain asset sales and Upside-Sharing events and the resulting effects on the Company's liquidity position, and
- the degree of transaction certainty and predictability due to the number of closing conditions to be satisfied and the Issuer's (lack of) control in this respect.

Apart from that, the two proposals have financially in common that the principal amount of the Notes is reduced on a pro rata basis from EUR 488.4 million – as currently outstanding – to EUR 100 million.

4. Validation of the restructuring plans by external experts / IDW S6

The Issuer has engaged Andersch AG (FTI) to review and validate the restructuring plans outlined herein, including the negotiations on a possible interim financing, based on the business plan dated September 2022 adopted by the Issuer. Andersch AG is still in the final review phase.

5. Appointment of a Noteholders' Representative

Finally, a joint representative of the Noteholders ("**Noteholders' Representative**") is to be appointed, which will be granted all powers required and expedient for implementing the resolutions and the restructuring plan. The restructuring plan has been agreed with the Noteholders' Representative to be elected, One Square Advisory Services Sàrl headed by Mr. Frank Günther.

The Noteholders' Representative is to facilitate the implementation of the restructuring as set out in the relevant term sheet and as resolved upon at this Noteholders' Meeting without another Noteholders' meeting being required. For this purpose, the Noteholders' Representative may act as set out in agenda items B.III. – IV., depending on the results of the votes.

## **B. Agenda**

### **I. Opening of the Noteholders' Meeting and report of the Issuer's Management Board about the business performance and presentation of the restructuring plans**

No vote is envisaged on this agenda item. A debate may be held.

### **II. Determination whether a quorum is present at the Noteholders' Meeting and required majority**

The Noteholders' Meeting is only quorate if the attending Noteholders represent at least half of the value of the outstanding 2023 Notes.

The resolutions proposed in agenda items B.III. – IV. require a majority of at least 75% of the votes cast to be passed.

Resolutions passed with the required majority are binding on all Noteholders, even if they have not cast a vote or voted against the proposed resolution.

In case the chairperson determines that the Noteholders' Meeting is not quorate, the Issuer would like to point out that it intends to promptly convene a second meeting for the purposes of a new vote on the proposed resolutions pursuant to Sec. 15 para. 3 of the German Act on Issues of Debt Securities ("**German Act on Issues of Debt Securities**," "**German Bond Act**" or "**SchVG**").

Such second meeting will be quorate as regards the resolutions proposed in agenda items B.III. – IV. if the attending Noteholders represent at least 25% of the value of the outstanding 2023 Notes.



### III. **MAIN PROPOSAL: Proposed resolution for the restructuring of the 2023 Notes (Share Capital Increase Proposal)**

In view of the situation described above, the Issuer has prepared a comprehensive restructuring plan ("**Share Capital Increase Proposal**") that will put the Issuer on a sound financial footing on a sustainable basis, and proposes that the Noteholders' Meeting consent to such restructuring plan – as set forth in more detail in the Share Capital Increase Proposal Term Sheet – as follows:

*The convening Issuer proposes that the Noteholders pass the following resolution:*

The Noteholders consent to the Issuer's proposal for the implementation of the restructuring plan according to the Share Capital Increase Proposal as described herein.

To this end, the Noteholders pass the following resolutions, which amend, amongst other things, the Terms and Conditions of the 2023 Notes as described below and as set forth in more detail in the Share Capital Increase Proposal Term Sheet published on the Issuer's website (<https://corestate-capital.com/en/nhm/>) under the section "*Shareholders*."

#### **1. Resolution on the appointment of a representative of all Noteholders of the 2023 Notes**

One Square Advisory Services Sàrl, business address at: Rue de Lausanne 17, c/o Vistra Geneva SA, 1201 Genève, Switzerland, registered with the Register of the Swiss Statistical Office (*Bundesamt für Statistik der Schweizerischen Eidgenossenschaft*) under enterprise identification number: CHE-147.389.697, is appointed as the representative of all Noteholders (the "**Noteholders' Representative**").

The Noteholders' Representative has the tasks and powers granted to it by law or by majority resolution of the Noteholders. The Noteholders' Representative shall follow the instructions given to it by the Noteholders by majority resolution. To the extent the Noteholders' Representative is authorized to assert rights of the Noteholders, individual Noteholders are not entitled to assert such rights themselves, unless expressly stated in the authorization resolution. The Noteholders' Representative shall report on its activities to the Noteholders.

The Noteholders' Representative receives appropriate remuneration and reimbursement of its costs and expenses. Such costs and expenses include, without limitation thereto, appropriate insurance coverage and any costs for legal advice incurred, e.g., in connection with the drafting of security agreements.

The Noteholders' Representative is liable to the Noteholders as joint and several creditor (*Gesamtgläubiger*) for proper performance of its tasks; in performing its tasks, the Noteholders' Representative shall act with the care of a diligent and prudent noteholders' representative (pursuant to Sec. 93 para. 1 sentences 1 and 2 German Stock Corporation Act, *mutatis mutandis*). The Noteholders' Representative does not violate its duties where it makes a business judgment on

an informed basis with the reasonable belief that it acts in the best interests of the Noteholders. No shift of the burden of proof pursuant to Sec. 93 para. 1 sentence 2 German Stock Corporation Act, *mutatis mutandis*, applies to the Noteholders' Representative. The Noteholders' Representative is only liable for willful misconduct and gross negligence; the liability for gross negligence is limited to an aggregate amount of EUR 1,000,000.00.

## **2. Resolution authorizing the Noteholders' Representative to implement the planned restructuring of the 2023 Notes**

The Noteholders' Representative is instructed and authorized, with binding effect on all Noteholders, whether to their benefit or detriment, to negotiate the final version of the restructuring plan according to the Share Capital Increase Proposal, the key structural elements of which are set forth in the convening notice of the Noteholders' Meeting published in the German Federal Gazette on November 10, 2022 (including the Share Capital Increase Proposal Term Sheet published on the Issuer's website (<https://corestate-capital.com/en/nhm/>)) under the section "*Shareholders*"), to decide at its own discretion on the implementation of this restructuring plan according to the Share Capital Increase Proposal and to represent the Noteholders in all measures, actions and declarations necessary or expedient for the implementation of this restructuring plan. This includes in particular the negotiation and conclusion of security agreements in relation to the restructured 2023 Notes.

