

Press Release

Insolvency proceedings Green City AG

Preliminary insolvency administrator of Green City AG has started work

- **Restructuring expert Axel Bierbach appointed as provisional insolvency administrator**
- **Business operations to be continued without restriction**
- **Good chances of investor solution and turnaround of the company/
Redevelopment options for the power plant parks are being examined**
- **Wages and salaries of around 120 employees secured via insolvency benefits**
- **Hotline for investors has been set up**

Munich, January 31, 2022 - On January 26, 2022, the Munich Local Court ordered the provisional insolvency administration of the assets of Green City AG and appointed the lawyer and restructuring expert Axel W. Bierbach from the law firm Müller-Heydenreich Bierbach & Kollegen (Munich) as provisional insolvency administrator. Munich-based Green City AG, an integrated provider for the development, construction, financing and operation of renewable energy plants, had filed for insolvency due to impending insolvency and over-indebtedness. GCE Kraftwerkspark I GmbH, a subsidiary of Green City AG, had also filed for insolvency on January 21, 2022. Attorney Bierbach has been active here as an insolvency expert to date.

The provisional insolvency administrator Bierbach, together with a team of experts, has begun to examine the economic situation of Green City AG and all companies belonging to the group in Germany and abroad, as well as to initiate talks with all key stakeholders. The operational business of the AG, the project planning and implementation of projects in the areas of photovoltaics, wind energy and hydropower is to be maintained in full and all ongoing projects are to be continued. The commercial and technical management of the plants already in operation with a total capacity of around 150 megawatts (MW) is also fully secured. "We will now examine all restructuring options for Green City AG. Our goal is to find a continuation solution for the company and to enable the best possible satisfaction of creditors," said restructuring expert Bierbach.

These include in particular thousands of small investors, suppliers and institutional investors.

Bierbach sees good chances of success for the continuation and restructuring of the company: "Green City AG operates attractive projects, has a very good reputation and has an extremely committed and competent workforce," Bierbach continues. The provisional insolvency administrator will now take up the investor talks initiated by the company last year and set up a structured investor process. First, however, he primarily wants to stabilize the existing business. "Economically, it is indispensable that the project business continues and that the projects that have been started can be completed," Bierbach said. Currently, Green City AG is building four projects in Germany with a total capacity of just under 40 MW. By March, the company expects construction to be ready for four more wind and solar power plants with a total capacity of around 26 MW.

"Our team is doing everything in its power to support the preliminary insolvency administrator in order to offer the company a perspective. We have the opportunity to bring numerous wind and solar parks online and to leverage significant earnings potential in the future market of renewable energies," said Jens Mühlhaus, CEO of Green City AG. The provisional insolvency administrator informed the approximately 120 employees of Green City AG last week about the situation and the further procedure. Their wages and salaries are to be secured via advance financing of the insolvency money from the Federal Employment Agency up to and including March 2022. "Filing for insolvency was a hard but necessary step for us and our partners. Now we are focusing on viable solutions to put the company on a new financial footing and secure creditor claims in the best possible way," added CFO Heike von der Heyden.

"The review of the need for remediation and the remediation options for the power plant parks, which are mainly financed by bonds, is already in full swing. Due to the considerable complexity, this is expected to take weeks, if not months," emphasized Axel Bierbach. For the investors of Green City AG and the power plant parks, a team of Green City AG employees is available via a specially established hotline (phone: 089/890 668-500), which will be happy to answer questions by phone.

About Müller-Heydenreich Bierbach & Kollegen

The law firm Müller-Heydenreich Bierbach & Kollegen (www.mhbk.de) has been a partnership of lawyers specializing in reorganization and insolvency administration for many years, with offices throughout Bavaria. A total of six administrators handle insolvency proceedings at numerous district courts in Bavaria and Thuringia. The firm's particular strengths include transferring reorganizations, insolvency plan proceedings, self-administration as well as group and group insolvencies. In the energy sector, the firm has handled the insolvencies of Donauer Solartechnik Vertriebs GmbH and Gehrlicher Solar AG, among others.

Attorney and insolvency administrator Axel W. Bierbach specializes in business continuations and reorganizations in a broad range of industries. He has already handled a large number of insolvencies. Bierbach has extensive experience in the energy sector. Most recently, he handled the insolvencies of the low-cost electricity provider BEV Bayerische Energieversorgungsgesellschaft mbH and Fulminant Energie GmbH. Bierbach is a board member of the Association of Insolvency Administrators and Administrators in Germany (Verband Insolvenzverwalter und Sachwalter Deutschlands e.V.). (www.vid.de) as well as a member of the Gravenbrucher Kreis, the association of Germany's leading, nationally active insolvency administrators and restructuring experts who act in accordance with the exclusive InsO Excellence standard (www.gravenbrucher-kreis.de). Bierbach is recommended as a top lawyer in the current industry rankings by JUVE, The Legal 500, Best Lawyers and WirtschaftsWoche.

About Green City AG

Green City AG stands for the acceleration of the energy turnaround, because the conversion of our energy production to 100 percent renewable energies is the decisive climate protection measure. Green City AG makes a significant contribution to a resource-independent and climate-friendly energy supply through wind and solar power plants. The Green City Group is an integrated provider for the development, construction, financing and operation of renewable energy plants in Europe. For its high sustainability standards and its commitment to the energy and transport turnaround, Green City AG has received numerous awards such as the Corporate Design Award 2019, the Mobility Award of the Munich Metropolitan Region 2018, the European Solar Award 2017, the Best Community Award 2016 and the Energy GlobeAward 2013, among others.

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