

**Non-binding English translation**

Mandatory publication pursuant to  
Section 27 para. 3 in conjunction with Section 14 para. 3 sentence 1 of the German Securities Acquisition  
and  
Takeover Act (*Wertpapiererwerbs- und Übernahmegesetz*, WpÜG)



**Joint Reasoned Statement  
of the Management Board and the Supervisory Board**

of

**alstria office REIT-AG**

Steinstraße 7  
20095 Hamburg, Germany

**pursuant to Section 27 para. 1 WpÜG  
on the Voluntary Public Takeover Offer**

of

**Alexandrite Lake Lux Holdings S.à r.l.**

26A, Boulevard Royal,  
L-2449 Luxembourg, Grand Duchy of Luxembourg

to the shareholders of

**alstria office REIT-AG**

Steinstraße 7  
20095 Hamburg, Germany

dated 13 December 2021

Shares of alstria office REIT-AG: ISIN DE000A0LD2U1  
Tendered Shares of alstria office REIT-AG: ISIN DE000A3MQCD3  
Subsequently Tendered Shares of alstria office REIT-AG: ISIN DE000A3MQCE1

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On 13 December 2021, Alexandrite Lake Lux Holdings S.à r.l., a limited liability company (*société à responsabilité limitée*) under the laws of Luxembourg, having its registered office at 26A, Boulevard Royal, L-2449 Luxembourg, Grand Duchy of Luxembourg and registered with the Luxembourg commercial register (*Registre de Commerce et des Sociétés*) under number B 258.124 (the "**Bidder**"; together with its subsidiaries and affiliates, "**Brookfield**"), according to Section 14 para. 2 and 3 of the German Securities Acquisition and Takeover Act (*Wertpapiererwerbs- und Übernahmegesetz – "WpÜG"*) published an offer document within the meaning of Section 11 WpÜG (the "**Offer Document**") for its voluntary public takeover offer (the "**Takeover Offer**") to the shareholders of alstria office REIT-AG, having its registered office in Hamburg, Germany, ("**alstria**" or the "**Company**"; together with its affiliated companies within the meaning of Sections 15 et seqq. of the German Stock Corporation Act (*Aktiengesetz – "AktG"*) the "**alstria Group**", the shareholders of alstria, the "**alstria Shareholders**", and each individually an "**alstria Shareholder**") to acquire all alstria Shares (ISIN DE000A0LD2U1) not already directly held by the Bidder with a pro rata amount of the share capital of EUR 1.00 (the "**alstria Shares**" and each individually an "**alstria Share**"), including all ancillary rights existing at the time of the settlement of the Takeover Offer, in particular the dividend rights. As consideration within the meaning of Section 27 para. 1 sentence 2 no. 1 WpÜG, the Bidder offers EUR 19.50 in cash per alstria Share tendered for acceptance (the "**Offer Consideration**" or "**Offer Price**"). alstria Shares for which the Takeover Offer was accepted within the Acceptance Period (as defined below under Section V.5.2 of this Statement) are referred to as "**Tendered alstria Shares**" and the alstria Shares that are tendered during the Additional Acceptance Period (as defined below in Section V.5.3 of this Statement) are referred to as "**Subsequently Tendered alstria Shares**".

The Offer Document was submitted by the Bidder to the Management Board of alstria (the "**Management Board**") pursuant to Section 14 para. 4 sentence 1 WpÜG on 13 December 2021 and made available to the Supervisory Board of alstria (the "**Supervisory Board**") and to the employees of alstria on the same day. According to the information in the Offer Document, the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht, "BaFin"*) permitted the publication of the Offer Document on 13 December 2021.

The Offer Document has been published by way of announcement on the internet at <https://www.lake-offer.com>. Moreover, according to the Bidder, copies are available for distribution free of charge at Morgan Stanley Europe SE, New Issue Operations, Große Gallusstraße 18, Floor 9, 60312 Frankfurt am Main, Germany (requests stating the full postal address by fax to +49-69-2166-7676 or e-mail to [newissues\\_germany@morganstanley.com](mailto:newissues_germany@morganstanley.com)) (the "**Central Settlement Agent**"). According to the Bidder, it also has provided a non-binding English translation, which is published on the internet at <https://www.lake-offer.com>. The internet address where the Offer Document has been published and the availability of copies for distribution free of charge was published in the German Federal Gazette (*Bundesanzeiger*) on 13 December 2021.

Each alstria Shareholder is responsible for reaching their own decision on whether, and where applicable, to what extent, they wish to accept the Takeover Offer taking into account the overall situation and based on their individual circumstances (including his/her individual tax situation). The Management Board and the Supervisory Board point out that they are not able (nor are they obligated) to verify whether the alstria Shareholders, by accepting the Takeover Offer, thereby act in accordance with all legal obligations applicable to them. The Management Board and the Supervisory Board, in particular, advise all individuals receiving the Offer Document outside of the Federal Republic of Germany, or who wish to accept the Takeover Offer but are subject to the securities laws of a legal system other than the Federal



Republic of Germany (see also Section 1.2 of the Offer Document and Section I.5 of this Statement), to inform themselves of the applicable laws and to comply with them.

The Management Board and the Supervisory Board have carefully examined the Bidder's Takeover Offer and issue the present joint reasoned statement (*gemeinsame begründete Stellungnahme*) pursuant to Section 27 WpÜG (the "**Statement**"). The Management Board and the Supervisory Board have each unanimously adopted this Statement on 23 December 2021.

## **I. GENERAL INFORMATION ON THIS STATEMENT**

### **1. Legal principles**

Pursuant to Section 27 para. 1 WpÜG, the management board and the supervisory board of a target company are required to issue a reasoned statement regarding a takeover offer and any of its amendments.

Pursuant to Section 27 para. 1 sentence 2 WpÜG, the Management Board and the Supervisory Board of alstria must, in particular, address in their Statement (i) the type and amount of the consideration offered, (ii) the expected consequences of a successful Takeover Offer for alstria, the employees of alstria and their representative bodies, the terms and conditions of employment and the business locations of alstria, (iii) the objectives pursued by the Bidder with the Takeover Offer, and (iv) the intention of the members of the Management Board and the members of the Supervisory Board, to the extent they are holders of alstria Shares, to accept the Takeover Offer.

The Management Board and the Supervisory Board have decided to issue a joint Statement with regard to the Takeover Offer.

alstria Shareholders are advised that this Statement is based on information available to the members of the Management Board and the Supervisory Board in their respective capacities as members of the Management Board and the Supervisory Board of alstria. They reflect their assessments and assumptions at that time, which may change after publication of the Statement. Unless indicated otherwise, any information, opinions, evaluations, expectations and forward-looking statements in this Statement are based on or derived from the Offer Document, the investment agreement concluded by and between the Bidder and alstria on 4 November 2021 regarding the Takeover Offer (the "**Investment Agreement**", as described in Section 8.2 of the Offer Document and in Section IV of this Statement) or other publicly available information. In addition, the members of the Management Board and of the Supervisory Board are not in a position (i) to assess the correctness of the Bidder's opinions and intentions set out in the Offer Document or (ii) to influence the implementation of these intentions of the Bidder.

## 2. Factual basis

Time references in this Statement refer to Frankfurt am Main, Germany, local time unless expressly indicated otherwise. The currency designation "**EUR**" or "**euro**" refers to the currency of the European Union. Where terms such as "at this time", "at this date", "currently", "at present", "now", "presently" or "today" are used, such terms refer to the date of this document, i.e., to 23 December 2021, unless expressly indicated otherwise. References to a "**Banking Day**" are references to a day on which banks in (i) Frankfurt am Main, Germany, (ii) London, United Kingdom, and (iii) Luxembourg, Grand Duchy of Luxembourg, are open for general business.

All information, forecasts, opinions, assessments, forward-looking statements and declarations of intent contained in this Statement are based on the information available to the Management Board and Supervisory Board on the date of publication of this Statement or reflect their assessments or intentions at this time. Forward-looking statements express intentions, opinions or expectations and include known or unknown risks and uncertainties, since such statements relate to events and depend on circumstances that will occur in the future. Words such as "may", "should", "aim", "will", "expect", "intend", "estimate", "anticipate", "believe", "plan", "determine" or similar expressions indicate forward-looking statements. Although the Management Board and the Supervisory Board assume that the expectations contained in such forward-looking statements are based on reasonable and comprehensible assumptions and, to the best of their knowledge, are correct and complete as of the date of this Statement, they cannot guarantee that such statements will prove to be correct. However, the underlying assumptions may change after the date of publication of this Statement due to political, economic or legal events.

The Management Board and the Supervisory Board do not intend to update this Statement and do not assume any obligation to update this Statement, unless such updates are obligatory under German law. An additional Statement will be issued on any amendments to the Takeover Offer.

Unless expressly indicated otherwise, the information contained in this Statement regarding the Bidder, the persons acting jointly with the Bidder and the Takeover Offer is based on the information contained in the Offer Document and other publicly available information. To the extent that this Statement refers to, cites or reproduces the Offer Document, such references, citations or reproductions are mere references by which the Management Board and the Supervisory Board do not adopt the Bidder's Offer Document as their own or assume any liability for the correctness or completeness of the Offer Document. The Management Board and the Supervisory Board note that they are neither in a position to verify all information provided by the Bidder in the Offer Document and the intentions stated therein, nor to guarantee or influence their implementation. Like the Bidder in Section 2.3 of the Offer Document, the Management Board and the Supervisory Board note that the Bidder's intentions and evaluations expressed in the Offer Document may change after the publication of the Offer Document. Further, the Management Board and the Supervisory Board note that the Bidder's intentions and undertakings published in the Offer Document might not be implemented.

The Management Board and the Supervisory Board recommend that all persons who receive the Offer Document outside the Federal Republic of Germany or who wish to accept the Takeover Offer but are subject to the securities laws of a legal system other than the Federal Republic of Germany, make themselves familiar with the relevant legal situation and act in accordance therewith. U.S. Shareholders (as defined in Section I.5 of this Statement) are referred to Section 1.2 of the Offer Document and to Section I.5 of this Statement. The Management Board

and the Supervisory Board recommend that to the extent required, all alstria Shareholders seek individual tax and legal advice.

### **3. Statement of the employees of alstria**

The Offer Document was transmitted to the employees of alstria. alstria currently does not have a works council. The employees of alstria may submit a statement on the Takeover Offer to the Management Board, which the Management Board is required to append to its statement, without prejudice pursuant to its obligation under Section 27 para. 3 sentence 1 WpÜG (Section 27 para. 2 WpÜG). No such statement by the employees was submitted to the Management Board.

### **4. Publication of this Statement and potential amendments to the Takeover Offer**

The Statement as well as any supplements and/or additional statements regarding possible amendments to the Takeover Offer will be published in German pursuant to Section 27 para. 3 sentence 1 and Section 14 para. 3 sentence 1 WpÜG by announcement on the Internet on the website of alstria at <https://alstria.com> (there in the Section "Investors/Takeover Offer"). Copies of this Statement will be made available free of charge at alstria office REIT-AG, Investor Relations, Steinstraße 7, 20095 Hamburg, Germany, (Tel.: +49 (0) 40 226 341 300; email: [info@alstria.de](mailto:info@alstria.de)). The publication as well as the information about the availability for distribution free of charge will be effected by means of announcement in the German Federal Gazette (*Bundesanzeiger*).

This Statement and any supplements and/or additional statements on possible amendments to the Takeover Offer will be published in German and in a non-binding English translation. No responsibility is taken for the correctness and completeness of the English translations. Only the German versions are binding.

### **5. Independent review by alstria Shareholders**

The description of the Bidder's Takeover Offer contained in this Statement does not claim to be complete. Only the provisions of the Offer Document are authoritative for the content and settlement of the Takeover Offer. The assessments and recommendations of the Management Board and the Supervisory Board contained in this Statement are in no way binding on alstria Shareholders. Where this Statement makes reference to the Takeover Offer or the Offer Document or quotes, summarizes or reproduces them, this is done for information only and does not mean that the Management Board and the Supervisory Board assume any liability for the accuracy and completeness of the Takeover Offer and the Offer Document. Each alstria Shareholder is responsible for taking note of the Offer Document, forming an opinion on the Takeover Offer and, if required, taking the measures necessary for them. Regardless of whether alstria Shareholders accept the Takeover Offer, each alstria Shareholder is responsible for complying with the terms and conditions described in the Offer Document.

All in all, each alstria Shareholder must make an independent decision as to whether and, if so, to what extent they will accept the Takeover Offer, taking into account the overall situation, their individual circumstances (including their personal tax situation) and their personal assessment of the future development of the value and share price of the alstria Shares. When making this decision, alstria Shareholders should make use of all sources of information available to them and adequately take their individual situation into account. When making the recommendation to accept the Takeover Offer, the Management Board and the Supervisory Board have not taken into

account the individual circumstances (including the personal tax situation) of alstria Shareholders. The Management Board and the Supervisory Board do not accept any responsibility for the decision of alstria Shareholders.

According to Section 1.1 of the Offer Document, the Takeover Offer relates to all alstria Shares not directly held by the Bidder and will be implemented solely in accordance with the WpÜG and the offer ordinance regarding the German Securities Acquisition and Takeover Act (*Angebotsverordnung zum Wertpapiererwerbs- und Übernahmegesetz*, "**WpÜG Offer Ordinance**"), together with the WpÜG the "**German Takeover Law**") and certain applicable securities law provisions of the United States of America (the "**United States**").

In particular, in Section 1.2 of the Offer Document, the Bidder gives special notice to alstria Shareholders whose place of residence, incorporation, or habitual abode is in the United States (the "**U.S. Shareholders**") or elsewhere outside of the Federal Republic of Germany, the Member States of the European Union and the European Economic Area.

The Takeover Offer relates to shares in a German stock corporation (*Aktiengesellschaft*) in the form of a Real Estate Investment Trust ("**REIT**" or "**REIT Company**") in the meaning of the German REIT-Act (*Gesetz über deutsche Immobilien-Aktiengesellschaften mit börsennotierten Anteilen*, "**G-REIT Act**") and is subject to the statutory provisions of the Federal Republic of Germany on the implementation of such a takeover offer. The Takeover Offer will not be subject to review or registration proceedings of any securities regulator outside the Federal Republic of Germany, and has not been approved or recommended by any such securities regulator.

alstria Shareholders whose place of residence, incorporation, or habitual abode is in the United States should note that the Takeover Offer is made in respect of securities of a company which is a foreign private issuer within the meaning of the United States Securities Exchange Act of 1934, as amended (the "**U.S. Exchange Act**"), and the shares of which are not registered under Section 12 of the U.S. Exchange Act. The Takeover Offer is being made in the United States in reliance on the Tier 2 exemption from certain requirements of the U.S. Exchange Act and is principally governed by disclosure and other regulations and procedures of the Federal Republic of Germany, which are different from those of the United States. To the extent that the Takeover Offer is subject to the securities laws of the United States, such laws only apply to alstria Shareholders whose place of residence, incorporation, or habitual abode is in the United States and no other person has any claims under such laws.

Pursuant to Rule 14e-5(b)(10) under the U.S. Exchange Act, the Bidder may acquire, or make arrangements to acquire, alstria Shares other than in the course of the Takeover Offer on or off the stock exchange during the period in which the Takeover Offer remains open for acceptance, provided that such acquisitions or arrangements comply with the applicable German statutory provisions, in particular the WpÜG. The same applies for other securities that are directly convertible into, exchangeable for or exercisable as option rights for alstria Shares. The Offer Price (cf. in particular Section V.5.1 of this Statement) must be increased in accordance with the WpÜG to match any consideration paid for alstria Shares outside the Takeover Offer if higher than the Offer Price. Information about such acquisitions or arrangements will be published pursuant to Section 23 para. 2 WpÜG in the German Federal Gazette (*Bundesanzeiger*). Such information will also be published in German and in a non-binding English translation on the internet at <https://www.lake-offer.com>.

It may be difficult for alstria Shareholders who have their place of residence, incorporation, or habitual abode outside the Federal Republic of Germany to enforce rights and claims subject to the laws of a country other than their country of residence, incorporation, or habitual abode, in particular since alstria is organized under the laws of the Federal Republic of Germany and registered at a German commercial register (*Handelsregister*) maintained in the Federal Republic of Germany, and some or all of its directors and officers may be residents of a country other than the country of residence, incorporation, or habitual abode of the relevant alstria Shareholder. alstria Shareholders may not be able to sue, in a court in their country of residence, incorporation, or habitual abode, a foreign entity or its directors and officers for violations of the laws of their country of residence, incorporation, or habitual abode. Further, it may be difficult to compel a foreign entity or its affiliates to subject themselves to a judgment of a court in the country of residence, incorporation, or habitual abode of the relevant alstria Shareholder.

The receipt of the Offer Price may constitute a taxable transaction under applicable tax laws, including those of the country of residence, incorporation, or habitual abode of the relevant alstria Shareholder. alstria Shareholders are advised to consult an independent professional advisor without undue delay regarding the tax consequences of the acceptance of the Takeover Offer. Neither the Bidder nor any persons acting jointly with the Bidder within the meaning of Section 2 para. 5 WpÜG nor any of its or their directors, officers or employees assume any responsibility for any tax consequences or liabilities of any person resulting from the acceptance of the Takeover Offer. The Offer Document does not contain any information in respect of overseas taxation.

On the basis of the information available to them, the Management Board and the Supervisory Board consider this approach with regard to U.S. Shareholders comprehensible. The Management Board and the Supervisory Board recommend that all persons who receive the Offer Document outside of the Federal Republic of Germany or wish to accept the Takeover Offer but are subject to the securities laws of a legal system other than the Federal Republic of Germany, seek information about the relevant legal situation and act in accordance therewith.

## **II. GENERAL INFORMATION ON ALSTRIA AND ALSTRIA GROUP**

### **1. Legal principles of alstria**

alstria considers itself, together with its subsidiaries, as one of the leading stock-traded office real estate companies in Germany. alstria is a REIT under German law with registered office (*Sitz*) in Hamburg, Steinstraße 7. alstria is registered in the commercial register of the Local Court (*Amtsgericht*) of Hamburg under HRB 99204.

Section 2 of the Company's articles of association describes the company purpose as follows:

The Company's object is (1) to acquire or hold ownership title in, or in-rem rights of use to (a) domestic immovable assets in the meaning of the G-REIT Act excluding residential rental real estate (*Bestandsmietwohnmobilien*) as defined by the G-REIT Act, (b) foreign immovable assets in the meaning of the G-REIT Act to the extent such assets, in the state where they are situated, may be owned by a REIT-corporation, a REIT-association of individuals or a REIT-estate, or a corporation, association of individuals or estate that is comparable to a REIT, and (c) other assets within the meaning of Section 3 para. 7 G-REIT Act, and to manage such immovable assets by letting or leasing including necessary real estate related auxiliary services, and to dispose of such immovable assets, as well as (2) acquiring, holding, managing and disposing of interests in real estate holding partnerships (*Immobilienpersonengesellschaften*) as defined by the G-REIT Act, (3) acquiring, holding, managing and disposing of interests in REIT-service companies as defined by the G-REIT Act, (4) acquiring, holding, managing and disposing of interests in foreign property companies as defined by the G-REIT Act, (5) acquiring, holding, managing and disposing of interests in corporations which are general partner of a real estate holding partnership as defined by the G-REIT Act and which do not hold any equity interest in such real estate holding partnership.

The Company is entitled to undertake any business transactions and take all steps which appear likely to promote the object of the Company.

The business year of alstria is the calendar year (cf. Section 3 para. 1 of the Company's articles of association).

For further information on alstria and the business development of the alstria Group as well as for details regarding the key figures and their development, please refer to the annual and interim reports published on the internet at <https://alstria.com> (there in the Section "Investors/Reports & Webcast").

### **2. REIT status of alstria**

As a REIT Company, alstria must comply with special legal stipulations of the G-REIT Act.

The corporate name of a REIT must include the indication "REIT-AG" or "REIT Aktiengesellschaft" (Sections 6 and 8 G-REIT Act). A REIT Company must have its registered seat as well as its place of management in Germany (Section 9 G-REIT Act).

Further, the REIT Company's shares must be admitted to an organized market within the meaning of Section 2 para. 11 of the German Securities Trading Act (*Wertpapierhandelsgesetz*, "WpHG")

in a Member State of the European Union or in another state which is party to the agreement on the European Economic Area (Section 10 para. 1 G-REIT Act, "**Listing Requirement**"). The alstria Shares (ISIN DE000A0LD2U1) are admitted to trading on the regulated market (*Regulierter Markt*) of the Frankfurt Stock Exchange, and are simultaneously admitted to the sub-sector of the regulated market with additional post-admission obligations (Prime Standard). alstria Shares are currently included, inter alia, in the MDAX and FTSE EPRA/NAREIT Global Real Estate. For the sake of completeness, it shall also be mentioned here that the alstria Shares are also currently listed in the regulated unofficial market (*Freiverkehr*) in Berlin, Dusseldorf, Hamburg, Hanover, Munich, Stuttgart, Tradegate Exchange, London Stock Exchange and Vienna Stock Exchange.

At least 15% of the REIT Company's shares must be held in free float (*Streubesitz*) (Section 11 para. 1 G-REIT Act, "**Free Float Requirement**"). The free float comprises the shares of shareholders who are entitled to less than 3% of the voting rights in the REIT (Section 11 para. 1 sentence 3 G-REIT Act) as determined pursuant to Sections 34 and 36 WpHG ("**Free Float**"). No shareholder must directly hold 10% or more of the shares or hold shares to an extent that allows direct disposal of 10% or more of the voting rights (Section 11 para. 4 G-REIT Act) ("**Maximum Participation Requirement**").

A REIT Company's assets and income must be composed as follows (Section 12 G-REIT Act): (i) at least 75% of the REIT's assets must comprise of real property, whereas only up to 20% of the assets may relate to the REIT's service entities (Section 12 para. 2 G-REIT Act) and (ii) at least 75% of the REIT's gross income plus the other income from immovable property of a business year must result from leasing or letting, whereas only 20% of the REIT's gross income may result from services provided by the REIT's service entities (Section 12 para. 3 G-REIT Act) (each, (i) or (ii), a "**Composition Requirement**").

A REIT Company must pay as a dividend to shareholders at least 90% of its net profits under German generally accepted accounting principles (GAAP), decreased by any allocation to reserves pursuant to Section 13 para. 3 sentence 1 G-REIT Act as well as any loss carried forward from the previous year, and increased by the release of the reserve under Section 13 para. 3 sentence 2 G-REIT Act (Section 13 para. 1 G-REIT Act, the "**Minimum Distribution Requirement**").

A REIT must not engage in commercial trading with respect to its real property (Section 14 G-REIT Act), i.e. the proceeds a REIT (including its subsidiaries) generates through real property sales, within a five-year period, must not exceed 50% of the value of the REIT's overall average real estate portfolio (in such period).

At the end of the fiscal year, the REIT Company's equity must not fall below 45% of the real property value according to the consolidated financial statement (Section 15 G-REIT Act).

One essential feature of the REIT Company is that it is exempt from German corporate income tax and trade tax (Section 16 para. 1 G-REIT Act) and that the tax exemption ends in case the REIT Company does no longer satisfy certain requirements of the G-REIT Act (Section 18 G-REIT Act). The above-stated tax exemption ends, for example, upon expiry of the third financial year of a REIT Company if the Free Float Requirement or the Maximum Participation Requirement are not complied with throughout three consecutive financial years.

In addition, the competent German tax authorities could assess certain payment obligations in case the REIT Company does not comply with certain statutory requirements, e.g. a Composition Requirement or the Minimum Distribution Requirement (Section 16 para. 3 through para. 6 G-REIT Act). Furthermore, the REIT Company has to compensate its shareholders which hold the shares as Free Float, in case the tax exemption of the REIT Company ends because the Free Float Requirement or the Maximum Participation Requirement are not complied with throughout three consecutive financial years (cf. Section 20 of the Company's articles of association). The above-stated tax exemption for corporate and trade tax does not apply to other taxes. For example, the REIT Company is generally subject to value-added tax, real estate transfer tax and real estate tax.

The taxation of the shareholders of a REIT Company deviates from the taxation of the shareholders of corporations which are subject to tax. For example, German tax resident individual shareholders holding 1% or more in alstria as private assets or German tax resident corporate shareholders are generally fully subject to German (corporate) income tax, solidarity surcharge and, in case of German tax resident corporate shareholders, also trade tax on dividends or capital gains in relation to the shares in a REIT Company.

As a result of a REIT Company's tax exemption as stated above, dividends received from a REIT do, in general, not benefit from the German participation exemption (*Schachtelprivileg*) (Section 8b German Corporate Income Tax Act (*Körperschaftsteuergesetz* – KStG) or the partial income method (*Teileinkünfteverfahren*) (Section 3 no. 40 German Income Tax Act (*Einkommensteuergesetz* – EStG)) (Section 19 para. 3 G-REIT Act). In other words, such dividends shall generally be fully taxable at the shareholder level.

### **3. Members of the Management Board and Supervisory Board of alstria**

The Management Board is comprised of Olivier Elamine (Chief Executive Officer (CEO)) and Alexander Dexne (Chief Financial Officer (CFO)).

The Supervisory Board has the following six members: Dr Johannes Conradi (Chairman), Richard Mully (Vice Chairman), Benoît Hérault, Dr Frank Pörschke, Elisabeth Stheeman and Marianne Voigt.

### **4. Capital structure of alstria**

The share capital of alstria entered in the commercial register of alstria as of 25 October 2021 amounts to EUR 178,032,997.00 and is divided into 178,032,997 no-par value bearer shares with a notional interest in the share capital of EUR 1.00 per share.

In accordance with the publication of the total number of voting rights of alstria according to Section 41 WpHG of 31 May 2021, alstria Shares carry a total number of 178,032,997 voting rights.

#### **4.1. Authorized Capital I 2020**

With its resolution on 29 September 2020, the general meeting authorized the Management Board, subject to the approval of the Supervisory Board, to increase the share capital of the Company on or before 28 September 2025 one or more times by up to a total amount of EUR 35,198,684.00 through the issuance of new, no-par value bearer shares against contributions



in cash and/or in kind (*Genehmigtes Kapital I 2020* – "**Authorized Capital I 2020**", Section 5 para. 3 of the Company's articles of association).

In principle, the shareholders are to be granted subscription rights. The statutory subscription right may also be granted in such manner that the new shares are assumed by one or more financial institutions with an obligation to offer such shares to the shareholders for subscription. The Management Board is authorized, with the approval of the Supervisory Board, to exclude the shareholders' subscription rights for fractional amounts and to the extent necessary in order to grant subscription rights for new shares to creditors of bonds (including participation rights) carrying conversion or option rights or a conversion or option obligation issued by the Company in the scope in which such would be entitled to upon exercising conversion or option rights or fulfilling conversion or option obligations, as the case may be. The Management Board is furthermore authorized, with the approval of the Supervisory Board, to stipulate the further content of the share rights and the terms and conditions for the issuance of shares (Section 5 para. 3 of the Company's articles of association).

The Management Board is authorized, with the approval of the Supervisory Board, to exclude the shareholders' subscription rights with regard to the Authorized Capital I 2020 (Section 5 para. 3 of the Company's articles of association) in the context of capital increases against cash contributions, provided that the issue price of the new shares is not significantly lower than the stock exchange price of the shares already listed in accordance with Section 186 para. 3 sentence 4 AktG, and against contributions in kind. The shares issued with the exclusion of subscription rights pursuant to this authorization may not exceed a total of 5% of the share capital of the Company, neither at the time this authorization takes effect nor at the time this authorization is exercised. To this limit, such shares are to be credited (to the extent that a crediting has not already take place based on the authorization according to Section 5 para. 4a of the Company's articles of association),

- which are acquired on the basis of the authorization granted by the annual general meeting and are disposed of during the term of this authorization with an exclusion of subscription rights pursuant to Section 71 para. 1 number 8 sentence 5 in conjunction with Section 186 para. 3 sentence 4 AktG;
- which are to be issued or were issued during the term of this authorization under bonds (including participation rights) carrying conversion or option rights or a conversion or option obligation if issued with an exclusion of subscription rights;
- which are to be issued or were issued during the term of this authorization by utilizing the "Authorized Capital II 2020" and the "Authorized Capital III 2020" (former Section 5 para. 4(b) and 4(c) of the Company's articles of association).

alstria Shares that are granted to employees of the Company (or companies affiliated with the Company) in the context of an employee participation program shall remain unaffected (Section 5 para. 4 of the Company's articles of association).

