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THIS ANNOUNCEMENT IS FOR INFORMATION ONLY AND IS NOT AN OFFER TO BUY OR THE SOLICITATION OF AN OFFER TO SELL SECURITIES IN ANY JURISDICTION IN WHICH SUCH OFFER OR SOLICITATION WOULD BE UNLAWFUL. THE NOTES WHICH ARE THE SUBJECT OF THE OFFER HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED, OR THE SECURITIES LAWS OF THE UNITED STATES OR ANY STATE THEREOF OR THE APPLICABLE LAWS OF ANY OTHER JURISDICTION. NO AUTHORITY HAS PASSED UPON THE ACCURACY OR ADEQUACY OF THE OFFER TO PURCHASE OR ANY RELATED DOCUMENTS, AND IT MAY BE UNLAWFUL AND A CRIMINAL OFFENCE TO MAKE ANY REPRESENTATION TO THE CONTRARY.



DEMIRE Deutsche Mittelstand Real Estate AG

9 September 2024 — DEMIRE Deutsche Mittelstand Real Estate AG (the “**Issuer**”) announces today that is inviting eligible holders of its outstanding EUR 499,000,000 1.875% Notes due 2024 (ISIN: DE000A2YPAK1) (the “**Notes**”) to tender Notes for purchase by the Issuer for cash at prices to be determined pursuant to an Unmodified Dutch Auction Procedure for a Maximum Purchase Price together with Accrued Interest subject to the terms and conditions described in the tender offer memorandum dated 9 September 2024 (the “**Tender Offer Memorandum**”) (the “**Offer**”).

Capitalised terms used in this announcement but not otherwise defined have the meanings given to them in the Tender Offer Memorandum.

The Offer is commencing on 9 September 2024 and will expire at 5:00 p.m. (CET) on 22 October 2024 (such date and time, as may be extended, the “**Expiration Deadline**”), unless extended, withdrawn or terminated at the sole and absolute discretion of the Issuer. Electronic instructions (“**Tender Instructions**”), once submitted, may not be withdrawn except in the limited circumstances outlined in the Tender Offer Memorandum. The settlement date for the Offer is expected to be on or about 25 October 2024, being the third Business Day after the announcement of acceptance and results, (the “**Settlement Date**”), subject to the conditions described in the Tender Offer Memorandum.

Noteholders should be aware that a partial redemption of the Notes at par on a *pro rata* basis by use of a pool factor and in compliance with the requirements and procedures of Clearstream Banking Frankfurt (“**CBF**”) in an aggregate principal amount of at least EUR 49,900,000 plus interest accrued thereon, thereby reducing the principal amount of each outstanding Note to EUR 90,000.00 (the “**Partial Redemption**”) is expected to occur prior to the Settlement Date. Upon consummation of such Partial Redemption, the Tender Price (and the Purchase Consideration) specified or deemed to have been specified in a Tender Instruction will apply to the principal amount of each Note as reduced as result of such Partial Redemption.

The Offer to purchase the outstanding Notes is subject to the terms and conditions contained in the Tender Offer Memorandum. The Issuer reserves the right, in its sole and absolute discretion, not to purchase any Notes.

Details of the Notes

Description of the Notes	ISIN	Aggregate Outstanding Principal Amount ⁽¹⁾	Maximum Purchase Amount ⁽²⁾	Minimum Purchase Price	Maximum Purchase Price	Purchase Consideration
1.875% Senior Notes due 2024	DE000A2YPAK1	EUR 499,000,000, divided into 4,990 Notes in a specified denomination of EUR 100,000.00	EUR 159,621,750	61.00% of the outstanding principal amount of a Note at the Settlement Date ⁽³⁾	76.25% of the outstanding principal amount of a Note at the Settlement Date ⁽³⁾	To be determined pursuant to an Unmodified Dutch Auction Procedure

⁽¹⁾ Aggregate outstanding principal amount as at the date hereof (following a repurchase and cancellation of Notes by the Issuer in an aggregate principal amount of EUR 101,000,000 prior to the date hereof (and not yet considering the Partial Redemption).

Noteholders should be aware that following the consummation of the Partial Redemption, which is expected to occur prior to the Settlement Date, the reduced aggregate outstanding principal amount of the Notes of EUR 449,100,000 will be reflected by use of a pool factor and in compliance with the requirements and procedures of CBF, which will result in a corresponding reduction of the principal amount of each Note to EUR 90,000.00 (however, with a remaining Specified Denomination of the Notes). See also footnote (3) below.

⁽²⁾ The Issuer reserves the right, in its sole and absolute discretion, to increase or decrease the Maximum Purchase Amount.

⁽³⁾ Upon consummation of the Partial Redemption which is expected to occur prior to the Settlement Date, the principal amount of each Note is expected to be EUR 90,000.00 corresponding to a Maximum Purchase Price per Note equal to a Euro amount of EUR 68,625.00 and a Minimum Purchase Price per Note equal to a Euro amount of EUR 54,900.00.