The Noteholders' Representative is entitled to consent to amendments to the terms and conditions of the restructuring plan as described in the Share Capital Increase Proposal Term Sheet and to consent to a plan for the restructuring of the 2023 Notes which deviates from the above-mentioned key structural elements, each of the above especially where this serves to expedite the restructuring process or is preferable for legal reasons and the Noteholders, in the Noteholders' Representative's assessment, will be put in a better, unchanged or not substantially worse financial position as a result of the deviations. The Noteholders' Representative is also instructed and authorized to consent to the amendments of the Terms and Conditions of the Notes resulting from the implementation of the restructuring plan.

The Noteholders' Representative is authorized in particular to represent the Noteholders in all measures, actions and declarations and to make and receive declarations necessary or expedient for the implementation of the resolutions of the Noteholders' Meeting.

The Noteholders' Representative is authorized (i) to decide at its own discretion on the prolongation of interest payments due or falling due and (ii) to waive any termination rights of the Noteholders which have already arisen or might arise in the future.

From the moment the resolution on the above-mentioned authorizations is passed, the Noteholders' Representative alone is entitled to assert the Noteholders' rights in relation to the negotiation and implementation of the restructuring plan.

In cases of doubt, all of the above authorizations of the Noteholders' Representative shall be construed broadly.

**3. Resolution on waiver of accrued interest and precautionary waiver of potential termination right**

The Issuer proposes to the Noteholders to waive all interest under the 2023 Notes accrued but unpaid as of the date of this Noteholders' Meeting. In addition, the Issuer proposes to the Noteholders to waive irrevocably their potential termination right under § 14(a)(ii) of the Terms and Conditions of the Notes and the exercise thereof, to the extent this would be based on a failure to pay interest

**4. Effectiveness of the resolutions; Closing Conditions for the Restructuring Plan**

Each measure of the resolutions proposed in 5. through 12 below is to be implemented pursuant to Sec. 21 German Bond Act only upon the Issuer's having notified the Noteholders' Representative or the Principal Paying Agent that all closing conditions for the implementation of the Restructuring Plan as set forth in the Share Capital Increase Term Sheet and in more detail below ("**Closing Conditions for the Restructuring Plan**") have been satisfied:

- a) the Noteholders' resolutions under this agenda item B.III. and the related resolution of the meeting of the holders of the Convertible Bonds
  - i. have not been challenged (*angefochten*) – in whole or in part – pursuant to Sec. 20 para. 3 sentences 1 through 3 German Bond Act (*SchVG*);
  - ii. any appeals (*Anfechtungsklagen*) brought against the aforementioned resolutions have been terminated by settlement, withdrawal of the appeal or settlement of the main action absent further need to adjudicate (*Erledigung der Hauptsache*); or
  - iii. the aforementioned resolutions have become implementable by virtue of a final court order pursuant to Sec. 20 para. 3 sentence 4 German Bond Act (*SchVG*) in conjunction with Sec. 246a German Stock Corporation Act (*AktG*);
- b) the Issuer has notified the Noteholders' Representative or the Principal Paying Agent that the general meeting of the Issuer has passed a resolution to increase the authorized share capital and
  - i. such resolution has not been appealed (*angefochten*) within the first month following the resolution;

- ii. any appeals (*Anfechtungsklagen*) brought against the resolution of the general meeting of the Issuer regarding the increase of the authorized share capital have been terminated by settlement, withdrawal of the appeal or settlement of the main action absent further need to adjudicate (*Erledigung der Hauptsache*) or issuance of a final and binding court order;
- c) the Capital Measures (*as defined below*) have been fully implemented; and
- d) the Total Equity Contribution (*as defined below*) to be made under the Capital Measures has been credited to the Issuer.

**"Capital Measures"** are:

- a) Resolution of the Issuer's general meeting to increase the authorized share capital to an amount of EUR 15 million,
- b) issuance of mandatory convertible notes by the Issuer in the amount of EUR 30 million,
- c) registration of the amendment to the Articles of Association due to the increase of the authorized share capital in the commercial register of the Issuer,
- d) resolution of the Management Board and approval resolution of the Supervisory Board of the Issuer regarding the share capital increase,
- e) confirmation by the Management Board that an amount of EUR 45 million ("**Total Equity Contribution**") is at the disposal of the Issuer,
- f) registration of the share capital increase from the authorized share capital in the commercial register of the Issuer,
- g) issuance of the new shares of the Issuer to the investors, and
- h) subscription of the mandatory convertible notes by the investors.

## **5. Reduction of the principal amount**

Subject to the occurrence of the Closing Conditions for the Restructuring Plan described in 4. above, the principal amount of the 2023 Notes is reduced by EUR 238,574,938.57 from EUR 300 million to EUR 61,425,061.43.

To this end, the Terms and Conditions of the Notes are amended as follows, subject to the occurrence of the Closing Conditions described in 4. above:

§ 2(a) of the Terms and Conditions of the Notes is amended as follows:

"

*The issue by the Issuer of Notes in the aggregate principal amount of EUR 61,425,061.43 (in words: Euro sixty-one million four-hundred-*

*twenty-five thousand sixty-one and forty-three cent) is divided into notes in bearer form with a principal amount of EUR 20,475.02 (in words: Euro twenty-thousand four-hundred-seventy-five and two cent) (the "**Principal Amount**") each (the "**Notes**" and each a "**Note**").*

"

The difference between the original principal amount and the principal amount reduced pursuant to this item 5 will not be exchanged for shares in the Issuer.

## 6. Amendment of maturity

Subject to the occurrence of the Closing Conditions for the Restructuring Plan described in 4. above, the 2023 Notes will mature upon the earlier of the occurrence of an Exit (*as defined below*) and sixty months following occurrence of the Closing Conditions.