Further, the Management Board is authorized, with the approval of the Supervisory Board, to exclude the subscription rights with regard to the Authorized Capital I 2020 (Section 5 para. 3 of the Company's articles of association) in the context of capital increases against cash contributions, provided that the issue price of the new shares is not significantly lower than the stock exchange price of the shares already listed in accordance with Section 186 para. 3 sentence

4 AktG, and against contributions in kind. In the context of a capital increase against contributions in kind, the shares shall be used for the acquisition of real estate or real estate portfolios. In the context of a capital increase against contributions in cash, the cash contributions shall be used to finance real estate, real estate portfolios, or shares in companies owning essentially real estate (share of the real estate and cash in the latest balance sheet is at least 75%) or to repay financial liabilities of the Company or an affiliated company. The corresponding resolutions of the Management Board with approval of the Supervisory Board that record the intention of the Company to acquire or to finance real estate, real estate portfolios or shares in companies owning essentially real estate or the intention to repay liabilities shall be submitted as a proof. The shares issued with the exclusion of subscription rights pursuant to this authorization may not exceed a total of 5% of the share capital of the Company, neither at the time this authorization takes effect nor at the time this authorization is exercised.

To this limit, such shares are to be credited (to the extent that a crediting has not already take place based on the authorization according to Section 5 para. 4 of the Company's articles of association),

- which are acquired on the basis of the authorization granted by the annual general meeting and are disposed of during the term of this authorization with an exclusion of subscription rights pursuant to Section 71 para. 1 number 8 sentence 5 in conjunction with Section 186 para. 3 sentence 4 AktG;
- which are to be issued or were issued during the term of this authorization under bonds (including participation rights) carrying conversion or option rights or a conversion or option obligation if issued with an exclusion of subscription rights;
- which are to be issued or were issued during the term of this authorization by utilizing the "Authorized Capital II 2020" and the "Authorized Capital III 2020" (former Section 5 para. 4(b) and 4(c) of the Company's articles of association).

Shares that are granted to employees of the Company (or companies affiliated with the Company) in the context of an employee participation program shall remain unaffected (Section 5 para. 4a of the Company's articles of association).

Until the date of this Statement, the Authorized Capital I 2020 has not been used.

#### **4.2. Conditional Capital**

The Company's share capital has been conditionally increased to grant convertible profit participation rights to the employees of the Company and its subsidiaries and to issue bearer convertible or option bonds, profit participation rights, or participating bonds. As of the date of this Statement, the conditional capital amounts to EUR 18,310,425.00. This is divided into Conditional Capital I 2020 (EUR 16,750,000.00), Conditional Capital III 2017 (EUR 560,425.00) and Conditional Capital III 2020 (EUR 1,000,000.00) (each as defined below) which were in their original amount registered with the commercial register on 9 November 2020.

#### 4.2.1 Convertible Bonds, Conditional Capital I 2020

##### *Convertible Bonds*

On 29 September 2020, the general meeting of the Company authorized the Management Board, subject to the approval of the Supervisory Board, to issue bearer convertible or option bonds, profit participation rights or participating bonds and/or combinations of these instruments (together "**Bonds**") once or several times on or before 28 September 2025, with a total nominal amount of up to EUR 418,750,000.00 and to grant the holders or creditors of Bonds ("**Holders**") conversion or option rights to a total of up to 16,750,000 no-par value bearer shares in the Company with a proportionate amount of the share capital in the total amount of up to EUR 16,750,000.00 in accordance with the more detailed provisions of the terms and conditions of the Bonds. The Bonds may be issued against contribution in cash or kind, in particular investments in other companies. The terms and conditions may also include a conversion obligation or an obligation to exercise an option at the end of the term or at an earlier date.

Shareholders are in principle entitled to subscription rights for the Bonds. The statutory subscription right may also be granted in such manner that the Bonds are assumed by a financial institution or a similar entity pursuant to Section 186 para. 5 sentence 1 AktG or a syndicate of such financial institutions or entities with an obligation to offer them to the shareholders for subscription. However, the Management Board is authorized, subject to the approval of the Supervisory Board, to exclude the shareholders' subscription rights (a) for fractional amounts; (b) to the extent necessary in order to grant subscription rights for new shares to the Holders of Bonds carrying conversion or option rights or a conversion or option obligation issued by the Company in the scope in which such would be entitled to upon exercising conversion or option rights or fulfilling conversion or option obligations, as the case may be; and (c) to the extent Bonds (i) are issued against cash payment and the issue price is not significantly lower than the theoretical market value of the Bonds determined according to recognised principles of financial mathematics and (ii) to the extent Bonds are issued against a contribution in kind, provided the value of the contribution in kind is in a reasonable proportion to the market value of the Bonds to be determined in accordance with above (i). However, this authorization to exclude subscription rights only applies to Bonds with rights to shares representing a proportionate amount of the share capital of no more than 10% of the share capital, neither at the time this authorization takes effect nor if this value is lower on the date this authorization is exercised.

If Bonds carrying conversion rights and/or conversion obligations are issued, the Holders will have the right or the obligation to convert their Bonds in accordance with the more detailed terms and conditions of the Bonds determined by the Management Board with the approval of the Supervisory Board into no-par value bearer shares of alstria.

If Bonds carrying option rights and/or option obligation, one or more warrants shall be attached to each partial bond, entitling or requiring the Holders to subscribe for no-par value bearer shares of alstria in accordance with the more detailed terms and conditions of the Bonds to be determined by the Management Board with the approval of the Supervisory Board.

The terms and conditions of the Bonds may stipulate the right of the Company to pay a cash amount instead of issuing new shares in case a conversion right or option right is exercised. The terms and conditions of the Bonds may also stipulate that the conversion or option rights of the Holders or the fulfillment of claims in the event of mandatory conversion or exercise of

mandatory options may, at the discretion of the Company, be fulfilled either by delivering treasury shares of the Company or by issuing new shares from conditional capital.

Further details were determined by resolution of the general meeting.

#### *Conditional Capital I 2020*

With its resolution on 29 September 2020, the general meeting of the Company conditionally increased the share capital in an amount of up to EUR 16,750,000.00 by the issuance of up to 16,750,000 no-par value bearer shares (*Bedingtes Kapital I 2020* – "**Conditional Capital I 2020**"). The conditional capital increase is to be carried out to the extent that the holders of option or conversion rights or persons obliged to conversion under option or conversion bonds, profit participation rights or participating bonds which were issued by alstria on the basis of the authorization resolved by the shareholders in the annual general meeting on 29 September 2020 under item 11 of the agenda exercise their option or conversion rights or, if they are obliged to conversion or exercise of the option, fulfil their conversion obligation or, as the case may be, their obligation to exercise the option and that no cash settlement is granted and no treasury shares are being used to satisfy such claims. The issuance of the new shares is effected at the conversion or option price to be determined, in each case, in accordance with the aforementioned authorization resolution. In accordance with Section 6 para. 3 sentence 2 of the Company's articles of association and at variance from Section 60 para. 2 AktG, the Management Board shall be authorized to determine the entitlement to dividends for the new shares issued on the basis of the exercise of the conversion or option rights or the fulfilment of a conversion or option obligation. The Management Board is authorized, with the approval of the Supervisory Board, to determine the further details of the implementation of the conditional capital increase (cf. Section 5 para. 5 of the Company's articles of association).

Until the date of this Statement, the Conditional Capital I 2020 has not been used.

#### 4.2.2 Certificates, Conditional Capital III 2017

##### *Certificates*

For many years, the profit participation certificates have been one of the Company's key elements for the remuneration and retention of its talents. The Management Board was authorized by the general meeting on 16 May 2017 to issue until 15 May 2022, once or repeatedly, a total of up to 1,000,000 convertible profit participation certificates ("**Certificates 2017**") to the employees of alstria as well as to the employees of companies in which alstria, directly or indirectly, holds a majority interest ("**Beneficiaries**"). The shareholders' subscription rights are excluded. The Certificates 2017 are combined with a conversion obligation for the holder. Subject to the terms and conditions of the convertible profit participation certificate program, the Certificates 2017 are converted into no-par value bearer shares in the Company. The nominal amount of each Certificate 2017 is EUR 1.00. The price payable to the Company upon issuance of one Certificate 2017 shall equal the nominal amount of one Certificate 2017. Each Certificate 2017 entitles to the payment of a profit share corresponding to the dividend per share of the Company for an entire business year of the Company, provided that Certificates 2017 held for less than an entire business year shall be entitled to the profit share pro rata temporis.

On the conversion date, each Certificate 2017 is mandatorily converted into one no-par value bearer share in the Company. The prerequisite for the conversion is that the current stock

exchange price of the Company's shares has exceeded the stock exchange price of the Company's shares on the issue date by 5% or more at least on seven non-subsequent trading days prior to the conversion date (so-called Performance Goal). The resolution of the general meeting determines further details.

By the date of the publication of this Statement, alstria has issued 732,925 Certificates 2017 to its employees, 261,175 Certificates 2017 of these are still held by employees and 439,575 Certificates 2017 were converted into no par value bearer shares with voting rights. 32,175 Certificates 2017 were forfeited.

#### *Conditional Capital III 2017*

With its resolution on 16 May 2017, the general meeting of the Company conditionally increased the share capital in an amount of up to EUR 1,000,000.00 by the issuance of up to 1,000,000 no-par value bearer shares (*Bedingtes Kapital III 2017* – "**Conditional Capital III 2017**"). The conditional capital increase exclusively serves the granting of shares to the holders of convertible profit participation certificates (Certificates 2017) which are issued by the Company until 15 May 2022, in accordance with the authorization of the general meeting held on 16 May 2017. The shares are issued at the conversion price in accordance with the authorization of the general meeting held on 16 May 2017. The conditional capital increase is only carried out to the extent that Certificates 2017 are converted into shares of the Company and no treasury shares are used for servicing the conversion rights. The new shares participate in the profits from the beginning of the business year in which they come into existence by conversion of the Certificates 2017 (cf. Section 5 para. 7 of the Company's articles of association).

Until the date of this Statement, the Conditional Capital III 2017 has been used in the amount of EUR 439,575.00. Therefore, after the issuance such amount of alstria Shares the Conditional Capital III 2017 amounts to EUR 560,425.00.

#### 4.2.3 Certificates, Conditional Capital III 2020

##### *Certificates*

As the authorization to issue Certificates to employees (but not to members of the Management Board) resolved by the general meeting of the Company on 16 May 2017 had already been largely utilised, it was renewed by the general meeting on 29 September 2020.

Thereby, the Management Board was authorized to issue on or before 28 September 2025, once or repeatedly, a total of up to 1,000,000 convertible profit participation certificates ("**Certificates 2020**") to the Beneficiaries. As before, the shareholders' subscription rights are excluded. The Certificates 2020 are combined with a conversion obligation for the holder. Subject to the terms and conditions of the convertible profit participation certificate program, the Certificates 2020 are converted into no-par value bearer shares in the Company. The nominal amount of each Certificate 2020 is EUR 1.00. The price payable to the Company upon issuance of one Certificate 2020 shall equal the nominal amount of one Certificate 2020. Each Certificate 2020 entitles to the payment of a profit share corresponding to the dividend per share of the Company for an entire business year of the Company, provided that Certificates 2020 held for less than an entire business year shall be entitled to the profit share pro rata temporis.

On the conversion date, each Certificate 2020 is mandatorily converted into one no-par value bearer share in the Company. The prerequisite for the conversion is that the current stock exchange price of the Company's shares has exceeded the stock exchange price of the Company's shares on the issue date by 5% or more at least on seven non-subsequent trading days prior to the conversion date (so-called Performance Goal). The resolution of the general meeting determines further details.

By the date of the publication of this Statement, alstria has issued 287,100 Certificates 2020 to its employees, 282,050 Certificates 2020 of these are still held by employees and no Certificates 2020 were converted into no par value bearer shares with voting rights. 5,050 Certificates 2020 were forfeited.

#### *Conditional Capital III 2020*

With its resolution on 29 September 2020, the general meeting of the Company conditionally increased the share capital is in an amount of up to EUR 1,000,000.00 by the issuance of up to 1,000,000 no-par value bearer shares (*Bedingtes Kapital III 2020* – "**Conditional Capital III 2020**"). The conditional capital increase exclusively serves the granting of shares to the holders of convertible profit participation certificates (Certificates 2020) which are issued by the Company on or before 28 September 2025, in accordance with the authorization of the annual general meeting held on 29 September 2020. The shares are issued at the conversion price in accordance with the authorization of the annual general meeting held on 29 September 2020. The conditional capital increase is only carried out to the extent that issued Certificates 2020 are converted into shares of the Company and no treasury shares are used for servicing the conversion rights. The new shares participate in the profits from the beginning of the business year in which they come into existence by conversion of the Certificates 2020 (cf. Section 5 para. 8 of the Company's articles of association).

Until the date of this Statement, the Conditional Capital III 2020 has not been used.

#### **4.3. No exercisable rights**

There are no exercisable rights with regard to the Conditional Capital III 2017, the Conditional Capital I 2020 and the Conditional Capital III 2020 for the period until the expiration of the Acceptance Period and the sell-out period pursuant to Section 39c WpÜG, if any (as set forth in Section 16(f) of the Offer Document).

#### **4.4. Treasury Shares**

On 29 September 2020, the annual general meeting of the Company authorized the Management Board, subject to the approval of the Supervisory Board, to acquire own shares of alstria up to a total of 10% of the share capital existing on the date of the resolution on or before 28 September 2025. The shares acquired and other treasury shares that are in the possession of or to be attributed to alstria pursuant to Sections 71a et seqq. AktG must at no time account for more than 10% of the share capital altogether.

At the discretion of the Management Board, the shares may be acquired (i) via a stock exchange, (ii) by means of a public offer directed at all shareholders, or (iii) through the use of derivatives (put or call options or a combination of both).

The Management Board is authorized, subject to the approval of the Supervisory Board, to use the shares of the Company which are acquired on the basis of the aforementioned authorization or another authorization, while excluding the subscription right of the shareholders, under certain conditions as described in the resolution of the general meeting.

The Management Board is furthermore authorized to redeem the above-mentioned shares without such redemption or implementation thereof requiring another resolution by the shareholders in the general meeting.

alstria currently holds no treasury shares.

## 5. Shareholder structure of alstria

Based on the voting rights notifications published in accordance with the WpHG by the date of the resolution on this Statement on 23 December 2021, the following shareholders directly or indirectly hold more than 3% of the voting rights in alstria (including the Bidder's shareholding, cf. Section III.5 of this Statement). The percentage rates shown in the following table correspond to the number of voting rights and instruments last reported by the respective shareholder relative to the specified reference date pursuant to Sections 33 et seqq. WpHG in relation to the issued share capital of alstria as of the respective point in time. It should be noted that the last reported number of voting rights and instruments may have changed since such voting rights notifications were issued without the relevant shareholder having been obliged to issue a voting rights notification if no thresholds subject to reporting have been reached or exceeded or fallen below:

Shareholder	Direct or indirect holdings in alstria (in %)
	Share*
Brookfield Asset Management Inc. <sup>1</sup>	42.83**
BlackRock, Inc. <sup>2</sup>	7.98
The Goldman Sachs Group, Inc. <sup>3</sup>	6.62
SAS Rue la Boétie <sup>4</sup>	5.08
<b>Total</b>	<b>62.51</b>

\* Including voting rights attributable to instruments within the meaning of Section 38 WpHG.

\*\* Regarding the amount of the Bidder's shareholding in alstria relevant for the Minimum Acceptance Threshold see Section III.8 and V.5.5 of this Statement.

- (1) Based on a notification published on 13 December 2021, Brookfield Asset Management Inc. held a total of 76,256,367 voting rights attached to shares and instruments in alstria on 8 December 2021. Based on alstria's share capital notified as at this time pursuant to Section 41 WpHG of EUR 178,032,997.00, this corresponded to 42.83% of the voting rights, of which 42.83% was attributable to shares and 0.00% to instruments pursuant to Section 38 para. 1 WpHG.

- (2) Based on a notification published on 10 December 2021, BlackRock, Inc. held a total of 14,201,574 voting rights attached to shares and instruments in alstria through various controlled entities on 7 December 2021. Based on alstria's share capital notified as at this time pursuant to Section 41 WpHG of EUR 178,032,997.00, this corresponded to 7.98% of the voting rights, of which 5.70% was attributable to shares and 2.27% to instruments pursuant to Section 38 para. 1 WpHG.
- (3) Based on a notification published on 1 December 2021, The Goldman Sachs Group, Inc. held a total of 11,782,033 voting rights attached to shares and instruments in alstria through various controlled entities on 26 November 2021. Based on alstria's share capital notified as at this time pursuant to Section 41 WpHG of EUR 178,032,997.00, this corresponded to 6.62% of the voting rights, of which 2.68% was attributable to shares and 3.94% to instruments pursuant to Section 38 para. 1 WpHG.
- (4) Based on a notification published on 17 September 2020, SAS Rue la Boétie held a total of 9,024,181 voting rights attached to shares and instruments in alstria through various controlled entities on 10 September 2020. Based on alstria's share capital notified as at this time pursuant to Section 41 WpHG of EUR 177,593,422.00, this corresponded to 5.08% of the voting rights, of which 5.08% was attributable to shares and 0.00% to instruments pursuant to Section 38 para. 1 WpHG.

Each alstria Share entitles to one vote (cf. Section 6 para. 1 sentence 2 of the Company's articles of association).

## **6. Structure and business activities of the alstria Group**

### **6.1. Organizational Structure**

alstria operates as the holding company of alstria Group, which operates exclusively in Germany. alstria Group comprises alstria as the parent company and 43 subsidiaries (33 limited partnerships (*Kommanditgesellschaften*) which, directly or indirectly, hold properties, 9 general partners (*Komplementärgesellschaften*) and one limited liability company (*Gesellschaft mit beschränkter Haftung*) which serves as service company).

The main objectives of the Company and its subsidiaries are the acquisition, management, operation, and sale of owned real estate property and the holding of participations in enterprises that acquire, manage, operate, and sell owned property. Operative decisions are made at the level of the parent company.

While the biggest share of the properties is attributable to alstria, a total of 38 properties were held by 27 subsidiaries as of 30 September 2021. In addition, alstria Group holds investments in an associated company to a former joint venture.

alstria was founded in January 2006 and was converted into the first German REIT in October 2007. Its registered office is in Hamburg. alstria buys and manages office properties in Germany. As a fully integrated real estate company with offices in Hamburg, Düsseldorf, Frankfurt am Main, Stuttgart and Berlin with 170 dedicated professionals on average from 1 January 2021 to 30 September 2021, alstria managed properties throughout their entire life cycle. This includes activities such as asset and property management but also expands to areas such as office design and floor planning or the complete redevelopment and repositioning of real estate assets.



alstria's corporate strategy is based on the following principles:

- Access to capital through the stock exchange listing and a comprehensive operational knowledge based on an integrated business model are fundamental success factors for alstria.
- By concentrating the real estate portfolio on the major German office markets and focusing on solvent tenants, alstria generates income that forms the basis for the distribution of stable dividends in the long term.
- Continuous investments in the quality of the real estate portfolio secure and increase rental income and property values and improve the energy efficiency of the portfolio.
- Depending on the assessment of the market situation, properties are bought or sold. The goal is risk-adjusted corporate growth and a continuous improvement in the risk-return situation of the portfolio.

The management at the level of the Company primarily focuses on the total return approach and therefore considers both income and capital value growth in assessing the financial performance of the Company. alstria proactively controls the alstria Group based on the following key financial performance indicators: revenues and FFO. Revenues mainly comprise rental income derived from the Company's leasing activities. FFO is the funds from operations ("**FFO**") and is derived from real estate management. It excludes valuation effects and other adjustments, such as noncash expenses/income, gain on disposal and expected nonrecurring effects. FFO is not a measure of operating performance or liquidity under generally accepted accounting principles – in particular, the International Financial Reporting Standard (the "**IFRS**") – and should not be considered an alternative to the Company's income or cash flow measures as determined in accordance with IFRS. Furthermore, there is no standard definition for FFO. Thus, alstria's FFO values and the measures with similar names presented by other companies may not be comparable. In addition, the Company uses the EPRA NTA and IFRS NAV (each as defined in Section VI.2.4 of this Statement) as two output measures for the capital growth of the company assets. The Company also monitors the progress of its Net LTV (net-debt/fair value of immovable assets (deducted by interests in joint ventures)), REIT equity ratio (total equity divided by the carrying amount for immovable assets; whereby the minimum requirement according to G-REIT Act regulations is 45%), net-debt (total debt deducted by cash positions and short-term financial assets)/EBITDA, and cash (cash and cash equivalents).

## **6.2. Portfolio**

As of 30 September 2021, alstria Group's real estate portfolio consisted of 111 properties (31 December 2020: 109) with a total lettable area of around 1,450,600 sqm (31 December 2020: 1,427,800 sqm). The contractual annual rent amounted to EUR 203.3 million (31 December 2020: EUR 199.1 million) and the valuation yield of the portfolio was at 4.4% (31 December 2020: 4.4%).

The properties are predominantly located in the major German office markets of Hamburg, Dusseldorf, Frankfurt am Main, Stuttgart, and Berlin, which alstria defines as its core markets. Based on the attributable market value as of 30 September 2021 approximately 33% of the properties' attributable market value relates to Hamburg and 26% of the properties' attributable market value relates to Dusseldorf. Investments are further focused on Frankfurt am Main with

20% of the attributable market value and Stuttgart with approximately 12%. The tenant structure mainly consists of public authorities and large corporates.

As of 30 September 2021, the EPRA vacancy rate in the portfolio is at 8.5% (31 December 2020: 7.6%) while the weighted average unexpired lease term ("WAULT") is at approximately 5.6 years (31 December 2020: 6.1 years). In addition, alstria holds a participation of 49% in one joint venture limited partnership as well as a participation in an associated company. The joint venture comprises a real estate project in Hamburg. Broken down on the basis of the lettable area 90.0% (31 December 2020: 90.4%) are used as office and storage space and 10.0% (31 December 2020: 9.6%) are other types (retail, hotel, and other).

An external valuer (Savills Advisory Services Germany GmbH & Co. KG) valued alstria's entire real estate portfolio at fair market value as of 31 December 2020 in accordance with the requirements of International Accounting Standards 40 ("IAS 40") and in connection with IFRS 13 ("IFRS 13"). For the entire portfolio, the 2020 valuation resulted in an appreciation of EUR 61.5 million (after deduction of capex and acquisitions). Based on the determined market value as of 31 December 2020, there is an average value of EUR 3,200 per sqm and a yield, based on the ratio of contractual rent to the market value, of 4.4% in the total portfolio.

The next external property valuation takes place as part of the consolidated financial statement as of 31 December 2021. At the date of this Statement, a first preliminary indication points to a fair value of the real estate portfolio of the Company of approximately EUR 4.85 billion (unaudited – FY2020: EUR 4.58 billion). The increase in value reflects the capex spent in the Company's portfolio (EUR 117 million), the net impact of the transaction activities (EUR 55 million), and the valuation gain, which is expected in a range of EUR 80 to 90 million.

### **6.3. Balance sheet total and operating results**

Pursuant to the consolidated balance sheet as of 31 December 2020, prepared in accordance with IFRS, the balance sheet total for alstria amounted to approximately EUR 5,090.2 million. Pursuant to the consolidated income statement for the period from 1 January 2020 to 31 December 2020, prepared in accordance with IFRS, the periodical result amounted to approximately EUR 168.5 million and the operative result (FFO) after minorities amounted to approximately EUR 108.7 million. According to the consolidated balance sheet contained in the interim report as of 30 September 2021, prepared in accordance with IFRS, the balance sheet total amounted to close to EUR 5,096.4 million for that date. Pursuant to the consolidated income statement for the period from 1 January 2021 to 30 September 2021, prepared in accordance with IFRS, the periodical result amounted to approximately EUR 82.0 million and the FFO amounted to approximately EUR 87.5 million.

### **7. Persons acting jointly with alstria**

**Annex 1** appended to this Statement contains a list of all subsidiaries of alstria. Pursuant to Section 2 para. 5 sentence 3 WpÜG, they are deemed to be persons acting jointly with alstria and with each other.

### III. GENERAL INFORMATION ON THE BIDDER

The following information has been published by the Bidder in the Offer Document (cf. Section 6 of the Offer Document). This information has not been verified by the Management Board and the Supervisory Board.

#### 1. Legal basis and capital structure of the Bidder

According to Section 6.1 of the Offer Document, the Bidder, Alexandrite Lake Lux Holdings S.à r.l., is a private limited liability company (*société à responsabilité limitée*) established under the laws of the Grand Duchy of Luxembourg, with registered office in Luxembourg, Grand Duchy of Luxembourg, and registered with the Luxembourg Register of Commerce and Companies (Registre de commerce et des Sociétés, "RCS") under registration number B258124. The business address of the Bidder is 26A, Boulevard Royal, L-2449 Luxembourg, Grand Duchy of Luxembourg. As of the date of the publication of the Offer Document, the share capital of the Bidder amounts to EUR 12,000.00 which is divided into 12,000 shares with a nominal amount of EUR 1.00 each. The Bidder was established on 20 July 2021 and registered with the RCS on 13 August 2021. Its original legal name was Alexandrite Lapis Luxembourg Holdings S.à r.l. The Bidder changed its legal name to Alexandrite Lake Lux Holdings S.à r.l. on 20 October 2021 (registered with the RCS on 15 November 2021).

The corporate purpose of the Bidder pursuant to its articles of association is, in particular, the acquisition of participations in Luxembourg or abroad in any companies or enterprises in any form whatsoever and the management of such participations. The Bidder may acquire by subscription, purchase, and exchange or in any other manner any stock, shares and other participation securities, bonds, debentures, certificates of deposit and other debt instruments and more generally any securities and financial instruments issued by any public or private entity whatsoever. It may participate in the creation, development, management and control of any company or enterprise.

The managers (*gérants*) of the Bidder are Luc Leroi, Mohammed Anwer Mirza and Damian Warde. The financial year of the Bidder is the calendar year.

The Bidder states that it currently holds no participations in legal entities other than alstria and has no employees.

#### 2. Shareholder structure of the Bidder

According to information provided by the Bidder in Section 6.2 of the Offer Document, the entities and individuals set forth in that section of the Offer Document directly or indirectly hold shares in the Bidder. An overview of this shareholder structure of the Bidder is shown in the chart attached as Annex 1 to the Offer Document. The direct and indirect shareholders of the Bidder, which control the Bidder, are referred to as "**Bidder Parent Shareholders**" and are listed in Part 1 of Annex 2 of the Offer Document.

The Offer Document contains the following further information to this regard:

The sole shareholder of the Bidder is Alexandrite Lake Pledge BidCo Borrower S.à r.l., a private limited liability company (*société à responsabilité limitée*) established under the laws of the

Grand Duchy of Luxembourg, with registered office in Luxembourg, Grand Duchy of Luxembourg, and currently in process of registration with the RCS ("**Lake Holdco 1**").

The sole shareholder of Lake Holdco 1 is Alexandrite Lake Mezz Borrower S.à r.l., a private limited liability company (*société à responsabilité limitée*) established under the laws of the Grand Duchy of Luxembourg, with registered office in Luxembourg, Grand Duchy of Luxembourg, and currently in process of registration with the RCS ("**Lake Holdco 2**").

The sole shareholder of Lake Holdco 2 is Alexandrite Lake Pledge Mezz Borrower S.à r.l., a private limited liability company (*société à responsabilité limitée*) established under the laws of the Grand Duchy of Luxembourg, with registered office in Luxembourg, Grand Duchy of Luxembourg, and currently in process of registration with the RCS ("**Lake Holdco 3**").

The sole shareholder of Lake Holdco 3 is Alexandrite Lake Lux Holdings 2 SCS, a limited partnership (*société en commandite simple*) established under the laws of the Grand Duchy of Luxembourg, with registered office in Luxembourg, Grand Duchy of Luxembourg, and registered with the RCS under registration number B261942 ("**Lake Lux Holdings**").

The sole general partner of Lake Lux Holdings is Alexandrite Lake GP S.à r.l., a private limited liability company (*société à responsabilité limitée*) established under the laws of the Grand Duchy of Luxembourg, with registered office in Luxembourg, Grand Duchy of Luxembourg, and registered with the RCS under registration number B261255 ("**Lake GP**").

