Report

on the examination of the appropriateness of the cash compensation pursuant to Section 327c para. 2 sentence 2 AktG for the intended transfer of the shares of the minority shareholders of

alstria office REIT-AG,
Hamburg,

to

BPG Holdings Bermuda Limited,
Hamilton/Bermuda

VALUATION & ADVISORY AG

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2 General Terms and conditions for auditors and Auditing companies from January 1, 2024

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Para. Paragraph
PLC Stock corporation
German Stock Corporation Act Stock Corporation Act
alstriaalstria office REIT-AG together with its direct and indirect subsidiaries
alstria AGalstria office REIT-AG
alstria Office REIT-AG alstriaOffice REIT-AG, Hamburg
Art. Article
Ref. File number
BAS Bid-Ask Spread
BBSRFederal Institute for Research on Building, Urban Affairs and Spatial Development
FEDERAL COURT OF JUSTICE Federal Court of Justice
BNPBNP Paribas Real Estate Consult GmbH,Düsseldorf BPG Holdings Bermuda Limited Holdings Bermuda Limited, Bermuda
e.g. for example
BVerfG Federal Constitutional Court
BvRecord reference of a constitutional complaint to the Federal Constitutional Court
resp. respectively
CAGRCompound Annual Growth Rate
CAPMCapital Asset Pricing Model
CBDCentral Business Disctricts
CDAXComposite German share index
c.p. ceteris paribus
CRREMCarbon Risk Real Estate Monitor
DAXGerman share index
DCFDiscounted cash flow
DVFADVFA German Association for Financial Analysis and Asset Management e. V.
i.e . that means
EBITEarnings before interest and taxes
EBITDAEarnings before interest, taxes, depreciation and amortization
EBTEarnings before Taxes
EPRAEuropean Public Real Estate Association
ESGEnvironmental , Social and Governance
Income Tax Act Income Tax Act
etc. et cetera

EUR	Euro
e.V.	registered association
	EVEnterprise Value; total enterprise value
f.	following
FAUBCommittee of	Experts for Business Valuation and Business
	Administration
FC	Forecast
ff.	[and] the following
	FFOFunds from operations
	GACVAGlobal Association of Certified Valuators and Analysts
GG	Basic Law
if applicable	if applicable
	GHGGreenhouse Gas Emissions
	GmbH limited liability company
	Income statement
	in the version
	IDWInstitut der Wirtschaftsprüfer in Deutschland e.V. (Institute of Public
Auditors in Germany)	
ifo Institute	ifoInstitute - Leibniz Institute for Economic Research at the
	University of Munich e. V.
	IFRSInternational Financial Reporting Standards
	in the amount of
incl.	included
esp.	In particular
	IREBSInternational Real Estate Business School
within the meaning of the	
ISIN	International Securities Identification Number
	IVAIVA VALUATION & ADVISORY AG
	Wirtschaftsprüfungsgesellschaft, Frankfurt am Main
	IVSCInternational Valuation Standards Council
	in conjunction with
	IWInstitute of the German Economy
IMF	International Monetary Fund
KAGB	German Investment Code
P/E RATIO	Price-earnings ratio
Corporation Tax Act	Corporation Tax Act
kWh	kilowatt hours
REGIONAL COURT	Regional court
LTV	Loan-to-value
m2	square meter
million	million/s

billion	Billion/s
MWh	megawatt hours
OLG	Higher Regional Court
p.a.	per annum
P/BV	Price-to-book ratio (P/BV)
pers.	Personal
	P/NTAPrice / Net Tangible Assets multiplier
square meter	square meter
approx.	around
	REITReal Estate Investment Trust
S.	Page
	so called(s)
SolZ	Solidarity surcharge
	sqmsquare meter (= sqm)
S&P Capital	IQS&P Capital IQ, Standard & Poor's Financial Services LLC, USA
t	ton
T	Thousand/e
	Tax-CAPMTax Capital Asset Pricing Model
	TVTerminal Value
Tz.	Text number
	among others
	ValueTrustValueTrust Financial Advisors Deutschland GmbH, Munich
	vdpAssociation of German Pfandbrief Banks
cf.	compare
	VTValueTrust Financial Advisors Deutschland GmbH, Munich
	WAULTWeighted Average Unexpired Lease Term
	WPgThe audit
WpÜG	Securities Acquisition and Takeover Act
WpÜG Offer Ordinance	WpÜG Offer Ordinance
e.g.	for example
	ZRegister number of the BGH for civil matters
€	Euro

A. ORDER AND ORDER EXECUTION

I. Order

1. BPG Holdings Bermuda Limited, Hamilton/Bermuda ("**BPG Holdings Bermuda Limited**" or "Principal Shareholder"), a subsidiary of Brookfield Corporation, Toronto/Canada, has notified the management board of alstria Office REIT-AG, Hamburg ("alstria AG" as the Company, "alstria" or "Company" as alstria office REIT-AG together with its direct and indirect subsidiaries), by letter dated September 18, 2024, that it intends to initiate a procedure to transfer the shares of the minority shareholders of alstria to BPG **Holdings Bermuda Limited** (or one of its subsidiaries) in exchange for an appropriate cash compensation. On September 18, 2024, alstria office REIT-AG notified BPG Holdings Bermuda Limited (or one of its subsidiaries) that it intends to conduct a procedure to transfer the shares of the minority shareholders of alstria to BPG Holdings Bermuda Limited (or one of its subsidiaries) against an appropriate cash compensation pursuant to sections 327a AktG.

2. In accordance with Section 327a (1) sentence 1 AktG, the general meeting of a stock corporation may, at the request of a shareholder who owns shares in the company amounting to at least 95% of the share capital (majority shareholder), resolve to transfer the shares of the minority shareholders to the majority shareholder in return for appropriate cash compensation (so-called squeeze-out under stock corporation law).

3. According to a securities account statement of HSBC dated December 10, 2024, BPG Holdings Bermuda Limited indirectly and directly holds 170,291,635 of the total of 178,561,572 no-par value bearer shares of alstria with a notional pro rata amount of the share capital of € 1.00 per share. The shareholding of BPG Holdings Bermuda Limited corresponds to 95.37% of the share capital of alstria. According to the information provided, the remaining shares are in free float.

4. The extraordinary general meeting of alstria to resolve on the transfer of the shares of the minority shareholders of alstria to BPG Holdings Bermuda Limited against payment of an appropriate cash compensation is scheduled for February 11, 2025.

5. Pursuant to Section 327c para. 2 sentence 2 AktG, the appropriateness of the cash compensation determined by the main shareholder must be reviewed by one or more expert auditors.

6. By order dated October 8, 2024, the Hamburg Regional Court - Chamber 12 for Commercial Matters - selected and appointed IVA VALUATION & ADVISORY AG Wirtschaftsprüfungsgesellschaft, Frankfurt am Main ("**IVA**" for short), as the expert auditor to review the appropriateness of the cash compensation pursuant to Section 327c para. 2

sentence 3 AktG (see Exhibit 1; file no. 412 HKO 105/24). BPG Holdings Bermuda Limited has thereupon was commissioned to review the appropriateness of the cash compensation to be granted to the minority shareholders.

7. The determination of the amount of the cash compensation by BPG Holdings Bermuda Limited is based on a business valuation of alstria, which was carried out on the basis of generally recognized business valuation principles. BPG Holdings Bermuda Limited has commissioned ValueTrust Financial Advisors Deutschland GmbH, Munich (in short: **"ValueTrust**" or "VT" or "**Valuation Expert**"), to assist it in determining the appropriate cash compensation to be paid to the minority shareholders of the Company pursuant to
§ Section 327a (1) AktG. As part of its expert opinion on the determination of the appropriate cash compensation in connection with the planned transfer of the shares of the minority shareholders pursuant to
§§ In accordance with Sections 327a et seq. of the German Stock Corporation Act (AktG) ("**Expert Opinion**"), the Supervisory Board analyzed the stock market price of the company, determined the capitalized earnings value in accordance with the IDW Standard: Principles for the Performance of Business Valuations (IDW S 1 as amended in 2008) of the Institute of Public Auditors in Germany (IDW) and used other valuation methods to review the capitalized earnings value. It issued its expert opinion dated
December 13, 2024 to the main shareholder. The main shareholder has fully adopted the content and the result of the Expert Opinion. The Expert Opinion is attached to the main shareholder's transfer report as Annex 1.

8. The cash compensation to be granted was determined on the basis of the expert opinion by BPG Holdings Bermuda Limited. The explanations on the determination of the cash compensation pursuant to section 327b AktG as of the date of the extraordinary general meeting on February 11, 2025 are set out in the transfer report of BPG Holdings Bermuda Limited on the conditions for the transfer of the shares of the minority shareholders of alstria to BPG Holdings Bermuda Limited and on the appropriateness of the cash compensation pursuant to section 327b AktG.
§ Section 327c para. 2 sentence 1 AktG dated December 18, 2024 ("**Transfer Report**" for short).

II. Order execution

9. We completed our audit of the appropriateness of the cash compensation determined by December 18, 2024 in our offices in Frankfurt am Main, Hamburg and Landau in der Pfalz as well as in the home offices of the employees involved in the audit. We received the planning calculations and documents used as a basis for the valuation of alstria and reviewed their plausibility in discussions with representatives of the Company and the valuation expert ValueTrust.

10. We performed our audit procedures after completion and submission of partial results by the **valuation expert.** We checked the plausibility of the valuation expert's results using our own analyses and performed additional sensitivity calculations.

11. The following documents were essentially available to us for the performance of the audit:

- Commercial register excerpt of alstria dated December 17, 2024;
- Articles of Association of alstria in the version dated July 12, 2024;
- audited consolidated financial statements and combined management report of alstria for the financial year 2021, which have been issued with an unqualified audit opinion by KPMG AG Wirtschaftsprüfungsgesellschaft, Berlin;
- audited consolidated financial statements and combined management reports of alstria for the financial years 2022 and 2023, which were issued with an unqualified audit opinion by Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Munich/Branch Office Hamburg;
- audited annual financial statements (separate financial statements) and combined management report of alstria for the financial year 2021, which have been issued with an unqualified audit opinion by KPMG AG Wirtschaftsprüfungsgesellschaft, Berlin;
- audited annual financial statements (separate financial statements) and combined management reports of alstria for the financial years 2022 and 2023, which have been issued with an unqualified audit opinion by Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Munich/branch office Hamburg;

- Report of KPMG AG Wirtschaftsprüfungsgesellschaft, Berlin, on the audit of the annual financial statements and the combined management report of alstria for the financial year 2021

- Reports of Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Munich/Branch Office Hamburg, on the audit of the annual financial statements and the combined management reports of alstria for the financial years 2022 and 2023;

- Report of KPMG AG Wirtschaftsprüfungsgesellschaft, Berlin, on the audit of the consolidated financial statements and the combined management report of alstria for the financial year 2021

- Reports of Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Munich/Hamburg branch, on the audit of the consolidated financial statements and the combined management reports of alstria for the financial years 2022 and 2023;

- Annual reports of alstria for the financial years 2021 to 2023;

- adopted by the Management Board on December 5, 2024 and approved by the Supervisory Board on
December 10, 2024 approved forecast for 2024 and multi-year plan for the period 2025 to 2029, consisting of income statement, balance sheet and cash flow planning;

- Report on the market valuation of alstria's real estate portfolio by the external appraiser Savills Advisory Services Germany GmbH & Co. KG, Frankfurt am Main, as of December 31, 2023, as of January 4, 2024;

- Preliminary market valuation of alstria's real estate portfolio by the external appraiser BNP Paribas Real Estate Consult GmbH, Frankfurt am Main, as of December 31, 2024, as of November 29, 2024 (hereinafter also referred to as:
"BNP valuation");

- Minutes of the meetings of the supervisory board of alstria in the financial years 2022 to 2023 and in the current financial year;

- Expert opinion of ValueTrust on the determination of the enterprise value of alstria dated December 13, 2024 and previous drafts;

- Expert opinion of KPMG AG Wirtschaftsprüfungsgesellschaft, Hamburg, dated December 13, 2024 on the possible distribution disadvantage pursuant to § 20 para. 2 of the alstria articles of association;

- Excerpts from the valuation expert's working papers;

- Transmission report dated December 18, 2024 and previous drafts;

- Ad hoc announcement of alstria dated September 18, 2024;

- other documents and information relevant to the assessment.

12. In addition, we have drawn on publicly available information and capital market data.

13. Supplementary information was provided to us by the management board of alstria and the persons appointed by it to provide information. The management board of alstria and the management of BPG Holdings Bermuda Limited provided us with written assurances on December 18, 2024 that the explanations and information provided by the management board, which are relevant for the preparation of our report on the audit of the appropriateness of the cash compensation, were complete and correct.

14. Under item C. Additions and comments of the letter of representation we had asked for the following confirmation by the management board of alstria:

    For the purpose of determining an appropriate cash compensation for minority shareholders, we consider a business valuation based on the discounted earnings method to be preferable vis-a-vis a business valuation of the overall portfolio based on the net asset value (NAV), because in our opinion the discounted earnings method better reflects the business value as defined by German case law than the net asset value.

    This statement was not made vis-a-vis us by the management board. The Management Board justified this by stating that it cannot comment on the valuation method, as this is essentially a methodological issue.

15. Irrespective of the missing confirmations requested by us in paragraph 14, we point out that there were neither any impediments to our audit nor did the missing confirmations lead to a limitation of our assessment of the appropriateness of the cash compensation.

16. We have complied with the principles for the performance of business valuations contained in the **IDW S 1** standard of the Institute of Public Auditors in Germany as amended on April 2, 2008. In addition, we have complied with the GACVA Professional Standard and the relevant International Valuation Standards of the IVSC (International Valuation Standards Council). The standards reflect the prevailing opinion on the theory and practice of business valuation and form a framework for the respective independent solution.

17. We have recorded the nature and scope of our audit procedures in our working papers. As part of our audit, we inspected the valuation expert's working papers.

18. If, in the period between the completion of our audit on December 18, 2024 and the date of the resolution of the extraordinary general meeting of alstria on
If there are no material changes in the net assets, financial position and results of operations or other bases for the valuation of alstria on February 11, 2025, these would still have to be taken into account when assessing the appropriateness of the cash compensation.

19. We expressly point out that we have not audited the accounting, annual financial statements, management reports or management of the companies involved. These audits are not part of an adequacy audit of the cash compensation for minority shareholders. The compliance of the annual and consolidated financial statements and management reports with the respective accounting standards has been confirmed without qualification by the auditor of alstria for the financial years 2021 to 2023. With regard to the completeness of the annual and consolidated financial statements and compliance with accounting standards, we therefore assume that the documents submitted to us are correct and complete.

20. This audit report serves to document our audit of the appropriateness of the cash compensation determined. The use of our audit report outside the written and oral reporting to the shareholders or the preparation and execution of the general meeting of alstria, the information of the executive bodies, the submission to the register court as well as in the context of possible legal proceedings (e.g. appraisal proceedings) requires our prior written consent. Without this written consent, our audit report may not be disclosed to third parties. Consent will not be withheld for unreasonable reasons.

21. For the performance of the engagement and our responsibility - also in relation to third parties - the **General Engagement Terms** for Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften attached as Exhibit 2 in the version dated January 1, 2024 shall apply. If our report is used for purposes other than those on which the engagement is based, it must be ensured that the aforementioned General Engagement Terms also apply in these cases.

22. We would like to point out that the calculations presented below in the audit report are generally shown without decimal places. Since the calculations were actually made with the exact values, the addition and subtraction of table values can lead to deviations in the subtotals and totals presented. Unless explained separately, all financial figures presented for alstria comply with the provisions of International Financial Reporting Standards (IFRS).

Assessment standard within the scope of our investigations

23. According to Section 327a (1) AktG, the amount of cash compensation granted must be appropriate. The term "appropriate" is not defined in more detail in the law. Established case law requires that the minority shareholder be fully compensated for the loss of their shareholding.[1] Accordingly, the cash compensation must reflect the real or true value of the shareholding so that the departing shareholder is fully compensated for the loss of their legal position. The assessment of the appropriateness of a cash settlement is therefore carried out on the basis of an overall assessment both in the appropriateness test and in the potentially subsequent appraisal proceedings.[2] Only in this context can it be ensured that the departing shareholder receives full compensation for the loss of their shareholding.

24. The business valuation in ValueTrust's expert opinion contains a large number of assumptions both in the forecast of financial surpluses and in the determination of the cost of capital. We have checked these assumptions for plausibility and used the following benchmark:

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1 See BGH, decision of January 31, 2017 - Az II ZR 285/15BGH, ZIP 2017, 469; BGH, decision of January 12, 2016 - Az II ZB 25/14, AG 2016, 359 Rz. 21 m.w.N.; OLG Frankfurt am Main, decision of 26.1.2017 - Az 21 W 75/15; OLG Frankfurt am Main, decision of 17.1.2017 - Az 21 W 37/12, ZIP 2017, 974; OLG Frankfurt am Main, decision of. 20.7.2016 - Az 21 W 21/14, BB BBL2017-1585-6; OLG Karlsruhe, decision of 12.9.2017 - Az 12 W 1/17, NZG 2017, 1188; BayObLG, decision of 19.10.1995 - Az 3Z BR 17/90, AG 1996, 127.

2 See Stephan in Schmidt/Lutter (ed.), AktG, 4th edition, section 305 para. 65; Ruiz de Vargas in Bürgers/Körber (ed.), Aktiengesetz, 4th edition, Anh section 305, para. 7a.

25. Within the scope of our audit, an assumption is **considered plausible** if it (1) is based on an **appropriate methodology** and (2) a **complete database,** (3) **the amount** is **justifiable** and (4) the **arithmetical correctness** is guaranteed.[3]

26. The determination methodology is to be considered **appropriate** if it is in line with current scientific and practical findings in the field of business valuation. If, on the other hand, an unrecognized or uncommon method is used, the appropriateness of the method must at least be critically questioned.

27. **The completeness** of the data basis is given if there is a sufficient data basis for the assessment of an assumption. This may be data from past analyses or corresponding quantity and value structures on which an assumed specific development is based.

28. An assumption is considered **reasonable** if the parameter value under consideration is within a customary or intersubjectively comprehensible range of possible parameter values. Depending on the specific assumption to be analyzed, this range may result from the application of various appropriate methods and may be narrower or wider. If the parameter value under consideration lies outside this range, the assumption can no longer be considered reasonable.

29. In addition, it must be analyzed whether the assumption has been derived **correctly** and is internally consistent.

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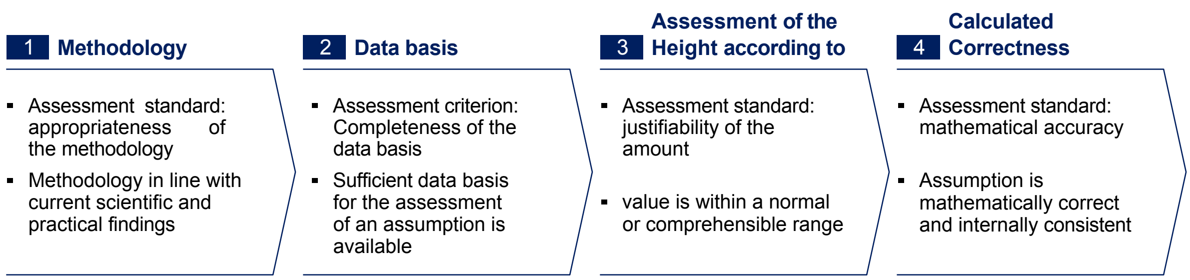
3 Cf. in detail Creutzmann, A.: Plausibility and justifiability of assumptions in business valuations in: BewertungsPraktiker, 1/2021, pp. 12-14, (ed.: CORPORATE FINANCE and EACVA), Creutzmann, A.: Planungsrechnungen bei rechtsgeprägten Unternehmensbewertungen, in: RWZ 2/2024, pp. 91- 97.

30. The following diagram summarizes our approach and the individual test steps in assessing the plausibility of an assumption:



Source: IVA analyses

Figure 1: Assessment standard for the plausibility of an assumption

31. If all criteria are met, the **assumption is considered plausible overall**. If, on the other hand, at least one criterion is not met, the plausibility of the assumption must be questioned. In addition, we would like to point out that we have used the procedure described above as a basis both for the planning calculation (numerator of the calculation) and for the capitalization rate (denominator of the calculation).

32. When considering assumptions in relation to the planning calculation, we have also taken into account the **IDW practice note** "Assessment of corporate planning in valuation, restructuring, due diligence and fairness opinion", which deals with the plausibility of planning calculations.[4] However, the practice note relates exclusively to the plausibility of a planning calculation and thus the numerator of the valuation calculation. According to the IDW practice note, the material plausibility of a forecast is divided into internal and external plausibility.

33. The material plausibility analysis assesses whether the assumptions on which the planning is based and the results resulting from the assumptions and the planning model as a whole have been derived with appropriate consideration of opportunities and risks. Plausibility is given if the assumptions and planning approaches are comprehensible, consistent and free of contradictions for the respective occasion, i.e. in accordance with the findings from the analysis of the past, the market, the competition and the company. If there are deviations from the findings of the aforementioned analyses, these should be intersubjectively comprehensible. A knowledgeable third party should be able to arrive at comparable assessments given the relevant information.

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4 See IDW, IDW Life 3/2017, Practice Note 2/2017: Assessment of corporate planning in valuation, restructuring, due diligence and fairness opinion, p. 345.

come. The material analysis treatments can be divided into the analysis of internal and external plausibility.[5]

34. The following table shows the specific measures recommended by the IDW as part of the material planning plausibility check for valuation purposes.

Material, internal plausibility		Material, external plausibility	
Explanations from the management	Company analysis (including historical analysis)	Market analysis	Analysis of competitors
Comprehensibility and consistency of the planning with the explanations	Traceability and consistency of the planning with the actual developments in the past and the company's potential as of the reporting date	Traceability and consistency of planning, e.g. with economic forecasts, sales market analyses, etc.	Traceability and consistency of planning, e.g. with actual figures and analyst estimates

Source: IDW

Table 1: Measuresfor material planning plausibility checks in accordance with IDW Practice Note 2/2017

35. As shown in the table above, both internal and external aspects are assessed as part of the material plausibility check, whereby the IDW does not assign any weighting to the aspects of internal or external plausibility.

36. Internal plausibility relates to the comparison of the underlying budgeting with the corresponding explanations provided by management and the associated assessment of whether the assumptions used in the budgeting are in line with management's strategic ideas and intended operational measures. Furthermore, as part of the internal plausibility check, an analysis of the company's past and situation must be carried out. For this purpose, actual values achieved in the past are compared with the corresponding planned values for income statement and balance sheet figures.[6]

37. As part of the external plausibility check, the assumptions underlying the planning are compared with the market and competition analysis for the company on the basis of the general conditions prevailing at the time of planning. In particular, the external plausibility check is intended to analyze the development of the market and competitive conditions for the company.

5 See IDW, Practice Note 2/2017, para. 16.
6 See IDW, Practice Note 2/2017, para. 17, 22 f.

The analysis should include the sales and procurement markets relevant to the company as well as the actual development and forecasts of key competitors.[7]

7 See IDW, Practice Note 2/2017, points 17, 28, 32.

B. SUBJECT MATTER, NATURE AND SCOPE OF THE AUDIT

38. In accordance with Section 327c para. 2 sentence 2 AktG, the subject of our audit is the appropriateness of the cash compensation determined by the main shareholder.

39. Accordingly, we have examined whether the cash compensation determined by BPG Holdings Bermuda Limited is appropriate taking into account the circumstances at alstria office REIT- AG as of the valuation date. We have not performed any further legal review, in particular of the conditions and legality for a transfer of the shares of the minority shareholders and the tax effects.

40. In accordance with section 327c para. 2 sentence 4 AktG and section 293e para. 1 sentence 2 AktG, the audit report must conclude with a statement as to whether the cash compensation determined is appropriate. Pursuant to Section 293e (1) sentence 3 AktG, the audit report must include a statement to this effect,

- the methods used to determine the cash settlement,
- the reasons why the use of these methods is appropriate,
- the cash compensation that would result from the application of different methods, if several have been applied; at the same time, the weighting given to the different methods in determining the cash compensation determined and the values on which they are based and the particular difficulties encountered in the valuation of the company must be explained.

41. When reviewing the appropriateness of the cash compensation for shares in a listed company, the stock market price as the fair market value of the shares may not be disregarded due to supreme court rulings. Whether the stock market price actually reflects the market value of the shares must be examined on a case-by-case basis. If stock market prices are used for the valuation, the derivation of the stock market price must be assessed.

42. If a business valuation forms the basis for deriving the appropriate cash compensation, the auditor must assess the valuation on which the cash compensation is based with regard to its methodological consistency and substantive premises. If the cash compensation is based on a forward-looking analytical business valuation, it must be examined in particular whether the value-relevant parameters were derived appropriately.

and whether the planned future results appear plausible. The auditor is not required to perform an independent assessment of the company.

43. Pursuant to Section 327c para. 2 sentence 1 AktG, the main shareholder must submit a written report to the general meeting adopting the resolution, in which the conditions for the transfer of the shares of the outside shareholders to the main shareholder are set out and the appropriateness of the cash compensation is explained and justified (transfer report).

44. The transfer report is not the subject of our audit. It is also not the responsibility of the statutory auditor to assess the completeness, accuracy and appropriateness of the transfer report or the existence of the conditions for the transfer. However, to the extent that the report of the main shareholder explains and justifies the amount of the cash compensation, we have used the information contained therein to verify the appropriateness of the cash compensation.

45. We obtained the corporate planning serving as the basis for the valuation as well as the working papers for the valuation, discussed them in discussions with representatives of the company and the valuation expert and examined their plausibility. We reviewed the methodological consistency of the valuation model and verified the valuation mathematically.

46. In its decision dated October 8, 2024, the Hamburg Regional Court instructed us to extend the review to the question of

- whether a partial sale of the company would result in proceeds in excess of the capitalized earnings value,
- the value of the substance of the assets and
- what proceeds could be achieved in the event of liquidation.

47. In the event that an appraisal is carried out in accordance with IDW S 1, we should also provide a rough valuation in accordance with another valuation method in accordance with the decision of the Hamburg Regional Court.

48. We contacted the responsible chamber of the Hamburg Regional Court by telephone to obtain more specific information on the audit decision. The chamber informed us that it was not necessary to examine whether the sale of parts of the company could generate proceeds in excess of the capitalized earnings value. The Chamber justified this by stating that

that the present case is a real estate company and that this would result in a valuation based on the liquidation value. Instead, a business valuation should be determined on the basis of the net asset value, which represents the substance of the assets.

49. The following overview presents the legal entities listed in the order of the Hamburg Regional Court of

October 8, 2024 and a reference to the associated explanations in the audit report.

Decision point	Contents	Comments in the audit report
The examination must be extended to the question,		
a	whether a partial sale of the company would result in proceeds in excess of the capitalized earnings value,	After consultation with the competent chamber, it is not necessary to examine whether the sale of the company in parts could generate proceeds in excess of the capitalized earnings value.
b	which value the substance of the assets and	We have determined the net asset value (NAV) of the company. The NAV does not correspond to a valuation of the company's assets in the traditional sense, but rather a modified earnings valuation that takes into account the specific circumstances of an asset management company. Against this background, we have refrained from calculating a traditional net asset value and instead calculated the NAV of alstria. Please refer to our explanations in Sections C.II.4, C.II.6 and D.V.
c	what proceeds could be achieved in the event of liquidation.	See to this the explanations in sections C.II.5 and D.V.
d	In the event that an appraisal is carried out in accordance with IDW S 1, we should also provide a rough valuation in accordance with another valuation method in accordance with the decision of the Hamburg Regional Court.	We have additionally valued alstria according to the net asset value (NAV). See to this the explanations in sections C.II.4 and D.V.

Table 2: Overviewof the points to be additionally presented in the audit report in accordance with the decision of the Hamburg Regional Court dated October 8, 2024

50. Our report reflects the results of our audit of the appropriateness of the cash compensation determined. The disclosures in the audit report are limited to the aspects material to the assessment of the cash settlement, including the items contained in the decision of the Hamburg Regional Court dated October 8, 2024.

C. EXAMINATION OF THE APPROPRIATENESS OF THE CASH SETTLEMENT

I. Method for determining the cash settlement

51. In the draft transfer resolution, BPG Holdings Bermuda Limited has determined the cash compensation for the transfer of the shares in alstria held by the minority shareholders to the majority shareholder BPG Holdings Bermuda Limited as of February 11, 2025 as follows:

"The no-par value bearer shares of the remaining shareholders of alstria office REIT-AG (minority shareholders) will be redeemed in accordance with the procedure for the exclusion of minority shareholders (sections 327a et seq. AktG) against the granting of an option by BPG Holdings Bermuda Limited, a so-called exempted company with liability limited by shares under the laws of Bermuda with its registered seat in Hamilton, Bermuda, and registered with the Bermuda Registrar of Companies under registration number 48464 (main shareholder), in the amount of EUR 5.11 for each no-par value bearer share."

52. The transfer report of the main shareholder contains explanations and justifications regarding the appropriateness of the cash compensation.

53. The cash settlement was calculated on the basis of a valuation carried out by ValueTrust on the valuation date, February 11, 2025, business valuation. The valuation expert has analyzed the stock exchange price of alstria AG in the relevant period, i.e. in the three months prior to the publication of the first transfer request on September 18. She comes to the conclusion that from a legal and economic point of view there are no indications that the stock exchange price cannot be used as an indicator for the market value of the shares and thus for the determination of the compensation. The three-month average share price (3M-VWAP) relevant for the assessment is € 3.49 per alstria share. In order to assess the business value of alstria AG, ValueTrust derived a range of objectified business values after personal income taxes according to IDW S 1 as well as business values before personal income taxes according to the "Best Practice Recommendations for Business Valuation" of DVFA. The range of objectified business values determined by the valuation expert on the basis of the capitalized earnings value method in accordance with IDW S 1 is between € 4.27 and € 5.11 per share.

54. In accordance with IDW S 1 - in line with long-standing valuation practice and German case law - the tax circumstances of a domestic person with unlimited tax liability are taken into account for corporate and contractual valuation purposes.

and a company valuation calculation after personal taxes was used.

55. In addition, the valuation expert has determined a range for the value of alstria's equity before personal taxes in accordance with the DVFA recommendations. Accordingly, the resulting range of alstria's equity value before personal taxes as of February 11, 2025 is between € 3.36 and € 4.04 per alstria share

56. As an indication of the equity value based on the current real estate portfolio, the valuation expert used the NAV method to check the plausibility of the results of the capitalized earnings value method and determined a NAV within a range of € 4.03 to € 5.06 per share. In addition, the valuation expert applied comparative valuation methods such as stock market and transaction multiples. The range of the equity value determined on the basis of the stock market multiples is € 2.47 to € 5.66 per alstria share. The range of the equity value determined on the basis of the transaction multiples is € 1.38 to € 5.65 per alstria share

57. Based on these considerations, BPG Holdings Bermuda Limited has decided to pay a **cash compensation** to the minority shareholders of alstria pursuant to section 327a para. 1 sentence 1 AktG.
of € 5.11 per alstria share, which corresponds to the capitalized earnings value after personal income taxes determined by the valuation expert in accordance with IDW S1. The main shareholder did not consider a cash compensation based on the NAV to be appropriate in this case.

58. In determining the cash compensation offered, BPG Holdings Bermuda Limited has followed the method chosen by the Valuation Expert and has adopted the Expert Opinion in its entirety and made it the subject of the transfer report. The Expert Opinion and its drafts have been made available to us for the purpose of reviewing the appropriateness of the cash compensation.

59. The methodological approach, the determination of the enterprise value of alstria and the enterprise value per share are described in detail in the expert opinion.

II. Appropriateness of the method used to determine the cash settlement

1. Preliminary remark

60. According to the case law of the Federal Constitutional Court (BVerfG) and the Federal Court of Justice (BGH), a cash settlement is appropriate with regard to the constitutional protection of property if it provides the excluded shareholder with full economic compensation for the loss of his shareholding in the company. According to the case law of the Federal Constitutional Court (decision of April 27, 1999 - 1 BvR 1613/94), it must be ensured that the exiting shareholder does not receive less than he would have received if he had freely decided to divest at the time of the measure. The compensation must therefore not be less than the market value.

61. Pursuant to Section 327b (1) sentence 1 AktG, the appropriate cash compensation must take into account the circumstances of the company at the time of the resolution of its general meeting on the transfer of the shares held by the minority shareholders. In principle, different valuation methods are available for determining the appropriate cash compensation. The German Stock Corporation Act does not prescribe a specific valuation method to be used to assess the appropriateness of the cash compensation offered. A valuation method can only be ruled out if it is not suitable for reflecting the true value due to the circumstances of the individual case.

62. The BGH has determined that it is a **question of law** whether a valuation method applied corresponds to the statutory valuation objective. The BGH affirmed this both for the capitalized earnings value method and for the stock market price. The question of which of the generally suitable valuation methods accurately reflects the value of the shareholding in a specific case is part of the actual assessment of the facts (**question of fact**) and must be assessed in accordance with business valuation theory and practice. The valuation method must be recognized in business management theory and commonly used in practice.

63. The underlying valuation method must be reviewed by the auditor with regard to the type and reasons for its application and its appropriateness.

64. In both its decision of February 21, 2023 (BGH, decision of February 21, 2023 - II ZB 12/21) and its decision of January 31, 2024 (BGH, January 31, 2024 - II ZB 5/22), the BGH determined that the stock market price of a company alone is a suitable basis for estimating an appropriate cash settlement in accordance with Section 305 AktG and for deriving the amount of the cash settlement if certain conditions are met.

appropriate compensation in accordance with Section 304 AktG. According to the Federal Court of Justice, the share value can only be determined without recourse to the stock market price if it cannot be assumed in the specific case that market participants can effectively evaluate the information.

65. According to case law and valuation practice, the cash compensation in the event of the exclusion of minority shareholders can also be derived from an objectified enterprise value. The objectified enterprise value regularly represents an intersubjectively verifiable future success value from the shareholders' perspective, which results from the continuation of the company on the basis of the existing corporate concept and with all realistic future expectations in the context of the market opportunities, risks and financial possibilities of the company as well as other influencing factors.

66. The valuation principles and methods to be used by German auditors for business valuations are set out in the pronouncements of the Institute of Public Auditors in Germany (IDW), in particular in IDW Statement S 1 of April 2, 2008 "Principles for the Performance of Business Valuations". Accordingly, the value of a company is derived from its ability to generate financial surpluses for the company owners.

67. In the case of real estate companies and asset management companies, such as alstria in the present case, valuation on the basis of net asset value (NAV) is recognized and customary (see note 94 et seq.).

68. The valuation expert determined the enterprise value on the basis of the stock market price and the discounted earnings method. ValueTrust considered the NAV to be an irrelevant valuation method in this case.

69. The income capitalization approach, the stock market price and the NAV are explained methodically below. The other methods are then presented and evaluated.

2. Capitalized earnings value and discounted cash flow

70. The value of an operating company is derived from its ability to generate financial surpluses for the company owners in accordance with generally accepted principles today. This value is generally derived from the financial surpluses that can be generated if the company continues as a going concern (future earnings value). The company value can be determined using either the capitalized earnings value method or the discounted cash flow method ("DCF").

Both valuation methods are fundamentally equivalent and lead to identical results with the same valuation assumptions, particularly with regard to financing, as they are based on the same investment theory (net present value calculation).

71. In both valuation methods, the present value of the financial surpluses of the operating assets is determined first. To derive the present value of these surpluses, a capitalization interest rate is used that represents the return on an alternative investment that is adequate for the investment in the company to be valued. Assets (including liabilities) that can be sold individually without affecting the actual business operations are to be considered as non-operating assets. The sum of the present values of the financial surpluses of the operating and non-operating assets generally results in the enterprise value.

72. The forecast of future financial surpluses represents the core problem of every business valuation. The earnings power proven in the past generally serves as the starting point for plausibility considerations. Only those surpluses that result from measures that have already been initiated or arise from a documented and sufficiently concrete business concept are to be taken into account in the valuation. If the earnings prospects will be different in the future for company-related reasons or due to changes in market and competitive conditions, the recognizable differences must be taken into account.

73. When determining objectified company values, the distribution of those financial surpluses must be assumed that are available for distribution on the valuation date, taking into account legal restrictions and the documented company concept.

74. The future financial surpluses must be discounted to the valuation date using a suitable interest rate. This capitalization interest rate is used to compare the resulting financial surpluses with a decision alternative. For this purpose, the determination of objectified company values is typically based on returns from company shares listed on the capital market (share portfolio).

75. Due to the value relevance of personal income taxes, the tax situation of the shareholders must be standardized on an event-driven basis in order to determine objectified business values. In accordance with IDW S 1 - in line with many years of valuation practice and German case law - the tax situation of a shareholder is taken into account for corporate and contractual valuation purposes.

domestic person with unlimited tax liability. Within this framework, appropriate assumptions must be made regarding the personal taxation of the net income from the valuation object and the alternative yield.

76. Matters that cannot or only incompletely be represented in the determination of the capitalized earnings value must always be valued separately and added to the capitalized earnings value. In addition to non-operating assets, various special values can be considered for this purpose.

77. When valuing the company as a whole at the future earnings value, the non-operating assets, including the associated liabilities, must be valued separately, taking into account their best possible utilization and the use of released funds. If the liquidation value of these assets, taking into account the tax effects of a sale, exceeds the present value of their financial surpluses if they remain in the company, liquidation rather than continuation of the previous use represents the more advantageous realization. To determine the total value, the liquidation value of the non-operating assets must then be added to the present value of the financial surpluses of the operating assets (see IDW S 1, point 60).

78. When valuing the non-operating assets at the liquidation value, the costs of liquidation must be deducted from the liquidation proceeds and the tax consequences at company level must be taken into account. The extent to which taxes are to be taken into account at owner level depends on the intended use of the proceeds generated. If an immediate liquidation is not to be expected, a liquidation concept must be developed, an appropriate liquidation period must be set and the liquidation proceeds less the costs of liquidation must be discounted to the valuation date (see IDW S 1, para. 61 f.).

79. The valuation expert ValueTrust determined the enterprise value and, based on this, the value per share on the basis of, among other things, the capitalized earnings value method, which is predominant in case law and valuation practice in Germany.

80. We have satisfied ourselves that the present valuation is based not only on the earnings plan but also on a coordinated balance sheet plan and that the aforementioned requirements for the equivalence of the discounted earnings method and the DCF method are therefore fundamentally met.

3. Market price

81. The shares of alstria (ISIN DE000A0LD2U1) are admitted to trading on the Regulated Market of the Frankfurt Stock Exchange or XETRA and at the same time in the sub-segment of the Regulated Market with additional post-admission obligations (Prime Standard). The shares are also traded on the OTC markets of the stock exchanges in Berlin, Düsseldorf, Hamburg, Hanover, Munich and Stuttgart as well as on the Tradegate Exchange and the Vienna Stock Exchange.

82. Since trading also took place at the time of the announcement of the structural measure, it is generally possible to value alstria on the basis of its respective market capitalization. However, depending on the individual case, there may be weighty arguments against a valuation derived from the stock exchange price, as the stock exchange price depends on numerous special factors, such as the size and narrowness of the market, random turnover as well as speculative and other non-value-related influences and may therefore be subject to unpredictable fluctuations and developments.

83. According to the case law of the Federal Constitutional Court (decision of April 27, 1999 - 1 BvR 1613/94), Art. 14 of the German Constitution requires that the exiting shareholder receives full compensation for his or her shareholding, which may not be less than the market value. In the case of listed companies, the market value cannot be determined regardless of the share price, unless the share price exceptionally does not reflect the market value of the share. This means that the stock market price must generally be used as the lower limit for determining the cash compensation of minority shareholders in the case of structural measures under stock corporation law.

84. According to the case law of the Federal Court of Justice (decision of July 19, 2010 - II ZB 18/09 - "Stollwerck"), an appropriate cash compensation in the context of a squeeze-out of minority shareholders is to be determined on the basis of a weighted average share price within a three-month period prior to the announcement of the structural measure.

85. In its decisions of February 21, 2023 (BGH, decision of February 21, 2023 - II ZB 12/21) and January 31, 2024 (BGH, decision of January 31, 2024 - II ZB 5/22), the BGH confirmed that the use of a company's stock market price does not contradict the statutory valuation objectives. The use of the market-oriented method is generally suitable for determining an estimated value as the basis for the appropriate cash compensation pursuant to Section 305 AktG and for deriving the appropriate compensation pursuant to Section 304 AktG. This is based on the assumption that the market participants, on the basis of the information and information options available to them

the earnings power of the company and the market valuation is reflected in the share price.

86. Accordingly, the appropriateness of the cash compensation within the meaning of Section 305 AktG can be determined on the basis of the stock market price if this is not inappropriate due to the circumstances of the individual case. In addition to its importance as a lower limit for the appropriate cash compensation, the BGH confirms that the market-oriented valuation method is of equal importance to other valuation methods.

87. Only if, in a specific case, it cannot be assumed that market participants are able to make an **effective information valuation** and the stock market price therefore does not allow a reliable statement about the market value, the share value cannot be determined with recourse to the stock market price.[8]

88. The BGH considers it legally correct to assume an effective information assessment if conspicuous price jumps, price manipulation or information deficits due to non-compliance with publication obligations under capital market law are excluded. A high liquidity of the share can be of particular importance when assessing the existence of an effective information valuation.

89. Recourse to the stock market price alone is also ruled out if there is no functioning capital market because there has been virtually no trading over a longer period of time or the market is tight.

90. However, the BGH's decision leaves open the question of whether the stock market price alone can always be used to determine an appropriate cash settlement or whether it must continue to be considered in conjunction with other valuation methods. This question will become increasingly important in practice, particularly if the capitalized earnings value is (significantly) higher than the stock market value. The legal literature takes the view that the sole consideration of the stock market price as a basis for estimation is generally not appropriate and that at least an additional plausibility check should be carried out using the capitalized earnings value.[9]

91. In view of the fact that stock market prices and the market information and expectations on which they are based only comprise part of the value-relevant information, the FAUB of the IDW is of the opinion that it is contrary to the protective purpose of

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8 See BGH, decision of February 21, 2023 - II ZB 12/21, para. 20.

9 See Decher, Die Bedeutung des Börsenkurses für die Unternehmensbewertung bei Strukturmaßnahmen, in: AG 2023, p. 115.

adequacy tests, stock market prices should not be used as the sole basis for assessment without taking into account the internal and external information relevant to value and without carrying out a fundamental company valuation. Rather, in the view of the FAUB, it remains necessary, even after the BGH's decision, for the review of appropriateness to be carried out by an auditor on the basis of a fundamental company valuation (see FAUB communication dated June 14, 2023 on the relevance of stock market prices, in: IDW Life 2023, p. 656). However, in its decision of January 31, 2024, the BGH explicitly pointed out that a strict allocation and information efficiency of the capital market is not a prerequisite for determining the value of a company investment based on the stock market price (see BGH, decision of January 31, 2024 - II ZB 5/22, para. 26).

92. The valuation expert has analyzed the indicators mentioned in the decisions of the BGH to assess the meaningfulness and relevance of the stock exchange price with regard to the alstria share and comes to the conclusion that the alstria share is characterized by sufficient liquidity. In particular, the valuation expert points out that even though the free float was low prior to the announcement of the squeeze-out, continuous trading in the alstria share took place to a not insignificant extent. Against the background of the legal requirements and from an economic point of view, the turnover-weighted three-month average price is a suitable method for determining the fair value of the shares of alstria and the appropriate cash compensation pursuant to section 327b AktG. The results of the share price analysis are presented in section D.III.

93. In order to verify the results of the stock market price analysis, the appraiser determined the capitalized earnings value of alstria. Please refer to our comments in section D.IV.

4. Net asset value (NAV)

94. For real estate companies, valuation according to the net asset value (NAV) is a method that has been established in case law (LG Flensburg, decision of April 11, 2011, case no. 6 O21/09; LG Leipzig, decision of March 8, 2013, case no. 02 HK OH 80/08; Schleswig-Holstein Higher Regional Court, decision of September 17, 2013, case no. 9 Wx 86/11; OLG Dresden, decision of January 31, 2014, case no. 11 W 505/13; LG Frankfurt, decision of December 16, 2014, case no. 3-05 O 164/13; LG Hamburg, decision of December 16, 2014, case no. 3-05 O 164/13).9.2013, Ref. 9 Wx 86/11; OLG Dresden, decision of 31.1.2014, Ref. 11 W 505/13; LG Frankfurt, decision of 16.12.2014, Ref. 3-05 O 164/13; LG Hamburg, decision of 29.6.2015, Ref. 412 HKO 178/12; LG Berlin, decision of 9.2.2016, Ref. 102 O 88/13

.SpruchG; LG Stuttgart, decision of 30.6.2016, Ref. 31 O 122/12; OLG Frankfurt, decision of 8.9.2016, Ref. 21 W 36/15 (3-05 O 164/13 Landgericht Frankfurt); LG Munich I, decision of 30.11.2016, case no. 5HK 22066/02; OLG Munich, decision of 12.7.2019, case no. 31 Wx 213/17, OLG Karlsruhe, decision of 25.5.2020, case no. 12 W 17/19, BayObLG, decision of 18.5.2022, case no. 101 ZBR 97/20 (5 HK O 12922/18 LG Munich I)), BayObLG, Decision of 23.08.2023 - 101W 184/21 as well as the valuation method recognized and customary in ordinary business transactions (see Creutzmann, Unternehmensbewertung bei vermögensverwaltenden Gesellschaften im Rahmen der Ermittlung der angemessenen Barabfindung, in BewertungsPraktiker, October-December 2007, pp. 7-13, Creutzmann, Net Asset Value in Theorie und Praxis, in BewertungsPraktiker, June 2013, pp. 64-69 as well as Creutzmann, Besonderheiten beim Net Asset Value, in BewertungsPraktiker, September 2017, pp. 74-79, Creutzmann/Stellbrink: Der Net Asset Value als Verfahren zur Bewertung von vermögensverwaltenden Gesellschaften in BOARD - Zeitschrift für Aufsichtsräte, 6/2019, pp. 225-228; Zwirner/Zimny: Unternehmensbewertung, in StuB supplement to issue 22/2018, p. 18), Creutzmann, Theorie und Praxis des Net Asset Value bei der Bewertung von Immobiliengesellschaften, in: Handbuch Unternehmensbewertung, 3rd edition, 2023, pp. 455-474, (ed.: Zwirner/Petersen). For alternative investment funds (AIF), Section 168 (1) sentence 1 of the German Capital Investment Code (KAGB) regulates the calculation of the net asset value of the fund unit on the basis of the net asset value, which must be included in the annual report in accordance with Section 101 (1) no. 3 KAGB. Furthermore, the NAV is recommended by the tax authorities as a valuation method in relation to real estate companies (see letter from the Bavarian State Ministry of Finance dated January 4, 2013 in relation to sector-specific valuation methods). For equity investment companies, the tax authorities recommend, among other things, the use of individual valuation methods, to which the NAV should be added.

95. In contrast to operating companies, where the interaction of individual assets and liabilities as well as different business areas regularly results in synergies that lead to added value vis-a-vis the values of the individual components of assets and liabilities considered in isolation, such added value does not typically exist in the case of asset management companies. This is due to the fact that synergies that go beyond mere risk diversification of the investments cannot generally be achieved through the interaction of different investments. Instead, the value of an asset management company is determined by the independent assets and liabilities and the resulting cash flows. For example, the financial surpluses for real estate depend not only on the general market development but also, in particular, on the existing rental agreements and management costs. The financial surpluses for bonds and derivatives are significantly influenced by the respective terms and conditions. In the case of equity investments and shares, the performance depends in particular on the operating success of the respective company, which, however, cannot usually be influenced by the asset management company being valued.

96. Unlike the capitalized earnings value, the NAV is not an overall valuation method, but an individual valuation method similar to the net asset value method. However, the NAV does not correspond to an asset valuation of the company in the traditional sense, but to a modified earnings valuation that takes into account the specific circumstances of an asset-managing company. Essentially, a valuation based on the NAV combines elements of the total valuation method with those of an individual valuation method.

97. The NAV is calculated as the difference between the market value of the assets less the market value of the liabilities and the present value of the company's future administrative costs. It corresponds to the net assets of a company including hidden reserves.

98. The value of an asset management company is essentially determined by the earning power of its investments, which in turn are largely reflected in their market values (fair values). If the market value of an investment is viewed as the present value of the associated future income and expenses, the value of an asset management company is the sum of the individual market values plus the value of other assets less the present value of liabilities. The NAV therefore represents the present value of the expected future net income from the investments plus the value of other assets and thus reflects the present value of future payment surpluses.

99. As a going concern is generally assumed when determining the NAV, taxes (at company level) that would result from the sale of assets and repayment of liabilities on the basis of the current market values and that would have to be recognized when determining the liquidation value are not taken into account. Corporate taxes can only be recognized to the extent that they are sufficiently specific and the corresponding tax burden will also arise if the company continues as a going concern. Taxes (at company level) from the current result must be accrued and recognized in the tax provisions as at the valuation date. Taxes at the level of the shareholders of the asset-managing company are generally assumed to be liquidated and are not included in the NAV. The negative present value of future management costs must always be taken into account to reduce the value.

100. In the present case, the valuation expert did not determine the NAV for alstria as its own valuation method, but as an indication of the equity value on the basis of the current real estate portfolio in order to check the plausibility of the results of the capitalized earnings value.

101. As already explained, the valuation of asset management companies, which also include real estate companies that hold the portfolio, is a valuation method that is recognized and customary in case law and in normal business transactions. In several rulings, state courts and higher regional courts have recognized the NAV as appropriate in connection with the determination of appropriate cash compensation in the context of structural measures under stock corporation law. IDW S 1 contains important general principles according to which auditors value companies. However, IDW S 1 expressly points out that each valuation case requires its own professional solution and that the principles can therefore only define a framework within which the case-specific, independent solution is to be determined. In our opinion, the NAV represents such a professional solution for the valuation of an asset-managing company.

102. Against this background, we have used the NAV in addition to the capitalized earnings value method and, if applicable, the stock market price to determine the enterprise value of alstria and the cash compensation. We refer in particular to our comments on the methodological approach to determining the NAV in section D.V.

103. The valuation expert ValueTrust considers the NAV to be an irrelevant valuation method in this case.

5. Liquidation value

104. If a company is not established for a limited duration or if a limited duration must be assumed due to special circumstances, an indefinite life is assumed for company valuation purposes. This also applies in the event that the respective acquirer does not wish to hold its investment indefinitely, as the price it could theoretically achieve on sale is identical to the present value of the expected net distributions. However, if it proves to be more advantageous vis-a-vis the continuation of the company to sell all assets necessary for operations and those not necessary for operations separately, the prevailing view in business administration is that the valuation should be based on the liquidation value, unless there are legal or factual constraints to the contrary.

105. The amount of the liquidation value depends on both the speed of liquidation, which determines the period of the sale, and the intensity of liquidation, which determines the degree of fragmentation of the assets. The liquidation value must be determined taking into account the best possible realization and liquidation concept in each individual case.

106. The value of the assets is determined by the sales market of the assets to be liquidated, whereby costs incurred in connection with a sale and to be borne by the company to be liquidated reduce the proceeds from the sale. Company debts must be deducted from the liquidation value of the assets, whereby debts that have only arisen as a result of the liquidation must also be taken into account. On the other hand, debts that no longer exist as a result of the liquidation are not to be recognized.

