



German Property Group GmbH | In den Kolkwiesen 68 | 30851 Langenhagen

17th July 2020

Dear Investors,

We have been working with all GPG representatives groups from all areas around the world over the last few months, we wanted to update you with our latest position.

We have agreed with Kirkland & Ellis a worldwide respected Law firm to develop the restructuring concept and to prepare the plan for it.

We have agreed for them to look to ensure all SPVs are to be taken over without triggering land transfer tax. Two new companies are to be founded, one of which will be the liable partner in the SPVs and the other the limited partner. In addition, a trust company will be established to hold the securities independently which further protects the investment.

SPV

- A special purpose vehicle, is a subsidiary created by a parent company to isolate its financial risks

Kirkland & Ellis are going to prepare the proposal and distribution of the shares to each investor, this is to ensure each Investor is treated fairly under TCF rules.

All projects will be evaluated under the aspect of whether a higher profit can be achieved through development. They identified that there are some of the projects where a quick sale is more suitable, this will then provide the new companies with initial monies to develop the projects where it is more profitable for returns.



We can announce that the first offers have been made to GPG and are currently being negotiated with the lenders, including proof of capital.

Discussion points are:

- Credibility of the potential buyer
- Financial status
- Final time frame
- Cash flow
- Stand still agreement

We will along with the groups keep you updated within the next 21 days with the full proposal.

Client Relations GPG