

ADLER Group S.A.

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Agreement with bondholder group on amendments to and refinancing of certain existing financial indebtedness including the provision of additional liquidity, the partial subordination of existing notes and issuance of *parts bénéficiaires*

Luxembourg, 24 May 2024 – Adler Group S.A. ("**Adler Group**") and certain of its subsidiaries, including AGPS BondCo plc ("**AGPS BondCo**", and together with Adler Group, the "**Group**"), today entered into a lock up agreement with a steering committee of bondholders ("**Steerco**") to, among other things, provide additional liquidity, refinance and extend existing financial indebtedness, partially subordinate notes issued by AGPS BondCo and issue *parts bénéficiaires* representing 75% of the pro forma voting rights in Adler Group (collectively, the "**Transaction**"). The bondholders hold around 60.5% of the notes outstanding and issued by AGPS BondCo.

The Transaction consists of the following elements:

The existing EUR 937.5 million secured loan facility originally due in June 2025 ("**1L New Money Facility**") provided by a special purpose vehicle set-up at the initiative of the bondholders ("**Facility SPV**") shall be increased by up to EUR 100 million and extended to December 2028 (subject to a EUR 400 million paydown by December 2027). The 1L New Money Facility will accrue payment-in-kind amounts ("**PIK**") at a rate of 12.5% going forward and includes a potential tap to refinance the EUR 300 million notes issued by Adler Group's subsidiary ADLER Real Estate GmbH due April 2026.

The EUR 400 million secured notes due July 2025 issued by AGPS BondCo and guaranteed by Adler Group ("**1.5L AGPS Notes**") and the EUR 191 million secured notes due July 2025 issued by

Adler Group (“**1.5L Adler Group Notes**” and together with the 1.5L AGPS Notes, the “**1.5L Notes**”) shall be refinanced by secured 1.5L new money facilities to be provided by the Facility SPV (“**1.5L New Money Facilities**”). The 1.5L New Money Facilities shall consist of two facilities, each due December 2029, one accruing 4.25% PIK until July 2025 and 14% PIK thereafter and the other 14% PIK from issuance.

In addition, AGPS BondCo shall be replaced as issuer of the (i) EUR 400 million 2L notes due in 2025, (ii) EUR 400 million 2L notes due in 2026, (iii) EUR 700 million 2L notes due in 2026, (iv) EUR 500 million 2L notes due in 2027, and (v) EUR 800 million 2L notes due in 2029 (collectively, the “**2L Notes**”) by a newly incorporated special purpose vehicle set-up at the initiative of the bondholders (“**Notes SPV**”). At the same time, the principal amount of the 2L Notes is to be increased by accrued interest and PIK related thereto and the terms and conditions of the 2L Notes shall be amended to consolidate the 2L Notes into a single series of pass-through notes issued by the Notes SPV (“**SPV Notes**”) (such transactions, the “**Notes Replacement**”). For the avoidance of doubt, all the 2L Notes will be treated on a pro rata and pari passu basis regardless of their respective maturities.

As sole economic underlying of the SPV Notes, and as consideration for the Notes Replacement, AGPS BondCo shall issue and deliver to the Notes SPV two series of new notes in the aggregate principal amount of the SPV Notes, consisting of (i) EUR 700 million 6.25% PIK secured 2L notes due January 2030 (“**New 2L Reinstated Notes**”) and (ii) 6.25% PIK secured 3L subordinated perpetual notes in the remaining amount (“**Perpetual Notes**”) with terms consistent with equity classification requirements under IFRS. The New 2L Reinstated Notes and the Perpetual Notes will be guaranteed by, among others, Adler Group.

In order to implement the Notes Replacement, AGPS BondCo will shortly launch a German consent solicitation (*Gläubigerabstimmung*) under the German Bond Act (*Schuldverschreibungsgesetz*) in relation to each existing series of 2L Notes (“**Consent Solicitation**”). Simultaneously, AGPS BondCo will launch a UK restructuring plan in case that the requisite consents to implement the transaction are not received via the Consent Solicitation.

As part of the agreement with the bondholders, the initial holders of the SPV Notes shall be entitled to receive voting securities under Luxembourg law (*parts bénéficiaires*) representing in total 75% of Adler Group’s voting rights (“**Voting Securities**”). The Voting Securities will have no dividend distribution rights, will be freely transferable and will not be linked to any other instrument. The existing ordinary shares of Adler Group will represent the remaining 25% of Adler Group’s voting rights (and 100% of the dividend distribution rights). Adler Group has undertaken to amend the articles of association (“**AoA**”) in an extraordinary general meeting accordingly and to authorize the board of directors to issue Voting Securities.

In addition, the AoA will be amended to prohibit over-the-counter transfers of ordinary shares to avoid adverse tax consequences for the Group, to convert the current dematerialised shares into

registered shares, to enshrine a dividend policy whereby Adler Group will pay an annual dividend equal to 1/39 of the amounts paid to the bondholders of the Perpetual Notes and to grant the holders of the Voting Rights the right to nominate members for the board of directors for appointment.

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Grand Duchy of Luxembourg, 24 May 2024
Adler Group S.A.
Board of Directors

End of Inside Information

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