The sole limited partner of Lake Lux Holdings is Alexandrite Holdings II LuxCo S.à r.l., a private limited liability company (*société à responsabilité limitée*) established under the laws of the Grand Duchy of Luxembourg, with registered office in Luxembourg, Grand Duchy of Luxembourg, and registered with the RCS under registration number B261175 ("**Holdings II LuxCo**"). Holdings II LuxCo is also the sole shareholder of Lake GP.

The sole shareholder of Holdings II LuxCo is Alexandrite Holdings I LuxCo S.à r.l., a private limited liability company (*société à responsabilité limitée*) established under the laws of the Grand Duchy of Luxembourg, with registered office in Luxembourg, Grand Duchy of Luxembourg, and registered with the RCS under registration number B261111 ("**Holdings I LuxCo**").

The sole shareholder of Holdings I LuxCo is Alexandrite Master LuxCo S.à r.l., a private limited liability company (*société à responsabilité limitée*) established under the laws of the Grand Duchy of Luxembourg, with registered office in Luxembourg, Grand Duchy of Luxembourg, and registered with the RCS under registration number B258035 ("**Master LuxCo**").

The sole shareholder of Master LuxCo is BSREP IV Alexandrite Pooling L.P., an exempted limited partnership established under the laws of Bermuda, with registered office in Hamilton, Bermuda, and registered with the Bermuda Registrar of Companies under number 56351 ("**BSREP IV Pooling**").

## **2.1. Partners of BSREP IV Pooling**

The sole general partner of BSREP IV Pooling is BSREP IV Bermuda GP L.P., an exempted limited partnership established under the laws of Bermuda, with registered office in Hamilton,

Bermuda, and registered with the Bermuda Registrar of Companies under number 56298 ("**BSREP IV GP**").

BSREP IV Pooling has two limited partners, each without control: (i) Brookfield Strategic Real Estate Partners IV-A Alexandrite AIV L.P., an exempted limited partnership established under the laws of Bermuda, with registered office in Hamilton, Bermuda, and registered with the Bermuda Registrar of Companies under number 56352 ("**BSREP IV-A**"), holding 27.79% of the limited partnership interest but no voting rights in BSREP IV Pooling, and (ii) BSREP IV Alexandrite Blocker L.P., an exempted limited partnership established under the laws of Bermuda, with registered office in Hamilton, Bermuda, and registered with the Bermuda Registrar of Companies under number 56342 ("**BSREP IV L.P.**"), holding 72.21% of the limited partnership interest but no voting rights in BSREP IV Pooling.

#### 2.1.1 Partners of BSREP IV-A

The sole general partner of BSREP IV-A is BSREP IV GP.

The limited partners of BSREP IV-A are certain investors without control.

#### 2.1.2 Partners of BSREP IV L.P.

The sole general partner of BSREP IV L.P. is BSREP IV GP.

BSREP IV L.P. has two limited partners, each without control: (i) Brookfield Strategic Real Estate Partners IV-B Alexandrite AIV L.P., an exempted limited partnership established under the laws of Bermuda, with registered office in Hamilton, Bermuda, and registered with the Bermuda Registrar of Companies under number 56349 ("**BSREP IV-B**"), holding 97.99% of the limited partnership interest in BSREP IV L.P., and (ii) Brookfield Strategic Real Estate Partners IV-C (ER) SCSp, a special limited partnership (*société en commandite spéciale*) established under the laws of the Grand Duchy of Luxembourg, with registered office in Luxembourg, Grand Duchy of Luxembourg, and registered with the RCS under registration number B249862 ("**BSREP IV-C**"), holding 2.01% of the limited partnership interest in BSREP IV L.P.

#### 2.1.3 Partners of BSREP IV-B

The sole general partner of BSREP IV-B is BSREP IV GP.

The limited partners of BSREP IV-B are certain investors without control.

#### 2.1.4 Partners of BSREP IV-C

The sole general partner of BSREP IV-C is Brookfield Strategic Real Estate Partners IV Lux GP S.à r.l., a private limited liability company (*société à responsabilité limitée*) established under the laws of the Grand Duchy of Luxembourg, with registered office in Luxembourg, Grand Duchy of Luxembourg, and registered with the RCS under registration number 249676 ("**BSREP IV Lux GP**").

The limited partners of BSREP IV-C are certain investors without control.

## **2.2. Partners of BSREP IV GP**

The sole general partner of BSREP IV GP is BSREP IV Bermuda GP of GP Limited, a limited liability company established under the laws of Bermuda, with registered office in Hamilton, Bermuda, and registered with the Bermuda Registrar of Companies under number 56297 ("**BSREP IV GP of GP**").

The sole shareholder of BSREP IV GP of GP is BPG Holdings Bermuda Limited with registered office in Hamilton, Bermuda. The sole shareholder of BPG Holdings Bermuda Limited is BPG Holdings Group (US) Holdings Inc. with registered office in Ontario, Canada. The sole shareholder of BPG Holdings Group (US) Holdings Inc. is BPGH Sub Inc. with registered office in Ontario, Canada. The sole shareholder of BPGH Sub Inc. is BPGH New Subco 2 Inc. with registered office in Ontario, Canada. The sole shareholder of BPGH New Subco 2 Inc. is BPGH New Subco Inc. with registered office in Ontario, Canada. The sole shareholder of BPGH New Subco Inc. is BPG Holdings Group Inc. with registered office in Ontario, Canada. The sole shareholder of BPG Holdings Group Inc. is Brookfield Asset Management Inc. with registered office in Ontario, Canada ("**BAM**").

## **3. Information about Brookfield**

According to information the Bidder provides in Section 6.3 of the Offer Document, Brookfield is one of the world's leading alternative asset management firms with approximately USD 650 billion in assets under management. Brookfield has more than a 120-year history of owning and operating assets with a focus on real estate, renewable power, infrastructure, private equity and credit.

Further, the Bidder states that Brookfield owns and operates long-life assets and businesses, many of which form the backbone of the global economy. Utilizing its global reach, access to large-scale capital and operational expertise, Brookfield offers a range of alternative investment products to investors around the world, including public and private pension plans, endowments and foundations, sovereign wealth funds, financial institutions, insurance companies and private wealth investors.

## **4. Persons acting jointly with the Bidder**

In Section 6.4 of the Offer Document, the Bidder refers to Annex 2 of the Offer Document in which the entities and individuals are set forth who are persons acting jointly with the Bidder within the meaning of Section 2 para. 5 WpÜG at the time of the publication of the Offer Document. The entities and individuals set forth in Part 1 of Annex 2 of the Offer Document are the Bidder Parent Shareholders. The entities set forth in Part 2 of Annex 2 of the Offer Document are (indirect) subsidiaries of the Bidder Parent Shareholders, which, in each case, are entities which do not control the Bidder. None of the entities listed in Part 2 of Annex 2 of the Offer Document actually coordinate their conduct with the Bidder, directly or indirectly, with regard to the acquisition of alstria Shares or with regard to the exercise of voting rights resulting from alstria Shares on the basis of an agreement or in any other manner within the meaning of Section 2 para. 5 sentence 1 WpÜG.

According to the Bidder, apart from that, there are no other persons acting jointly with the Bidder within the meaning of Section 2 para. 5 WpÜG.

**5. alstria Shares currently held by the Bidder or by persons acting jointly with the Bidder and their subsidiaries; attribution of voting rights**

In Section 6.5 and 12.1.1 of the Offer Document, the Bidder states the following:

At the time of the publication of the Offer Document, the Bidder directly holds 54,951,676 alstria Shares (i.e. approximately 30.87% of the total share capital and voting rights in alstria) and has acquired further 783,981 alstria Shares (i.e. approximately 0.44% of the total share capital and voting rights in alstria) via stock exchange purchases which were planned to be settled on 13 December 2021. These voting rights are also attributed to the Bidder Parent Shareholders pursuant to Section 30 para. 1 sentence 1 no. 1, sentence 3 WpÜG.

At the time of the publication of the Offer Document, Lapis Luxembourg Holdings S.à r.l., a private limited liability company (*société à responsabilité limitée*) established under the laws of the Grand Duchy of Luxembourg, with registered office in Luxembourg, Grand Duchy of Luxembourg, and registered with the RCS under registration number B248139 ("**Lapis**"), a person acting jointly with the Bidder within the meaning of Section 2 para. 5 WpÜG, directly holds 18,213,868 alstria Shares (i.e. approximately 10.23% of the total share capital and voting rights in alstria).

At the time of the publication of the Offer Document, Lapis Luxembourg Holdings II S.à r.l., a private limited liability company (*société à responsabilité limitée*) established under the laws of the Grand Duchy of Luxembourg, with registered office in Luxembourg, Grand Duchy of Luxembourg, and registered with the RCS under registration number B259238 ("**Lapis II**"), a person acting jointly with the Bidder within the meaning of Section 2 para. 5 WpÜG, directly holds 3,090,823 alstria Shares (i.e. approximately 1.74% of the total share capital and voting rights in alstria).

The sole shareholder of Lapis and Lapis II, respectively, is Savoy Luxembourg Holdings S.à r.l. with registered office in Luxembourg, Grand Duchy of Luxembourg. The sole shareholder of Savoy Luxembourg Holdings S.à r.l. is BSREP III Fornax Pooling L.P. with registered office in Hamilton, Bermuda. The sole general partner of BSREP III Fornax Pooling L.P. is BSREP III Bermuda GP L.P. with registered office in Hamilton, Bermuda. The limited partners of BSREP III Fornax Pooling L.P. are certain investors without control. The sole general partner of BSREP III Bermuda GP L.P. is BSREP III Bermuda GP of GP Limited with registered office in Hamilton, Bermuda. The limited partners of BSREP III Bermuda GP L.P. are certain investors without control. The sole shareholder of BSREP III Bermuda GP of GP Limited is BPG Holdings Bermuda Limited with registered office in Hamilton, Bermuda. As set forth in Section 6.2.2 of the Offer Document, BPG Holdings Bermuda Limited is controlled as follows:

The sole shareholder of BPG Holdings Bermuda Limited is BPG Holdings Group (US) Holdings Inc. with registered office in Ontario, Canada. The sole shareholder of BPG Holdings Group (US) Holdings Inc. is BPGH Sub Inc. with registered office in Ontario, Canada. The sole shareholder of BPGH Sub Inc. is BPGH New Subco 2 Inc. with registered office in Ontario, Canada. The sole shareholder of BPGH New Subco 2 Inc. is BPGH New Subco Inc. with registered office in Ontario, Canada. The sole shareholder of BPGH New Subco Inc. is BPG Holdings Group Inc. with registered office in Ontario, Canada. The sole shareholder of BPG Holdings Group Inc. is BAM. The voting rights based on alstria Shares held by Lapis and Lapis II are attributed to the aforementioned entities, which are persons acting jointly with the Bidder within the meaning of Section 2 para. 5 WpÜG, pursuant to Section 30 para. 1 sentence 1 no. 1, sentence 3 WpÜG.

The aggregate of 77,040,348 alstria Shares held by the Bidder, or acquired by the Bidder via stock exchange purchases, Lapis and Lapis II in accordance with the above corresponds to approximately 43.27% of the total share capital and voting rights in alstria.

Apart from the foregoing, none of the Bidder, persons acting jointly with the Bidder within the meaning of Section 2 para. 5 WpÜG or their subsidiaries hold, directly or indirectly, instruments or voting rights in relation to alstria to be disclosed pursuant to Section 38 or Section 39 WpHG and apart from the foregoing none of the Bidder, persons acting jointly with the Bidder within the meaning of Section 2 para. 5 WpÜG or their subsidiaries hold, directly or indirectly, voting rights based on alstria Shares, and no voting rights based on alstria Shares are attributable to them pursuant to Section 30 WpÜG.

## **6. Information about securities acquisitions**

In Section 6.6 of the Offer Document, the Bidder provides details to the acquisition of alstria Shares by the Bidder and persons acting jointly with the Bidder within the meaning of Section 2 para. 5 WpÜG during the period beginning six months prior to the Bidder's publication of its decision to launch the Takeover Offer in accordance with Section 10 para. 1 sentence 1 WpÜG (the "**Section 10 WpÜG Announcement**") on 4 November 2021, and ending with the publication of the Offer Document on 13 December 2021:

The Bidder acquired a total of 52,515,077 alstria Shares (i.e. approximately 29.50% of the total share capital and voting rights in alstria) on the stock exchange in the period from (and including) 4 November 2021 to (and including) 9 December 2021. The highest consideration paid in this regard for alstria Shares was EUR 19.50. The transfer of 51,731,096 alstria Shares to the Bidder took place in the period from (and including) 8 November 2021 to (and including) 10 December 2021. The transfer of 783,981 alstria Shares to the Bidder was planned to take place on 13 December 2021.

On 29 November 2021, the Bidder as purchaser further acquired a total number of 3,220,580 alstria Shares (i.e. approximately 1.81% of the total share capital and voting rights in alstria) from Stichting Depositary APG Tactical Real Estate Pool with registered office in Amsterdam, The Netherlands, as seller under a share purchase agreement for a consideration of EUR 19.50 per alstria Share. Settlement of such purchase occurred on 2 December 2021.

Lapis acquired a total of 3,230,991 alstria Shares (i.e. approximately 1.81% of the total share capital and voting rights in alstria) from (and including) 25 May 2021 to (and including) 24 June 2021. 648,700 of such alstria Shares (i.e. approximately 0.36% of the total share capital and voting rights in alstria) were acquired on the stock exchange from (and including) 25 May 2021 to (and including) 2 June 2021 by Tucana Holdings L.P. with registered office in Hamilton, Bermuda, ("**Tucana**"), a person acting jointly with the Bidder within the meaning of Section 2 para. 5 WpÜG, acting as agent of Lapis pursuant to an agency agreement between Lapis and Tucana dated 9 April 2021. Details of such on-exchange acquisitions of alstria Shares are summarized in Annex 4 of the Offer Document. On 24 June 2021, the agency agreement was cancelled and the beneficial and legal title to such alstria Shares were transferred whereby Lapis became owner of such alstria Shares. Lapis acquired the remaining 2,582,291 alstria Shares (i.e. approximately 1.45% of the total share capital and voting rights in alstria) on the stock exchange from (and including) 3 June 2021 to (and including) 18 June 2021. The transfer of such alstria Shares to Lapis took place from (and including) 7 June 2021 to (and including) 22 June



2021. The highest consideration paid by Lapis in this regard for alstria Shares was EUR 15.80 (rounded up).

Furthermore, Lapis acquired 685,833 alstria Shares (i.e. approximately 0.39% of the total share capital and voting rights in alstria) on the stock exchange from (and including) 13 September 2021 to (and including) 22 September 2021. The transfer of such alstria Shares to Lapis took place from (and including) 15 September 2021 to (and including) 24 September 2021. The highest consideration paid by Lapis in this regard for alstria Shares was EUR 16.25 (rounded up). Such alstria Shares were transferred from Lapis to Lapis II on 26 November 2021 without consideration.

On 21 June 2021, Lapis entered into a total return swap agreement with Morgan Stanley & Co. International plc with registered office in London, United Kingdom, ("**MSI**") for up to 3,500,000 alstria Shares (i.e. approximately 1.97% of the total share capital and voting rights in alstria) that provided for physical settlement at the expiration of its term unless Lapis validly elected cash settlement and had a termination date of 22 September 2021, with the ability of Lapis to elect early termination on any date and to choose between physical and cash settlement. In each case, the physical settlement only applied in the event that MSI had acquired alstria Shares on the market under the total return swap agreement in the meantime with such acquisitions being at MSI's discretion. On 25 June 2021, the total return swap covered 1,072,200 alstria Shares (i.e. approximately 0.60% of the total share capital and voting rights in alstria) and Lapis elected to terminate the total return swap on that date. In settlement of their respective obligations under the total return swap on 29 June 2021, MSI delivered 1,072,200 alstria Shares to Lapis and Lapis paid EUR 16,859,247.17 to MSI, representing a price paid per alstria Share of EUR 15.73 (rounded up).

On 25 June 2021, Lapis entered into a share purchase agreement ("**MS SPA**") with Morgan Stanley Bank, N.A., with registered office in Salt Lake City, United States of America, ("**MS Bank**") to acquire a number of alstria Shares equal to the number of alstria Shares borrowed by MS Bank's affiliates in the market from (and including) 25 June 2021 to (and including) 29 June 2021, up to a maximum of 9,212,911 alstria Shares (i.e. approximately 5.17% of the total share capital and voting rights in alstria). The actual number of alstria Shares borrowed in the market by MS Bank's affiliates and acquired by Lapis from MS Bank under the MS SPA was 8,996,809 (i.e. approximately 5.05% of the total share capital and voting rights in alstria). The purchased shares were delivered by MS Bank to Lapis on 29 June 2021. The purchase price for the alstria Shares acquired pursuant to the MS SPA was EUR 141,249,901.30, representing a price paid per alstria Share of EUR 15.70 (rounded up). On 25 June 2021, Lapis also entered into a collar agreement with MS Bank pursuant to which (i) MS Bank provided Lapis with financing equal to the purchase price of the alstria Shares purchased by Lapis under the MS SPA and (ii), at maturity, Lapis would pay to MS Bank the cost of MS Bank's affiliates of acquiring in the market the alstria Shares needed to unwind the borrowings entered into in the market from (and including) 25 June 2021 to (and including) 29 June 2021. Under the collar agreement, Lapis therefore paid to MS Bank an amount of EUR 154,090,722.45, including acquisition costs for the relevant alstria Shares, a respective commission and transaction costs. The effective price per share to Lapis for the acquisition of the 8,996,809 alstria Shares under the MS SPA after taking into consideration such net payment under the collar agreement thus amounted to EUR 17.13 (rounded up).

On 4 November 2021, Lapis as purchaser further acquired a total number of 4,913,868 alstria Shares (i.e. approximately 2.76% of the total share capital and voting rights in alstria) under a

share purchase agreement from (i) GIC Private Limited, with registered office in Singapore, Singapore, 1,845,022 alstria Shares (i.e. approximately 1.04% of the total share capital and voting rights in alstria) for a consideration of EUR 19.50, and (ii) Euro Periwinkle Private Limited with registered office in Singapore, Singapore, (wholly owned by GIC (Realty) Private Limited with registered office in Singapore, Singapore,), 3,068,846 alstria Shares (i.e. approximately 1.72% of the total share capital and voting rights in alstria) for a consideration of EUR 19.50. Settlement of such purchases occurred on 22 November 2021.

Lapis II acquired a total of 3,090,823 alstria Shares (i.e. approximately 1.74% of the total share capital and voting rights in alstria) from (and including) 26 October 2021 to (and including) 26 November 2021. 685,833 of such alstria Shares (i.e. approximately 0.39% of the total share capital and voting rights in alstria) were initially acquired by Lapis on the stock exchange and were transferred from Lapis to Lapis II on 26 November 2021 without consideration (please see above). Lapis II acquired the remaining 2,404,990 alstria Shares (i.e. approximately 1.35% of the total share capital and voting rights in alstria) on the stock exchange from (and including) 28 September 2021 to (and including) 27 October 2021. The transfer of such alstria Shares to Lapis II took place from (and including) 30 September 2021 to (and including) 29 October 2021. The highest consideration paid by Lapis II in this regard for alstria Shares was EUR 16.25 (rounded up).

Certain entities associated with Brookfield Public Securities Group LLC with registered office in New York, United States of America, and listed in Annex 4 of the Offer Document acquired a total of 754,100 alstria Shares (i.e. approximately 0.42% of the total share capital and voting rights in alstria) on the stock exchange from (and including) 12 May 2021 to (and including) 10 June 2021. The transfer of such 754,100 alstria Shares to the relevant buyers took place from (and including) 14 May 2021 to (and including) 14 June 2021. The highest consideration paid in this regard for alstria Shares was EUR 15.07 (rounded up). Such alstria Share were all sold and transferred again over the stock exchange on or prior to 6 August 2021.

Details of such on-exchange and off-exchange acquisitions of alstria Shares are summarized in Annex 4 of the Offer Document.

Apart from the foregoing, neither the Bidder nor persons acting jointly with the Bidder within the meaning of Section 2 para. 5 WpÜG nor their subsidiaries have acquired alstria Shares nor entered into an agreement for the acquisition of alstria Shares during the six-month period prior to 4 November 2021 (the day of the Section 10 WpÜG Announcement) until the date of publication of the Offer Document.

## **7. Possible future acquisitions of alstria Shares**

In Section 6.7 of the Offer Document, the Bidder reserves the right, within the limits of applicable law, to directly or indirectly acquire alstria Shares outside of the Takeover Offer, whether on or off the stock exchange.

To the extent such acquisitions would occur, however, information about them, including the number of, and the price for, the acquired alstria Shares would be published according to the applicable statutory provisions, in particular Section 23 para. 2 WpÜG in conjunction with Section 14 para. 3 sentence 1 WpÜG, in the German Federal Gazette (*Bundesanzeiger*) and on the internet at <https://www.lake-offer.com>. Corresponding information would also be published by way of a non-binding English translation on the internet at <https://www.lake-offer.com>.

## 8. Non-tender agreement with respect to alstria Shares

The Bidder explains in Section 6.8 of the Offer Document that, according to pertinent law applicable as of 1 July 2021, German real estate transfer tax ("**German RETT**") could be triggered with respect to the German real estate directly owned by alstria, if (i) at least 90% of the alstria Shares would, within a period of ten years, be directly or indirectly transferred to shareholders that have not acquired, and consecutively held, alstria Shares as of a time prior to 1 July 2021 (each a "**New Shareholder**") or (ii) at least 90% of alstria Shares would be consolidated in the hands of one direct or indirect alstria Shareholder (or a group of related parties for German RETT purposes).

As set out in Section 6.5 of the Offer Document, at the time of the publication of the Offer Document, Lapis (which is, according to the Bidder, not a related party of the Bidder for German RETT purposes) holds 18,213,868 alstria Shares (i.e. approximately 10.23% of the total share capital and voting rights in alstria) all of which have been held by alstria Shareholders that acquired and consecutively held alstria Shares as of a time prior to 1 July 2021 (each a "**Legacy Shareholder**"). The Bidder and Lapis entered into a non-tender agreement on 3 November 2021 pursuant to which Lapis has committed not to (i) accept the Takeover Offer for any of the alstria Shares held by Lapis or (ii) sell or transfer or otherwise dispose of any of such alstria Shares, except in cases of a mandatory transfer under the existing financing agreements. Pursuant to such agreement, Lapis, as a Legacy Shareholder, shall therefore continue to hold, legally and beneficially, approximately 10.23% of the alstria Shares. Such agreement intends to achieve that the acceptance of the Takeover Offer will neither lead to (i) a transfer of at least 90% of the alstria Shares to New Shareholders nor (ii) a consolidation of at least 90% of the alstria Shares in the hands of one direct and/or indirect alstria Shareholder (or a group of related parties for German RETT purposes).

Notwithstanding the above, the 54,951,676 alstria Shares directly held by the Bidder, the 783,981 alstria Shares acquired by the Bidder via stock exchange purchases which were planned to be settled on 13 December 2021, the 18,213,868 alstria Shares directly held by Lapis and the 3,090,823 alstria Shares directly held by Lapis II will be taken into account for purposes of the Minimum Acceptance Threshold (as defined in Section 12.1.1 of the Offer Document) pursuant to Section 12.1.1 of the Offer Document. The aggregate of 77,040,348 alstria Shares held by the Bidder or acquired by the Bidder via stock exchange purchases, Lapis and Lapis II in accordance with the above corresponds to approximately 43.27% of the total share capital and voting rights in alstria.

With respect to the German real estate owned by certain subsidiaries of alstria in the form of limited partnerships under German law (*Kommanditgesellschaften*), German RETT may be triggered at the level of such subsidiaries in case of a direct or indirect transfer of 90% or more in the partnership interests in such subsidiaries within a period of ten years. The Bidder expects that the acceptance of the Offer does not constitute such a harmful transfer.

#### IV. INVESTMENT AGREEMENT

Prior to its decision to launch the Takeover Offer, the Bidder and its advisors carried out a due diligence exercise relating to alstria Group (the "**Due Diligence Review**"). In the context of the Due Diligence Review, the Bidder was granted access to certain documentation regarding the legal, financial and technical situation of alstria Group in a virtual data room in the time between 19 October 2021 and 3 November 2021. In addition, certain representatives and advisors of BAM had several management meetings and an expert session with the management of alstria between 19 October 2021 and 3 November 2021. The Due Diligence Review was not continued after 3 November 2021 (also cf. in Section 2.2 of the Offer Document).

During this entire process, the Management Board was focused on negotiating the best possible outcome for the Company, its shareholders and stakeholders and kept the Supervisory Board informed about the progress.

Following the Due Diligence Review, extensive discussions and intensive negotiations between alstria on the one hand and the Bidder and the Bidder Parent Shareholders on the other hand, as well as a thorough analysis of the benefits and considerations of a takeover offer, the Bidder and alstria concluded the Investment Agreement.

By entering into the Investment Agreement for a fixed term of three years after the settlement of the Takeover Offer (cf. Section IV.4 of this Statement), the parties thereto, inter alia, wished to pursue the following objectives: (i) to agree on the principal terms and conditions of the transaction and the mutual commitments, intentions and understandings in relation to the future corporate governance of the Company, (ii) to strategically support the current business strategy of alstria, in particular to strengthen the market position of alstria as an investor in office real estate in the major German economic centers, and (iii) to further drive the long-term, sustained growth and the value of the Company.

The Parties acknowledge that the Investment Agreement and the values, principles and objectives set forth therein constitute the mutual understanding of the Parties for their future cooperation. The Company's commitments are to be viewed taking into account the competencies under German corporate law and are only made to the extent that it is compatible with the legal obligations of the Management Board and Supervisory Board. In other words, the stipulations apply to members of the Management Board and the Supervisory Board or other corporate bodies (*Organe*) of companies of alstria Group subject to (i) the fiduciary duties under German law, in particular, the duty of care and loyalty under Sections 93 and 116 AktG; (ii) the concept of managerial neutrality (Section 33 WpÜG) and (iii) the tasks and duties to the extent legally required, including the business judgment rule (Sections 76, 93 as well as 116 AktG).

The Supervisory Board approved the Investment Agreement prior to its execution on 3 November 2021. The material terms of the Investment Agreement can be summarized as follows:

## **1. Voluntary public cash takeover offer**

In the Investment Agreement, the parties thereto agreed to the submission of a voluntary public cash takeover offer made by the Bidder to all alstria Shareholders and the Offer Price of EUR 19.50 per alstria Share. Further, the Parties conclusively determined the offer conditions. The Minimum Acceptance Threshold set out in Section 12.1.1 of the Offer Document was agreed between alstria and the Bidder based on the corporate governance pursued. The Bidder may lower this threshold only with the prior consent of alstria, subject to the prior consent of the Company not be unreasonably withheld; the same applies to a waiver thereof. The Company may reasonably withhold such consent if this is in the interest of the Company and/or its shareholders, e.g. if the Bidder has violated or is in violation of provisions of the Investment Agreement. The Bidder may only waive the regulatory requirement to which the Takeover Offer is subject (foreign investment clearance) to the extent such a waiver is permissible under applicable law (cf. Section V.5.6 of this Statement).

## **2. Support of the Takeover Offer**

The members of the Management Board and the Supervisory Board have agreed, after having duly and thoroughly reviewed and assessed the Takeover Offer and provided that the Takeover Offer complies with the terms set forth in the Investment Agreement and subject to applicable law and their legal duties, obligations and fiduciary duties, to reflect in this Statement that they support the Takeover Offer. Such support is subject to certain requirements agreed to in the Investment Agreement.

In case a fully financed (certain funds) competing public offer for alstria Shares by a third party (a "**Competing Offer**") which, if taking into account all elements of the offer (including the offer price) provides for more beneficial terms than the Takeover Offer (a "**Superior Offer**"), has been launched, alstria will have the right to terminate the Investment Agreement, provided that the Bidder has not amended the Takeover Offer to match such Competing Offer in a period of ten business days after the publication of such Competing Offer. The parties to the Investment Agreement have also agreed to cooperate with each other relating to the Takeover Offer, in particular with regard to obtaining the necessary foreign investment control approval and the Bidder's external financing.