107. The surpluses arising from the liquidation must also be reduced by any corporate taxes due on any liquidation profit. In addition, personal income taxes at shareholder level must also be taken into account.

108. As the valued company is to be continued indefinitely and it can be assumed that the capitalized earnings value or NAV would be higher than the corresponding liquidation value in the event of liquidation due to the costs incurred in the event of liquidation (e.g. social plans, compensation, etc.) and the price discounts in the current market environment for the sale of the real estate portfolio, ValueTrust has dispensed with a detailed derivation and presentation of the liquidation value. We consider this approach to be appropriate.

6. Net asset value

109. The valuation of the substance from a procurement perspective leads to the so-called reconstruction value of the company, which is only a partial reconstruction value due to the general lack of intangible assets. This generally has no independent informative value for determining the overall value of a going concern.

110. The net asset value is similar to the net asset value method. However, the NAV is not a net asset value of the company in the traditional sense, but a modified earnings valuation that takes into account the specific circumstances of an asset-managing company under the premise of replacement. Against this background, it is appropriate that a net asset value was not determined in the present case.

7. Comparative market valuation

111. A comparative market valuation can be carried out on the basis of multiples that are considered customary in the industry. It requires an analysis of the past and expected earnings situation of the valuation object. The multiples are derived from an analysis of the market prices of comparable companies. Valuations on the basis of

multiples often only represent simplified and flat-rate earnings valuations. They are therefore usually only used for plausibility purposes.

112. As the specific situation of the company is not sufficiently taken into account in the valuation on the basis of multiples, such a comparative valuation is not appropriate for determining an appropriate cash settlement.

113. A comprehensive analytical valuation using the capitalized earnings value method or the NAV is therefore preferable. A valuation on the basis of multiples was only carried out for a rough plausibility check of the capitalized earnings value or the NAV (see also section D.VI).

8. Pre-acquisitions

114. Actual prices paid for company shares can be used to assess the plausibility of company values and share values. However, they do not replace a company valuation (see IDW S 1, point 13).

115. According to case law and prevailing opinion in the literature, the prices paid by the main shareholder for the off-market acquisition of shares in a factual and temporal context with a squeeze-out procedure are not to be taken into account when determining an appropriate cash settlement (see, for example, Fleischer in Großkommentar zum AktG, Section 327b AktG, para. 19).

116. According to the case law of the BVerfG (decision of April 27, 1999 - 1 BvR 1613/94), the non-consideration of the prices actually paid by the main shareholder for shares in the dependent company is unobjectionable. The prices actually paid by the majority shareholder could deviate from the market value of the shares due to the marginal benefit consideration inherent in them with regard to the acquisition of control. From the perspective of a minority shareholder, the (increased) price paid by the majority shareholder for individual shares is only achievable if he succeeds in selling his shares to the majority shareholder. However, there is no constitutional entitlement to this.

117. However, in the opinion of the BGH, the lack of significance for the valuation does not preclude existing prior acquisition prices from being taken into account in individual cases as part of plausibility and control considerations (see BGH, decision of January 31, 2024 - II ZB 5/22, para. 51).

118. In view of the fact that, according to supreme court rulings, no conclusions can be drawn from pre-acquisition prices as to the appropriateness of the cash settlement, no detailed analysis was carried out in this regard.

9. Most-favored-nation treatment and the legal question of the valuation method

119. The valuation expert has based the cash compensation offered on a fundamental valuation method. Both the discounted earnings method and the NAV are fundamental valuation methods. For asset-managing companies, such as real estate companies, the NAV is a recognized method for business valuation and for determining an appropriate cash compensation.

120. In its decisions of February 21, 2023 (BGH, decision of February 21, 2023 - II ZB 12/21) and January 31, 2024 (BGH, decision of January 31, 2024 - II ZB 5/22), the BGH repeatedly confirmed that the use of a company's stock market price does not contradict the statutory valuation objectives and that minority shareholders are not entitled to a most-favored-nation treatment. In this context, however, the BGH also establishes the responsibility of the trial judge in connection with the question of the appropriate valuation method for determining the appropriate cash compensation:

> *"The court is not bound by the income capitalization approach used by the contracting parties or by the choice of method in the transfer report and the audit report. The method used by the court in this respect in a free, factual decision for its own estimate must represent a viable basis for an estimate. Viability is given if it is a suitable and meaningful, but not necessarily the best possible basis from both a constitutional and a simple law perspective. This means that the method used must be recognized in economics or business administration and be commonly used in practice." (*BGH, decision of February 21, 2023 - II ZB 12/21, para. 11)
>
> *... "It is a question of law whether a valuation method chosen by the judge of the facts or a calculation method chosen within the valuation method contradicts the statutory valuation objectives, whereas the question of which of the valuation methods accurately reflects the value of the shareholding in the company in the individual case is part of the actual assessment of the facts and is assessed according to economic or business valuation theory and practice (see BGH, judgment of March 13, 1978 - II ZR 142/76, NJW 1978, 1316, 1319; judgment of May 7*
> *1986 - IVb 42/85, NJW-RR 1986, 1066, 1068; judgment of March 13, 2006 - II ZR 295/04,*

*ZIP 2006, 851 marginal no. 13; decision of November 6, 2013 - XII ZB 434/12, NJW 2014, 294 para. 34; decision of September 29, 2015 - II ZB 23/14, BGHZ 207, 114 para. 12, 33; Decision of September 15, 2020 - II ZB 6/20, BGHZ 227, 137 para. 13). The choice of which of several permissible methods of calculation in a specific case is best suited to reflect the company value is the responsibility of the court as part of the determination of the facts. Since every valuation involves numerous forecasts, estimates and individual methodological decisions, the accuracy of which cannot be reviewed by the courts, but only their justifiability, no valuation method can precisely calculate the value of the shareholding. Rather, each method can only provide arithmetical results that form the basis and reference point for the court's estimate in accordance with Section 287 para. 2, 1 ZPO (see BGH, decision of September 29, 2015 II ZB 23/14, BGHZ 207, 114 para. 13, 34; decision of September 15, 2020 II ZB 6/20, BGHZ 227, 137 para. 20)." (*BGH, decision of February 21, 2023 - II ZB 12/21, para. 17)

121. The question of the appropriate method for deriving the appropriate cash compensation in the present case therefore lies with the competent court. Both the discounted earnings method and the NAV are valuation methods that are suitable for deriving an appropriate cash settlement.

10. Result

122. The principles and valuation methods described are now regarded as established in the theory and practice of business valuation. They are reflected in the literature and in the pronouncements of the Institute of Public Auditors in Germany (IDW), in particular in the IDW S 1 statement of 2 April 2008 "Principles for the performance of business valuations", and are also generally recognized by case law. For asset-managing companies, valuation according to the net asset value (NAV) is a valuation method that is recognized and customary in case law and in normal business transactions.

123. In the present case, the main shareholder determined the cash compensation on the basis of the stock exchange price and the capitalized earnings value of alstria office REIT-AG, which was determined by the valuation expert. As a result, the main shareholder, knowing the value ranges of the stock exchange price and the capitalized earnings value, decided to set the cash compensation at the higher capitalized earnings value of alstria Office REIT-AG compared to the stock exchange price.

124. The main shareholder did not use the NAV to determine the cash settlement-relevant value of alstria Office REIT-AG, since, supported by the statements in the valuation report, it determined the enterprise value using the capitalized earnings value method.

considers more appropriate in this case. We consider both the discounted earnings method and the NAV approach to be an appropriate method for determining the appropriate cash compensation for the minority shareholders of alstria Office REIT-AG. The value range determined by us using the NAV approach leads to a higher settlement value compared to the capitalized earnings value.

125. According to the case law of the Federal Court of Justice, the question of which of the generally suitable valuation methods accurately reflects the value of the shareholding in a specific case is part of the actual assessment of the facts (**question of fact**) and must be assessed in accordance with business valuation theory and practice. In this context, it should be noted that the most-favored-nation principle has been abandoned in the most recent case law of the BGH. The courts are free to decide how to determine the proportionate company value. They make an estimate in accordance with Section 287 para. 2 ZPO, i.e. "taking into account all the circumstances according to their own conviction" (see Häller/Adolff in Fleischer/Hüttemann, Rechtshandbuch Unternehmensbewertung, 3rd edition 2024).

126. In the present case, we consider both the discounted earnings method and the NAV to be suitable for determining an appropriate cash settlement. In our opinion, the final assessment of the appropriate amount of the cash compensation in the present case is a question of law to be answered by the court.

127. For details of our audit findings, please refer to section D of our report.

III. Particular difficulties with the valuation

128. If particular difficulties have arisen in the valuation, we are required to make a statement in accordance with
§ 327c para. 2 sentence 4 in conjunction with § 293e para. 1 sentence 3 AktG. § Section 293e (1) sentence 3 AktG to disclose these in our audit report.

129. Based on our work in reviewing the appropriateness of the cash compensation, we have determined that no particular difficulties within the meaning of Section 293e (1) sentence 3 AktG have arisen.

D. AUDIT FINDINGS AT INDIVIDUAL

I. Valuation object

1. Legal basis

130. The following table provides an overview of the legal situation of alstria office REIT-AG at the time this report was prepared.

Company:	alstria office REIT-AG
registered seat:	Hamburg
Statutes:	In the version dated July 12, 2024
Legal form:	stock corporation
Commercial register:	Local court Hamburg, HRB 99204
Object of the company:	The object of the company is 1. Ownership of or rights in rem to a) domestic immovable assets within the meaning of the REIT Act with the exception of existing residential properties within the meaning of the REIT Act, b) foreign immovable assets within the meaning of the REIT Act, insofar as these may be owned in the country of domicile by a REIT corporation, REIT partnership or REIT asset pool or a corporation, partnership or asset pool comparable to a REIT, and c) other assets within the meaning of Section 3 (7) of the German REIT Act, to acquire, hold, lease or rent them, including necessary to manage and sell real estate-related ancillary activities, and 2. to acquire, hold, manage and sell shares in real estate partnerships within the meaning of the REIT Act, 3. to acquire, hold, manage and sell shares in REIT service companies within the meaning of the REIT Act, 4. to acquire, hold, manage and sell shares in foreign property companies within the meaning of the REIT Act,

	5. to acquire, hold, manage and sell shares in corporations that are personally liable partners of a real estate partnership within the meaning of the REIT Act and do not hold an equity interest in the latter.
Business year:	Calendar year
Share capital:	The company's share capital currently amounts to € 178,561,572.00 and is divided into 178,561,572 no-par value bearer shares with a notional interest in the share capital of € 1.00 per share. The Management Board is authorized by resolution of the general meeting of 6 June 2024 to increase the share capital, with the approval of the Supervisory Board, on one or more occasions until 5 June 2029 by issuing up to 89,280,786 no-par value bearer shares against contributions in kind by a total of up to € 89,280,786 ("Authorized Capital 2024"). By resolution of the general meeting on June 6, 2024, the share capital is conditionally increased by up to € 89,280,786 by issuing up to 89,280,786 no-par value bearer shares. increased ("Conditional Capital 2024").
Shareholder structure:	The shareholder structure is currently as follows:BPG Holdings Bermuda Limited 95.37 %Free float4 .63 %
supervisory board:	Brad Hyler (Chairman) Jan Sucharda (Deputy Chairman) Richard Powers Becky Worthington
management board:	Olivier Elamine
Tax situation:	• alstria has at the valuation date February 11, 2025 after the loss of REIT status, according to the information provided, the company has no tax loss carryforwards. • The value of the tax contribution account in accordance with § 27 KStG amounted to € 362.1 million as at December 31, 2023.
Stock exchange listing:	The company's shares are admitted to trading on the regulated market (Prime Standard) under ISIN DE000A0LD2U1. Trading takes place on the XETRA and Frankfurt am Main stock exchanges.

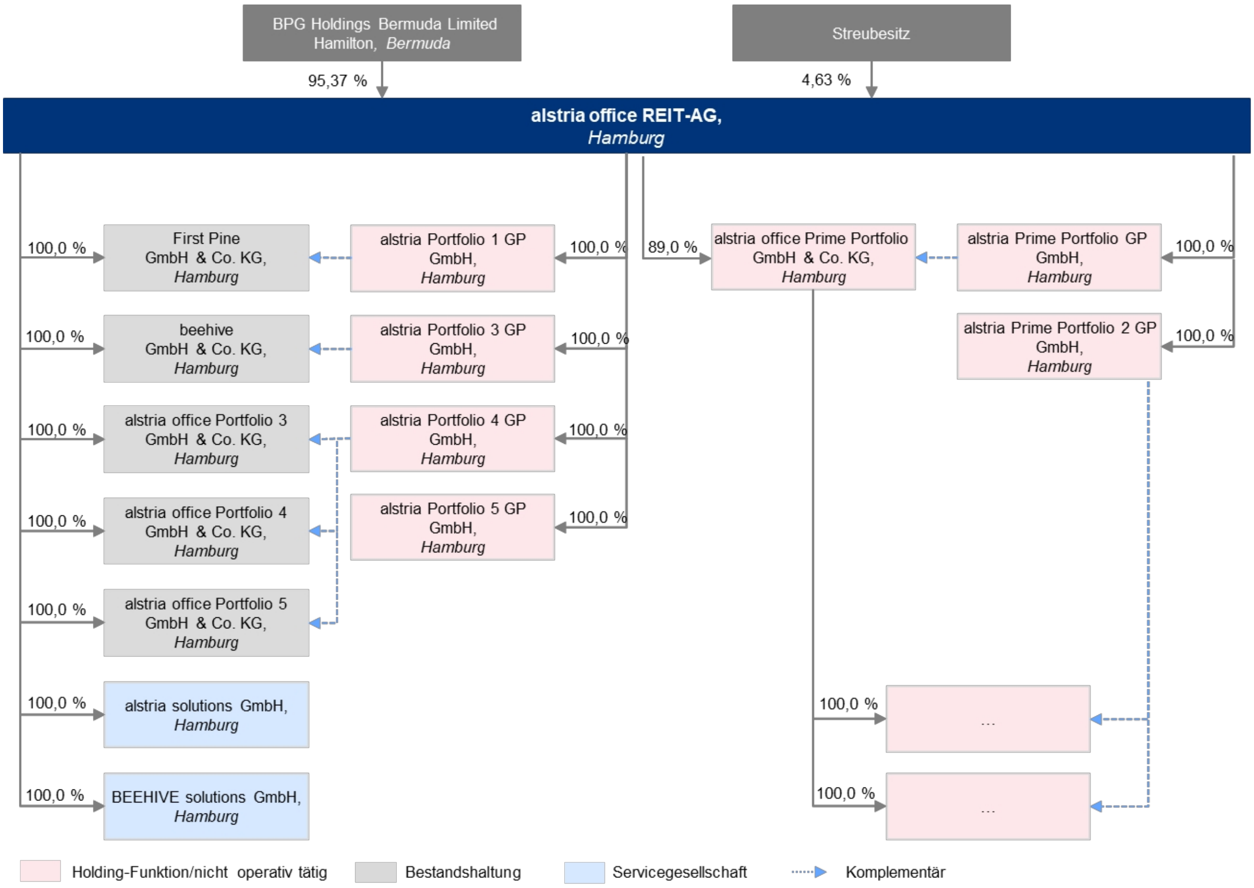
Source: alstria

Table 3: Legal situation of alstria

131. In connection with the majority shareholding of BPG Holdings Bermuda Limited in alstria, alstria will lose its REIT status as of January 1, 2025, as the 15% free float requirement pursuant to section 18 para. 3 REITG is no longer met. As a result of the loss of its REIT status, alstria will generally be subject to German income and trade tax. As a result, alstria will relocate its headquarters to Luxembourg and implement further organizational measures planned in light of the loss of the REIT status and the related tax liability. This reorganization includes, inter alia, the possible transfer of administrative activities to a separate management company ("ManCo") and adjustments to the legal structure.

132. In addition, the loss of the REIT status and thus the loss of the tax exemption leads to the statutory requirement to compensate the minority shareholders of alstria. The compensation is intended to reflect the disadvantage of the minority shareholders with regard to distributions resulting from the termination of the tax exemption, taking into account the tax advantages of the shareholders on a flat-rate basis. This compensation was determined by KPMG taking into account the principles for conducting business valuations (IDW S 1) of the Institut der Wirtschaftsprüfer in Deutschland e.V. (Institute of Public Auditors in Germany). The capitalized earnings value was calculated both with and without consideration of REIT status. The difference in the two capitalized earnings values per share is the compensation that will be paid to the minority shareholders at the beginning of January 2025. Please refer to section D.V.3.c).

133. The corporate structure of alstria is illustrated below:



Source: alstria; IVA analyses

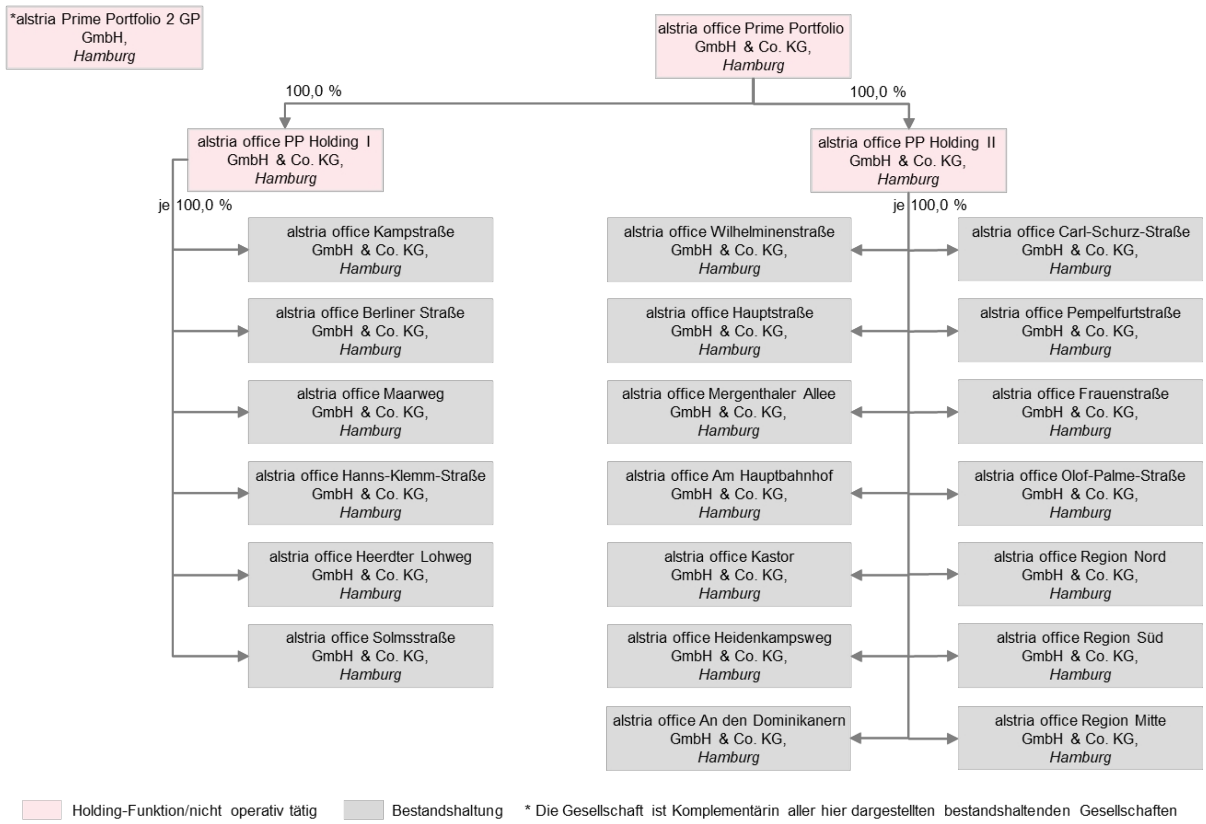
Figure 2: Current corporate structure of alstria (1)

134. BPG Holdings Bermuda Limited holds 95.37 % of the shares in alstria. In addition, 4.63% of the shares are in free float. At the date of our audit report, the scope of consolidation of alstria comprises 36 fully consolidated subsidiaries and alstria as the parent company. Of these, nine companies act as intermediate holding companies without a real estate portfolio, 25 companies act as portfolio-holding real estate companies and two companies act as service companies. alstria solutions GmbH and BEEHIVE solutions GmbH provide real estate-related ancillary activities in the area of management, maintenance and development of the real estate portfolios. These include technical and commercial portfolio management, rental portfolio management, brokerage activities, project management and development.

135. With the exception of alstria office Prime Portfolio GmbH & Co. KG, Hamburg, in which alstria holds only 89.0 % of the shares, and the companies below it, all other subsidiaries are directly or indirectly wholly owned by alstria. alstria office Prime Portfolio GmbH & Co. KG results from the conversion of DO Deutsche office AG in the context of alstria's voluntary takeover offer of

August 21, 2015. The remaining shares in the company, amounting to 10.0 %, are attributable to a Dutch foundation whose participation in the KG was financed by a long-term loan from alstria.[10] The remaining 1.0 % is attributable to the former shareholders of DO Deutsche office AG, who became limited partners of alstria office Prime Portfolio GmbH & Co. KG as a result of the conversion.

136. The companies under alstria office Prime Portfolio GmbH & Co. KG are shown separately in the following chart for reasons of presentation.



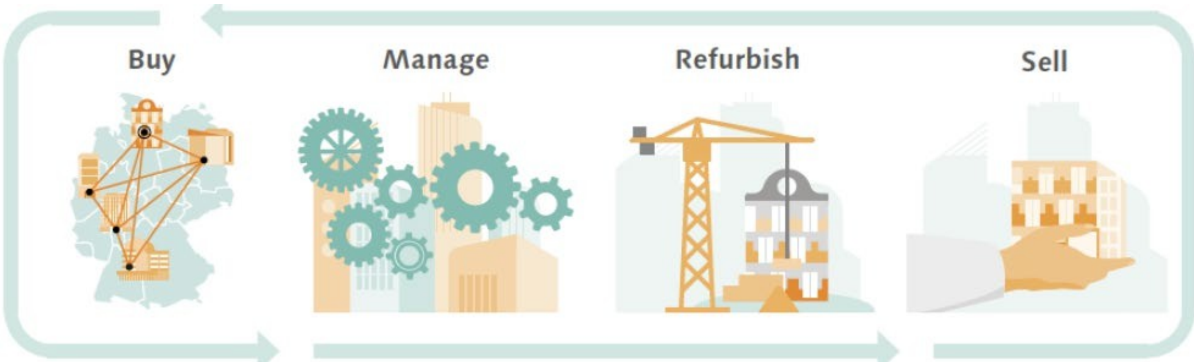
Source: alstria; IVA analyses

Figure 3: Current corporate structure of alstria (2)

[10] Cf. articles of association of alstria office Prime Portfolio GmbH & Co. KG, § 4 No. 3.

2. Economic Fundamentals

137. alstria is a real estate company that focuses on letting office properties it holds itself, mainly in prime (office) real estate locations in Germany. The main features of alstria's business model are as follows.



Source: alstria, company presentation

Figure 4: Basic features of alstria's business model

138. The business model is characterized by the fact that office properties are typically acquired in a developable condition and, as soon as the letting situation permits, they are refurbished to optimize their value and re-let. After re-letting, the company considers selling the fully developed property. The company aims to sell fully developed properties in the first few years after development in order to achieve the highest possible exit price. If this cannot be realized at the targeted selling prices due to the prevailing market situation, the company considers holding the property in the portfolio in the long term, possibly beyond a second development cycle. For the asset class of office properties in Germany typically held by the company, the management estimates the total useful life after completion of the refurbishment to be 20 to 25 years until a further refurbishment is required.

139. alstria's active portfolio management is limited to the development of existing properties. The project development business for the construction of new buildings is not part of alstria's business model. Depending on the letting situation and the planned scope of refurbishment, the development of acquired properties may take several years. When determining the scope of refurbishment, the company pursues the strategy of optimizing or maximizing the additional yield realized through the measures ("incremental yield on capex per sqm"). This means that the possible extent of refurbishment measures is not necessarily exhausted. According to the information provided, the amount of possible subsidies that can be accessed for the modernization of the properties does not play a central role in planning the scope of refurbishment. The reason for this is that the planned refurbishment measures

in an environment of changing framework conditions, even without subsidies.

140. The key figures for alstria's portfolio are as follows.

alstria Office REIT-AG **Key figures for the real estate portfolio as at December 31, 2024**	
Number of objects	106
Fair value (in € million)	4.142,7
Annual contractual rent (in € million)	195,2
Valuation yield (in %, annual contractual rent/fair value)	4,7
Rentable space (in m²)	1,403
EPRA vacancy rate (in %)**	8,1
WAULT (average remaining rental period in years)	5,3
Average value per m² (in €)	2.953
Average rent per m² (in € / month)	11,60

Source: alstria; preliminary market value assessment of the real estate portfolio by BNP Paribas Real Estate Consult GmbH as of December 31, 2024 as of November 29, 2024

** Data as of 30.09.2024 (see alstria interim statement as of 30.09.2024)*

Table 4: Key figures for the real estate portfolio

141. The portfolio comprises a total of 106 properties with a lettable area of 1,395,000 m^2 . There were no significant changes in the form of purchases or sales in the current financial year 2024. In the previous year 2023, only two properties with a sales volume of € 3.2 million were sold, which is due to the fact that the transaction market for office properties virtually came to a standstill in 2023. The last acquisitions were made in 2021. By the end of the third quarter of 2024, new leases (37,600 m^2) and lease extensions (56,700 m^2) totaling 94,300 m^2 had been signed. This corresponds to around 6.8 % of lettable space. The weighted average unexpired lease term (Weighted Average Unexpired Lease Term,
"WAULT") of the portfolio is 5.3 years. According to management estimates, a WAULT of 5.0 years is characteristic of the company's portfolio structure. The EPRA vacancy rate as at September 30, 2024 was 8.1%, a marginal increase compared to the end of the previous year (2023: 8.0%)[11]. Development-related vacancies are not included in the calculation of the rate. This refers to space that cannot be re-let until

[11] WAULT and EPRA vacancy rate as at September 30, 2024.

the property is completely vacant and therefore in a condition suitable for refurbishment. Across the entire portfolio, around 21.0% of the lettable space is vacant.

142. The breakdown of the portfolio into the main locations is as follows December 31, 2023 as follows.

alstria Office REIT-AG	Number of objects		Market value		Rentable space		Annual contractual rent	
Key locations	**in pieces**	**in %**	**in € million**	**in %**	**in m²**	**in %**	**in € million**	**in %**
Hamburg	33	31,1%	1.314	32,9%	375.600	26,9%	64,4	32,8%
Düsseldorf	20	18,9%	661	16,6%	222.000	15,9%	34,6	17,6%
Frankfurt	10	9,4%	486	12,2%	133.400	9,6%	19,8	10,1%
Berlin	12	11,3%	366	9,2%	98.300	7,0%	14,2	7,2%
Stuttgart	6	5,7%	307	7,7%	168.300	12,1%	11,7	5,9%
Cologne	4	3,8%	146	3,7%	59.300	4,3%	6,6	3,4%
Wiesbaden	3	2,8%	170	4,2%	26.800	1,9%	9,1	4,6%
Darmstadt	3	2,8%	156	3,9%	91.700	6,6%	10,2	5,2%
Food	3	2,8%	139	3,5%	72.700	5,2%	9,2	4,7%
Other areas	12	11,3%	243	6,1%	146.900	10,5%	16,9	8,6%
Total	**106**	**100,0%**	**3.989**	**100,0%**	**1.395.000**	**100,0%**	**196,6**	**100,0%**

Source: alstria

Table 5: Breakdown of the portfolio by key locations as at December 31, 2023

143. In contrast to the company's grouping of all properties in five regions (Berlin, Düsseldorf, Frankfurt, Hamburg and Stuttgart), the above list is based on the property addresses. A significant share of the portfolio, at 32.9% of the portfolio's market value, is located in Hamburg. Together with the following two locations, Düsseldorf (16.6 %) and Frankfurt (12.2 %), the cumulative share of the three most important locations amounts to 61.7 %. In total, these three locations account for 63 of the 106 properties. The most important locations within the other areas are Ratingen (1.7 % market value share), Mannheim (1.2 % market value share) and Karlsruhe (1.2 % market value share).

144. The breakdown of the portfolio into the main tenancy agreements is as follows.

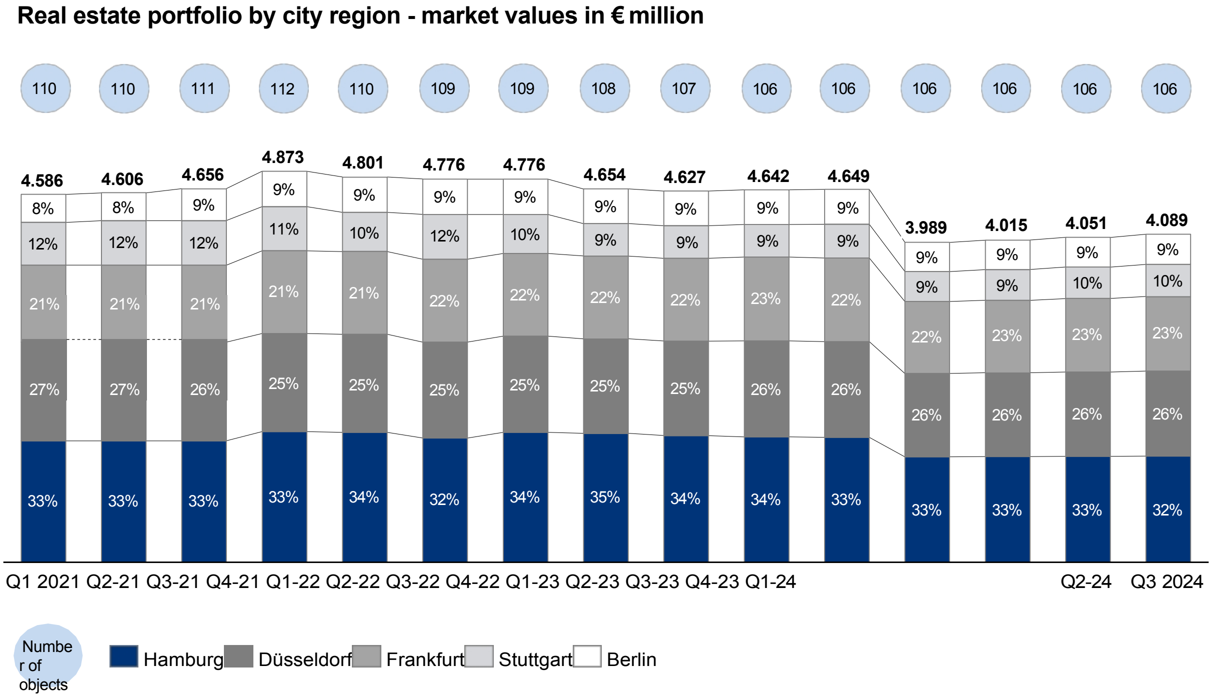
alstria Office REIT-AG Main tenant	Share of annual rental income as of 31.12.2023
City of Hamburg	13,0%
Federal Agency for Real Estate	5,0%
Mercedes-Benz AG	4,0%
City of Frankfurt	3,0%
GMG Generalmietgesellschaft	3,0%
HOCHTIEF AG	2,0%
Commerzbank AG	2,0%
Hamburger Hochbahn AG	2,0%
Deutsche Post Real Estate	2,0%
City of Berlin	2,0%

Source: alstria, Annual Report 2023, p. 10

Table 6: Breakdown of the portfolio by key locations

145. The City of Hamburg **accounts for** 13% of the annual rent of the overall portfolio, followed by the Federal Agency for Real Estate Tasks with 5%. Overall, the tenant structure is characterized by a significant proportion of local authorities and state institutions. Other major tenants are large corporations from the automotive, telecommunications, construction, banking and logistics sectors. The tenant structure is therefore characterized by a high level of solvency, although there is also a high concentration of annual rent on the top 5 tenants (approx. 28% share of the total portfolio).

146. The development of the portfolio holdings over the last three years is shown below.



Source: alstria; IVA presentation

Figure 5: Development of alstria's real estate portfolio by city region

147. alstria's real estate portfolio has increased in size between March 31, 2021 and September 30, 2024 from 110 properties to 106 properties. Most recently, two new properties were acquired in Berlin and Frankfurt am Main in 2021. In 2022, on the other hand, one property each in Hamburg and Düsseldorf and two properties in Stuttgart were sold. There were also two disposals in the 2023 financial year, relating to the properties at Amsinckstr. 34 in Hamburg and Mergenthalerallee 45-47 in Eschborn. There have been no further additions or disposals since then. The fair value of the property portfolio developed in line with the property acquisitions and disposals.

-disposals. The acquisitions in 2021 increased the value of the overall portfolio from approx. 4,586 million to around € 4,873 million. As a result of the disposals in 2022 and 2023, the total value fell by around € 244 million to around € 4,649 million as at the third quarter of 2023. In the fourth quarter of 2023, there was a significant devaluation of the property portfolio due to market-related price adjustments as a result of the sharp rise in interest rates. The portfolio value fell to around € 3,989 million as a result of the revaluation. However, a slight recovery was observed over the course of 2024 due to investments and renovation measures, with the total value of the portfolio increasing to around September 30, 2024 to € 4,089 million. The regional distribution of the portfolio values is as follows remained relatively constant over the period under review. As at the third quarter, the Hamburg region accounted for the largest share of the portfolio with a market value of € 1,324 million (32.4%). This is followed by the regions of Düsseldorf (25.9% of the portfolio value) and Frankfurt am Main (22.7% of the portfolio value). The Stuttgart and Berlin regions are of secondary importance with market values of € 403 million (9.9 %) and € 375 million (9.2 %) respectively.[12]

148. For management purposes, the company divides the portfolio into the following categories (i) **existing portfolio** and (ii) **development portfolio**. The existing portfolio includes properties for which no significant refurbishment measures are planned in the medium term. These may be properties for which refurbishment measures will only be considered in the long term - e.g. due to the current letting situation - or properties that have already been refurbished by the company and have been moved from the development portfolio to the existing portfolio. The properties for which refurbishment measures are currently being carried out (construction phase) or the refurbishment measures to be carried out are in the planning phase (planning phase) are grouped together in the development portfolio. The planning phase typically extends over a period of 12 to 18 months and the construction phase over a period of 18 to 24 months. The company regularly updates the allocation of properties to the existing or development portfolio. The existing portfolio currently comprises 85 properties and the development portfolio 21 properties.

[12] The regional breakdown in the chart follows alstria's reporting structure. The regions shown are not necessarily limited to the cities that give the company its name, but to a wider radius. For example, the real estate portfolio in Cologne is allocated to the "Düsseldorf" region in alstria's reports.

149. The overview of the properties in the development portfolio is as follows.

alstria Office REIT-AG Object	City	Market value before refurbishment million €	Office rental space m²	CAPEX Total million €	CAPEX Office €/m²
In development					
Epplestr. 225 (10)	Stuttgart	18,5	11.914	20,7	1.750
Epplest. 225 (BT20)	Stuttgart	6,3	7.892	22,6	2.850
Friedrich-Scholl-Platz 1 (Part A)	Karlsruhe	7,0	5.933	24,9	4.200
Platz der Einheit 1	Frankfurt am Main	153,7	30.390	46,7	1.550
Gartenstr. 2	Düsseldorf	18,1	5.030	8,4	1.650
Handwerkstr. 4	Stuttgart	11,6	6.356	11,8	1.850
Uhlandstr. 85	Berlin	37,9	13.047	29,3	2.250
Total development		**253,1**	**80.562**	**164,4**	**2.040**
In planning					
Lehrter Str. 17	Berlin	10,9	2.409	3,6	1.500
Hanauer Landstr. 161-173	Frankfurt am Main	22,9	15.486	35,3	2.300
Maxstr. 3a	Berlin	9,9	4.095	10,6	2.600
Ivo-Beucker-Str. 43	Düsseldorf	13,2	8.404	22,5	2.700
Epplestr. 225 (1)	Stuttgart	10,4	5.407	9,3	1.750
Epplestr. 225 (4)	Stuttgart	12,5	7.578	14,6	1.950
Epplestr. 225 (7)	Stuttgart	15,6	9.570	17,4	1.800
Epplestr. 225 (8)	Stuttgart	17,5	10.460	18,9	1.800
Epplestr. 225 (9)	Stuttgart	14,8	9.151	17,1	1.850
Epplestr. 225 (BT22)	Stuttgart	7,7	5.072	12,0	2.350
Total planning		**135,4**	**77.632**	**161,3**	**2.080**
Total		**388,5**	**158.194**	**325,7**	**2.060**

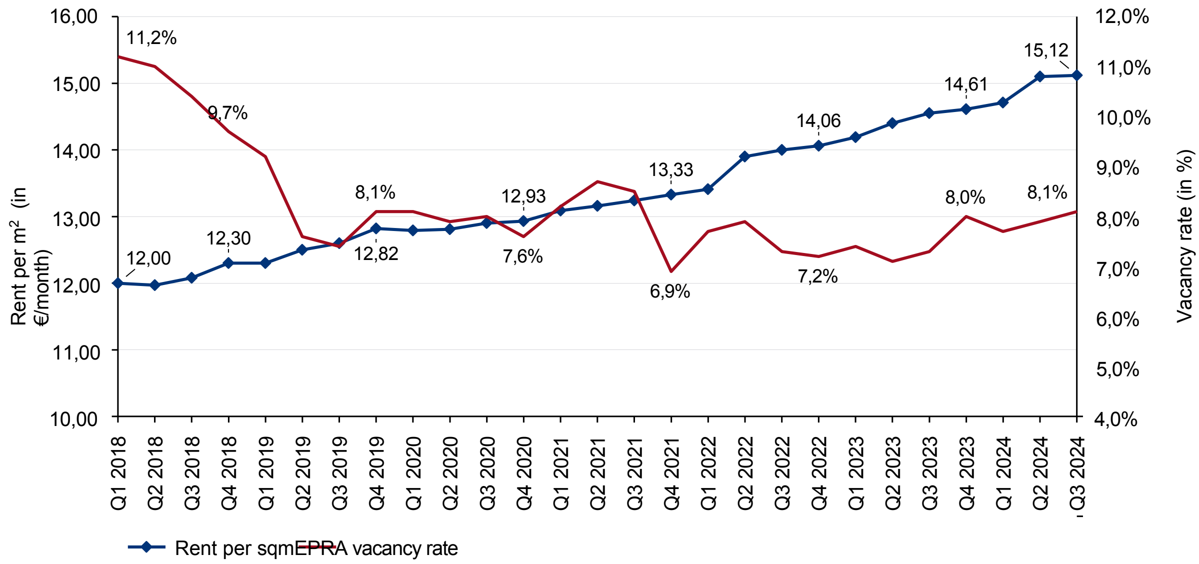
Source: alstria, Presentation: Additional Information 9M 2024, p. 6

Table 7: Overview of the properties in the development portfolio as at September 30, 2024

150. Capex measures of € 164.4 million and € 161.3 million were recognized for the properties in the development or planning phase. This corresponds to an average of € 2,040 per m² or € 2,080 per m² of rentable space. In total, the development portfolio therefore accounts for € 325.7 million in capex measures. The market value of the properties in the development portfolio before implementation of the measures, amounting to € 388.5 million, corresponds to around 9.5% of the market value of the overall portfolio.

151. The following chart shows the development of the rental level of alstria's properties vis-a-vis the vacancy rate.

Rent level over time and vacancy rate



Source: alstria; IVA presentation

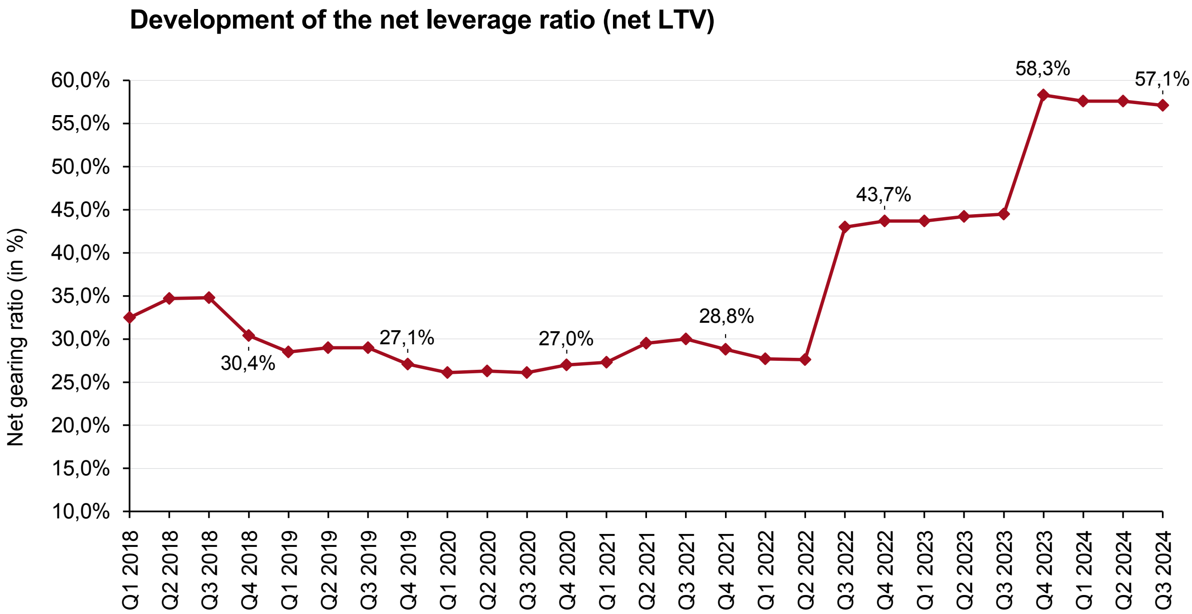
Figure 6: Averagerent level of alstria's properties and vacancy rate between 2018 and Q3 2024

152. The development of the average rent per m² over the last six years illustrates alstria's strategy. By acquiring and developing properties suitable for refurbishment and by continuing to focus on properties in prime locations in Germany's major economic centers, the rent level was increased from a price of € 12.00 per m² in the first quarter of 2018 to € 15.12 per m² by the third quarter of 2024. During the pandemic years 2020 and 2021, stable rental income was generated from existing leases, although the rent level stagnated compared to previous years due to weak market demand, particularly for office properties. As the economic situation recovered and the pandemic-related restrictions eased, demand for office space also increased again in the subsequent period. In spring 2022 in particular, there was a significant increase in the average rent from € 13.41 per m² in the first quarter to € 13.90 per m² in the second quarter. This increase is primarily due to contractually anchored inflation clauses. With the outbreak of the war in Ukraine and the subsequent sharp rise in inflation, rental income also increased significantly. In the second quarter of 2024, a further significant increase in rent levels was observed, which is also attributable to contractually agreed rent indexation and the conclusion of new rental agreements. During the period under review, the vacancy rate fell from a level of 11.2% in the first quarter of 2018

by around 3.1 percentage points to 8.1% (Q3 2024). The median for this period was 7.9%.

153. In addition to the development of earnings, the financing situation and capital structure are of material importance for alstria as a real estate investment trust (REIT) due to the REIT directives. One of the requirements for REIT status in Germany is compliance with a minimum equity ratio of 45%. If this threshold is not met, real estate companies such as alstria are threatened with the revocation of their REIT status and thus the loss of their tax advantages.

154. The following chart shows the development of alstria's net leverage over the last six years.



Source: alstria; IVA presentation

Figure 7: Development of alstria's net leverage ratio from 2018 to Q3 2024

155. In the years 2018 to 2021, alstria was able to maintain the internal target value for its net debt of 35.0%. After reaching an interim high of 34.8% in the third quarter of 2018, the ratio was reduced to 28.5% as at March 30, 2019. It was kept constant at this level in the following years, as at

As at June 30, 2022, net debt amounted to 27.6%. However, the financing strategy was significantly changed following the acquisition by Brookfield Corporation in February 2022, which held around 92.0% of the shares from that date. The new strategy provides for an increase in debt and a target value for the net gearing ratio of around 50.0% to 55.0%. As a result, the management board of alstria announced on April 8, 2022 its intention to raise debt capital of up to € 850 million. Secured or unsecured financing instruments, such as bank loans or corporate bonds, were to be used for this purpose. Subject to the decision of the general meeting, the proceeds from this would in turn be used to return capital to shareholders in the amount of around € 1 billion - either in the form of a share buyback or a special distribution. As part of this planning, the company concluded loan and financing agreements totaling around € 760 million in July and August 2022. The borrowed funds raised were utilized as at

1 September 2022 in the form of a special dividend totaling € 750 million (€ 4.21 per dividend-bearing share). The net gearing ratio increased significantly accordingly and reached a level of 43.0% as at September 30, 2022. In the fourth quarter of 2023, net debt jumped again from 44.5% (Q3) to 58.3%. In addition to the devaluation of the real estate portfolio, this change is due to the payment of a further special dividend of around € 250 million (€ 1.41 per dividend-bearing share), which was resolved at the extraordinary general meeting on December 1, 2023.

3. ESG framework and material sustainability topics for alstria

156. alstria's business model and the integrated ESG strategy are based on three central pillars:

- **Use of the existing building stock:** alstria focuses on the preservation and modernization of existing properties as a resource-saving alternative to new construction. The ESG strategy is based on the conviction that "modernization and revitalization" offers a significant CO_2 advantage vis-a-vis "demolition and new construction". A core idea here is the concept of embodied carbon - i.e. taking into account the CO_2 emissions that are already bound in materials such as steel and concrete. The more of these materials are retained during renovation, the smaller the ecological footprint. In the sustainability report, alstria mentions a beneficial difference of more than 700 kg CO_2 equivalents per m². This lifecycle-oriented approach is not shared by all market participants, but is a central component of alstria's strategy.

- **Increasing efficiency:** Another focus is on the energy-efficient refurbishment of existing buildings. The use of more modern materials with a low CO_2 footprint is intended to increase energy efficiency.

- **Use of renewable energies:** alstria is consistently driving the transition to sustainable energies, which is reflected in the phasing out of fossil fuels and the increased use of renewable energy sources.

157. Through the targeted combination of modernization, increased efficiency and the use of renewable energies, alstria is creating a sustainable business model that takes into account the entire life cycle of real estate and offers clear ecological advantages.

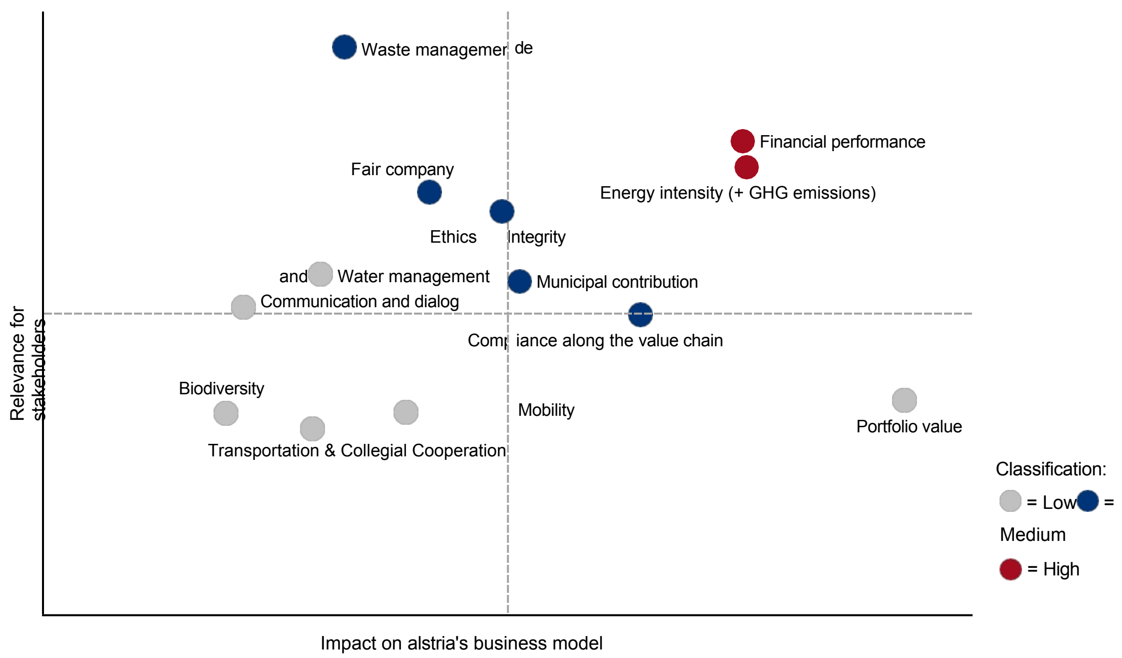
158. Along the value chain, the cornerstones of the ESG strategy are as follows: alstria owns a portfolio consisting mainly of office properties. Properties in need of optimization were specifically selected ("**buy**") in order to realize value increases through modernization. The company is also constantly on the lookout for suitable acquisition opportunities on the market. "**Manage**" describes property and asset management, which is used to continuously optimize the key performance indicators of both the individual properties and the portfolio as a whole. This is done as part of a structured improvement process. For properties with a significant need for renovation, alstria relies on project development within the portfolio ("**refurbish**"). This includes extensive measures such as the optimization of the building envelope,

The last step in the value chain is to sell the property. The final value creation step is the sale ("**sell**"), where the value increases planned as part of the modernization strategy are realized. This is achieved, among other things, through the targeted sale of optimized properties.

Materiality analysis at alstria

159. alstria's sustainability reports are based on materiality analyses in accordance with the standards of the Global Reporting Initiative (GRI).[13] The aim of the materiality analysis is to highlight the most important ESG issues for the company. The issues identified and their prioritization are often presented in the publications in the form of a matrix. The following figure shows alstria's materiality matrix.[14]

Materiality matrix of alstria office REIT-AG



Source: alstria, Sustainability Report 2022/2023, p.78; IVA presentation

Figure 8: Materiality matrix of alstria

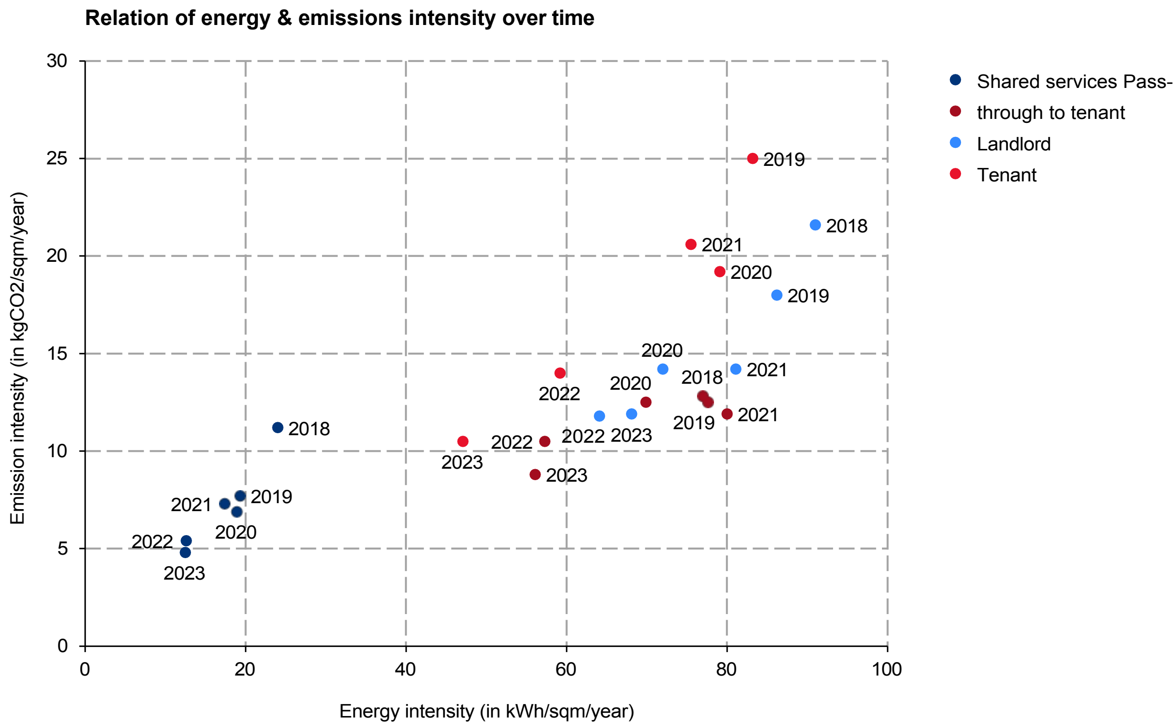
13 The GRI standards are used by over 14,000 companies from more than 100 countries, making them one of the most recognized frameworks in the field of sustainability reporting.