Purpose and Background of the Offer

The Offer is being made in connection with the pending restructuring transaction of the Issuer and its subsidiaries, as part of which the Issuer solicited consents from the Noteholders for certain amendments to the terms and conditions of the Notes as specified in the invitation to vote which was published by the Issuer in the Federal Gazette (*Bundesanzeiger*) on 15 August 2024. Noteholders resolved in favour of such consent solicitation in a vote without a meeting as published by the Issuer in the “*Announcement of Results of Vote Without Meeting*” in the Federal Gazette (*Bundesanzeiger*) on 6 September 2024. It is intended that the Notes purchased by the Issuer pursuant to the Offer will be cancelled.

Source of Funds

The Issuer intends to fund all cash payments pursuant to the Offer with available liquidity, including additional liquidity which is expected to be funded to the Issuer by certain shareholders prior to the Settlement Date in an amount sufficient to enable the Issuer to make full payment of the aggregate Purchase Consideration and the aggregate Accrued Interest to the validly tendering Noteholders on the Settlement Date.

Expected Timetable of Events

The following is an indicative timetable showing the expected timing of the Offer.

Date and Time <i>(all times are CET)</i>	Event
9 September 2024	<i>Commencement of the Offer</i> Offer announced by way of announcements through a Notifying News Service, the Clearing Systems, CBF and on the Tender Offer Website. The Tender Offer Memorandum is available at the Tender Agent. Commencement of the period to accept the Offer.
22 October 2024	<i>Expiration Deadline</i>

5:00 p.m.	Deadline for receipt by the Tender Agent of all valid Tender Instructions.
As soon as practicable after the Expiration Deadline	<p><i>Announcement of Acceptance and Results</i></p> <p>The Issuer will announce:</p> <ul style="list-style-type: none"> (i) whether the Issuer will accept valid tenders of the Notes pursuant to the Offer; (ii) the Final Acceptance Amount; (iii) the aggregate Purchase Consideration; (iv) any Scaling Factor (if applicable); (v) the aggregate principal amount of additional Notes (if any) which the Issuer intends to purchase from the relevant Backstop Providers under, and in accordance with the terms of, the Backstop Letter on or about the Settlement Date; and (vi) the Settlement Date.
On or about 25 October 2024, being the third Business Day after the announcement of acceptance and results	<p><i>Settlement Date</i></p> <p>The expected Settlement Date for the Offer. Subject to the terms and conditions set forth in the Tender Offer Memorandum, payment of the Purchase Consideration and Accrued Interest to the validly tendering Noteholders.</p>

The above times and dates are subject to the right of the Issuer to extend, re-open, amend, and/or terminate the Offer (subject to applicable law and as provided in the Tender Offer Memorandum).

Noteholders are advised to check with their banks, security broker or other Intermediary through which they hold the Notes when such Intermediary would need to receive instructions from a Noteholder in order for that Noteholder to participate in, or (in the limited circumstances in which revocation is permitted) to revoke their instruction to participate in, the Offer before the deadlines specified in the Tender Offer Memorandum. The deadlines set by any such Intermediary and each Clearing System for the submission of Tender Instructions may be earlier than the Expiration Deadline.

General

This announcement is a summary of the Tender Offer Memorandum only. It highlights selected information contained in the Tender Offer Memorandum and does not contain all of the information that Noteholders should consider before making a determination with respect to the Offer. The complete terms and conditions of the Offer are set forth in the Tender Offer Memorandum. Noteholders are urged to read the Tender Offer Memorandum carefully in its entirety.

The Issuer has retained Kroll Issuer Services Limited to act as Tender Agent for the Offer.

Noteholders of Notes held directly in CBF must, in order to be eligible to participate in the Offer, (i) arrange for the Notes which they wish to tender to be deposited with an account in the relevant Clearing System, and (ii) maintain, or where relevant, procure access to an account in either of the Clearing Systems through which such Notes can be traded, and to which both the Purchase Consideration and Accrued Interest may be credited. Noteholders who do not have access to an account in either of the Clearing Systems (either directly or through a Direct Participant or other Intermediary), or who do not deposit the Notes which they wish to tender with a Direct Participant in either Clearing System, will not be able to submit a Tender Instruction to the Tender Agent and will not be eligible to participate in the Offer.

Only Direct Participants may submit Tender Instructions. Each Noteholder that is not a Direct Participant must arrange for the Direct Participant through which such Noteholder holds its Notes to submit a valid Tender Instruction on its behalf to the relevant Clearing System before the deadlines specified by the relevant Clearing System.

Requests for documentation or information in relation to the procedures for tendering Notes in the Offer and the submission of Tender Instructions should be directed to the Tender Agent.

Kroll Issuer Services Limited
The Shard
32 London Bridge Street
London SE1 9SG
United Kingdom
Email: demire@is.kroll.com
Tender Offer Website: <https://deals.is.kroll.com/demire>

For information by telephone:
+44 20 7704 0880
Attention: Arlind Bytyqi / Jacek Kusion

None of the Issuer, the Tender Agent or any of their respective affiliates makes any recommendation as to whether or not any Noteholder should tender its Notes pursuant to the Offer. This announcement is not an offer to buy or the solicitation of an offer to sell any Notes. The Offer is being made solely by means of the Tender Offer Memorandum.