Further, it is agreed in the Investment Agreement that subject to contractual agreements with the Company, the members of the Management Board and the Supervisory Board will tender their respective alstria Shares, if any, into the Takeover Offer (subject to the applicable shareholder ownership guidelines) (cf. Section XI of this Statement).

The Management Board and the Supervisory Board point out that they are not bound to facilitate/support the Takeover Offer, in particular, if (i) a Competing Offer before the ending of the Acceptance Period is more advantageous for the Company and/or its shareholders in the reasonable opinion of the Management Board and the Supervisory Board and the Bidder does not increase the Offer Price to be at least equal to the offer price per share in the Competing Offer or (ii) circumstances come into existence, other than by a breach of the Company's obligations under the Investment Agreement, which could result in a breach of the Management Board's and/or Supervisory Board's duties if they continued supporting the Takeover Offer.

### **3. Future cooperation**

The parties to the Investment Agreement agreed on certain guiding principles, and the Investment Agreement contains certain undertakings and intentions of the Bidder, in relation to the proposed cooperation between the Bidder and alstria (in particular cf. Section 9 of the Offer Document).

The Bidder's undertakings and intentions as stipulated in the Investment Agreement can be summarized as follows:

#### **3.1. Future business activity, assets and future obligations of alstria**

The Bidder intends to support the Management Board in the continued execution of the business strategy of alstria. In that context, the Bidder also undertakes to:

- (a) further drive the growth of alstria by actively pursuing new value-add refurbishment and repositioning opportunities with potential for sustainable value creation based on hands-on asset management throughout the entire lifecycle; and
- (b) support the Management Board in its next development cycle by accelerating ESG (Environmental, Social and Governance, "ESG")-compliant capex initiatives in the existing portfolio to future-proof the portfolio and continue the ongoing decarbonization process. In particular, the Bidder intends to pursue and support the Green Dividend Program of alstria.

In addition, the Bidder will encourage and provide its support and expertise (to the extent legally possible) to the Management Board to explore avenues to create new revenue streams and platform capabilities including, but not limited to, the establishment of alstria-managed investment vehicles which could be seeded by re-capitalizing a small number of alstria's most de-risked, stabilized assets.

Further, the Bidder intends to contribute its substantial expertise in capital markets in connection with the strategic review of the capital structure which will be undertaken by the Management Board and the Supervisory Board and the Bidder after a successful settlement of the Takeover Offer in light of the new ownership structure.

The Bidder intends, subject to a constructive dialog with the Management Board and the Supervisory Board in light of the new ownership structure following a successful settlement of the Takeover Offer, to eventually have alstria operate with a company leverage not exceeding approximately 55% loan to value ("LTV"). Any excess cash proceeds generated by alstria shall be finally used to either reinvest into strategic M&A transactions or other value accretive investment opportunities. If alstria does not identify any value accretive investment options, alstria would intend to return any excess cash, if any, to all alstria Shareholders. However, the Bidder intends to lower annual dividend distributions to all alstria shareholders to the extent permissible under applicable law.

### 3.2. Employees and employment conditions

The Bidder acknowledges that the dedicated workforce is a key pillar of alstria's success, and the success of the transaction depends on the expertise and continued commitment of alstria's workforce. The Bidder supports alstria in maintaining and developing an attractive working environment to attract, continuously develop, and retain a best-in-class workforce.

The Bidder undertakes not to:

- (a) directly or indirectly cause alstria issue terminations for operational reasons (*betriebsbedingte Kündigungen*) of employees;
- (b) cause alstria to reduce the workforce of alstria and any other member of the alstria Group;  
or
- (c) cause alstria to reduce employee's absolute wages and salaries.

The Bidder acknowledges that alstria has granted stock awards (LTI 2018/2022, LTI 2019/2023, LTI 2020/2024 and LTI 2021/2025) to members of the Management Board and profit participation rights to selected employees. The Bidder intends to ensure the continuous ability of alstria to hire and retain highly qualified and committed staff. As such, the Bidder supports the adequate participation of the employees in alstria's success by maintaining existing or implementing new incentive schemes and intends to offer employees the opportunity to monetize their profit participation rights or stock awards at the time of vesting (if any). The Bidder therefore undertakes to offer the employees at the time of vesting to acquire such alstria Shares converted from profit participation rights or profit participation rights at a price equal to, but in no case higher than, the Offer Price.

The Bidder states in the Offer Document that it has no further intentions with respect to the Takeover Offer regarding employees, employee representation and employment conditions (cf. Section 9.2 of the Offer Document).

In the Investment Agreement, it is further stipulated that if despite the expectation of the parties to the Investment Agreement, employees are made redundant for operational reasons (*betriebsbedingte Kündigung*) or otherwise, the parties agree that the severance payment for each employee made redundant will be equal to 2.5 times the total annual compensation of such employee.

Besides, it was agreed in the Investment Agreement that (i) the Bidder will support the replacement of alstria's current employee profit participation program by a more adequate program of similar amplitude if this loses its attractiveness due to a limited free float after the settlement of the Takeover Offer, and (ii) the Bidder will offer to the Company's employees to acquire all those alstria Shares which the employees have received from the Company on the basis of the employee profit participation program in accordance with the same terms and conditions of the Offer Price, i.e. minus any dividends received.

### **3.3. Corporate seat and locations of alstria**

The Bidder undertakes to keep the core of the main functions of alstria in Hamburg, Germany, and does not intend to change the corporate seat of alstria. Moreover, the Bidder undertakes not to initiate, cause or procure the closure of any locations of alstria.

### **3.4. Members of the Management Board and the Supervisory Board**

The Bidder recognizes the remarkable achievements, invaluable experience and unrivalled expertise of the current members of the Management Board. The Management Board consists of two members and the Bidder does not intend to change its size. The current members of the Management Board shall continue to manage alstria after the settlement of the Takeover Offer. The Bidder is aware that the Supervisory Board will need to decide on the renewal of the Management Board mandates in early 2022, and will support such renewal of the Management Board mandates for a term equivalent to the previous appointments.

The Bidder undertakes to fully support the Management Board in pursuing and further developing the strategy of alstria. The Bidder further undertakes to provide the Management Board and alstria with access to its internal resources, including, but not limited to, its experts in the real estate sector, capital markets, fund raising, and reinsurance.

The Bidder considers, in principle, that a direct or indirect incentivization of members of the Management Board is reasonable in order to align the interests for medium- and long-term value creation. Therefore, the Bidder will support a potential review of the Management Board's Long-Term Incentive ("**LTI**") scheme by the Supervisory Board in light of the new shareholder structure and more limited free float/liquidity of the alstria Shares.

The Supervisory Board consists of six members, all of which are elected by the shareholders. The Bidder does not intend to change the size of the Supervisory Board. The Bidder intends to be represented in the Supervisory Board in a manner which appropriately reflects its shareholding following settlement of the Takeover Offer. If required to comply with alstria's profile for the Supervisory Board, (i) one of the new members of the Supervisory Board shall be independent within the meaning of the German Corporate Governance Code (*Deutscher Corporate Governance Kodex* – "**DCGK**") and proposed as chairman of the supervisory board and (ii) one member shall be a woman.

The Bidder intends that the representatives of the Bidder shall be appointed as new members of the Supervisory Board by court in accordance with Section 104 AktG after current members of the Supervisory Board have resigned from office.

Further, the Bidder acknowledges the diversity targets of alstria and further requirements set forth in the corporate documents for its Supervisory Board's composition as well as the required competence and qualities of its members and undertakes to propose candidates who will meet such requirements.



### 3.5. REIT status

In the Investment Agreement, the Bidder acknowledges that (i) alstria is a REIT Company and it must comply with the G-REIT Act as long as it is a REIT Company and (ii) that the REIT status of alstria can only be terminated by a resolution of the general meeting of alstria with the required majority of votes.

Regarding the Maximum Participation Requirement, Lapis' shareholding is not compliant with the G-REIT Act and the Bidder's shareholding will insofar not be compliant with the G-REIT Act at the settlement of the Takeover Offer (cf. Section II.2 of this Statement regarding the legal consequences).

If alstria still qualifies as a REIT Company before the end of the three-year period under Section 18 para. 3 and 4 G-REIT Act, the Bidder undertakes, following good faith discussion with alstria (such discussions to be held reasonably in advance of the end of the three-year period pursuant to the G-REIT Act (cf. also Sections II.2 and VII.2.4 of this Statement)), to take appropriate measures to structure the shareholding of alstria Shares of Lapis and the Bidder in such way that it is compliant with the G-REIT Act.

### 3.6. German RETT

In the Investment Agreement, the Bidder warrants that from (and including) 1 July 2021 until the date of the settlement of the Takeover Offer, (i) at least one or more direct shareholders of the Company, collectively and uninterruptedly, held the legal and beneficial ownership (*zivilrechtliches und wirtschaftliches Eigentum*) of 10.1% or more of the outstanding alstria Shares (based on the registered share capital minus the number of treasury shares, if any) (each such shareholder, a "**Qualified Shareholder**") and together, the "**Qualified Shareholders**" and such outstanding alstria Shares, the "**Qualified Shares**"), (ii) one or more direct shareholders in each of the Qualified Shareholders (each such direct shareholder, a "**Qualified Parent Shareholder**", and together, the "**Qualified Parent Shareholders**"), collectively and uninterruptedly, held the legal and beneficial ownership of 10.1% or more of the outstanding shares (based on the registered share capital minus the number of treasury shares, if any) in each of the respective Qualified Shareholders, and (iii) no transfer of the legal or beneficial ownership of 90% or more of the direct or indirect outstanding shares in a Qualified Parent Shareholder occurred (such warranty, the "**Bidder's Warranty**").

Further, it is stipulated in the Investment Agreement that the Bidder shall procure that, within the period beginning on the day of the settlement of the Takeover Offer and ending ten calendar years and six months after the day of the settlement of the Takeover Offer, (i) none of the Qualified Shareholders will transfer the legal or beneficial ownership of all, or parts, of any of their respective Qualified Shares, (ii) none of the direct or indirect shareholders of any Qualified Shareholder will transfer the legal or beneficial ownership of 90% or more of any of their direct or indirect shares in any Qualified Shareholder, and (iii) no other measure or transaction will be entered into by any of the Qualified Shareholders, any of the Qualified Parent Shareholders or any of their respective direct or indirect shareholders/affiliates within the meaning of Sections 15 et seqq. AktG ("**Affiliates**") which leads to a RETT obligation of the Company or any of its subsidiaries (any such action or transfer referred to in (i) through (iii), a "**Harmful Measure**").

alstria and the Bidder have agreed in the Investment Agreement that the Bidder shall indemnify and hold harmless the Company, or upon request of the Company, any other Affiliate of the

Company, from and against any damages or losses (including any German RETT, ancillary charges, such as interest, penalties, late payment charges, fines or advisor fees) caused by (i) any breach of any Bidder's Warranty, or (ii) any Harmful Measure. The Company's claims mentioned in this Section IV.3.6 of this Statement shall not become time-barred prior to the expiry of six months after the respective tax assessment underlying the respective claim has become final, binding and non-changeable (*formell und materiell bestandskräftig sowie unabänderbar*).

In the Investment Agreement, it was further agreed that if and to the extent, German RETT becomes payable as a direct consequence of the direct or indirect acquisition of alstria Shares by the Bidder and/or its Affiliates, the Bidder shall indemnify the subsidiaries of the Company which are partnerships under German law (*Kommanditgesellschaften*) or, at the election of the Company, the Company from the respective German RETT triggered. The Investment Agreement further provides that the Bidder and the Company will analyze and implement different options available to mitigate any such risk to the largest extent possible. The same time-barring as mentioned above applies.

According to the Offer Document, the Bidder and Lapis have entered into a non-tender agreement on 3 November 2021 pursuant to which Lapis has committed not to (i) accept the Takeover Offer for any of alstria Shares held by Lapis or (ii) sell or transfer or otherwise dispose of any of such alstria Shares, except in cases of a mandatory transfer under the financing agreements to which the Bidder and Lapis are party. Pursuant to such agreement, Lapis shall continue to hold, legally and beneficially, approximately 10.23% of alstria Shares to the effect that the acceptance or settlement of the Takeover Offer will neither lead to (i) a direct transfer of at least 90% of alstria Shares to new shareholders nor (ii) a consolidation of at least 90% of alstria Shares in the hands of one direct and/or indirect alstria shareholder (or a group of related parties for German RETT purposes; cf. Section 6.8 of the Offer Document).

### **3.7. Excluded structural measures**

Pursuant to the Investment Agreement, for a period of at least three years after settlement of the Takeover Offer, the Bidder has undertaken vis-à-vis alstria and in the Offer Document undertakes vis-à-vis all alstria Shareholders not to initiate, cause, or procure a domination and/or profit and loss transfer agreement (*Beherrschungs- und/oder Gewinnabführungsvertrag*) with alstria pursuant to Sections 291 et seqq. AktG.

In addition, the Bidder has undertaken in the Investment Agreement not to initiate, cause, or procure any of the following measures for a period of at least three years after settlement of the Takeover Offer:

- (a) a sale of all or substantially all of alstria's business to any third party;
- (b) a liquidation of alstria; and

- (c) a squeeze-out, i.e. the transfer of the alstria Shares held by the shareholders of alstria who have not accepted the Takeover Offer to the Bidder as the principal shareholder (*Hauptaktionär*) in return for payment of an appropriate cash settlement pursuant to (i) Sections 327a et seqq. AktG (squeeze-out under stock corporation law), or (ii), after the Bidder's possible conversion into the legal form of a stock corporation (*Aktiengesellschaft*), *Societas Europaea* (SE) or partnership limited by shares (*Kommanditgesellschaft auf Aktien*), Sections 62 para. 5 German Transformation Act (*Umwandlungsgesetz*, "**UmwG**"), 327a et seqq. AktG (squeeze-out under the transformation law).

### **3.8. Potential structural measures**

After settlement of the Takeover Offer and subject to having reached the required shareholding, the Bidder may evaluate whether to initiate, cause or procure the following structural measures:

- (a) a delisting of alstria from the regulated market (*Regulierter Markt*) with additional post-admission obligations (Prime Standard) of the Frankfurt Stock Exchange (the "**Delisting**"); and/or
- (b) a change of the legal form, merger, spin-off or similar corporate reorganization of alstria,

in each case to the extent legally permissible and commercially reasonable.

### **3.9. Refinancing of existing liabilities of alstria**

The Management Board and the Supervisory Board point out that the Company may need to refinance existing financial liabilities that may become due as a result of the settlement of the Takeover Offer triggering change-of-control clauses and/or a ratings downgrade. Against this background, the Investment Agreement provides for regulations which shall secure the refinancing of existing liabilities of alstria.

Firstly, in the Investment Agreement, the Bidder undertakes to make available to the Company, or to arrange that the Company is provided with, in each case on an arm's length term basis, funds to refinance such financial liabilities that may become due as a result of change-of-control clauses and/or a ratings downgrade being triggered. Secondly, with respect to refinancing of the existing financial debt instruments of the Company (e.g. bonds, *Schuldscheine*, banks loans) the Bidder shall compensate the Company for any difference (taking into account, and netting if necessary, any financial benefit of the Company) between the current interest rate under the respective financial debt instrument and the financing made available to the Company by the Bidder or as arranged by the Bidder for the purpose of refinancing such financial debt instrument, in each case from the date on which the Company has drawn such financing which was made available or arranged by the Bidder.

Further, if in accordance with the terms and conditions of any bonds issued by the Company, a bond holder has the right to require the Company to redeem or purchase his notes, the Company can propose to the Bidder and the Bidder can decide in its sole discretion (*freies Ermessen*) that it purchases the respective notes.

The Bidder and BSREP IV Pooling have and will uphold, until the respective obligations have been fulfilled, certain funds available to finance the Takeover Offer and to refinance financial

obligations of the Company which become due as a consequence of the settlement of the Takeover Offer. For the availability of certain funds, the Bidder provided evidence to alstria before the Investment Agreement was concluded.

#### **4. Term of the Investment Agreement**

The Investment Agreement has a fixed term of three years after the settlement of the Takeover Offer. In addition, the Investment Agreement provides each party with termination rights in certain defined circumstances.

alstria may terminate the Investment Agreement with immediate effect if a Superior Offer has been launched and the Bidder has not amended the Takeover Offer to match such Superior Offer (cf. Section IV.2 of this Statement) or the Bidder violates any material provision of the Investment Agreement (including material differences between the undertakings and the intentions of the Bidder published in the Offer Document with regard to the strategy of the Bidder and the undertakings and intentions set forth in the Investment Agreement).

## **V. INFORMATION ABOUT THE TAKEOVER OFFER**

The following contains a summary of selected information about the Takeover Offer, taken exclusively from the Offer Document or from publications of the Bidder. For their decision to accept or reject the Takeover Offer, alstria Shareholders should carefully review the Offer Document and not rely on the following summary.

### **1. Settlement of the Takeover Offer**

The Takeover Offer is made by the Bidder in the form of a voluntary public takeover offer to all alstria Shareholders for the acquisition of all alstria Shares pursuant to Section 29 para. 1 WpÜG not yet directly held by the Bidder. The Takeover Offer is being made as a takeover offer in accordance with German law, in particular, the German Takeover Law. The Management Board and the Supervisory Board have not conducted their own review of the Takeover Offer with regard to compliance with the relevant statutory provisions.

### **2. Publication of the decision to launch the Takeover Offer**

On 4 November 2021, the Bidder published its Section 10 WpÜG Announcement. This publication is available on the internet at <https://www.lake-offer.com>.

### **3. Review by BaFin and publication of the Offer Document**

BaFin has reviewed the Takeover Offer Document in accordance with German law and in the German language and, according to information provided by the Bidder, has permitted its publication on 13 December 2021.

In the Section 1.4 of the Offer Document, the Bidder states that no registrations, admissions or approvals of the Offer Document and/or of the Takeover Offer have been made or granted under any laws other than the laws of the Federal Republic of Germany and no other registrations, admission or approvals are contemplated. Aside from the Offer Document, no other documents form part of the Bidder's Takeover Offer.

The Offer Document was published on 13 December 2021 by way of (i) publication in the German language on the internet at <https://www.lake-offer.com> and (ii) keeping available copies of the Offer Document free of charge at Morgan Stanley Europe SE, New Issue Operations, Große Gallusstraße 18, Floor 9, 60312 Frankfurt am Main, Germany (requests stating the full postal address by fax to +49-69-2166-7676 or email to [newissues\\_germany@morganstanley.com](mailto:newissues_germany@morganstanley.com)). The announcement about keeping available copies of the Offer Document free of charge in Germany and the internet address at which the publication of the Offer Document occurs was published on 13 December 2021 in the German Federal Gazette (*Bundesanzeiger*). In addition, a non-binding English translation of the Offer Document, which had not been reviewed by BaFin, has been made available on the internet at <https://www.lake-offer.com>.

### **4. Acceptance of the Takeover Offer outside the Federal Republic of Germany**

In Section 1.6 of the Offer Document, the Bidder notes that the acceptance of the Takeover Offer outside the Federal Republic of Germany, the Member States of the European Union and the contracting states of the European Economic Area may be subject to legal restrictions.

alstria Shareholders who come into possession of the Offer Document outside the Federal Republic of Germany, the Member States of the European Union and the European Economic Area or the United States, and who wish to accept the Takeover Offer outside the Federal Republic of Germany, the Member States of the European Union and the European Economic Area or the United States and/or who are subject to statutory provisions other than those of the Federal Republic of Germany, the Member States of the European Union and the European Economic Area or the United States, are advised to inform themselves of, and if necessary seek counsel concerning, the relevant applicable statutory provisions and to comply with them.

According to the Bidder, the Bidder and persons acting jointly with it within the meaning of Section 2 para. 5 WpÜG, assume no responsibility for acceptance of the Takeover Offer outside the Federal Republic of Germany, the Member States of the European Union and the European Economic Area and the United States being permissible under the relevant applicable statutory provisions.

Furthermore, neither alstria nor the Management Board and Supervisory Board assume any such responsibility.

The Management Board and the Supervisory Board emphasize that the enforcement of rights or claims based on possible violations of foreign investor protection laws in connection with the Offer Document in Germany or abroad might be fraught with difficulties, as the Offer Document is governed exclusively by German law (cf. Section 22 of the Offer Document).

## **5. Material content of the Takeover Offer**

### **5.1. Subject of the Takeover Offer and Offer Consideration**

According to the terms and conditions of the Offer Document, the Bidder offers to acquire all alstria Shares (ISIN DE000A0LD2U1) which are not already directly held by the Bidder, each with a pro rata amount of the share capital of EUR 1.00 and each with all ancillary rights existing at the time of Settlement of the Takeover Offer, in particular the dividend right, against cash consideration in the amount of

**EUR 19.50 per alstria Share.**

After publication of the Offer Document and until the publication pursuant to Section 23 para. 1 sentence 1 no. 3 WpÜG, the Bidder or any persons acting jointly with the Bidder or their subsidiaries will not acquire any shares in alstria on or off the stock market for a consideration higher than the Offer Consideration or agree on such an acquisition for such higher consideration.

### **5.2. Acceptance Period**

The period for accepting the Takeover Offer began upon publication of the Offer Document on 13 December 2021 and will end on

**17 January 2022, 24:00 hours (Frankfurt am Main local time) /  
18:00 hours (New York local time).**

The time limit for the acceptance of the Takeover Offer will be extended automatically in the following cases:

- The Bidder may amend the Takeover Offer up to one working day (*Werktag*) before expiration of the acceptance period in accordance with Section 21 WpÜG. In the event of an amendment to the Takeover Offer pursuant to Section 21 WpÜG, the acceptance period will be extended by two weeks, if publication of the amendment takes place within the last two weeks before expiration of the Acceptance Period (Section 21 para. 5 WpÜG), i.e. the acceptance period would then end on 31 January 2022, 24:00 hours (Frankfurt am Main local time)/18:00 hours (New York local time). This shall apply even if the amended Takeover Offer violates statutory provisions.
- If, during the Acceptance Period of the Takeover Offer, a Competing Offer is made and if the acceptance period of the Takeover Offer expires prior to expiration of the acceptance period of the Competing Offer, the acceptance period of the Takeover Offer shall be extended to correspond to the expiration date of the acceptance period of the Competing Offer (Section 22 para. 2 WpÜG). This shall apply even if the Competing Offer is amended or prohibited or violates statutory provisions.
- If alstria convenes a general meeting (*Hauptversammlung*) in connection with the Takeover Offer following publication of the Offer Document, the acceptance period will be extended to ten weeks after publication of the Offer Document (Section 16 para. 3 WpÜG). The acceptance period would then end on 21 February 2022, 24:00 hours (Frankfurt am Main local time)/18:00 hours (New York local time).

The period for acceptance of the Takeover Offer, including all extensions of such period resulting from provisions of the WpÜG (but excluding the Additional Acceptance Period set forth in Section 5.3 of the Offer Document and Section V.5.3 of this Statement), is uniformly referred to as the "**Acceptance Period**" in this Statement. According to Section 5.2 of the Offer Document, the Bidder will publish each extension of the Acceptance Period in accordance with the statements in Section 21 of the Offer Document.

With regard to the right of withdrawal in the event of an amendment of the Takeover Offer or the launching of a Competing Offer, please refer to the statements contained in Section 17 of the Offer Document.

### **5.3. Additional Acceptance Period**

alstria Shareholders who have not accepted the Takeover Offer within the Acceptance Period can still accept it within two weeks after publication of the results of the Takeover Offer by the Bidder according to Section 23 para. 1 sentence 1 no. 2 WpÜG (the "**Additional Acceptance Period**") (Section 16 para. 2 WpÜG), provided, however, that none of the Offer Conditions set forth in Section 12 of the Offer Document (cf. Section V.5.5 of this Statement) have finally lapsed as of the end of the Acceptance Period and such conditions have not been previously effectively waived.

Subject to an extension of the Acceptance Period in accordance with Section 5.2 of the Offer Document (cf. Section V.5.2 of this Statement), the Additional Acceptance Period will presumably begin on 21 January 2022 and end on 3 February 2022, 24:00 hours (Frankfurt am Main local time)/18:00 hours (New York local time).

In the Offer Document, the Bidder also points out that the Additional Acceptance Period is a period stipulated by law. It will, in particular, only commence if no Offer Condition (as defined in Section V.5.5 of this Statement) has finally lapsed and such conditions have not been previously effectively waived.

#### 5.4. Sell-out Right of alstria Shareholders

To the extent that the sum of the alstria Shares held by the Bidder amounts to at least 95% of the alstria Shares following the settlement of the Takeover Offer, alstria Shareholders who have not accepted the Takeover Offer are entitled to exercise their sell-out right pursuant to Section 39c WpÜG for alstria Shares held by them, which is to be accepted within three months after publication of reaching the relevant shareholding pursuant to Section 23 para. 1 sentence 1 no. 4 WpÜG (the "**Sell-out Right**"). It should be noted that, as described in Section 6.8 of the Offer Document, due to the shareholding by Lapis and the agreement between Lapis and the Bidder, Lapis will not tender its alstria Shares into the Takeover Offer and the Bidder will not achieve a shareholding of 95% following the settlement of the Takeover Offer. The details and the procedure for exercising this Sell-out Right are described in more detail in Section 16(f) of the Offer Document.

#### 5.5. Offer Conditions

The Management Board and the Supervisory Board point out that, according to Section 12 of the Offer Document, conditions subsequent (*auflösende Bedingungen*) apply to the Takeover Offer and the agreements that have been entered into as a result of the acceptance by alstria Shareholders (collectively the "**Offer Conditions**" and each an "**Offer Condition**").

The following Offer Conditions must be met; for a detailed description of the Offer Conditions please refer to Section 12 of the Offer Document:

- at the end of the Acceptance Period, the achievement of the minimum acceptance threshold of 50% of the outstanding alstria Shares (including the alstria Shares already held by the Bidder or by persons acting jointly with the Bidder within the meaning of Section 2 para. 5 WpÜG) issued at the end of the Acceptance Period plus one alstria Share which corresponds to a rounded number of at least 89,016,500 alstria Shares at the time of publication of the Offer Document on 13 December 2021 based on the publication of the total number of voting rights of alstria pursuant to Section 41 WpHG at that time (the "**Minimum Acceptance Threshold**");
- the German Federal Ministry for Economic Affairs and Climate Action (*Bundesministerium für Wirtschaft und Klimaschutz*, "**BMWi**")
  - i. has issued either a certificate of non-objection (*Unbedenklichkeitsbescheinigung*) in accordance with Section 58 Foreign Trade and Payments Ordinance (*Außenwirtschaftsverordnung*, the "**AWV**") or a clearance decision (*Freigabe*) in accordance with Section 58a AWV in relation to the transaction; or



- ii. within two months (or as possibly prolonged pursuant to Section 14 para. 5 of the German Foreign Trade and Payment Act (*Außenwirtschaftsgesetz*, the "**AWG**") after receipt of a due application for a certificate of non-objection or a clearance neither
    - has issued such certificate of non-objection or clearance; nor
    - has initiated formal investigations in accordance with Section 55 para. 1 AWV in relation to the transaction and, therefore, such certificate or clearance is deemed to have been issued in accordance with Section 58 para. 2 or Section 58a para. 2 AWV; or
  - iii. has, in the event of formal investigations within the period specified in Section 14a para. 1 no 2 AWG, as possibly prolonged pursuant to Section 14a para. 4 to 7 AWG, not prohibited the transaction;
- between the publication of the Offer Document on 13 December 2021 and the expiration of the Acceptance Period, the Company has not published an ad hoc notification pursuant to Article 17 of Regulation (EU) No. 596/2014 of the European Parliament and the Council of 16 April 2014 on market abuse, "**MAR**") that it has issued any additional share capital (other than shares delivered under the existing employee participation programs, including any share based remuneration programs for the Management Board);
- between the publication of the Offer Document on 13 December 2021 and the expiration of the Acceptance Period, the Company has not published an ad hoc announcement pursuant to Article 17 MAR that (i) insolvency proceedings under German law have been opened in respect of the assets of the Company, (ii) the Management Board has applied for such proceedings to be opened or (iii) there are grounds that would require an application for the opening of such proceedings; and
- between the publication of the Offer Document and prior to or at expiration of the Acceptance Period, the closing price of the FTSE EPRA NAREIT Developed Europe Index (EPRA:IND), as determined based on Bloomberg, is not below 1,835.36 points (corresponding to a value of 25% below the closing price as of the date prior to the publication of the Offer Document of 2,447.15 points, as determined based on Bloomberg) on six consecutive trading days.