14 In the original matrix from the company's sustainability report, the topics were divided into "High", "Medium" and "Low" using isoquants.

160. According to the materiality analysis, "Financial performance", "Energy intensity & GHG emissions" (greenhouse gas emissions) and "Portfolio value" have the greatest influence on the business model (dimension of the X-axis in the chart above). We disregard the Y-axis, "relevance for stakeholders", as the interests of the various stakeholders are different and financial stakeholders only form a subset of the broadly diversified totality of stakeholders. While financial aspects are dealt with in many different ways in the other sections of the report, the ESG analysis below focuses on the topics of energy and emissions.

Energy intensity and GHG emissions - two pillars of the material topics

161. The key topic of "energy intensity and GHG emissions" can be divided into two companies: energy intensity and GHG emissions. We focus on intensities as they are most comparable in time series due to the conversion to square meters ("sqm"): They are shown in the following graph in a year-on-year comparison from 2018 to 2023. The energy intensity is shown in kilowatt hours per m^2 of rentable space and the emissions in kilograms $_{\text{of CO2}}$ per m^2 of rentable space.



Source: alstria, Sustainability Reports & Sustainability Performance Data 2023; IVA presentation

Figure 9: Relation of energy and emissions intensity for alstria's portfolio over time

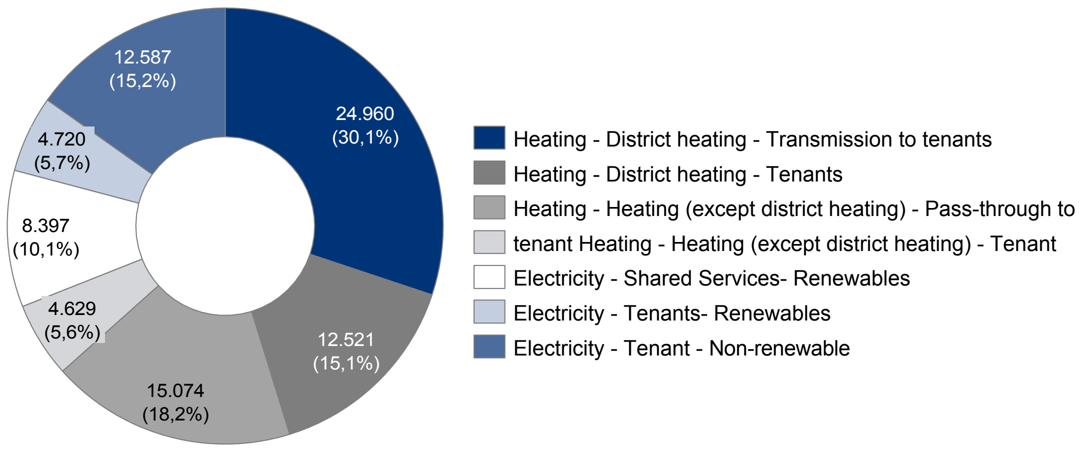
162. In order to better analyze the environmental indicators against the background of the business model, the space in the real estate portfolio is divided into four categories: "Shared Services" describes space and its energy consumption as well as the resulting emissions that relate to joint office space within a building. "Pass-through to tenants" includes energy that alstria purchases for tenants and passes on to them. Energy purchased directly from tenants, on the other hand, is summarized under "Tenants". Finally, the energy consumption of owner-occupied space and the associated emissions are categorized as "Landlord". A clear trend can be seen for all four space categories in the year-on-year comparison from 2018 to 2023: the implementation of energy-related refurbishment measures results in a significant improvement in both energy and emissions intensities. Graphically speaking, the data points per categorized group (see legend in the chart above) move closer and closer to the origin of the matrix over time, i.e. progress has been made in the energy and emissions indicators. While in 2018, for example, "shared services" space still had an emissions intensity of around 11 kg of CO_2 emissions per m^2 and an energy intensity of around 22 kWh per m^2 , in 2023 the two key figures were around 5 kg of CO_2 emissions per m^2 and 15 kWh per m^2 . The chart above shows in particular the need for successful energy measures to achieve climate targets by reducing CO_2 per square meter rented.

163. The link between energy intensity and emissions is of central importance to alstria as it has a significant impact on the business model. Due to social developments, tenant demand is characterized by an increasing demand for climate-friendly buildings with low ancillary energy costs. In addition, potential costs due to CO_2 regulations influence the company's long-term planning. Investment requirements also depend to a large extent on the level of ambition for energy modernization (see the correlation between energy and emissions intensity described above).

Energy indicators in the real estate portfolio

164. The following figure shows the distribution of the energy requirements of the real estate portfolio for 2023.

Portfolio: Detailed energy mix 2023 (in MWh)



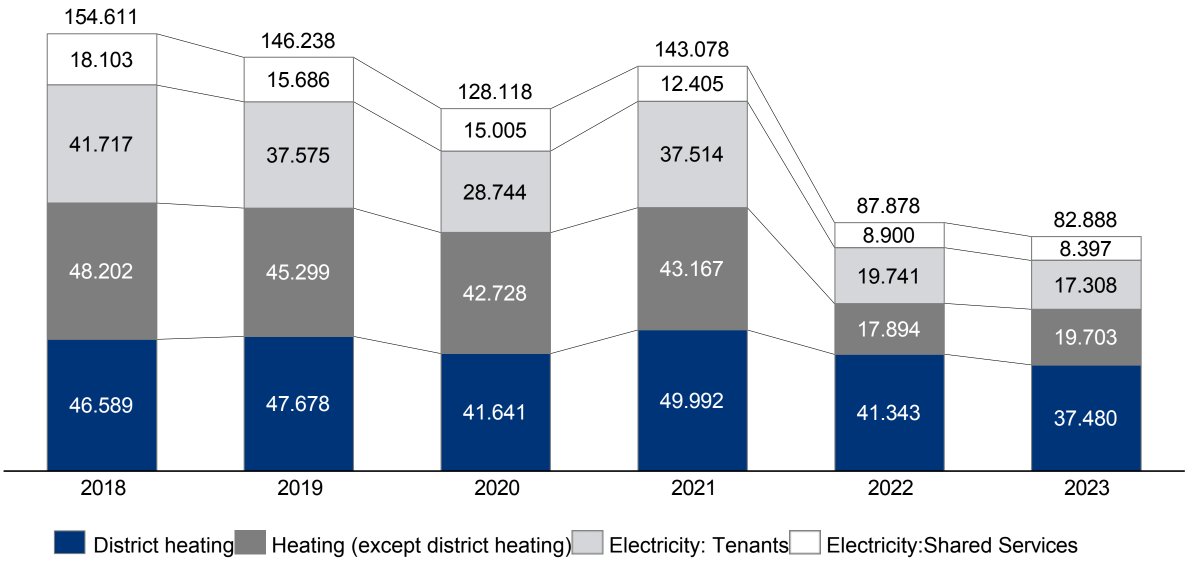
Source: alstria, Sustainability Performance Data 2023; IVA presentation

Figure 10: Detailed energy mix of alstria's portfolio in 2023

165. The energy consumption of the real estate portfolio is broken down into energy requirements for heating and electricity. Across the portfolio, around 69% (57,184 MWh) of energy is used for heating and around 31% (25,704 MWh) for electricity. Heating energy is primarily sourced from district heating, which accounts for around 45.2% of total energy requirements (65.5% of heating energy requirements). Fossil heating energy, on the other hand, only plays a comparatively minor role, accounting for around 18 % of total energy requirements (34.5 % of heating energy requirements). Around 51.0 % of alstria's electricity requirements are met from renewable energy sources. Fossil energy sources are therefore only slightly outweighed. In relation to total energy requirements, electricity consumption from renewable sources accounts for 15.8%. Overall, the key figures illustrate the strong focus of the real estate portfolio on district heating and the low dependence on fossil fuels for heating. From an environmental perspective, district heating is particularly advantageous for a real estate company if its generation is climate-friendly and the company has access to modern, efficient district heating networks. District heating can reduce direct and indirect emissions for the real estate company preparing the balance sheet. This is illustrated in the analysis of alstria's $CO2_{\text{emissions}}$ in the following comments (see note 172). There it can be seen that the relatively large share of district heating in the energy mix makes a disproportionately small contribution to emissions.

166. The following chart shows the development of the energy requirements of alstria's real estate portfolio in the years 2018 to 2019.

Portfolio energy consumption in MWh: Distribution by electricity & heating energy

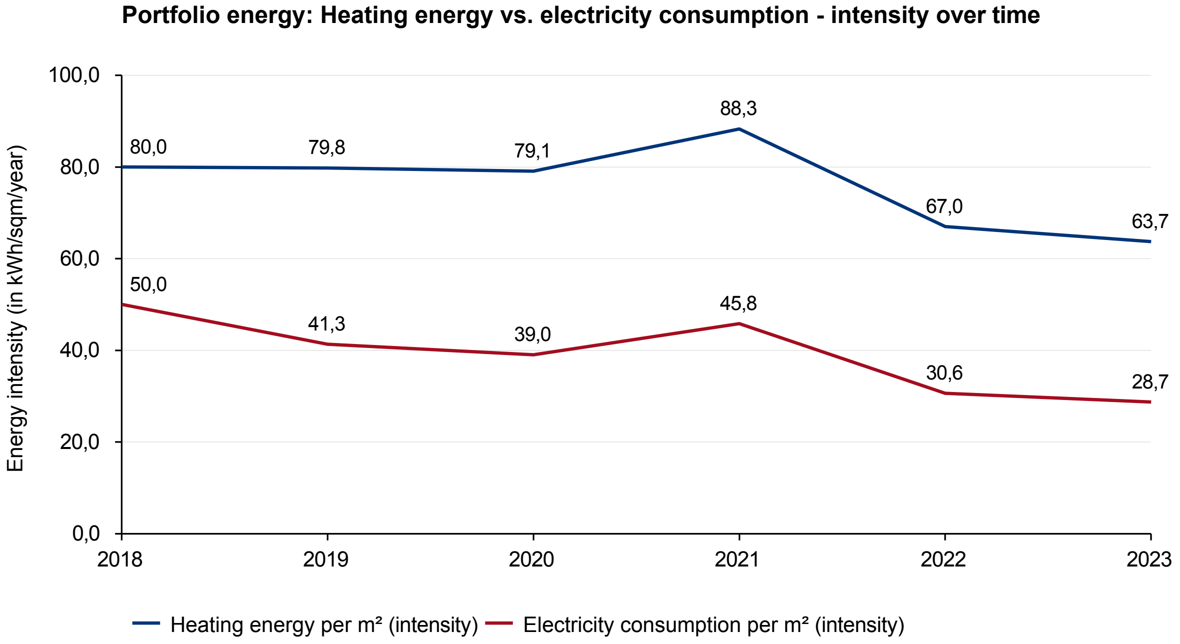


Source: alstria, Sustainability Performance Data 2023; IVA presentation

Figure 11: Development of the energy demand of alstria's portfolio in the years 2018 to 2023

167. Between 2018 and 2023, alstria was able to reduce the energy requirements of its real estate portfolio by around 71,723 MWh from around 154,611 MWh to a level of 82,888 MWh. This corresponds to a reduction of 46.4%. In addition to energy modernization measures, the reduction is also due to the downsizing of the portfolio. During this period, the number of properties in the alstria portfolio fell from 118 to 106, or from 1,577,000 m² of lettable space to 1,394,000 m² of lettable space.

168. In order to eliminate the impact of portfolio downsizing and to be able to make a reliable statement about the development of energy requirements, it helps to look at energy efficiency figures. The development of the energy intensity of the alstria portfolio by energy type for the years 2018 to 2023 is shown below.



Source: alstria, Sustainability Reports & Sustainability Performance Data 2023; IVA presentation

Figure 12: Development of the energy intensity of alstria's portfolio in the years 2018 to 2023

169. The alstria portfolio recorded significant increases in efficiency in terms of both heating energy and electricity consumption. Heating energy intensity was reduced by around 20.4% from 80.0 kWh per m^2 in 2018 to 63.7 kWh per m^2 in 2023. The intensity of electricity consumption was reduced by 42.6% in the same period, bringing it to around 28.7 kWh per m^2 in 2023. This development - in addition to mix effects due to the change in the portfolio - underlines the success of alstria's measures to optimize the energy consumption of its holdings.

Key issue figures in the portfolio

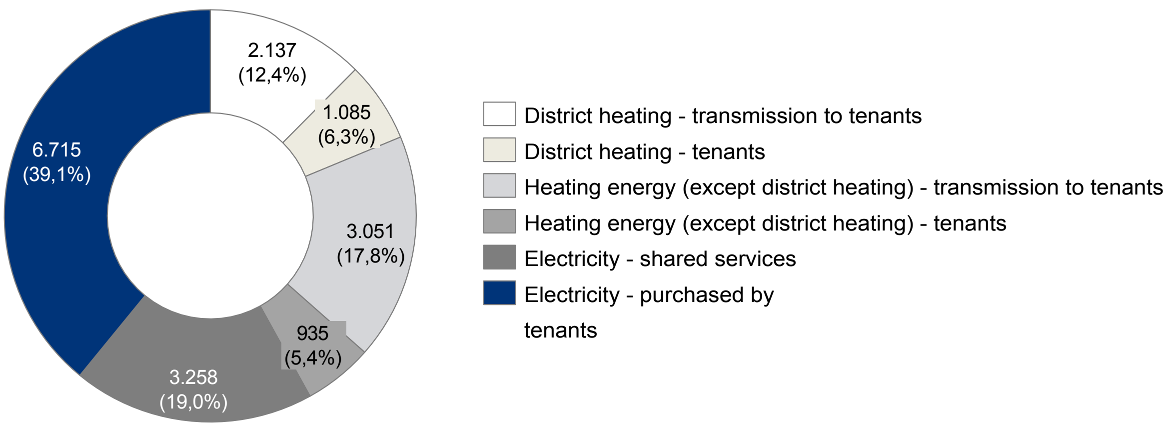
170. In sustainability reporting, emissions figures are typically divided into three categories ("scopes")[15] according to the Greenhouse Gas Protocol, which reflect the degree of causation or the company's influence on emissions. In the following, we consider the total emissions along the value chain, the so-called Scope 1 to 3 emissions. A distinction is typically made between the following two categories when calculating emissions figures: **Location-based** emissions are based on regional statistics on electricity generation, such as for Germany, and are independent of individual decisions for

[15] Scope 1: location-based, Scope 2: market-based (energy), Scope 3: market-based (supply chain).

green electricity. **Market-based** emissions, on the other hand, include decisions such as the purchase of green electricity. The following analyses focus on the location-based approach in order to present efficiency improvements in energy intensity in an undistorted way. Purchasing green electricity alone could improve emission values, but the energy efficiency correlation would be distorted (i.e. energy consumption would not change, only the type of energy purchased without optimizing energy consumption).

171. The following chart shows the distribution of issues in the real estate portfolio for 2023.

Portfolio: Detailed mix of emissions in 2023 (in metric tons of CO_2 equivalents) - Scope 1 to 3



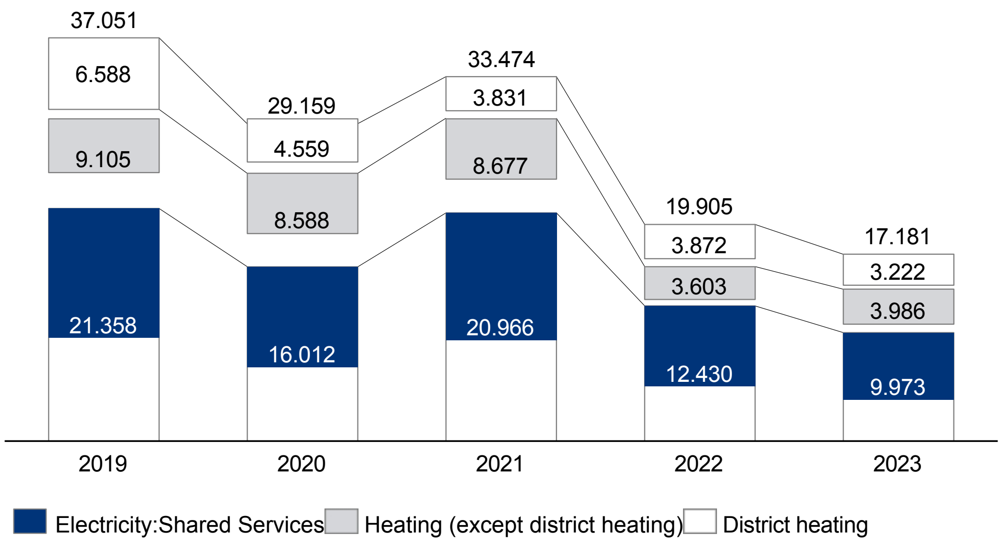
Source: alstria, Sustainability Performance Data 2023; IVA presentation

Figure 13: Detailed mix of issues in alstria's portfolio in 2023

172. At around 58.0% of total emissions (Scope 1-3, excluding administration), electricity accounts for a significantly larger share of the portfolio's emissions than heating. District heating, meanwhile, accounts for only around 18.8% of total emissions, while other heating energy is responsible for around 23.2%. Against the background of the distribution of the company's energy requirements (see point 165), this once again highlights the focus on sustainable energy sources. While district heating covers almost half of the energy requirement and the majority of the heating energy requirement, it only accounts for a small proportion of emissions at 18.8% (see above illustration of the advantages of district heating in the energy mix).

173. The chart below shows the development of alstria's portfolio emissions in the years 2019 to 2023.

Portfolio emissions: Energy consumption in MWh by electricity & heating energy over time - Scope 1 to 3



Source: alstria, Sustainability Reports & Sustainability Performance Data 2023; IVA presentation

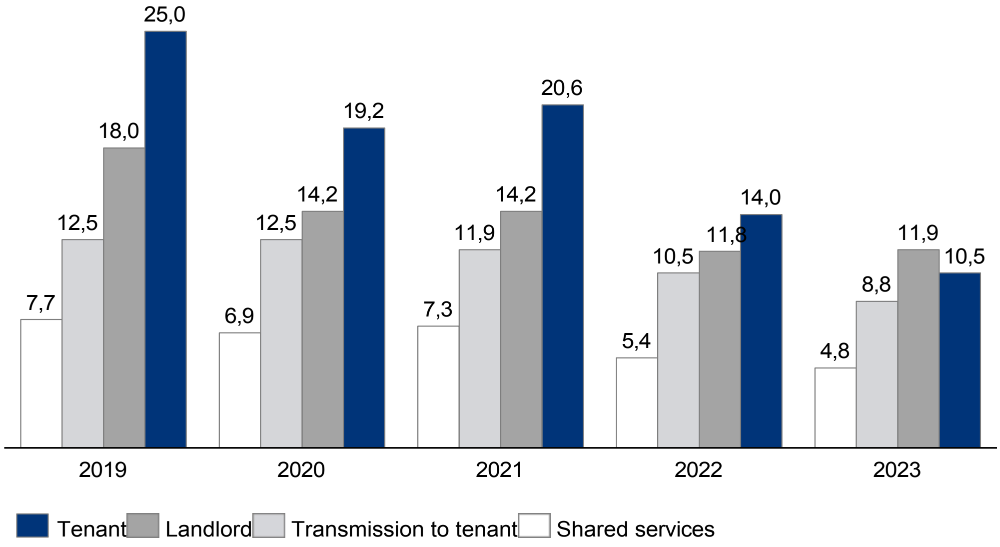
Figure 14: Development of alstria's portfolio emissions in the years 2019 to 2023

174. In 2019, alstria's portfolio caused total emissions of around 37,051 tons ("t") of CO_2 equivalents across Scope 1 to 3. By 2023, total emissions were reduced by 53.6% to around 17,181 tons of CO_2 equivalents. As described above (see note 167), this reduction is due to the downsizing of the portfolio in addition to energy and emissions optimization. Emissions from both energy sources (district heating and other heating energy) will fall significantly after 2021. At the same time, the values converged significantly. Overall, emissions from other heating energy (mainly fossil fuels) fell from approx.

9,105 t CO_2 equivalents in 2019, to around 3,986 t CO_2 equivalents in 2023. This development illustrates the progress made in reducing emissions and the harmonization of the various heating energy sources - in particular towards the proportion of district heating, which is advantageous for the portfolio.

175. As with the energy indicators, changes in the size of the portfolio should be taken into account when analyzing emissions in order to be able to make reliable statements about the development of emissions. Accordingly, the emissions intensity of the portfolio by source of supply in the years 2019 to 2023 is presented below.

Portfolio emissions: energy consumption (in kgCO2e/sqm/year) - intensity per m² by source of supply over time - Scope 1 to 3



Source: alstria, Sustainability Reports & Sustainability Performance Data 2023; IVA presentation

Figure 15: Development of alstria's portfolio emissions in the years 2019 to 2023

176. The analysis of emissions by source of supply shows significant progress in efficiency. Compared to 2019, emissions intensity was reduced by 43.0% to around 36.0 kg CO2 equivalents per m² in 2023. The greatest increase in efficiency was achieved for tenant spaces, where the value fell from 25.0 kg CO2 equivalents per m² to 10.5 kg CO2 equivalents per m² . On the one hand, these successes can be attributed to measures in property and asset management, which promote the continuous improvement of existing properties. On the other hand, energy refurbishments ensure progress in energy efficiency. Although the results point to improvements, it is difficult to precisely attribute the efficiency gains achieved to individual measures and management approaches. Nevertheless, the trends demonstrate the success of strategic approaches to building management and sustainable refurbishments.

177. A central component of alstria's ESG strategy is the assessment of embodied carbon - the carbon bound in building materials. This consideration plays a decisive role when weighing up modernization versus new construction. Based on specific properties from the portfolio, the management has outlined the advantages of modernization. The following table presents this analysis.

Beispiel für Projekt-entwicklungen im Bestand	Lage der Projekte	Vermiet-bare Fläche	Umbau-zeit	Neu: "Embodied Carbon"	Wiederverwertet: "Embodied Carbon"
		[m²]	[Monate]	[tCO₂e]	[tCO₂e]
Augusta Grand	Augustaanlage 60, Mannheim	4.400	42	1.810	2.600
GNS-4	Gustav-Nachtigal-Str. 4, Wiesbaden	3.100	18	440	2.670
Friedrichs	Friedrich-Scholl-Platz 1, Karlsruhe	6.300	33	2.590	3.720
Adlerstraße	Adlerstr. 63, Düsseldorf	2.900	18	780	2.090
GNS-3	Gustav-Nachtigal-Str. 3, Wiesbaden	18.400	45	4.970	13.440
Carl Rise	Carl-Reiß-Platz 1, Mannheim	8.500	54	3.830	4.680
Carl Living	Carl-Reiß-Platz 2, 3, 4, Mannheim	5.300	63	3.130	2.180
GNS-5	Gustav-Nachtigal-Str. 5, Wiesbaden	7.600	21	2.510	5.100
Sternhöhe Building 2	Epplestr. 225, Stuttgart	12.500	30	3.110	9.320
Sternhöhe Building 5	Epplestr. 225, Stuttgart	8.800	36	2.200	6.600
Sternhöhe Building 6	Epplestr. 225, Stuttgart	12.600	36	3.130	9.380
Maerz-Haus	Corneliusstr. 36, Düsseldorf	800	18	220	590
Gesamt				28.720	62.370

Source: alstria, Sustainability Report 2022/2023, p.31; IVA presentation

Table 8: Embodied carbon key figures for selected alstria project developments

178. The analysis lists individual properties in the development portfolio and their characteristics, such as location, rentable space and planned conversion period. The "New" column shows the emissions generated by the planned modernization measures for these projects. In contrast, the "Reused" column shows the non-incurring emissions that are saved by the modernization measures instead of new construction. This calculation is based on the idea that essential components such as steel or cement do not have to be newly manufactured if the basic substance is preserved, thus saving CO_2 emissions. As part of the modernization measures for the project at Gustav-Nachtigal-Str. 3 in Wiesbaden, for example, emissions of around 4,970 t CO_2 equivalents will be generated. Vis-a-vis a completely new building, however, around 13,440 tons of CO_2 equivalents are not generated. The analysis therefore makes it clear that the CO_2 footprint can be significantly reduced by focusing on energy-efficient renovations and the conservation of building materials. However, this perspective has not yet been taken into account in all ESG analyses by stakeholders and rating agencies.

Risk assessment in the sustainability report

179. alstria's management distinguishes between physical risks and systemic and market risks, which are summarized here as transitory risks.

180. Physical risks arise from extreme weather events such as heat waves, floods or forest fires and their consequences. According to the annual report, alstria has already carried out detailed scenario analyses based on climate scenarios. Some of these risks can be covered by the company through appropriate insurance policies. According to the sustainability report, insurance costs amounted to € 2.9 million in 2022. In view of the

The increasing frequency of extreme weather events means that these costs are likely to rise. Nevertheless, with a current base in the low millions, the financial impact currently appears manageable.

181. Transitory risks result from the transition to a sustainable, low-carbon economy. For example, political measures could make fossil fuels more expensive or require investments in the refurbishment of buildings and exhibits. Regulatory tightening with regard to energy efficiency requirements could also affect the value of the portfolio. If the adjustment costs exceed future rental income, this can lead to financial burdens. The same applies in the event of significantly higher than expected CO2 costs. Furthermore, financing risks could arise if ESG criteria influence the ability to obtain financing, for example through restricted access to credit or ESG-driven interest rate premiums or discounts. As described below, alstria has a lower financial rating than the peer group. However, this is not currently due to the potential effects described above, as financial providers such as banks are still hardly in a position to systematically assess ESG risks in the risk assessment of the credit spread.

182. To examine the economic feasibility of energy-efficient modernization, random samples of properties from the combined "purchase", "management", "development" and "sale" phases were analyzed. These generally showed adequate returns up to the point of sale. The extent to which these samples remain representative and the investment requirements will lead to a change in yields for the revitalization of office buildings in the future remains to be seen in light of the structural breaks in regulation (change in regulatory sustainability requirements for buildings). Uncertainties therefore remain with regard to the investment requirements per square meter of the "development and investment portfolio" in the long-term planning of cash flows.

ESG ratings of alstria

183. alstria is rated by numerous rating agencies. However, ESG ratings are often difficult to compare and are not always consistent in their assessment (see "Aggregate Confusion: The Divergence of ESG Ratings", Berg et al., 2022; "Measuring the level and risk of corporate responsibility - An empirical comparison of different ESG rating approaches", Dorfleitner et al., 2015). Almost all ESG rating providers rate the real estate sector positively in comparison with other sectors. The overview of ESG ratings below reflects this positive picture and shows ratings in the upper range, both in terms of performance and risk assessment. To provide more transparency, we have singled out the Sustainalytics (Morningstar) risk rating for a more detailed analysis in the matrix chart below ("alstria Peer Group Rating Matrix").

Source: alstria, Sustainability Report 2022/2023, p.8

Figure 16: Overview of alstria's ESG ratings in the Sustainability Report 2022/2023

184. One example of the positive assessment of the real estate sector is provided by the ESG rating provider Sustainalytics: three real estate companies from the peer group rank among more than 15,000 companies from all sectors ranked 11th (Covivio S.A.), 14th (Inmobiliaria Colonial SOCIMI S.A.) and 91st (Icade S.A.).[16] The provider's rating is expressed as a score from 0 to 100, with 0 being the best and 100 the worst. Depending on the score, there is also a verbal classification of the risk. Scores from 0 to 10 certify a "negligible" risk, scores of 10 to 20 a "low" risk. Alstria itself is rated by Sustainalytics with an ESG risk classification of "low". In comparison

16 The rankings and ratings presented below refer to the status as of December 1, 2024.

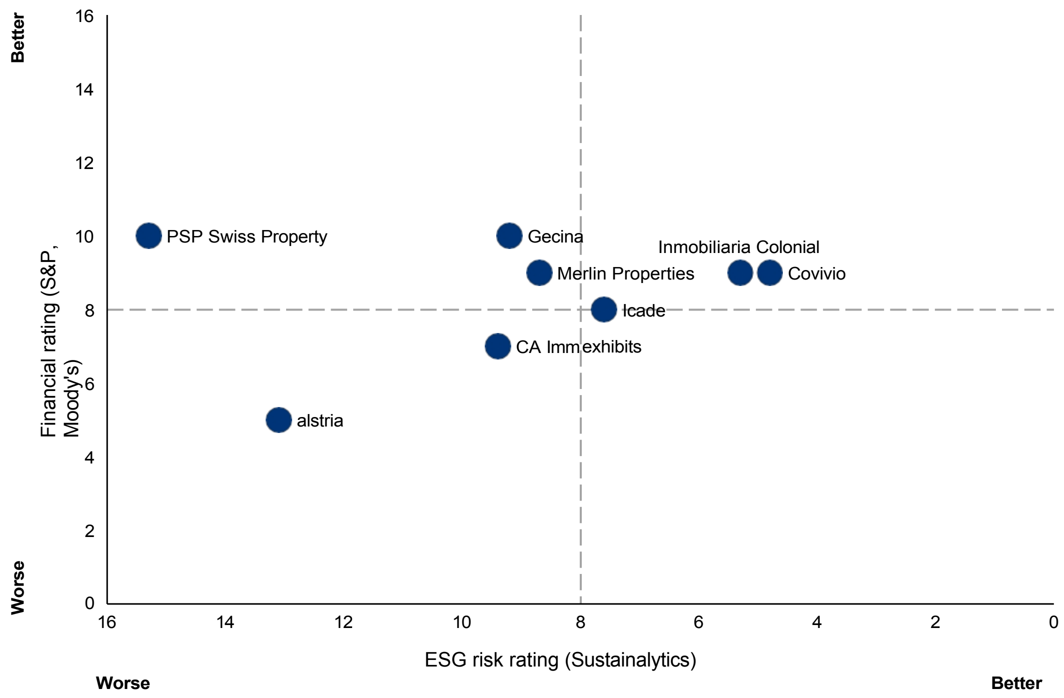
the risk score from the most recent sustainability report, the company has deteriorated slightly to 13.1 points (previously 11.3 points). Including the three companies mentioned above, six out of eleven peer companies with the category "negligible" ESG risks perform even better (see Figure 17). In this comparison, alstria lags behind some peers, which could be partly due to the lack of consideration of the embodied carbon perspective mentioned above - a factor that is not equally considered by all analysts.

185. Although the real estate sector performs strongly in many ESG ratings, it should be critically questioned whether transitory risks, particularly with regard to the energy transformation of portfolios, are sufficiently taken into account.

186. In order to provide a more comprehensive perspective, we have compared Sustainalytics' ESG ratings with the financial ratings of S&P and Moody's below. To this end, the matrix below shows a visual relative comparison of the ratings of alstria's peer group. The x-axis shows the ESG risk rating score based on Sustainalytics' analyses, while the y-axis shows the 16-part classifications of the two financial ratings. The latter were transformed into a scale from 1 to 16 so that the relative differences can be shown.[17]

[17] Only those peers for which both an ESG rating from Sustainalytics and a financial rating from S&P or Moody's are available are shown in the matrix. The financial rating classifications in the area of "Substantial Risks" and "Extremely Speculative" (S&P: CCC+ and CCC; Moody's: Caa1 and Caa2) were not taken into account in the normalization of the axis scaling.

Relative ratings of peers: financial rating vs. ESG rating



Source: IVA analyses

Figure 17: Rating matrix of the alstria peer group

187. The difference in notches (rating grades) can be illustrated using the scale for financial ratings (Y-axis of the chart above): alstria has a BB financial rating from S&P, which corresponds to a value of 5 on the scale in the visualization above. In comparison, Gecina, with a much better financial rating of A-, has a value of 10 on the financial rating scale. Merlin Properties, Inmobiliaria Colonial and Covivio have a score of 9 for the financial rating of investment grade (ratings from BBB- and higher). The average score for the peer group is 8.4, i.e. between A- and BBB+. In terms of ESG ratings, alstria's rating of 13.1 is well below the peer group average of 9.2. PSP Swiss Property is the worst performer with a Sustainalytics rating of 15.3, while Covivio has the best ESG rating of the peers at 4.8.

188. Overall, Alstria is in the lower left quadrant of the matrix, which indicates a relative disadvantage in terms of both the ESG rating according to Sustainalytics and the financial rating (here for Alstria S&P). Alstria's financial rating, which is significantly below investment grade, could have a negative impact on the modernization rate. This could

lead to a delay in energy-efficient refurbishments and thus progress on the CO_2 reduction path. However, it is positive to note that alstria analyzes the sector-specific climate paths - such as the CRREM path with "net zero" by 2045 - in detail. However, the company is reluctant to formulate specific energy and climate targets and milestones.

189. With regard to the interplay between materiality analysis and financial rating, the circle closes at another point (see Figure 8). ESG materiality also covers economic issues. The topic of "portfolio value" is named as the most material topic. On March 19, 2024, S&P downgraded the company in a research update with the following headline: "Alstria Office-REIT-AG Downgraded To 'BB' On Higher- Than-Expected Property Devaluations". The rating agency was purely concerned with the response to the devaluation of the real estate portfolio. It was not about future risks in the portfolio transformation. It clearly shows the relevance of the portfolio valuation for the financial risk position of the business model - thus validating the assessment in the materiality analysis mentioned above. This also speaks for the relevance of the NAV valuation for key stakeholders. In addition, it shows that a future potential inclusion of under- or overestimation of the cash flow effects from the energy-efficient refurbishment to achieve climate targets can have a significant influence on the perception of financial stakeholders, e.g. via the risk assessment of financiers or rating agencies. The latter are currently continuously expanding their links between ESG and financial ratings.

Conclusion on ESG performance

190. The opportunities and risks in the ESG area are largely determined by the regulatory framework. The extent to which incentives or regulatory requirements are set as a framework plays a key role here. Challenges for financial planning can arise in particular from the need for higher than planned modernization costs - induced by demand from tenants or financiers. In addition, regulatory pressure could lead to measures having to be implemented earlier than planned. In such cases, it is crucial to have sufficient financial leeway to be able to make the necessary investments in good time. A weak financial rating could mean a possible restriction on the implementation of measures. On the other hand, it should be noted that thanks to alstria's many years of expertise in the modernization of office properties - and high-performance property and asset management - the company has a positive track record in the optimization of existing office properties. Any risks relating to financial planning can primarily be assessed qualitatively on the current basis of transparency.

4. Market and Competitive situation

a) Market environment

aa) Office real estate market

191. alstria AG's office properties are mainly located in the five major German cities of Hamburg, Düsseldorf, Frankfurt, Stuttgart and Berlin or in the metropolitan regions they characterize. In 2021, these regions had a combined economic output of € 1,608 billion, giving them a share of more than 40.0% of Germany's gross domestic product.

192. The general market environment for real estate has been shaped by several extraordinary factors over the past two decades. Of particular note are the global financial crisis triggered by securitized subprime real estate loans in 2008, the subsequent euro crisis and the COVID-19 pandemic, some of the consequences of which are still being felt today. These include, above all, the historically unique phase of low interest rates, which gave a considerable boost to the attractiveness of real estate as an asset class.

193. The German office market also benefited from a robust labour market, which was characterized by a continuous increase in employment as a result of the labour market reforms after the turn of the millennium (Agenda 2010) and the influx of workers to Germany triggered by the euro crisis. Since 2005, the number of employees subject to social insurance contributions has increased by around 8.5 million and thus by almost a third to around 35.0 million. These developments led to a decline in the high vacancy rates for office buildings that had arisen when the dotcom bubble burst, rising rents and lively project business.

194. The trend only reversed with the interest rate hikes by the European Central Bank, which raised its key interest rate from 0.0% to 4.5% within 15 months from mid-2022 in response to the surge in inflation triggered by drastically higher energy prices and supply bottlenecks. This led to a sharp correction, particularly in commercial real estate prices, which had already ended their long-term upward trend due to uncertainties about the economic impact of the coronavirus-related lockdowns. Since then, demand for office properties has fallen significantly on both the investor and tenant side due to stagnating economic output and the continuing trend towards working from home. The turnaround in interest rates has also fundamentally changed the financing environment for project developments in a very short space of time, while the construction industry is complaining of a sharp rise in construction prices and a shortage of skilled workers. Numerous real estate developers filed for insolvency in this environment, the most prominent victim being

is Signa Holding, the real estate empire of Austrian entrepreneur René Benko.

195. The real estate market is also facing structural challenges. For older existing properties in particular, this includes the need for energy modernization. In the case of office properties, the question of future demand for office space has also come into focus in light of increased vacancy rates as a result of the ongoing economic downturn, lower economic potential growth according to experts and the retirement of baby boomers from the labor market. This is all the more the case as desk-based work has shifted to the home office to an unprecedented extent due to the pandemic and office communication has become increasingly digital. Market observers believe that the general uncertainty about future demand for commercial real estate has caused the price expectations of potential buyers and sellers to diverge particularly widely (see "Residential real estate supports German real estate prices", Börsen- Zeitung, November 13, 2024, p. 4).

196. In addition, the economic trend is now slowly having an impact on the labor market. Although the number of people in employment in September was still slightly above the previous year's level at 46.24 million (+43,000), a seasonally adjusted comparison with the previous month already shows a slight decline (-19,000). The number of registered jobs is also declining (see Federal Employment Agency, press release no. 43, October 30, 2024). The general shortage of labour and skilled workers as a result of demographic change is proving to be a stabilizing factor. According to an ECB survey, companies are increasingly tending to hold on to their staff even in difficult phases (see Börsen-Zeitung, "Skills shortage keeps labor market stable", October 3-4, 2024, p. 8). However, hardly a day goes by at the moment without the corporate sector announcing further job cuts that have not yet been reflected in the statistics.

197. In the longer term, however, demand for office real estate will not only depend on the demand for labor, but also on the supply of labor. The number of people in employment in Germany has increased quite steadily over the past 30 years. Compared to 1993, there has been an increase of around 15.2 % to 47.1 million people in employment (see Federal Statistical Office, Population and employment (residents), time series, accessed on November 14, 2024). Even if the population continues to grow, which the German Economic Institute (IW) estimates at 2.3 % to 85 million inhabitants by 2040, experts expect the potential workforce to shrink as the baby boomer generation retires. According to IW calculations, a decline of 6.0% is expected by 2040 (see IW-Trends 3/2024, IW Population Forecast 2024, p. 67).

198. A study by the major US bank Morgan Stanley comes to a largely identical conclusion. It also assumes that the number of people aged 15 to 64 in employment in Germany will shrink by around 6.0% by 2040. The bank derives an average annual decline in growth of 0.25 % from this. Whether this demographic development can be at least partially compensated for by an increase in employment among the working-age population appears questionable in that Germany already has the highest employment rate in the eurozone, which at around 80.0 % is around five percentage points above the average (see Morgan Stanley, The Demographic Challenge and What It Means for Growth, October 9, 2024, p. 15 and p. 20). This means that fewer people could be available for office work in the future, unless there is a structural decline in the office employment rate, for example due to productivity gains resulting from the increased use of artificial intelligence. In Germany, around a third of employees work in offices, in the top 7 cities it is even more than 40.0% (see ifo Schnelldienst, 3/2024, March 13, 2024, p. 68).

199. Morgan Stanley sees three ways to counteract a shrinking working population: through net immigration, a higher female participation rate in the labor market and an increase in the effective retirement age (see Morgan Stanley, ibid., p. 28). Since the global financial crisis, the proportion of foreigners in the German workforce has risen from around 8.5 % to around 15.0 %. In purely mathematical terms, the increase in the number of people in employment from 40.5 million in 2010 to 46.0 million most recently is therefore largely due to immigrants (see Federal Statistical Office, Erwerbstätige Inländer, retrieved on November 13, 2024), who were therefore a key growth factor for the German economy (see Morgan Stanley, ibid., p. 42). The female employment rate in Germany has also risen considerably in recent decades. While it was 54.9% in 1993, it was already 73.6% in 2023 (see Federal Statistical Office, Employment rates 1991 to 2023). The statutory retirement age in Germany is currently being gradually increased to 67. Although experts advocate making the retirement age more dynamic, taking into account the foreseeable increase in life expectancy, this has so far been politically controversial (see German Council of Economic Experts, Annual Report 2023/24, p. 313).

200. In the A-cities and metropolitan regions, the potential workforce could also be further limited by the housing shortage that already exists there. According to a survey by auditing and consulting firm PwC, one in three professionals has already considered changing jobs due to high rents. In Berlin, Frankfurt and Stuttgart, the proportion is even over 50.0% (see PwC, Die Wohnungsnot in deutschen Großstädten verschärft den Fachkräftemangel, February 28, 2024).

201. However, there are also studies that assume a further increase in the number of office employees, at least until 2030. For example, the authors of an IREBS/Berenberg study on the office real estate market after the COVID-19 pandemic conclude in their base scenario that the number of office employees subject to social security contributions will increase by almost 12.0% by 2030. They cite the expectation of steady net immigration and, above all, a further increase in the labor force participation rate as the main reasons for this. However, the authors see a heterogeneous development among the A-cities. While the base scenario shows above-average growth in office employment figures for Berlin and average growth for Hamburg, the growth forecasts for Cologne, Frankfurt, Stuttgart and Düsseldorf are below average (see Berenberg / IREBS Immobilienakademie, Büroimmobilien nach Corona - eine Szenarioanalyse. January 10, 2022, p. 35 ff.). The results for Berlin and Hamburg could be derived from population growth, as the two city states will see the highest population growth by 2040 at 10.0 % (Berlin) and 6.3 % (Hamburg) according to IW calculations (see IW, ibid., p. 79).

202. The real estate experts from the analysis company Bulwiengesa also come to a somewhat more differentiated conclusion. In their view, the potential workforce will decline from 2026 as a result of demographic change, but this will initially only affect smaller cities. In the A-cities, the number of office workers will still increase over the next five years (see Bulwiengesa, "Offices: Is there anyone?", June 25, 2024). The Federal Institute for Research on Building, Urban Affairs and Spatial Development (BBSR) comes to a similar conclusion. According to this, in view of the number of office employees, further demand for office space can be expected by 2027, which will particularly affect the metropolitan areas (see BBSR, BBSR-Berichte KOMPAKT 02/2024, p. 5).

203. In addition to the development of the number of office employees, another decisive factor determining the demand for office space is the take-up of space. If this is taken into account, the IREBS authors expect demand to stagnate for the A-cities from around 2025. Only Hamburg stands out positively, because the take-up of space there had barely fallen in the years before the pandemic and the modeling of future development is based on a trend extrapolation. However, this relativizes the informative value of the forecast, as does the fact that the area parameter is a synthetic value that cannot be read directly, but was calculated from a combination of different sources. It should also be noted that the calculations of the IREBS study are based on a macroeconomically positive overall development, which has proven to be too optimistic, at least so far (see ibid., p. 39 and p. 45).

204. In order to determine future demand for office space, another aspect has recently come into focus that also makes trend interpolation difficult: the role of offices in

a changing world of work. This is accompanied by the question of the extent to which remote work and working from home are redefining the requirements profile for the workplace. According to the BBSR, this is about "space efficiency" on the one hand and "employee retention" or the "office as a social place" on the other (BBSR, "Wohn- und Wirtschaftsimmobilien in Deutschland 2024, Oktober 2024", p. 32).

205. According to the ifo Institute, working from home part of the time has now become an integral part of the working world for a quarter of employees. Accordingly, 69.0% of all companies offer the option of working from home. Among large companies, which are among alstria's main target customers, the proportion is as high as 89.0%. Furthermore, 84.0% of the companies surveyed stated that they wanted to maintain their current home office arrangements. One reason for this is likely to be that the greater flexibility and reduced commuting times ensure higher employee satisfaction and lower staff turnover (see ifo Schnelldienst, 3/2024, March 13, 2024, p. 67).

206. The focus is on hybrid working models with a mixture of presence work and location-independent work, which is used by around 17.0% of employees (ibid. p. 67). Only around 7.0% of employees work exclusively from home. According to estimates, this results in potential space savings for companies in the order of 20.0% to 30.0%, for example through the conversion of permanently assigned workstations into flexible workstations (desk sharing). There is also a shift away from individual to group or open-plan offices with flexible usage options. However, the actual extent of the reduction in space also depends on the importance companies attach to joint attendance days and the additional space requirements resulting from newly emerging communication and collaboration zones designed to promote personal exchange and interaction. Nevertheless, according to the ifo study, these developments have already led to lower office occupancy, increased subletting and higher vacancy rates on the office market. Subletting, for example, has quadrupled (cf. ibid., p. 64ff).

207. As a consequence of lower office utilization, companies with a high level of home office use are therefore planning to reduce their office space in order to save costs for unused space. According to the ifo study, this applies to one in four large companies. Against this backdrop, the ifo authors expect an average reduction in office space of 12.0 % if the number of office employees remains the same, although the scenarios range from -4.0 % to -24.0 %. With an office stock of around 96.0 million m^2 in the top 7 cities, this would imply a shortfall in office space of around 11.5 million m^2 . As around 15.0 % of leases are renewed each year, this would correspond to a structural shortfall of around 11.5 million m over a period of seven years.

decline in demand of around 1.8 %. The ifo Institute therefore believes that the rental market is facing a "rolling" crisis (ibid., p. 68f).

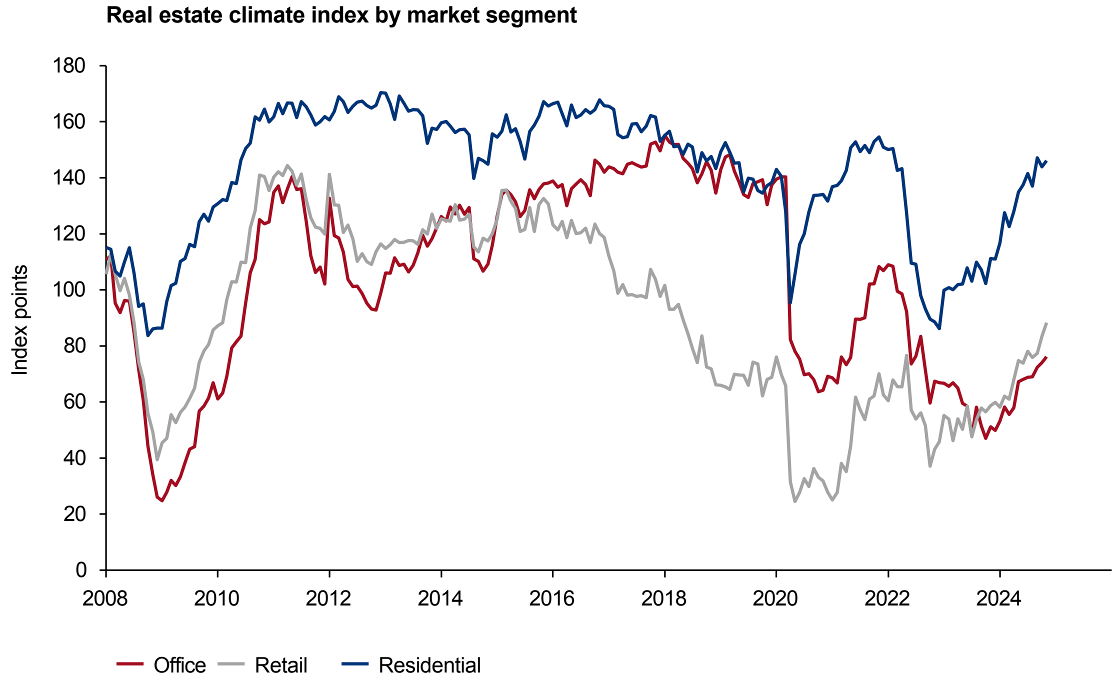
208. The analysis of the survey data also revealed that in sectors with a high proportion of home offices, such as the telecommunications, finance and insurance industries or the public sector, the decline in demand for office space was accompanied by rising rents per square meter. The ifo authors see a possible explanation for this in an increased demand for smaller but more modern, taxonomy-compliant and higher-quality rental space ("flight to quality") in central locations (ibid., p. 64). The BBSR comes to a similar conclusion, observing a shift in user focus towards central locations with a high level of urbanity and high-quality properties (BBSR reports KOMPAKT 02/2024, p. 8). Companies are apparently prepared to accept a higher price per square meter, as they can still reduce their rental costs with less space.

209. Conversely, the change in tenant preference means that older buildings in particular are affected by a decline in demand. They are already facing the challenge of meeting more demanding ESG standards, without which the ambitious sustainability targets for existing buildings cannot be met. Now there may also be a need for revitalization in the form of modern and flexible usage concepts. According to real estate consultancy Colliers, two thirds of all office properties in Germany's top 7 locations are at risk of obsolescence, which could turn them into stranded assets (Colliers, "Up to 69% of office properties at risk of obsolescence", September 19, 2023). This may explain, among other things, why apoprojekt GmbH, a project company specializing in existing properties, forecasts a further increase in the proportion of refurbishments among project developments to more than 30.0% in 2025 and 2026. In 2019, this share was only 10.0% (see apoprojekt-Bestandskompass, press release dated September 3, 2024).

bb) Office rental market

210. The Bulwiengesa/Deutsche Hypo Real Estate Climate Index, which reflects the market assessment of real estate professionals, provides an overview of how the developments and trends described above affect the current mood on the real estate market and how it has changed over time. While the index remained above the growth-signaling threshold of 100 index points in the three segments of office, retail and residential for a decade following the recovery from the global financial crisis, the office climate plummeted from 140 to below 70 points during the COVID-19 pandemic. What is striking is that the experts' market assessment of office properties

remained at a stable high level until the outbreak of the pandemic, whereas sentiment for retail properties began to deteriorate noticeably as early as 2017.



Source: Deutsche Hypo/Bulwiengesa Immbolilienklima until 2024

Figure 18: Real estate climate by market segment

211. The office climate recovered relatively quickly from the lows in 2020 and climbed back above a level of 100 at the turn of 2021/22 before plummeting again to below 50 index points with the start of the war in Ukraine. A stabilization set in at the end of 2023, which turned into a slight recovery after the turn of the year (see Deutsche Hypo/Bulwiengesa, Real Estate Climate by Segment until November 2024).