To this end, the Terms and Conditions of the Notes are amended as follows, subject to the occurrence of the Closing Conditions for the Restructuring Plan described in 4. above:

- a) § 1 "Definitions" of the Terms and Conditions of the Notes is amended as follows with regard to the following definitions:

"

*"**Maturity Date**" means the earlier of (i) the day falling 5 days following the occurrence of an Exit and (ii) sixty months following occurrence of the Closing-Conditions-Restructuring-Concept.*

*"**Exit**" means the disposal of all or substantially all assets of the Issuer to a Third Party.*

*"**Third Party**" means any Person not affiliated with the Issuer within the meaning of sections 290 German Commercial Code (HGB) or 15 subsequent German Stock Corporation Act (AktG).*

"

- b) The new definition "**Closing-Conditions-Restructuring-Concept**" is introduced:

"

*Closing of the restructuring shall be deemed to have taken place upon occurrence of all of the following events (jointly the "**Closing-Conditions-Restructuring-Concept**"):*

- i. *the Noteholders' resolutions under this agenda item B.III. and the related resolution of the meeting of the noteholders of the Convertible Bond 2022 (Wandelschuldverschreibungen 2022)*

*a. have not been challenged (angefochten) – in whole or in part – pursuant to § 20 para 3 sentence 1 through 3 German Bond Act (SchVG);*

*b.any appeals (Anfechtungsklagen) brought against the aforementioned resolutions have been terminated by settlement, withdrawal of the appeal or settlement of the main action absent further need to adjudicate (Erledigung der Hauptsache); or*

*c.the aforementioned resolutions have become implementable by virtue of a final court order pursuant to § 20 para 3 sentence 4 SchVG in conjunction with § 246a German Stock Corporation Act (AktG);*

*ii. the Issuer has notified the Noteholders' Representative or the Principal Paying Agent that the general meeting of the Issuer has passed a resolution to increase the authorised share capital and*

*a.such resolution has not been appealed (angefochten) within the first month following the resolution;*

*b.any appeals (Anfechtungsklagen) brought against the resolution of the general meeting of the Issuer regarding the increase of the authorised share capital have been terminated by settlement, withdrawal of the appeal or settlement of the main action absent further need to adjudicate (Erledigung der Hauptsache) or issuance of a final and binding court order; or*

*iii. the Capital Measures (as defined below) have been fully implemented; and*

*iv. the Total Equity Contribution (as defined below) to be made under the Capital Measures has been credited to the Issuer.*

"

c) The new definition "**Capital Measures**" is introduced:

"

*"Capital Measures" are:*

- i. Resolution of the Issuer's General Meeting to increase the authorized share capital to an amount of EUR 15 million,*
- ii. issuance of mandatory convertible notes by the Issuer in the amount of EUR 30 million,*
- iii. registration of the amendment to the Articles of Association due to the increase of the authorized share capital in the commercial register of the Issuer,*
- iv. resolution of the Management Board (Ausnutzungsbeschluss) and approval resolution (Bewilligungsbeschluss) of the Supervisory Board of the Issuer regarding the share capital increase,*
- v. confirmation by the Management Board that an amount of EUR 45 million ("Total Equity Contribution") is at the disposal of the Issuer*

- vi. registration of the share capital increase from the authorized share capital in the trade and companies register of the Issuer,
  - vii. issuance of the new shares of the Issuer to the investors, and
  - viii. subscription of the mandatory convertible notes by the investors.
- "

## 7. Introduction of mandatory prepayment, Upside-Sharing

Subject to the occurrence of the Closing Conditions for the Restructuring Plan described in 4. above, a mandatory prepayment applicable under specific circumstances (mandatory early repayment triggers) is introduced. To this end, the Terms and Conditions of the Notes are amended as follows:

- a) The heading of § 5 of the Terms and Conditions of the Notes is extended as follows:

"

*Maturity, Redemption, Purchase and Upside-Sharing*

"

- b) § 5 (d) "Acquisition of Control" is deleted.
- c) A new § 5(f) of the Terms and Conditions of the Notes is introduced providing for a (mandatory) partial prepayment if certain events occur:

"

*In case of the occurrence of any of the following event(s), the Issuer shall pay an amount equal to 21 % of the respective Net-Proceeds-Mandatory-Prepayment (as defined below) resulting therefrom to the Noteholders on a pro-rata basis (anteilig) within a period of fourteen (14) Business Days following the respective proceeds having been credited on a bank account of the Issuer ("Mandatory Prepayment"):*

*(i) Sale of Project Genova (by way of a sale of shares held in Genova AIF S.à r.l., Genova PropCo S.à r.l. or comparably with same economic effect);*

*(ii) Sale of Project Liver (by way of a sale of shares held in Liver HoldCo Ltd., Liver BuildingCo Ltd. or comparably with same economic effect); or*

*(iii) Dissolution of Corestate Opportunity Deutschland Fund.*

*In case of proceeds having been credited to an account of a subsidiary of the Issuer, the Issuer will use its best endeavours to ensure that the relevant subsidiary up-streams the proceeds to the Issuer, to the extent legally permissible, either by way of distribution or by way of loan.*

*Any Mandatory Prepayment shall end and any participation of any Noteholder in the Net-Proceeds-Mandatory-Prepayment shall no longer be owed pursuant to this provision, once the Net-Proceeds-*

*Mandatory-Prepayment paid out to the Noteholders have reached an aggregate amount of EUR 19,800,000.*

*"Net-Proceeds-Mandatory-Prepayment" include the proceeds obtained from the relevant event net of any repayable debt, transaction or other costs (e.g. tax, advisors) of the Issuer or respective subsidiary as well as any other expenses incurred by the Issuer or respective subsidiary directly or indirectly caused by the disposal (such as withholding tax due to intragroup dividend distribution to the Issuer)*

*Any payout to a Noteholder as a consequence of a Mandatory Prepayment is deemed a partial repayment of the Notes and to be deducted from the amount due for repayment upon the Maturity Date.*

"

- d) A new § 5(g) of the Terms and Conditions of the Notes is introduced providing for the distribution of excess proceeds not included in the Business Plan dated September 14, 2022 between the Issuer and the Noteholders:

"

*In case of the occurrence of any of the following event(s) after the occurrence of the Closing-Conditions-Restructuring-Concept none of which is included in the Issuer's business plan, the Issuer shall further pay an amount equal to 30 % of the Net Proceeds obtained from such event to the Noteholders on a pro-rata basis (anteilig) within fourteen (14) Business Days following the respective proceeds having been credited on a bank account of the Issuer ("**Upside-Sharing**"):*

*Asset*

*CCS-Loans / Bridge Loans*

*Distributions to shares of the Issuer in the following funds:*

*- Stratos II,*

*- Stratos IV, and*

*- Stratos V*

*Coupon Participation Fees according to Stratos II-fund*

*In case of proceeds having been credited to an account of a subsidiary of the Issuer, the Issuer will use its best endeavours to ensure that the relevant subsidiary up-streams the Proceeds to the Issuer, to the extent legally permissible, either by way of distribution or by way of loan.*