The Management Board and the Supervisory Board are of the opinion that the Offer Conditions are in accordance with the Investment Agreement, are comparable to the offer conditions in similar transactions and take into account the Bidder's legitimate interests.

As described in more detail in Section 12.2 of the Offer Document, the Takeover Offer will lapse if one or more of the Offer Conditions pursuant to Section 12.1 of the Offer Document have failed and the Bidder has not previously validly waived the relevant Offer Condition pursuant to Section 21 para. 1 no. 4 WpÜG or the Offer Condition has lapsed before (see Section V.5.6 of this Statement).

The agreements concluded through acceptance of the Takeover Offer will cease to exist and will not be consummated in this case and will lapse (condition subsequent (*auflösende Bedingung*)). Any Tendered alstria Shares and Subsequently Tendered alstria Shares will be rebooked. For

further details regarding the Offer Conditions, in particular regarding possible waivers and the legal consequences if the Takeover Offer lapses, reference is made to Sections 12.1 and 12.2 of the Offer Document.

The Management Board and Supervisory Board point out that according to the information of the Bidder in the Offer Document, the 54,951,676 alstria Shares directly held by the Bidder, the 783,981 alstria Shares acquired by the Bidder via stock exchange purchases which were planned to be settled on 13 December 2021, the 18,213,868 alstria Shares directly held by Lapis and the 3,090,823 alstria Shares directly held by Lapis II will be taken into account for purposes of the Minimum Acceptance Threshold (cf. Section 12.1.1 of the Offer Document). The aggregate of 77,040,348 alstria Shares held by the Bidder or acquired by the Bidder via stock exchange purchases, Lapis and Lapis II in accordance with the above corresponds to approximately 43.27% of the total share capital and voting rights in alstria.

## **5.6. Waiver of Offer Conditions**

In Section 12.2 of the Offer Document, the Bidder reserves the right to waive one or several of the Offer Conditions pursuant to Section 21 para. 1 no. 4 WpÜG – to the extent permissible – up until one working day (*Werktag*) prior to the expiration of the Acceptance Period, if they have not previously finally lapsed.

As agreed in the Investment Agreement, the Bidder may only waive or reduce the condition of the Minimum Acceptance Threshold pursuant to Section V.5.5 of this Statement subject to the prior consent of the Company not be unreasonably withheld. The Company may reasonably withhold such consent if this is in the interest of the Company and/or its shareholders, e.g. if the Bidder has violated or is in violation of provisions of the Investment Agreement (cf. Section IV of this Statement).

Offer Conditions validly waived by the Bidder will be deemed fulfilled for the purposes of the Takeover Offer. The Bidder is required to publish without undue delay any amendment to the Takeover Offer, i.e., including a waiver of Offer Conditions or a reduction of the Minimum Acceptance Threshold, pursuant to Section 14 para. 3 sentence 1 WpÜG. In the event of an adjustment to the Takeover Offer, the Acceptance Period will be automatically extended by two weeks pursuant to Section 21 para. 5 WpÜG, i.e., probably until 31 January 2022, at 24:00 hours (Frankfurt am Main local time)/18:00 hours (New York local time) if the publication of the adjustment to the Takeover Offer is effected within the last two weeks prior to the expiry of the Acceptance Period.

In the event of a waiver of Offer Conditions or a reduction of the Minimum Acceptance Threshold, alstria Shareholders who have already accepted the Takeover Offer prior to the publication of the amendment to the Takeover Offer may withdraw, pursuant to Section 21 para. 4 WpÜG, from the contracts concluded upon acceptance of the Takeover Offer up to the expiration of the Acceptance Period. This right to rescind also applies in other cases of amendments to the Takeover Offer.

## **5.7. Trading Tendered alstria Shares or Subsequently Tendered alstria Shares at the stock exchange**

According to Section 13.9 of the Offer Document, the Bidder will effect the inclusion of the Tendered alstria Shares in trading on the regulated market (*Regulierter Markt*) with additional post-admission obligations (*Prime Standard*) of the Frankfurt Stock Exchange presumably as of the third Banking Day after the commencement of the Acceptance Period under ISIN DE000A3MQCD3. This trading will be suspended (i) at the end of the last day of the Acceptance Period, if all Offer Conditions set forth in Section 12.1 of the Offer Document have been met or previously effectively waived or (ii) at the end of the third Banking Day directly preceding the settlement or rebooking of the Takeover Offer.

According to the Offer Document, stock exchange trading for the Tendered alstria Shares during the Additional Acceptance Period is not generally provided. However, such trading will take place if the approval of the BMWi (as set forth in Section 12.1.2 of the Offer Document and Section V.5.5 of this Statement) has not occurred by the end of the Acceptance Period. In this case, the Subsequently Tendered alstria Shares can be traded under ISIN DE000A3MQCE1 on the regulated market (*Regulierter Markt*) with additional post admission obligations (*Prime Standard*) of the Frankfurt Stock Exchange as well.

The Management Board and the Supervisory Board note that the trading volume for the Tendered alstria Shares and Subsequently Tendered alstria Shares depends on the respective acceptance rate. It is not possible to guarantee that a market for the Tendered alstria Shares or Subsequently Tendered alstria Shares will develop or that the Tendered alstria Shares or Subsequently Tendered alstria Shares will not be subject to greater price fluctuations than the alstria Shares which have not been tendered.

The modalities of acceptance and settlement of the Takeover Offer are described in Section 13 of the Offer Document.

alstria Shares that are not tendered can still be traded under the original ISIN DE000A0LD2U1.

## **5.8. Publications and notifications**

In Section 12.3 of the Offer Document the Bidder describes that it will promptly announce on the internet at <https://www.lake-offer.com> (in German together with a non-binding English translation) and in the German Federal Gazette (*Bundesanzeiger*) if (i) an Offer Condition has been previously effectively waived, (ii) an Offer Condition has been fulfilled, (iii) all Offer Conditions have either been fulfilled or have been previously effectively waived or (iv) the Takeover Offer is not consummated because an Offer Condition has finally not been fulfilled or lapsed. Likewise, according to the Offer Document, the Bidder will promptly announce at the end of the Acceptance Period, as part of the publication according to Section 23 para. 1 sentence 1 no. 2 WpÜG, which of the Offer Conditions set forth in Section 12.1 of the Offer Document have been fulfilled by such time.

In Section 21 of the Offer Document, the Bidder describes that it will publish on the internet at <https://www.lake-offer.com> the Offer Document and a non-binding English translation of it. Further, copies of the Offer Document are available free of charge at Morgan Stanley Europe SE, New Issue Operations, Große Gallusstraße 18, Floor 9, 60312 Frankfurt am Main, Germany (requests stating the full postal address by fax to +49-69-2166-7676 or e-mail to

*newissues\_germany@morganstanley.com*). The announcement about keeping available copies of the Offer Document free of charge in Germany and the internet address at which the publication of the Offer Document occurs were published in the German Federal Gazette (*Bundesanzeiger*) on 13 December 2021.

All publications and announcements required according to the WpÜG (including those pursuant to Section 23 paras. 1 and 2 WpÜG) or the applicable capital market law provisions of the United States in connection with the Takeover Offer as well as additional publications and announcements in connection with the Takeover Offer will be published on the internet at <https://www.lake-offer.com> (in German together with a non-binding English translation) and, to the extent necessary pursuant to the WpÜG, in German only in the German Federal Gazette (*Bundesanzeiger*).

For details regarding other publications and notifications of the Bidder, see Section 21 of the Offer Document.

## **5.9. Applicable law and jurisdiction**

According to Section 22 of the Offer Document, the Takeover Offer and the agreements which have been entered into as a result of the acceptance of the Takeover Offer shall be governed by German law. The exclusive place of jurisdiction for all legal disputes arising out of, or in connection with, the Takeover Offer (and any agreements which have been entered into as a result of the acceptance of the Takeover Offer) shall be, to the extent permitted by law, Munich, Germany.

## **6. Financing of the Takeover Offer**

Pursuant to Section 13 para. 1 sentence 1 WpÜG, prior to publishing the Offer Document, the Bidder must take all steps necessary to ensure that it has the funds required for the complete settlement of the Takeover Offer at its disposal at the time the claim to the Offer Consideration becomes due. According to information provided by the Bidder in the Offer Document (cf. in particular Section 14 of the Offer Document), the Management Board and the Supervisory Board assume that the Bidder has complied with this obligation.

### **6.1. Maximum consideration**

At the time of publication of the Offer Document on 13 December 2021, the Bidder directly held 54,951,676 alstria Shares (i.e. approximately 30.87% of the total share capital and voting rights in alstria) and has acquired further 783,981 alstria Shares (i.e. approximately 0.44% of the registered share capital and voting rights of alstria) via stock exchange purchases which were planned to be settled on 13 December 2021.

If the Takeover Offer was accepted for all currently issued alstria Shares not yet directly held by the Bidder or acquired by the Bidder via stock exchange purchases which were planned to be settled on 13 December 2021, the payment obligation of the Bidder to the accepting alstria Shareholders would amount to EUR 2,384,798,130.00 in aggregate (result of the Offer Price of EUR 19.50 per alstria Share multiplied by 122,297,340 alstria Shares not yet directly held by the Bidder).

The additional costs incurred in connection with the transaction are expected by the Bidder according to Section 14.1 of the Offer Document to be an aggregate of up to EUR 56,000,000.00 (the "**Transaction Costs**").

The total funds required for the acquisition of the alstria Shares not yet directly held by the Bidder on the basis of the Takeover Offer (including the Transaction Costs) would hence amount to EUR 2,440,798,130.00 (the "**Offer Costs**").

## 6.2. **Financing measures**

According to the Offer Document, the Bidder has taken the necessary measures to ensure that it has the financial resources required to completely fulfil its payment obligations in connection with the Takeover Offer in due time.

In Section 14.2 of the Offer Document, the Bidder states that it has taken the following financing measures to ensure the financing:

BSREP IV-A, BSREP IV-B and BSREP IV-C (together the "**Brookfield Funds**") undertook to the Bidder on 3 November 2021 to fund the Bidder, directly or indirectly, with an aggregate amount of up to EUR 1,640,000,000.00 in the form of ordinary equity, preferred equity, loans or other debt or equity securities (the "**Equity Funding**"). As investment funds, the Brookfield Funds are financed by their investors, which are in turn obligated to the Brookfield Funds to provide them with their committed contributions upon request. The Brookfield Funds are entitled under certain conditions to assign some or all of its share of the Equity Funding to any of its affiliates or to one or more co-investors.

In addition, on 4 November 2021, the Bidder (as borrower) entered into a bridge facilities agreement regarding external financing arrangements with, *inter alia*, (i) Bank of America Europe Designated Activity Company, with registered office in Dublin, Ireland, (ii) Deutsche Bank Luxembourg S.A., with registered office in Luxembourg, Grand Duchy of Luxembourg, (iii) MS Bank, (iv) Morgan Stanley Principal Funding, Inc. with registered office in Wilmington, United States of America, and (v) Société Générale with registered office in Paris, France, (each as arranger, underwriter and lender) (the "**External Financing Arrangements**"). The External Financing Arrangements under the bridge facilities agreement consist of commitments for an aggregate EUR 3,660,000,000.00 senior secured term loan facility divided into a EUR 1,760,000,000.00 tranche (the "**Refinancing Bridge Facility**") and a EUR 1,900,000,000.00 tranche (the "**Acquisition Bridge Facility**") and together with the Refinancing Bridge Facility, the "**External Financing**"). Each of the Refinancing Bridge Facility and the Acquisition Bridge Facility has a term longer than the latest possible settlement date of the Takeover Offer to be made available to the Bidder. The Acquisition Bridge Facility can primarily be used to finance the acquisition of the alstria Shares under the Takeover Offer and to satisfy the Transaction Costs. The interest rate for the funds drawn under the Acquisition Bridge Facility will be 3.25 percentage points p.a. Furthermore, the Refinancing Bridge Facility can be used, *inter alia*, to refinance the existing net debt of alstria (including any debt that becomes due under change-of-control-clauses) and to satisfy the transaction costs relating to such refinancing.

According to the Bidder, the aggregate amount of the Equity Funding and the Acquisition Bridge Facility exceeds the Offer Costs to the effect that the Bidder has taken the measures necessary to ensure that it will, on the relevant date, have available funds in the amount of the Offer Costs.

### **6.3. Financing confirmation**

According to Section 14.3 of the Offer Document, Morgan Stanley Europe SE, Große Gallusstraße 18, 60312 Frankfurt am Main, Germany, an investment service provider that is independent from the Bidder, issued the required financing confirmation pursuant to Section 13 para. 1 sentence 2 WpÜG in a letter dated 13 December 2021, which is attached as Annex 5 to the Offer Document, and confirms thereby that the Bidder has taken the necessary measures to procure that it has at its disposal the necessary means to fully perform the Takeover Offer at the time the cash consideration will be due.

The Management Board and the Supervisory Board have no reason to doubt the regularity of the financing confirmation.

### **6.4. Assessment of the financing measures taken by the Bidder**

Consequently, in the opinion of the Management Board and the Supervisory Board, the Bidder has taken all necessary measures to ensure that funds will be available to the Bidder at least in the amount of the Offer Costs at the time the claims to the Offer Price become due.

## **7. Authoritative nature of the Offer Document**

For further information and details (in particular details pertaining to the terms and conditions of the Takeover Offer, the Acceptance Periods, the acceptance and implementation modalities and the statutory rights of withdrawal), alstria Shareholders are referred to the further explanations in the Offer Document. The above information merely summarizes individual pieces of information contained in the Offer Document. The description of the Takeover Offer in this Statement therefore does not purport to be complete and the Statement should be read in conjunction with the Offer Document with respect to the Bidder's Takeover Offer. Only the provisions of the Offer Document are authoritative for the content of the Takeover Offer and its settlement. Each alstria Shareholder is responsible for acquiring knowledge of the Offer Document and for taking any action they consider necessary.

## VI. TYPE AND AMOUNT OF CONSIDERATION OFFERED

As a consideration within the meaning of Section 27 para. 1 sentence 2 no. 1 WpÜG, the Bidder is offering EUR 19.50 in cash for each alstria Share. The details are outlined in Section 10 of the Offer Document.

Following a thorough review, the Management Board and the Supervisory Board consider the Offer Consideration to be fair and adequate both in terms of its nature and its amount.

### 1. Statutory minimum price

In the opinion of the Management Board and the Supervisory Board, and based on the information contained in the Offer Document, the Offer Consideration complies with the provisions for minimum prices within the meaning of Section 31 para. 1 WpÜG and Sections 4 and 5 WpÜG Offer Ordinance.

The Offer Consideration must first be measured against the requirements that the law provides for the statutory minimum amount of the consideration.

- Pursuant to Section 5 WpÜG Offer Ordinance, the consideration must in case of a takeover offer within the meaning of Sections 29 et seqq. WpÜG at least correspond to the weighted average domestic stock market price of the alstria Shares during the three-month period prior to the Section 10 WpÜG Announcement (the "**Three-Month Average Price**"). The Section 10 WpÜG Announcement was published on 4 November 2021. The Three-Month Average Price reported by BaFin is EUR 16.57 per alstria Share (cf. Section 10.1(a) of the Offer Document). The Offer Price thus exceeds the Three-Month Average Price.
- Pursuant to Section 4 WpÜG Offer Ordinance, the consideration offered in a takeover offer pursuant to Sections 29 et seqq. WpÜG for each alstria Share must correspond at least to the value of the highest consideration granted or agreed to by the Bidder, a person acting jointly with the Bidder within the meaning of Section 2 para. 5 WpÜG or its subsidiaries within the last six months prior to the publication of the Offer Document for the acquisition of alstria Shares as set out in Section 6.6 of the Offer Document. Based on these acquisitions, neither the Bidder nor persons acting jointly with the Bidder or their subsidiaries have acquired alstria Shares for a price higher than EUR 19.50 per alstria Share during the six months preceding the publication of the Offer Document on 13 December 2021. The Management Board and the Supervisory Board do not have any information to the contrary.

The Offer Consideration therefore corresponds to the minimum price to be offered pursuant to Section 4 WpÜG Offer Ordinance in the amount of EUR 19.50 per alstria Share and thus meets the legal requirements pursuant to Section 31 para. 1, 2 and 7 WpÜG in conjunction with Section 4 and Section 5 para. 1 and 3 WpÜG Offer Ordinance.

### 2. Assessment of the adequacy of the Offer Consideration

The Management Board and the Supervisory Board have carefully analyzed and evaluated the adequacy of the Offer Consideration offered for the alstria Shares on the basis of the Offer Price per alstria Share under consideration of the Company's current strategy and financial planning.

The Management Board and the Supervisory Board have also considered the underlying risks and opportunities created by the business environment in which the Company currently operates. This includes, among other things, the expected impact of the current pandemic on the future behaviour of corporate tenants, the expected increase of regulatory and business requirements linked to environmental and sustainability considerations (e.g. decarbonisation, embodied carbon, energy performance), and macroeconomic consideration (e.g. central bank policy, inflation expectation, change in real estate yields).

Furthermore, the price of alstria Shares prior to the Section 10 WpÜG Announcement on 4 November 2021, the historical price development of the alstria Shares, the price targets published by financial analysts for the Company, the EPRA NTA (as defined in Section VI.2.4 of this Statement) as a common performance indicator for the valuation of real estate companies, historical premiums, trading yields of comparable companies as well as further assumptions and information were taken into account. These are reflective of traditional valuation methodologies for real estate companies.

In its deliberations, the Management Board and the Supervisory Board were advised by UBS Europe SE, Bockenheimer Landstr. 2-4, 60306 Frankfurt am Main, Germany ("UBS"). In this context, the Management Board and the Supervisory Board consulted the analysis and Fairness Opinion (as defined below in Section VI.2.6 of this Statement), the conclusions of which were extensively discussed with representatives of UBS and subject to an independent, critical evaluation by the Management Board and the Supervisory Board.

On this basis, the Management Board and the Supervisory Board consider the Offer Consideration per alstria Share in the amount of EUR 19.50 per alstria Share offered by the Bidder to be fair and adequate from a financial point of view.

## **2.1. Premium over historical share prices per alstria Share**

For the purpose of assessing the adequacy of the consideration on the basis of the Offer Price, the Management Board and the Supervisory Board have used, inter alia, the historical stock market prices of alstria Shares, which are also shown in Section 10.2.1 of the Offer Document.

alstria is currently included, inter alia, in the MDAX and FTSE EPRA/NAREIT Global Real Estate Index. The alstria Shares are also currently included in the regulated unofficial market (*Freiverkehr*) in Berlin, Dusseldorf, Hamburg, Hanover, Munich, Stuttgart, Tradegate Exchange, London Stock Exchange and Vienna Stock Exchange.

On average, more than 399,419 alstria Shares were traded per trading day in the three-month period prior to 4 November 2021, with an average value of more than EUR 6.6 million per trading day (average daily trading volume) traded on the XETRA® stock exchange (*Source: Börse Frankfurt database*).

The Management Board and the Supervisory Board believe that the share price of the alstria Shares constitutes an important criterion for the assessment of the adequacy of the Offer Consideration.

According to the Offer Document, the weighted average domestic stock market price of alstria Shares as reported by the BaFin during the last three months prior to the Section 10 WpÜG Announcement on 4 November 2021, amounted to EUR 16.57 per alstria Share as of the cut-off



date of 3 November 2021. The Offer Price in the amount of EUR 19.50 per alstria Share is approximately EUR 2.93 above this amount, i.e., approximately 17.7%.

Compared to the historical stock market prices of alstria Shares prior to the Section 10 WpÜG Announcement on 4 November 2021, the Offer Consideration in the amount of EUR 19.50 contains the following premiums:

- The XETRA® closing price on 3 November 2021, the last trading day prior to the Section 10 WpÜG Announcement on 4 November 2021, was EUR 16.62. The Offer Price therefore contains a premium of EUR 2.88 or approximately 17.3% on this closing price.
- The volume-weighted average XETRA® stock market price of the alstria Shares for the month ending on 3 November 2021 was EUR 16.14. The Offer Consideration thus contains a premium of EUR 3.36 or approximately 20.9% on this average stock market price.
- The volume-weighted average XETRA® stock market price of the alstria Shares for the three-month period ending 3 November 2021 was EUR 16.59. The Offer Consideration therefore includes a premium of EUR 2.91 or approximately 17.5% on this average stock market price.
- The volume-weighted average XETRA® stock market price of the alstria Shares for the six-month period ending on 3 November 2021 was EUR 16.28. The Offer Consideration thus contains a premium of EUR 3.22 or around 19.8% on this average stock market price.
- The volume-weighted average XETRA® stock market price of the alstria Shares for the 12-month period ending on 3 November 2021 was EUR 15.10. The Offer Consideration thus contains a premium of EUR 4.40 or around 29.1% on this average stock market price.

On 2 July 2021, after market close, a voting rights notification according to Section 40 para. 1 WpHG, was published in which BAM's 8.35% ownership of voting rights in alstria was disclosed. The Management Board and the Supervisory Board believe that from this point on, the price of alstria Shares was influenced by this disclosure notification and as such the Management Board and the Supervisory Board consider 2 July 2021 to be the last trading day of alstria Shares on which the share price was undisturbed and the appropriate reference point to assess the Takeover Offer.

- The XETRA® closing price on 2 July 2021, the last trading day prior to the publication of BAM's initial voting rights notification, was EUR 16.05. The Offer Price therefore contains a premium of EUR 3.45 or approximately 21.5% on this closing price.
- The volume-weighted average XETRA® stock market price of the alstria Shares for the month ending on 2 July 2021 was EUR 15.61. The Offer Consideration thus contains a premium of EUR 3.89 or approximately 24.9% on this average stock market price.
- The volume-weighted average XETRA® stock market price of the alstria Shares for the three-month period ending 2 July 2021 was EUR 14.94. The Offer Consideration

therefore includes a premium of EUR 4.56 or approximately 30.5% on this average stock market price.

- The volume-weighted average XETRA® stock market price of the alstria Shares for the six-month period ending on 2 July 2021 was EUR 14.52. The Offer Consideration thus contains a premium of EUR 4.98 or around 34.3% on this average stock market price.
- The volume-weighted average XETRA® stock market price of the alstria Shares for the 12-month period ending on 2 July 2021 was EUR 13.65. The Offer Consideration thus contains a premium of EUR 5.85 or around 42.9% on this average stock market price.

Overall, the Offer Price represents a significant premium over the historical stock market prices of alstria Shares prior to the publication of the Section 10 WpÜG Announcement on 4 November 2021 and the publication of the voting rights notification by BAM on 2 July 2021.

## **2.2. Premium over the price targets of analysts**

The Management Board and the Supervisory Board analyzed the price targets that financial analysts had published for the alstria Shares prior to 4 November 2021, the day of Section 10 WpÜG Announcement.

Prior to 4 November 2021, financial analysts followed the developments at alstria. The average and the median price targets published by the financial analysts prior to 4 November 2021 were EUR 17.24 per alstria Share and EUR 17.00 per alstria Share respectively. This calculation does not, however, include price targets that were older than three months at that point in time.

Financial analyst	Analysis date	Target price per alstria Share before 4 November 2021 (in EUR)
UBS	03 November 2021	20.00
Morgan Stanley	03 November 2021	17.00
M.M. Warburg	03 November 2021	18.40
Barclays	04 October 2021	16.50
Bankhaus Metzler	21 September 2021	13.50
Berenberg	14 September 2021	20.00
Kempen	02 September 2021	15.50
J.P. Morgan	01 September 2021	16.50
Goldman Sachs	31 August 2021	18.00
Nord LB	24 August 2021	17.00
Oddo BHF	11 August 2021	15.50
Deutsche Bank	10 August 2021	19.00
<b>Average</b>		<b>17.24</b>
<b>Median</b>		<b>17.00</b>

Compared to the average price target for alstria of EUR 17.24 per alstria Share prior to 4 November 2021, the Offer Consideration in the amount of EUR 19.50 per alstria Share includes a premium in the amount of EUR 2.26 per alstria Share or approximately 13.1%. Compared to the median price target for alstria of EUR 17.00 per alstria Share prior to 4 November 2021, the Offer Consideration in the amount of EUR 19.50 per alstria Share includes a premium in the amount of EUR 2.50 per alstria Share or approximately 14.7%.

On 2 July 2021, after market close, a voting rights notification according to Section 40 para. 1 WpHG, was published in which BAM's 8.35% ownership of voting rights in alstria was disclosed. The Management Board and the Supervisory Board believe that from this point on, the share price of alstria was influenced by the disclosure and therefore the Management Board and the Supervisory Board consider 2 July 2021 to be the last trading day of alstria Shares on which the share price was undisturbed.

The average and the median price targets published by the financial analysts prior to 2 July 2021 were EUR 15.36 per alstria Share and EUR 15.00 per alstria Share respectively. This calculation does not, however, include price targets that were older than three months at that point in time.

Financial analyst	Analysis date	Target price expectation per alstria Share before 2 July 2021 (in EUR)
Bankhaus Metzler	01 July 2021	13.50
Kepler Cheuvreux	20 June 2021	14.85
Kempen	04 June 2021	15.00
Société Générale	03 June 2021	13.30
Deutsche Bank	06 May 2021	19.00
Nord LB	05 May 2021	15.00
Oddo BHF	05 May 2021	15.50
Berenberg	04 May 2021	17.00
UBS	04 May 2021	16.70
Barclays	04 May 2021	14.00
Jefferies	04 May 2021	14.00
J.P. Morgan	22 April 2021	16.50
<b>Average</b>		<b>15.36</b>
<b>Median</b>		<b>15.00</b>

Compared to the average price target for alstria of EUR 15.36 per alstria Share prior to 2 July 2021, the Offer Consideration in the amount of EUR 19.50 per alstria Share includes a premium in the amount of EUR 4.14 per alstria Share or approximately 27.0%. Compared to the median price target for alstria of EUR 15.00 per alstria Share prior to 2 July 2021, the Offer Consideration in the amount of EUR 19.50 per alstria Share includes a premium in the amount of EUR 4.50 per alstria Share or approximately 30.0%.

The Management Board and Supervisory Board point out that the price targets determined by financial analysts are generally twelve-month targets, i.e., what is estimated is the stock market price prevailing one year after the preparation of the report. The fact that the Offer Price is above the average and the median of the analysts' twelve-month price target as of 2 July 2021 and 4 November 2021 is evidence that the Takeover Offer is attractive to alstria Shareholders as it offers them a secure and timely value realization even now.

### 2.3. Premium in comparison with historical takeover premiums

The Management Board and Supervisory Board have also analyzed historical takeover premiums for public cash offers in the European commercial real estate sector with significant office component since 2011, given the limited number of relevant comparables in the German commercial real estate sector.

On 2 July 2021, after market close, a voting rights notification according to Section 40 para. 1 WpHG, was published in which BAM's 8.35% ownership of voting rights in alstria was disclosed. The Management Board and the Supervisory Board believe that from this point on, the share price of alstria was influenced by the disclosure and therefore the Management Board and the Supervisory Board consider 2 July 2021 to be the last trading day of alstria Shares on which the share price was undisturbed.

- The average of the historical premiums paid compared to the undisturbed share price is approximately 19.1%. The median of the historical premiums paid compared to the undisturbed share price is approximately 19.6%. The XETRA® closing price on 2 July 2021, the last trading day prior to the publication of BAM's initial voting rights notification, was EUR 16.05 for alstria Shares. The Offer Price thus implies a premium of approximately 21.5% on this closing price. Thus, the offer premium is above the historical average and median of the offer premiums of the comparable transactions.
- The average of the historical premiums, which were paid in comparison to the volume-weighted average stock market price of the last three months prior to the undisturbed share price date, is approximately 24.0%. The median of the historical premiums, which were paid in comparison to the volume-weighted average stock market price of the last three months prior to the undisturbed share price date, is approximately 25.8%. The volume-weighted average XETRA® stock market price of alstria Shares for the three-month period ending on 2 July 2021 was EUR 14.94 for alstria Shares. The Offer Consideration therefore implies a premium of approximately 30.5% on this average stock market price. Thus, the offer premium is above the historical average and the median of the offer premiums of the comparable transactions.

The Offer Price therefore provides for a premium in comparison to the undisturbed stock market prices of alstria Shares prior to the publication of the voting rights notification by BAM on 2 July 2021, and also appears fair and adequate in comparison with historical premiums.