212. Property values have bottomed out in recent months, while positive trends have been observed on the rental market. According to Deutsche Hypo's market report, office properties in prime locations in particular have seen very dynamic rental price developments with notable deals and further increases, which has so far only been the case in isolated cases for city district locations (see Deutsche Hyp, Real Estate Climate Market Report October 2024). The growth trend in office rents could well continue, particularly in the major office market centers. This is supported by the limited availability of high-quality rental space, the declining attractiveness of older, energy-inefficient stock as well as increased building and

refurbishment costs (see BBSR; Residential and commercial real estate in Germany 2024, October 2024, p. 33).

213. Leading real estate service providers such as BNP Paribas Real Estate, Colliers and JLL are also predicting that the German office markets will stabilize overall at the end of the third quarter of 2024, with isolated signs of recovery. In the top 7 markets, they see take-up in the range of around 1.9 to 2.0 million m in the first three quarters[2] , which represents an increase of 4.0 % to 13.0 %, depending on the survey. However, the positive result was boosted by a handful of major lettings, mainly in the public sector. For the year as a whole, expectations range from a take-up volume at the previous year's level (see Colliers, City Surveys Q3 2024, accessed on November 16, 2024) to a mid-single-digit percentage increase (see JLL, Office Market Report Germany Big 7, Q3 2024).

214. According to analyses by the ifo Institute, the volume of office lettings in the past showed a close correlation with the ifo business climate index with a one-year delay (ifo Schnelldienst, ibid., p. 65). The ifo Business Climate Index has been trending downwards for around 18 months now, with fluctuations, both in terms of the assessment of the current situation and expectations (see ifo Institute, ifo Business Climate Index down (November 2024), November 25, 2024). It can therefore not be completely ruled out that the office market will suffer another setback.

215. Nevertheless, it should be noted that the level of lettings in the office strongholds relevant to alstria remains below average, even compared to the recent past with the pandemic-related slump in demand in 2020. After a two-year recovery following the pandemic, which, however, did not reach the level seen before the outbreak of the pandemic, the market cooled noticeably again in 2023 against the backdrop of higher interest rates (see statista, Office take-up in selected German cities in the years 2011 to 2023). The take-up of 2.4 million m^2 forecast by Colliers for 2024 in the top 7 is a good quarter below the 2019 to 2022 average of around 3.3 million m^2 (see Figure 19).

Office space take-up in the top 7 cities in Germany

Source: Colliers, City Survey, Q3 2024

Figure 19: Development of office space take-up in the top 7 German cities from 2014 to 2024

216. Among the individual markets, take-up has stabilized in the year to date, particularly in Berlin, according to data from BNP Paribas. According to Colliers' analysis, the previous year's figure was only just missed in Frankfurt, while BNP even recorded an increase of 7.7%. According to BNP, the metropolis on the Main is also the only location to record above its five-year average. Hamburg and Düsseldorf fell short of their prior-year sales by around 13.0% and 12.0% respectively (see Table 9). The high increase of almost 37.0 % in Stuttgart is largely due to a very large public administration lease of 26,400 m² in the city center (see JLL, Stuttgart Office Market Report, Q3 2024).

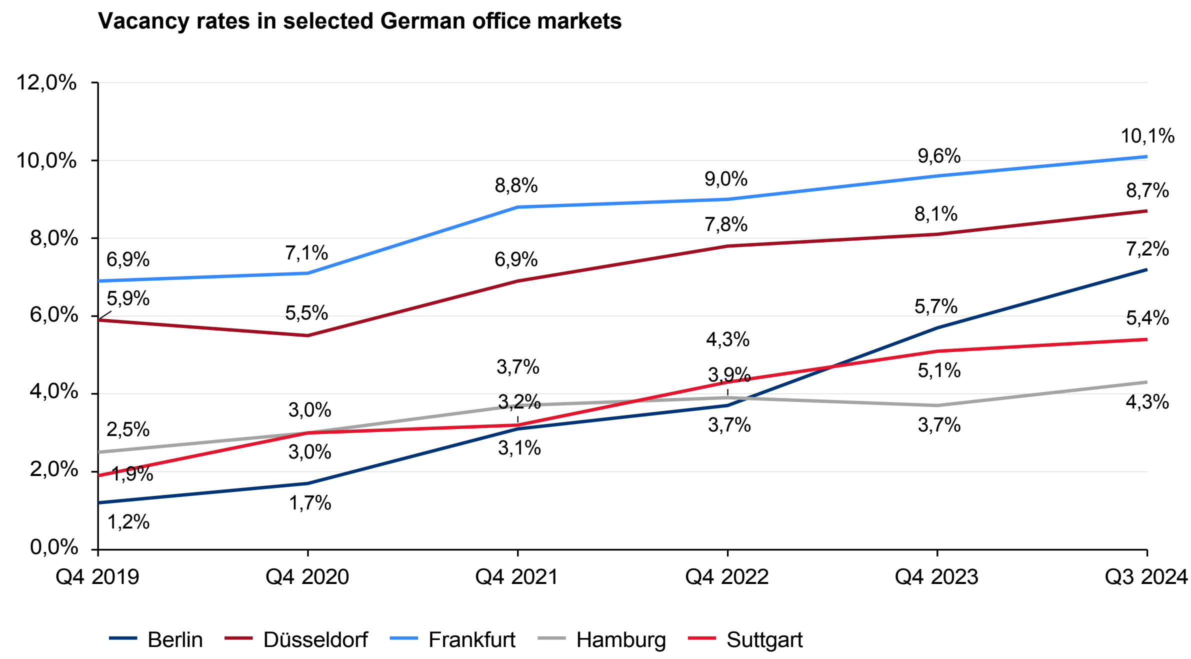
City	Area stock	Space turnover		Prime rent		Average rent		Vacancy
	Q3 2024	Q1-3 2024	vs. prev. yr.	Q1-3 2024	vs. prev. yr.	Q1-3 2024	vs. prev. yr.	Q3 2024
Hamburg	14,2 m²	290.000 m²	-13,2%	35,00 €/m²	1,4%	20,60 €/m²	0,5%	4,3%
Düsseldorf	7,7 m²	153.000 m²	-12,2%	43,00 €/m²	10,3%	20,70 €/m²	-2,4%	8,7%
Frankfurt a.M.	10,1 m²	267.800 m²	-2,4%	48,00 €/m²	4,3%	24,50 €/m²	3,4%	10,1%
Stuttgart	8,2 m²	146.000 m²	36,8%	35,00 €/m²	0,0%	20,70 €/m²	14,4%	5,4%
Berlin	21,3m²	435.940 m²	0,4%	45,50 €/m²	2,9%	29,10 €/m²	0,7%	7,2%

Source: Colliers, City Survey, Q3 2024

Table 9: Key figures for the German office rental market in selected cities

217. The vacancy rate calculated by Colliers for the seven largest office letting markets rose further in 2024, reaching around 7.0% in the third quarter, the highest level for a good ten years. Measured against the subdued demand, this is due to the still comparatively high volume of completions (see Colliers, City Survey, Q3 2024). However, the current vacancy rates also partly reflect the ongoing downsizing of many office users. At the same time, the trend towards relocating to higher-quality locations and properties is leading to an increase in vacancies in buildings that do not meet the requirements of users (see Avison Young, Real Estate Market Report Q3 2024, p. 8). However, there is a wide spread in the supply reserves among the A cities (see Table 9).

218. Cities with traditionally above-average vacancy rates such as Frankfurt and Düsseldorf are at 10.1 % and 8.7 % respectively, while Hamburg and Stuttgart are at the lower end of the range at 4.3 % and 5.4 % respectively. Berlin recently recorded the sharpest increase in the vacancy rate, which is explained by the completion of numerous projects that are not yet let or only partially let (see BNP Paribas Real Estate, Berlin office market, Q3 2024).



Source: Colliers, City Survey, Q3 2024

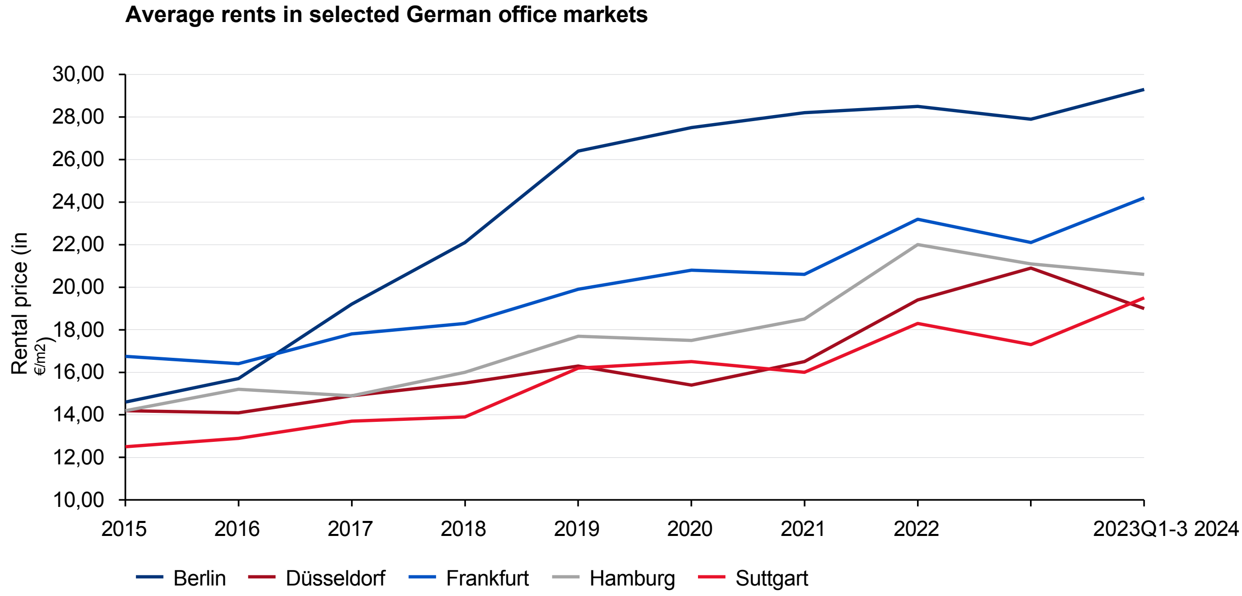
Figure 20: Comparison of vacancy rates in five German office cities from Q4 2019 to Q3 2024

219. Colliers estimates that new construction activity will amount to around 1.5 million m^2 m per year between 2024 and 2026. In the past two years, a number of projects have been postponed due to the deterioration in the financing environment, exit opportunities that are difficult to predict and high construction costs (see ZIA, Frühjahrsgutachten Immobilienwirtschaft 2024, p. 98). 98) However, according to Collier, the associated slump in construction activity will not have an impact until 2027 with a decline in the volume of completions to just 600,000 m^2 and will lead to a noticeable shortage of modern office space in the following years, accompanied by a plateau in vacancies (see Colliers, ibid.).

220. Indexation and rent increase clauses are now standard in office lease agreements. However, there is great diversity here. In an analysis of leases covering a total of 900 office buildings with a total area of 6.3 million m^2 , real estate service provider JLL identified almost 100 different agreements. For a long time, the focus was on index-linked rents, although indexation often only became effective once a certain hurdle was reached. However, with strong demand, full indexation became increasingly prevalent in 2019, particularly in the office strongholds, before the tide turned as a result of the sharp rise in inflation rates and tenants were once again in a slightly better negotiating position. JLL therefore expects owners to be increasingly willing to agree graduated rents instead of annual full indexation, particularly for large leases of 5,000 m or more[2] (see JLL, "Graduated rents increasingly displace indexed office leases", press release, August 19, 2022).

221. The average new contract rent, as measured by the Association of German Pfandbrief Banks' broad-based index for office properties (vdp Index), has risen by a good 3.3 % annually since 2015 (see vdp indices for office properties). The trend was disproportionately high in most office metropolitan areas. Here, the increase in the markets relevant to alstria averaged 5.0 % p.a. over the same period, with the Berlin office market standing out in particular with an average annual increase of just over 8.0 %. Berlin overtook Munich in terms of average rents in 2017 and recorded above-average growth until 2019. This has slowed considerably since then, as the average price is now approaching the €30.00/m mark[2] .

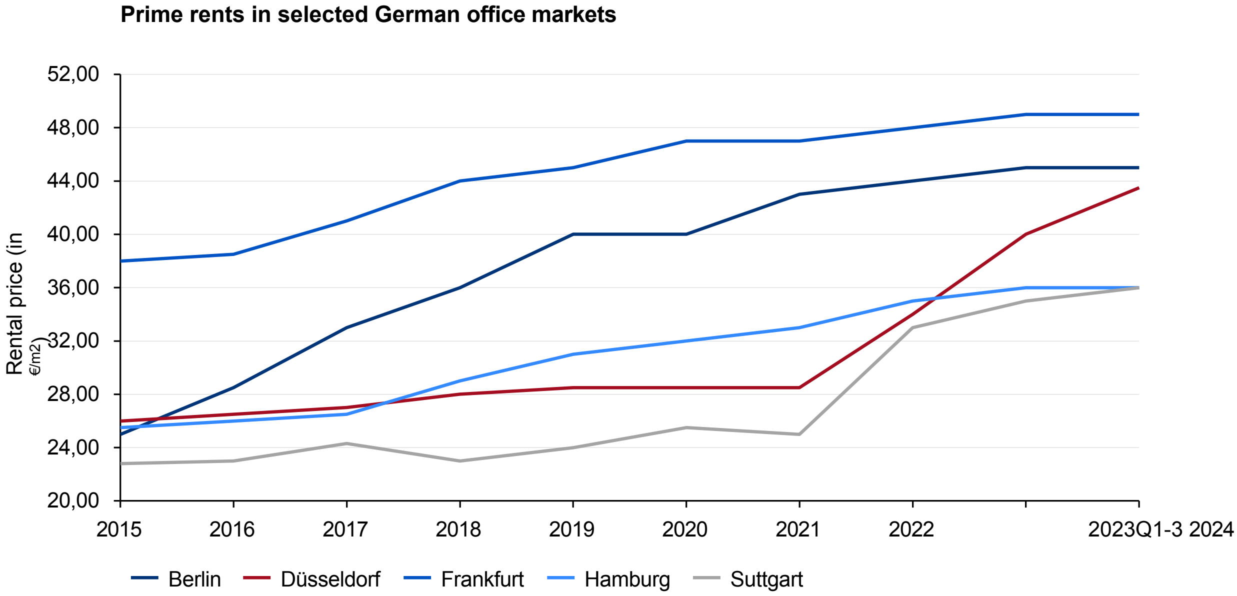
222. The lowest average rent increases were recorded on the office markets in Stuttgart (+2.8 % p.a.) and Düsseldorf (+3.3 % p.a.). In Frankfurt and Hamburg, office rents rose by around 4.0% p.a. on average. Overall, it can be seen that the price gap between the office markets examined here has widened significantly since 2015, both in absolute terms - from €4 to just under €10 per square meter - and in relative terms - from around 34.0% to just over 50.0%. Stuttgart and Düsseldorf in particular have fallen behind.



Source: BNP Paribas Real Estate; E&G Immobilien

Figure 21: Comparison of average rents in five German office cities from 2015 to Q3 2024

223. A slightly different picture emerges for prime rents, which represent the top price segment with a market share of 3.0 % of office space take-up. Berlin and Düsseldorf in particular have caught up vis-a-vis Frankfurt since 2015. The Main metropolis has been scratching the €50.00/m mark for around two years[2] , which was broken by Munich for the first time this year. Overall, it can be seen that prime rents in the top cities are continuing to rise despite rising office vacancy rates.



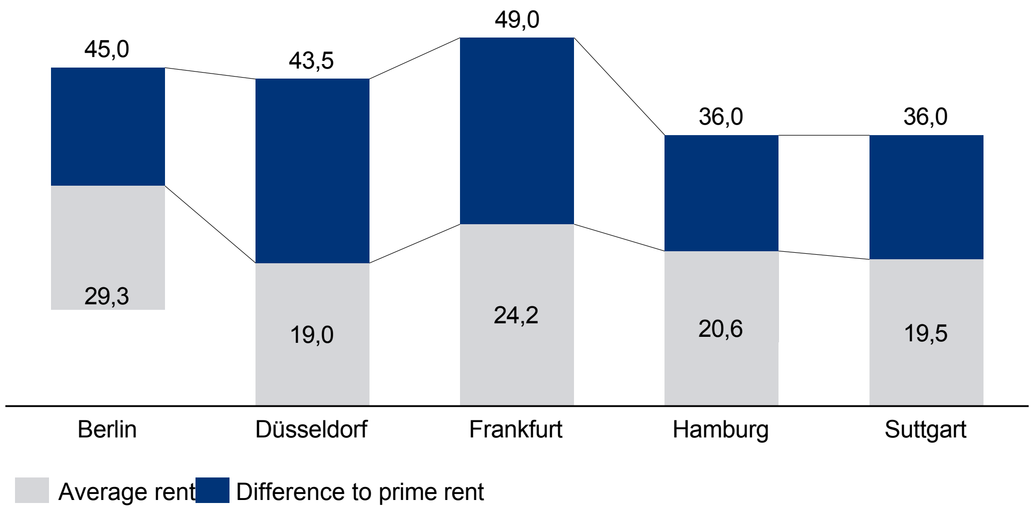
Source: BNP Paribas Real Estate; E&G Immobilien

Figure 22: Comparison of prime rents in five German office cities from 2015 to Q3 2024

224. There has also been a greater spread in prime rents in the office markets relevant to alstria in recent years, with Frankfurt taking the top spot in this indicator in contrast to average rents. However, Berlin has caught up strongly, especially in the years up to 2019, and was recently only €4.00/m² behind Frankfurt. The above-average rents in Berlin and, by far, in Frankfurt are likely to be related to their role as the capital and financial center.

225. A look at the difference between the prime rent and the average rent is also revealing. The gap to the highest achievable rent can be interpreted as an indication of the potential for possible rent increases. Of the office cities we surveyed, Düsseldorf and Frankfurt supposedly have the greatest potential, which amounts to around €25.00/m² in both cities and is therefore around €10.00/m² higher than in Berlin, Hamburg and Stuttgart. In Berlin and Frankfurt, the average annual rent level has risen more strongly than the prime rent since 2015, while in Düsseldorf the annual growth in prime rents was almost twice as high as the increase in average rents. In Hamburg and Stuttgart, both figures developed at roughly the same pace.

Prime & average rents in selected German office markets (Q3 2024)



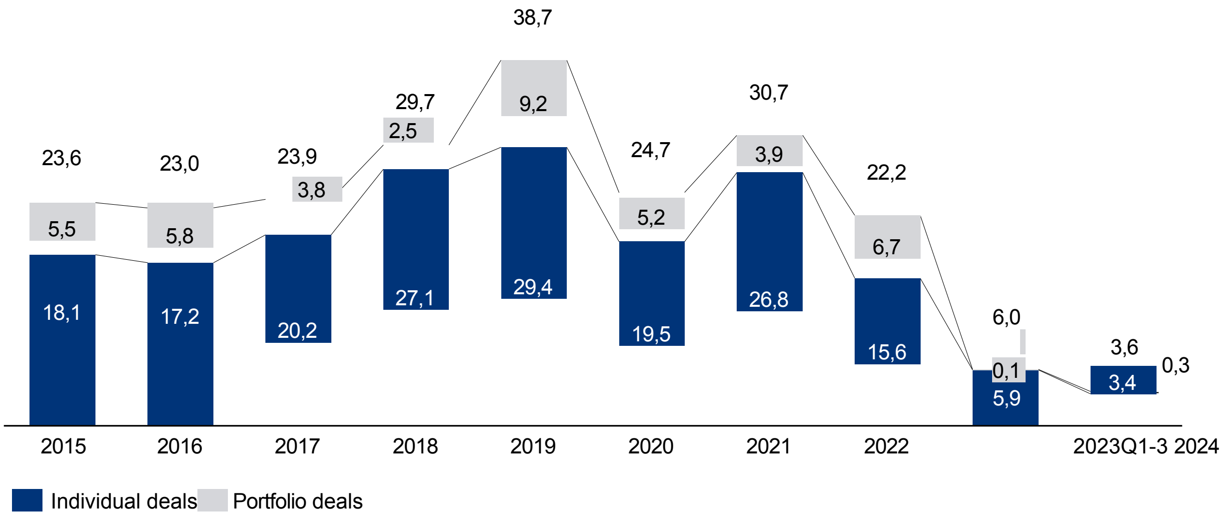
Source: BNP Paribas Real Estate; E&G Immobilien; IVA calculations

Figure 23: Difference between prime and average rents in five German office cities

cc) Office investment market

226. The stabilization trends and isolated signs of a recovery in letting activity have not yet had a positive impact on the office investment market, which suffered a real slump as a result of the Russian war of aggression in Ukraine and the resulting consequences for inflation and interest rates. In 2023, the investment volume for office properties in Germany amounted to just under € 6.0 billion. This was the lowest volume since the financial crisis and a drop of around 73.0% vis-a-vis 2022 (see BNP Paribas Real Estate, office investment market, Q4 2023). As a result, the office segment lost its status as the asset class with the highest demand in 2023 and only took third place behind retail properties.

Office investments in Germany (in € billion)



Source: BNP Paribas Real Estate, office investment market, Q3 2023 and Q1-3 2024

Figure 24: Development of office investment volume in Germany from 2015 to Q3 2024

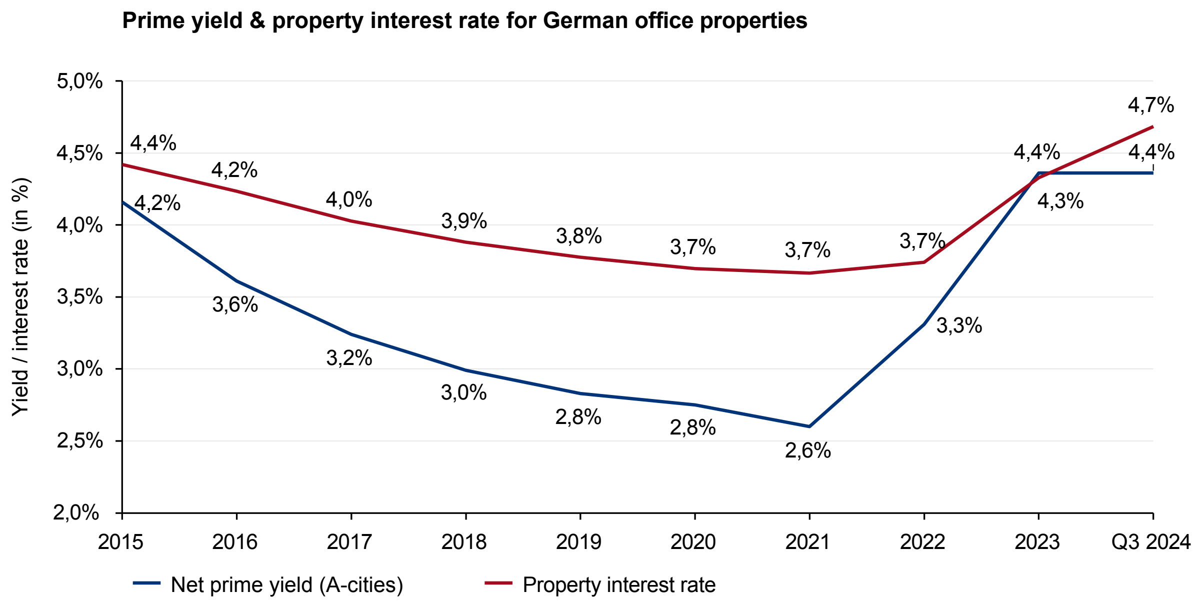
227. In the first three quarters of the current year, the investment volume weakened by a further 20.0% to around € 3.6 billion vis-a-vis the already extremely depressed volume of the previous year (see BNP Paribas Real Estate, Office Investment Market, Q1-3 2024). Overall, the A locations also followed the nationwide trend, with Frankfurt and Cologne being the only positive exceptions. The decline in volume reflects the gloomy mood in the economy and investors' uncertainty about the future development of demand for office space. Against this backdrop, the market is currently lacking large-volume transactions in particular.

228. The experts at Bulwiengesa cite another argument as to why the investment market is still lacking momentum. According to them, pricing between buyers and sellers has not yet been completed (see Bulwiengesa, Spring Forecasts 2024, May 29, 2024). While prices for residential real estate have not weakened any further vis-a-vis the previous year's level, commercial real estate prices, as measured by the vdp index, were once again down year-on-year, falling by 4.7% in the office sector. Nevertheless, prices rose slightly compared to the previous quarter for the second time in a row (see vdp index and immobilienmanager, "Stabilization of property prices continues", 11 November 2024).

229. As the interest rate cuts by central banks appear to have passed the peak of the interest rate cycle, market experts such as the Swiss bank Julius Baer are seeing increasing signs that the price discovery process in the top 7 markets will continue until the end of the year.

and investment activity will pick up again somewhat. This is in line with the observations of JLL's real estate consultants, according to which market players are increasingly switching from wait-and-see to active mode because there are more and more comparative values from completed transactions (see JLL, Investment Market Overview, Q3 2024). Furthermore, Julius Baer believes that the changed financing conditions will present property owners with major challenges following the revaluation of their properties, which will lead to forced sales to secure liquidity in the short to medium term (see Julius Baer, Property Market Report Germany, 4th quarter 2024, p. 14).

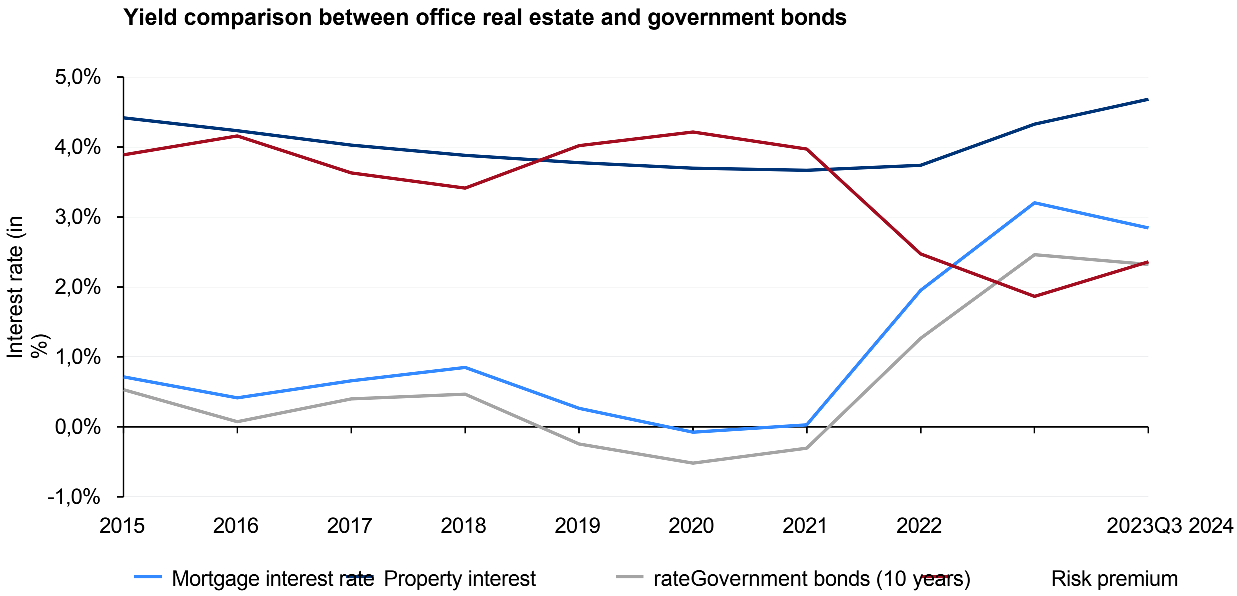
230. The increase in yields measured by the vdp real estate interest rate index continued in the third quarter, rising to 6.9% for office properties vis-a-vis the same period of the previous year (see immobilienmanager, ibid.). The real estate interest rate has been compiled quarterly by vdp Research since 2010 on the basis of real estate transactions by more than 700 banks and reflects developments across Germany. In simplified terms, it corresponds to the yield at which the market value of properties earns interest on average. In contrast, BNP Paribas has observed a stabilization at the previous year's level of just under 4.4 % for first-class office properties in the top locations of investment centers in the year to date, which means that the decline in capital values should also have come to a halt, at least in this market segment (see Figure 25).



Source: BNP Paribas Real Estate, German investment market, Q3 2024; vdp indices for office properties; IVA calculations

Figure 25: Development of the prime yield and the property interest rate for office properties from 2015 to Q3 2024

231. The risk premium, i.e. the difference between the rental yield at the time of purchase and the risk-free interest rate, is one of the key factors determining the attractiveness of real estate as an asset class. The following chart illustrates the extent to which the investment market for office properties has become less attractive over the past three years (see Figure 26). In the period from 2015 to 2021, the property interest rate fluctuated around the 4.0 % mark, while the yield on ten-year German government bonds was close to zero and even fell below it from 2019. This meant that investors received a risk premium fluctuating around the 4.0 % mark for investments in office properties during this period. Mortgage interest rates, which were also extremely low, also ensured that property yields were only marginally reduced at best, even with full financing. The picture only changed when there was a sharp turnaround in interest rates in 2022. Ten-year government bonds recorded a rapid rise in yields, taking them to an annual average of 2.5 % in 2023, while the mortgage rate for medium maturities (nine to ten years) rose by more than 200 basis points to 3.2 % within two years. The risk premium fell to below 2.0% in the meantime before recently recovering to a level of around 2.4%.



Source: BNP Paribas Real Estate, German investment market, Q3 2024; vdp indices for office properties; IVA calculations

Figure 26: Yield comparison between office properties and ten-year government bonds from 2015 to Q3 2024

232. The turnaround in interest rates was accompanied by a paradigm shift in the real estate market. For years, the performance expectation of a real estate investment was primarily based on continued yield compression, which implied rising capital values. With very high demand for office properties, even with a neglected

property management to achieve above-average rental income. In the meantime, however, the landlord market has become a tenant market in which active property management and the leveraging of earnings potential are at the forefront for portfolio holders such as alstria. In other words, rental income is once again replacing value appreciation as the key performance driver (see Bulwiengesa, Gesamtmietbetrachtung Büromarkt Deutschland, February 15, 2023, p. 4).

233. The German office market as an investment target is currently supported by the low vacancy rates compared to other countries, the very low supply of space in the premium segment, the trend towards rising prime rents and the upward trend in average rents in A locations (see BNP Paribas Real Estate, Office Investment Market, Q4 2023, p 4). This is offset by the uncertainty surrounding the development of office employment figures in light of demographic trends and a possible reduction in demand for space as a result of hybrid workplace models. In addition, investors no longer feel the pressure to invest as they did during the interest-driven super cycle, which makes them more cautious and selective.

Against this backdrop, Bulwiengesa expects yields to continue to rise in 2024 before the expected interest rate cuts stabilize yield levels in the medium term, followed by a slight decline (see Bulwiengesa, Spring Forecasts 2024, 29 May 2024). In addition to the trends already described, there could be a further differentiation between the prime segment, city fringe locations and more peripheral submarkets (see CBRE; "Transaction activity on the German office property market continues to stabilize", 8 October 2024). This is also likely to have implications for the office rental market.

b) Competitive environment

234. alstria positions itself as a leading player in the German office real estate market by pursuing a clear and differentiated competitive strategy. The company's focus is on high-quality office properties in Germany's leading economic centers, with a particular emphasis on long-term management to ensure stable and sustainable returns. Alstria combines a selective acquisition strategy with targeted modernization and renovation measures in order to sustainably increase property values.

235. A central component of the strategy is the acquisition of properties in need of refurbishment with high vacancy rates. Through extensive renovation measures, these properties are transformed into modern, attractive and marketable office space that meets both ESG criteria and the requirements of a dynamic real estate market.

d o justice to this. This approach not only enables a significant increase in the value of the properties, but also the acquisition of long-term tenants with strong credit ratings.

236. Meanwhile, the competitive situation for alstria is challenging, with the company competing for properties alongside established real estate companies against a large number of national and international investors, including pension funds, sovereign wealth funds, private equity companies and specialized fund managers. Competition varies depending on the investment volume and the specific characteristics of the properties. Competition for high-yield properties is particularly intense in attractive locations, as these are in high demand from numerous investors. Financial strength and strategic negotiating skills are therefore of key importance to the company. However, the current restrictive monetary policy has weakened the competitive pressure on the German real estate market, as the market has become less attractive for investors without a real estate focus. At the same time, the barriers to market entry have increased as access to capital has become considerably more difficult.

237. With a clear strategy, solid financial resources and its expertise in the successful refurbishment of complex properties, alstria is in a position to continue to grow in this selective market environment. In particular, alstria's strength in the targeted refurbishment and upgrading of real estate gives the company a sustainable advantage vis-a-vis other market participants.

238. As part of our peer group analysis for the purpose of determining the cost of capital, we identified eleven listed peer group companies. The process of identifying potential peer companies and the selection criteria for determining the peer group used are described in section D.IV.6.c)bb). The companies identified are real estate managers and developers that operate in European economic centers and whose portfolio focus is on office properties. Absolute congruence between the companies and the valuation object is neither possible nor necessary. Instead, the future cash flow surpluses of the companies selected as comparable and the company to be valued should largely be subject to the same operating risk.

239. The listed peer companies identified by us and used for the purpose of determining the beta factor are presented below. In this respect, they are not competitors in the true sense of the word in the marketing of office space in Germany.

240. **CA Immobilien exhibits AG, Vienna/Austria,** is a leading provider of premium office real estate in prime urban locations in Europe. The geographical focus

focuses on Germany, Austria and the Central and Eastern European capitals, including Berlin, Munich, Frankfurt, Vienna, Prague and Warsaw, with Germany representing the core market with a portfolio share of 66%. Around 94% of the real estate portfolio consists of modern office buildings with high technical standards, central locations and sustainable construction methods, the majority of which are certified according to ESG criteria. In addition to maintaining the portfolio, the company invests in development projects and relies on targeted capital rotation to optimize the portfolio. As at December 31, 2023, the value of the real estate portfolio was around € 5.2 billion, while revenue in the 2023 financial year amounted to around € 419.3 million. As at the valuation date, the company had a rating of Baa3 according to the rating agency Moody's (corresponds to an S&P rating of BBB-).

241. **CLS Holdings plc, London/UK,** is a leading investor in office properties with a portfolio of 86 properties in the UK, Germany and France with a total value of € 2.4 billion as at December 31, 2023, which is almost evenly split between the UK and Germany at around 45% and 43% respectively. Around 91% of the portfolio consists of sustainable office buildings that are let to a diversified tenant base, including government institutions and large companies. The company also focuses on modernizing and developing its properties in order to realize rental and value increases. In the 2023 financial year, CLS generated revenue of € 171.4 million.

242. **Covivio S.A., Metz/France, is** a European real estate group specializing in office, hotel and residential properties. The total portfolio value of around €15.1 billion as at December 31, 2023 is divided into 52% office properties, 31% residential properties and 17% hotels. The properties are located in central locations in cities such as Paris, Berlin and Milan and are 96.7% let. Covivio focuses on sustainable properties and an active value creation strategy through modernization and new construction. In 2023, the company generated sales revenue of € 1,019.6 million. As at the valuation date, the company had an S&P rating of BBB+.

243. **Gecina S.A., Paris/France, is** a real estate investor with a focus on innovative and sustainable living and working spaces in the Paris region. The portfolio comprises 1.2 million m² of office space and over 9,000 residential units, which are valued at €17.1 billion as at December 31, 2023. Office properties account for around 79% of the portfolio value. The focus is on centrally located, flexible and environmentally friendly buildings that meet modern requirements for working and living spaces. In addition to property management, the company is also active in the renovation and modernization of properties in order to further increase the value and sustainability of its portfolio. In the 2023 financial year, Gecina generated revenue of € 802.4 million. As at the valuation date, the company had an S&P rating of A-.

244. **Icade S.A., Paris/France,** is a leading real estate developer and investor in France with a focus on office and commercial properties. The portfolio is

December 31, 2023 is valued at € 6.5 billion and comprises around 82% office properties and around 11% light industrial properties. The geographical focus is on the Paris region and other major French cities. The company focuses on sustainable construction, with a clear commitment to CO_2 reduction and the integration of nature into urban spaces. In addition to real estate management, Icade invests in the conversion and revitalization of existing properties and in innovative solutions such as modular office spaces and sustainable building materials. In 2023, Icade generated revenue of € 1,524.7 million. The company had an S&P rating of BBB+ as at the valuation date.

245. **Inmobiliaria Colonial SOCIMI, S.A., Barcelona/Spain**, is a Spanish listed real estate company (REIT) that specializes in first-class office properties in central business districts ("CBDs"). The portfolio comprises high-quality office space in the main markets of Paris, Madrid and Barcelona, which account for around 97% of the portfolio's total value. Around 65% of this is in Paris, 22% in Madrid and 13% in Barcelona. Around 78% of the properties are in CBD locations. The company also operates flexible office spaces under the Utopicus brand and manages an extensive development portfolio that includes projects such as the Louvre Saint-Honoré in Paris and the Méndez Álvaro Offices in Madrid. To the

As at December 31, 2023, the market value of the real estate portfolio was around € 11.3 billion, while revenue in the 2023 financial year amounted to around € 399.7 million. The company had an S&P rating of BBB+ as at the valuation date.

246. **Inovalis Real Estate Investment Trust, Toronto/Canada,** manages a diversified real estate portfolio with a focus on office properties in France, Germany and Spain. The portfolio comprises 13 properties with a total gross lettable area of around 143,000 m^2 , of which six properties are located in France, six in Germany and one in Spain. While the German properties are located in Duisburg, Stuttgart, Munich and the Frankfurt am Main catchment area, the French part of the portfolio is located in the greater Paris area and the Spanish part in Madrid. To the

As at December 31, 2023, the market value of the portfolio was approximately € 541 million, while sales in the 2023 financial year amounted to around € 13.4 million.

247. **IREIT Global, Singapore, is** a real estate company specializing in Western European commercial real estate. The portfolio comprises office properties in Germany and Spain as well as retail properties in France and had a market value of around € 880.8 million as at December 31, 2023. Germany accounts for the largest share of the portfolio value at around 61%, followed by France with 24% and Spain with 15%. Germany is also the company's most important market in terms of revenue at 58%. The

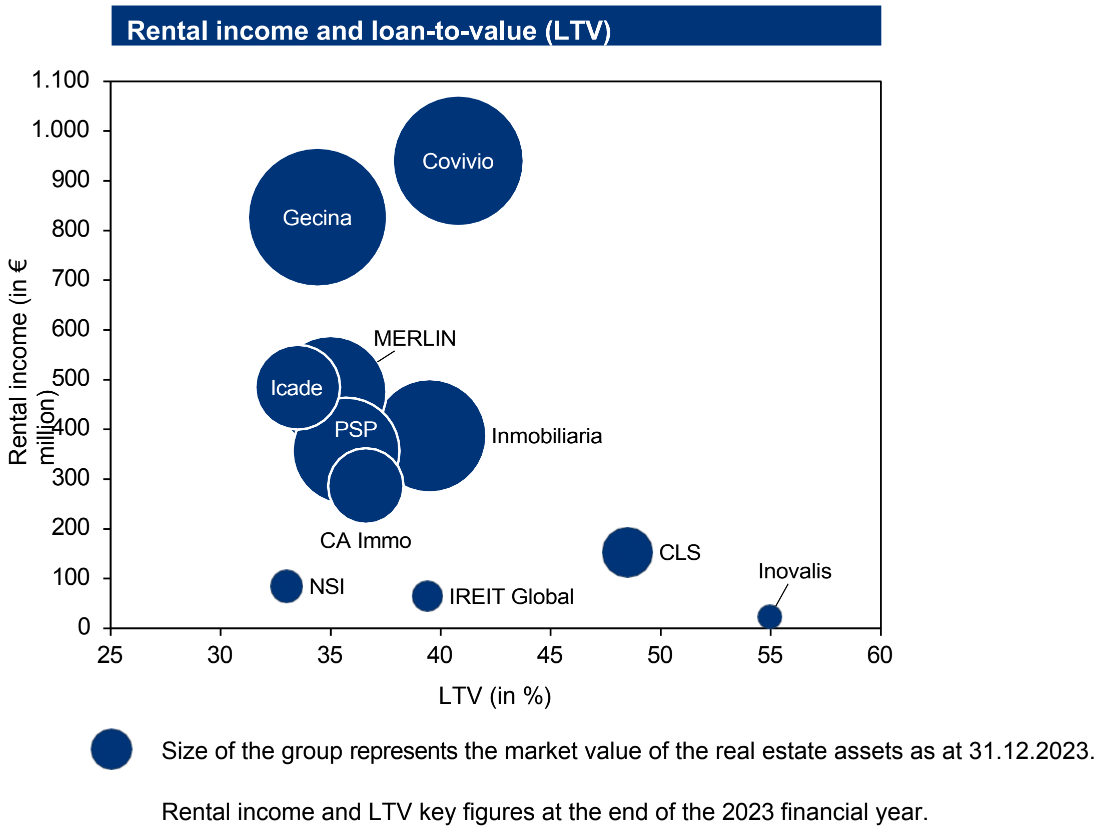
Office properties in Germany are spread across Berlin, Bonn, Darmstadt, Münster and Munich, while the Spanish office properties are located in Barcelona and Madrid. The French retail properties include branches of the sporting goods retailer Decathlon and the food discounter B&M. In the 2023 financial year, IREIT Global generated revenue of around €65.0 million.

248. **MERLIN Properties SOCIMI, S.A., Madrid/Spain, is** a Spanish listed real estate company (REIT) that specializes in the acquisition, development and management of high-quality commercial properties, primarily in Madrid, Barcelona and Lisbon. The portfolio focuses on office space (around 55%), followed by shopping centers (18%) and logistics properties (16%). As at December 31, 2023, the market value of the real estate portfolio was approximately € 11.3 billion, while revenue in the 2023 financial year amounted to around € 504.7 million. The company had an S&P rating of BBB+ as at the valuation date.

249. **NSI N.V., Hoofddorp/Netherlands**, is a leading real estate investor and developer specializing in the development and management of high-quality office properties in the Netherlands. NSI pursues a strategic focus on future-oriented office space and flexible working environments in highly sought-after cities such as Amsterdam, Utrecht and Rotterdam. As at December 31, 2023, the portfolio comprised 46 properties with a market value of around €1.0 billion. In the 2023 financial year, the company generated revenue of around € 84.7 million.

250. **PSP Swiss Property Ltd, Zug/Switzerland,** is one of the leading real estate companies in Switzerland with a focus on office and commercial properties in prime locations in the country's most important economic centers, including Zurich, Geneva, Basel, Berne and Lausanne. The company's portfolio comprises 162 properties and 11 construction and development sites with a balance sheet value of around €10.3 billion as at December 31, 2023. With a strong focus on sustainability and modernization, PSP Swiss Property develops innovative projects such as the sustainable new wooden building "Clime" in Basel and combines first-class construction quality with environmentally friendly concepts. In the 2023 financial year, the company generated revenue of around € 399.6 million. As at the valuation date, the company had a rating of A3 according to the rating agency Moody's (equivalent to an S&P rating of A-).

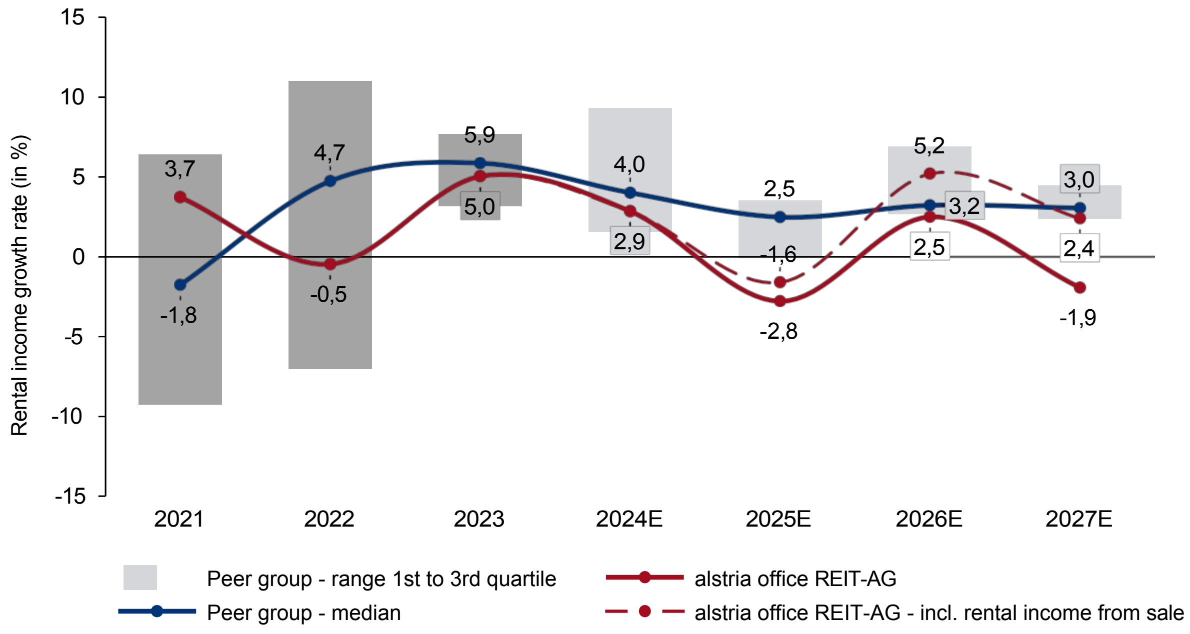
251. The following illustration gives an overview of the described above and presents the key financial figures of the companies.



Source: Capital IQ; IVA analyses

Figure 27: Key figures of the peer group companies

252. For further analysis of the selected listed peer group companies and their economic development compared to alstria, we have analyzed key financial ratios of the peer group and compared them to the corresponding ratios of alstria. The following chart shows the development of historical revenue growth rates for the peer group companies and alstria. The chart also includes the forecast revenue growth rates of the peer group companies based on analyst estimates as well as alstria's budgeted figures. In the case of alstria's revenues, rental income from planned disposals was taken into account.

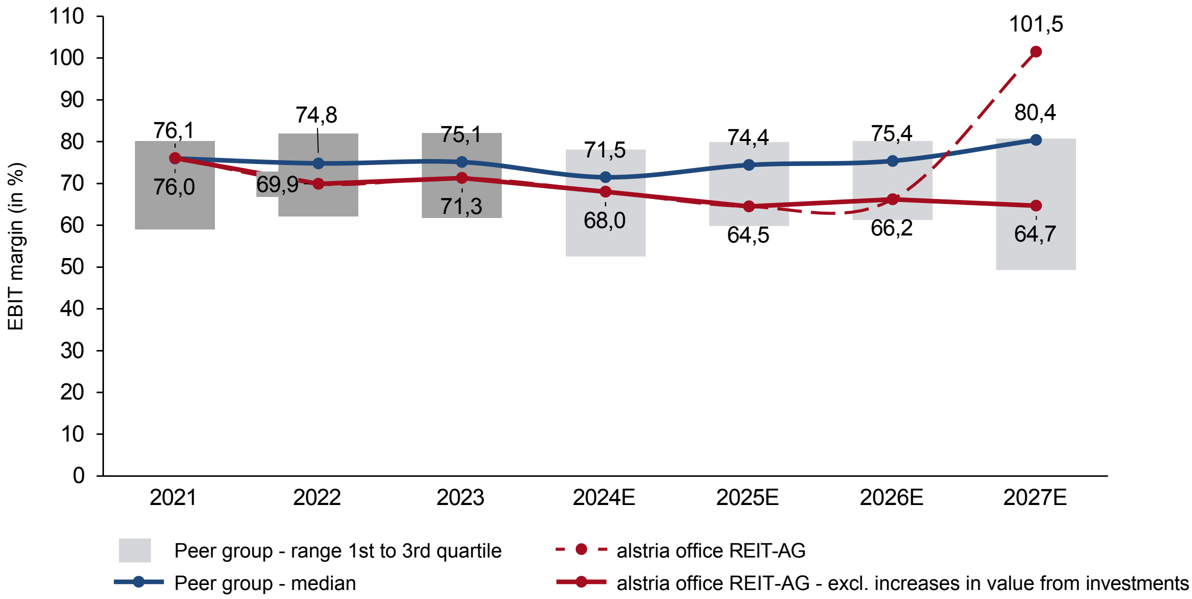


Source: alstria; Capital IQ; IVA analyses

Figure 28: Development of sales growth sales growth of alstria and the range of revenue growth of the peer group for the years 2021 to 2027

253. The alstria Group's revenue growth has been volatile over the past three financial years. After an increase of 3.7% in the 2021 financial year, the company recorded a decline in revenue of 0.5% in the 2022 financial year. In the following year, however, solid growth of 5.0% was achieved again. Moderate growth of 2.9% is forecast for 2024, before a significant decline in sales of 2.8% is expected in 2025. Following interim sales growth in 2026 (2.5%), the forecast for 2027 again assumes a decline in sales of 1.9%. This cyclical development is mainly due to the planned property sales. The growth rate including rental income from disposals is also volatile but, with the exception of 2025, is within the range (1st to 3rd quartile) of the peer group's growth rates. The rental growth rates of the peer group also show a volatile development over the observation period. After a decline in sales revenue of 1.8% on average in 2021, the peer group was able to increase again in 2022 and 2023 with growth rates of 4.7% and 5.9% respectively. For the coming years, analyst estimates point to a slight decline in sales growth. A growth rate of 3.0% is still expected for 2027. Overall, the planned growth rate for rental income (including rental income from disposals) is within the range (1st to 3rd quartile) of the peer group, with a few exceptions.

254. The following chart shows the development of the historical EBIT margins for the peer group and alstria. The chart also contains the forecast EBIT margins of the peer group based on analysts' estimates as well as the original and adjusted target values of alstria.



Source: alstria; Capital IQ; IVA analyses

Figure 29: Development of the EBIT margin of alstria and the EBIT margin range of the peer group for the years 2021 to 2027

255. The chart shows that alstria's EBIT margin has been at a comparable level to the peer group over the last three financial years. The margin of alstria decreased from 76.0% in 2021 to 71.3% in 2023. The median EBIT margin of the peer group also decreased marginally in the same period, from 76.0% in 2021 to 75.1% in 2023. After an expected short-term decline in the median margin to a level of 71.5% in 2024, the median of the peer group EBIT margins forecast by analysts rises to 80.4% in 2027 and thus to a level above the historical observation period. The planning calculation of alstria foresees a decline in the EBIT margin to 64.5% in 2025. The decline in the EBIT margin is mainly the result of an expected decline in rental income due to sales as well as fixed cost structures in property operating expenses and personnel and administrative expenses. For 2027, alstria's management planning foresees a significant increase in the EBIT margin to 101.5%, which is due to planned increases in the value of the real estate portfolio as a result of the

development activities. If the non-cash valuation effects are adjusted as part of the planning analysis, the adjusted EBIT margin for alstria for 2027 is 64.7%. Overall, the planned margin is below the median of the peer group, but still within the range (1st to 3rd quartile) of the peer group.

II. Valuation date

256. The assessment of the appropriateness of the cash compensation (Section 327b AktG) must take into account the circumstances of the company at the time of the resolution of its general meeting. February 11, 2025 was taken as the valuation date. On this date, the extraordinary general meeting of alstria is to decide on the proposed resolution to transfer the shares of the minority shareholders to the majority shareholder.