*"Net-Proceeds-Upside-Sharing" include the proceeds obtained from the relevant event net of any repayable debt, transaction or other costs (e.g. tax, advisors) of the Issuer or respective subsidiary as well as any other expenses incurred by the Issuer or respective subsidiary directly or indirectly caused by the disposal (such as withholding tax due to intragroup dividend distribution to the Issuer).*



*Any Upside-Sharing with a Noteholder shall not be deemed a partial repayment of the Notes and shall not be deducted from the amount due for repayment upon the Maturity Date.*

"

## **8. Amendment of interest provisions**

Subject to the occurrence of the Closing Conditions for the Restructuring Plan described in 4. above, the Noteholders also declare as follows:

- a) The Noteholders hereby irrevocably waive any interest accrued but unpaid as of the time of this Noteholders' Meeting.
- b) § 1 "Definitions" of the Terms and Conditions of the Notes is amended as follows:

"

*"**Determination Date**" means each 15 December.*

*"**Interest Payment Date**" means the 15 December in each year, commencing on 15 December 2023.*

"

- c) § 4(a) of the Terms and Conditions of the Notes is amended as follows:

"

*The Notes will bear interest on their Principal Amount at a rate of 4.50 per cent. per annum from and including 15 December 2022.*

*Interest is payable annually in arrears on each Interest Payment Date.*

*The Issuer is entitled to discharge its payment obligations with respect to interest relating to the interest period preceding 15 December 2023 by publishing a capitalization notice in accordance with § 16 fourteen (14) Business Days prior to 15 December 2023 such capitalization notice substantially being in the form as Appendix § 4(a) attached hereto.*

*The respective interest shall then be capitalized with, added to, and shall be deemed to be part of, the Notes and the Principal Amount of the Notes and shall thereafter be treated as having been increased by the amounts of the interest capitalized in accordance with this § 4(a).*

"

- d) A new Appendix § 4(a) – Capitalization Notice – is added to the Terms and Conditions of the Notes:

**APPENDIX § 4(a)**

**Capitalization Notice**

From: Corestate Capital Holding S.A. as "Issuer" ("*Emittentin*")

To: [•] as "Principal Paying Agent" ("*Hauptzahlstelle*")

Date: \_\_\_\_\_

**Corestate Notes ISIN: DE000A19YDA9 / WKN: A19YDA ("Notes")**

**Capitalization Notice**

Dear Sir or Madam,

1. Reference is made to the Notes. Unless otherwise defined herein, definitions used in this Capitalization Notice shall have the meaning ascribed to them in the Notes.

2. Reference is made to § 4(a) of the Notes' terms and conditions. We hereby inform you about our intention to capitalize our obligation to make interest payments in the amount of EUR [•] (in words: [•]) regarding the "Interest Period" ("*Zinsperiode*") between [•] and [•] (PIK) and to add such amount to the principal amount currently outstanding under the Notes and thereby increase the principal amount currently outstanding under the Notes by the amount of the capitalized interest with effect from [•] to an aggregate amount of EUR [•] (in words: [•]).

3. We hereby waive declaration and service/receipt of acceptance pursuant to § 151 sentence 1 German Civil Code (*BGB*).

Sincerely yours

[•]

Signature:

- Member of the Issuer's Management Board -

## **9. Subsequent provision of security**

Subject to the occurrence of the Closing Conditions for the Restructuring Plan described in 4. above, the Noteholders also declare as follows:

a) § 3(a) of the Terms and Conditions of the Notes is amended as follows:

"

*The Notes constitute unsubordinated obligations of the Issuer ranking pari passu among themselves. They are secured by means of (a) a first-ranking pledge of shares held in Corestate Capital Group GmbH, Corestate Capital AG and Ginova AIF S.à r.l. and (b) a pledge of bank accounts of the Issuer as well as (c) a security assignment of certain receivables of the Issuer against affiliated entities.*

"

b) Obligation of the Issuer to provide security

The Issuer agrees to enter into the individual security agreements together with the Noteholders' Representative subject to legal restrictions and in adherence to a reasonable cost-benefit ratio within 45 days upon occurrence of the Closing Conditions for the Restructuring Plan.

## **10. Adjustment of the termination rights regarding intragroup restructuring measures**

Subject to the occurrence of the Closing Conditions for the Restructuring Plan described in 4. above, the below sentence is introduced at the end of § 14 (a) of the Terms and Conditions of the Notes:

"

*An Event of Default does not occur if any of the cases mentioned in (iv) through (vi) occurs with respect to a Material Subsidiary and as a consequence of an intragroup restructuring measure.*

"

## **11. Deletion of the covenants**

Subject to the occurrence of the Closing Conditions for the Restructuring Plan described in 4. above, the following sections, terms, sentences or paragraphs are deleted:

- § 1 Definitions: Acquisition of Control Record Date, Asset Sale, Asset Sale Offer, Consolidated EBITDA, Consolidated Net Financial Indebtedness, Consolidated Net Income, Consolidated Net Interest, Consolidated Net Leverage Ratio, Credit Facility, Currency Agreement, Designated Non-Cash Consideration, Equity Interest, Equity Offering, Excess Proceeds, Fair Market Value, HL Group

Acquisition, Interest Coverage Ratio, Investment Grade Rating, Investment Grade Status Commencement Date, Investment Grade Status End Date, Management Advances, Market Capitalization, Permitted Debt, Restricted Payments, Subordinated Debt;

- § 8 Limitations on the incurrence of Financial Indebtedness;
- § 10 Merger, Consolidation or Sale of Assets;
- § 11 Sales of Assets;
- § 12 Restricted Payments

## 12. Further changes

Subject to the occurrence of the Closing Conditions for the Restructuring Plan described in 4. above, the Noteholders also declare as follows:

In § 1 Definitions, the following definitions are amended:

- a) "**Acquired Warehouse Financial Indebtedness**" means any Financial Indebtedness of any Person outstanding on the date on which such Person becomes a Subsidiary or is merged, consolidated, amalgamated or otherwise combined with (including pursuant to any acquisition of assets and assumption of related liabilities) the Issuer or any Subsidiary in connection with a Warehouse Asset.
- b) "**Qualified Majority**" has the meaning set out in § 19(b).
- c) "**Warehouse Acquisition Additional Financial Indebtedness**" means any Financial Indebtedness of any Person incurred to provide all or any portion of the funds used to consummate a Warehouse Asset Acquisition.

## 13. Single resolution

All sub-items of agenda item B.III. together form a single proposed resolution, as they are connected in their subject matter. The vote on the resolution proposed in agenda item B.III., therefore, will be a vote on the proposal as a whole, not on any sub-item individually.