#### **2.4. Company valuation on the basis of different valuation approaches**

The Management Board and the Supervisory Board also assessed the adequacy of the Offer Consideration on the basis of the IFRS NAV, EPRA NRV, EPRA NTA and EPRA NDV (each as defined below). These valuation approaches are generally accepted and commonly used for the real estate industry, and thus represent, in the opinion of the Management Board and the Supervisory Board, a reasonable basis for the valuation of the alstria Shares and the Offer Consideration. From the Management Board's and Supervisory Board's perspective, employing all of the aforementioned valuation methodologies facilitated a fulsome assessment of the Offer Consideration for alstria's shareholders.

- The future earnings of real estate companies depend significantly on the location and the qualities of the properties held by the company. These qualities are reflected in the current market values of the properties. The market value of a real estate company is in essence derived from the sum of the market values of the individual properties (valued in accordance with IAS 40 and IFRS 13 minus financing positions at market value, plus other assets and minus other liabilities). The net asset value ("NAV", equity in accordance with IFRS, as applicable within the European Union, "IFRS NAV") is therefore the central valuation figure for portfolio-holding real estate companies. Against this background, the Management Board and the Supervisory Board are of the opinion that

the IFRS NAV is one of the most suitable valuation standards for determining the fair value of real estate companies that hold their properties on a long-term basis for rental and management purposes. Contrary to other asset value-based figures the IFRS NAV is subject to periodic review by a valuer and therefore part of the annual consolidated financial statements which are given an unrestricted audit certificate. Thus, the IFRS NAV provides the highest possible comparability and reliability for the valuation of real estate companies.

On 31 December 2020, the IFRS NAV was EUR 18.29 per alstria Share and on 30 September 2021, EUR 18.22 per alstria Share.

- The European Public Real Estate Association's ("**EPRA**") NAV reporting standard ("**EPRA NAV**") comprises three different NAV metrics. The objective of the EPRA Net Reinstatement Value ("**EPRA NRV**") measure is to highlight the value of net assets on a long-term basis. Assets and liabilities that are not expected to crystalize under normal circumstances, such as the fair value movements on financial derivatives and deferred taxes on property valuation surpluses, are therefore excluded. Since the aim of the metric is also to reflect what would be needed to recreate the company through the investment markets based on its current capital and financing structure, related costs such as real estate transfer taxes are included.

On 31 December 2020, the EPRA NRV was EUR 20.13 per alstria Share and on 30 September 2021, EUR 20.05 per alstria Share.

- The underlying assumption of the EPRA Net Tangible Assets ("**EPRA NTA**") measure is that entities buy and sell assets, thereby crystallizing certain levels of deferred tax liability. The NTA is similar to the previous EPRA NAV if goodwill is excluded.

On 31 December 2020, the EPRA NTA was EUR 18.34 per alstria Share and on 30 September 2021, EUR 18.26 per alstria Share.

- Shareholders are interested in understanding the full extent of liabilities and the resulting shareholder value if company assets are sold and/or if liabilities are not held until maturity. For this purpose, EPRA Net Disposal Value ("**EPRA NDV**") provides the information based on a scenario where deferred tax, financial instruments and certain other adjustments are calculated using the full extent of their liability, including tax exposure not reflected in the balance sheet, the net of any resulting tax. This measure should not be viewed as a "liquidation NAV" because, in many cases, fair values do not represent liquidation values. NDV follows a similar rationale to that of the previously reported EPRA NNNAV (Triple Net Asset Value) and produces an equivalent result in the case of alstria.

On 31 December 2020, the EPRA NDV was EUR 17.95 per alstria Share and on 30 September 2021, EUR 17.92 per alstria Share.

The Management Board and the Supervisory Board have each satisfied themselves that the Offer Price is above the IFRS NAV, EPRA NTA and EPRA NDV per alstria Share and is supported by customary valuation methodologies performed by UBS as part of their Fairness Opinion (as defined below in Section VI.2.6 of this Statement), as set out in further detail in [Annex 2](#). alstria's business planning is constructed on a bottom-up basis starting from an asset per asset business

plan. The individual asset business plan takes into consideration the specifics of the asset and its markets, the expected rental market development and need for redevelopment and/or modernization.

However, the Offer Price is below the EPRA NRV of EUR 20.05 per share as of 30 September 2021. The reason for this is that the NRV includes also real estate transfer taxes and transaction costs since the aim of the metric is also to reflect what would be needed to recreate the Company through the investment markets. As of 31 December 2020, the transfer tax and transaction costs amounted to approximately EUR 319 million or EUR 1.79 per alstria Share.

Based on initial feedback from the independent valuer who is currently valuing the alstria portfolio for the purpose for the FY2021 financial statements, the expected valuation gain (unaudited) should be in a range of EUR 80 to 90 million. If confirmed at 31 December 2021, this gain would have a positive impact on the IFRS NAV, EPRA NTA, EPRA NDV, and EPRA NRV in a range of EUR 0.45 to 0.50 per alstria Share.

Therefore, the Management Board and the Supervisory Board are of the opinion that the Offer Consideration offered by the Bidder is fair and adequate in this regard.

## **2.5. Valuation of the Company in comparison with the stock market value of competitors**

The Management Board and Supervisory Board have also examined the adequacy of the Offer Consideration in comparison with the valuations of the main peer companies observed in the capital market. The main relevant benchmark in capital market valuations for commercial real estate companies is the FFO.

The average return on FFO expected by analysts for fiscal year 2021 implied for the peers was 4.2%. Based on the Offer Consideration of EUR 19.50 and the FFO expected for alstria in 2021 of EUR 115 million, the implied FFO return is 3.3% which is significantly below the peer group average and as such is assessed to be more attractive than the implied yield for peers.

The Management Board and the Supervisory Board have come to the conclusion that, also on the basis of the historically observed capital market valuations of the comparable companies, the Offer Consideration offered by the Bidder is fair and adequate.

## **2.6. Fairness opinion**

The Management Board and Supervisory Board commissioned UBS to prepare an opinion to assess the fairness of the Offer Consideration offered to alstria Shareholders from a financial point of view.

In the opinion as of 23 December 2021, UBS came to the conclusion, subject to the assumptions and limitation contained therein, on which the fairness opinion is based at the time it was prepared, that the Offer Consideration offered to alstria Shareholders for each alstria Share is, from a financial standpoint, deemed fair to the alstria Shareholders (the "**Fairness Opinion**"). The Fairness Opinion dated 23 December 2021 is attached to this Statement as **Annex 2**.

The Management Board and the Supervisory Board have independently and intensively reviewed the Fairness Opinion commissioned by them and the underlying analyses of UBS, discussed them in detail with UBS and subjected them to an independent critical assessment.

The Management Board and the Supervisory Board expressly point out that, in accordance with standard market practice, the Fairness Opinion was provided solely for informational purposes and to assist the Management Board and the Supervisory Board, respectively, with the assessment of the fairness of the Offer Consideration from a financial point of view and that other persons may not rely on it. The Fairness Opinion is neither addressed to third parties (including the alstria Shareholders) nor is it intended to protect third parties. No contractual or other legal relationship is established in this regard between UBS and third parties who read this Fairness Opinion. Neither the Fairness Opinion nor the mandate agreement between UBS and alstria, on which it is based, contain protection for third parties (including the alstria Shareholders) or lead to an inclusion of third parties (including the alstria Shareholders) into its scope of protection, and UBS assumes no liability towards third parties with regard to the Fairness Opinion.

In particular, the Fairness Opinion is not a recommendation to the alstria Shareholders to accept or not to accept the Takeover Offer or to tender or not to tender their alstria Shares. The consent of UBS to attach the Fairness Opinion to this Statement does not constitute an extension or addition to the group of persons to whom the Fairness Opinion is addressed or who may rely on the Fairness Opinion, nor does it result in the inclusion of third parties in the scope of protection of the Fairness Opinion or the mandate agreement on which it is based.

The Fairness Opinion does not express or imply any opinion on any relative advantages of the Takeover Offer compared to strategic alternatives that would also have been possible with respect to the Company. The decision to reject or accept the Takeover Offer must be made by alstria Shareholders according to their individual circumstances. The Management Board and the Supervisory Board also refer in this regard to the respective content of the Fairness Opinion attached as Annex 2.

In the context of their assessment of the fairness of the Offer Consideration from a financial point of view, UBS has performed a series of financial analyses that are performed in comparable capital market transactions and appear appropriate, in order to provide the Management Board and the Supervisory Board with a basis for an assessment of the fairness of the Offer Consideration from a financial point of view. In the process, UBS has considered a number of assumptions, procedures, limitations and judgments, which are described in the Fairness Opinion. The exact approach is described in detail in the Fairness Opinion attached as Annex 2. In particular, UBS did not perform an independent evaluation or appraisal of the assets and liabilities of alstria or its respective subsidiaries and have relied, without independent verification, on the accuracy and completeness of a number of items of information, in particular of a financial, legal, regulatory, tax, accounting and other nature, and on representations made by the management of alstria that it is not aware of any facts or circumstances that would cause such information to be materially incorrect or misleading.

The analysis of UBS is based, inter alia, on the Offer Document, the Investment Agreement, a number of management and interim financial reports of alstria (including annual reports) and other publicly available information or information provided by alstria as well as discussions with members of the senior management of alstria. With regard to financial forecasts and estimates prepared by the Company, UBS assumed that they were duly prepared on a basis that reflects the currently best available estimates and assessments of the Company's management with respect to the future development of the Company.

The Fairness Opinion prepared by UBS is subject to certain assumptions and reservations explained in more detail in the Fairness Opinion. The Management Board and the Supervisory



Board advise that in order to understand the Fairness Opinion and its conclusions, it is necessary to read the Fairness Opinion in its entirety.

The Fairness Opinion is not a valuation report of the kind typically prepared by auditors. The Fairness Opinion therefore does not comply with the standards for such opinions as promulgated by the Institute for Auditors in Germany (Institut der Wirtschaftsprüfer in Deutschland e.V., "IDW") (for the business valuation in accordance with IDW S 1; for the preparation of fairness/inadequacy opinions in accordance with IDW S 8). Rather, the financial analysis of alstria is based on methods typically used by investment banks in comparable transactions. A Fairness Opinion on the fairness of the offered consideration from a financial point of view as prepared by UBS thus differs in a number of important aspects from a valuation report or a fairness opinion by an auditor or an independent valuation expert and from a business valuation in general.

Furthermore, UBS did not make any assessment as to whether the terms and conditions of the Takeover Offer comply with the requirements of the WpÜG or satisfy any other legal requirements.

The Fairness Opinion is based on economic, monetary, regulatory, market and other conditions prevailing at the time the Fairness Opinion was rendered and the information available to UBS at that time. Developments occurring after this date could have an impact on the assumptions made during the preparation of the Fairness Opinion and their conclusions. UBS is under no obligation to update the Fairness Opinion or to correct or confirm it on the basis of circumstances, developments or events occurring after the date on which the Fairness Opinion was submitted.

UBS will receive a remuneration that is in line with the market standard from alstria for its work as financial adviser to the Management Board and the Supervisory Board, who commissioned UBS to issue a Fairness Opinion in connection with the Takeover Offer. In addition, alstria has agreed to reimburse certain expenditures and to indemnify and hold UBS harmless from certain liability risks associated with the acceptance of this commission. It should be noted that UBS and its affiliates, as stated in the Fairness Opinion, may have maintained in the past, are currently maintaining or will maintain in the future relationships with alstria, the Bidder or with their affiliates, for which UBS may have received a remuneration or may receive such a remuneration in the future.

UBS is engaged in the sale and trading of securities, as advisers or underwriters, in financing, principal investing, research, asset management and/or other financial activities and services, which may result in them acquiring, holding or disposing of securities of any kind of alstria, the Bidder, their affiliates or other persons and entities for their own account or for the account of third parties. UBS did not use or take into account any information or data obtained in their function as advisers of alstria with regard to the Takeover Offer and for the submission of the Fairness Opinion of 23 December 2021 in connection with such matters.

The Management Board and the Supervisory Board have convinced themselves of the plausibility and appropriateness of the procedures, methods and analyses applied by UBS on the basis of their own experience.

### **3. Overall assessment of the adequacy of the Offer Consideration**

The Management Board and the Supervisory Board have independently analyzed and evaluated the adequacy of the Offer Consideration offered by the Bidder in a careful and comprehensive manner. In addition to their own examinations, the Management Board and the Supervisory Board considered the conclusions of the Fairness Opinion. In doing so, the Management Board and Supervisory Board took into account the following aspects in particular, which are described in detail in Section VI.2 of this Statement:

- The Offer Consideration of EUR 19.50 per alstria Share represents the all-time high for the alstria Share prior to the Section 10 WpÜG Announcement.
- The Offer Consideration of EUR 19.50 per alstria Share includes a premium of approximately 17.3% over the last XETRA® closing price of the alstria Share on 3 November 2021, the last trading day prior to the publication of the decision by the Bidder to make the Takeover Offer.
- The Offer Consideration of EUR 19.50 per alstria Share includes a premium of approximately 21.5% over the last XETRA® closing price of the alstria Share on 2 July 2021, the last trading day prior to the publication of BAM's initial voting rights notification.
- Based on the Three-Month Average Price reported by the BaFin on the reference date of 3 November 2021 regarding the Takeover Offer, the Offer Price contains a premium of approximately 17.7%.
- The Offer Consideration of EUR 19.50 per alstria Share is EUR 2.26 or 13.1% above the average and EUR 2.50 or 14.7% above the median of the last price targets of the financial analysts that were published prior to 4 November 2021 and is EUR 4.14 or 27.0% above the average and EUR 4.50 or 30.0% above the median of the price targets of financial analysts that were published prior to 2 July 2021.
- The premium implied by the Offer Price to the last XETRA® closing price of alstria Shares on 2 July 2021 and to the volume-weighted average stock market price of the last three months prior to 2 July is above the average and the median of undisturbed historical takeover premiums for public cash offers in the European commercial real estate sector with significant office component since 2011.
- The FFO return expected for the fiscal year 2021 implied by the Offer Price is 3.3% and is significantly below those of competitors and the already historically observed higher relative stock market valuation of alstria shares and as such is designated to be attractive for shareholders.
- The Offer Consideration is approximately 6.8% above the calculated EPRA NTA of the company as of 30 September 2021.
- The Management Board and Supervisory Board obtained a Fairness Opinion from UBS. In this Fairness Opinion of 23 December 2021 UBS comes to the conclusion based on and subject to various assumptions set out therein that the Offer Consideration is deemed fair to alstria Shareholders from a financial standpoint. The Management Board and the

Supervisory Board have concluded that the procedures, methods and analyses used in the Fairness Opinion by UBS are plausible and expedient and they have discussed the results and their basis in detail with UBS as financial advisor.

- The Offer Price provides alstria Shareholders with the opportunity of a secure, timely and fair value realization.

Taking into account the assessments made by the Management Board and the Supervisory Board, the other aspects outlined above, the overall circumstances of the Takeover Offer and the Fairness Opinion obtained with regard to the financial adequacy of the Takeover Offer, the Management Board and the Supervisory Board consider the Offer Consideration offered by the Bidder to be fair and adequate as of the date of this Statement.

## **VII. OBJECTIVES AND INTENTIONS OF THE BIDDER AND THE BIDDER PARENT SHAREHOLDERS AND EXPECTED CONSEQUENCES FOR ALSTRIA**

### **1. Bidder's objectives and intentions in the Investment Agreement; Bidder's and Bidder Parent Shareholders' objectives and intentions as described in the Offer Document**

The discussions and negotiations between the Bidder and alstria about the conclusion of the Investment Agreement were held to determine how the Takeover Offer can be structured in the interests of both parties and, in particular, alstria Shareholders, employees and stakeholders. These led to a common understanding between the Bidder and alstria regarding the content of the Investment Agreement.

As set out in Section IV of this Statement in detail, the Investment Agreement contains inter alia specific and binding statements regarding the objectives and intentions that the Bidder and alstria pursue with the transaction.

The intentions described in Section 9 of the Offer Document are the shared intentions of the Bidder and the Bidder Parent Shareholders at the date of the publication of the Offer Document on 13 December 2021.

According to the Offer Document, it is possible that the Bidder may change its intentions and evaluations expressed in the Offer Document after the publication of the Offer Document (cf. Section 2.3 of the Offer Document). The Investment Agreement, however, is in general binding on its parties for its fixed term of three years after the settlement of the Takeover Offer (cf. Section IV.4 of this Statement and Section 8.2.4 of the Offer Document).

The material objectives and intentions of the Bidder as set out in the Investment Agreement and of the Bidder and the Bidder Parent Shareholders as described in the Offer Document can be summarized as follows:

#### **1.1. Business strategy**

In the Investment Agreement, the Bidder undertakes (i) to further drive the growth of the Company by actively pursuing new value-add refurbishment and repositioning opportunities with potential for sustainable value creation based on hands-on asset management throughout the entire lifecycle and (ii) to support the Management Board in its next development cycle by accelerating ESG-compliant capex initiatives in the existing portfolio to future-proof the portfolio and continue the ongoing decarbonization process (e.g. the Bidder intends to pursue and support the Green Dividend Program of the Company) (cf. Section 9.1 of the Offer Document and Section IV.3.1 of this Statement).

The Bidder is encouraging and will provide its support and expertise (to the extent legally possible) to the Management Board to explore avenues to create new revenue streams and platform capabilities (cf. Section 9.1 of the Offer Document and Section IV.3.1 of this Statement).

The Bidder intends to contribute its substantial expertise in capital markets in connection with a strategic review of the capital structure undertaken by the Management Board after the settlement of the Takeover Offer (cf. Section IV.3.1 of this Statement).

Further, according to the Investment Agreement, the Bidder intends to eventually have the Company operate with a company leverage not exceeding approximately 55% LTV. Further, in general, any excess cash proceeds generated by the Company shall be used to either reinvest into strategic M&A transactions or other value accretive investment opportunities (e.g. geographical diversification, adjacent asset classes). If the Company does not identify any value accretive investment options, the Company would intend to return any excess cash to the shareholders, if any. However, the Bidder intends to lower annual dividend distributions to the shareholders to the extent permissible under applicable law (cf. Section 9.1 of the Offer Document and Section IV.3.1 of this Statement).

The Bidder states in the Offer Document that the Bidder has no further intentions with respect to the Takeover Offer regarding the future assets and obligations of alstria (cf. Section 9.1 of the Offer Document).

## **1.2. Corporate seat and locations of alstria**

In the Investment Agreement, the Bidder undertakes to keep the core of the main functions of alstria in Hamburg, Germany. As further stipulated in the Investment Agreement, the Bidder does not intend to change the corporate seat of alstria. Moreover, the Bidder undertakes not to initiate, cause or procure the closure of any locations of alstria (cf. Section IV.3.3 of this Statement).

This is also stated by the Bidder in the Offer Document, where the Bidder has further added that it intends not to initiate, cause or procure the change of any locations (cf. Section 9.3 of the Offer Document).

## **1.3. Corporate governance**

According to the Investment Agreement, the Bidder does not intend to change the size of the Management Board and undertakes to fully support the Management Board to pursue and further develop the Company's strategy. The Bidder undertakes to provide the Management Board and the Company with access to its internal resources, including, but not limited to, its experts in the real estate sector, capital markets, fund raising, and reinsurance (cf. Section 9.4 of the Offer Document and Section IV.3.4 of this Statement).

Further, it was agreed in the Investment Agreement that, subject to the competencies of the respective corporate bodies (*Organe*) under German law, the Bidder shall be represented in the Supervisory Board in a manner which appropriately reflects its shareholding following the settlement of the Takeover Offer whereby, if required to comply with the Company's profile for the Supervisory Board, one of the nominees of the Bidder shall be independent within the meaning of the DCGK and proposed as chairman of the Supervisory Board and, out of the nominees of the Bidder, one nominee shall be a woman (cf. Section 9.4 of the Offer Document and Section IV.3.4 of this Statement).

Representatives of the Bidder shall be appointed as new members of the Supervisory Board by court in accordance with Section 104 AktG after current members of the Supervisory Board have resigned from office (cf. Section IV.3.4 of this Statement).

#### **1.4. Structural measures**

In the Investment Agreement, the Bidder undertakes to not initiate a domination and/or profit and loss transfer agreement (*Beherrschungs- und/oder Gewinnabführungsvertrag*) for a period of three years after the settlement of the Takeover Offer. According to the Investment Agreement, the Bidder also undertakes for the same time period to not initiate (i) a sale of all or substantially all of the Company's business to any third party, (ii) a liquidation of the Company, or (iii) a squeeze-out within the meaning of Sections 327a et seqq. AktG or Section 62 UmwG (cf. Section 9.6 of the Offer Document and Section IV.3.7 of this Statement). However, the Bidder will take into consideration a potential Delisting and/or a change of the legal form, merger, spin-off or similar corporate reorganization of alstria, in each case to the extent legally permissible and commercially reasonable (cf. Section 9.7 of the Offer Document and Section IV.3.8 of this Statement).

#### **1.5. Employees**

The Bidder undertakes to neither (i) directly or indirectly cause alstria to issue terminations for operational reasons (*betriebsbedingte Kündigungen*) of employees, nor (ii) cause alstria to reduce the workforce of alstria and any other member of the alstria Group. Further, the Bidder will not cause alstria to reduce employee's absolute wages and salaries (cf. Section 9.2 of the Offer Document and Section IV.3.2 of this Statement).

Thereby, the Bidder acknowledges that alstria has granted stock awards (LTI 2018/2022, LTI 2019/2023, LTI 2020/2024 and LTI 2021/2025) to members of the Management Board and profit participation rights to selected employees. The Bidder intends to ensure the continuous ability to hire and retain highly qualified and committed staff. As such, the Bidder supports the adequate participation of the employees in the alstria's success by maintaining existing or implementing new incentive schemes and intends to offer employees the opportunity to monetize their profit participation rights or stock awards at the time of vesting (if any) and the Bidder undertakes to offer the employees at the time of vesting to acquire such alstria Shares converted from profit participation rights or profit participation rights at a price equal to the Offer Price (cf. Section 9.2 of the Offer Document and Section IV.3.2 of this Statement).

If despite the expectation, employees are made redundant for operational reasons (*betriebsbedingte Kündigung*) or otherwise, the severance payment for each employee made redundant will be equal to 2.5 times the total annual compensation of such employee (cf. Section IV.3.2 of this Statement).

The Bidder will support the replacement of alstria's current employee profit participation program by a more adequate program of similar amplitude if this loses its attractiveness due to a limited free float after the settlement of the Takeover Offer, and offer to the Company's employees to acquire all those alstria Shares which the employees have received from the Company on the basis of the employee profit participation program in accordance with the same terms and conditions of the Offer Price, i.e. minus any dividends received (cf. Section IV.3.2 of this Statement).

In addition, the Bidder states in the Offer Document that it has no further intentions with respect to the Takeover Offer regarding employees, employee representation and employment conditions (cf. Section 9.2 of the Offer Document).

## **1.6. Intentions in relation to the Bidder and the Bidder Parent Shareholders**

Except for the expected effects on the assets, financial position and results of the Bidder set forth in Section 15 of the Offer Document, the Bidder and the Bidder Parent Shareholders have no intentions with respect to the Takeover Offer that could affect the location of material parts of the businesses, the business operations, the use of the assets or future obligations of the Bidder and the Bidder Parent Shareholders, the members of the boards of the Bidder and the Bidder Parent Shareholders, or the employees, their representation and the employment conditions of the Bidder and the Bidder Parent Shareholders (cf. Section 9.8 of the Offer Document).

## **2. Statement of the Management Board and the Supervisory Board on the expected consequences of a successful Takeover Offer for alstria and on the objectives pursued by the Bidder**

### **2.1. Future business activity, assets and future obligations of alstria**

Subject to the financial consequences described in Section VII.2.8 of this Statement below, neither the Management Board nor the Supervisory Board, in each case to its knowledge, currently anticipate that the settlement of the Takeover Offer and a change of control with respect to alstria possibly triggered thereby will lead to the termination of material business relationships by the respective contractual partners of alstria.

### **2.2. Corporate seat and locations of alstria**

The Management Board and the Supervisory Board welcome that (i) the Bidder undertakes to keep the core of the main functions of the Company in Hamburg, Germany, and (ii) not to initiate, cause or procure the closure of any locations of the Company. Further, it is appreciated that the Bidder at the time of the Offer Document does not intend to change the corporate seat of the Company.

### **2.3. Members of the Management Board and the Supervisory Board**

The Management Board considers it positive that, as stipulated in the Investment Agreement, the Bidder also mentions in the Offer Document that it recognizes the remarkable achievements, invaluable experience and unrivalled expertise of the current members of the Management Board and that these shall continue to manage the Company (whereby the Supervisory Board's competencies are fully respected) without changing the size of the Management Board.

Moreover, the Management Board and the Supervisory Board find it adequate that the Bidder will support a potential review of the Management Board's LTI scheme by the Supervisory Board in light of the new shareholder structure and more limited free float/liquidity of the alstria Shares. This has been agreed in the Investment Agreement and is mentioned in the Offer Document (cf. Section 18 of the Offer Document).

Further, the Management Board and the Supervisory Board consider it positive that the Bidder intends to keep the size of the Supervisory Board unchanged at six members. The size of the Supervisory Board of six members appears to be particularly suitable as it provides for the necessary range of skills so that, on the one hand, an adequate number of suitable persons may contribute their differing knowledge and experience to the work of the Supervisory Board and, on the other hand, the Supervisory Board can work efficiently.

The fact that the Bidder seeks to be represented on the Supervisory Board based on its shareholding is appropriate in the opinion of the Management Board and the Supervisory Board taking into account the significant investment and participation intended by the Bidder. Further, the Management Board and the Supervisory Board note that this is common in takeovers.

Finally, the Management Board and the Supervisory Board appreciate that the Bidder agreed in the Investment Agreement, and stated this in the Offer Document accordingly, that, if required to comply with the Company's profile for the Supervisory Board, one nominee for the Supervisory Board shall be independent in accordance with the DCGK and one shall be a woman. It is of importance for the Management Board and the Supervisory Board that the Bidder acknowledges in the Investment Agreement the diversity targets of the Company and further requirements set forth in the corporate documents for its Supervisory Board's composition as well as the required competence and qualities of its members. Therefore, the Management Board and the Supervisory Board stress that, in the Investment Agreement, the Bidder undertakes to propose candidates who will meet such requirements.

#### **2.4. REIT status**

The Management Board and the Supervisory Board have taken note of the fact that certain stipulations of the G-REIT Act are currently and will after the settlement of the Takeover Offer be violated. However, the Management Board and the Supervisory Board refer to the Bidder's undertaking in the Investment Agreement that if the Company still qualifies as a REIT Company within the next three years, the Bidder undertakes, following good faith discussion with the Company (such discussions to be held reasonably in advance of the end of the three year period pursuant to the G-REIT Act), to take appropriate measures to structure the shareholding of alstria Shares of Lapis and the Bidder in such way that it is compliant with the G-REIT Act (cf. Section IV.3.5 of this Statement).

The Management Board and the Supervisory Board point out the risks that would – from their point of view – be triggered by the forfeiture of the tax exempt status. In case the Company does no longer satisfy certain requirements of the G-REIT Act (including the Listing Requirement) and its tax exempt REIT status is forfeited (e.g. in case the Free Float Requirement is not fulfilled during three consecutive business years), the Company would become subject to German corporate income tax (*Körperschaftsteuer*) and generally also German trade tax (*Gewerbesteuer*). In addition, the taxable income of the Company in the first year of the Company's taxable status would be increased by the reserve (*Rücklage*) pursuant to Section 13 para. 3 G-REIT Act and the not yet distributed annual profits (*Jahresüberschuss*) from the business years in which the Company was exempted from corporate income and trade tax (Section 18 para. 7 G-REIT Act). In addition, the competent German tax authorities could assess certain payment obligations in case the Company does not comply with certain statutory requirements, e.g. a Composition Requirement or the Minimum Distribution Requirement (Section 16 para. 3 through para. 6 G-REIT Act). In addition, Section 20 of the Company's articles of association provides for a compensation claim of the Free Float shareholders (in accordance with Section 11 para. 3 G-REIT Act), if the tax exemption of the Company ends as a result of a violation of the Maximum Participation Requirement or the Free Float Requirement (Section 18 para. 3 G-REIT Act; cf. Section II.2 of this Statement).