OFFER AND DISTRIBUTION RESTRICTIONS

THIS ANNOUNCEMENT AND THE TENDER OFFER MEMORANDUM DOES NOT CONSTITUTE AN INVITATION TO PARTICIPATE IN THE OFFER IN ANY JURISDICTION IN WHICH, OR TO ANY PERSON TO OR FROM WHOM, IT IS UNLAWFUL TO MAKE SUCH INVITATION OR FOR THERE TO BE SUCH PARTICIPATION UNDER APPLICABLE SECURITIES LAWS. THE DISTRIBUTION OF THIS ANNOUNCEMENT AND THE TENDER OFFER MEMORANDUM IN CERTAIN JURISDICTIONS MAY BE RESTRICTED BY LAW. PERSONS INTO WHOSE POSSESSION THIS ANNOUNCEMENT AND THE TENDER OFFER MEMORANDUM COMES ARE REQUIRED BY THE ISSUER AND THE TENDER AGENT TO INFORM THEMSELVES ABOUT AND TO OBSERVE ANY SUCH RESTRICTIONS.

United Kingdom

The communication of the Tender Offer Memorandum, this announcement and any other documents or materials relating to the Offer is not being made, and such documents and/or materials have not been approved, by an authorised person for the purposes of section 21 of the FSMA. Accordingly, such documents and/or materials are not being distributed to, and must not be passed on to, the general public in the United Kingdom. The communication of such documents and/or materials as a financial promotion is only being made to (i) those persons in the United Kingdom falling within the definition of “investment professionals” (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “**Financial Promotion Order**”)), (ii) persons who fall within Articles 43(2) of the Financial Promotion Order, which includes a member or a creditor of the Issuer, (iii) persons who fall within Article 49(a) to (d) of the Financial Promotion Order (“high net worth companies, unincorporated associations etc.”), or (iv) any other persons to whom it may otherwise lawfully be made under the Financial Promotion Order.

European Economic Area (EEA)

In any European Economic Area (“**EEA**”) Member State (the “**Relevant State**”), the Offer is only addressed to and are only directed at qualified investors in that Relevant State within the meaning of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017, as amended (the “**Prospectus Regulation**”).

Each person in a Relevant State who receives any communication in respect of the Offer contemplated in the Tender Offer Memorandum will be deemed to have represented, warranted and agreed to with the Issuer that it is a qualified investor within the meaning of Article 2(e) of the Prospectus Regulation.

France

The Offer is not being made, directly or indirectly, in France other than to qualified investors (*investisseurs qualifiés*) within the meaning of Article 2(e) of the Prospectus Regulation and as defined in Article L.411-2 1° of the French *Code monétaire et financier*. Neither the Tender Offer Memorandum, this announcement nor any other documents or materials relating to the Offer have been or shall be distributed in France other than to qualified investors (*investisseurs qualifiés*), and only qualified investors (*investisseurs qualifiés*) are eligible to participate in the Offer. The Tender Offer Memorandum, this announcement and any other document or material relating to the Offers have not been and will not be submitted for clearance to, nor be filed with or approved by, the *Autorité des marchés financiers*.

Italy

None of the Offer, the Tender Offer Memorandum, this announcement or any other documents or materials relating to the Offer has been or will be submitted to the clearance procedure of the *Commissione Nazionale per le Società e la Borsa* (“**CONSOB**”).

The Offer is being carried out in Italy as an exempted offer pursuant to article 101-bis, paragraph 3-bis of the Legislative Decree No. 58 of 24 February 1998, as amended (the “**Financial Services Act**”), and article 35-bis, paragraph 4 of CONSOB Regulation No. 11971 of 14 May 1999, as amended.

Noteholders can tender some or all of their Notes pursuant to the Offer through authorised persons (such as investment firms, banks or financial intermediaries permitted to conduct such activities in Italy in accordance

with the Financial Services Act, CONSOB Regulation No. 20307 of 15 February 2018, as amended from time to time, and Legislative Decree No. 385 of 1 September 1993, as amended) and in compliance with applicable laws and regulations or with requirements imposed by CONSOB or any other Italian authority.

Each intermediary must comply with the applicable laws and regulations concerning information duties *vis-à-vis* its clients in connection with the Notes or the Offer.

General

Neither this announcement, the Tender Offer Memorandum nor the electronic transmission thereof constitutes an offer to buy or the solicitation of an offer to sell Notes (and tenders of Notes for purchase pursuant to the Offer will not be accepted from Noteholders) in any circumstances in which such offer or solicitation is unlawful.

Each Noteholder participating in the Offer will also give certain representations, acknowledgements, warranties and undertakings and make certain agreements in respect of the other jurisdictions referred to above and generally as set out in the Tender Offer Memorandum. Any tender of Notes for purchase pursuant to the Offer from a Noteholder that is unable to make these representations will not be accepted. Each of the Issuer and the Tender Agent reserves the right, in its sole and absolute discretion, to investigate, in relation to any tender of Notes for purchase pursuant to the Offer, whether any such representation given by a Noteholder is correct and, if such investigation is undertaken and as a result the Issuer determines (for any reason) that such representation is not correct, such tender may be rejected.