## 14. Implementation of the resolutions

The resolutions passed as set forth in agenda item B.III. 5. through 12. herein are not to be implemented pursuant to Sec. 21 German Act on Issues of Debt Securities (*SchVG*) until (i) the holders of the Convertible Bonds have also passed resolutions corresponding to agenda item B.III and such resolutions are implementable (excluding the condition for such resolutions that the present resolutions for the Convertible Bond must be implementable), and (ii) the Issuer has notified the Noteholders' Representative or the Principal Paying Agent that all of the Closing Conditions for the Restructuring Plan described in 4. above have occurred.

**15. Consent of the Issuer, binding effect of the resolutions**

The Issuer consents to the proposed resolutions as set forth in agenda item B.III.

#### IV. **ALTERNATIVE PROPOSAL: Proposed resolution for the restructuring of the 2023 Notes (AHC Proposal)**

In the alternative, if the Main Proposal is not put to the vote or does not receive the required majority of Noteholders' votes, the Issuer proposes that the Noteholders consent to the restructuring plan as set forth in the AHC Proposal Term Sheet:

*The convening Issuer proposes that the Noteholders pass the following resolution:*

The Noteholders consent to the Issuer's proposal for the implementation of the Issuer's Alternative Restructuring Plan in accordance with the AHC Proposal as described herein.

To this end, the Noteholders pass the following resolutions, which amend, amongst other things, the Terms and Conditions of the 2023 Notes as described below.

##### 1. **Resolution on the appointment of a representative of all Noteholders of the 2023 Notes**

One Square Advisory Services Sàrl, business address at: Rue de Lausanne 17, c/o Vistra Geneva SA, 1201 Genève, Switzerland, registered with the Register of the Swiss Statistical Office (*Bundesamt für Statistik der Schweizerischen Eidgenossenschaft*) under enterprise identification number: CHE-147.389.697, is appointed as the representative of all Noteholders (the "**Noteholders' Representative**").

The Noteholders' Representative has the tasks and powers granted to it by law or by majority resolution of the Noteholders. The Noteholders' Representative shall follow the instructions given to it by the Noteholders by majority resolution. To the extent the Noteholders' Representative is authorized to assert rights of the Noteholders, individual Noteholders are not entitled to assert such rights themselves, unless expressly stated in the authorization resolution. The Noteholders' Representative shall report on its activities to the Noteholders.

The Noteholders' Representative receives appropriate remuneration and reimbursement of its costs and expenses. Such costs and expenses include, without limitation thereto, appropriate insurance coverage and any costs for legal advice incurred, e.g., in connection with the drafting of security agreements.

The Noteholders' Representative is liable to the Noteholders as joint and several creditor (*Gesamtgläubiger*) for proper performance of its tasks; in performing its tasks, the Noteholders' Representative shall act with the care of a diligent and prudent noteholders' representative (pursuant to Sec. 93 para. 1 sentences 1 and 2 German Stock Corporation Act, *mutatis mutandis*). The Noteholders' Representative does not violate its duties where it makes a business judgment on an informed basis with the reasonable belief that it acts in the best interests of the Noteholders. No shift of the burden of proof pursuant to Sec. 93 para. 1 sentence 2 German Stock Corporation Act, *mutatis mutandis*, applies to the

Noteholders' Representative. The Noteholders' Representative is only liable for willful misconduct and gross negligence; the liability for gross negligence is limited to an aggregate amount of EUR 1,000,000.00.

**2. Resolution authorizing the Noteholders' Representative to implement the planned restructuring of the 2023 Notes**

The Noteholders' Representative is instructed and authorized, with binding effect on all Noteholders, whether to their benefit or detriment, to negotiate the final version of the Alternative Restructuring Plan, the key structural elements of which are set forth in the convening notice of the Noteholders' Meeting published in the German Federal Gazette on November 10, 2022 (including the AHC Proposal Term Sheet published on the Issuer's website (<https://corestate-capital.com/en/nhm/>) under the section "*Shareholders*"), to decide at its own discretion on the implementation of the Alternative Restructuring Plan and to represent the Noteholders in all measures, actions and declarations necessary or expedient for the implementation of the Alternative Restructuring Plan. This includes in particular the negotiation and conclusion of security agreements in relation to the New Super Senior Notes and the New OpCo Notes with binding effect on all Noteholders, whether to their benefit or detriment.

The Noteholders' Representative is entitled to consent to amendments to the terms and conditions of the Alternative Restructuring Plan as described in the AHC Proposal Term Sheet and to consent to a plan for the restructuring of the 2023 Notes which deviates from the above-mentioned key structural elements, each of the above especially where this serves to expedite the restructuring process or is preferable for legal reasons and the Noteholders, in the Noteholders' Representative's assessment, will be put in a better, unchanged or not substantially worse financial position as a result of the deviations. The Noteholders' Representative is also instructed and authorized to consent to the amendments of the Terms and Conditions of the Notes resulting from the implementation of the Alternative Restructuring Plan.

The Noteholders' Representative is authorized in particular to represent the Noteholders in all measures, actions and declarations and to make and receive declarations necessary or expedient for the implementation of the resolutions of the Noteholders' Meeting.

The Noteholders' Representative is authorized to (i) decide at its own discretion on the prolongation of interest payments due or falling due and to (ii) waive any termination rights of the Noteholders which have already arisen or might arise in the future.

From the moment the resolution on the above-mentioned authorizations is passed, the Noteholders' Representative alone is entitled to assert the Noteholders' rights in relation to the negotiation and implementation of the Alternative Restructuring Plan.

In cases of doubt, all of the above authorizations of the Noteholders' Representative shall be construed broadly.

**3. Resolution on the conversion of the 2023 Notes into acquisition rights; exercise of the acquisition rights**

The Issuer proposes to the Noteholders, subject to the occurrence of the Closing Conditions for the Alternative Restructuring Plan listed in 3.1 below, to exchange the 2023 Notes for acquisition rights, i.e., rights to acquire (i) new shares in the Issuer and (ii) new secured notes to be issued by Corestate Capital Group GmbH ("**New OpCo**"; "**New OpCo Notes**") on the terms and conditions stipulated in the AHC Proposal Term Sheet as set out below.