257. The valuation expert selected January 1, 2025 as the technical valuation date. Accordingly, the future financial surpluses to be discounted were first discounted to this date and then compounded to 11 February 2025 using the applicable capitalization rate.

258. We consider the valuation date determined by the appraiser and the corresponding procedure for determining the business value to be appropriate.

III. Analysis of the share price

1. Preliminary remark

259. The alstria shares (ISIN DE000A0LD2U1) are admitted to trading on the Regulated Market of the Frankfurt Stock Exchange or XETRA and at the same time in the sub-segment of the Regulated Market with additional post-admission obligations (Prime Standard). The shares are also traded on the OTC markets of the stock exchanges in Berlin, Düsseldorf, Hamburg, Hanover, Munich and Stuttgart as well as on the Tradegate Exchange and the Vienna Stock Exchange. The shares were excluded from the MDAX with effect from February 11, 2022.

260. The development of the alstria share price was significantly influenced by the
The transaction was influenced by the conclusion of an investor agreement between the company and Alexandrite Lake Lux Holdings S.à r.l., Luxembourg, a subsidiary of Brookfield Corporation, on November 4, 2021. The investor agreement provided for a voluntary public takeover offer for all outstanding shares of alstria of € 19.50 per share. The (extended) acceptance period ended on February 3, 2022.

261. BPG Holdings Bermuda Limited has informed the management board of alstria by letter dated
On September 18, 2024, alstria informed BPG Holdings Bermuda Limited that it intends to carry out a procedure to transfer the shares of the minority shareholders of alstria to BPG Holdings Bermuda Limited against an appropriate cash compensation pursuant to sections 327a AktG (so-called squeeze out). On
On September 18, 2024, alstria informed the public by ad hoc announcement about the intention of BPG Holdings Bermuda Limited to seek a squeeze out.

262. In its ruling dated February 21, 2023[18] , the **Federal Court of Justice** confirmed that the use of a company's stock market price does not contradict the statutory valuation objectives. In its decision of January 31, 2024, it confirmed its stock market price case law from the previous year and stated again in the operative part that the use of a company's stock market price is generally a suitable method for estimating the enterprise value and the value of an outside shareholder's investment (see BGH, decision of February 21, 2023 - II ZB 12/21, BGHZ 236, 180 marginal no. 18).[19]

263. The stock market price is seen by the BGH as an independent valuation method, which represents a significant further development of the "lower limits" case law of the Federal Constitutional Court. Only if, in a specific case, the possibility of a

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[18] See BGH, decision of 21.2.2023 - II ZB 12/21.
[19] See BGH, decision of January 31, 2024 - II ZB 5/22.

Since it cannot be assumed that the market participants are effectively evaluating the information and the stock market price therefore does not provide a reliable indication of the market value, the share value cannot be determined using the stock market price.

264. Recourse to stock market prices is ruled out if there is no functioning capital market. This may be the case if there has been virtually no trading in the company's shares over a longer period of time or if there is a narrow market. Indications of the existence of a narrow market may be low trading volumes, trading only on a few trading days and a low free float of the shares. Stock market prices are also of limited significance if there are inexplicable price fluctuations or price manipulation or if capital market disclosure obligations have not been complied with.

265. The indicators mentioned by the BGH in its decision of January 31, 2024 to assess the relevance of the stock exchange price are analyzed below on the basis of the following points for alstria:

a) Market narrowness and market depth,
b) Further liquidity ratios,
c) Price swings or price manipulation,
d) Disclosure obligations under capital market law

266. According to the case law of the BGH of July 19, 2010 (BGH, decision of July 19, 2010 - II ZB 18/09 - "Stollwerck", see AG 2010, p. 629), the relevance of the stock exchange price must be based on a three-month reference period prior to the announcement of the intended structural measure. On September 18, 2024, alstria informed the public by ad hoc announcement about the intention of BPG Holdings Bermuda Limited to seek a squeeze out. The reference period for our analysis is therefore from
June 18, 2024 up to and including September 17, 2024.

2. Market narrowness and Market depth

267. There are different opinions in the literature and in case law with regard to the assessment of market narrowness in the case of a structural measure under stock corporation law. With regard to the criteria that can be used to assess market tightness, attempts have been made in the literature (see in particular Wilm, NZG 2000, p. 238) to objectify the vague concept of market tightness. In particular, the following criteria have been developed:

- Number of tradable shares,
- Share of stock market turnover in relation to free float and
- Number of actual trading days.

268. The Federal Court of Justice (BGH) did not take "schematizing considerations" into account in its grounds for the decision of
March 12, 2001 (BGH, decision of March 12, 2001 - II ZB 15/00, see AG 2001, p. 417).

269. However, the so-called market squeeze is further specified by Section 5 (4) of the WpÜG-AngVO. According to
§ Section 5 (4) WpÜG-AngVO, a stock exchange price is not taken into account when determining a minimum price in the context of a takeover offer if

- stock exchange prices are determined on less than one third of the trading days **and**
- several consecutively determined stock market prices deviate from each other by more than 5.0 %.

270. The following table shows the information on trading volumes and the corresponding share prices (closing prices) of the alstria share on German trading venues from June 18, 2024 to September 17, 2024. The table contains the transactions actually concluded during the period. The shares were not traded on the days not listed in the table.

Date	Share price €	Share price deviation	Trading volume €	Trading volume Piece
18.06.2024	3,43		33.516	9.697
19.06.2024	3,41	-0,6%	2.443	700
20.06.2024	3,43	0,6%	13.447	3.891
21.06.2024	3,42	-0,3%	16.469	4.836
24.06.2024	3,36	-1,8%	373	107
25.06.2024	3,36	0,0%	34.267	10.127
26.06.2024	3,40	1,2%	6.337	1.864
27.06.2024	3,30	-2,9%	28.805	8.425
28.06.2024	3,34	1,2%	13.746	4.027
01.07.2024	3,38	1,2%	25.902	7.692
02.07.2024	3,36	-0,6%	22.153	6.532
03.07.2024	3,41	1,5%	34.154	9.991
04.07.2024	3,42	0,3%	68.509	19.775
05.07.2024	3,28	-4,1%	40.161	11.989
08.07.2024	3,38	3,0%	77.948	23.145
09.07.2024	3,39	0,3%	46.380	13.363
10.07.2024	3,42	0,9%	209.923	60.093
11.07.2024	3,35	-2,0%	29.577	8.617
12.07.2024	3,38	0,9%	5.002	1.472
15.07.2024	3,43	1,5%	7.267	2.106
16.07.2024	3,39	-1,2%	49.979	14.631
17.07.2024	3,49	2,9%	5.676	1.621
18.07.2024	3,41	-2,3%	167.360	48.092
19.07.2024	3,44	0,9%	807	230
22.07.2024	3,39	-1,5%	1.645	473
23.07.2024	3,37	-0,6%	12.001	3.504
24.07.2024	3,39	0,6%	52	15
25.07.2024	3,36	-0,9%	9.924	2.918
26.07.2024	3,35	-0,3%	43.692	12.868
29.07.2024	3,39	1,2%	11.714	3.401
30.07.2024	3,40	0,3%	97.855	28.223
31.07.2024	3,40	0,0%	346.954	100.053
01.08.2024	3,41	0,3%	334.305	96.347
02.08.2024	3,40	-0,3%	8.039	2.313
05.08.2024	3,41	0,3%	276.950	79.378
06.08.2024	3,40	-0,3%	3.885	1.132
07.08.2024	3,47	2,1%	33.673	9.869
08.08.2024	3,41	-1,7%	279.506	80.175
09.08.2024	3,48	2,1%	250.469	71.166
12.08.2024	3,41	-2,0%	291.675	84.158
13.08.2024	3,40	-0,3%	9.545	2.777
14.08.2024	3,45	1,5%	5.580	1.602
15.08.2024	3,43	-0,6%	66.371	19.024
16.08.2024	3,46	0,9%	184	53
19.08.2024	3,41	-1,4%	9.762	2.791
20.08.2024	3,45	1,2%	528.903	151.431
21.08.2024	3,42	-0,9%	44.708	12.811
22.08.2024	3,47	1,5%	18.025	5.211
23.08.2024	3,43	-1,2%	53.321	15.169
26.08.2024	3,43	0,0%	3.134	893
27.08.2024	3,44	0,3%	2.338	674
28.08.2024	3,43	-0,3%	175.155	50.238
29.08.2024	3,43	0,0%	7.813	2.233
30.08.2024	3,46	0,9%	89.879	25.544

Date	Share price €	Share price deviation	Trading volume €	Trading volume Piece
02.09.2024	3,54	2,3%	5.537	1.512
03.09.2024	3,60	1,7%	17.479	4.816
04.09.2024	3,62	0,6%	7.491	2.030
05.09.2024	3,54	-2,2%	29.776	8.284
06.09.2024	3,57	0,8%	5.432	1.510
09.09.2024	3,58	0,3%	21.103	5.784
10.09.2024	3,58	0,0%	30.760	8.525
11.09.2024	3,61	0,8%	51.821	14.238
12.09.2024	3,61	0,0%	7.538	2.065
13.09.2024	3,61	0,0%	9.198	2.530
16.09.2024	3,61	0,0%	7.024	1.928
17.09.2024	3,62	0,3%	152.788	41.962
Total			**4.303.204**	**1.234.651**

Source: Bloomberg; IVA analyses

Table 10: Overviewof trading volumes and share prices of the alstria share from June 18, 2024 to September 17, 2024

271. In the relevant three-month period prior to the announcement of the measure, trading in alstria's shares was characterized by fluctuating volumes. The alstria share was traded on 66 out of a possible 66 trading days, i.e. on 100.0% of the possible trading days. A total of 1,234,651 shares were traded in the period under review with a total trading volume of € 4,303,204.

272. In the period under review, no share price deviations of more than 5.0 % were observed in several consecutive stock market prices.

273. There is therefore no market squeeze within the meaning of the WpÜG-AngVO. In accordance with the criteria of the WpÜG-AngVO, the average share price cannot be discarded as an indicator of the market value of the share.

274. On the basis of our calculations presented above, we are able to confirm the valuation expert's used by the BaFin share price (revenue-weighted three-month average share price as at September 17, 2024). This amounted to **€ 3.49 per share for** the period from June 18, 2024 up to and including September 17, 2024.

3. Further Liquidity ratios

275. In addition to trading volume, trading days and free float, another indicator of liquidity is the bid-ask spread (hereinafter referred to a s "BAS"), the significance of which is set out in the order for reference of the Higher Regional Court of Frankfurt of April 26, 2021 (see OLG Frankfurt, April 26, 2021, 21 W 139/19).

276. The difference between the bid and ask price is borne by the market participants in the form of transaction costs. The lower the BAS, the more liquid the traded instrument is.

security. A uniform lower limit for defining illiquid share prices has not yet been established in valuation practice. In the opinion of the Higher Regional Court of Frankfurt, BAS of 1.56% or 1.88% for different observation periods does not constitute sufficiently liquid trading (see OLG Frankfurt, 26.1.2015, 21 W 26/13, para. 55). With reference to analyses by the court-appointed expert, the OLG Frankfurt no longer considers there to be sufficient liquidity for the determination of unbiased beta factors if the BAS is greater than 1.25% (see OLG Frankfurt, 26.1.2015, 21 W 26/13, para. 55). This view is shared by the Regional Court of Stuttgart, which no longer assumes a sufficiently liquid stock exchange price with a BAS of more than 1.25% and a daily trading turnover of up to € 115 thousand (see Regional Court of Stuttgart, 20.12.2018, 31 O 38/16, p. 103). Munich Regional Court considers the threshold at which sufficient liquidity no longer exists to be a BAS of over 1.25% (see Munich Regional Court, 2.12.2016, 5 HK 5781/15). With an average BAS of 4.78%, the Higher Regional Court of Hamburg does not see the basis for concluding from this alone that minority shareholders have no opportunity to sell their shares in the open market, given the trading volume of 15.1% actually realized in the case in question (13,909 shares traded in the reference period in relation to 92,137 freely tradable shares). In any case, according to the Higher Regional Court of Hamburg, the assumption of a narrow market cannot be based on this alone if shares were actually traded to a not inconsiderable extent and the criteria of Section 5 (4) WpÜG-AngVO are not met (see OLG Hamburg, 07.09.2020, 13 W 122/20).

277. The appraiser determined an average BAS of 2.25 % for the reference period prior to the announcement of the structural measure from June 18, 2024 to September 17, 2024.

278. Furthermore, the valuation expert compares the average BAS of 2.25 % in the period from June 18, 2024 to September 17, 2024 with the average BAS of the DAX (0.187 %), MDAX (0.323 %), SDAX (0.535 %) and peer group companies (1.082 %). It concludes that the BAS for the alstria share is significantly above the listed averages.

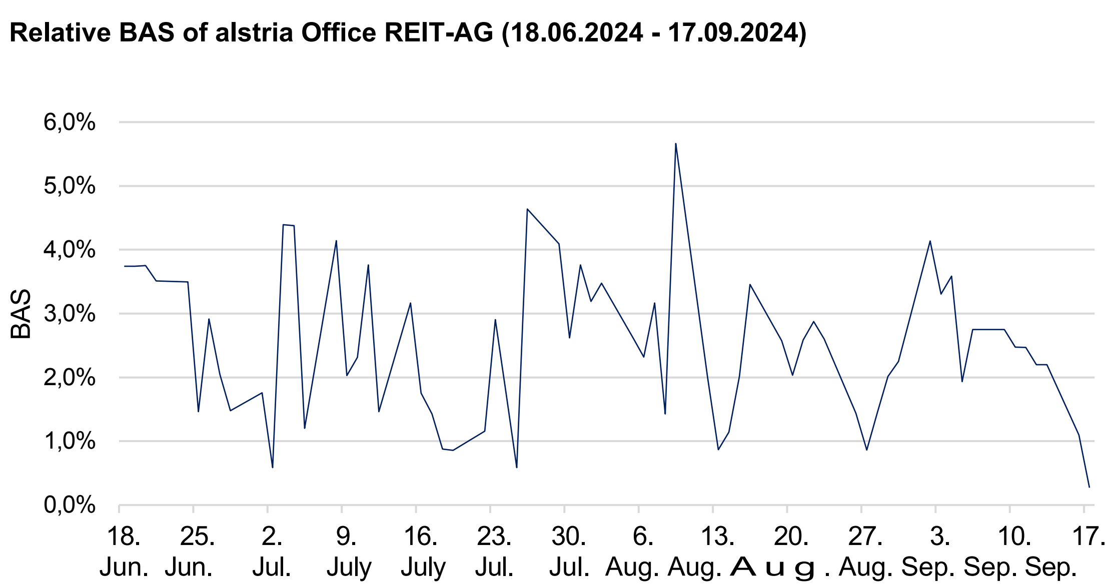
279. Furthermore, the valuation expert determined an average daily trading volume of around 18,700 shares in the reference period, which corresponds to 0.01% of the total share portfolio as at September 18, 2024. The average trading volume was around € 64.2 thousand in the reference period. The cumulative trading volume of around 1.2 million shares over the reference period corresponds to 0.67% of alstria's outstanding shares.

280. As a result of the liquidity analyses, the valuer concludes that the alstria share achieved a higher BAS in the reference period compared to the reference indices and peer group indices.

Group companies. ValueTrust also points out that the alstria share is characterized by sufficient liquidity. Even though the free float prior to the announcement of the squeeze-out was low and the trading volume comparatively low, there was continuous trading in the alstria share. In the opinion of the Valuation Expert, there are no fundamental objections to the use of the stock exchange price as a benchmark for determining the compensation.

281. To assess the liquidity, we conducted our own analyses and analyzed the development of the relative BAS of the alstria share in the three-month period ending on September 17, 2024, the day before the announcement of the transfer request.

282. The following chart shows the development of the relative BAS for the three-month period ending September 17, 2024



Source: Bloomberg; IVA analyses

Figure 30: Relative BAS of the alstria share from June 18, 2024 to September 17, 2024

283. The relative BAS of the alstria share is between 0.27 % and 5.67 % in the period under review, with an average (median) of 2.47 % (2.39 %). Thus, the relative BAS of the alstria share in the period under review is above the values predominantly considered as upper limit in case law and literature.

284. In addition, we analyzed the trading volume and the trading ratio of the share as well as the proportion of the company's shares in free float for periods of two, three and three years.

five years up to and including September 17, 2024. The analysis relates to the corresponding values for shares listed on German trading venues. The results of this analysis are presented in the following table.

alstria Office REIT-AG		Observation period		
		2 years	3 years	5 years
Trading turnover (median)	T€	33.964	68.819	1.100.823
Trading turnover (mean value)	T€	55.853	1.849.517	3.962.589
Trading ratio (median)	%	0,08%	0,14%	0,21%
Trading ratio (mean value)	%	0,15%	0,81%	0,61%
Free float (median)	%	4,80%	4,81%	4,89%
Free float (mean value)	%	4,73%	15,96%	48,38%

Source: Bloomberg; IVA analyses

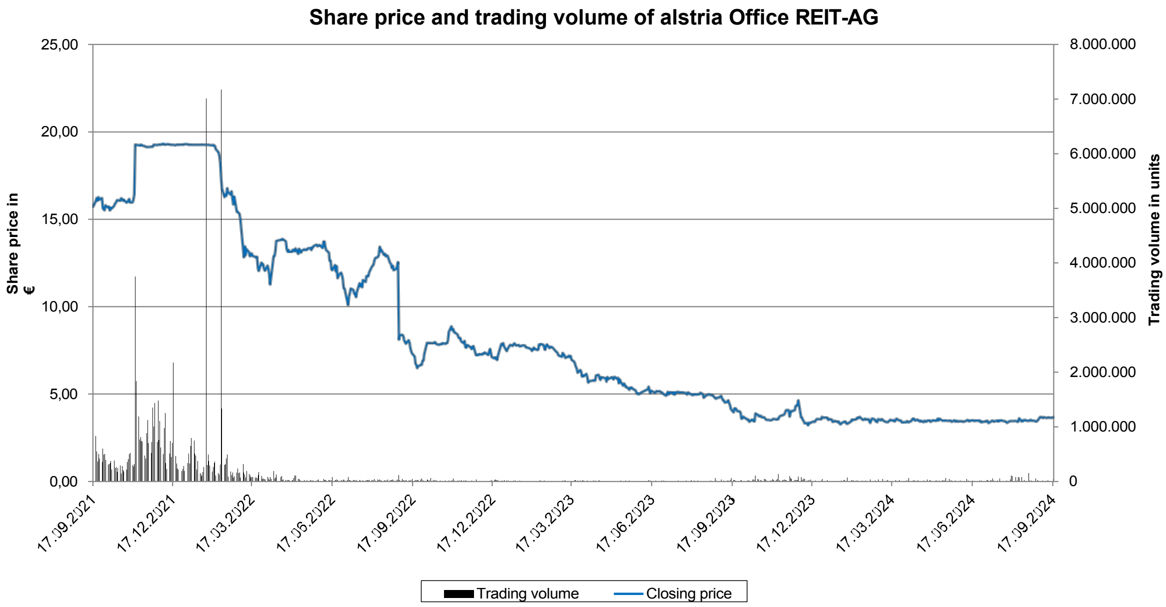
Table 11: Overview of trading turnover, trading ratio and free float of the alstria share for two, three and five years until September 17, 2024

285. alstria's trading turnover has decreased significantly over the last five years. While the median trading turnover in the period from September 18, 2019 to 17. September 2024 amounted to around € 1.1 million, in the two-year period from 18. September 2022 to September 17, 2024 was only around € 33 thousand. On average, trading turnover fell from just under € 4.0 million in the five-year period to around € 55 thousand. Among other things, this is due to the lower number of shares in free float as a result of the takeover by Brookfield Corporation at the end of 2021. The trading ratio, which is calculated by dividing the trading volume by the number of shares in free float, shows a similar trend and fell from a median (average) of around 0.21% (0.61%) in the five-year period to around 0.08% (0.15%) in the two-year period. The free float in the periods under review was 4.80% (2 years), 4.81% (3 years) and 4.89% (5 years). It should be noted that the ratio for the five-year period is only slightly higher than in the other periods due to the median analysis. A look at the arithmetic mean shows a significantly higher free float ratio of 48.38% for the five-year period than for the two-year period (4.73%).

286. Against the background of the analysis of various liquidity ratios of the share, it is in our opinion at least doubtful whether sufficient liquidity can be assumed in the share trading of the alstria share.

4. Price swings or price manipulation

287. The following chart shows the development of the alstria share price and the underlying trading volumes over a period of three years up to the balance sheet date.
September 17, 2024, the last trading day prior to the announcement of the transfer request. The trading data refer to trading of the share listed on XETRA.



Source: Bloomberg; IVA analyses

Figure 31: Share price and trading volumes of the alstria share from September 17, 2021 to September 30, 2021
September 17, 2024

288. The alstria share initially recorded a sharp rise on November 4, 2021 to around the level of the takeover offer of € 19.50 per share announced on the same day as part of the investor agreement. Almost no price movement was observed until the end of the acceptance period on February 3, 2022. In the subsequent period until the end of March 2022, a steady decline in the share price was observed, which was due, among other things, to the general market uncertainties caused by the outbreak of the Ukraine crisis and the exclusion of the share from the MDAX (February 11, 2022). On
On April 8, 2022, the management board of alstria announced its intention to raise up to € 850 million in debt. Subject to the decision of the general meeting, the proceeds from this were to be used to return capital to shareholders in the amount of around € 1 billion - either in the form of a share buyback or a special distribution. As a result, the share price rose from € 11.68 on April 7, 2022 to € 13.87 on April 21, 2022. At the company's Annual General Meeting on
June 10, 2022, the shareholders initially approved the payment of a regular dividend of

approx. 7.1 million was resolved. On August 8, 2022, the company's management board announced that it was increasing the proposal for the special dividend for the 2021 financial year announced in April from € 500 million to € 550 million, which led to a positive development in the share price. At the extraordinary general meeting at the end of August, the dividend was finally raised to a total of € 750 million, which corresponds to a distribution of € 4.21 per dividend-bearing share. The dividend payment is reflected in the fall in the share price on the ex-dividend date.

289. Based on our analyses of the alstria share price, we were able to identify several significant price jumps in the three-year period analyzed. On the one hand, these are due to the takeover offer in connection with the investor agreement, which increased the share price development between November 4 , 2021 and
February 3, 2022 was influenced. In addition, further significant jumps in the share price were observed over the course of the year as a result of refinancing and the payment of a special dividend. The share price performance during the period under review can therefore generally be explained by the corresponding company and environmental developments. In our opinion, there are no indications of share price manipulation. Overall, we therefore consider the share price of alstria to be fundamentally meaningful, at least in the reference period prior to the announcement of the structural measure.

5. Capital market law Disclosure obligations

290. At the request of alstria, the Company's shares were admitted to trading on the Regulated Market of the Frankfurt Stock Exchange or XETRA and at the same time to the sub-segment of the Regulated Market with additional post-admission obligations (Prime Standard). Thus, alstria is subject to transparency requirements. The transparency requirements include, for example, the Prime Standard segment of the Frankfurt Stock Exchange:

- Annual financial reports and quarterly reports: Publication of audited annual financial statements (financial statements in accordance with international accounting standards, i.e. IFRS or US GAAP) within six months of the end of the financial year and unaudited quarterly reports within four months of the end of the reporting period,

- Ad hoc announcements: Immediate publication of price-sensitive information in accordance with the EU Market Abuse Regulation,

- Company calendar: Publication of a calendar with the most important events (e.g. general meeting, publication of financial reports),

- Analyst and investor events: Implementation of analyst and investor events at least once a year.

291. In addition, analyst reports on alstria have been published by Barclays, J.P. Morgan and Deutsche Bank, among others. If several analysts' opinions as well as relatively consistent expectations of the parties involved and market observers are available, it can be assumed that there is a higher probability of effective processing of information and a higher likelihood of a positive market reaction.
-valuation of the share under review by the capital market. The last available analyst report for alstria, which we have, dates from September 5, 2024. The price target was € 3.40 per share and was therefore below the share price at that time. A decoupling of the market expectation for the share price from the economic development cannot be observed. Therefore, in our opinion, alstria's share price is generally meaningful against the background of the publication obligations under capital market law and market expectations.

6. Summarizing Result

292. In summary, on the basis of our analyses, we conclude that

- there is no market squeeze within the meaning of the WpÜG-AngVO,
- the relative BAS of the alstria share in the period under review is above the values predominantly regarded as the upper limit in case law and literature,
- in the three-year period observed prior to the start of the reference period, there were several significant price jumps that can be explained by corresponding company and environmental developments, and
- the stock exchange disclosure obligations were fulfilled by alstria in the reference period prior to the announcement of the structural measure.

293. The valuation expert concludes that the three-month revenue-weighted average share price of alstria is an appropriate method to determine the fair value of the shares of alstria AG as well as the appropriate cash compensation according to
§ Section 327b AktG.

294. A final assessment of whether the stock exchange price of alstria is to be used only as a lower value limit or also as a market value does not have to be made in the present case.

The background to this is that the cash compensation offer of the majority shareholder was determined on the basis of the capitalized earnings value and this capitalized earnings value is higher than the stock market price.

295. Finally, we would like to point out that the prerequisite for an extrapolation of the stock exchange price of alstria to the valuation date according to the case law of the BGH does not exist, as there is no "longer period" between the announcement of the structural measure (September 18, 2024) and the day of the extraordinary general meeting (February 11, 2025).

IV. Determination of the enterprise value

1. Analysis of the past

a) Preliminary remark

296. The forecast of future financial surpluses represents the core problem of every business valuation. The starting point for the forecast of future success is the analysis of the past, which serves to identify the main causes of the level of earnings and
-The aim is to work out the development of past results in a specific period. The historical analysis forms the basis for plausibility considerations and the assessment of expected future financial developments.

297. Against this background, the analysis of the past financial years and the adjustment of selected items in the company's income statement serve the purpose of being able to better assess the basis of the planning calculation. As part of the analysis of the past, significant extraordinary income and expenses relating to other periods were adjusted.

298. The following analyses of the results of operations (section D.IV.1.b) and the net assets and financial position (section D.IV.1.c) were prepared for the financial years 2021 to 2023 on the basis of alstria's audited consolidated financial statements in accordance with IFRS, which have been issued with an unqualified audit opinion. The figures presented for 2024 are based on the quarterly report as of September 30, 2024 and a projection for the fourth quarter of 2024.

299. As part of the historical analysis, we have in particular reproduced the appraiser's analyses and performed our own analyses of the net assets and results of operations.

b) Earnings situation

300. The following table shows the adjusted results of operations of alstria office REIT Group for the financial years 2022 and 2023 as well as FC 2024 according to IFRS.

alstria office REIT-AG Profit and loss account (adjusted)	IS 2022 million €	IS 2023 million €	FC 2024 million €	2022/23 %	2023/24 %
Rental income	**182,8**	**192,0**	**197,5**	***5,0***	***2,9***
Growth in %	*-0,5*	*5,0*	*2,9*		
Net property operating expenses	-29,8	-28,1	-28,9	*-5,8*	*2,9*
in % of rental income	*16,3*	*14,6*	*14,6*		
Net rental income	**153,0**	**163,9**	**168,6**	***7,1***	***2,8***
in % of rental income	*83,7*	*85,4*	*85,4*		
Administrative expenses	-8,7	-9,2	-9,0	*5,8*	*-2,6*
in % of rental income	*4,8*	*4,8*	*4,6*		
Personnel expenses	-11,1	-10,4	-10,3	*-6,8*	*-0,6*
in % of rental income	*6,1*	*5,4*	*5,2*		
Other operating income	0,9	0,9	0,0	*-3,7*	*-100,0*
in % of rental income	*0,5*	*0,5*	*0,0*		
Other operating expenses	-0,4	-0,2	-4,2	*-62,9*	*n.a.*
in % of rental income	*0,2*	*0,1*	*2,1*		
Valuation result	-5,8	-8,2	-10,8	*42,4*	*31,1*
in % of rental income	*-3,2*	*-4,3*	*-5,5*		
Net operating result (EBIT)	**127,9**	**136,9**	**134,3**	***7,1***	***-1,9***
in % of rental income	*69,9*	*71,3*	*68,0*		
Net financial result	-30,3	-53,7	-73,1	*77,5*	*36,1*
in % of rental income	*-16,5*	*-28,0*	*-37,0*		
Result from companies accounted for using the equity method	-0,8	0,0	0,0	*n.a.*	*n.a.*
in % of rental income	*-0,4*	*0,0*	*0,0*		
EBT (adjusted)	**96,8**	**83,1**	**61,2**	***-14,1***	***-26,4***
in % of rental income	*53,0*	*43,3*	*31,0*		
Neutral result / adjustments	-171,3	-736,7	13,9	*n.a.*	*n.a.*
in % of rental income	*-93,7*	*-383,7*	*7,0*		
Income taxes	-0,1	0,2	-217,6	*n.a.*	*n.a.*
in % of EBT	*0,0*	*0,0*	*0,3*		
Consolidated net income for the year	**-74,6**	**-653,4**	**-142,5**		
in % of rental income	*-40,8*	*-340,3*	*-72,2*		

For information: Depreciation and amortization	-1,0	-1,6	-1,5	*61,5*	*-3,7*
for information purposes: EBITDA	**128,8**	**138,4**	**135,8**	***7,5***	***-1,9***
in % of rental income	*70,5*	*72,1*	*68,8*		

Source: alstria office REIT Group Annual Reports 2021, 2022 and 2023, Half-Year Financial Report 2024 and FC 2024

Table 12: Adjusted income statement of alstria for the financial years 2022 to 2023 and FC 2024 according to IFRS

301. **Rental income** amounted to € 182.8 million in 2022. In the following year 2023, rental income will increase by 5.0% to € 192.0 million. The increase results in particular from the indexation of existing rental agreements. The increase in rental income due to the indexation more than compensates for both the decrease in the number of properties from 108 to 106 and the increase in the vacancy rate measured in terms of rent from 7.2% to 8.0%. According to FC 2024

the company expects rental income to increase by 2.9% to € 197.5 million in 2024. With the number of properties remaining the same, the increase is attributable to a higher average rent due to indexation and new lettings. The rentable space will amount to 1.43 million m^2 in 2021, falling to 1.40 million m^2 in 2022 and 1.39 million m^2 in 2023. For 2024, the company expects rentable space of around 1.40 million m^2 . According to Group reporting, the average rent per m^2 is € 13.33 in 2021, rising to € 14.06 in 2022 and then to € 14.61 in 2023. According to the half-year financial report, the average rent per m^2 for 2024 is € 15.10.

302. **Net property operating expenses** are calculated by netting the revenue from recharged operating expenses with the total property operating expenses. Net property operating expenses mainly include operating costs, repair and modernization costs and ongoing maintenance costs. Expenses amounted to € 29.8 million in 2022 and will decrease by 5.8% to € 28.1 million in 2023, while the cost/income ratio will fall by 1.7 percentage points to 14.6% due to the lower proportion of non-allocable operating costs. According to FC 2024, net property expenses will amount to € 28.9 million in 2024, which corresponds to an unchanged cost/income ratio of 14.6% compared to the previous year.

303. The resulting net **rental income** will amount to € 153.0 million in 2022 with a margin of 83.7% and will increase by 7.1% to € 163.9 million in 2023, with a margin of 85.4%. In 2024, the company expects net rental income to increase by 2.8% to € 168.6 million, with an unchanged margin of 85.4%.

304. **Administrative expenses** mainly include legal and consulting fees and depreciation and amortization in connection with intangible assets and property, plant and equipment as well as a number of other items. In 2022, administrative expenses amounted to € 8.7 million, which is mainly attributable to legal and administrative costs, which amounted to around € 2.9 million due to an increased need for advice in connection with changes implemented following the Brookfield transaction. The cost/income ratio in 2022 is 4.8%. In 2023, administrative expenses will increase by 5.8% to € 9.2 million due to slightly higher legal and consulting fees and increased depreciation and amortization, while the cost/income ratio remains unchanged at 4.8%. According to FC 2024, administrative expenses will amount to around € 9 million in 2024, which corresponds to a year-on-year reduction of 2.6 %. The cost/income ratio is 4.6%, which is 0.2 percentage points below the previous year's figure.

305. **Personnel expenses** mainly comprise wages and salaries. In 2022, these amounted to € 11.1 million and the personnel expense ratio was 6.1% in 2022. In 2023

personnel expenses fell by 6.8% to € 10.4 million. The cost/income ratio in 2023 is 5.4%. According to FC, the company expects personnel expenses of € 10.3 million in 2024, which is roughly the same as in the previous year. The personnel expenses ratio will then be 5.2% due to higher rental income and thus 0.2 percentage points below the previous year's figure.

306. Adjusted **other operating expenses and income** are of minor importance for the company's overall earnings position.

307. The **valuation result** includes capitalized personnel expenses in connection with property development, which are taken into account in the context of the subsequent sale. These were reported under personnel expenses until the adjustment to Brookfield accounting.

308. **EBITDA** for reporting purposes amounts to € 128.8 million in 2022 **with an EBITDA margin** of 70.5%. In the following year, EBITDA increases by 7.5% to € 138.4 million, while the margin also improves by 1.6 percentage points to 72.1%. EBITDA for 2024 amounts to € 135.8 million, which corresponds to a decrease of 1.9% compared to the previous year. The EBITDA margin will decrease by 3.3 percentage points to 68.8%.

309. **Depreciation** results from the scheduled depreciation of property, plant and equipment and is reported under administrative expenses. They are of minor significance for the company's earnings position.

310. Based on the sales, expenses and income presented, the adjusted **net operating result (EBIT) in** 2022 amounts to € 127.9 million **with an EBIT margin of** 69.9%. In 2023, the net operating result will increase by 7.1% to € 136.9 million, with a margin of 71.3%. The margin improvement of 1.4 percentage points is due to both a better net rental margin and a lower cost/income ratio for administrative and personnel expenses. Based on the FC, EBIT for 2024 amounts to € 134.3 million, which is 1.9% below the previous year's result, and an EBIT margin of 68.0%, which is 3.3 percentage points below the previous year's figure due to other operating expenses.

311. The **net financial result** mainly includes interest expenses from the corporate bonds and loans issued as well as the result from financial instruments. In 2022, the net financial result amounted to € -30.3 million, which is mainly due to taking out additional loans and the associated increase in interest expenses from further loans. In 2023, the financial result deteriorates significantly by 77.7% to € -53.8 million, which is due to further borrowing and increased interest expenses from additional loans.

refinancing costs. Additional loans were taken out to repay an expiring bond, an expiring promissory bill and to partially finance a special dividend. Interest expenses from bank loans increased accordingly from € 8.4 million in the previous year to € 57.1 million in 2023; in the period from

December 31, 2022 to December 31, 2023, the average interest rates for alstria's bank liabilities increased from 2.1% p.a. as of December 31, 2022 to 2.6% p.a. as of December 31, 2023.

December 31, 2023, which corresponds to an increase in financing costs for bank loans of 0.5 percentage points. However, this is covered by lower interest expenses from corporate bonds of € 16.7 million, positive net interest income from derivative financial instruments of € 9.4 million and income from financial instruments and other interest income of € 13.2 million. According to FC 2024, the company expects an adjusted net financial result of € -73.1 million for 2024.

312. The **result from companies accounted for using the equity method** will arise for the last time in the 2022 financial year and is of minor significance for the company's earnings position.

313. In 2022, adjusted **EBT** amounts to € 96.8 million, with an **EBT margin** of 53.0% in 2022. In 2023, EBT deteriorates by 14.1% to € 83.1 million with an EBT margin of 43.3%. According to FC 2024, adjusted EBT of € 61.2 million with an EBT margin of 31.0% is expected for 2024.

314. The **non-operating result (adjustments)** for financial years 2022 to 2023 and FC 2024 includes several extraordinary expenses and income that are not to be recognized, as shown in the following table.

Adjustments	2022	2023	2024
	in € million	in € million	in € million
1. Valuation of limited partner contributions of non-controlling shareholders	0,5	18,8	0,0
2. compensation payments and other charges oncharges	8,2	0,5	3,6
3. compensation payments received	1,3	0,3	0,0
4. Income Reversal of provisions	0,0	0,3	0,0
5. Reversal of impairment losses on trade receivables	0,0	0,1	0,0
6. grant KfW loan for green investments	4,2	0,0	0,0
7. guarantee service property developer	1,0	0,0	0,0
8. Income from repurchase of corporate bonds	0,0	6,4	11,8
Neutral income	**15,3**	**26,4**	**15,4**
9. Expenses for share-based payments	-4,9	-0,5	0,0
10. value adjustment on trade receivables	-1,5	-0,6	0,0
11. legal and consulting costs	-2,0	0,0	0,0
12. net result from the measurement of investment property at fair value	-173,8	-761,3	0,0
13. net result from the sale of financial investments Real estate held	2,9	0,1	0,0
14. other financing costs	-6,8	0,0	0,0
15. net result from the measurement of derivative financial instruments at fair value	-0,5	-0,7	-1,5
Neutral expenses	**-186,6**	**-763,1**	**-1,5**
Neutral result	**-171,3**	**-736,7**	**13,9**

Source: alstria office REIT; ValueTrust; IVA analyses

Table 13: Composition of adjustments from 2022 to 2023 and FC 2024

315. As part of the adjustment of the operating result, we have reproduced the main adjustments made by the valuation expert and adopted them. We have also made additional adjustments as part of FC 2024. This relates to the valuation result from derivative financial instruments (15.) and the income from the repurchase of corporate bonds (8.).

316. The adjustments mainly relate to the net result from the sale of properties (14.), legal and consulting costs in connection with the takeover in 2021 (12.), expenses from share-based payments (9.), valuation of limited partnership contributions (1.), the grant for a KfW loan (6.) and compensation payments and other oncharges (2.).

317. In addition to the adjustment of the operating result, parts of the valuation result (13. and 16.) and effects from the bridge financing (15.) were also adjusted as part of the takeover.

318. Due to its REIT status, alstria office REIT-AG was exempt from corporation and trade tax. Nevertheless, the Group recorded a minor tax expense in the years 2022 to 2023. This results from the subsidiaries of alstria AG, which either act as general partners of real estate partnerships or as REIT service companies. For 2024, the company expects a deferred tax expense from the recognition of deferred tax liabilities due to the loss of REIT status. The deferred tax burden results from the different valuations of the property portfolio between the carrying amount in the tax balance sheet and the fair value in accordance with IFRS and the assumption of a corporation tax rate of 15.825% and a trade tax rate of 16.45%. However, as not all hidden reserves are subject to trade tax, an average tax rate of 18.64% was applied overall.

319. The **consolidated result** after adding the non-operating result is as follows
Due to the clearly negative valuation result in 2023, the consolidated result will deteriorate significantly to € -653.4 million. For 2024, the company expects a consolidated net loss for the year of € -142.5 million, whereby this only includes a small valuation result.

c) Net assets and Financial position

320. The following table shows the asset and capital structure of alstria as of the respective balance sheet dates for the financial years 2022 to 2024.

alstria office REIT Group	31.12.2022		31.12.2023		31.12.2024 (FC)	
Balance sheet	**million €**	***in %***	**million €**	***in %***	**million €**	***in %***
Investment property	4.606,8	*89,2*	3.971,3	*93,7*	4.100,9	*95,0*
Investments accounted for using the equity method	0,1	*0,0*	0,0	*0,0*	0,0	*0,0*
Property, plant and equipment	20,2	*0,4*	21,4	*0,5*	20,8	*0,5*
Intangible assets	0,5	*0,0*	0,6	*0,0*	0,4	*0,0*
Financial assets	94,9	*1,8*	95,4	*2,3*	94,4	*2,2*
Derivative financial instruments	34,8	*0,7*	6,6	*0,2*	3,5	*0,1*
Non-current assets	**4.757,4**	*92,1*	**4.095,2**	*96,6*	**4.220,0**	*97,8*
Receivables from LuL	8,2	*0,2*	10,8	*0,3*	6,4	*0,1*
Receivables from taxes	1,3	*0,0*	0,1	*0,0*	0,0	*0,0*
Other receivables and assets	5,4	*0,1*	5,7	*0,1*	10,2	*0,2*
Derivative financial instruments	0,0	*0,0*	9,4	*0,2*	4,6	*0,1*
Cash and cash equivalents	365,0	*7,1*	116,3	*2,7*	73,7	*1,7*
Real estate held for sale	26,6	*0,5*	0,0	*0,0*	0,0	*0,0*
Current assets	**406,4**	*7,9*	**142,3**	*3,4*	**94,9**	*2,2*
Total assets	**5.163,8**	*100,0*	**4.237,5**	*100,0*	**4.314,9**	*100,0*
Subscribed capital	178,3	*3,5*	178,6	*4,2*	178,6	*4,1*
Capital reserve	507,6	*9,8*	246,0	*5,8*	246,0	*5,7*
Reserve for cash flow hedging	32,7	*0,6*	-6,4	*-0,2*	11,0	*0,3*
Retained earnings	1.849,3	*35,8*	1.195,9	*28,2*	1.041,2	*24,1*
Revaluation reserve	3,5	*0,1*	3,5	*0,1*	3,5	*0,1*
Equity capital	**2.571,4**	*49,8*	**1.617,5**	*38,2*	**1.480,2**	*34,3*
Corporate bonds	1.427,0	*27,6*	1.077,2	*25,4*	980,7	*22,7*
Loan liabilities	971,4	*18,8*	1.362,1	*32,1*	1.459,6	*33,8*
Leasing liabilities	5,7	*0,1*	5,4	*0,1*	5,4	*0,1*
Interest-bearing debt	**2.404,1**	*46,6*	**2.444,8**	*57,7*	**2.445,7**	*56,7*
Limited partner contributions of non-controlling shareholders	121,0	*2,3*	98,3	*2,3*	96,8	*2,2*
Liabilities from trade payables	3,6	*0,1*	4,7	*0,1*	3,2	*0,1*
Income tax liabilities	2,2	*0,0*	2,2	*0,1*	219,9	*5,1*
Other non-interest-bearing liabilities	61,5	*1,2*	69,9	*1,7*	69,1	*1,6*
Non-interest-bearing debt	**188,2**	*3,6*	**175,1**	*4,1*	**389,0**	*9,0*
Total equity and liabilities	**5.163,8**	*100,0*	**4.237,5**	*100,0*	**4.314,9**	*100,0*

Source: alstria office REIT Group Annual Reports 2021, 2022 and 2023

Table 14: Balance sheet of alstria as of December 31, 2022, 2023 and 2024 (FC)

321. **Non-current assets** mainly include **investment property**. As at **December 31, 2022**, this item amounted to € 4,606.8 million. Three properties were sold in the 2022 financial year, two of which were transferred to the buyer in 2022. A further property is reported under properties held for sale. Overall, this results i n carrying amount disposals of € 108.8 million with a transaction volume of € 116.0 million.

There were no additions in the 2022 financial year. As at **December 31, 2023**, there was a further decrease in investment properties of 13.8% to € 3,971.3 million. One property was sold and transferred in the 2023 financial year. This resulted in a book value reduction of € 3.3 million with a transaction volume of € 3.2 million, which led to a loss on disposal. In addition, an adjustment of the market values as part of the annual fair value measurement led to an impairment of the property assets of around € 769.5 million. There were no additions in the 2023 financial year either. **As at December 31, 2024**, the value according to FC will amount to € 4,100.9 million, which is mainly due to the declining interest rate level, resulting in a positive value effect as part of the property valuation.

322. Non-current **financial assets** consist almost exclusively of loans with a term until the end of the 2032 financial year. As at December 31, 2021, loans amounted to € 38.7 million. As at December 31, 2022, the loans amounted to € 94.4 million due to an increase and will remain constant as at December 31, 2023. The loans relate to a Dutch foundation that uses the funds to acquire shares in alstria Prime Portfolio GmbH & Co. The loans are repayable in 2032 and bear interest at a rate of 3.47% p.a. As at December 31, 2024, the FC shows a value of € 94.4 million, which only includes the loans to the foundation.

323. As at December 31, 2022, **derivative financial instruments** only include interest rate swaps with a positive market value, meaning that only derivative financial assets are reported. As at December 31, 2023, the derivative financial instruments include interest rate swaps and caps. As there are both positive and negative market values for the swaps, these are reported under both financial assets and current and non-current liabilities. As at December 31, 2024, the company expects the value of the non-current and current derivative financial instruments to total € 8.1 million in accordance with FC.

324. **Trade receivables** consist of rent and ancillary cost receivables and are of minor significance for the company's financial position.

325. The **properties held for sale** as at December 31, 2021 include two properties that will not be transferred to the buyer until the following year. As at
December 31, 2022, the item includes a property that will not be transferred until the following year 2023. At the end of the 2023 financial year, no properties were classified as held for sale, meaning that the item as at December 31, 2023

amounts to zero. As at December 31, 2024, the item is also zero, as no transactions were initiated in 2024.

326. **Loans and bonds issued** are a significant component of debt. Loans and corporate bonds are taken out or issued by alstria to finance individual properties, property portfolios or the company. The primary financial objective is to achieve a long-term and stable financing structure. To this end, financing sources are diversified and a balanced maturity profile is sought, which enables coordinated and continuous refinancing. The financial debt of alstria is partially hedged by derivative financial instruments. The

As at December 31, 2022, there are four bonds with maturities in the years 2023 to 2027 and a coupon of 0.5% to 2.125%. The loans include land charge loans, promissory note loans and a KfW loan with a predominantly long-term character. The land charge loans are property-related and mostly have variable interest rates based on the three-month EURIBOR. Loans and bonds exist **as at December 31, 2022**

in the amount of € 2,398.4 million. The average remaining term of the loans amounted to December 31, 2022 is 3.2 years, the average interest rate on the loan is 2.1%. **As at**

As at December 31, 2023, loans and bonds totalled € 2,439.4 million, which corresponds to a slight increase of 1.7% compared to the previous year. Of this, 44.2% or € 1,077.2 million is attributable to corporate bonds and 55.8% or € 1,362.1 million to land charge loans, of which four new loans were taken out in 2023. The additional loans were taken out to repay an expiring bond, an expiring promissory bill and to partially finance a special dividend. Vis-a-vis this, the total carrying amount of the corporate bonds and promissory bills issued decreased by € 381.7 million. The average remaining term of the loans as at December 31, 2023 was 3.3 years and the average loan interest rate was 2.6%. **As at December 31, 2024,** loans and bonds totalled € 2,440.3 million according to FC, which is almost unchanged vis-a-vis the previous year. Of this, 40.2% or € 980.7 million is attributable to corporate bonds and 59.8% or € 1,459.6 million to land charge loans.

327. The **limited partner contributions of non-controlling shareholders** result from the conversion of DO Deutsche office AG as part of the voluntary takeover offer by alstria office REIT-AG on August 21, 2015. the limited partner contributions are recognized taking into account the proportionate hidden reserves of the real estate portfolio.

328. **Income tax liabilities** are expected to exist as at December 31, 2024.

219.9 million and relate exclusively to deferred tax liabilities due to the loss of REIT status.

329. As at all three reporting dates, **other liabilities** mainly include liabilities from outstanding invoices and from deposits and security deposits received.

2. Planning process

330. The business valuation of alstria is generally based on a forecast prepared by alstria for the current year 2024 and a medium-term plan for the years 2025 to 2029 (together detailed planning period). The forecast was prepared as part of alstria's regular planning process and comprises a projected income statement, a projected balance sheet and a projected cash flow statement.

331. The planning process takes place in several stages that build on each other. First, the real estate management teams prepare a budget at individual property level or update the existing budget. In addition to the planning of rental income, which takes into account existing rental agreements, vacancies and planned new lettings, property-related operating expenses are also planned. The budgets prepared in this way are finalized and forwarded to the divisional level. The plausibility of the planning calculations for the individual properties is checked at divisional level. If adjustments need to be made, the budgets are passed back to the relevant property management teams and the budgets are finalized at individual property level in an iterative process before being passed on to company level.

332. Aggregation, plausibility checks and standardization of assumptions are carried out at company level. Transactions and investments, including project developments, are also planned at this level. In principle, the company plans that each property in the existing portfolio will be subject to maintenance and modernization measures during the period of ownership of the company. The timing of the measures depends on various factors. In addition to the urgency of the measures, the occupancy rate of the properties and the company's internal capacities and liquidity are important factors. Modernization measures are The refurbishment is generally carried out once the property is fully vacant, which in turn depends on existing rental agreements. The company prepares and reviews individual refurbishment and modernization plans for properties in the development portfolio. This enables the precise allocation of funds to be planned and maintenance and modernization measures to be prioritized. At the time of preparing the budget, only those refurbishments that are sufficiently specific are taken into account. As refurbishments are at the core of alstria's business model, it is to be expected that further refurbishments will be carried out even if the respective

properties have not yet been identified. An additional top-down adjustment is therefore made by the management for restructuring measures. Likewise, planned but not yet sufficiently concrete transactions are planned by means of top-down adjustments by the management.

333. Administrative and personnel expenses are also planned at company level. Property-related administrative and personnel expenses are planned separately and included in the property-related expenses. The financial result is then planned on the basis of existing and planned liabilities (bonds and bank loans) and cash and cash equivalents. The company does not explicitly plan new property acquisitions, as these are made opportunistically.

334. As the company will no longer have REIT status at the end of the 2024 financial year, the company has prepared a budget for the period from 2025 to 2029, taking into account both REIT status and the loss of REIT status.

335. The management plan on which the valuation is based was adopted by the management board on December 5, 2024 and approved by the supervisory board on December 10, 2024.

