

ADO Properties to launch voluntary public takeover offer in cash for all outstanding WESTGRUND shares

- Offer will provide WESTGRUND's minority shareholders who hold 3.14% of the shares with the opportunity to liquidate their shares into cash
- Planned takeover will simplify the corporate structure of the combined ADO/ADLER Group
- Total cash consideration to be financed from existing liquidity on balance sheet

Luxembourg, 25 March 2020 – ADO Properties S.A (“**ADO**”) announces today that it intends to launch a voluntary public takeover offer in cash for all outstanding WESTGRUND Aktiengesellschaft (“**WESTGRUND**”) shares. Upon settlement of its business combination with ADLER Real Estate Aktiengesellschaft (“**ADLER**”), ADO will indirectly acquire 96.86% of all WESTGRUND shares. ADO and ADLER will enter into a non-tender agreement and the voluntary takeover of the remaining WESTGRUND shares serves the purpose of further simplifying the structure of the combined group. As ADLER already fully controls WESTGRUND, ADO does not require the outstanding WESTGRUND shareholders to tender in order to extract the significant synergies it expects to generate.

The cash offer is valuation-linked and will provide the remaining WESTGRUND shareholders with an option to exit for cash. The offer will be based on an independent valuation assessment of WESTGRUND, which currently has a market capitalisation of around EUR 560 million and possesses a NAV of around EUR 900 million. The Offer Document is expected to be published in early May and the acceptance period will begin upon the publication of the Offer Document.

On December 15, 2019, ADO made a voluntary public takeover offer to ADLER shareholders which was accepted by approximately 83% of ADLER shareholders by the end of the initial acceptance period. ADO and ADLER will jointly create one of the largest residential real estate groups in Germany.

ADO expects to finance the acquisition of the WESTGRUND shares from its existing cash positions which is approximately EUR 325 million.

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Important information:

This announcement is neither an offer to purchase nor a solicitation of an offer to sell shares in the Target. The definite terms and conditions of the Takeover Offer, as well as further provisions concerning the Takeover Offer, will be published in the offer document following permission by the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*) to publish the offer document. Investors and holders of shares in the Target are strongly advised to read the offer document and all other documents regarding the Takeover Offer when they become available, as they will contain important information.

The Takeover Offer will be published exclusively under the laws of the Federal Republic of Germany. Any contract concluded on the basis of the Takeover Offer will be exclusively governed by the laws of the Federal Republic of Germany and is to be interpreted in accordance with such laws.

Neither the offer document nor any related documents have been filed with the U.S. Securities and Exchange Commission, nor have any such documents been filed with or reviewed by any U.S. federal or U.S. state securities commission.

No offer, solicitation or purchase will be made in any jurisdiction in which such an offer, solicitation or purchase would be unlawful.