The Noteholders transfer all 2023 Notes held by them together with any claims and rights pertaining thereto (in particular accrued interest, if any, and unpaid future interest) to a credit institution chosen by the Noteholders' Representative to act as a settlement bank or, in the alternative, another credit institution to be chosen and engaged by the Issuer (the "**Settlement Bank**"). In return, the Noteholders are granted the right to acquire new shares, initially to be subscribed for by the Settlement Bank, which will be issued by the Issuer following the increase of the authorized share capital approved by the general meeting.

In addition, the Noteholders are granted rights to acquire the New OpCo Notes, which New OpCo will issue to the Settlement Bank for this purpose.

The Settlement Bank contributes the claims under the 2023 Notes transferred to it into the share capital of the Issuer. In this connection, the Settlement Bank acts in its own name and not as an agent or authorized representative of the Issuer.

**3.1. Effectiveness of the resolutions; Closing Conditions for the Alternative Restructuring Plan**

Each measure of the proposed resolutions of 3.2 and 3.3 below is to be implemented pursuant to § 21 German Act on Issues of Debt Securities (*SchVG*) only once the Issuer has notified the Settlement Bank or the Noteholders' Representative that all the conditions described in the AHC Proposal Term Sheet, pages 7 (*Key conditions precedent for the completion of the Restructuring and the implementation of the Proposed Transaction*) and 20 (*Customary CPs*) and the conditions for the closing of the restructuring described further below are satisfied, provided that their occurrence does not depend solely on one or several Noteholders or their advisers and provided that they do not need to occur only after the restructuring has been implemented ("**Closing Conditions for the Alternative Restructuring Plan**"):

- a) the Noteholders' resolutions under this agenda item B.IV. and the related resolution of the meeting of the holders of the Convertible Bonds



- i. have not been challenged (*angefochten*) – in whole or in part – pursuant to Sec. 20 para. 3 sentences 1 through 3 German Bond Act (*SchVG*);
  - ii. any appeals (*Anfechtungsklagen*) brought against the aforementioned resolutions have been terminated by settlement, withdrawal of the appeal or settlement of the main action absent further need to adjudicate (*Erledigung der Hauptsache*); or
  - iii. the aforementioned resolutions have become implementable by virtue of a final court order pursuant to Sec. 20 para. 3 sentence 4 German Bond Act (*SchVG*) in conjunction with Sec. 246a German Stock Corporation Act (*AktG*);
- b) the Issuer has notified the Noteholders' Representative or the Principal Paying Agent that the general meeting of the Issuer has passed a resolution to increase the authorized share capital and
  - i. such resolution has not been appealed (*angefochten*) within the first month following the resolution;
  - ii. any appeals (*Anfechtungsklagen*) brought against the resolution of the general meeting of the Issuer regarding the increase of the authorized share capital have been terminated by settlement, withdrawal of the appeal, settlement of the main action absent further need to adjudicate (*Erledigung der Hauptsache*) or the rendering of a final court decision;
- c) the Noteholders' Representative has confirmed to the Settlement Bank that (i) the Issuer has provided security for the benefit of the holders of the New OpCo Notes to secure the claims under the New OpCo Notes as set forth in the AHC Proposal Term Sheet, or (ii) the Noteholders' Representative has waived the provision of security for the claims under the New OpCo Notes;
- d) the approvals of the relevant regulatory authorities in relation to the ownership control proceedings in connection with the acquisition of shares in Corestate Bank and the other regulated Corestate Group companies by Noteholders have been obtained;
- e) the anti-trust clearance by the competent anti-trust authority/authorities has been obtained, if required;
- f) the *Commission de Surveillance du Secteur Financier* ("CSSF") has waived a mandatory takeover offer pursuant to the Luxembourg Law of 19 May 2006 as regards both the acquisition of new shares by the

Settlement Bank and the exercise of the share acquisition rights by the Noteholders;

- g) CSSF has approved pursuant to the Prospectus Regulation (i) the prospectus for the new shares and (ii) the prospectus for the New OpCo Notes, if required;
- h) a restructuring opinion in accordance with the jurisprudence of the German Supreme Court and the IDW S6 standard, confirming the absence of grounds for insolvency with respect to the Issuer and the applicability of the restructuring privilege (*Sanierungsprivileg*) has been obtained;
- i) the general meeting of the Issuer has, with legally binding effect, resolved upon the increase of the (authorized) share capital;
- j) the general meeting of the Issuer has, with legally binding effect, resolved upon (i) the new corporate governance as defined in the AHC Proposal Term Sheet, (ii) the anti-dilution protection measures as defined in the AHC Proposal Term Sheet, (iii) the replacement of the Supervisory Board and (iv) the cancellation of amounts under the authorized capital which are not required to implement the post-restructuring capital structure as set out in the AHC Proposal Term Sheet under the headings "New Corporate Governance" and "Anti-Dilution Protection;"
- k) a chief restructuring officer (*CRO*) has been appointed as a member of the Issuer's Management Board;
- l) an opinion by PwC Luxembourg confirming that the 2023 Notes contributed correspond at least to the arithmetical nominal value of the new shares has been obtained;
- m) the following documents have been provided:
  - i. required resolutions by the Issuer: (approving) resolutions by the competent corporate bodies authorizing the Issuer to enter into all relevant transaction documents to implement the Alternative Restructuring Plan (as defined in the AHC Proposal Term Sheet) and (where required) authorizing the acting person(s) in this connection to perform such actions;
  - ii. Constitutional documents of the Issuer:
    - a. a current commercial register excerpt (not older than one week);

- b. a copy of the articles of association in the currently applicable version;
    - c. a copy of the rules of procedure for the Management Board;
  - iii. Directors' Certificate confirming the authority of the Issuer's representatives to sign.
- n) transaction documents to implement the Alternative Restructuring Plan (as set forth in the AHC Proposal Term Sheet) duly signed by the Issuer have been provided;
- o) required legal opinions by (i) the Issuer's Luxembourg legal advisers concerning the legally binding signing of the transaction documents to implement the Alternative Restructuring Plan (as defined in the AHC Proposal Term Sheet) and (ii) the Noteholders' German legal advisors concerning the enforceability of the transaction documents to implement the Alternative Restructuring Plan (as set forth in the AHC Proposal Term Sheet) have been provided;
- p) shareholder loans, if any, have been contributed to the share capital of the Issuer.

### 3.2. Exchange of the 2023 Notes for acquisition rights

Subject to the occurrence of the Closing Conditions for the Alternative Restructuring Plan described in 3.1 above, the Noteholders hereby transfer all 2023 Notes to the Settlement Bank and receive in return (i) the right to acquire the new shares (as defined below) (the "**Share Acquisition Right**") and (ii) the right to acquire the New OpCo Notes (the "**Note Acquisition Right**," together with the Share Acquisition Right "**Acquisition Rights**").

