

Understanding the Redemption Gate

An Information Guide for Investors and Financial Advisors

02/12/2025



Why am I Receiving this Document?

In response to a sustained period of higher-than-usual Redemption Requests, Greenman OPEN (the “Fund”) has, in accordance with section 12.2 of the Fund’s Prospectus, implemented a Redemption Gate and entered a defined Redemption Suspension Period. This is a measured, proactive step taken under the Fund’s rules to protect the value of the investment for all shareholders. This document addresses key questions about what this means for you as an investor.

The Gating of the Fund

1. What is a Redemption Gate and a Redemption Suspension Period?

A Redemption Gate is a liquidity-management tool that allows the Fund to limit the amount of redemptions processed during a specific period when total aggregate Redemption Requests exceed a predefined threshold (e.g., 10% of NAV).

This is not a cessation of fund operations. Its primary purpose is to allow the AIFM, time to meet Redemption Requests in an orderly manner, avoiding the need for an overly quick sale of properties which could be detrimental to the value of the Fund for all investors.

2. What Happens when a Gate is Activated?

When a Redemption Gate is activated, only a portion of Redemption Requests will be processed. The remaining requests become Gated Redemptions and are postponed. A Redemption Suspension Period begins and investors are formally notified.

3. What is a Redemption Suspension Period?

A Redemption Suspension Period is a temporary pause on processing redemptions after the Redemption Gate has been triggered. During this period, the Fund does not pay out Redemption Requests, allowing time to rebuild liquidity and protect remaining investors.

4. Why is the Fund being Gated?

Redemption Requests in recent quarters, culminating in Q3 2025 requests of c. €37.2m, have reached a level that cannot be met by the Fund’s routine cash flow and liquidity reserves. To treat all investors fairly, both those wishing to redeem and those remaining in the Fund, the General Partner has activated this measure to facilitate an orderly asset sale process that aims to achieve fair market value.

5. How Long will the Redemptions be Suspended for?

The Redemption Suspension will remain in place for a minimum of 12 months as per the Prospectus. The conditions for its lifting include fulfilling the queued Redemption Requests, replenishing the liquidity reserve, and General Partner, acting on advice of the AIFM being satisfied that lifting the gate and suspension will not negatively impact the Fund.

The Redemption Process

6. When will Redemption Payments be made?

Redemption Requests that have been submitted before 26/09/2025 are now referred to as the Gated Redemptions. These Gated Redemptions will be paid in chronological order of receipt during the suspension period.

Redemption Requests submitted after 26/09/2025 fall into the Redemption Suspension Period and will be acknowledged but not formally accepted until the end of the period. These Redemption Requests are now referred to as the Suspended Redemptions. These will be paid under the normal redemption timeline once they have been accepted.

7. What is the Penalty and how does it apply?

The Forced Liquidity Penalty is designed to ensure that the costs associated with meeting exceptional redemption levels are borne fairly. If property sales conducted to meet these redemptions result in losses (e.g., from transaction costs or selling in a depressed market), those specific financial impacts will be allocated to the Redemption Requests that necessitated the sales. This protects the Net Asset Value (“NAV”) for long-term investors who remain in the Fund.

8. How much will the Penalty be?

It is difficult to estimate what the Penalty will be, but it will be calculated according to the costs (including taxes, legal fees, early debt repayment penalties, etc.) of the disposal of the properties and the losses (if any) on the disposal of the properties and as such we won’t know the full amount until the properties have been sold.

The Sale of Properties

9. Are you Selling Properties?

Yes, the AIFM has appointed a leading German real estate brokerage to market a portfolio of 14 properties with a combined value of c. €220m. The aim of this sale is to generate the necessary liquidity to meet the Gated Redemptions and replenish the fund's liquidity reserve. The Redemption Gate and Redemption Suspension Period will allow the AIFM to complete the sale in a controlled and efficient manner that aims to achieve fair market value for the portfolio.

10. When will the Properties be Sold?

Our current best estimate is that the initial property sales will be completed on a scheduled basis in the first half of 2026.

11. Will you continue to Sell Properties?

It is very difficult to estimate at the moment as it depends upon the volume of Redemption Requests received in 2026.

Fund Operations

12. How will the Fund operate during this period?

The Fund will continue to operate normally.

The Fund's high-quality tenants, including EDEKA, REWE, Aldi, Kaufland, and Lidl, continue to meet their long-term lease obligations, generating c. €60m of annual rent, ensuring a consistent income stream.

The Fund has a low LTV of c. 41.6% and will continue to meet all its financial commitments, including debt servicing and other operational expenses.

Property maintenance, repairs and improvements will continue as well as large lease negotiation and extension projects which will, when finalised, have positive impacts on the fund's values.

The Fund will also continue to remain open for subscriptions.

Regular updates will be provided directly through the GM OPEN mobile app.

13. What Happens to my Shares during the Redemption Suspension Period?

Your shares remain fully invested in the Fund and continue to receive their normal economic rights, including performance, income, distributions and risks exactly as before. However, your Redemption Request cannot be processed during this period.

If your request was submitted before the gate was activated, it becomes a Gated Redemption; if you submit it during the Suspension Period, it becomes a Suspended Redemption.

During this time, shares linked to Gated Redemptions temporarily lose voting rights, but all other rights, protections and risks remain unchanged. Once the Suspension Period ends, Suspended Redemptions will be processed in accordance with the Prospectus.

14. Can I still make a Redemption Request during the Redemption Suspension Period?

Yes. You can still submit a Redemption Request during the Suspension Period. However, any request you make will be treated as a Suspended Redemption.

Suspended Redemptions are not processed until after the Suspension Period ends, and when they are processed, they are subject to the Forced Liquidity Penalty, which reflects the cost of generating liquidity during a stressed period.

Communications & Notifications

15. How will I Know what is Happening?

We are committed to transparent and regular communication. All updates will be provided directly through the GM OPEN mobile app and the Broker Portal. We will issue a monthly update on the performance of the Fund, progress of property sales and the redemption queue.

16. Has the Regulator been Informed?

Yes. As required by regulation, the AIFM has notified the Central Bank of Ireland and the CSSF in Luxembourg of this decision.

Further Information

For more detailed information, please contact Greenman Investments on **+353 1 647 1121** or by email at **fst@greenman.com**.