## **2.5. Excluded structural measures**

The Management Board and the Supervisory Board welcome the fact that the Bidder undertakes in the Investment Agreement not to implement certain structural measures (cf. Sections IV.3.7 and VII.1.4 of this Statement). In particular, the Management Board and the Supervisory Board consider it positive that the Bidder undertakes towards alstria in the Investment Agreement and towards the alstria shareholders in the Offer Document not to initiate, cause, or procure a domination and/or profit and loss transfer agreement (*Beherrschungs- und/oder Gewinnabführungsvertrag*) with alstria within a period of at least three years after the settlement of the Takeover Offer.

## **2.6. Potential structural measures**

Management Board and Supervisory Board note that the Bidder did not rule out a Delisting or a change of legal form, merger, spin-off or similar corporate reorganisation of alstria.

However, the Management Board and Supervisory Board point out that they are of the opinion that a Delisting would require the approval of the general meeting of alstria as long as the Company is a REIT. In the Investment Agreement, the Bidder acknowledges that the REIT status of the Company can only be terminated by a resolution of the shareholders' meeting of the Company with the required majority of votes.

## **2.7. Intentions in relation to the Bidder and the Bidder Parent Shareholders**

The Management Board and the Supervisory Board acknowledge the intentions of the Bidder and the Bidder Parent Shareholders referred to in Section VII.1.6 of this Statement, which are not expected to have any negative effects on alstria.

## **2.8. Financial consequences for alstria**

### **2.8.1 Financing**

In the Management Board's and the Supervisory Board's point of view, it cannot be ruled out that, as a result of a change of control associated with the Takeover Offer, repayment liabilities of the Company or termination rights of lenders of the Company as well as certain other termination rights, prepayment and/or redemption rights could be triggered.

On the part of the Company, there exists a refinancing risk in connection with the Takeover Offer which, according to a good faith estimate, amounts to an aggregate of approximately EUR 1,583 million.

Material financing agreements of alstria contain break clauses for the lenders which are triggered by a change of control event. This applies, in particular, to the following financing agreements (together the "**Financing Agreements**"):

### *Capital market bonds*

alstria issued capital market bonds in 2016, 2017, 2019 and 2020 in an aggregate volume of EUR 1,425 million. These bonds will regularly mature between 2023 and 2027.

	<b>Bond 2016</b>	<b>Bond 2017</b>	<b>Bond 2019</b>	<b>Bond 2020</b>
<b>Issue date</b>	12 April 2016	15 November 2017	26 September 2019	23 June 2020
<b>ISIN</b>	XS1346695437	XS1717584913	XS2053346297	XS2191013171
<b>Aggregate principal amount</b>	EUR 325,000,000	EUR 350,000,000	EUR 400,000,000	EUR 350,000,000
<b>Denomination</b>	EUR 100,000	EUR 100,000	EUR 100,000	EUR 100,000
<b>Interest rate (payable annually in arrear)</b>	2.125%	1.500%	0.500%	1.500%
<b>Maturity date</b>	12 April 2023	15 November 2027	26 September 2025	23 June 2026

If a change of control occurs with a rating downgrade, each bond holder shall have the right to require alstria to redeem or, at alstria's option, purchase (or procure the purchase of) in whole or in part his notes.

A change of control occurs if any person or persons acting in concert or any person or persons acting on behalf of any such relevant person(s), directly or indirectly acquire(s) or come(s) to own (i) more than 50% of the issued share capital of alstria or (ii) such number of the shares in the capital of alstria carrying more than 50% of the voting rights.

Further, Management Board and Supervisory Board cannot exclude that the settlement of the Takeover Offer will trigger a rating downgrade. The percentage ownership of the Bidder following the settlement of the Takeover Offer will have a material impact on the Company's rating. The final rating of the Company may be determined not only by the Company's capital structure but also by the capital structure of the Bidder itself, which is outside of the Company's control. As such, the rating outcome can only be determined after the Takeover Offer's settlement.

Based on the information available in the Offer Document concerning the capital structure of the Bidder, the Management Board's and the Supervisory Board's best estimates at the time of this Statement is that the higher the ownership of the Bidder, the lower the likelihood of retaining the investment-grade rating.

At the time of this Statement, alstria has got a S&P "BBB+" rating. On 8 November 2021, S&P announced that it had put the rating of the Company and the Company's senior unsecured debt on "CreditWatch negative" following the announcement of the Takeover Offer by the Bidder. According to S&P, the CreditWatch indicates at least a one-in-two likelihood of a downgrade, of one or more notches, upon completion of the transaction. S&P will resolve the CreditWatch upon completion of the takeover. If S&P withdrew its rating or changed it from the current investment grade rating to a non-investment grade rating (e.g. BB+), this would be deemed to be a rating downgrade in accordance with the bonds' terms and conditions.

Therefore, if the Bidder directly or indirectly acquires 50% of alstria's share capital and voting rights, this could not only trigger a change of control, but it could also at the same time potentially trigger a rating downgrade. In such case, as described above, each bond holder will have the right to require alstria to redeem or, at alstria's option, purchase (or procure the purchase of) in whole or in part his notes in accordance with the bonds' terms and conditions.

The redemption right of the bonds, if triggered, would be done at a price of 101% of the principal of the bonds which could lead to a total increase cost of EUR 14.25 million.

#### *Schuldscheindarlehen in an aggregate volume of EUR 77 million*

The Company has issued two Schuldscheindarlehen, one in a principal amount of EUR 37 million which will become due on 8 May 2023, and one in a principal amount of EUR 40 million which will become due on 6 May 2026.

If a change of control (*Kontrollwechsel*) occurs with a rating downgrade, each Schuldscheindarlehen holder has the right to require alstria to redeem or, at alstria's option, purchase (or procure the purchase of) in whole or in part his notes. This is equivalent to the respective change of control regulation for capital market bonds (cf. Section VII.2.8.1 of this Statement).

The redemption right of the Schuldscheindarlehen, if triggered, would be exercised at the outstanding nominal amount of the loan.

#### *Loans in an aggregated volume of EUR 81 million*

alstria is a party to several loan agreements. One loan agreement with a maturity date of 29 September 2028 has a principal amount drawn of EUR 60 million. Further, alstria has borrowed money from other banks (KfW) by way of two separate loans in an aggregate volume of EUR 21 million.

For the EUR 60 million loan (maturity date: 29 September 2028) the banks have the right to require alstria to repay the entire outstanding loan amount in case of a change of control (*Kontrollwechsel*). A change of control occurs if any person or persons acting in concert or any person or persons acting on behalf of any such relevant person(s), directly or indirectly acquire(s) or come(s) to own more than 50% of the issued share capital of alstria or such number of the shares in the capital of alstria carrying more than 50% of the voting rights.

Therefore, if the Bidder directly or indirectly acquires 50% or more of alstria's share capital and voting rights, this would be deemed a change of control in accordance with the terms and conditions of this loan agreement.

The two KfW loans (in an aggregate volume of EUR 21 million) can be terminated by the respective bank if KfW classified the Bidder or Brookfield as a financial institution.

*Revolving credit facility, currently not drawn down*

The Company has a revolving credit facility. However, this has not been drawn down until the date of this Statement. Should the Company lose its investment grade rating, it would not be able to draw down on the revolving credit facility and seek to cancel it.

In addition to the aforementioned financing matters, the Management Board and the Supervisory Board point out that, considering the Bidder's intentions in terms of leverage (cf. Section IV.3.1 of this Statement), it cannot be ruled out that the financing banks might change their estimate of creditworthiness of alstria. This could also have an impact on the economic and contractual conditions of future financing agreements.

Against this background, the Management Board and Supervisory Board secured respective funding by an undertaking of the Bidder in the Investment Agreement for certain funds. For the availability of certain funds, the Bidder provided evidence to alstria before the Investment Agreement was concluded. Further, with respect to the bonds, and as mentioned before, the Company can also propose to the Bidder and the Bidder can decide in its sole discretion (*freies Ermessen*) that it purchases the respective notes (cf. Section IV.3.9 of this Statement).

Therefore, the Management Board and the Supervisory Board are confident that any funding that might become necessary under the terms and conditions of the Financing Agreements due to a change of control in connection with the Takeover Offer will be available to the Company. The Management Board and the Supervisory Board are confident that the refinancing risk is properly addressed by the financing that the Bidder will make available to, or arrange on behalf of, the Company. Furthermore, the Bidder will compensate the Company for any difference between the current interest rate under the respective financial debt instrument and the financing made available to, or arranged on behalf of, the Company by the Bidder.

## 2.8.2 RETT

In the Investment Agreement, the Bidder warrants amongst other that from (and including) 1 July 2021 until the date of the settlement of the Takeover Offer, at least one or more direct shareholders of the Company, collectively and uninterruptedly, held the legal and beneficial ownership (*zivilrechtliches und wirtschaftliches Eigentum*) of 10.1% or more of the outstanding alstria Shares (based on the registered share capital minus the number of treasury shares, if any).

Further, the Bidder inter alia shall procure that, within the period beginning on the day of the settlement of the Takeover Offer and ending ten calendar years and six months after the day of the settlement of the Takeover Offer, none of the Qualified Shareholders will transfer, the legal or beneficial ownership of all, or parts, of any of their respective Qualified Shares.

The Bidder shall indemnify and hold harmless the Company, or upon request of the Company, any other Affiliate of the Company, from and against any damages or losses (including any

German RETT, ancillary charges, such as interest, penalties, late payment charges, fines or advisor fees) caused by (i) any breach of any Bidder's Warranty, or (ii) any Harmful Measure (cf. Section IV.3.6 of this Statement).

Due to the aforementioned stipulations, the Management Board and the Supervisory Board are of the opinion that alstria is reasonably protected against unexpected negative German RETT effects which might be triggered in connection with the Takeover Offer.

### 2.8.3 Dividend policy

The Bidder intends to lower annual dividend distributions to all alstria shareholders to the extent permissible under applicable law (cf. Section 9.1 of the Offer Document). The Bidder expects that alstria, as far as legally permissible, will not pay out dividends to its shareholders any longer.

The Management Board and the Supervisory Board point out that as long as the Company is a REIT, it must comply with the statutory Minimum Distribution Requirement pursuant to which in general the REIT must pay as a dividend to shareholders at least 90% of its net profits under German generally accepted accounting principles (GAAP) (cf. Section 7.3 of the Offer Document and Section II.2 of this Statement).

Section 13 para. 1 G-REIT Act provides for a decreased by any allocation to reserves pursuant to Section 13 para. 3 sentence 1 G-REIT Act as well as any loss carried forward from the previous year, and increased by the release of the reserve under Section 13 para. 3 sentence 2 G-REIT Act.

The Management Board and the Supervisory Board point out, however, that within the statutory permissible limits, the dividend policy must also be sufficiently flexible to take into account any possible temporary increase in the company's investment and capital requirements. Therefore, the Management Board and the Supervisory Board consider it plausible that the Bidder intends to lower annual dividend distributions and to reinvest excess funds. This would represent a substantial decrease from the current dividend level. The following table shows the dividend amount per alstria Share distributed for the financial years 2017 to 2020 as well as the amounts that had to be distributed according to Section 13 para. 1 G-REIT Act.

	<b>Dividend per alstria Share</b>	<b>Minimum distribution amount per alstria Share (Section 13 G-REIT Act)</b>
<b>2017</b>	EUR 0.52	EUR 0.30
<b>2018</b>	EUR 0.52	EUR 0.43
<b>2018</b>	EUR 0.53	EUR 0.21
<b>2020</b>	EUR 0.53	EUR 0.21

In this context, the Management Board and the Supervisory Board also point out that the Bidder, together with persons acting jointly with the Bidder within the meaning of Section 2 para. 5 WpÜG, will hold at least a 50% interest in alstria after the settlement of the Takeover Offer (see Section V.5.5 of this Statement). The Bidder thus will have the majority of votes represented at

the annual general meeting. With such majority, the Bidder can determine how much of alstria's future unappropriated net income is disbursed as dividend.

**3. Statement of the Management Board and the Supervisory Board on the expected consequences for employees of and employment conditions at alstria**

The Management Board and the Supervisory Board point out that there is no kind of employee representation at alstria.

The Management Board and the Supervisory Board acknowledge that, due to the structure of the Takeover Offer, (i) the settlement of the Takeover Offer will not have any direct impact on the employment contracts and the working conditions of the employees of the alstria Group, (ii) the contractual employment relationships of alstria Group employees with the same employer will be continued and (iii) there will be no transfer of parts of the business of alstria. However, it should be noted that there can be no assurance that the foregoing circumstances will continue in the medium and long term.

The Management Board and the Supervisory Board share the opinion of the Bidder that the dedicated workforce is a key pillar of alstria's success, and the success of the transaction depends on the expertise and continued commitment of alstria's workforce. Therefore, the Management Board and the Supervisory Board welcome that the Bidder intends to ensure the continuous ability to hire and retain highly qualified and committed staff.

Against this background, the Management Board and the Supervisory Board further find it important that as further described in Section 9.2 of the Offer Document the Bidder undertakes not to reduce or cause a reduction of alstria's workforce and would otherwise have to make a severance payment for each employee which goes beyond the legal requirement. Further, it is crucial from the Management Board's and the Supervisory Board's point of view that the Bidder supports the adequate participation of the employees in alstria's success, intends to offer employees the opportunity to monetize their profit participation rights or stock awards at the time of vesting (if any) and undertakes to offer the employees at the time of vesting to acquire such converted alstria Shares or profit participation rights at a price equal to, but in no case higher than, the Offer Price.

The aforementioned measures were crucial from the Management Board's and Supervisory Board's point of view when negotiating the Investment Agreement in order to safeguard that the Takeover Offer will not have any disadvantages for the employees and is in the interest of alstria's existent employees. Besides, those measures could contribute, in the opinion of the Management and the Supervisory Board, to further improving the chances for keeping existent and winning new qualified personnel in particular when competing with other employers.

The Management Board and the Supervisory Board welcome the fact that the Bidder confirmed in the Offer Document that it undertakes to keep the core of the main functions of the Company in Hamburg and undertakes not to initiate, cause or procure the closure of any locations of the Company.

Otherwise, no consequences of the Takeover Offer affecting the employees and their terms of employment or the locations of alstria are foreseeable.

The Management Board has not taken any decisions in connection with the Takeover Offer that affect the employees, their terms of employment or the sites of alstria.

## **VIII. POTENTIAL CONSEQUENCES FOR ALSTRIA SHAREHOLDERS**

The following statements are intended to provide alstria Shareholders with the information necessary to assess the consequences of accepting or not accepting the Takeover Offer. This information contains certain aspects which the Management Board and Supervisory Board consider relevant for the decision of alstria Shareholders as to whether to accept the Takeover Offer or not. However, the list of aspects addressed cannot be exhaustive because individual particularities cannot be taken into account for every alstria Shareholder. Each alstria Shareholder must evaluate the Takeover Offer independently and form his opinion on the effects of the Takeover Offer and its acceptance.

Taking these uncertainties into account, alstria Shareholders must make an independent decision as to whether and to what extent they wish to accept the Takeover Offer. The following points can only serve as a guideline. Each alstria Shareholder should give sufficient consideration to his personal circumstances when making a decision.

The Management Board and the Supervisory Board further point out that they are unable to make any assessment as to whether alstria Shareholders may suffer tax disadvantages (in particular any capital gains tax liability) or miss out on tax advantages as a result of accepting or not accepting the Takeover Offer. The Management Board and the Supervisory Board recommend that each individual alstria Shareholder seeks expert advice (including advice regarding their personal circumstances and applicable legal and tax regulations) if and to the extent this is necessary or helpful for reaching a decision.

### **1. Potential consequences of acceptance of the Takeover Offer**

Upon settlement of the Takeover Offer, the alstria Shareholders who accept the Takeover Offer will, with the transfer of their alstria Shares to the Bidder, lose their membership and property rights based thereon as well as their position as shareholders of alstria and will receive the Offer Price as consideration. They should therefore note, in particular, the following:

- As a result of the acceptance of the Takeover Offer, an agreement for the sale and transfer of the Tendered alstria Shares or the Subsequently Tendered alstria Shares to the Bidder will be concluded between the accepting alstria Shareholder and the Bidder in accordance with the provisions of the Offer Document. The transfer of ownership of the Tendered alstria Shares or the Subsequently Tendered alstria Shares will, subject to the terms and conditions of the Offer Document, occur upon settlement of the Takeover Offer. All ancillary rights of the Tendered alstria Shares or the Subsequently Tendered alstria Shares existing at the time of the settlement will be transferred to the Bidder upon the transfer of ownership of the Tendered alstria Shares or the Subsequently Tendered alstria Shares. The agreements between the alstria Shareholders who accept the Takeover Offer and the Bidder are governed by German law.
- alstria Shareholders who accept or have accepted the Takeover Offer will in the future no longer benefit from a possible positive development of the stock market price of alstria Shares, dividends, a positive business development of alstria and its subsidiaries or an appreciation of the real estate portfolio of alstria and its subsidiaries, which would have a positive effect on the development of the FFO, EPRA NTA or IFRS NAV.



- The agreements concluded as a result of the acceptance of the Takeover Offer will not be executed until all Offer Conditions have been fulfilled or the Bidder has validly waived their fulfilment.
- Each alstria Shareholder who accepts the Takeover Offer makes or respectively issues and grants the instructions, declarations, mandates, powers and authorizations as set out in Section 13 of the Offer Document.
- The instructions, declarations, mandates, powers and authorizations set forth in Section 13.3(a) to (c) of the Offer Document are irrevocably issued by the accepting alstria Shareholders and shall lapse only in the event of a valid withdrawal from the agreements which have been entered into as a result of the acceptance of the Takeover Offer in accordance with Section 17 of the Offer Document or in case of final non-fulfilment of the Offer Conditions set forth in Section 12.1 of the Offer Document.
- A withdrawal from the acceptance of the Takeover Offer is only possible under the conditions specified in the Offer Document (in particular see Section 17 of the Offer Document) and only until the expiry of the Acceptance Period. The Tendered alstria Shares can be traded, in accordance with the provisions set forth in Section 13.9 of the Offer Document, under ISIN DE000A3MQCD3 on the regulated market (*Regulierter Markt*) with additional post-admission obligations (*Prime Standard*) of the Frankfurt Stock Exchange. Trading will presumably start on the third Banking Day after the commencement of the Acceptance Period. There is no guarantee that such trading will in fact take place after the commencement of the Acceptance Period. Trading will be discontinued at the end of (i) the last day of the Acceptance Period if all Offer Conditions (as defined in Section 12.1 of the Offer Document) have been met or have been effectively waived in advance, or (ii) the third Banking Day directly preceding the settlement or rebooking of the Takeover Offer. Stock exchange trading for the Tendered alstria Shares during the Additional Acceptance Period is not generally provided. However, such trading will take place if the foreign investment control approval (as set forth in Section 12.1.2 of the Offer Document) has not occurred by the end of the Acceptance Period. In this case, the Subsequently Tendered alstria Shares can be traded, in accordance with the provisions set forth in Section 13.9 of the Offer Document, under ISIN DE000A3MQCE1 on the regulated market (*Regulierter Markt*) with additional post-admission obligations (*Prime Standard*) of the Frankfurt Stock Exchange as well.

The Management Board and Supervisory Board point out that the trading volume and the liquidity of the Tendered alstria Shares and Subsequently Tendered alstria Shares depend on the respective acceptance rate and may therefore not exist at all or may be low and subject to strong fluctuations. It can therefore not be ruled out that, due to a lack of demand, it will not be possible to sell the Tendered alstria Shares or Subsequently Tendered alstria Shares on the stock market.

- If the Bidder, persons acting jointly with it or their subsidiaries acquire off-market alstria Shares within one year after the publication of the results after the expiry of the Acceptance Period (Section 23 para. 1 no. 2 WpÜG) and if a higher valued consideration is granted or agreed upon for this purpose than the Offer Consideration specified in the Takeover Offer, the Bidder shall be required to pay to those alstria Shareholders who had accepted the Takeover Offer a consideration in the amount of the respective difference.

In contrast, there is no such claim to a rectification of the Offer Consideration under the Takeover Offer for off-market acquisitions after the expiration of this post-acquisition period of one year. Furthermore, the Bidder may also acquire alstria Shares on the stock market at a higher price within the aforementioned one year post-acquisition period without having to adjust the Offer Consideration in favor of those alstria Shareholders who had accepted the Takeover Offer.

- alstria Shareholders who accept the Takeover Offer will not benefit from any settlement payments that are payable by law (or in line with the interpretation of the law established by consistent court practice) in the event of certain structural measures implemented after the settlement of the Takeover Offer (in particular the conclusion of a domination agreement, any delisting, squeeze-out, merger, change of legal form or other transformation). In general, these settlement payments will be determined depending on the enterprise value of the alstria Group and are subject to court review in the context of award proceedings (*Spruchverfahren*). Such settlement payments may be significantly higher or lower than the value of the Offer Consideration offered in the Takeover Offer.

It should be noted, however, that as described in Section 9.6 of the Offer Document, the Bidder has committed not to take certain structural measures for a period of at least three years after the settlement of the Takeover Offer, which include, in particular, (i) entering into a domination and/or profit and loss transfer agreement (*Beherrschungs- und/oder Gewinnabführungsvertrag*) with the Company and (ii) a squeeze-out.

## **2. Potential consequences of non-acceptance of the Takeover Offer**

alstria Shareholders who do not accept the Takeover Offer and do not otherwise dispose of their alstria Shares will continue to be alstria Shareholders, but should take note, inter alia, of the Bidder's statements in Section 16 of the Offer Document and in particular the following:

- alstria Shareholders bear the direct risk of the future development of alstria and the further development of the stock market price of alstria Shares. Although the future price development of the alstria Shares cannot be predicted, it cannot be ruled out that the current price of the alstria Shares is influenced by the Bidder's Section 10 WpÜG Announcement or the publication of the Offer Document and will not remain at the present level, but rise above it or even fall below it.
- alstria Shares for which the Takeover Offer has not been accepted and will not be accepted may initially continue to be traded on the regulated market (*Regulierter Markt*) of the Frankfurt Stock Exchange, will be included on the regulated unofficial market (*Freiverkehr*) in Berlin, Dusseldorf, Hamburg, Hanover, Munich, Stuttgart, Tradegate Exchange, London Stock Exchange and Vienna Stock Exchange. Depending on the number of Tendered alstria Shares and Subsequently Tendered alstria Shares, however, it is possible that the demand for alstria Shares after the settlement of the Takeover Offer will be lower than at present and that the liquidity of the alstria Shares will therefore decrease. This may result in sell orders not being executed or not being executed in a timely manner. In addition, the possible restriction of the liquidity of the alstria Shares could lead to much greater price fluctuations than in the past. If, due to a lower liquidity of the alstria Shares, orderly trading can no longer be ensured, a revocation of the listing of the alstria Shares on the stock exchange is conceivable even without any corresponding action by the Bidder. In the event of such a revocation, there would no longer be an

organized public market for trading in alstria Shares. Should the alstria Shares be delisted, this could significantly limit the actual existing sales opportunities for alstria Shares.

- alstria Shares are admitted to trading on the regulated market (*Regulierter Markt*) of the Frankfurt Stock Exchange and on the sub-segment of the regulated market with further post-admission obligations (*Prime Standard*). They are currently represented, inter alia, in the MDAX and FTSE EPRA/NAREIT Global Real Estate Index. A significant reduction of the market capitalisation in free float could result in alstria Shares no longer meeting the criteria defined by the relevant index sponsors for inclusion in the MDAX and other indices, and the alstria Share could thus potentially be removed from an index in future. Although, the alstria Shares could in principle be listed elsewhere, this could result in investment funds and other institutional investors whose investments track the relevant index or are bound to it selling their alstria Shares. This could cause an oversupply of alstria Shares in a comparatively illiquid market, which could result in the market price of the alstria Shares coming under pressure.
- Even after settlement of the Takeover Offer, or at a later time, the Bidder could procure, to the extent legally permissible, that alstria applies for a Delisting of the alstria Shares from the subsegment with additional post-admission obligations (Prime Standard) of the regulated market (*Regulierter Markt*) of Deutsche Börse AG at the Frankfurt Stock Exchange, subject to fulfilment of the relevant conditions. In this event, the alstria Shareholders would no longer benefit from the higher level of reporting obligations resulting from a stock exchange listing, and selling the shares at economically viable prices could become difficult owing to a lack of liquidity in trading the unlisted shares. In the event of a Delisting or a change of segment from the regulated market (*Regulierter Markt*) to the regulated unofficial market (*Freiverkehr*), however, an offer regarding the purchase of their shares would be submitted to all alstria Shareholders, with a consideration to be delivered in the form of a cash payment in Euro which, as a rule, must be equal to the weighted average market price of the securities in Germany during the last six months prior to publication of the purchase offer. Such consideration could be equivalent in value to the Offer Consideration, but it could also be lower or higher. A Delisting could also affect the exclusion from one or several indices referred to above with the respective consequences.

The Management Board and the Supervisory Board point out that according to the Investment Agreement, after the settlement of the Takeover Offer and, if applicable, provided that the Bidder has the required shareholding, the Bidder may evaluate whether to initiate, cause, or procure a Delisting from the regulated market (*Regulierter Markt*) of the Frankfurt Stock Exchange (*Prime Standard*) to the extent legally permissible and commercially reasonable (cf. Section 9.7 of the Offer Document and Section IV.3.8 of this Statement).

The Management Board and the Supervisory Board point out that it is a legal requirement that the shares of a REIT are admitted to trading on an organized market pursuant to Section 2 para. 11 WpHG (cf. Section 10 para. 1 G-REIT Act, the Listing Requirement). With effectiveness of a potential Delisting of the alstria Shares, this legal requirement would no longer be fulfilled. The tax exemption for corporate income tax (*Körperschaftsteuer*) and commercial tax (*Gewerbesteuer*) (Section 16 para. 1 G-REIT

Act) would end at the end of the financial year which precedes the forfeiture of the listing (cf. Section 18 para. 1 G-REIT Act).

However, in the Investment Agreement, it is stipulated that the Bidder acknowledges that (i) the Company is a REIT, (ii) the Company must comply with the G-REIT Act, and (iii) the REIT status of the Company can only be terminated by a resolution of the general meeting of the Company with the required majority of votes (cf. Section IV.3.5 of this Statement).

- After the successful settlement of the Takeover Offer, the Bidder may have the required qualified majority, to effect, directly or indirectly (through one of its Affiliates), a domination and/or profit and loss transfer agreement pursuant to Sections 291 et seqq. AktG (*Beherrschungs- und/oder Gewinnabführungsvertrag*) with alstria as the dominated company. In this case, the Bidder or any other entity of the Bidder's Group as dominating company could issue binding instructions to the Management Board concerning the management of alstria's business. The obligation to transfer profits means that the Bidder could demand the transfer of the total distributable profit of the Company. In this case, the Bidder would have to offer an adequate compensation in shares of the Bidder or in cash payments to the remaining alstria Shareholders, pay a guaranteed dividend to the remaining alstria Shareholders and compensate any annual net loss (if applicable) of alstria. It is conceivable that the value of the relevant compensation may be higher or lower than the Offer Consideration.

However, the Management Board and Supervisory Board point out that the Bidder undertakes in the Investment Agreement not to initiate, cause, or procure a domination and/or profit and loss transfer agreement (*Beherrschungs- und/oder Gewinnabführungsvertrag*) with the Company for a period of at least three years after the settlement of the Takeover Offer (see also Section 9.6 and 16(e) of the Offer Document and Section IV.3.7 of this Statement).

Nonetheless, if upon settlement of the Takeover Offer, alstria becomes majority-owned by the Bidder it thereby also becomes a controlled company (*abhängiges Unternehmen*) within the meaning of Section 17 AktG of the Bidder. Then, in general, the Bidder may take actions which are detrimental to alstria provided that the resulting disadvantage is offset.