- a) The Share Acquisition Right grants each Noteholder a non-certificated claim against the Settlement Bank to elect with respect to a 2023 Note transferred to the Settlement Bank – in accordance with the relevant conversion ratio (*as defined below*) – either
  - i. to acquire new shares, if the Noteholder exercises the Share Acquisition Right, or
  - ii. to receive the net proceeds (as set forth in the AHC Proposal Term Sheet).
- b) The Note Acquisition Right grants each Noteholder a non-certificated claim against the Settlement Bank to elect with respect to a 2023 Note

transferred to the Settlement Bank – in accordance with the relevant conversion ratio (*as defined below*) – either

- i. to acquire New OpCo Notes, if the Noteholder exercises the Note Acquisition Right, or
- ii. to receive the net proceeds (as set forth in the AHC Proposal Term Sheet).

### **3.3. Exercise of the Acquisition Rights**

Noteholders may exercise the Acquisition Rights by giving notice to the Settlement Bank within a reasonable period as provided for in the relevant acquisition offer (in each case the "**Acquisition Period**"), notifying the Settlement Bank whether they wish to subscribe for new shares (a number of shares per 2023 Note yet to be determined by the Noteholders' Representative, the "**Conversion Ratio New Shares**") or New OpCo Notes (a number of New OpCo Notes per 2023 Note yet to be determined by the Noteholders' Representative, the "**Conversion Ratio New OpCo Notes**") (each the "**Acquisition Offer**").

Noteholders may exercise their Acquisition Rights independently of each other. The relevant Acquisition Period begins at the earliest, and Share Acquisition Rights and Note Acquisition Rights may be exercised only, once a prospectus approved by the CSSF has been published for the new shares and for the New OpCo Notes, respectively.

If and to the extent Noteholders exercise their Acquisition Rights within the relevant Acquisition Period, the Settlement Bank will transfer the relevant new shares or New OpCo Notes to the relevant Noteholder.

If and to the extent a Noteholder does not exercise the Acquisition Rights within the relevant Acquisition Period, the Settlement Bank will sell the new shares or New OpCo Notes subject to such Noteholder's Acquisition Rights. The Settlement Bank, however, is to offer the new shares or New OpCo Notes to the Noteholders first.

The Noteholders who have not exercised their Acquisition Rights are entitled on a pro rata basis to the total proceeds from selling the new shares or New OpCo Notes, less any costs of selling incurred.

In addition, the Noteholders may elect before expiry of three working days prior to the Acquisition Period that the Settlement Bank must sell the new shares or the New OpCo Notes to other Noteholders who offer to acquire them.

**3.4. Single resolution**

All sub-items of this agenda item B.IV. together form a single proposed resolution, as they are connected in their subject matter. The vote on the resolution proposed in agenda item B.IV., therefore, will be a vote on the proposal as a whole, not on any sub-item individually.

**4. Implementation of the resolutions**

The resolutions passed as set forth in agenda item B.IV. herein at item 3 are to be implemented pursuant to Sec. 21 German Act on Issues of Debt Securities (*SchVG*) only if (i) the holders of the Convertible Bonds have also passed resolutions corresponding to agenda item B.IV and such resolutions are implementable (excluding the condition for such resolutions that the present resolutions for the Convertible Bond must be implementable), and (ii) the Issuer has notified the Settlement Bank or the Noteholders' Representative that all the Closing Conditions for the Alternative Restructuring Plan described in 3.1. above have occurred.

**5. Consent of the Issuer**

The Issuer consents to the Noteholders' resolutions as set forth in agenda item B.IV.

## **C. Right to attend, voting right, exercise of voting rights and proof**

### **I. Right to attend and exercise of voting rights**

In order to attend the Noteholders' Meeting and exercise voting rights, Noteholders must register prior to the Meeting. The registration must be received by the third day preceding the Noteholders' Meeting (before expiry of November 25, 2022 (i.e., it must be received by 24:00 hours (CEST)) at the below address:

Corestate Capital Holding S.A  
"2023 Schuldverschreibung"  
c/o Computershare Operations Center  
80249 Munich  
E-mail: [anmeldestelle@computershare.de](mailto:anmeldestelle@computershare.de)

As a part of the registration, Noteholders must prove their eligibility to vote (i) by providing a special confirmation issued by the custodian in writing (text form pursuant to Sec. 126b German Civil Code (*BGB*)) stating the Noteholder's full name and full address and the total principal amount of 2023 Notes credited to such Noteholder's securities account with the custodian on the date the confirmation is issued and (ii) by providing a blocking instruction issued by the custodian stating that the relevant 2023 Notes are not transferable from and including the day such registration has been sent until and including the stated end of the Noteholders' Meeting.

For the purposes of registration for the Noteholders' Meeting, Noteholders may use the forms published on the Issuer's website (<https://corestate-capital.com/en/nhm/> under the section "Shareholders"): Registration for the Noteholders' Meeting and Special confirmation including blocking instruction and attestations. Effective registration is also possible without using the forms.

Any Noteholder who fails to provide such proof of ownership is not entitled to attend and vote at the Noteholders' Meeting. Representatives of such Noteholders may not exercise the voting right either.

### **II. Extent of the voting right**

Noteholders may participate in the voting at the Noteholders' Meeting in accordance with the principal amount or the notional share of their rights in the outstanding 2023 Notes. In addition, Sec. 6 German Act on Issues of Debt Securities (*SchVG*) applies.

## **D. Representatives of Noteholders**

### **I. Representatives of legal entities and partnerships**

If Noteholders are not individuals, but are organized as a legal entity or partnership under German law (e.g., as a joint stock company, limited liability company, limited partnership, general partnership, entrepreneurial company, private partnership) or foreign law (e.g., as a limited company under English law), their representatives must

prove that they are authorized to represent the Noteholder at the Noteholders' Meeting as follows: (i) where possible, by providing a current excerpt (no older than 14 days) from a relevant register (e.g., commercial register, register of associations) or an equivalent certificate (e.g., certificate of incumbency, secretary's certificate) confirming that the representative is authorized to represent the Noteholder; or (ii) by providing a power of attorney in writing (text form pursuant to Sec. 126b German Civil Code (*BGB*)); in such case, proof that the issuer of the power of attorney is authorized to represent the Noteholder must be provided as described in (i) above by providing register excerpts or other equivalent certificates.

