



PREOS

Publication of inside information pursuant to Article 17 of the Regulation (EU)

PREOS Global Office Real Estate & Technology AG: Disclosure of hidden reserves in the HGB individual financial statements as of 31 December 2020 is expected to range between EUR 80 million and EUR 125 million, which is significantly below the expected EUR 179.8 million

Leipzig, 10.03.2021, 16:25pm — Based on an evaluation of information currently available to it, the Executive Board of PREOS Global Office Real Estate & Technology AG ("PREOS", ISIN DE000A2LQ850) considers it probable that the disclosure of hidden reserves in the HGB individual financial statements of PREOS as per 31.12.2020 will range between EUR 80 million and EUR 125 million in the course of the capital increase against contribution in kind at German Office Real Estate AG ("GORE") and thus significantly below the initially expected value of EUR 179.8 million (cf. ad hoc notification dated 05.06.2020).

The disclosure of hidden reserves had been expected in the context of a capital increase against contribution in kind executed at GORE. Subsequently, PREOS acquired a stake of approximately 59.9% in GORE for the contribution of an 89.9% stake in the share capital of PREOS Immobilien GmbH. Acquisition costs of EUR 179.8 million were recognised in the balance sheet of PREOS for this investment. The Executive Board now assumes that there will be a correction of this investment as per 31.12.2020, as a result of which the investment in the HGB individual financial statements as per 31.12.2020 will presumably be corrected to a value within the value range indicated above and the expected positive effect on earnings from this transaction for the 2020 financial year will correspondingly be lower. This earnings effect generated by the transaction is thus expected to be in the value range between EUR 80 million and EUR 125 million. This is subject to the ongoing audit of the financial statements by the auditors.

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