3. Planning reliability

336. As part of our audit work, we also analyzed the Company's adherence to planning in the past. For this purpose, we compared the budget planning for the financial years 2022 to 2024 with the adjusted actual results and the FC 2024 as at September 2024. The following table shows the variance analysis for the years 2022 to 2024.

alstria office REIT-AG Profit and loss account adjusted	Plan 2022 in € million	Is 2022 in € million	Delta 2022 in %	Plan 2023 in € million	Is 2023 in € million	Delta 2023 in %	Plan 2024 in € million	FC 2024 in € million	Delta 2024 in %
Rental income	**183,1**	**182,8**	***-0,2***	**190,1**	**192,0**	***1,0***	**198,3**	**197,5**	***-0,4***
Growth in %	*3,7*	*-0,7*		*3,8*	*4,2*		*4,3*	*-14,2*	
Net property operating expenses	-26,2	-29,8	*13,8*	-30,3	-28,1	*-7,3*	-29,5	-28,9	*-2,0*
in % of sales revenue	*14,3*	*16,3*		*15,9*	*14,6*	*-*	*14,9*	*14,6*	
Net rental income	**156,9**	**153,0**	***-2,5***	**159,8**	**163,9**	***2,6***	**168,8**	**168,6**	***-0,1***
in % of sales revenue	*85,7*	*83,7*	*-*	*84,1*	*85,4*		*85,1*	*85,4*	
Administrative expenses	-8,5	-8,7	*2,8*	-9,4	-9,2	*-1,7*	-9,0	-9,0	*0,0*
in % of sales revenue	*4,6*	*4,8*	*0,1*	*4,9*	*4,8*	*-0,1*	*4,5*	*4,6*	*0,0*
Personnel expenses	-21,8	-11,1	*-49,0*	-11,2	-10,4	*-7,5*	-10,7	-10,3	*-3,8*
in % of sales revenue	*11,9*	*6,1*	*-5,8*	*5,9*	*5,4*	*-0,5*	*5,4*	*5,2*	*-0,2*
Other operating income	0,0	0,9	*n.a.*	2,1	0,9	*-57,1*	0,0	0,0	*n.a.*
in % of sales revenue	*0,0*	*0,5*	*0,5*	*1,1*	*0,5*	*-0,6*	*0,0*	*0,0*	*0,0*
Other operating expenses	-22,0	-0,4	*n.a.*	-2,9	-0,2	*n.a.*	-2,7	-4,2	*n.a.*
in % of sales revenue	*12,0*	*0,2*	*-11,8*	*1,5*	*0,1*	*-1,4*	*1,4*	*2,1*	*0,8*
Valuation result	0,0	-5,8	*n.a.*	0,0	-8,2	*n.a.*	0,0	-10,8	*n.a.*
in % of sales revenue	*0,0*	*3,2*		*0,0*	*4,3*		*0,0*	*5,5*	
Net operating result (EBIT)	**104,6**	**127,9**	***22,2***	**138,4**	**136,9**	***-1,1***	**146,4**	**134,3**	***-8,3***
in % of sales revenue	*57,1*	*69,9*	*12,8*	*72,8*	*71,3*	*-1,5*	*73,8*	*68,0*	*-5,8*
Net financial result	-26,1	-30,3	*15,9*	-60,3	-53,8	*-10,8*	-72,0	-73,1	*1,6*
in % of sales revenue	*-14,3*	*-16,5*	*-2,3*	*-31,7*	*-28,0*	*3,7*	*-36,3*	*-37,0*	*-0,7*
Result from companies accounted for using the equity method	0,0	-0,8	*n.a.*	0,0	0,0	*n.a.*	0,0	0,0	*n.a.*
in % of sales revenue	*0,0*	*-0,4*	*-0,4*	*0,0*	*0,0*	*0,0*	*0,0*	*0,0*	*0,0*
EBT (adjusted)	**78,5**	**96,8**	***23,3***	**78,1**	**83,1**	***6,5***	**74,4**	**61,2**	***-17,8***
in % of sales revenue	*42,9*	*53,0*	*10,1*	*41,1*	*43,3*	*2,2*	*37,5*	*31,0*	*-6,6*

Source: alstria office REIT; ValueTrust; IVA analyses

Table 15: Deviation analysis for the years 2022 to 2024

337. In terms of **rental income**, there are only slight deviations of 1.0% in 2023 to (expected) -0.4% in 2024 between planned and realized income in all three years.

338. **Property operating expenses** were 13.8% higher than planned in 2022. This is due to the retroactive partial reclassification of personnel expenses to property operating expenses as a result of accounting changes. The 7.3% shortfall in planned expenses in 2023 is the result of expenses being postponed so that they were only recognized in the following year. The company expects only minor deviations of -2.0% for 2024. The cost/income ratio in relation to rental income is 2.0 percentage points higher than planned in 2022 due to the reclassification issue described above. In 2023, the cost/income ratio of 14.6% is 1.3 percentage points lower than planned. For 2024, the company expects the cost/income ratio to be 0.3 percentage points lower than planned at 14.6%.

339. At the level of **net rental income**, this results in absolute deviations between -2.5 % in 2022 and 2.6 % in 2023. With the exception of 2022, the actual (expected) margin is slightly higher than the planned values.

340. **Administrative expenses** in 2022 and 2023 deviate only slightly from the planned figures. The higher expenses in 2022 are mainly due to higher recruitment costs. The lower expenses in 2023 result from lower Supervisory Board remuneration. The expenses planned for 2024 correspond to the FC. Overall, the expense ratio in the years 2022 to 2024 deviates only slightly from the respective planning.

341. **Personnel expenses** in 2022 are 49.0% lower than planned. However, the deviation is due to an accounting-related reclassification of parts of the personnel expenses to property operating expenses. In 2023, expenses are also 7.5% below plan, which is due to a delay in hiring new staff. In 2024, the company expects personnel expenses of € 10.3 million, which is around 3.8% below the planned figure. With the exception of 2022, which was characterized by a special effect, the planned personnel expense ratios deviate only slightly from the actual expense ratios.

342. **Other operating income** only deviates more strongly from the planned income in 2023. Overall, however, these are of minor importance in terms of value.

343. **Other operating expenses** amounted to € 0.4 million in 2022 and were therefore significantly below the plan of € 22.0 million. Costs were planned as part of the Brookfield transaction, but these were already incurred in 2021.

In total are the other operating expenses by value however of minor importance.

344. The reported components of the **valuation result** were not planned.

345. The **net operating result (EBIT)** in 2022 is significantly above plan, mainly due to the lower other operating expenses. In 2023, the result is slightly below plan by 1.1%; for 2024, there is an underachievement of 8.3% on the basis of the FC, which is mainly due to the valuation result. The **EBIT margin** in 2022 is 69.9% due to the special effect, which corresponds to an overachievement of 12.8 percentage points, while the deviations in 2023 and 2024 are significantly lower at -1.5 percentage points and -5.8 percentage points respectively.

346. With regard to the **net financial result**, the negative deviation in 2022 is 15.9%. The main reason for the poorer result compared to the planned figures is the financing requirement from the special dividend paid and a higher, unplanned EURIBOR interest rate as part of the existing financing. In 2023, there is a positive deviation of 10.8%, which is mainly due to higher financial income than planned and the later raising of new loans. For 2024, the company expects a net financial result of € -73.1 million, which corresponds to a negative deviation of 1.6% vis-a-vis the budget.

347. In summary, it should be noted that there were no significant deviations between the budgeted figures and the realized income and expenses in a historical comparison, excluding special effects. There were also no unjustified major deviations in the expense ratios and margins. Only with regard to the financial result are there deviations due to changes in financing dates vis-a-vis the planning and parameters that cannot be influenced, such as the development of variable interest rates. Overall, however, we consider the company's planning to be a good estimator for planning in the context of the earnings assessment.

4. Analysis of detailed planning, convergence phase and perpetuity

a) Preliminary remark

348. The valuation object comprises alstria AG and all other (indirect) subsidiaries and investments. The enterprise value is generally composed of the capitalized earnings value of the operating assets and the value of the non-operating assets or special values.

349. In order to assess the planning of alstria, we conducted plausibility discussions with the management board and employees of alstria as well as the valuation expert ValueTrust on the basis of the documents provided to us.

350. In connection with the majority shareholding of BPG Holdings Bermuda Limited in alstria, alstria will lose its REIT status as of January 1, 2025, as the 15% free float requirement pursuant to section 18 para. 3 REITG is no longer met. As a result of the loss of its REIT status, alstria will be fully subject to German income and trade tax. As a result, alstria will relocate its headquarters to Luxembourg and implement further organizational measures planned in light of the loss of REIT status and the associated tax liability. This reorganization includes, among other things, the possible transfer of administrative activities to a separate management company ("OpCo") and adjustments to the legal structure. The company has planned a management plan for the period from 2025 to 2029, taking into account both the continuation of the REIT status and a management plan taking into account the discontinuation of the REIT status and a relocation of the company headquarters to Luxembourg. The future success planning used by the appraiser as the basis for the valuation takes into account the discontinuation of the REIT status from the planning year 2025 and the planned relocation of the company headquarters to Luxembourg.

b) Planning of the operating result (EBIT) in the detailed planning period

351. The following table shows the consolidated (adjusted) planning statement for the alstria Group in the detailed planning period from 2024 to 2029 up to the EBIT in EUR according to IFRS.

alstria Profit and loss account million €	FC 2024	Plan 2025	Plan 2026	Plan 2027	Plan 2028	Plan 2029	CAGR 2024 -29
Rental income	**197,5**	**192,0**	**196,8**	**193,0**	**186,9**	**185,6**	***-1,2***
Growth in %	*2,9*	*-2,8*	*2,5*	*-1,9*	*-3,2*	*-0,7*	
Property operating expenses	-28,9	-30,3	-31,0	-31,9	-32,6	-33,3	*2,9*
in % of rental income	*-14,6*	*-15,8*	*-15,8*	*-16,5*	*-17,4*	*-17,9*	
Net rental income	**168,6**	**161,7**	**165,8**	**161,1**	**154,3**	**152,3**	***-2,0***
in % of rental income	*85,4*	*84,2*	*84,2*	*83,5*	*82,6*	*82,1*	
Administrative expenses	-9,0	-12,6	-9,9	-10,2	-10,4	-10,6	*3,3*
in % of rental income	*-4,6*	*-6,6*	*-5,0*	*-5,3*	*-5,6*	*-5,7*	
Personnel expenses	-10,3	-11,9	-12,1	-12,4	-12,6	-12,9	*4,6*
in % of rental income	*-5,2*	*-6,2*	*-6,1*	*-6,4*	*-6,7*	*-7,0*	
Other operating income	0,0	1,0	1,0	1,0	1,0	1,0	*n.a.*
in % of rental income	0,0	0,5	0,5	0,5	0,5	0,5	
Other operating expenses	-4,2	-4,0	-4,0	-4,0	-4,0	-4,0	*-1,0*
in % of rental income	-2,1	-2,1	-2,0	-2,1	-2,1	-2,2	
Net result from the valuation of real estate	-10,8	-10,4	-10,5	60,5	41,3	44,3	n.a.
in % of rental income	*-5,5*	*-5,4*	*-5,4*	*31,3*	*22,1*	*23,9*	
EBIT	**134,3**	**123,8**	**130,3**	**196,0**	**169,6**	**170,1**	***4,8***
in % of rental income	*68,0*	*64,5*	*66,2*	*101,5*	*90,8*	*91,7*	
Depreciation and amortization	1,5	1,5	1,5	1,5	1,5	1,5	
EBITDA for information purposes	**135,8**	**125,3**	**131,8**	**197,5**	**171,1**	**171,6**	***4,8***
in % of rental income	*68,8*	*65,2*	*66,9*	*102,3*	*91,6*	*92,5*	
For information							
Real estate portfolio	4.101	4.163	4.157	4.088	4.000	4.065	*-0,2*
Gross rental yield (%)	*4,8*	*4,6*	*4,7*	*4,7*	*4,7*	*4,6*	
Net rental yield (%)	*4,1*	*3,9*	*4,0*	*3,9*	*3,9*	*3,7*	

Source: alstria; ValueTrust

Table 16: Valuation-relevant planning calculation of the alstria Group in the period from 2024 to2029

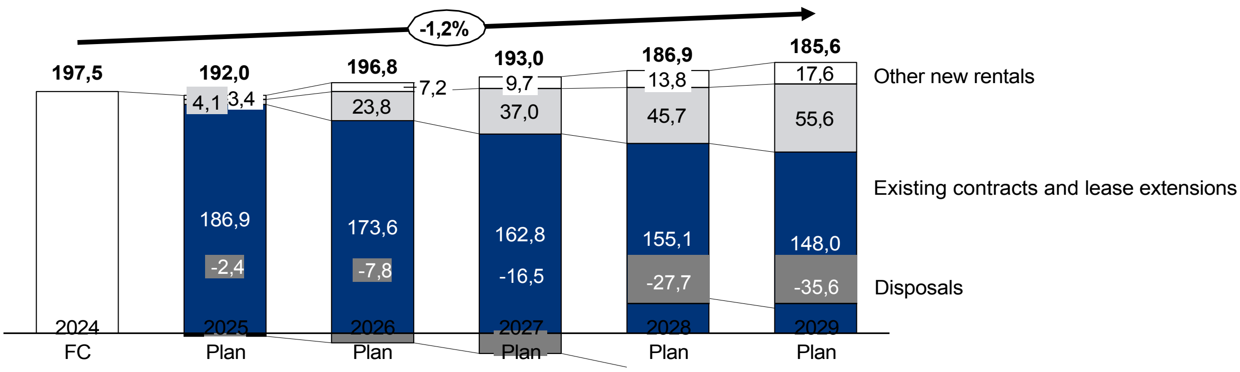
352. During the planning period, rental income initially falls by 2.8% from € 197.5 million as at FC 2024 to € 192.0 million in 2025. After rising to € 196.8 million in the following year, rental income declines until the end of the detailed planning period, reaching € 185.6 million in 2029. The gross rental yield, calculated as the ratio of rental income to the market value of the property portfolio, lies within a narrow range of 4.6% to 4.7% during the planning period. The decline in rental income in absolute terms during the planning period is mainly due to the reduction in the property portfolio as a result of planned property disposals. As part of its strategic orientation, alstria is pursuing the goal of

modernization measures to increase the value of the properties and subsequently sell them. The sale of properties reduces rental income accordingly.

353. If the effect of property disposals is excluded, rental income before taking planned disposals into account increases from € 197.5 million in FC 2024 to up to € 221.2 million in 2029, which corresponds to an average growth rate of 2.3%.
p.a.

354. The composition of rental income in the detailed planning period is shown in the following chart:

alstria Office REIT-AG - Rental income in the detailed planning period (in € million)



Source: alstria; IVA presentation

Figure 32: Rental income in the detailed planning period

355. The chart shows that a significant proportion of rental income is generated from **existing leases** or **lease extensions** with existing tenants. This is reflected in the so-called WAULT or weighted average unexpired lease term, i.e. the weighted average remaining lease term, which at alstria is around five years. alstria typically concludes leases with a lease term of at least five years and agrees lease extension options for a further five years. Around three quarters of the existing leases contain rent index clauses, which provide for an annual rent adjustment based on the change in the consumer price index in Germany. According to estimates by the Deutsche Bundesbank, the consumer price index is expected to change by 2.7% in 2025 and by 2.2% in 2026 (see Germany forecast: German economy slowly regaining momentum - outlook to 2026, Deutsche Bundesbank, monthly report June 2024, p. 18). The

The average growth rate of the planned index-linked rents reflects the expected inflation rate. Around a quarter of the existing rental agreements provide for graduated rents, in which annual rent increases of around 2.0% have been agreed. While the additional income from graduated rent adjustments is included in the rental income from
"Existing contracts and lease adjustments", the company explicitly plans the additional income from index adjustments, which we have subsumed under "Other". In addition to rental income from index adjustments, other rental income also includes a small amount of turnover rents. This relates to rental income from rental agreements that are based on a percentage of tenant turnover.

356. For new leases, the company uses real estate agents to establish initial contact with potential tenants. The new letting process is then taken over and carried out by alstria's own teams. New leases are concluded on the basis of standardized German commercial leases. The share of rental income from **new lettings** increases steadily over the planning period and amounted to around € 55.6 million in the last planning year. The rental income from new lettings takes into account the fact that the company will carry out extensive refurbishment and modernization measures for selected properties during the planning period and that the properties can then be re-let at standard market rents. Energy requirements and sustainability aspects are taken into account as part of the modernization measures.

357. The company takes property sales from the existing portfolio into account in the detailed planning period. No specific properties are defined in advance for disposal. Instead, the company defines an annual sales volume that lies within a range of € 80 million to € 250 million in the planning period. This reflects the expectation of a market recovery following the sharp decline in the transaction volume for real estate sales in recent years (see note 226). The cumulative sales volume for the detailed planning period totals € 790 million and is broken down as follows over the detailed planning period:

alstria sales proceeds	Plan 2025	Plan 2026	Plan 2027	Plan 2028	Plan 2029
Sales revenue (€ million)	**80,0**	**110,0**	**250,0**	**250,0**	**110,0**
Sales returns expected by alstria (%)	6,0 %	5,5 %	4,5 %	4,5 %	4,5 %

Source: alstria; ValueTrust

Table 17: Planned sales proceeds of alstria in the detailed planning period

358. The **rental income lost as** a result of the planned **disposals** increases from € 2.4 million in 2025 to up to € 35.6 million in 2029. This is based on the assumption of expected sales yields in a range between around 4.5% and 6.0%. A return on sales of 6.0% is planned for the planning year 2025, which will then fall to around 4.5% in subsequent years. This assumption is higher than the average historical net prime yields in A cities (see Note 230). The planning calculation does not envisage any new property acquisitions over the planning period. Therefore, the planning of rental income is based exclusively on the company's existing portfolio.

359. In note 252f. we have presented the projected rental income growth rates for peer companies, which are in a median range between 2.5% and 4.0%. We consider the planned growth rates of alstria's rental income to be plausible overall, taking into account the planned disposals and in comparison with its own historical growth rates and the average historical and forecast growth rates of peer companies.

360. In the planning period, (net) **property operating expenses** will increase by around 2.9% p.a. from € 28.9 million in FC 2024 to € 33.3 million in 2029, with the cost/income ratio rising from 14.6% to 17.9%. (Net) property operating expenses include operating costs in connection with the management of the property portfolio that cannot be passed on to tenants. This includes repair costs and costs for ongoing maintenance as well as property-related legal and consulting costs. Operating costs such as property tax, insurance costs and pro rata electricity and heating costs cannot be passed on to tenants for non-let areas and are therefore also included in (net) property operating expenses. The item also includes personnel expenses in connection with property management. The increase in the detailed planning period is due to the annual increase in fixed costs, primarily due to inflation, as well as the increased vacancy rate associated with the planned modernization measures. Property operating expenses also include the additional costs incurred as a result of the reorganization under company law. As part of the reorganization, a new operating company ("OpCo") is to be established to take over operations and property management. Existing and newly established real estate companies ("PropCo KGs") will act as owners and landlords of the properties. The OpCo generates income by providing and invoicing services vis-a-vis the PropCo KGs, while the PropCo KGs generate rental income from the letting of properties. The expenses charged to the property-holding limited partnerships for management include non-deductible VAT and represent an additional expense compared to the previous structure.

361. The resulting net **rental income** initially rises from € 161.7 million in 2025 to € 165.8 million in 2026 and then falls in subsequent years to € 152.3 million in 2029. This development is also reflected in the net rental yield, which, after rising to 4.0% in 2026, falls to as low as 3.7% in subsequent years.

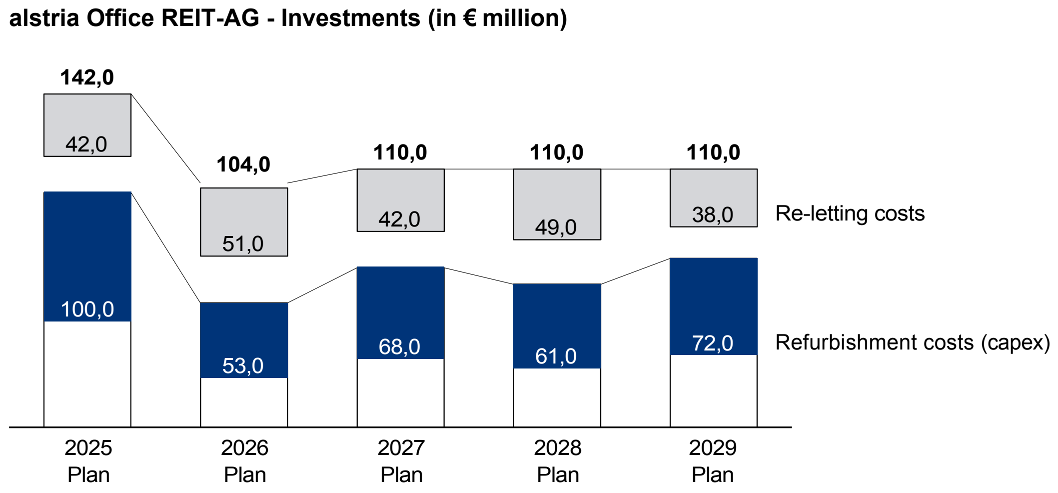
362. **Administrative expenses** include legal and consulting fees (which are not allocated to a specific property), depreciation and amortization in connection with intangible assets and property, plant and equipment. Administrative expenses also include a number of other items such as communication, IT, insurance and travel expenses. In the planning period, administrative expenses will increase from € 9.0 million in FC 2024 with an average growth rate of 3.3% to € 10.6 million in 2029. The planning year 2025 includes one-off restructuring costs of € 2.9 million in connection with the loss of REIT status and the relocation of the registered office to Luxembourg. Administrative expenses reflect the increased complexity of the Group structure, which will lead to additional annual costs of € 1.1 million. The real estate assets are to be spun off into 110 limited partnerships, with a flat-rate annual expense of € 10 thousand planned for each of these companies. Administrative expenses also include a cost reduction of around € 0.4 million p.a. from the delisting. Overall, the administrative expense ratio will increase from 4.6% in FC 2024 to up to 5.7% in the last detailed planning year 2029 due to declining revenue.

363. **Personnel expenses** include wages and salaries as well as management bonuses and bonus payments for employees who do not provide directly attributable services for specific properties. The € 1.6 million increase in personnel expenses from € 10.3 million to € 11.9 million in the planning year 2025 is mainly due to additional sales taxes incurred as a result of the restructuring under company law following the loss of REIT status. The planning calculation assumes a constant number of employees, meaning that the increase in personnel expenses is attributable to wage and salary increases. The personnel expenses ratio increases to up to 7.0% in the last detailed planning year 2029 due to declining revenue.

364. Other **operating income** includes one-off payments such as compensation payments for prematurely terminated rental agreements and was planned at a flat rate of € 1.0 million p.a. over the planning period. **Other operating expenses** were planned at a constant level of € 4.0 million p.a. and include the annual dividend payments to the minority shareholders of Prime Portfolio KG (see notes 135, 322).

365. The **net result from the valuation of properties** in the amount of € -10.4 million or -€ 10.5 million in 2025 and 2026 corresponds to the amortization of capitalized vacancy and development costs and represents the offsetting entry to the capitalized costs. No effects from the valuation of the real estate portfolio are planned for 2025 and 2026. The planned investments are taken into account with a two-year delay (from 2027) as 50% value-increasing in the planning calculation. The net result from the valuation of properties in the total amount of € 60.5 million in 2027 therefore comprises depreciation on capitalized vacancy and development costs.

of € -10.5 million and increases in value from investments in real estate in the amount of € 71.0 million (corresponds to 50% of € 142.0 million). The investments planned by alstria in the planning period are as follows:



Source: alstria; IVA presentation

Figure 33: Investments in the detailed planning period

366. In the detailed planning period, alstria plans to invest between € 104 million and € 142 million annually in refurbishment and modernization measures. The cumulative volume of investments in the period from 2025 to 2029 amounts to a total of € 576 million. The scope of the refurbishment and modernization measures carried out at a specific point in time is determined from a risk management perspective. The company aims to limit the construction and refurbishment risk to a maximum of around 20.0% of total assets. Investments are divided into capex (refurbishment costs) and re-letting costs. Capex is aimed at significantly improving the fabric of the building and enables potential rent increases to be exploited. Re-letting costs, on the other hand, are incurred when tenants change and primarily serve to maintain value without increasing the value of the property in the long term.

367. Overall, the effects described above will lead to a decline in EBIT in 2025 and 2026 as a result of the sale of properties. From 2027, EBIT will increase due to the net result from the valuation of properties. The EBIT margin is volatile within a range of 64.5% to 101.5%. In Note 254 et seq. we have presented the EBIT margins forecast for comparable companies, which range between 71.5% and 80.4% on average. We also consider the resulting EBIT margin of alstria to be plausible overall, taking into account its own historical EBIT margins and the average historical and forecast EBIT margins of peer companies. We consider the planning assumptions to be plausible against the background of the ESG conditions existing on the valuation date (see note 156 et seq.).

368. As part of our reasonableness audit, we examined the arithmetical and formal plausibility of alstria's valuation-relevant planning (future success planning). We did not identify any mathematical inconsistencies or inconsistencies in the assumptions within individual sub-plans.

369. In addition, we examined the internal and external plausibility of the planning calculation. Internal and external plausibility is given if the assumptions and planning approaches are comprehensible, consistent and free of contradictions for the respective occasion,
i.e. in accordance with the findings from the analysis of the past, the market, the competition and the company. Against the background of our findings from the analysis of the past, the market, the competition and the company, we have come to the conclusion that the company's planning accounts can be classified as plausible overall.

c) Planning the operating result (EBIT) in the convergence phase and in perpetuity

370. Since alstria is not yet in the steady state required for the recognition of the perpetuity at the end of the detailed planning period in the 2029 financial year, ValueTrust has added a convergence phase to the detailed planning period as part of the valuation of alstria, which covers the years 2030 to 2033 and a sustainable result from 2034.

371. The appraiser justifies the extension by the convergence phase with the fact that alstria plans to invest in the development of the real estate portfolio up to and including 2029 and that the corresponding revenue growth or increases in the value of the properties will only be realized after 2029. In addition, the appraiser takes into account development activities beyond 2029 in the convergence phase. After

According to the appraiser's assessment, alstria can generally participate in the stable economy, but there is great uncertainty with regard to the demand for office space in the wake of the trend towards working from home and the adjusted customer needs. Nonetheless, the appraiser believes that alstria is in a position to respond to changing customer needs through refurbishment and modernization. However, this would also cover high development and investment risks. This assessment of the appraiser is in line with our assessment of the market environment (see section D.I.4) in which alstria operates.

372. The following table shows the planned P&L in the convergence phase and the sustainable result according to ValueTrust's valuation:

alstria Income statement € million	Plan 2025	Plan 2026	Plan 2027	Plan 2028	Plan 2029	Plan 2030	Plan 2031	Plan 2032	Plan 2033	TV 2034 ff.	CAGR 2029 -33
Rental income	**192,0**	**196,8**	**193,0**	**186,9**	**185,6**	**208,4**	**231,3**	**254,1**	**276,9**	**282,5**	***10,5***
Growth in %	*-2,8*	*2,5*	*-1,9*	*-3,2*	*-0,7*	*12,3*	*11,0*	*9,9*	*9,0*	*2,0*	
Property operating expenses	-30,3	-31,0	-31,9	-32,6	-33,3	-35,9	-38,1	-40,0	-41,5	-42,4	*5,7*
in % of rental income	*-15,8*	*-15,8*	*-16,5*	*-17,4*	*-17,9*	*-17,2*	*-16,5*	*-15,7*	*-15,0*	*-15,0*	
Net rental income	**161,7**	**165,8**	**161,1**	**154,3**	**152,3**	**172,6**	**193,2**	**214,1**	**235,4**	**240,1**	***11,5***
in % of rental income	*84,2*	*84,2*	*83,5*	*82,6*	*82,1*	*82,8*	*83,5*	*84,3*	*85,0*	*85,0*	
Administrative expenses	-12,6	-9,9	-10,2	-10,4	-10,6	-11,0	-11,3	-11,7	-11,9	-12,2	*3,0*
in % of rental income	*-6,6*	*-5,0*	*-5,3*	*-5,6*	*-5,7*	*-5,3*	*-4,9*	*-4,6*	*-4,3*	*-4,3*	
Personnel expenses	-11,9	-12,1	-12,4	-12,6	-12,9	-13,2	-13,4	-13,7	-14,0	-14,2	*2,0*
in % of rental income	*-6,2*	*-6,1*	*-6,4*	*-6,7*	*-7,0*	*-6,3*	*-5,8*	*-5,4*	*-5,0*	*-5,0*	
Other operating income	1,00	1,00	1,00	1,00	1,00	1,02	1,04	1,06	1,08	1,10	*2,0*
in % of rental income	0,5	0,5	0,5	0,5	0,5	0,5	0,4	0,4	0,4	0,4	
Other operating expenses	-4,0	-4,0	-4,0	-4,0	-4,0	-4,0	-4,0	0,0	0,0	0,0	
in % of rental income	-2,1	-2,0	-2,1	-2,1	-2,2	-1,9	-1,7	0,0	0,0	0,0	
Net result from valuation of real estate	-10,4	-10,5	60,5	41,3	44,3	44,1	43,9	17,8	18,2	18,6	*-20,0*
in % of rental income	*-5,4*	*-5,4*	*31,3*	*22,1*	*23,9*	*21,2*	*19,0*	*7,0*	*6,6*	*6,6*	
EBIT	**123,8**	**130,3**	**196,0**	**169,6**	**170,1**	**189,6**	**209,4**	**207,6**	**228,8**	**233,4**	***7,7***
in % of rental income	*64,5*	*66,2*	*101,5*	*90,8*	*91,7*	*91,0*	*90,5*	*81,7*	*82,6*	*82,6*	
Depreciation and amortization	1,5	1,5	1,5	1,5	1,5	1,7	1,9	2,1	2,1	2,1	
EBITDA for information purposes	**125,3**	**131,8**	**197,5**	**171,1**	**171,6**	**191,3**	**211,2**	**209,7**	**230,9**	**235,5**	***7,7***
in % of rental income	*65,2*	*66,9*	*102,3*	*91,6*	*92,5*	*91,8*	*91,3*	*82,5*	*83,4*	*83,4*	
For information											
Real estate portfolio	4.163	4.157	4.088	4.000	4.065	4.115	4.165	4.217	4.270	4.324	*1,2*
Gross rental yield (%)	*4,6*	*4,7*	*4,7*	*4,7*	*4,6*	*5,1*	*5,6*	*6,0*	*6,5*	*6,5*	
Net rental yield (%)	*3,9*	*4,0*	*3,9*	*3,9*	*3,7*	*4,2*	*4,6*	*5,1*	*5,5*	*5,6*	

Source: alstria; ValueTrust

Table 18: Convergence phaseof the alstria Group in the period from 2030 to 2033 and perpetuity from 2034 et seq.

373. **Rental income** will increase from € 185.6 million in the last detailed planning year to € 276.9 million in 2033. This corresponds to an average annual growth rate of 10.5% and is significantly higher than the historical growth rates and those planned for the detailed planning period. At the same time, the gross rental yield will improve from 4.6% in 2029 to up to

This positive development of rental income is based on the following assumptions: By the end of 2029, around 90 properties will remain in alstria's portfolio following the planned disposals in the detailed planning period. The appraiser assumes that the portfolio area will remain constant during the convergence phase. While the historical vacancy rate (ratio of vacant office space to total office space) fluctuated between 15 % and 20 % in the period from 2021 to 2024 (currently 21.0 %, see note 141) and was closely linked to development activity, ValueTrust plans to reduce the vacancy rate to up to 7.0 % in 2033 during the convergence phase. In addition, the rental prices per square meter reflect both the potential rents after completed modernizations and rent increases due to indexation. For example, the average rent per m^2 will increase from around € 13.0 in 2029 to over € 19.0 in 2033. The planned increase in rents reflects the potential of hidden reserves created by investments in the detailed planning period.

374. We consider the planned vacancy rate in the convergence phase to be ambitious in view of the uncertain demand for office space as a result of the trend towards working from home and changing customer needs. In our opinion, a higher vacancy rate would also be justifiable in view of the recent increase in vacancy rates in the top cities (see paragraph 218). With regard to the level of rents, rent increases can be achieved particularly in prime locations following refurbishments and modernizations (see paragraph 212), so that we consider the planned rental income to be plausible overall. The appraiser correctly points out the high development and investment risks to which the company is exposed.

375. The **property operating expenses** consist of fixed costs that are adjusted for inflation and vacancy costs. When deriving the property operating expenses in the convergence phase, the appraiser used a sustainable expense ratio of 15.0%. This ratio is below the historical average (15.2% in the period from 2022 to 2024) and below the average ratio in the detailed planning period (16.7%). The average growth rate of property operating expenses in the convergence phase is around 5.7 % p.a. The increase, which is higher than the rate of inflation, is due in particular to the disproportionately high rise in costs in connection with technical building equipment, which is associated with the refurbishment and modernization of the properties and the resulting improvement in technical equipment. Nevertheless, we consider the planned development of property operating expenses to be at the upper end of a conceivable range.

376. In total, **net rental income** will increase by 11.5% p.a. in the convergence phase from € 152.3 million in 2029 to up to € 214.1 million in 2033. The net rental yield as the

Ratio of net rental income to the market value of the property portfolio improves from 3.7 % in 2029 to 5.5 % in 2033

377. In the convergence phase, **administrative expenses** were generally carried forward at the sustainable growth rate. Deviating from this, amortization of intangible assets and depreciation of property, plant and equipment were taken into account in accordance with the depreciation schedule. **Personnel expenses** and **other operating income** were also extrapolated at the sustainable growth rate during the convergence phase.

378. **Other operating expenses** include the annual dividend payments to the minority shareholders of Prime Portfolio KG in 2030 and 2031 (see notes 128, 312). The annual dividend payment will cease when the long-term loan to the Dutch foundation matures in 2032. The repayment amount is assumed to be used to repurchase the limited partnership interests in Prime Portfolio KG held by the Dutch foundation.

379. **The net result from the valuation of properties** includes depreciation on capitalized vacancy and development costs in the amount of € 10.9 million in the first convergence year 2030, which were carried forward at the sustainable growth rate, as well as increases in the value of the property portfolio from planned investments. During the convergence phase, the valuation expert assumes that new properties will be acquired, modernized and sold in addition to the rental of properties from the existing portfolio. As a result, around 10.0% of the property portfolio will be refurbished and modernized each year in the long term. The appraiser plans to continuously acquire properties from 2030 onwards, which will be modernized and subsequently sold within two years. The acquisition volume in the convergence phase is between around € 45 million and € 49 million
p.a. Purchases are made at comparatively lower prices, while the increase in value following the completion of refurbishment and modernization measures is included in net income from the valuation of properties. An average gain on disposal of € 30 million p.a. is planned for the long term. The appraiser derives the number of properties to be acquired and sold from alstria's historical buying and selling activities.

380. Overall, the effects described lead to an increase in EBIT of 7.7% p.a. from € 170.1 million in 2029 to € 228.8 million in 2033. We were able to understand the resulting EBIT in the convergence phase in terms of calculation and content and consider this to be plausible. We consider the assumptions made by the appraiser to be plausible overall against the backdrop of the ESG framework conditions existing as of the valuation date (see paragraph 156 et seq.).

381. In the perpetual annuity from 2034 onwards, the valuation expert has extrapolated all items uniformly at the sustainable growth rate of 2.0 % p.a.. We have verified the assumptions of the valuation expert and consider them to be plausible overall.

d) Financial result

382. The following overview shows the reconciliation of the operating result (EBIT) planned by the company to earnings before taxes (EBT).

alstria Office REIT-AG Income statement € million	FC 2024	Plan 2025	Plan 2026	Plan 2027	Plan 2028	Plan 2029	Plan 2030	Plan 2031	Plan 2032	Plan 2033	TV 2034 ff.
Operating result (EBIT)	134,3	123,8	130,3	196,0	169,6	170,1	189,6	209,4	207,6	228,8	233,4
Financial result	-73,1	-79,9	-81,9	-85,3	-91,4	-90,1	-87,8	-87,0	-89,6	-91,4	-93,2
Extraordinary result	13,9	0,0	0,0	-3,1	-13,8	-11,3	-7,5	-3,8	0,0	0,0	0,0
Earnings before taxes	**75,1**	**43,9**	**48,4**	**107,6**	**64,4**	**68,7**	**94,3**	**118,7**	**118,0**	**137,4**	**140,1**

Source: alstria Office REIT-AG; ValueTrust; IVA presentation

Table 19: Forecast ofthe alstria Office REIT Group - Derivation of financial result, non-operating result and EBT

383. The **financial** result was based from the consolidated balance sheet of alstria to the December 31, 2024 and integrated balance sheet and financial planning for the individual years of the detailed planning period.

384. The starting point for planning the financial result was the interest-bearing liabilities and assets as at December 31, 2024, which include loans taken out to finance individual properties or portfolios as well as the corporate bonds and promissory note loans issued. This is offset by interest income from the exhibit of cash and cash equivalents as well as from long-term loans to a Dutch foundation.

385. The financial result is planned on the basis of the existing debt and hedging structure and the conditions available to alstria. In line with the planned disposal of assets and the retention of net income, debt financing will be reduced over the course of the planning period. Financial liabilities are assumed to be refinanced at their maturity date by new financing at the expected market conditions. The 5-year forward swap rate plus a margin of 175 basis points was applied in each case. The planned interest rates for the refinancing of existing liabilities range between 3.9% and 4.1% in the planning period. In the rough planning phase and in the perpetuity phase, an average interest rate of

interest rate of 4.3% is applied. Interest rates of between 1.6% and 2.0% are applied to cash and cash equivalents.

386. In line with the company's planning, the financial result is reduced from -This is due to the rising average effective interest rate over time, which results from the refinancing of expiring financing concluded at favorable interest conditions at higher interest rates. The rising average interest rate more than compensates for the positive effect of the declining volume of external financing.

387. Planned cash outflows from the hedge paydowns were taken into account by the appraiser as extraordinary income in the planning. For the rough planning phase, the appraiser assumes a linear decline in the extraordinary result.

388. We have verified the calculation of the financial result in terms of figures and content. We come to the conclusion that the financial result was planned appropriately overall.

389. Taking into account the financial result and the extraordinary result, earnings before taxes on income increase from € 43.9 million in 2025 to € 68.7 million in the last year of the detailed planning period (2029). In the following years of the rough planning phase up to the phase of perpetuity, there is a significant increase in earnings before taxes on income, which, with only a moderate increase in the negative financial result, is due in particular to rising net rental income.

e) Income taxes of the company

390. The future net cash inflows freely available to the **company owners** are to be determined after deduction of the company's income taxes. Income taxes include trade tax and corporation tax (including solidarity surcharge).

391. Trade tax, corporation tax (15.0%) and solidarity surcharge (5.5%) were taken into account for the corporate taxes incurred. Trade tax was calculated using a trade tax multiplier of 470%, resulting in an effective trade tax rate of 16.45%.

392. Thealstria has as of December31 ,2024 no usable trade tax or corporate income tax loss carryforwards.

393. The following overview shows the reconciliation to the annual result of alstria taking into account the income taxes of the company recognized by the valuation expert ValueTrust.

alstria Office REIT-AG Income statement € million	FC 2024	Plan 2025	Plan 2026	Plan 2027	Plan 2028	Plan 2029	Plan 2030	Plan 2031	Plan 2032	Plan 2033	TV 2034 ff.
Earnings before taxes (EBT)	**75,1**	**43,9**	**48,4**	**107,6**	**64,4**	**68,7**	**94,3**	**118,7**	**118,0**	**137,4**	**140,1**
Corporate taxes	1,9	-3,1	-4,6	-17,1	-18,5	-6,6	-6,0	-8,9	-11,3	-14,9	-15,2
Effective tax rate	-2,5%	7,1%	9,5%	15,9%	28,7%	9,6%	6,4%	7,5%	9,6%	10,8%	10,8%
Annual result	**77,0**	**40,8**	**43,8**	**90,5**	**45,9**	**62,1**	**88,3**	**109,8**	**106,7**	**122,5**	**124,9**

Source: alstria Office REIT-AG; ValueTrust; IVA presentation

Table 20: Planning calculationof the alstria Office REIT group - derivation of the company's income taxes and annual result

394. Due to its REIT status, alstria is tax exempt until December 31, 2024. In connection with the majority shareholding of BPG Holdings Bermuda Limited and the intended squeeze-out, alstria will lose its REIT status as of January 1, 2025, as the requirement of a sufficient free float according to section 18 para. 3 REITG is no longer fulfilled.

395. In the financial year 2025, alstria will continue to operate in the current legal form of a stock corporation with its registered seat and place of management in Germany. After the loss of the tax exemption of the REITG, alstria will generally be subject to German corporate income tax and trade tax as of January 1, 2025. It can be assumed that alstria in the present structure will not be able to make use of the possibility of the extended trade tax reduction pursuant to section 9 no. 1 sentence 1 GewStG.

396. In connection with the loss of the REIT status, the company will take measures to optimize its tax situation. In particular, alstria will relocate its headquarters to Luxembourg with effect from the beginning of the 2026 financial year and implement further organizational measures. The planned restructuring includes, among other things, the possible transfer of administrative activities to a separate management company ("ManCo") and adjustments to the legal structure. As a result, the aim is to ensure that the extended trade tax reduction can be claimed for current income from asset management activities and that the company is only subject to corporation tax on this income.

397. With regard to the planned future disposals, the company assumes that, due to the tight time frame between the investments made for

measures to refurbish the properties and their sale are to be assumed to be project development activities that are subject to trade tax as well as corporation tax.

398. Based on the planned earnings before taxes (EBT) in accordance with IFRS, the company performs a simplified calculation of taxable EBT, which forms the basis for determining the cash tax burden. In particular, the expected scheduled tax depreciation of the properties, any tax loss carryforwards and the limited tax deductibility of interest expenses due to the application of the so-called interest barrier are taken into account as part of the overperformance calculation for the tax assessment basis.

399. In the planning period, the company's tax planning results in cash taxes on income and earnings of € 3.1 million in 2025, which initially increase in subsequent years and reach a level of € 18.5 million in 2028. This increase is due in particular to the comparatively high capital gains from the planned sale of properties in 2027 and 2028. In line with a normalization of the disposal volume and the associated profit contributions, income taxes will fall again significantly to € 6.6 million in 2029.

400. In the rough planning phase, the appraiser further developed the tax calculation taking into account the planned development of the IFRS results and the capital gains contained therein. For the perpetuity phase, the valuation expert has applied an effective income tax rate of 10.8% to earnings before taxes in accordance with IFRS in the long-term result.

401. We have verified the calculation and content of the derivation of the company's income taxes and consider this to be appropriate. In our view, the sustainable effective income tax rate is plausible.

f) Summary assessment of the plausibility of the planning calculation

402. As part of our reasonableness audit, we examined the arithmetical and formal plausibility of alstria's planning calculations relevant to the valuation. We did not identify any mathematical inconsistencies or inconsistencies in the assumptions within individual sub-plans.

403. In addition, we examined the internal and external plausibility of the planning calculation. The internal and external plausibility is given when the assumptions and

Planning approaches for the respective event are comprehensible, consistent and free of contradictions,
i.e. in accordance with the findings from the analysis of the past, the market, the competition and the company. Against the background of our findings from the analysis of the past, the market, the competition and the company, we have come to the conclusion that the planning calculation can be classified as plausible overall.

404. With regard to the planned rental income in the detailed planning period, we have presented the projected growth rates of rental income for peer companies in note 252 et seq. which are in a median range between 2.5% and 4.0%. We consider the planned growth rates of alstria's rental income to be plausible overall, taking into account the planned disposals and in comparison to the company's own historical growth rates and the average historical and forecast growth rates of peer companies. We consider the planned vacancy rates in the convergence phase to be ambitious in view of the uncertain demand for office space as a result of the trend towards working from home and changing customer needs. We also consider a higher vacancy rate to be justifiable in view of the recent increase in vacancy rates in the top cities (see Note 218). With regard to the level of rents, rent increases can be achieved particularly in prime locations following refurbishments and modernizations (see note 212), so that we consider the planned rental income to be plausible overall. The appraiser correctly points out the high development and investment risks to which the company is exposed.

405. With regard to EBIT, we have presented the EBIT margins forecast for alstria's peer companies in note 254 et seq. with a median range between 71.5% and 80.4%. We also consider the resulting EBIT margin of alstria, taking into account its own historical EBIT margins and the average historical and forecast EBIT margins of peer companies, to be plausible overall against the background of the ESG framework conditions existing on the valuation date (see note 156 et seq.).

406. In the perpetual annuity from 2034 onwards, the valuation expert has extrapolated all items uniformly at the sustainable growth rate of 2.0 % p.a.. We have verified the assumptions made by the valuation expert and consider them to be plausible overall.

5. Derivation of the net distributions

a) Distribution behavior

407. In the detailed planning phase, the financial surpluses must be allocated to distributions and **retained earnings** in accordance with the recommendations of the IDW on the basis of the individual company concept and taking into account the previous and planned distribution policy, the equity base and the tax framework (see IDW S 1, point 36). Retained earnings can be used, for example, to finance investments or to repay financial liabilities. However, if there are no specific plans for the use of retained earnings and the investment plan does not provide for any specific use, an appropriate assumption must be made with regard to the use of funds (see IDW S 1, para. 35 f.).

408. The company's budget does not envisage any dividend payments for the detailed planning period. Instead, the net income for the year and the funds generated from the sale of properties are to be used to reinvest in refurbishment measures for the real estate portfolio and to repay financial liabilities.

409. Starting with the first year of the rough planning phase (2030), the valuation expert assumes a payout ratio of 50.0%. In addition, (genuine) retained earnings are assumed to finance balance sheet growth. The funds earmarked for this purpose reduce the value contribution from retained earnings, which is directly notionally attributed to the shareholders.

410. As part of the planning of the real reinvestments in the rough planning phase, the valuation expert assumes a constant level of financial liabilities until 2032, so that the reinvestments lead to a corresponding improvement in the leverage ratio. However, the amounts recognized as value added from reinvestments do not lead to a change in the financial result or the leverage ratio of alstria.

411. With regard to the assumptions on the distribution behavior of alstria, we have the following observations:

- The assumption made by the valuation expert that the annual surpluses will be retained in full in the detailed planning phase corresponds to the company's intended distribution policy, which is set out in the corporate planning. The assumption is therefore not objectionable.

- The payout ratio of 50 % applied by the valuation expert in the rough planning phase from 2030 and in the perpetuity phase is within the range of payout ratios of 40 % to 60 % observed on the German capital market (see IDW, WPH Edition, Bewertung und Transaktionsberatung, 2018, Chapter A, Point 280).

- In addition, we conducted our own analyses of the payout ratio of the peer group companies we used in the past. As a result, these analyses indicate a payout ratio in the range between around 40% and 55%. Due to the lower effective personal income tax burden on increases in value from retained earnings compared to distributions, a lower payout ratio would increase the value of the company.

- We consider the payout ratio of 50.0% used by the appraiser to be reasonable. It is within a range for the payout ratio that we consider plausible.

- In the rough planning phase from 2030 onwards, the appraiser initially took into account a proportionate real retention to finance the sustainable balance sheet growth under the assumption of constant financial liabilities. We also consider this assumption to be reasonable in light of the reduction in financial liabilities assumed in the detailed planning period.

- Starting in 2033 and in the perpetuity phase, the valuation expert assumes that the sustainable balance sheet growth will be underpinned proportionately by both financial liabilities and equity. While the financial liabilities increase in line with the sustainable growth rate, the further financing requirements are covered by so-called growth-related, genuine reinvestments. This methodically ensures a sustainably stable capital structure and a constant debt/equity ratio in the perpetuity phase. The required growth-related retention was therefore correctly not included in the value contribution from the direct notional allocation of retained earnings to the shareholders.

412. We consider the assumptions made in the valuation of alstria regarding the distribution behavior, the required (growth-related) reinvestments and the use of the reinvested amounts to be reasonable and plausible overall.

b) Income taxes of the shareholders

413. As the enterprise value is determined from the perspective of the company owners, the tax burden on the shareholders of the distributions from the company and the capital gains (notionally attributed retained earnings amounts) must be taken into account.

414. When valuing corporations, it must be taken into account that interest income, dividends and capital gains are subject to a uniform nominal tax burden of 25.0% (so-called flat-rate withholding tax) plus solidarity surcharge, irrespective of the individual circumstances of the shareholder.

415. However, the different inflow and realization dates of distributions and capital gains result in different effective tax burdens. While the effective tax burden for interest and dividends generally corresponds to the nominal tax burden, the effective tax burden on capital gains depends on the time at which the increase in value is realized. It decreases the longer a security is held by the shareholder. Against this background, shareholders will endeavor to keep the effective tax burden as low as possible through long holding periods. Assuming long holding periods, this means a significantly lower effective tax rate for capital gains vis-a-vis the nominal tax burden.

416. Accordingly, in the present valuation, the nominal withholding tax rate plus solidarity surcharge (approx. 26.4%) is applied to the distributions, while the reinvestment amounts notionally attributed directly to the shareholders are typically subject to a tax rate of half the nominal tax rate plus solidarity surcharge (approx. 13.2%).

417. Accordingly, the (inflation-related) increases in the company value in the perpetuity phase were also subject to the effective tax rate of around 13.2%. This approach simulates that the (inflation-related) capital gains or increases in the enterprise value are realized after the standardized holding period and are subject to the effective flat-rate withholding tax plus solidarity surcharge. To simplify matters, a corresponding tax burden was not applied in the detailed planning and rough planning phase.

418. In the valuation calculation, the valuation expert applied a growth discount o f 1.74% in the perpetuity phase, reduced by the effects of personal income taxes on the (inflation-related) price gains, and to this extent applied the taxable income of 1.74%.

The value-equivalent burden from inflation-related increases in value is integrated into the valuation calculation.

419. Due to the existing tax deposit account at alstria, the distributions are not subject to withholding tax to a manageable extent. In principle, the resulting tax-reducing effect can either be taken into account in the calculation of the withholding tax (plus solidarity surcharge) on the value contribution from distributions or via a special value. The appraiser has taken the tax-reducing effect into account in the present valuation as a special value (see para. 487) and has therefore deducted the full nominal tax burden of 25.0% (withholding tax) plus solidarity surcharge for the distributions. In principle, this approach is not objectionable.

420. We have verified the valuation expert's approach in terms of calculation and content and consider the procedure for taking personal income taxes into account to be appropriate overall.

c) Presentation of the net distributions

421. The forecast results after corporate taxes were converted into expected net distributions to shareholders as follows, taking into account the shareholders' personal income taxes:

alstria Office REIT-AG Income statement million €	Plan 2025	Plan 2026	Plan 2027	Plan 2028	Plan 2029	Plan 2030	Plan 2031	Plan 2032	Plan 2033	TV 2034 ff.
Annual result	**40,8**	**43,8**	**90,5**	**45,9**	**62,1**	**88,3**	**109,8**	**106,7**	**122,5**	**124,9**
Accumulation	-40,8	-43,8	-90,5	-45,9	-62,1	-15,9	-47,7	-46,3	-9,9	-10,1
Withdrawable surplus before personal income taxes	**0,0**	**0,0**	**0,0**	**0,0**	**0,0**	**72,4**	**62,1**	**60,4**	**112,6**	**114,8**
of which value contribution from retained earnings	0,0	0,0	0,0	0,0	0,0	28,2	7,2	7,1	51,3	52,4
- Personal income tax	0,0	0,0	0,0	0,0	0,0	-3,7	-0,9	-0,9	-6,8	-6,9
of which value contribution from distributions	0,0	0,0	0,0	0,0	0,0	44,1	54,9	53,3	61,2	62,5
- Personal income tax	0,0	0,0	0,0	0,0	0,0	-11,6	-14,5	-14,1	-16,2	-16,5
Net distributions	**0,0**	**0,0**	**0,0**	**0,0**	**0,0**	**57,0**	**46,7**	**45,4**	**89,7**	**91,4**

Source: alstria Office REIT-AG; ValueTrust; IVA presentation

Table 21: Derivation of the net distributions of the alstria Office REIT group

6. Capitalization rate

a) Preliminary remark

422. In the capitalized earnings value method, the future financial surpluses are determined by discounting to the valuation date. The capitalization interest rate reflects the return on an alternative investment whose cash flow is considered to be comparable to the cash flow generated by the shares in the company being valued in terms of time structure, risk and taxation.

423. The starting point for determining the capitalization rate is the return on a risk-free capital market investment (base interest rate). This base interest rate must be increased by a risk premium to cover the greater uncertainty about the amount of the financial surpluses associated with an investment in shares of the company to be valued vis-a-vis an investment in a risk-free interest-bearing security.

424. Tax influences must be taken into account when determining the basic interest rate and risk premium. In the direct standardization of personal income taxes, the financial surpluses to be discounted must be reduced by personal income taxes and the capitalization interest rate after personal income taxes must be applied. The capitalization interest rate is therefore made up of the basic interest rate reduced by the standardized personal income tax and the risk premium after personal income taxes.