In addition, attendees of the Noteholders' Meeting must provide suitable proof of identity (e.g., by showing a valid identity card or other official identity document with a photograph) at the door. This applies also to representatives of the Noteholder – in addition to the proof of power of representation as set forth above.

## **II. Legal representatives or administrators**

If Noteholders are represented by a legal representative (e.g., a child by its parents, a ward by its legal guardian) or by an administrator (e.g., an insolvent's estate by the insolvency administrator appointed for it), legal representatives or administrators must provide suitable proof of their legal power of representation (e.g., by a copy of the vital records or the certificate of appointment) at the latest at the door, in addition to the special confirmation of the Noteholder's ownership in the 2023 Notes including the blocking instruction issued by the custodian (pursuant to C.I. above).

## **III. Authorization granted to a third party**

Noteholders may authorize any third party to represent them at the Noteholders' Meeting. The authorization and the instructions to the representative must be issued in writing (text form pursuant to Sec. 126b German Civil Code (*BGB*)).

For the purposes of authorizing a third party, Noteholders may use the form ("Authorization granted to third parties") published on the Issuer's website (<https://corestate-capital.com/en/nhm/> under the section "Shareholders"). We kindly ask the Noteholders to use this form.

## **IV. Proxy**

Noteholders who will not attend the Noteholders' Meeting in person and do not want to authorize a third party may – when registering or after having submitted the registration – authorize, and issue instructions to, the proxy appointed by the Issuer, Dr. Kai Gregor Klinger, of Corestate Capital Group GmbH, a subsidiary of the Issuer, with business address at Friedrich-Ebert-Anlage 35-37, 60327 Frankfurt am Main.

For the purposes of authorizing a proxy, Noteholders may use the form "Authorization granted to the proxy" published on the Issuer's website (<https://corestate-capital.com/en/nhm/> under the section "Shareholders"). We kindly ask the Noteholders to use this form.

For this purpose, please send the filled-in and signed form of this authorization together with the special confirmation of the Noteholder's ownership in the 2023 Notes including

the blocking instruction issued by the custodian pursuant to C.I. above to the below address

Corestate Capital Holding S.A.  
"2023 Schuldverschreibung"  
c/o Computershare Operations Center  
80249 Munich  
E-mail: [anmeldestelle@computershare.de](mailto:anmeldestelle@computershare.de)

Please submit the authorization with instructions to the proxy to Computershare before expiry of November 25, 2022 (receipt), which is also the last day on which Noteholders can register and submit, amongst other things, proof of the relevant Noteholder's ownership in the 2023 Note.

**E. Additions to the agenda and counterproposals, changes to the proposed resolutions by the Issuer**

**I. Additions to the agenda**

Noteholders holding 2023 Notes representing at least 5% of the outstanding 2023 Notes may request that additional items be put on the agenda for a resolution. Such request must be received by the Issuer at the address

Corestate Capital Holding S.A.  
4, rue Jean Monnet,  
2180 Luxembourg,  
Grand Duchy of Luxembourg

Any new agenda items must be published in the German Federal Gazette and on the Issuer's website (<https://corestate-capital.com/en/nhm/> under the section "Shareholders") by the third day preceding the Noteholders' Meeting. Since any announcements to be published must be submitted to the German Federal Gazette no later than two publication days before the publication, we kindly ask the Noteholders to inform the Issuer of any new agenda items by November 22, 2022 (24:00 CET). In this connection, the Issuer cannot influence the processing periods of the German Federal Gazette. We recommend, therefore, that Noteholders submit new agenda items, and lengthy items in particular, prior to the date indicated. No later than three days before the Noteholders' Meeting, the Issuer will publish the extended agenda in the German Federal Gazette and make it available on the Issuer's website (<https://corestate-capital.com/en/nhm/> under the section "Shareholders").

**II. Counterproposals**

Any Noteholder may announce counterproposals to the proposed resolutions on the agenda. If a Noteholder announces a counterproposal before the day of the Noteholders' Meeting, the Issuer will promptly make such counterproposal available on the Issuer's



website (<https://corestate-capital.com/en/nhm/> under the section "Shareholders") until the day of the Noteholders' Meeting.

Any counterproposals must be submitted exclusively to the Issuer at the address

Corestate Capital Holding S.A.  
4, rue Jean Monnet,  
2180 Luxembourg,  
Grand Duchy of Luxembourg.

### **III. Changes to the proposed resolutions by the Issuer**

For the avoidance of doubt, the Issuer points out that the proposed resolutions set forth in B.III and IV. above are merely proposals, which may be withdrawn or changed prior to the vote.

### **IV. Proof of ownership**

Proof of ownership in the 2023 Notes by providing a special confirmation issued by the custodian is also required for announcing a counterproposal and/or making a request for an addition to the agenda (see C.I. above); a blocking instruction is not required for this purpose. Noteholders making a request for adding a new item to the agenda must also provide proof that they hold together 5% of the outstanding 2023 Notes.

### **F. Additional information**

- I.** The Noteholders' Meeting will be held in German.
  
- II.** From the date of publication of this Invitation until the end of the Noteholders' Meeting, the following documents will be available on the Issuer's website (<https://corestate-capital.com/en/nhm/> under the section "Shareholders")
  - This Convening Notice to the Noteholders' Meeting
  - The following forms:
    - "Registration for the Noteholders' Meeting"
    - "Special confirmation including blocking instruction and attestations"
    - "Authorization granted to third parties"
    - "Authorization granted to the proxy"
  - The Share Capital Increase Term Sheet
  - The Mandatory Convertible Notes Term Sheet
  - The AHC Proposal Term Sheet
  - The Terms and Conditions of the Notes as currently applicable,
  - The Terms and Conditions of the Notes as amended in accordance with the Share Capital Increase Term Sheet.

Any Noteholder will be sent copies of the above-mentioned documents promptly and free of charge upon request. Such request is to be submitted to the service provider appointed by the Issuer:

Corestate Capital Holding S.A.  
"2023 Schuldverschreibung"  
c/o Computershare Operations Center  
80249 Munich  
E-mail: [anmeldestelle@computershare.de](mailto:anmeldestelle@computershare.de)

- III.** All documents to be submitted in relation to the Noteholders' Meeting must be either in German or in English.

**Luxembourg, November 10, 2022**

**Corestate Capital Holding S.A.**  
***The Management Board***