- Should the Bidder have the required qualified majority in the Company's general meeting following the successful settlement of the Takeover Offer or at a later point in time, the Bidder can effect a resolution by the general meeting on certain squeeze-out measures to the extent legally permissible. The Bidder could (i) initiate a squeeze-out under merger law pursuant to Section 62 para. 5 UmwG which requires a shareholding of at least 90% of the alstria Shares, or (ii) initiate a squeeze-out pursuant to Sections 327a et seqq. AktG or Sections 39a et seqq. WpÜG, which requires a shareholding of at least 95% of the alstria Shares, either directly or indirectly. The aforementioned squeeze-out measures would result in an obligation on the part of the Bidder to make an offer to the minority shareholders in return for a reasonable consideration or to make a reasonable compensation payment, in each case on the basis of a company valuation. These compensation payments are generally based on the overall company value and are subject to judicial review in award proceedings (*Spruchverfahren*). It is conceivable that the

value of the compensation payments per alstria Share in question may be higher or lower than the Offer Consideration in the Takeover Offer.

The Management Board and the Supervisory Board point out that the Bidder undertakes in the Investment Agreement not to initiate, cause, or procure a squeeze-out within the meaning of Sections 327a et seqq. AktG or Section 62 UmwG for a period of at least three years after the settlement of the Takeover Offer (cf. Section 9.6 of the Offer Document and Section IV.3.7 of this Statement). Further, the Management Board and the Supervisory Board note that due to the Bidder's non-tender agreement with Lapis, the Bidder will not achieve a shareholding of 90% following the settlement of the Takeover Offer (cf. Section 6.8 of the Offer Document and Section III.8 of this Statement).

- The Bidder further states in Section 16(f) of the Offer Document that should the Bidder, upon settlement of the Takeover Offer or within three months after expiry of the Acceptance Period, hold alstria Shares representing 95% or more of the voting share capital of alstria, alstria Shareholders have the Sell-out Right, i.e. those who did not accept the Takeover Offer prior to this time may accept the Takeover Offer subsequently (cf. Section 39c WpÜG, also see Section V.5.4 of this Statement). As mentioned above, due to the Bidder's non-tender agreement with Lapis, the Bidder will not achieve a shareholding of 95% following the settlement of the Takeover Offer (cf. Section 6.8 of the Offer Document and Section III.8 of this Statement).
- Following successful Settlement of the Takeover Offer, the Bidder may, depending on the acceptance rate and the presence in future general meetings, have the qualified majority necessary to resolve on certain corporate structural measures or to adopt other resolutions of considerable importance in the Company's general meeting. With regard to a number of these measures, including amendments to the articles of association (including changes of the legal form), capital increases, the exclusion of subscription rights of the then existing alstria Shareholders in the event of capital measures and dissolutions (including a so-called "transferring dissolution"), which the Bidder could carry out due to its then controlling position as majority shareholder, the alstria Shareholders would not necessarily have to be offered compensation. It cannot be ruled out that such measures may have an adverse effect on the price or value of the alstria Shares (calculated on the basis of the value of the Company).
- In the event that the Bidder holds the required majority of the alstria Shares, it may independently adopt resolutions on the appropriation of profits (based on the individual financial statement of alstria) at the annual general meeting. According to Section 9.1 of the Offer Document, the Bidder intends to lower annual dividend distribution to all alstria Shareholders to the extent permissible under applicable law. Therefore, it cannot be ruled out that the alstria Shareholders who do not accept the Takeover Offer, should a distributable retained earnings be achieved, will only receive the minimum dividend according to the law. As long as the Company remains a REIT, in general, the Company is obliged to distribute as dividends to the alstria Shareholders at least 90% of its net profits under German generally accepted accounting principles (GAAP), decreased by allocation to reserves pursuant to Section 13 para. 3 sentence 1 G-REIT Act as well as loss carried forward from the previous year, and increased by the release of the reserve under Section 13 para. 3 sentence 2 G-REIT Act.

- The Bidder states in the Offer Document that its affiliated company Lapis' shareholding of alstria Shares is not compliant with the G-REIT Act and that the Bidder's shareholding of alstria Shares will not be compliant with the G-REIT Act at settlement of the Takeover Offer (cf. Section 9.5 of the Offer Document).

The G-REIT Act requires that no shareholder holds directly or indirectly on the account of a third party (*für Rechnung eines Dritten*) 10% or more of the shares and voting rights in the REIT (cf. Section 11 para. 4 G-REIT Act, the Maximum Participation Requirement, cf. Section II.2 of this Statement). If this regulation is violated during three consecutive financial years, the tax exemption ends at the end of the third financial year. After discovering a violation of the regulations on free float or maximum participation, the REIT must achieve compliance with the Free Float Requirement and the Maximum Participation Requirement by the end of the financial year following the discovery of the violation. If the company does not achieve this, the tax exemption ends retrospectively at the end of the financial year in which the violation was discovered, but not before the end of the above mentioned three-year period (cf. Section 18 para. 3 G-REIT Act, cf. Section II.2 of this Statement).

In the event of such a termination of the tax exemption, those shareholders that hold or are deemed to hold less than 3% of the Company's voting rights at the time of termination of the tax exemption shall be entitled to compensation which shall be equal to the disadvantage in terms of distributions that results from the termination of the tax exemption considering the tax benefits of the shareholders on a lumpsum basis and shall be determined with binding effect for the shareholders by an auditor determined by the IDW upon application of the Company under consideration of the principles for the appraisal of enterprises (IDW S 1) as issued by the Institute of Auditors in Germany e.V. (cf. Section 20 of the Company's articles of association).

In this respect, it should be noted that in the Investment Agreement, the Bidder undertakes that if the Company still qualifies as a REIT within the next three years, that it undertakes, following good faith discussion with the Company (such discussions to be held reasonably in advance of the end of the three year period pursuant to the G-REIT Act), to take appropriate measures to structure the shareholdings of alstria Shares by Lapis and the Bidder in such way that it is compliant with the G-REIT Act (cf. Section 9.5 of the Offer Document).

## IX. OFFICIAL APPROVALS AND PROCEDURES

### 1. Required merger control approvals

The Bidder has stated in Section 11.1 of the Offer Document that the Takeover Offer is subject to merger control by the German Federal Cartel Office (*Bundeskartellamt*, the "**German Federal Cartel Office**"). It reported the planned takeover of alstria to the German Federal Cartel Office on 8 November 2021. The German Federal Cartel Office approved the transaction on 18 November 2021.

### 2. Certificate of non-objection according to Section 58 AWW

The Bidder has stated in Section 11.2 of the Offer Document that the transaction involves the acquisition of a stake of more than 25% of the voting rights in a German company by a non-EU/EFTA investor and is therefore generally subject to the German foreign investment control regime under Section 5 para. 2 AWW and Sections 55 et seqq. AWW. Under this regime, the BMWi may review whether the acquisition of a German company by a non-EU/EFTA investor is likely to endanger public order or security of the Federal Republic of Germany. The Bidder decided to submit a voluntary application for the issuance of a certificate of non-objection with the BMWi.

In general, depending on the transaction, upon notification or application, the BMWi clears the transaction or grants a binding certificate of non-objection (*Unbedenklichkeitsbescheinigung*) pursuant to Sections 58a para. 1 and 58 para. 1 AWW, respectively, if there are no objections to the transaction in terms of public order and security of the Federal Republic of Germany. Clearance is deemed to have been granted in accordance with Sections 58a para. 2 and 58 para. 2 AWW, respectively, in conjunction with Section 14a paras. 1, 3 AWW if the BMWi, within two months from the filing of the application or the notification, respectively, has not initiated formal review proceedings according to Section 55 AWW. In the case of an offer within the meaning of the WpÜG, the two months period shall commence upon becoming aware of the Section 10 WpÜG Announcement. If the BMWi initiates formal review proceedings, it has four months, after having received the complete set of information necessary for the formal review proceedings, to decide whether to clear the transaction, to prohibit the transaction or either to issue orders to ensure public order and security of the Federal Republic of Germany (Section 59 AWW) or enter into an agreement under public law with the parties addressing the BMWi's concerns.

The Bidder submitted an application for the issuance of a certificate of non-objection with the BMWi on 24 November 2021. According to Section 11.3 of the Offer Document, the Bidder assumes that the BMWi will either grant a certificate of non-objection (*Unbedenklichkeitsbescheinigung*) in accordance with Section 58 para. 2 AWW within the two months period stipulated in Section 14a paras. 1, 3 AWW or will open formal review proceedings and grant a certificate of non-objection (*Unbedenklichkeitsbescheinigung*) within four months after having initiated the formal review proceedings and submission of the complete set of information. However, the Bidder also points out that it cannot be excluded that the BMWi may issue mitigation measures in order to permit the transaction.

In Section 13.6 of the Offer Document, the Bidder further notes that as a result of the foreign investment control procedure, the settlement of the Takeover Offer and payment of the Offer Price to the accepting alstria Shareholders may be delayed until 3 May 2022 or may not take place

at all. The Bidder, however, would seek to complete the foreign investment control procedure by 4 January 2022 at the latest. However, it is not possible to make a binding forecast concerning the date such procedure will be completed.

**3. Permission to publish the Offer Document**

BaFin approved the publication of the Offer Document on 13 December 2021.



## **X. INTERESTS OF THE MEMBERS OF THE MANAGEMENT BOARD AND OF THE SUPERVISORY BOARD**

### **1. Management Board**

#### **1.1. Renewal of mandate**

In the Investment Agreement, the Bidder expresses that it recognizes the remarkable achievements, invaluable experience and unrivalled expertise of the current members of the Management Board, Mr Olivier Elamine and Mr Alexander Dexne.

Therefore, it is stipulated in the Investment Agreement that the current members of the Management Board shall continue to manage the Company after the settlement of the Takeover Offer and that the Bidder does not intend to change the size of the Management Board. Further, as the Supervisory Board will need to decide on the renewal of the Management Board mandate in early 2022, it is agreed in the Investment Agreement that the Bidder will support such renewal for a term equivalent to the previous appointments (cf. also Section 9.4 of the Offer Document and Section IV.3.4 of this Statement).

#### **1.2. LTI scheme**

The LTI Plans provides for virtual stock awards, which are converted into alstria Shares after a four-year performance period. In each financial year, the members of the Management Board are granted a long-term variable remuneration element (LTI) with a target amount determined in the service contract. The payout of the LTI plans 2018 and 2021 is generally made in shares. However, payments can also be made in cash instead of shares when certain conditions of the respective LTI plan are met.

As agreed in the Investment Agreement and mentioned by the Bidder in the Offer Document in Section 18, the Bidder considers, in principle, that a direct or indirect incentivization of members of the Management Board is reasonable in order to align the interests for medium- and long-term value creation. Therefore, the Bidder will support a potential review of the Management Board's LTI scheme by the Supervisory Board in light of the new shareholder structure and more limited free float/liquidity of the alstria Shares (cf. also Section IV.3.4 of this Statement).

#### **1.3. Special termination rights, no compensation agreements**

Under the service contracts between the Company and each member of the Management Board, the respective member of the Management Board has a right to resign from office and terminate the service contract with the Company within a designated time period in case a change of control occurs because a third party acquires at least 30% of the voting rights in the Company pursuant to Sections 29, 30 WpÜG and the position of such member of the Management Board is materially negatively impacted. In case of such resignation and termination, the member of the Management Board will receive the remuneration for the rest of the term of his contract, but no more than the value of two years' full remuneration in any case calculated on the basis of the total remuneration for the foregoing full financial year.

This also applies in case of a withdrawal of the appointment as well as in case of a mutual termination of the contract.

No further compensation agreements between the Company and the Management Board members are in place that will take effect in case of the takeover.

**1.4. Shareholdings**

To the extent members of the Management Board will accept the Takeover Offer (cf. Section XI.1 of this Statement), they will receive the same Offer Consideration per alstria Share for their Tendered alstria Shares or their Subsequently Tendered alstria Shares as all other alstria Shareholders receive for their Tendered alstria Shares or Subsequently Tendered alstria Shares under the Takeover Offer.

**2. Supervisory Board**

To the extent members of the Supervisory Board will accept the Takeover Offer (cf. Section XI.2 of this Statement), they will receive the same Offer Consideration per alstria Share for their Tendered alstria Shares or their Subsequently Tendered alstria Shares as all other alstria Shareholders receive for their Tendered alstria Shares or Subsequently Tendered alstria Shares under the Takeover Offer.

**3. No other cash benefits or non-cash benefits**

Neither the Management Board members nor the Supervisory Board members were granted or promised cash benefits or non-cash benefits in connection with the Takeover Offer by the Bidder or persons acting jointly with the Bidder.

## **XI. INTENTIONS OF THE MEMBERS OF THE MANAGEMENT BOARD AND THE SUPERVISORY BOARD WITH REGARD TO ACCEPTING THE TAKEOVER OFFER**

In the Investment Agreement, it is agreed that, subject to contractual agreements with the Company, the members of the Management Board and the Supervisory Board will tender their respective alstria Shares, if any, into the Takeover Offer (cf. Section X.1.4 and X.2 of this Statement). Accordingly, the members of the Management Board and the Supervisory Board will tender their respective alstria Shares, if any, into the Takeover Offer subject to contractual agreements with the Company as further explained below.

### **1. Management Board members**

The members of the Management Board may only tender their alstria Shares insofar as they do not violate the Share Ownership Guidelines (as defined below). These form part of the contractual agreements between them and the Company and therefore limit the amount of alstria Shares they may tender into the Takeover Offer.

For an additional alignment with shareholders' interests, the Supervisory Board resolved upon the implementation of so-called share ownership guidelines, i.e. the requirement to hold alstria Shares for the Management Board (the "**Share Ownership Guidelines**"). According to the Share Ownership Guidelines, the Management Board members are required to hold a certain amount of alstria Shares for the duration of their appointment as further stipulated.

As of the date of this Statement, the following table gives an overview of the number of alstria Shares each member of the Management Board holds and how many of these alstria Shares each member of the Management Board already tendered and how many of these alstria Shares the Management Board member does not intend to tender.

<b>Name of Management Board member</b>	<b>Total number of alstria Shares held</b>	<b>Number of alstria Shares already tendered</b>	<b>Number of alstria Shares intended not to be tendered</b>
Olivier Elamine	139,540	69,113	70,427
Alexander Dexne	85,453	27,800	57,653

### **2. Supervisory Board members**

The members of the Supervisory Board have agreed upon and entered into a commitment to acquire alstria Shares for an amount corresponding to the adjusted fixed annual remuneration for their activity as members, chair, or vice-chair of the Supervisory Board (without committees and before taxes) and declared that they will hold them for the duration of their membership in the Company's Supervisory Board (the "**Self-Commitment**"). By means of this Self-Commitment, the members of the Supervisory Board intend to adhere to the guiding principles of the Share Ownership Guidelines introduced for the members of the Management Board and to declare their sustained commitment to alstria. Being a one-sided statement, the Self-Commitment is not a contractual agreement with the Company.

In the light of the Tender Offer, the Supervisory Board has decided to suspend the Supervisory Board members' Self-Commitment to enable its members to support the Takeover Offer. Therefore, the members of the Supervisory Board will accept the Takeover Offer for their respective alstria Shares.

As of the date of this Statement, the following table gives an overview of the number of alstria Shares each member of the Supervisory Board holds and how many of these alstria Shares each member of the Supervisory Board intends to tender or has already tendered and how many of these alstria Shares the Supervisory Board member does not intend to tender.

<b>Name of Supervisory Board member</b>	<b>Total number of alstria Shares held</b>	<b>Number of alstria Shares intended to be tendered / already tendered</b>	<b>Number of alstria Shares intended not to be tendered</b>
Dr Johannes Conradi	60,000	60,000	0
Richard Mully	20,000	20,000	0
Benoît Hérault	9,250	9,250	0
Dr Frank Pörschke	0	0	0
Elisabeth Stheeman	0	0	0
Marianne Voigt	8,600	8,600	0

## **XII. RECOMMENDATION**

In consideration of the statements made in this Statement and taking into account the overall circumstances of the Takeover Offer as well as the objectives and intentions of the Bidder as set out in the Offer Document and the Investment Agreement, the Management Board and the Supervisory Board have – independently of each other – reviewed and evaluated the terms and conditions of the Takeover Offer and are of the opinion that the Offer Consideration is fair and adequate within the meaning of Section 31 para. 1 sentence 1 WpÜG. In doing so, they have also taken into account, inter alia, the evolution in the business environment (e.g. future of work, ESG, regulatory framework, macro events) and the statements of their financial advisor, as confirmed by the Fairness Opinion, to examine the adequacy of the Offer Consideration.

On this basis, the Management Board and the Supervisory Board are of the opinion that the investment of the Bidder in alstria and thereby the Takeover Offer is in the interest of the Company, its shareholders and other stakeholders. This is why the Management Board and the Supervisory Board support the Takeover Offer.

Against this background and taking into account the foregoing statements in this Statement, the Management Board and the Supervisory Board recommend to all alstria Shareholders to accept the Takeover Offer and tender their alstria Shares into the Takeover Offer.

Notwithstanding the foregoing, each alstria Shareholder is solely responsible for making his own decision on whether or not to accept the Takeover Offer, taking into account all circumstances, their personal and tax situation and their own assessment of the likely future development of the values and stock market prices of the alstria Share. The Management Board and the Supervisory Board recommend that each individual alstria Shareholder obtains individual tax and legal advice (also with regard to the consideration of the individual circumstances and applicable legal and tax regulations) to the extent necessary or helpful for the decision with regard to the acceptance of the Takeover Offer.

Subject to mandatory applicable law, the Management Board and the Supervisory Board assume no responsibility in the event that the acceptance or non-acceptance of the Takeover Offer should subsequently have adverse economic consequences for any alstria Shareholder.

The Management Board and the Supervisory Board had the opportunity to review drafts of the Offer Document prior to its first submission to BaFin.

The content of this Statement was unanimously approved by the Supervisory Board – after an extensive deliberation on the draft status of this Statement – on 23 December 2021. The Management Board has also unanimously adopted the contents of this Statement on 23 December 2021.

Hamburg, 23 December 2021

**alstria office REIT-AG**

**The Management Board**

**The Supervisory Board**

- Annex 1:** List of persons acting jointly with alstria within the meaning of Section 2 para. 5 WpÜG
- Annex 2:** UBS Fairness Opinion dated 23 December 2021

**Annex 1****Persons acting jointly with alstria within the meaning of Section 2 para. 5 WpÜG**

<b>Company</b>	<b>Seat of the Company</b>	<b>Country</b>
alstria Bamlerstraße GP GmbH	Hamburg	Germany
alstria Englische Planke GP GmbH	Hamburg	Germany
alstria Gänsemarkt Drehbahn GP GmbH	Hamburg	Germany
alstria Mannheim/Wiesbaden GP GmbH	Hamburg	Germany
alstria office Bamlerstraße GmbH & Co. KG	Hamburg	Germany
alstria office Englische Planke GmbH & Co. KG	Hamburg	Germany
alstria office Gänsemarkt Drehbahn GmbH & Co. KG	Hamburg	Germany
alstria office Insterburger Straße GmbH & Co. KG	Hamburg	Germany
alstria office Mannheim/Wiesbaden GmbH & Co. KG	Hamburg	Germany
alstria office Steinstraße 5 GmbH & Co. KG	Hamburg	Germany
alstria Portfolio 1 GP GmbH	Hamburg	Germany
alstria Portfolio 3 GP GmbH	Hamburg	Germany
alstria Prime Portfolio 2 GP GmbH	Hamburg	Germany
alstria Prime Portfolio GP GmbH	Hamburg	Germany
alstria solutions GmbH	Hamburg	Germany
alstria Steinstraße 5 GP GmbH	Hamburg	Germany
beehive GmbH & Co. KG	Hamburg	Germany
alstria office Prime Portfolio GmbH & Co. KG	Hamburg	Germany
alstria office PP Holding I GmbH & Co. KG	Hamburg	Germany
alstria office Kampstraße GmbH & Co. KG	Hamburg	Germany
alstria office Berliner Straße GmbH & Co. KG	Hamburg	Germany
alstria office Hanns-Klemm-Straße GmbH & Co. KG	Hamburg	Germany
alstria office Maarweg GmbH & Co. KG	Hamburg	Germany
alstria office Heerdter Lohweg GmbH & Co. KG	Hamburg	Germany
alstria office Solmsstraße GmbH & Co. KG	Hamburg	Germany
alstria office PP Holding II GmbH & Co. KG	Hamburg	Germany
alstria office Wilhelminenstraße GmbH & Co. KG	Hamburg	Germany
alstria office Hauptstraße GmbH & Co. KG	Hamburg	Germany
alstria office Mergenthaler Allee GmbH & Co. KG	Hamburg	Germany
alstria office Am Hauptbahnhof GmbH & Co. KG	Hamburg	Germany
alstria office Kastor GmbH & Co. KG	Hamburg	Germany
alstria office Heidenkampsweg GmbH & Co. KG	Hamburg	Germany
alstria office An den Dominikanern GmbH & Co. KG	Hamburg	Germany
alstria office Carl-Schurz-Straße GmbH & Co. KG	Hamburg	Germany
alstria office Pempelfurtstraße GmbH & Co. KG	Hamburg	Germany
alstria office Frauenstraße GmbH & Co. KG	Hamburg	Germany
alstria office Olof-Palme-Straße	Hamburg	Germany

<b>Company</b>	<b>Seat of the Company</b>	<b>Country</b>
GmbH & Co. KG		
alstria office Region Nord GmbH & Co. KG	Hamburg	Germany
alstria office Region Süd GmbH & Co. KG	Hamburg	Germany
alstria office Region Mitte GmbH & Co. KG	Hamburg	Germany
alstria office PP Holding III GmbH & Co. KG	Hamburg	Germany
alstria office Vaihinger Straße GmbH & Co. KG	Hamburg	Germany
First Pine GmbH & Co. KG	Hamburg	Germany



**Annex 2:** UBS Fairness Opinion dated 23 December 2021

## **Strictly Private & Confidential**

To the Supervisory Board (*Aufsichtsrat*) and Management Board (*Vorstand*) of  
alstria office REIT-AG  
Steinstrasse 7  
20095 Hamburg

23 December 2021

Dear Sirs and Madams,

We note that Brookfield Asset Management Inc. (the "**Acquirer**") has launched a voluntary takeover offer for all outstanding shares of alstria office REIT-AG (the "**Company**") which it does not already own for a price of EUR 19.50 per share in cash (the "**Consideration**") (the "**Transaction**"), the terms and conditions of which are fully described in the offer document related to the Transaction which was published by the Acquirer on 13 December 2021 (the "**Offer Document**").

In connection with the Transaction, you have requested UBS Europe SE ("**UBS**") to provide you with an opinion as to the fairness, from a financial point of view, of the Consideration payable by the Acquirer based on market standard valuation methodologies as customarily used by investment banks (the "**Opinion**").

UBS is acting as exclusive financial adviser to the Company in connection with the Transaction and will receive a fee for its services, which also include the delivery of this Opinion.

From time to time, UBS as well as other members of the UBS Group (which for the purpose of this letter means UBS Group AG and any subsidiary, branch or affiliate of UBS Group AG) and their predecessors may have provided investment banking services to the Company or any of its affiliates un-related to the Transaction and received customary compensation for rendering such services. In the ordinary course of business, UBS, UBS Group AG and their successors and affiliates may trade securities of the Company and/or the Acquirer for their own accounts or for the accounts of their customers and, accordingly, may at any time hold long or short positions in such securities. An affiliate of UBS may be acting as financier to the Company and/or the Acquirer in connection with the Transaction and, in such an event, would receive compensation in connection with such financing.

In determining our Opinion, we have used such customary valuation methodologies as we have deemed necessary or appropriate for the purposes of this Opinion, including analyses related to:

- a) Historical share price performance of the Company;
- b) Price targets for the Company published by equity research analysts;
- c) Trading yields of comparable companies;
- d) Discounted cash flow analysis;
- e) Premium to share price and EPRA NAV paid in comparable transactions;
- f) Last reported IFRS NAV of the Company; and

- g) Last reported EPRA NAV, NRV, NTA and NDV as well as the updated real estate valuation of the of the Company published in the press release as of 14 December 2021.

Our Opinion does not address the relative merits of the Transaction as compared to other business strategies or transactions that might be available to the Company or the underlying business decision of the Company to effect the Transaction. At your direction, we have not been asked to, nor do we, offer any opinion as to the material terms of the Transaction, other than the Consideration payable as part of the Transaction, or the form of the Transaction. In rendering this Opinion, we have assumed, with your consent, that the material terms and conditions of the Transaction will not differ in any material respect from those described in the Offer Document, without any adverse waiver or amendment of any material terms or conditions thereof, and that the Company and the Acquirer will comply with all material terms and conditions of the Transaction set forth in the Offer Document.

In determining our Opinion, we have, among other things, undertaken the following actions:

- (i) Review of certain publicly available business and historical financial information relating to the Company;
- (ii) Review of audited financial statements of the Company;
- (iii) Review of certain internal financial information, management business plan dated 02 December 2021, guidance and other data relating to the business and financial prospects of the Company, including estimates and financial forecasts prepared by the Management Board of the Company, that were provided to us by the Company and not publicly available and that you have directed us to use for the purposes of our analysis;
- (iv) Discussions with, and relied on statements made by, members of the senior management of the Company concerning the businesses and financial prospects of the Company;
- (v) Review of current and historical share prices for the Company and publicly available financial and stock market information with respect to certain other companies in lines of business we believe to be generally comparable to those of the Company;
- (vi) Review of equity research reports and price targets for the Company;
- (vii) Comparison of the financial terms of the Transaction with the publicly available financial terms of certain other transactions which we believe to be generally relevant;
- (viii) Review of the Offer Document; and
- (ix) Review of other financial studies, analyses and investigations, and considered such other information, as we deemed necessary or appropriate.

In connection with our review, at your direction, we have assumed and relied upon, without independent verification, the accuracy and completeness of the information that was publicly available or was furnished to us by or on behalf of the Company, or otherwise reviewed by us for the purposes of this Opinion, and we have not assumed and we do not assume any responsibility or liability for any such information. In addition, at your direction, we have not made any independent valuation or appraisal of the assets or liabilities (contingent or otherwise) of the Company, nor have we been furnished with any such evaluation or appraisal.

With respect to the financial forecasts, guidance and estimates prepared by the Company as referred to above, we have assumed, at your direction, that they have been reasonably prepared on a basis reflecting the best currently available estimates and judgements of the Management Board of the Company as to the future performance of the Company.

To the extent we have relied on publicly available financial forecasts from various equity research analysts, we have assumed that they have been reasonably prepared based on assumptions reflecting the best currently available estimates and judgments by the analysts as to the expected future results of operations and financial condition of the Company.

We have also assumed that all governmental, regulatory or other consents and approvals necessary for the consummation of the Transaction will be obtained without any material adverse effect on the Company or the Transaction. Our Opinion is necessarily based on the economic, regulatory, monetary, market and other conditions as in effect on, and the information made available to us as of, the date hereof (or as otherwise specified above in relation to certain information). It should be understood that subsequent developments may affect this Opinion, which we are, however, under no obligation to update, revise or reaffirm.

We accept no responsibility for the accounting or other data and commercial assumptions on which this opinion is based. Furthermore, our opinion does not address any legal, regulatory, taxation or accounting matters, as to which we understand that the Company has obtained such advice as it deemed necessary from qualified professionals.

**Based on and subject to the foregoing, it is our opinion, as of the date hereof, that the Consideration to be received by the Company's shareholders in connection with the Transaction is deemed fair from a financial standpoint.**

This letter and the Opinion are provided solely for the benefit of the members of the Supervisory Board and Management Board of the Company, in their capacity as members of the Supervisory Board and Management Board, respectively, in connection with and for the purposes of their consideration of the Transaction. This letter is not on behalf of the shareholders of the Company or any other person. Third parties shall not confer rights or remedies here from and may not rely upon the content. Moreover, this letter does not constitute a recommendation by UBS to tender in the Transaction or take any other action in relation to the Transaction.

This letter may not be used for any other purpose or reproduced in whole or in parts (other than for the members of the Supervisory Board and Management Board, acting in such capacity), disseminated, published or quoted at any time and in any manner without our prior written consent, unless a copy of this letter has to be released upon explicit duty towards authorities or a competent court.

We accept no responsibility to any person other than the members of the Supervisory Board and Management Board of the Company in relation to the contents of this letter, even if it has been disclosed with our consent. Our liability in connection with this letter and the Opinion is limited in accordance with the terms of the engagement letter relating to the Transaction between you and us.

The letter and the Opinion are subject to German law.

Yours faithfully  
**UBS Europe SE**



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Wolfgang Fuchs  
Managing Director



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Kaushik Vikram  
Associate Director