425. In addition, the possibility of growth in financial surpluses after the end of the planning period must be assessed and taken into account in the valuation as a growth discount in the capitalization rate.

b) Base interest rate

426. The derivation of the base interest rate is based on the yield curve for government bonds. The yield curve on the bond market reflects the relationship between interest rates and maturities that would apply to zero bonds without credit default risk. The use of zero bond yields with matching maturities derived from the yield curve ensures that maturity equivalence is maintained.

427. For objectivity reasons, the Svensson method used by the Deutsche Bundesbank and published yield curve data based on the prices of listed German government securities with a remaining term of up to around 30 years are used to derive the relevant yield curve. The published yield curve data are estimates based on observed current yields of

Coupon bonds, i.e . from federal bonds, Federal notes and Federal Treasury notes.

428. The appraiser used the parameters of the Deutsche Bundesbank as a basis and determined a uniform prime rate on this basis and rounded it in accordance with the procedure recommended by the Fachausschuss für Unternehmensbewertung (FAUB). According to the valuation expert, the uniform base interest rate determined in this way and used as the basis for the valuations amounts to a rounded 2.50 % before personal income taxes. The base interest rate was then converted into an after-tax figure of 1.84%, taking into account a standardized personal income tax burden (flat-rate withholding tax) of 26.38%.

429. We have verified the derivation of the prime rate by the appraiser on the basis of our own calculations and consider the risk-free prime rate of **2.50% before personal income taxes** or **1.84% after personal income taxes** used by the appraiser to be appropriate and reasonable, taking into account the approach recommended by the Fachausschuss für Unternehmensbewertung (FAUB).

c) Risk premium

aa) Market risk premium

430. The two alternative courses of action "investment in the company" and "investment in the alternative investment" must be comparable in terms of their risks. When assessing the risk, the investor's risk appetite must always be taken into account. However, the subjective risk appetite of a particular investor cannot be taken into account in an objectified business valuation. Therefore, the subjective risk appetite is usually replaced by the general behavior of the market. As investors see a particular risk in investing in companies (investor risk), a premium to the prime rate is necessary.

431. Models for pricing on capital markets can be used to determine the risk premium. The most common model in theory and practice is the capital asset pricing model (**CAPM**).

432. To determine the risk premium, a distinction is made between unsystematic risk, which only affects the individual company and can therefore generally be diversified, and systematic risk. A risk premium is only paid for the systematic risk that cannot be eliminated through diversification. The systematic risk is measured

via the so-called beta factor. The beta factor is a measure of the company risk in relation to the market risk. The risk premium is obtained by multiplying the company's **beta factor** by the **market risk premium**. A beta factor greater than 1 means that the value of the equity of the company under consideration reacts disproportionately to market fluctuations on average; a beta factor less than 1 means that the value changes disproportionately less on average.

433. An estimate of the expected **market risk premium** can be determined from the historical difference between the return on risky securities, which can be calculated from an equity index, for example, and the return on (quasi-)risk-free capital market investments. Empirical studies for the German capital market have shown that investments in shares in the past achieved significantly higher returns than exhibits in (quasi-)risk-free capital market investments, depending on the period under review, the statistical method used to calculate the mean value and the index used for the study (DAX, CDAX, etc.).

434. Based on current market observations and capital market studies and taking into account the implicit market risk premiums based on forecasts by financial analysts and rating agencies, the IDW's Expert Committee for Business Valuation and Economics (FAUB) came to the conclusion in September 2012 that it is appropriate to base the market risk premium on a range of 5.5% to 7.0% before personal income taxes or 5.0% to 6.0% after personal income taxes.

435. At its meeting on October 22, 2019, the FAUB decided to raise its recommendation for the market risk premium before personal income taxes to between 6.0% and 8.0% and for the market risk premium after personal income taxes to between 5.0% and 6.5%.

436. In the technical note "Effects of Russia's war against Ukraine on business valuations" dated March 20, 2022, the FAUB discusses the effects of the war in Ukraine on business valuations. Accordingly, even in the current situation of the war in Ukraine, the capitalization rate is based on long-term analyses of average market returns, which the FAUB believes to be in the range of 7.0% to 9.0% (after corporate taxes and before personal taxes). The FAUB continues to see the market risk premium within a range of between 6.0% and 8.0% (after corporate taxes and before personal taxes). At its 168th meeting on September 6, 2023, the FAUB confirmed that, overall, there is no need for action to adjust the recommendations of October 22, 2019.

437. In the wake of the increased base interest rate level, current evaluations[20] indicate an implicit market risk premium in the region of 5.75 % after personal income taxes, based on the implicit market yields currently observable on the German capital market.

438. The appraiser determines a market risk premium after personal taxes of 5.75 %. The FAUB bandwidth recommendation (5.0 % to 6.5 %) is thus condensed to the mean value of the market risk premium after personal taxes. This procedure corresponds to common practice in business valuation.

439. We currently consider the **market risk premium** of 5.75% after personal income taxes applied by the appraiser to be appropriate overall.

bb) Beta factor

440. The risk premium estimated for a market portfolio must be adjusted with regard to the specific risk structure of the company being valued. This company-specific risk is expressed in the so-called beta factor according to the CAPM or the Tax-CAPM. The level of the beta factor reflects the extent of the systematic risk of a share that cannot be diversified through capital market transactions. The higher the beta factor, the higher the risk premium demanded by capital market participants. It is calculated from the relationship between the fluctuation in the yield of the specific share and the fluctuation in the market yield. A beta factor greater than one means that the value of the equity of the company in question reacts disproportionately to market fluctuations on average, while a beta factor of less than one means that the value changes disproportionately less on average.

441. The beta factor is determined for listed companies using regression analyses from capital market data. However, if the company to be valued is not listed or the capital market data is not meaningful, the beta factor can be derived indirectly from a group of comparable listed companies (so-called peer group).

442. The valuation of alstria Office REIT-AG was based on an unlevered beta factor of 0.50 by ValueTrust on the basis of a peer group analysis. We have made the following observations:

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[20] https://www.ivc-wpg.com/tools/mrp/

Own beta factor of the alstria group

443. The development of the alstria share price was significantly influenced by the
The transaction was influenced by the conclusion of an investor agreement between the company and Alexandrite Lake Lux Holdings S.à.r.l., Luxembourg, a subsidiary of Brookfield Corporation, on November 4, 2021. The investor agreement provided for a voluntary public takeover offer for all outstanding shares of alstria of € 19.50 per share. The (extended) acceptance period ended on February 3, 2022.

444. The alstria shares (ISIN DE000A0LD2U1) are admitted to trading on the Regulated Market of the Frankfurt Stock Exchange or XETRA and at the same time in the sub-segment of the Regulated Market with additional post-admission obligations (Prime Standard). The shares are also traded on the OTC markets of the stock exchanges in Berlin, Düsseldorf, Hamburg, Hanover, Munich and Stuttgart as well as on the Tradegate Exchange and the Vienna Stock Exchange. The shares were excluded from the MDAX with effect from February 11, 2022.

445. BPG Holdings Bermuda Limited has informed the management board of alstria by letter dated
On September 18, 2024, alstria informed BPG Holdings Bermuda Limited that it intends to carry out a procedure to transfer the shares of the minority shareholders of alstria to BPG Holdings Bermuda Limited against an appropriate cash compensation pursuant to sections 327a AktG (so-called squeeze out). On
On September 18, 2024, alstria informed the public by press release about the intention of BPG Holdings Bermuda Limited to seek a squeeze out.

446. A meaningful beta factor can therefore not be determined as of the valuation date due to the announcement of the transfer request. However, it is conceivable to derive the historical **beta factors** of the alstria share prior to the announcement of the transfer request using suitable econometric methods.

447. The appraiser has decided not to determine alstria's own beta factor on the grounds that no unbiased beta factor can be determined for periods after the announcement of the takeover offer.

448. As part of our own analyses to assess the suitability of the company's own beta factor as a reliable estimator of alstria's corporate risk, we first examined the liquidity in trading in alstria shares for the two-year, three-year and five-year periods. This approach is based on the idea that the regression of beta factors only leads to reliable results if the underlying share prices adjust to changes in the economic environment in a factually and temporally undistorted manner, i.e. if they are responsive to new, price-relevant factors.

information.[21] In this context, responsiveness is assumed if there is sufficient liquidity. The use of exclusively undistorted market data and thus liquid shares comes very close to the model world of the CAPM, which is based on the assumption of a perfect and information-efficient capital market.

449. To analyze liquidity, we used various liquidity ratios and examined them for different time periods. The key figures include the relative bid-ask spread, the trading volume, the trading ratio and the free float of the shares. The corresponding key figures for trading on the most liquid trading platform XETRA up to and including September 17, 2024 (day before the transfer request was announced) are presented below.

alstria Office REIT-AG		Observation period			Number of trading days
		2 years	3 years	years5	5 years
Relative bid-ask spread (median)	%	1,76%	1,16%	0,31%	1.272
Relative bid-ask spread (mean value)	%	2,03%	1,51%	0,96%	
Trading turnover (median)	T€	28.376	63.536	1.136.510	
Trading turnover (mean value)	T€	54.397	1.848.042	3.962.149	
Trading ratio (median)	%	0,07%	0,12%	0,20%	
Trading ratio (mean value)	%	0,14%	0,80%	0,60%	
Free float (median)	%	4,80%	4,81%	4,89%	
Free float (mean value)	%	4,73%	15,96%	48,38%	

Source: Bloomberg; IVA analyses

Table 22: Results of the analysis of the liquidity of alstria shares

450. The average relative BAS of the alstria share for an observation period of 2 and 3 years is 1.76 % and 1.16 %, respectively, and thus above the limit of 1.0 % commonly used in case law for reactive shares. The corresponding BAS for an observation period of 5 years, on the other hand, is 0.31%. The average BAS is 2.03 % (2 years), 1.51 % (3 years) and 0.96 % (5 years). Based on this figure, it can therefore only be assumed that there is sufficient share price liquidity for the five-year period. The analysis of trading turnover shows a similar picture. While the median turnover of alstria shares over five years was still around € 1.1 million, it amounted to only around € 28.4 thousand and € 63.5 thousand in the two- and three-year observation periods. Among other things, this is due to the lower number of shares in free float as a result of the takeover by Brookfield Corporation at the end of 2021. The decline is particularly evident in the two-year period in the mean value analysis. The trading ratio is

[21] Cf. Schulte/Franken, Assessment of the suitability of beta factors using R² and T-test: An aberration?, in: Die Wirtschaftsprüfung, Heft 22, 2010, p. 1115.

at a median of 0.07 % (2 years), 0.12 % (3 years) and 0.20 % (5 years) over the entire analysis period. The mean values are at a slightly higher level, but show an overall downward trend, particularly in the two-year period. The free float is below 5.0% as a result of the takeover by Brookfield Corporation. It should be noted here that the median analysis for the five-year period under review results in a free float ratio of 4.89%, which is only slightly higher than in the other periods. An arithmetic mean would result in a free float ratio of around 48.4 % (2 years: 4.8 %). Against this background, our analyses suggest that sufficient share liquidity can only be assumed for a five-year observation period. However, we would like to point out that we have determined in the context of the share price analysis (see note 288 et seq.) that the share price development in the period from November 4, 2021 to February 3, 2022 is influenced by the takeover offer. A beta factor derived for this period is therefore subject to a certain distortion and is therefore not fully meaningful.

451. The company's own beta factor of alstria as of September 17, 2024 is shown in the table below. We note that the company's share prices and returns in 2022 and 2023 are affected by the payment of special dividends of €750m and €250m respectively. The respective payments will result in significant price declines, which would lead to strongly negative share returns and thus also distort the beta factors. We have therefore adjusted the corresponding share price and return data for these special effects when calculating the beta factors.

alstria's own beta factor as of the reporting date: 17.9.2024	Index	Registered seat land	Interval	Data points	Beta (at fault)	Debt-equity ratio	Beta (not at fault)
5 years	CDAX	GER	m	60	0,97	98,3%	0,64

Source: Bloomberg; IVA analyses

Table 23: Results of the analysis of alstria's own beta factor

452. The unlevered beta factor for alstria is 0.64 (5 years). Due to the takeover offer, this is only of limited significance. We have not calculated two- and three-year beta factors due to the liquidity ratios described above and due to price-distorting effects, which tend to have a greater impact on two- and three-year beta factors. These include, in particular, the effect of the takeover offer.

453. As the company's own beta factor is only of limited informative value, we consider it appropriate to also use a peer group to derive the cost of capital.

Derivation of the beta factor based on a peer group

454. As part of a peer group analysis, ValueTrust identified sixteen listed companies. The selection of these peer group companies was based on an analysis of their operating activities and geographical focus. Real estate portfolio holders were selected that generate a significant proportion of their sales in the DACH region and whose portfolio consists primarily of commercial real estate. In addition, companies with a particular focus on office properties (share of office properties in the overall portfolio of over 75%) were selected. One of these companies was not included in the calculation of the peer group beta factor due to insufficient share price liquidity. The derivation of the peer group beta factor was based on an equally weighted average of the beta factors determined for the fifteen remaining peer group companies.

455. To determine the beta factor, the appraiser analyzed the indebted beta factors of the peer group companies for a two-year period on the basis of weekly returns and for a five-year period on the basis of monthly returns. A broad market index of the respective country of origin of the individual peer group companies was used as a reference index. The calculated leveraged beta factors were converted into unlevered beta factors, taking into account the individual leverage ratios of the respective companies. This calculation was based on the assumption of uncertain tax shields and risky debt capital (debt beta). On this basis, ValueTrust derives an average unlevered beta factor of 0.46 for a two-year period based on weekly returns as at December 6, 2024. For a five-year period based on monthly returns, the average unlevered beta factor is 0.63. As a result, ValueTrust considers an unlevered beta factor of 0.50 to be appropriate as an estimate of alstria's operating risk based on the average beta factors of the peer group companies. We have reviewed the Valuation Expert's approach to the selection of the peer group companies systematically and with regard to its specific implementation. We have no objections to this derivation of the peer group companies.

456. In order to examine the appropriateness of the unlevered beta factor of 0.50 determined by the appraiser, we performed our own additional analyses to derive the beta factor independently of the appraiser's approach.

457. For this purpose, we carried out our own peer group analysis and determined the corresponding beta factors. With regard to the selection of peer companies, a comparison with companies in the same industry or the same sector is generally appropriate.

same product and market structure. Absolute congruence of the companies is neither possible nor necessary. However, the future cash flows of the companies selected as comparable and the company to be valued should be subject to a largely identical operating risk. As part of a detailed selection process, we identified listed companies that have a comparable business model to that of alstria. The focus was on comparability in terms of the investment approach and the resulting risk/return profile.

458. The starting point for the independent peer group selection is a population of listed companies based on the database of the information service provider S&P Capital IQ, Standard & Poor's Financial Services LLC, USA ("S&P Capital IQ"). This population was filtered for comparability with alstria using the following criteria:

Criterion	Characteristic
Industry classification	"Diversified REIT" or "Office REIT" or "Retail REIT" or "Diversified Real Estate Activities" or "Real Estate Operating and Management"
Home country	Europe, North America or Developed Asia-Pacific
Geographical orientation	Europe without (significant) UK share in the portfolio
Company description	Contains "office" or "commercial"
Sales strategy	Predominant share of office properties in the portfolio (>50.0%)

Source: IVA analyses

Table 24: Criteria for the selection of alstria's peer group

459. Based on the criteria listed in Table 24 and taking into account liquidity ratios and significant capital events (e.g. IPO, sale of significant parts of the business) within the last three years, we identified 11 peer group companies that we used to determine the beta factor. Some of these are peer group companies that were also identified by the valuation expert. The comparative overview of the peer group companies is as follows.

#	IVA-Peer Group	VT-Peer Group	Commentary
1	CA Immobilien exhibits AG	CA Immobilien exhibits AG	-
2	CLS Holdings plc	CLS Holdings plc	-
3	Gecina S.A.	Gecina S.A.	-
4	Icade S.A.	-	Exclusion for VT, as DACH share <25%.
5	Inmobiliaria Colonial SOCIMI S.A.	Inmobiliaria Colonial SOCIMI S.A.	-
6	MERLIN Properties SOCIMI S.A.	-	Exclusion for VT, as DACH share <25%.
7	NSI N.V.	NSI N.V.	-
8	Covivio S.A.	-	Exclusion for VT, as DACH share <25%.
9	PSP Swiss Property Ltd	PSP Swiss Property Ltd	-
10	Inovalis Real Estate Investment Trust	Inovalis Real Estate Investment Trust	-
11	IREIT Global	IREIT Global	-
12	-	Hamborner REIT AG	Exclusion for IVA, as office share <50%.
13	-	EPIC Suisse AG	Exclusion for IVA, as office share <50%.
14	-	Sirius Real Estate Limited	Exclusion for IVA, as office share <50%.
15	-	Aroundtown S.A.	Exclusion for IVA, as office share <50%.
16	-	Vitura S.A.	Exclusion from IVA due to insufficient share liquidity.
17	-	Derwent London plc	Exclusion from IVA due to the focus on the UK.
18	-	Helical plc	Exclusion from IVA due to the focus on the UK.
19	-	Great Portland Estates plc	Exclusion from IVA due to the focus on the UK.

Source: IVA analyses; valuation expert

Table 25: Comparison of peer group companies

460. The eight peer group companies CA Immobilien Anlagen AG, CLS Holdings plc, Gecina S.A., Inmobiliaria Colonial SOCIMI S.A., NSI N.V., PSP Swiss Property AG, Inovalis Real Estate Investment Trust and IREIT Global are peer group companies that were also identified by the appraiser. In addition to the peer group companies identified by the appraiser, we have included Icade S.A., MERLIN Properties SOCIMI S.A. and Covivio S.A. in the peer group. This is based on our assumption of a broader geographical business focus, which does not require activities in the DACH region and therefore also includes France, the Netherlands and Spain in particular. On the other hand, we have not included Hamborner REIT AG, EPIC Suisse AG, Sirius Real Estate Limited and Aroundtown S.A., which were identified by the appraiser as comparable companies, in our peer group as these companies do not have a predominantly office share in their portfolios. Furthermore, we have not included Vitura S.A. as no reliable beta factor can be derived in the reference period due to low share price liquidity. In addition, we have not included Derwent London plc, Helical plc and Great Portland Estates plc in our peer group due to their focus on the UK market. We would like to point out that the valuation expert also excluded EPIC Suisse AG from the peer group due to statistically insignificant beta factors and an insufficiently long share price history.

was not included in the calculation of its peer group beta factor. In this respect, the companies used to determine the peer group beta factor are de facto more closely aligned.

461. We determined the beta factors over a period of two and three years on the basis of weekly returns and over a five-year period on the basis of monthly returns. A market-wide local index was used as the index in each case.

462. The beta factor is influenced by corporate debt (financing risk). The empirically observed beta factor of the comparable companies must therefore first be adjusted for the financing risk of the respective companies. The unlevered beta factor can then be transferred to the valuation object. The unlevered beta factor must be adjusted to the capital structure of the valuation object.

463. In deriving the unlevered beta factors presented below, we have assumed uncertain tax benefits and included debt betas. The following table shows the results of our analysis for the two-year period under review based on weekly returns as of December 16, 2024.[22]

The company	Index	Regi ster ed seat land	Inter- vall	Data points	Beta (at fault)	Debt-equity ratio	Beta (not at fault)
CA Immobilien exhibits AG	WBI	AUT	w	104	0,85	65,7%	0,57
CLS Holdings PLC	ASX	GB	w	104	1,00	163,7%	0,47
Gecina SA	SBF250	FR	w	104	0,88	88,0%	0,53
Icade SA	SBF250	FR	w	104	0,83	118,4%	0,47
Inmobiliaria Colonial Socimi SA	MADX	ESP	w	104	0,93	113,0%	0,52
Merlin Properties Socimi SA	MADX	ESP	w	104	0,70	94,3%	0,43
NSI NV	RAAX	NL	w	104	0,48	71,5%	0,34
Covivio SA	SBF250	FR	w	104	0,90	109,0%	0,50
PSP Swiss Property Ltd-REG	SPI	CH	w	104	0,39	64,0%	0,27
Min					0,39	64,0%	0,27
Mean value					**0,77**	**98,6%**	**0,46**
Median					**0,85**	**94,3%**	**0,47**
Max					1,00	163,7%	0,57

** As there is insufficient share price liquidity for Inovalis Real Estate Investment Trust and IREIT Global, the beta factor for these companies has not been shown.*

Source: Bloomberg; IVA analyses

Table 26: Resultsof the beta analysis of the peer group over a two-year period with a weekly return interval

[22] The yield, fundamental data and capital market data were queried as at December 16, 2024. The yield data are calculated on the basis of Friday prices and therefore using the prices as at December 13, 2024 (weekly) and November 29, 2024 (monthly).

464. The beta factors of Inovalis Real Estate Investment Trust and IREIT Global for the two-year and three-year periods were not taken into account due to insufficient liquidity in share trading in the respective observation periods.

465. The following table shows the results for the three-year period under review on the basis of weekly returns as at December 16, 2024.

The company	Index	Registered seat land	Inter-vall	Data points	Beta (at fault)	Debt-equity ratio	Beta (not at fault)
CA Immobilien exhibits AG	WBI	AUT	w	156	0,77	61,1%	0,53
CLS Holdings PLC	ASX	GB	w	156	1,13	139,8%	0,55
Gecina SA	SBF250	FR	w	156	0,98	83,0%	0,59
Icade SA	SBF250	FR	w	156	0,96	112,3%	0,54
Inmobiliaria Colonial Socimi SA	MADX	ESP	w	156	1,01	103,4%	0,58
Merlin Properties Socimi SA	MADX	ESP	w	156	0,93	104,8%	0,52
NSI NV	RAAX	NL	w	156	0,50	66,8%	0,35
Covivio SA	SBF250	FR	w	156	1,11	104,9%	0,62
PSP Swiss Property Ltd-REG	SPI	CH	w	156	0,45	61,5%	0,31
Min					0,45	61,1%	0,31
Mean value					**0,87**	**93,1%**	**0,51**
Median					**0,96**	**103,4%**	**0,54**
Max					1,13	139,8%	0,62

** As there is insufficient share price liquidity for Inovalis Real Estate Investment Trust and IREIT Global, the beta factor for these companies has not been shown.*

Source: Bloomberg; IVA analyses

Table 27: Resultsof the beta analysis of the peer group over a three-year period with weekly return intervals

466. The following table shows the results for the five-year period under review on the basis of monthly yields as at December 16, 2024.

The company	Index	Regi ster ed seat land	Inter-vall	Data points	Beta (at fault)	Debt-equity ratio	Beta (not at fault)
CA Immobilien exhibits AG	WBI	AUT	m	60	0,74	59,7%	0,51
CLS Holdings PLC	ASX	GB	m	60	1,23	113,4%	0,65
Gecina SA	SBF250	FR	m	60	1,11	78,4%	0,68
Icade SA	SBF250	FR	m	60	1,30	104,8%	0,72
Inmobiliaria Colonial Socimi SA	MADX	ESP	m	60	1,21	92,5%	0,70
Merlin Properties Socimi SA	MADX	ESP	m	60	1,31	109,7%	0,69
NSI NV	RAAX	NL	m	60	0,86	60,9%	0,58
Covivio SA	SBF250	FR	m	60	1,65	101,0%	0,90
PSP Swiss Property Ltd-REG	SPI	CH	m	60	0,64	57,9%	0,43
Inovalis Real Estate Investment Trust	SBF250	CA	m	60	1,34	109,0%	0,80
IREIT Global	CDAX	SGP	m	60	0,86	70,0%	0,56
Min					0,64	57,9%	0,43
Mean value					**1,11**	**87,0%**	**0,66**
Median					**1,21**	**92,5%**	**0,68**
Max					1,65	113,4%	0,90

Source: Bloomberg; IVA analyses

Table 28: Resultsof the beta analysis of the peer group over a five-year period with a monthly return interval

467. Based on the periods analyzed, the unlevered beta factors for the peer group companies range from 0.27 to 0.90. The range resulting from the peer group median and the peer group mean is 0.48 to 0.68.

468. The original beta factor (not at fault) of alstria is 0.64. In our opinion, however, this is only of limited value as an estimate for the future operating risk of the company and is only used for information purposes (see note 452).

469. Overall, we consider an unlevered beta factor within a range of 0.45 to 0.70 to be a reasonable estimate of the company's future operating risk. This corresponds to the range of the mean/median for unlevered beta factors when considering the 2- and 3-year weekly beta factors and the 5-year monthly beta factors. The unlevered beta factor of 0.50 calculated by ValueTrust is at the lower end of the range we consider plausible.

470. In the context of an overall consideration of our analyses, we consider the unlevered beta factor of 0.50 applied by the valuation expert for the operating risk to be appropriate, as it lies within a reasonable range.

d) Growth discount

471. The planning assumptions underlying the valuation in the detailed planning phase (2024 to 2029) and the convergence phase (2030 to 2033) take into account the achievable growth in income and expenses. A growth discount was therefore not necessary for this period. In the years from 2034 onwards (perpetuity), the items in the income statement and the portfolios and thus also the net income of the shareholders that can be derived from the planning will continue to develop. This sustainable growth of the company can be reflected mathematically as a growth discount in the capitalization rate. There are basically two growth components that are taken into account in the business valuation in the year of perpetuity.

472. For example, the growth of a company's financial surpluses can be due to purely nominal growth caused by price changes (inflation-driven growth) or to real economic developments in performance-related success factors (operational or retention-driven growth through capacity optimization or expansion).

473. The inflation-driven growth can be attributed to the fact that assets become more expensive from year to year due to the macroeconomic inflation rate. If these price increases can be passed on to the end customer, this results in a steadily growing stream of earnings and dividends for the shareholder. At the same time, however, inflation-driven growth also requires a corresponding retention to maintain the economic (real) substance (inflation-driven or growth-driven retention).

474. Furthermore, it is possible to tie up capital in the company through additional reinvestments that exceed the inflation-related capital requirement and to generate additional operational growth through capacity expansions (operational or reinvestment-related growth). In accordance with the recommendations of IDW S 1, the reinvestment of the funds retained in this context in the year of the perpetual annuity is assumed to be a capital value-neutral exhibit at the capitalization rate (see IDW S 1, point 47).

475. These two growth components can be depicted differently when determining the capitalized earnings value. In the context of the so-called practitioner method used here, inflationary growth is typically taken into account in the denominator (in financial mathematical terms as a growth discount on the cost of capital) and operating or retention-related growth is typically taken into account in the numerator of the present value calculation.

476. It is therefore necessary to examine whether alstria can at least partially pass on inflation-related price increases on the procurement markets through higher sales prices.

477. The analysis of the forecast long-term development of consumer prices (inflation rate) can be used as an initial point of reference to check the plausibility of the growth discount. The IMF forecasts an inflation rate of 2.4% for the eurozone in 2028 (World Economic Outlook of April 2024). More recent analyst estimates put the median at 2.0% for 2026. However, it is not possible to draw direct conclusions about alstria's inflation-related growth from the development of average consumer prices. For example, consumer prices do not only take into account products and services that are relevant for alstria.

478. In the past, price increases on the procurement markets - especially for personnel - tended to be offset by efficiency enhancement measures. alstria operates in a market that is characterized by a challenging economic environment. It is generally possible to pass on the level of inflation by adjusting the price level of the products offered. Overall, we assume that inflation-related price increases can generally be passed on by alstria to its customers, but that this is not possible without restrictions due to the challenging economic environment. Against this background, we consider an overall range of 1.0% to 2.0% for the inflation-related growth rate to be reasonable. The growth discount of 2.0% before personal taxes or 1.74% after taxes applied by the appraiser is therefore at the upper end of a range that we consider to be reasonable. A lower sustainable growth rate would c.p. lead to a lower enterprise value.

e) Presentation of the capitalization rates

479. In summary, the capitalization rates applied by the valuation expert in the detailed and rough planning period and in the perpetuity period are as follows:

alstria Office REIT-AG Cost of equity	Plan 2025	Plan 2026	Plan 2027	Plan 2028	Plan 2029	Plan 2030	Plan 2031	Plan 2032	Plan 2033	TV 2034 ff.
Base interest rate before pers. income taxes	2,50%	2,50%	2,50%	2,50%	2,50%	2,50%	2,50%	2,50%	2,50%	2,50%
Withholding tax	-0,66%	-0,66%	-0,66%	-0,66%	-0,66%	-0,66%	-0,66%	-0,66%	-0,66%	-0,66%
Prime rate after pers. Income taxes	**1,84%**	**1,84%**	**1,84%**	**1,84%**	**1,84%**	**1,84%**	**1,84%**	**1,84%**	**1,84%**	**1,84%**
Market risk premium after pers. Income taxes	5,75%	5,75%	5,75%	5,75%	5,75%	5,75%	5,75%	5,75%	5,75%	5,75%
Beta (not at fault)	0,50	0,50	0,50	0,50	0,50	0,50	0,50	0,50	0,50	0,50
Debt-equity ratio	276,1%	246,5%	220,8%	193,6%	170,5%	154,8%	149,2%	142,8%	136,5%	136,8%
Beta (indebted)	1,52	1,37	1,28	1,20	1,11	1,05	1,03	1,01	0,98	0,98
Risk premium after pers. Income taxes	**8,76%**	**7,87%**	**7,36%**	**6,91%**	**6,36%**	**6,04%**	**5,94%**	**5,81%**	**5,63%**	**5,63%**
Cost of equity after pers. Income taxes	**10,60%**	**9,71%**	**9,20%**	**8,75%**	**8,20%**	**7,88%**	**7,78%**	**7,65%**	**7,47%**	**7,47%**
Sustainable growth discount										-1,74%
Cost of equity after pers. Income taxes	**10,60%**	**9,71%**	**9,20%**	**8,75%**	**8,20%**	**7,88%**	**7,78%**	**7,65%**	**7,47%**	**5,74%**

Source: ValueTrust; IVA analyses

Table 29: Calculationof the cost of equity for alstria in the detailed planning period, the convergence phase and the perpetual annuity

480. As a result, we consider the method presented by the valuation expert for deriving the capitalization rate to be appropriate and the underlying capitalization rates to be appropriate. The underlying capitalization rates are within a range that we consider plausible.

7. Earnings value of the operating business

481. The capitalized earnings value of alstria's operating business is the sum of the present values of the net income to be capitalized. The net income comprises the value contributions from distributions (dividends) as well as the value contributions from retained earnings, which are notionally attributed directly to the shareholders, less the corresponding personal income taxes. To determine the present value of the net income, the forecast net income for financial years 2025 to 2033 must be individually discounted to the valuation date using the capitalization rates (cost of equity) described above. For the average net income from the 2034 financial year onwards, the present value is calculated using the perpetuity formula. The present value of the perpetual annuity must also be discounted back to the valuation date.

482. The capitalization is technically carried out in a first step as at 31 December 2024. In the second step, interest is compounded as at 11 February 2025 using the capitalization rate of the first planning year. The capitalized earnings value of the operating business is then calculated as follows:

alstria Office REIT-AG Capitalized earnings value million €	Plan 2025	Plan 2026	Plan 2027	Plan 2028	Plan 2028	Plan 2028	Plan 2028	Plan 2028	Plan 2028	TV 2031ff.
Net distributions	**0,0**	**0,0**	**0,0**	**0,0**	**0,0**	**57,0**	**46,7**	**45,4**	**89,7**	**91,4**
Capitalization rate	10,60%	9,71%	9,20%	8,75%	8,20%	7,88%	7,78%	7,65%	7,47%	5,74%
Period	1,0	2,0	3,0	4,0	5,0	6,0	7,0	8,0	9,0	10,0
Present value factor	0,90	0,82	0,75	0,69	0,64	0,59	0,55	0,51	0,48	8,31
Present values as of 12/31/2024	**0,0**	**0,0**	**0,0**	**0,0**	**0,0**	**33,9**	**25,7**	**23,3**	**42,7**	**760,1**

∑ Present values - 12/31/2024	885,7
Compounding factor	1,012
Capitalized earnings value -11.02.2025	**896,0**

Source: alstria; ValueTrust; IVA presentation

Table 30: Derivation of the capitalized earnings value of the alstria Office REIT group

483. **The capitalized earnings value** of the operating business of the alstria Office REIT group amounted to
February 11, 2025 therefore total around **€ 896.0 million.**

484. We have verified the determination of the capitalized earnings value on the basis of our own calculations and checked it mathematically and objectively. No objections were raised. Overall, we consider the approach chosen by the appraiser to determine the capitalized earnings value to be plausible and appropriate.

8. Value of the separately valued assets

485. In addition to the capitalized earnings value of the operating business, special values and non-operating assets are usually recognized when deriving the enterprise value. Non-operating assets are defined as assets that can be freely sold without affecting the actual business task (functional demarcation criterion). Insofar as their values are not reflected in the company's budget and therefore in the capitalized earnings value, the corresponding assets and the associated liabilities as well as any income taxes incurred must be valued separately, taking into account the best possible utilization, and included in the enterprise value.

486. The appraiser has included the following items as special values in the valuation. According to the information provided, the company has no other non-operating assets.

alstria Office REIT-AG Special values	million €
Tax contribution account	23,2
Minorities	-7,6
Special value as of December 31, 2024	**15,6**
Compounding factor	1,012
Special value as of February 11, 2025	**15,8**

Source: IVA analyses

Table 31: Special values of alstria as of February 11, 2025

487. The special values result from the following circumstances:

- The tax contribution account of alstria pursuant to § 27 para. 2 KStG shows as of December 31, 2024 amounted to € 362.1 million. As the company does not have sufficient distributable profit for tax purposes, the assumed distributions lead in part to a repayment of historical shareholder contributions from the tax contribution account and are therefore not subject to withholding tax. In principle, the resulting tax-reducing effect can either be integrated into the model when determining the withholding tax (plus solidarity surcharge) on the value contribution from distributions or taken into account via a special value. The appraiser has taken this tax-reducing effect into account in the present valuation as a special value. The tax-free distributions from the contribution account are vis-a-vis a higher capital gain at the time of the sale of the share c.p., which leads to a correspondingly higher capital gains tax. In this respect, the distributions from the contribution account only lead to a tax deferral from an economic point of view, but not to a tax saving. This situation was taken into account by the valuation expert applying half of the withholding tax rate to the amounts distributed from the contribution account. According to the planning calculation, the tax contribution account will be fully used up by distributions by 2036. The present value of the effective tax savings in the amount of € 23.2 million was included in the valuation as a special value. To calculate the present value, the valuation expert used the cost of equity after personal income taxes. It is argued in the literature that, for reasons of consistency, the discounting must be carried out using the unlevered cost of equity after personal income taxes.[23] Discounting using the unlevered cost of equity would result in the following

c.p. would result in a higher special value. However, the impact of a different discount rate on the company value as a whole is insignificant.

- Non-controlling interests in the attributable Group result were identified and taken into account as minority interests in the valuation. The pro rata result attributable to these minorities was not taken into account when deriving the capitalized earnings value, so that it is appropriate to consider it as a special value.

488. We have understood the valuation expert's approach and consider it to be appropriate overall. Our analyses and the information provided to us by the company did not reveal any indications of other matters that should be taken into account as a special value or material non-operating assets.

23 See Bertram, Der Unterschied zwischen Steuerersparnis und Steuerstundung beim steuerlichen Einlagekonto, in: WPg 2017, p. 155 f.

9. Enterprise value and value per share

489. The enterprise value of alstria as of the valuation date is composed of the capitalized earnings value of the operating business and the special values or the value of the non-operating assets as follows.

alstria Office REIT-AG Enterprise value	million €
Earnings value of the operating business	**896,0**
Special values	15,8
Enterprise value as of February 11, 2025	**911,8**

Source: IVA analyses

Table 32: Enterprise value of alstria as of February 11, 2025

490. The enterprise value of alstria amounts to approximately **€ 911.8 million** as of February 11, 2025**.**

491. Based on 178,562 outstanding shares, the value per share of alstria is as follows.

alstria Office REIT-AG Value per share	million €
Enterprise value as of February 11, 2025	**911,8**
Number of shares outstanding	178.562
Value per share (in €)	**5,11**

Source: IVA analyses

Table 33: Value per share of alstria as of February 11, 2025

492. The enterprise value per share of alstria amounts to **€ 5.11** as of February 11, 2025**.**

V. Determination of the company value according to NAV

1. Preliminary remark

493. The appraiser did not use NAV to determine the cash-settlement relevant value of alstria, as it considers the determination of the enterprise value according to the capitalized earnings method or the DCF method to be preferable. Nevertheless, the appraiser has calculated its own NAV approach as an indication of the equity value of alstria on the basis of the current real estate portfolio in order to check the plausibility of the results of the DCF method. The appraiser explicitly points out that the NAV approach was not applied as an independent valuation method.

494. We do not consider the NAV determined by the appraiser as an indication of the equity value of alstria to be appropriate.

495. We have performed our own calculation of the enterprise value of alstria using the NAV. In our opinion, the NAV is an appropriate method for the valuation of an asset management company. The NAV takes into account the particularities of the business activities of alstria Office REIT-AG as an asset management company (see paragraph **Fehler! Verweisquelle konnte nicht gefunden werden.**).

496. Furthermore, in its ruling dated October 8, 2024, the Hamburg Regional Court explicitly instructed us to determine the substance of the assets. We take this audit mandate into account by determining the NAV.

497. In the following sections, we first present our determination of the NAV of alstria. Subsequently, we present the NAV determined by the appraiser for indication purposes.

2. Procedure and Assessment basis

498. The NAV takes into account the special features of alstria's business activities as a primarily asset-managing company. The NAV is calculated by netting the fair values of all assets and liabilities on the expected date of the general meeting on February 11, 2025. As the valuation work must be completed at the time of convening the general meeting and thus several weeks before the day of the general meeting, the enterprise value on the day of the general meeting can only be determined approximately.

499. To determine the fair values of all assets and liabilities, we used the consolidated balance sheet of alstria as of September 30, 2024 as a starting point. Changes in the period from October 1, 2024 to February 11, 2025 were taken into account for simplification purposes by allocating the expected pro rata temporis earnings[24] of the company. The calculation of the fair value of the real estate portfolio was based on the provisional BNP valuation as at December 31, 2024 as at
29. November 2024, which the management board considers to be plausible and accurate. We also applied the fair values of the listed bonds at the current closing rate (December 9, 2024).

500. According to the company's management board, there are no significant assets and liabilities that are not included in the consolidated balance sheet of alstria office REIT- AG. Therefore, we have not considered any additional assets and liabilities in the determination of the NAV and, on this basis, have calculated the balance of the fair values of the assets and liabilities of alstria Office REIT-AG as of the balance sheet date as follows
February 11, 2025 will be determined.

501. The present value of future administrative costs must be taken into account when properly determining the NAV. Against this background, we have applied the present value of future administrative costs to reduce the value in our valuation. This approach is also accepted in case law (see LG Hamburg, decision of 29.6.2015 - 412 HKO 178/12; LG Frankfurt am Main, decision of 16.12.2014, Az 3-05 O 164/13 and confirmed by OLG Frankfurt, decision of 8.9.2016, Az 21 W 36/15, in AG 2017, pp. 553-556). The administrative costs were reduced by the tax benefit attributable to them.

502. Deferred income taxes on the hidden reserves that would arise if the assets were sold at company level are generally not taken into account because the NAV valuation concept does not assume liquidation, but rather the continuation of business operations. An exception is the sale of real estate, which is characteristic of the company's business model, typically after its development has been completed. We have determined the deferred tax burden for this volume of disposals, which is intrinsic to the business model, on the basis of the company's tax planning. In doing so, we have assumed a deferred tax burden on all hidden reserves in the real estate portfolio existing on the valuation date. In accordance with the company's business model

[24] Excluding the valuation result of the real estate portfolio. When deriving the NAV at February 11, 2025, we have made the assumption that the valuations according to the BNP report as of December 31, 2024 are unchanged from the valuation date of alstria Office REIT-AG.

It can be assumed that this deferred tax burden will be realized in the future. In order to reflect this, we have taken into account the tax burden from a standardized series of payments as a present value. We would like to point out that this is nevertheless purely a reporting date analysis, as we have not taxed any future profits, but have only taken into account the level of hidden reserves on the valuation date.

503. As the NAV is determined at company level and therefore no liquidation of assets is assumed, but the going concern principle is inherent in the NAV, the shareholders' personal income taxes were not deducted.

504. For the sake of simplicity, we have allocated the NAV determined on this basis as of September 30, 2024 to the reporting date of the general meeting of alstria on the basis of the pro rata temporis earnings of the company.

505. With regard to the underlying methodology used to derive alstria's NAV, we also refer to our comments in section C.II.4.

3. Determination of the NAV

a) Valuation of assets and liabilities

aa) Overview

506. The assets and liabilities were measured on the basis of the carrying amounts in accordance with IAS/IFRS. The following table shows the balance of the fair values of the assets and liabilities of alstria Office REIT-AG as of September 30, 2024 based on the respective carrying amounts.

507. In order to determine the fair value of deferred tax liabilities, we used three different scenarios that differ in terms of the underlying capitalization rates. On the one hand, we determined the present value assuming an unlevered cost of equity. In addition, we have alternatively used the cost of equity with debt as a basis. In doing so, we differentiated between a variant taking into account the market leverage ratio of the peer group (variant 1) and the company-specific leverage ratio (variant 2). The three scenarios for determining the respective balance of assets and liabilities are as follows.

alstria Office REIT-AG Balance of assets and liabilities	Book value 30.09.2024 T€	Market value not at fault 30.09.2024 T€	Market value indebted[1)] 30.09.2024 T€	Market value indebted[2)] 30.09.2024 T€
Investment property	4.070.869	4.142.700	4.142.700	4.142.700
Property, plant and equipment	20.795	3.382	3.382	3.382
Intangible assets	355	355	355	355
Financial assets	94.432	94.432	94.432	94.432
Derivative financial instruments	3.491	3.491	3.491	3.491
Deferred tax assets	5.779	0	0	0
Non-current assets	**4.195.721**	**4.244.360**	**4.244.360**	**4.244.360**
Trade receivables	6.388	6.388	6.388	6.388
Receivables from taxes	91	91	91	91
Other receivables and assets	10.066	10.066	10.066	10.066
Derivative financial instruments	4.607	4.607	4.607	4.607
Cash and cash equivalents	107.536	107.536	107.536	107.536
Current assets	128.688	128.688	128.688	128.688
Assets	**4.324.409**	**4.373.049**	**4.373.049**	**4.373.049**
Limited partner contributions not controlled Shareholder	97.290	97.290	97.290	97.290
Non-current loans and bonds, less current portion	1.991.054	1.927.861	1.927.861	1.927.861
Other provisions	1.332	1.332	1.332	1.332
Other liabilities	12.857	12.857	12.857	12.857
Derivative financial instruments	10.540	10.540	10.540	10.540
Deferred tax liabilities	225.279	190.758	156.615	137.319
Non-current liabilities	**2.338.352**	**2.240.638**	**2.206.495**	**2.187.199**
Limited partner contributions not controlled Shareholder	21	21	21	21
Short-term loans	448.900	433.279	433.279	433.279
Liabilities from deliveries and services	3.175	3.175	3.175	3.175
Derivative financial instruments	4.477	4.477	4.477	4.477
Income tax liabilities	386	386	386	386
Other provisions	2.726	2.726	2.726	2.726
Other current liabilities	73.449	73.449	73.449	73.449
Current liabilities	**533.133**	**517.513**	**517.513**	**517.513**
Debts	**2.871.485**	**2.758.151**	**2.724.008**	**2.704.712**
Balance	**1.452.924**	**1.614.898**	**1.649.041**	**1.668.337**

1) Standard market leverage ratio of the peer group
2) Company-specific gearing of the company Source: alstria Office REIT-AG, own presentation

Table 34: Balance of assets and liabilities of alstria Office REIT-AG as at 30. September 2024 (not at fault and in debt)

bb) Assets

508. As at September 30, 2024, the company's fixed assets mainly consist of **investment properties**, which correspond to the 106 properties in the real estate portfolio with a carrying amount of € 4,070,869 thousand as at September 30, 2024. Please refer to section D.I.2 for a presentation of the key figures for the real estate portfolio. The IFRS carrying amount for the real estate portfolio, which reflects the fair value of the investment property, is calculated on the basis of the fair value of the investment property.

The fair value of the real estate portfolio is based on external expert appraisals that are prepared annually. As at the most recent balance sheet date, December 31, 2023, the fair value was determined by the external expert Savills Advisory Services Germany GmbH & Co. KG, Frankfurt am Main, as at January 4, 2024. The carrying amount of the property portfolio as at December 31, 2023 is therefore as follows
3.971.253 T€. The carrying amount as at September 30, 2024 is generally based on the fair values determined as at December 31, 2023 and takes into account, in particular, the investments made in the property portfolio since then. However, an updated valuation of the property portfolio by an external expert was not yet carried out as at September 30, 2024. The increase in the carrying amount by € 99,616 thousand to € 4,070,869 thousand compared to the carrying amount as at December 31, 2023 is mainly due to the inclusion of investments.

509. As part of our audit work, we were provided with the preliminary market value determination of the external expert BNP Paribas Real Estate Consult GmbH, Frankfurt am Main, as at the reporting date.
31. December 2024 as of November 29, 2024 (hereinafter also referred to as "BNP valuation"). As this is the current external valuation of the real estate portfolio available to us, we used the BNP valuation as the basis for determining the market value as part of the NAV approach and subjected it to a critical assessment.

510. The BNP valuation includes calculations at individual property level. The market values were determined by BNP uniformly for all properties using the DCF method. The DCF method used by BNP provides for a detailed forecast of income and expenses for a holding period of ten years. The key assumptions for determining the forecast are summarized as follows:

- Contractual rent for the term of the existing lease (for open-ended leases, a lease term of one year to half of the previous lease term is assumed);

- New rentals at market rents;

- necessary investments for re-letting;

- Brokerage costs;

- an average rental period of up to 10 years for each potential new tenancy;

- Incidental transaction costs consisting of land transfer tax, notary and brokerage fees.

511. The discounting or capitalization of the cash flows resulting from the forecast was carried out at interest rates (yields) derived from the market for comparable transactions.

512. In the context of determining the market value of the property portfolio, we analysed the issue of value creation from the modernization and refurbishment of the development portfolio. The DCF valuations carried out by BNP provide for a comparable amount of CAPEX as the company's planning calculation. They differ in that the CAPEX planned by BNP is recognized earlier. Following the implementation of CAPEX measures, rent adjustments are planned in the course of re-letting by BNP. In this respect, the value added from the modernization or refurbishment of the development portfolio is included in the BNP valuation. However, we have not taken into account any value added from the development of properties to be acquired in the future, as we do not consider this to be consistent with the fundamental assumption of the reporting date approach in the NAV. We would like to point out that the company is not planning any property acquisitions.

513. We critically assessed the BNP valuation, particularly with regard to the market rents and exit yields applied by BNP. In doing so, we compared the assumed rents with current data from the analysis company, bulwiengesa AG, Frankfurt am Main, as of November 2024. Furthermore, we critically assessed the assumptions of the BNP valuation as part of a comparative analysis with the valuation of Savills Advisory Services Germany GmbH & Co. KG as of December 31, 2023. Furthermore, we were able to verify the DCF values determined by BNP. Overall, we consider the level of market rents applied by BNP to be plausible.

514. The market value of the real estate portfolio according to the BNP report amounts to €4,142,700 thousand. We have used the market value of the real estate portfolio in the corresponding amount to determine the NAV.

515. **Property, plant and equipment** includes, in particular, owner-occupied property, rights of use and operating and office equipment. They are recognized at cost less accumulated depreciation and impairment losses. Property, plant and equipment also includes the regrowth of the tree population of a forest property, which is recognized at fair value less estimated costs to sell. With a carrying amount of € 17,413 thousand as at September 30, 2024, owner-occupied properties make up the majority of the balance sheet item. This relates to space in four of alstria's office properties that are used by the company for its own administrative purposes.

are not taken into account. When determining the market value of property, plant and equipment, we have eliminated the carrying amount of the owner-occupied properties in the amount of € 17,413 thousand, as these are already included in the BNP valuation. The carrying amounts of the remaining property, plant and equipment in the amount of € 3,382 thousand correspond to the market values.

516. The **financial assets** consist almost exclusively of loans with a term until the end of the 2032 financial year. The loans relate to a Dutch foundation that used the funds to acquire shares in alstria Prime Portfolio GmbH & Co. KG. The loans are repayable in 2032 and will be repaid at a rate of 3.47 %.
p.a. interest. The carrying amounts are assumed to correspond to the market values.

517. The active and passive **derivative financial instruments** relate to interest rate derivatives that the company has concluded in connection with the interest rate hedging of its loan portfolio. These are swaps, caps and a floor. The carrying amounts correspond to the fair value in each case. As at September 30, 2024, the positive and negative fair values amounted to € 8,097 thousand and € -15,018 thousand respectively. On balance, the fair value of the interest rate derivatives amounted to € -6,920 thousand. The carrying amounts are assumed to correspond to the market values.

518. We have not taken into account **deferred tax assets** with a carrying amount of € 5,779 thousand as part of the NAV. We have only calculated deferred tax liabilities on the hidden reserves in connection with the planned sale of properties (see section D.V.2.)).

519. **Trade receivables** increased in the period from January to December
December 31, 2023 to September 30, 2024 from € 10,814 thousand to € 6,388 thousand. They consist of rent and ancillary cost receivables vis-a-vis tenants. These are current receivables. The carrying amount is assumed to correspond to the market value.

520. **Other receivables and assets** include financial assets such as creditors with debit balances and maintenance reserves as well as VAT receivables and creditable capital gains taxes. In the first three quarters of 2024, the carrying amount of the balance sheet item increased by € 4,331 thousand to € 10,066 thousand. The carrying amounts correspond to the market values.

521. In the period from December 31, 2023 to September 30, 2024, **cash and cash equivalents** consisting of current bank balances decreased from
116,282 thousand to € 107,536 thousand. This change is made up of a positive cash flow from operating activities of € 69,680 thousand and cash outflows of € 74,319 thousand and € 4,107 thousand from investing and financing activities respectively. Cash and cash equivalents include the following items

This includes deposits received from tenants, which are covered by liabilities in the same amount under "Other current liabilities". The bank balance earns interest at call money conditions. As at December 31, 2023, € 8,031 thousand of the cash and cash equivalents were subject to restrictions on disposal due to interest obligations and were therefore not freely available to the company. The carrying amount is assumed to correspond to the market value.

cc) Debts

522. **The limited partner contributions of non-controlling shareholders** relate to the minority interest in alstria office Prime Portfolio GmbH & Co. KG. In accordance with IFRS regulations, the limited partner's capital of the minority shareholders is reported as debt in the consolidated financial statements. The carrying amount of € 97,310 thousand as at September 30, 2024, which represents the fair value, reflects the valuation effects of the real estate portfolio on a pro rata basis. The carrying amount is assumed to correspond to the market value.

523. As at September 30, 2024, the company's liabilities consisted primarily of financial liabilities. These consist of secured liabilities vis-a-vis banks as well as bonds and a promissory note loan and are as follows.

alstria Office REIT-AG						
Liabilities	Maturity	Utilization as of 30.09.2024	Interest	Fixed/hedge/3M - Euribor	Variable interest premium	Total costs*
		T€		%	%	%
Bond #3	15.11.2027	311.400	Fix	1,50%		1,50%
Bond #4	26.09.2025	335.200	Fix	0,50%		0,50%
Bond #5	23.06.2026	334.100	Fix	1,50%		1,50%
Promissory bill 10 y./fix	06.05.2026	40.000	Fix	2,75%		2,75%
Unsecured financial liabilities		**1.020.700**				
Loan #2	29.03.2030	67.500	Swap	3,23%	1,18%	4,41%
Loan #2	29.03.2030	22.500	Cap	3,50%	1,18%	4,68%
Loan #7	31.08.2028	50.000	Swap	4,03%	1,60%	5,63%
Loan #7	31.08.2028	50.000	Cap	3,50%	1,60%	5,10%
Loan #6	26.04.2030	70.500	Swap	3,14%	1,30%	4,44%
Loan #6	26.04.2030	117.500	Cap	3,50%	1,30%	4,80%
Loan #1	30.06.2031	100.000	Cap	3,50%	1,74%	5,24%
Loan #1	30.06.2031	25.000	Floating	3,54%	1,74%	5,28%
Loan #5	29.08.2025	107.000	Swap	3,00%	1,31%	4,31%
Loan #8	30.06.2028	50.000	Swap	3,00%	1,67%	4,67%
Loan #8	30.06.2028	50.000	Swap	3,50%	1,67%	5,17%
Loan #4	30.09.2027	500.000	Swap	1,75%	1,50%	3,25%
Loan #3	29.09.2028	60.000	Swap	1,92%	0,78%	2,70%
Loan #3	29.09.2028	22.450	Swap	1,92%	1,45%	3,37%
Loan #3	29.09.2028	14.550	Floating	3,54%	1,45%	4,99%
Loan #9	28.12.2029	120.000	Cap	4,05%	1,45%	5,50%
Collateralized loans		**1.427.000**				
Total		**2.447.700**				

** The key figures on interest correspond to the information status as of 23.08.2024*
Source: alstria Office REIT-AG, own presentation

Table 35: Financial liabilities of alstria Office REIT-AG as of September 30, 2024

524. As at September 30, 2024, the total amount utilized was € 2,447,000 thousand. This almost corresponds to the carrying amount of the non-current and current loans and bonds in the amount of € 2,439,954 thousand. The marginally different carrying amount is calculated taking into account accrued interest liabilities and the transaction costs to be allocated in accordance with the effective interest method when the financial liabilities were taken out.

525. The secured portion of the financial liabilities relates exclusively to variable-interest bank loans, with the 3-month Euribor being contractually agreed as the reference interest rate. The vast majority of these loans are hedged using interest rate swaps or caps. Overall, we have assumed that the carrying amounts correspond to the market values.

526. The unsecured portion of the financial liabilities relates to the three corporate bonds. These have a fixed coupon in the range of 0.50% to 1.50%. As these are listed bonds, we used the respective closing price as at December 9, 2024 to determine the market value. The total market value calculated in this way for the bonds amounts to € 903,288 thousand. Compared to the amount utilized of € 980,700 thousand in total, this results in a difference of € -77,412 thousand. When determining the market value of unsecured financial liabilities, we deducted this difference from the carrying amount of the financial liabilities. On the other hand, the unsecured financial liabilities relate to a promissory note loan in the amount of 40,000 thousand with a fixed interest rate of 2.75% and a maturity date of May 6, 2026. We determined the fair value of the promissory note loan by discounting the expected payments until maturity with an interest rate of 5.42%. This interest rate corresponds to the yield-to-maturity of bond #5 with a maturity date of June 23, 2026. The fair value of the promissory note loan calculated in this way amounts to € 38,598 thousand. Compared to the amount utilized of € 40,000 thousand in total, this results in a difference in the amount of € -1,402 thousand.

527. As a result, we determined a market value of € 2,361,140 thousand for the financial liabilities. The market value is therefore € 78,813 thousand (sum of the previously calculated differences) below the carrying amount.

528. Non-current **other liabilities** comprise non-current liabilities with a term of more than one year. These relate to security deposits and security retentions received as well as lease liabilities. In the period from December 31, 2023 to September 30, 2024, other liabilities decreased by € 346 thousand to € 12,857 thousand. The carrying amounts are assumed to correspond to the market values.

529. **Deferred tax liabilities** with a carrying amount of € 225,279 thousand relate to deferred income taxes on the hidden reserves that would arise if the entire real estate portfolio were sold. Deferred taxes are generally not taken into account in the NAV, as it is assumed that business operations will continue. The present case is an exception. On the one hand, the company is planning a disposal volume of € 790.0 million in the detailed planning period. On the other hand, ongoing disposals are expected beyond the detailed planning period, as this is characteristic of the company's business model. The deferred tax charge recognized corresponds to the present value of this expected from the complete sale of the real estate portfolio. On the one hand, we determined this present value on the basis of the deferred tax burden planned by the company for the disposal volume of € 790.0 million in the detailed planning period. On the other hand, we have extrapolated the deferred tax burden beyond the detailed planning period until the sale is completed.

hidden reserves for the real estate portfolio (€ 1,218 million at the end of 2024 according to tax planning) are fully disclosed. Finally, we determined the present value of the deferred tax liability by discounting it at the unlevered or levered cost of capital. We determined the value for the deferred tax liabilities in the amount of € 190,758 thousand (unlevered cost of equity), € 156,615 thousand (levered cost of equity with the market leverage ratio of the peer group) and € 137,319 thousand (levered cost of equity with the company's own leverage ratio).

530. **Other current liabilities** are made up of liabilities with a term of less than one year. These include, in particular, financial liabilities such as outstanding invoices, deposits and security deposits received, the obligation to pay a market flex premium vis-a-vis a lending bank, salary liabilities as well as VAT liabilities and advance rent payments received. With a share of € 24,132 thousand as at December 31, 2023, outstanding invoices make up the majority of the balance sheet item. In the first three quarters of 2024, other current liabilities increased from € 44,744 thousand to € 73,449 thousand. The carrying amounts correspond to the market values.

531. According to the company's management board, there are no significant assets and liabilities that are not included in the consolidated balance sheet of alstria office REIT- AG. Therefore, we have not included any additional assets and liabilities in the calculation of the NAV.

b) Present value of the administrative costs

532. When determining the NAV, we deducted the present value of the expected future administrative costs, as the NAV is based on the going concern assumption. In a first step, we derived the sustainable annual administrative costs based on the business model. The annual administrative costs are then capitalized.

533. The administrative costs to be capitalized take into account the expected annual expenses incurred by the company for commercial administration and organization, insofar as these have not already been taken into account in the valuation of individual assets.

534. In determining the capitalization rate, we generally used the same parameters as for determining the capitalized earnings value, whereby an MRP before personal taxes of 7.00% was used for the NAV calculation. We calculated the present value of the administrative costs on the basis of both unlevered and levered equity costs. With regard to the consideration of debt, no clear procedure has emerged in the theory and practice of business valuation, so that in principle both approaches are justifiable (see Note 546 et seq.). In one variant, the debt-equity ratio used to derive the debt-equity costs is taken from the peer group (standard market debt-equity ratio). In another variant, the company's own gearing ratio from the NAV analysis is used. In determining the present value of the administrative costs, we have taken into account a tax advantage due to the tax deductibility of administrative costs. The tax advantage was calculated using a corporate tax rate of 15.8%. This corresponds to the amount of corporation tax plus solidarity surcharge. We have made the assumption that the administrative costs are attributable in particular to the asset-managing rental activity, for which the company can make full use of the option of extended trade tax reduction. Accordingly, the corresponding reduction in tax expenses for administrative costs is assumed to apply only to the corporate income tax burden. .

535. We have determined the amount of the company's sustainable annual management costs taking into account the actual and planned expenses of alstria. We did not take into account the management costs incurred in connection with the real estate assets and depreciation, as these costs are already reflected in the recognized market value of the real estate portfolio. As a result, we have recognized management costs of € 22,000k p.a.. These consist of

personnel expenses (€ 12,100 thousand) and administrative expenses (€ 9,900 thousand). The administrative expenses in relation to the market value of the investment properties amount to 0.53%. Our market research shows administrative costs for the office property asset class within a range of 0.50 % to 0.80 % (cf.
e.g. DWS, Current fund key figures of Grundbesitz Europa, as of October 2024; Deka Immobilien, Fund key figures of Deka-ImmobilienEuropa, as of November 2024; Union Investment, Fund key figures of UniImmo: Europa, as of November 7, 2024). The level of annual management costs of 0.53% that we have set in relation to the investment properties is therefore within a normal market range. We consider the level of management costs to be appropriate, especially as the company, unlike the funds under review, only invests in the asset class of office properties in Germany and therefore has a more homogeneous asset structure.

536. The sustainable annual administrative costs of € 22,000 thousand were reduced by the tax benefit from the deductibility of administrative costs (€ 3,482 thousand or 15.8%). The present value was calculated using unlevered or leveraged equity costs after a growth discount of 4.00% (unlevered), 6.33% (leveraged, using a market leverage ratio) or 8.03% (leveraged, using the company's own leverage ratio). After taking into account a tax advantage on the administrative costs, the present value of the administrative costs is as follows:

Not at fault Cost of equity	Debt-related cost of equity Market leverage ratio	Debt-related cost of equity Company's own gearing ratio
462.963 T€	292.667 T€	230.726 T€

Source: IVA

Table 36: Derivation of the present value of administrative costs

c) Compensation to minority shareholders due to loss of REIT status

537. As a result of the loss of REIT status, the minority shareholders of the company are entitled to § In accordance with Section 20 of the Articles of Association, the company is entitled to compensation for the distribution disadvantage resulting from the termination of the tax exemption. This compensation generally represents an obligation of the company that had not yet been recognized as at 30 September 2024 (opening balance sheet for the NAV). We have therefore recognized the compensation obligation as part of the NAV, reducing its value. The amount of compensation for the distribution disadvantage was determined by KPMG AG Wirtschaftsprüfungsgesellschaft, Hamburg, and amounts to € 23,231 thousand in total.

538. The amendment agreement to the investor agreement between the majority shareholder and the company dated September 18, 2024 provides for the case that the majority shareholder exempts the company from the obligation to pay the compensation. Accordingly, the case of (partial) exemption from the compensation payment occurs if the individual HGB financial statements of the company for the financial year 2024 show a net loss for the year (without taking into account the effect on earnings of the compensation payment obligation itself). The management board of alstria has assured us in writing that, according to current estimates, no compensation payment by the majority shareholder for the compensation to be paid by alstria to the minority shareholders in connection with the loss of REIT status is to be expected. Should, contrary to the current assessment, a compensation payment be made, this information would be announced by the day of the general meeting. We would like to point out that a review of the facts is required as of the valuation date as part of the declaration on the reporting date. Should the company be (partially) exempted from the compensation payment, this amount would have to be taken into account when determining the NAV.

d) Accrual of the result as of the valuation date

539. To determine the fair values of all assets and liabilities, we used the consolidated balance sheet of alstria as of September 30, 2024 as a starting point. Changes in the period from October 1, 2024 to February 11, 2025 (valuation date) were taken into account for simplification purposes by allocating the pro rata temporis result of the company. In doing so, we have used the result without taking into account the valuation result of the real estate portfolio. In the first step, we determined the forecast for 2024 less the actual figures for the period Jan. - Sep. 2024 to determine the earnings for the period October 1, 2024 to February 11, 2025. In the second step, we calculated the planned result for 2025 pro rata temporis. The sum of these two values results in a total for the accrual of earnings in the period from October 1, 2024 to February 11, 2025 in the amount of
22.412 T€.

e) NAV as at February 11, 2025

540. The following table shows the calculation of the NAV based on the balance of assets and liabilities of alstria taking into account (i) the present value of the management costs, (ii) the compensation for the distribution disadvantage of the minority shareholders due to the discontinuation of the REIT status and (iii) the accrual of the result from October 1, 2024 to the valuation date.

alstria Office REIT-AG	**not at fault**	**indebted[1)]**	**indebted[2)]**
NAV	**T€**	**T€**	**T€**
Market value of the assets	4.373.049	4.373.049	4.373.049
Market value of the debt	2.758.151	2.724.008	2.704.712
Balance of assets and liabilities (fair values) as of Sep. 30, 2024	**1.614.898**	**1.649.041**	**1.668.337**
Present value of administrative costs	-462.963	-292.667	-230.726
Compensation for the distribution disadvantage for minority shareholders due to the loss of REIT status	-23.231	-23.231	-23.231
Accrual of the result from 1.10.24 to the valuation date	22.412	22.412	22.412
Net asset value as of February 11, 2025	**1.151.116**	**1.355.555**	**1.436.792**

1) *Standard market leverage ratio of the peer group*
2) *Company-specific debt-equity ratio of the company Source: own presentation*

Table 37: Net asset value of alstria Office REIT-AG as of February 11, 2025

541. The NAV of alstria Office REIT-AG amounts to

- 1,151,116 thousand (unlevered cost of equity),
- 1,355,555 thousand (borrowed equity costs - market debt ratio) or
- 1,436,792 k€ (debt cost of equity - company's own debt-equity ratio) as at February 11, 2025.

542. The share capital of alstria Office REIT-AG is divided into a total of 178,561,572 shares.

543. The value per share of alstria Office REIT-AG from the NAV is as follows:

alstria Office REIT-AG NAV per share	not at fault	indebted[1)]	indebted[2)]
Net asset value (11.02.2025) in € thousand	**1.151.116**	**1.355.555**	**1.436.792**
Number of shares outstanding	178.561.572	178.561.572	178.561.572
Value per share (in €)	**6,45**	**7,59**	**8,05**

1) *Standard market leverage ratio of the peer group*
2) *Company-specific debt-equity ratio of the company Source: IVA analyses*

Table 38: NAV per share of alstria Office REIT-AG

544. The NAV per share of alstria Office REIT-AG amounts to

- **6.45** (unlevered cost of equity),
- **7.59** (cost of equity - market debt-equity ratio) or
- **8.05** (borrowed equity costs - company's own debt-equity ratio).

545. We would like to point out that a review of the market values and the resulting NAV is required on the valuation date. For this purpose, the calculation of the NAV must be updated promptly as at the valuation date of February 11, 2025 in order to accurately reflect any changes in value that may have occurred in the meantime.

4. Excursus: Consideration of debt when determining the cost of equity

546. As part of the NAV approach, it is necessary to determine the cost of equity in order to determine the present value of administrative costs in particular. No clear procedure has emerged in the theory and practice of business valuation with regard to the consideration of debt.

547. In its case law of 18.05.2022 (101 ZBR 97/20; marginal no. 83), the Bavarian Supreme Regional Court did not criticize the determination of the present value of the administrative costs on the basis of the capitalization interest rate owed. Furthermore, the Bavarian Supreme Regional Court explicitly stated that no separate determination of a risk- and maturity-equivalent capitalization interest rate is required to discount the administrative costs. It was in line with the procedure recognized in business valuation practice to discount the administrative costs (overhead costs) using the capitalization rate (before

personal income taxes), which was determined as part of a parallel business valuation using the capitalized earnings value method.

548. From a model-theoretical perspective, discounting with equity costs based on unlevered beta factors can be justified if the cash flow does not contain any financing effects or only reflects operating components (see Ruthardt, Bewertungspraktiker 2024, p. 66). In our opinion, however, this cannot be assumed for administrative costs. Furthermore, it can be argued in terms of model theory that the administrative costs as part of the net payment surpluses to the shareholders of the company are generally also subject to financing effects. As the NAV approach is based on a standard market level when determining the fair values of individual assets and liabilities, it would also be conceivable to base the gearing ratio of the cost of equity on a standard market level (peer group).

549. Against this background, we calculated the NAV using both unleveraged and leveraged cost of equity. For the cost of equity with debt, we have determined both a variant with a standard market debt-equity ratio and a variant with the company's own debt-equity ratio.

5. Value-relevant differences between the NAV approach and the capitalized earnings method in the present case

550. In the following, we present the main valuation-relevant differences in determining the enterprise value of alstria using the NAV approach and the discounted earnings method.

551. In line with the **reporting date approach** in the NAV approach, the market values of the assets and liabilities are determined in accordance with the asset and financial situation on the valuation date. Against this background, the NAV approach is generally based on the assumption of a static portfolio. For alstria, this refers to the 106 properties held in the real estate portfolio as of the valuation date. Value contributions from (the development of) properties to be acquired in the future are not taken into account. Value contributions from the development of the existing portfolio are taken into account in the market valuation of the real estate portfolio. The income capitalization approach takes into account expected future financial surpluses (future income value). The change in the portfolio structure can be reflected in the planning process. For alstria, a continuous portfolio restructuring through the acquisition and sale of properties is assumed by the appraiser from the convergence phase onwards (see note 379).

552. The NAV approach assumes a **standard market level** for the individual value drivers when determining the market values for the real estate portfolio. In particular, this involves the level of planned rental income, the level of ongoing property-specific costs (REOE), assumptions regarding the vacancy rate and the level of development costs (CAPEX). The standard market level of property cash flows determined in this way is discounted or capitalized in the forecast period at interest rates (yields) derived from market developments for comparable transactions. In particular, the interest rates reflect the property-specific development status and the location risk according to the market assessment. In contrast to the market approach in the NAV approach, the capitalized earnings method is based on alstria's company-specific planning. For plausibility purposes, we performed an indicative comparative analysis of the planned rental income, REOE and CAPEX for the real estate portfolio of 106 properties. We came to the conclusion that the rental income from the market valuation (BNP valuation) is at a comparable level to the rental income according to the corporate planning (adjusted for the disposals planned in the detailed planning period and taking into account a vacancy rate). REOE, on the other hand, are at a lower level according to the market valuation (BNP valuation) compared to corporate planning. The cumulative CAPEX is at a comparably high level, but these are realized in a shorter period as part of the BNP market valuation, which means that the vacancy and rent levels are optimized more quickly than in the detailed planning period (and the convergence phase) of the future success planning. The company justifies this difference by stating that the implementation of development measures is subject to the company-specific restrictions of planning capacities for refurbishments and a limit in relation to the risk exposure. The company-specific risk exposure limit stipulates that a maximum of 20% of the total portfolio may be under development at any one time.

553. With regard to the financing structure and taxes at company level, the NAV approach also assumes a standard market level, while the capitalized earnings value method is based on the company-specific financing structure and the company's tax situation. The standard market level of the financing structure and taxes at company level is implicitly taken into account in the NAV approach in the form of the return required by investors. The tax effects of the loss of REIT status are discussed separately in the following section.

554. BNP's determination of the market values of the real estate portfolio using a pre-tax DCF valuation formula does not contradict the fact that the market values determined implicitly include a standard market level of taxes. The purchase prices observable on the market (market values) reflect the expectations of market participants, which are also influenced by tax effects. For example, a potential buyer in

In his marginal price calculation, he will always also take into account the financial surpluses he can achieve from the property and the tax burden to be deducted from them. The resulting after-tax surpluses will be taken into account in his calculation with a corresponding "after-tax return requirement" in the calculation of his upper price limit. The individual subjective price expectations of various potential buyers - who can be natural persons, partnerships or corporations - then result in the observable purchase price, which is included as a data set in the retrograde calculation of the discount or capitalization rate. In this respect, the purchase prices or data records included in the calculation of the discount or capitalization rate also reflect the tax burden on market participants.

6. The NAV approach in the context of the KPMG valuation to determine compensation to minority shareholders due to loss of REIT status

555. Due to the proximity in time of the KPMG valuation[25] (reporting date: December 31, 2024) to the determination of the appropriate cash compensation in the context of the present structural measure (reporting date: February 11, 2025), we address key value-relevant issues below.

556. It should be noted that against the background of the **cut-off date principle,** the loss of the REIT status of alstria will already have occurred on the valuation date of the present structural measure (February 11, 2025). Therefore, a comparison of the status prior to the loss of the REIT status as of February 11, 2025 can only have the character of a pro forma consideration.

557. As part of the KPMG valuation, the value effect of the discontinuation of REIT status is taken into account.
in the amount of € 2.81 per minority share. The calculation is based on the capitalized earnings value method. This resulted in a compensation amount of € 22,231 thousand as at the reporting date
As described in the previous section, the discounted earnings method, in contrast to the NAV approach, is based on the company-specific circumstances with regard to income taxes. We consider this assumption to be appropriate and plausible in light of the reason for the KPMG valuation. In contrast to the discounted earnings method, the NAV approach is based on the standard market level of taxes at company level, which are implicitly taken into account in the market values in the form of the return required by investors. However, the NAV does not explicitly take into account the taxes at company level that alstria has to expect. A determination of the enterprise value

[25] KPMG valuation to determine the compensation to minority shareholders due to the loss of REIT status.

using the NAV approach even before the loss of REIT status would not have changed this fundamental assumption; i.e. both before and after the loss of REIT status, the NAV approach would have been based on the standard market level for taxes at company level.

558. Conversely, however, this does not mean that the loss of REIT status was not taken into account at all when determining the enterprise value of alstria Office REIT-AG using our NAV approach. This was taken into account in two places. On the one hand, we have recognized deferred tax liabilities on the hidden reserves of the real estate portfolio and, on the other hand, the company's obligation from the compensation for the loss of REIT status, both of which reduce the value.

559. In summary, we note that the loss of the REIT status was also taken into account in the determination of the NAV with a value-reducing effect. In principle, the loss of the REIT status and the squeeze-out of alstria are two different measures, which have nothing to do with each other, but take place at almost the same time.

7. The NAV approach of the valuation expert

560. As an indication of the equity value based on the current real estate portfolio, the appraiser has used its own NAV approach (hereinafter referred to as the "VT-NAV approach") to check the plausibility of the results of the DCF method. The VT-NAV approach for alstria is as follows.

alstria office REIT-AG NAV approach from VT	IFRS 30.09.2024 million €	VT-NAV Min million €	VT-NAV Max million €
Investment property	4.070,9	4.142,7	4.142,7
Deferred tax assets	5,8	0,0	0,0
Other assets	247,8	247,8	247,8
Total assets	**4.324,4**	**4.390,5**	**4.390,5**
Interest-bearing liabilities	2.440,0	2.440,0	2.440,0
Deferred tax liabilities	225,3	0,0	373,9
Other liabilities	206,3	218,3	218,3
Total liabilities	**2.871,5**	**2.658,2**	**3.032,1**
Balance (assets - liabilities)	**1.452,9**	**1.732,3**	**1.358,3**
- Present value of administrative costs		-510,3	-455,0
- Cash compensation for loss of REIT status		-501,8	0,0
Net asset value		**720,2**	**903,3**
in € per share			
Balance (assets - liabilities)		**9,70**	**7,61**
- Present value of administrative costs		-2,86	-2,55
- Cash compensation for loss of REIT status		-2,81	0,00
Net asset value per share		**4,03**	**5,06**

Source: ValueTrust

Table 39: The NAV approach of the valuation expert

561. The calculation of the market values for the assets side is congruent with our calculation of the NAV.

562. The interest-bearingliabilities has VT in amount of the IFRS carrying amount as at September 30, 2024 was applied. In contrast to VT, we have adjusted the market value by -78.8 million was made. The adjustment is mainly based on the observable bond prices for the company's three listed bonds. VT justifies this assumption by stating that the interest-bearing debt instruments are held to maturity and that fluctuations in market value would not materialize. We do not consider this assumption to be appropriate, as the NAV is determined on the basis of the

The reporting date approach is decisive. Accordingly, the market values of the assets and liabilities must be determined as at the valuation date.

563. VT does not recognize deferred tax liabilities in the first scenario. The background to this is that instead an amount of € 501.8 million is deducted as cash compensation for the loss of REIT status, thereby taking into account the taxes at company level. In the second scenario, VT recognizes deferred tax liabilities in the amount of € 373.9 million. This is based on the assumption that all properties are sold immediately. With regard to the first scenario, we note that there is no settlement amount of EUR 501.8 million at the overall company level. Insofar as the €501.8 million is a comparison of the KPMG earnings values before and after the loss of REIT status, this value would not have to be used in the NAV approach, as otherwise the valuation methods would be mixed. With regard to the second scenario, we do not consider the deferred tax liabilities of €373.9 million to be appropriate. We do not consider the assumption of an immediate sale of all properties to be appropriate, as this would contradict the company's tax planning.

564. In determining the present value of the administrative costs, VT has assumed an annual level of administrative costs of € 23 million, which we consider to be reasonable. The administrative costs are around € 1 million higher than the level of administrative costs of € 22 million p.a. that we have assumed. The present value of the administrative costs was calculated in both scenarios using the unlevered cost of equity. A tax advantage for administrative costs was only taken into account for the second scenario.

565. The valuation expert determines a NAV for alstria in a range of € 4.03 to € 5.06 per share. We do not consider the valuation expert's approach to determine the NAV to be appropriate. In our opinion, it is therefore not suitable for demonstrating the plausibility of the capitalized earnings value.

8. Overall conclusion on the NAV approach

566. Overall, we also consider the NAV approach to be an appropriate method for determining the appropriate cash compensation for the minority shareholders of alstria. On the one hand, the NAV is a valuation method for asset management companies in general and for real estate companies in particular, which is recognized and customary in case law and in the ordinary course of business. On the other hand, we believe that the NAV approach correctly reflects the value potential of the assets less the liabilities. The NAV does not correspond to a valuation of the company's assets in the traditional sense, but rather a modified earnings valuation that takes into account the specific circumstances of an asset management company. In essence, it combines

A valuation based on the NAV combines elements of the overall valuation method with those of an individual valuation method.

567. Furthermore, in its ruling dated October 8, 2024, the Hamburg Regional Court instructed us to determine the substance of the assets. We take this audit engagement into account by determining the NAV.

568. The NAV per share of alstria calculated by us amounts to

- **6.45** (unlevered cost of equity),
- **7.59** (cost of equity - market debt-equity ratio) or
- **8.05** (borrowed equity costs - company's own debt-equity ratio).

569. The background to the value range is the assumption that debt is taken into account when determining the cost of equity. No clear procedure has emerged in the theory and practice of business valuation with regard to the consideration of debt. We have therefore calculated the NAV using both unleveraged and leveraged costs of equity. For the cost of equity with debt, we have determined both a variant with a market debt ratio and a variant with the company's own debt ratio. We do not consider either of these approaches to be preferable.

570. We would like to point out that a review of the market values and the resulting NAV is required on the valuation date. For this purpose, the calculation of the NAV must be updated promptly as at the valuation date of February 11, 2025 in order to accurately reflect any changes in value that may have occurred in the meantime.

VI. Comparative Market valuation

571. In valuation practice, it is common practice to check the plausibility of the company value determined using the discounted earnings method with the help of the so-called multiples method. In principle, this method is also a capital market-oriented valuation concept which, like the discounted earnings method, follows the principle of an earnings-oriented valuation. However, the company value is determined in a highly simplified manner on the basis of a multiple of an earnings figure.

572. The multiples method is based on the idea of transferring a valuation ratio that can be observed in comparable companies to the company to be valued. It should be noted that, as a rule, no company is fully comparable with another. The result of the multiplier valuation can therefore generally only represent a range of possible values within which the valuation result should be reflected.

573. The multiples method distinguishes between gross and net methods. Gross multiples are calculated by dividing the enterprise value ("EV") by key figures such as sales, EBITDA or EBIT. What these key figures have in common is that they are independent of the capital structure of the respective company and of tax influences. They are therefore particularly suitable for cross-industry comparisons or international comparisons. On the other hand, they neglect the actual earning power for shareholders, as debt and returns on equity are ignored. Net multiples, on the other hand, are calculated by dividing the company value (market value of equity, "equity value") by key figures such as the annual result or earnings per share. They reflect inflows to the company's shareholders after deducting costs, interest and taxes. As net multiples refer to the actual inflows to shareholders, they are particularly suitable for companies whose profits or dividends are in focus. However, the informative value of these multiples can be limited, as different debt levels, tax rates and accounting standards can have a strong impact on the underlying key figures and distort them, making it difficult to compare companies.

574. The following multipliers are regularly used in valuation practice:

- Price/earnings ratio ("P/E ratio"),
- Price-to-book ratio ("P/BV")

- Enterprise Value ("EV")/EBIT multiple (neutralized neutralizes the capital structure),

- EV/EBITDA multiplier (basically neutralizes the capital structure and balances out different investment phases),

- EV/sales multiplier (generally only meaningful if earnings power is comparable or at least the prospect of such).

575. The multiples can be derived from the capital market data of comparable listed companies or on the basis of transaction prices.

576. While the expected future cash flows are explicitly included in the calculation of the company value in the discounted earnings method, the multiples are generally based on a forecast sales or earnings figure for a financial year in the near future. The longer-term earnings expectations, the characteristic earnings trend and the risk are reflected in the multiplier. Critical factors in a comparative market valuation are the forecast success factors and the selection of peer companies to determine the multiples.

577. The valuation expert has performed a plausibility check based on stock market multiples. ValueTrust concludes in its analysis that the capitalized earnings value per share of alstria is within the range of market valuations based on the multiples of the peer group companies.

578. We have reproduced the results of ValueTrust's comparative market valuation and performed our own calculations on the basis of the peer group presented in section D.IV.6.c.

579. In order to assess the plausibility, we have carried out a net assessment in the present case. In addition to P/BV multiples, we used sector-specific multiples based on EPRA Net Tangible Assets ("NTA") as part of the net assessment. This indicator is defined by the European Public Real Estate Association ("EPRA"), an industry organization for listed real estate companies and funds, and is published by many companies in the real estate sector. NTA represents the net asset value of a real estate company. It is calculated as the equity attributable to the shareholders of the parent company in accordance with the IFRS balance sheet less intangible assets and adjusted for adjustments to fair value measurements of assets and certain deferred taxes relating to real estate. The calculations on the basis of the net multiples were

only carried out for a historical period, as estimating the future carrying amount of equity is difficult and involves significant discretionary decisions, which impairs reliability.

580. We have not calculated gross multiples such as EV/sales, EV/EBITDA and EV/EBIT multiples in the present case. The background to this is that alstria's planning calculation assumes a sale of properties in the detailed planning period and an associated reduction in the portfolio holdings. Overall, this assumption means that the comparability of gross multiples is very limited.

581. The following table presents the range of the P/BV and P/NTA multiples (net view) of the peer group:

alstria Office REIT-AG	**P/BV**		**P/NTA**	
Multipliers	**2023**	**30.06.2024**	**2023**	**30.06.2024**
CA Immobilien exhibits AG	1,2x	0,8x	1,0x	0,7x
CLS Holdings plc	0,4x	0,4x	0,4x	0,4x
Gecina S.A.	0,8x	0,7x	0,8x	0,7x
Icade S.A.	0,5x	0,4x	0,5x	0,4x
Inmobiliaria Colonial, SOCIMI, S.A.	0,7x	0,7x	0,7x	0,6x
Inovalis Real Estate Investment Trust	0,2x	0,1x	n.a.	n.a.
IREIT Global	0,7x	0,5x	0,7x	0,5x
MERLIN Properties SOCIMI, S.A.	0,7x	0,8x	0,7x	0,7x
NSI N.V.	0,5x	0,5x	0,5x	0,6x
Covivio S.A.	0,6x	0,7x	0,6x	0,7x
PSP Swiss Property Ltd	1,0x	1,1x	0,9x	0,9x
Minimum	0,2x	0,1x	0,4x	0,4x
Mean value	**0,7x**	**0,6x**	**0,7x**	**0,6x**
Median	**0,7x**	**0,7x**	**0,7x**	**0,6x**
Maximum	1,2x	1,1x	1,0x	0,9x

Source: S&P Capital IQ; IVA analyses

Table 40: Price/book value and NTA multiples of the peer group companies

582. The following table shows the resulting market values for alstria based on the P/BV and P/NTA multiples:

alstria Office REIT-AG	P/BV		P/NTA	
Market values (€ million)	**2023**	**30.06.2024**	**2023**	**30.06.2024**
Reference value of the Valuation object	**1.618**	**1.683**	**1.625**	**1.687**
Multiplier (minimum)	0,2x	0,1x	0,4x	0,4x
Multiplier (mean value)	**0,7x**	**0,6x**	**0,7x**	**0,6x**
Multiplier (median)	**0,7x**	**0,7x**	**0,7x**	**0,6x**
Multiplier (maximum)	1,2x	1,1x	1,0x	0,9x
MW Equity (minimum)	364	218	655	632
MW Equity (mean value)	**1.091**	**1.038**	**1.081**	**1.023**
MW Equity (median)	**1.107**	**1.157**	**1.077**	**1.044**
MW Equity (maximum)	1.883	1.811	1.570	1.582
Value per share in € (minimum)	2,04	1,22	3,67	3,54
Value per share in € (mean value)	**6,11**	**5,81**	**6,05**	**5,73**
Value per share in € (median)	**6,20**	**6,48**	**6,03**	**5,84**
Value per share in € (maximum)	10,54	10,14	8,79	8,86

Source: S&P Capital IQ; IVA analyses *MW = market value

Table 41: Market value of alstria's equity based on P/BV and P/NTA multiples

583. In summary, the following mean values and medians result:

Market value of equity per share	Year	Mean value million €	Median million €
P/BV	2023	6,11	6,20
NTA	2023	6,05	6,03
P/BV	HY 2024	5,81	6,48
NTA	HY 2024	5,73	5,84
average		**5,93**	**6,14**

Source: S&P Capital IQ; IVA analyses

Table 42: Market valueof equity per alstria share in mean and median based on P/BV and P/NTA multiples

584. Our analyses show that the mean and median market values of alstria based on the net multiples range from € 1,023 million to € 1,023 million.

1,157 million. This results in a range for the value per share of € 5.73 to € 6.48. The value per share of € 5.11 calculated by the valuation expert using the capitalized earnings value method is therefore below this range.

585. In summary, we conclude that, based on our analyses of the comparative market valuation, there are no indications that either the capitalized earnings value determined by the appraiser or the NAV determined by us is implausible.

E. DERIVATION OF THE CASH SETTLEMENT

586. On December 18, 2024, the main shareholder set the cash compensation offered to minority shareholders for the transfer of their shares at € 5.11 per share.

587. The enterprise value of the alstria Office REIT group derived by ValueTrust using the discounted earnings method as of February 11, 2025 amounts to € 911.8 million. This results in an imputed value of € 5.11 per share.

588. The sales-weighted average share price for the three-month period prior to the date of the notification about the intended exclusion of theminority shareholders, the September 18, 2024, amounts to € 3.49 and is below the calculated enterprise value per share.

589. As a result, the main shareholder decided to set the cash compensation at the higher capitalized earnings value of alstria Office REIT-AG of € 5.11 compared to the stock market price, knowing the value ranges of the stock market price and the capitalized earnings value.

590. We consider the capitalized earnings value method used in the present case to determine the cash compensation to be generally appropriate and the determined amount of the capitalized earnings value of € 5.11 to be appropriate. However, we also consider the NAV approach to be generally appropriate and the amount of the NAV determined by us in a range of €6.45 to €8.05 to be appropriate. In our opinion, the final assessment of the appropriate amount of the cash compensation in the present case is a question of law.

591. As a result, we conclude that the cash compensation of €5.11 per share determined by BPG Holdings Bermuda Limited is appropriate, provided that the Hamburg Regional Court does not consider the NAV approach to be preferable to the capitalized earnings value in the present case. Should this be the case, the appropriate cash compensation would have to be set within a range of € 6.45 to € 8.05 based on the NAV approach.

592. Our audit of the appropriateness of the cash compensation offered is based on the information made available to us until the completion of our audit. If, in the period between the completion of our audit and the date of the general meeting of alstria on February 11, 2025, which resolves on the transfer of the shares of the minority shareholders of alstria, material changes in the net assets, financial position and results of operations or other bases for determining the enterprise value of alstria occur, these would also have to be taken into account in the cash compensation.

F. FINAL STATEMENT ON THE APPROPRIATENESS OF THE CASH COMPENSATION DETERMINED

593. As the court-appointed auditor, we have examined the appropriateness of the cash compensation determined by BPG Holdings Bermuda Limited, Bermuda, as the main shareholder, for the transfer of the shares of the minority shareholders of alstria, Hamburg.

594. According to the highest court rulings of the BGH, shareholders are not entitled to a most-favored-nation treatment with regard to the appropriate cash compensation. We consider both the discounted earnings method and the net asset value to be suitable for determining an appropriate cash compensation at alstria office REIT-AG. The preferability of the valuation method is a question of law to be decided by the Chamber 12 for Commercial Matters of the Regional Court of Hamburg.

595. We issue the following final declaration in accordance with Sections 327c para. 2 sentence 4, 293e AktG:

> "According to our findings, the cash compensation determined by the majority shareholder for the minority shareholders of alstria, Hamburg, in the amount of € 5.11 per share is appropriate for the reasons set out above, provided that the Chamber 12 for Commercial Matters of the Regional Court of Hamburg considers a derivation of the value per share on the basis of the capitalized earnings value method vis-a-vis a derivation on the basis of the net asset value to be preferable."

No particular difficulties within the meaning of Section 293e (1) sentence 3 AktG have arisen.

596. We issue this report on the basis of the documents submitted to us and the information provided to the best of our knowledge and belief, taking into account the professional principles set out in Sections 2 and 43 of the German Auditors' Code.

ANNEX 1

Decision of the Hamburg Regional Court - Chamber 12 for Commercial Matters, dated October 8, 2024, on the appointment of IVA VALUATION & ADVISORY AG Wirtschaftsprüfungsgesellschaft, Frankfurt am Main, as expert auditor for the review of the appropriateness of the cash compensation (appropriateness auditor)

Certified copy

Hamburg District
Court
Ref. no.: 412 HKO 105/24

Resolution

In the matter

BPG Holdings Bermuda Limited, 73 Front Street; Sth Floor, Hamilton; HM 12, Bermuda
- Applicant -

<u>Authorized representative:</u>
Lawyers Kirkland & Ellis International LLP, Maximilianstraße 11, 80539 Munich

the Regional Court of Hamburg - Chamber 12 for Commercial Matters - by the presiding judge at the Regional Court Dr. Nevermann on 08.10.2024:

1. On the auditor of the appropriate cash compensation on the occasion of the intended transfer of shares from minority shareholders to the main shareholder (Sections 327c II, 293c, 293d AktG, so-called squeeze-out)

the

alstria office REIT-AG
Steinstrasse 7
20095 Hamburg
(HRB 992004 - AG Hamburg)

is ordered

IVA VALUATION & ADVISORY AG, auditing company
Responsible: Auditor Andreas Creuzmann Savignystr. 34,
60325 Frankfurt am Main
(Tel. + 49 69 9043 8793,
E-mail: andreas.creutzmann@iva-valuation.de)

2. The applicant shall bear the costs of the proceedings.

3. The amount in dispute is set at G 50,000.

Reasons:

1. The appointment is made in accordance with Sections 327c II, 293c I AktG. According to this, the court appoints one or more The court appoints one or more expert auditors at the request of the main shareholder if the main shareholder intends to have a resolution passed at the upcoming general meeting to transfer shares from minority shareholders to the main shareholder (so-called squeeze-out, Section 327a AktG).

According to the applicant (main shareholder), these requirements are met. The applicant has submitted documents according to which it owns 95.37% of the shares in alstria Office-Reit AG and has credibly presented the request for transfer.

2. The court seized has local jurisdiction because, according to the applicant's submissions, the dependent company has its registered seat entered in the commercial register in Hamburg, Section 293 c 13 AktG. The decision is made by the competent chairman of the Chamber for Commercial Matters alone, Section 293 c 14 AktG.

3. The auditor is selected by the court from among the suitable candidates in accordance with Sections 293d AktG and 319 I-III HGB. The applicant has submitted three proposals. All of the proposed institutions have confirmed in writing that these criteria are met and that they have no other business connections with the company and the applicant. The court selected one of the proposed auditors.

4. In accordance with the objectives of the SpruchG, the court would like to conduct a truly independent audit in accordance with Section 327c AktG with the aim of utilizing the resulting audit opinion in the subsequent award proceedings and without the need for a further expert opinion. The auditor is therefore instructed to carry out its own assessment.

5. The auditor is also instructed to extend the audit in particular to the question of whether a sale of the company in parts would result in proceeds in excess of the earnings value, what the value of the assets is and what proceeds could be achieved in the event of liquidation. If an appraisal is carried out in accordance with the IDW S1 standard, please also provide a rough valuation using another valuation method. In any case, the presentation of the company value should be accompanied by a table based on Microsoft Excel as a file, which enables the court to change individual parameters and arrive at its own assessment.

6. The examiner is also requested to submit a copy of the examiner's report to the court file after completion of the examination. Furthermore, it is requested to enclose the

fee agreement and the fee invoice to indicate which fee was paid.

Dr. Nevermann
Presiding Judge at the Regional Court

For the accuracy of the transcript
Hamburg, 09.10.2024

Schwerdt, JFAnge
Clerk of the Registry
Notarized by machine processing
- Valid without signature

EXHIBIT 2

General Engagement Terms for Auditors and Audit Firms dated January 1, 2024

General terms and conditions

for

Certified public accountants and auditors
Auditing companies

from January 1, 2024

1. Scope of application

(1) The engagement terms apply to contracts between auditors, certified public accountants or audit firms (hereinafter collectively referred to as "auditors") and their clients for audits, tax advice, advice on business matters and other engagements, unless otherwise expressly agreed in text form or required by law.

(2) Third parties may only derive claims from the contract between the auditor and the client if this has been agreed or results from mandatory statutory provisions. With regard to such claims, these engagement terms also apply vis-a-vis these third parties. The German Public Auditor is also entitled to defenses and objections arising from the contractual relationship with the client vis-a-vis third parties.

2. Scope and execution of the order

(1) The object of the engagement is the agreed service, not a specific economic outcome. The engagement is carried out in accordance with the principles of proper professional practice. The German Public Auditor does not assume any management tasks in connection with his services. The German Public Auditor is not responsible for the use or implementation of the results of his services. The German Public Auditor is entitled to make use of knowledgeable persons to carry out the engagement.

(2) The consideration of foreign law requires - except in the case of business audits - an express agreement in text form.

(3) If the factual or legal situation changes after the final professional statement has been issued, the German Public Auditor is not obliged to draw the client's attention to the changes or the resulting consequences.

3. Obligations of the client to cooperate

(1) The client must ensure that the German Public Auditor is provided in a timely manner with all documents and other information necessary for the performance of the engagement and that he is informed of all processes and circumstances that may be of significance for the performance of the engagement. This also applies to documents and other information, processes and circumstances that only become known during the course of the Wirtschaftsprüfer's work. The client shall name suitable informants to the German Public Auditor.

(2) At the auditor's request, the client must confirm the completeness of the documents submitted and the other information as well as the information and explanations provided in a declaration formulated by the auditor in statutory written form or in another form determined by the auditor.

4. Safeguarding independence

(1) The client must refrain from doing anything that jeopardizes the independence of the Wirtschaftsprüfer's employees. For the duration of the engagement, this applies in particular to offers of employment or the assumption of board functions and to offers to accept engagements for the client's own account.

(2) Should the performance of the engagement impair the independence of the German Public Auditor, its affiliated companies, its network companies or those companies associated with it to which the independence requirements apply in the same way as to the German Public Auditor in other engagements, the German Public Auditor is entitled to terminate the engagement for cause.

5. Reporting and oral information

To the extent that the German Public Auditor is required to present results in statutory written or text form in the course of the engagement, this presentation alone is authoritative. Drafts of such presentations are non-binding. Unless otherwise provided by law or contractually agreed, oral statements and information provided by the auditor are only binding if they are confirmed in text form. Statements and information provided by the auditor outside the scope of the engagement are always non-binding.

6. Disclosure of a professional statement by the auditor

(1) The disclosure of the German Public Auditor's professional statements (work results or excerpts of work results - whether in draft or final form) or information about the German Public Auditor's work for the client to a third party requires the German Public Auditor's consent in text form, unless the client is obliged to disclose or inform due to a law or an official order.

(2) The use of the German Public Auditor's professional statements and information about the German Public Auditor's work for the client for advertising purposes by the client is not permitted.

7. Remedy of defects

(1) In the event of any defects, the client is entitled to subsequent performance by the Wirtschaftsprüfer. Only in the event of failure, omission or unjustified refusal, unreasonableness or impossibility of subsequent performance may he reduce the remuneration or withdraw from the contract; if the engagement has not been placed by a consumer, the client may only withdraw from the contract due to a defect if the service rendered is of no interest to him due to failure, omission, unreasonableness or impossibility of subsequent performance. Insofar as claims for damages exist beyond this, No. 9 shall apply.

(2) A claim for subsequent performance under para. 1 must be asserted by the client immediately in text form. Claims for subsequent performance pursuant to para. 1 that are not based on an intentional act shall expire one year after the start of the statutory limitation period.

(3) Obvious inaccuracies, such as typographical errors, calculation errors and formal deficiencies contained in a professional statement (report, expert opinion and the like) of the German Public Auditor may be corrected by the German Public Auditor at any time, also vis-a-vis third parties. Inaccuracies that are likely to call into question the results contained in the Wirtschaftsprüfer's professional statement entitle the Wirtschaftsprüfer to withdraw the statement, also vis-a-vis third parties. In the aforementioned cases, the client must be heard by the German Public Auditor in advance if possible.

8. Duty of confidentiality vis-a-vis third parties, data protection

(1) In accordance with the law (Section 323 (1) HGB, Section 43 WPO, Section 203 StGB), the auditor is obliged to maintain confidentiality about facts and circumstances that are entrusted to him or become known to him in the course of his professional activities, unless the client releases him from this obligation to maintain confidentiality.

(2) When processing personal data, the auditor will comply with national and European data protection regulations.

9. Liability

(1) For legally required services of the auditor, in particular audits, the applicable statutory limitations of liability apply, in particular the limitation of liability of the
§ Section 323 para. 2 HGB.

(2) If neither a statutory limitation of liability applies nor an individual contractual limitation of liability exists, the client's claim arising from the contractual relationship between the client and the auditor for compensation for damages caused by negligence, with the exception of damages resulting from injury to life, body and health as well as damages that give rise to a manufacturer's obligation to pay compensation in accordance with Section 1 ProdHaftG, is limited to € 4 million in accordance with Section 54a para. 1 no. 2 WPO. The same applies to claims asserted by third parties vis-a-vis the auditor arising from or in connection with the contractual relationship.

(3) If several claimants derive claims from the contractual relationship with the German Public Auditor from a negligent breach of duty by the German Public Auditor, the maximum amount specified in para. 2 applies to the respective claims of all claimants in total.

(4) The maximum amount according to para. 2 refers to a single case of damage. A single case of damage shall also be deemed to exist with regard to uniform damage resulting from several breaches of duty. The individual case of damage includes all consequences of a breach of duty regardless of whether damage occurred in one or several consecutive years. Multiple acts or omissions based on the same or similar source of error are deemed to be a single breach of duty if the matters in question are legally or economically connected. In this case, the auditor can only be held liable up to an amount of € 5 million.

(5) A claim for damages shall lapse if no action is brought within six months of the rejection of the replacement service declared in text form and the client has been informed of this consequence. This shall not apply to claims for damages which are attributable to intentional conduct, or in the event of culpable injury to life, limb or health, or in the event of damage which gives rise to a manufacturer's obligation to pay compensation in accordance with Section 1 of the German Product Liability Act (ProdHaftG). The right to plead the statute of limitations remains unaffected.

(6) § Section 323 HGB remains unaffected by the provisions in para. 2 to 5.

10. Supplementary provisions for audit engagements

(1) If the client subsequently amends the financial statements or management report audited by the auditor and provided with an auditor's report, it may not continue to use this auditor's report.

If the auditor has not issued an auditor's report, a reference to the audit conducted by the auditor in the management report or in another place intended for the public is only permissible with the auditor's consent given in statutory written form and with the wording approved by the auditor.

(2) If the auditor revokes the audit opinion, the audit opinion may no longer be used. If the client has already used the auditor's report, it must disclose the revocation at the auditor's request.

(3) The client is entitled to five copies of the report. Further copies will be invoiced separately.

11. Supplementary provisions for assistance in tax matters

(1) The German Public Auditor is entitled, both in the case of advice on individual tax issues and in the case of ongoing advice, to assume that the facts stated by the client, in particular figures, are correct and complete; this also applies to accounting engagements. However, he must inform the client of any material inaccuracies he has identified.

(2) The tax consulting engagement does not include the actions required to meet deadlines, unless the German Public Auditor has expressly accepted the engagement for this purpose. In this case, the client must submit to the German Public Auditor all documents essential for meeting deadlines, in particular tax assessments, in good time to allow the German Public Auditor an appropriate processing time.

(3) In the absence of any other agreement in text form, the ongoing tax consultancy includes the following activities falling within the term of the contract:

a) Preparation and electronic transmission of annual tax returns, including e-balance sheets, for income tax, corporation tax and trade tax, based on the annual financial statements to be submitted by the client and other statements and evidence required for taxation purposes
b) Review of tax assessments for the taxes mentioned under a)
c) Negotiations with the tax authorities in connection with the declarations and notices mentioned under a) and b)
d) Participation in tax audits and evaluation of the results of tax audits with regard to the taxes mentioned under a)
e) Participation in objection and appeal proceedings with regard to the taxes mentioned under a).

In the aforementioned tasks, the auditor takes into account the Significant published case law and administrative opinion.

(4) If the German Public Auditor receives a flat fee for ongoing tax advice, the activities mentioned in paragraph 3 letters d) and e) are to be remunerated separately unless otherwise agreed in text form.

(5) If the auditor is also a tax advisor and the Tax Advisor Remuneration Ordinance is to be applied for the assessment of the remuneration, a higher or lower remuneration than the statutory remuneration can be agreed in text form.

(6) The processing of special individual questions of income tax, corporation tax, trade tax and standard valuation as well as all questions of value added tax, wage tax, other taxes and duties is carried out on the basis of a special mandate. This also applies to

a) the processing of one-off tax matters, e.g. in the area of inheritance tax and land transfer tax,
b) Participation and representation in proceedings before the courts of finance and administrative jurisdiction as well as in criminal tax matters,
c) advisory and expert opinions in connection with conversions, capital increases and reductions, reorganizations, entry and exit of a shareholder, sale of a business, liquidation and the like and
d) Support with the fulfillment of reporting and documentation requirements obligations.

(7) Insofar as the preparation of the annual VAT return is also undertaken as an additional activity, this does not include the review of any special accounting requirements or the question of whether all possible VAT benefits have been claimed. No guarantee is assumed for the complete recording of the documents for the assertion of the input tax deduction.

12. Electronic communication

Communication between the German Public Auditor and the client may also take place by e-mail. If the client does not wish to communicate by e-mail or has special security requirements, such as the encryption of e-mails, the client shall inform the German Public Auditor accordingly in text form.

13. Remuneration

(1) In addition to his fee claim, the German Public Auditor is entitled to reimbursement of his expenses; value added tax is charged additionally. He may demand appropriate advances on remuneration and reimbursement of expenses and make the delivery of his services dependent on the full satisfaction of his claims. Several clients shall be jointly and severally liable.

(2) If the client is not a consumer, offsetting against the Wirtschaftsprüfer's claims for remuneration and reimbursement of expenses is only permitted with undisputed or legally established claims.

14. Dispute settlements

The auditor is not prepared to participate in dispute resolution proceedings before a consumer arbitration board within the meaning of Section 2 of the Consumer Dispute Resolution Act.

15. Applicable law

Only German law shall apply to the order, its execution and the claims arising from it.