2024 ANNUAL REPORT

IFRS financial statements

KEY FIGURES

FIVE-YEAR OVERVIEW

Revenues and earnings	2024	2023	2022	2021	2020
Revenues (EUR k)	198,441	192,026	182,819	183,670	177,063
Net rental income (EUR k)	171,854	163,936	158,946	163,271	154,823
Consolidated profit for the period (EUR k)	-104,545	-653,374	-74,614	209,678	168,489
FFO (EUR k)[1]	81,173	87,972	106,562	116,455	108,673
Earnings per share (EUR)[1]	-0.59	-3.66	-0.42	1.18	0.95
FFO per share (EUR)[1]	0.45	0.49	0.60	0.65	0.61

[1] Excluding minorities.

Balance sheet	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2022	Dec. 31, 2021	Dec. 31, 2020
Investment property (EUR k)	4,127,431	3,971,253	4,606,848	4,775,801	4,556,181
Total assets (EUR k)	4,348,967	4,237,518	5,163,774	5,234,372	5,090,249
Equity (EUR k)	1,506,869	1,617,547	2,571,400	3,367,083	3,252,442
Liabilities (EUR k)	2,842,098	2,619,971	2,592,374	1,867,290	1,837,806
Net asset value (NAV) per share (EUR)	8.44	9.06	14.42	18.91	18.29
Net loan-to-value (Net LTV, %)	56.5	58.3	43.7	28.8	27.0

G-REIT figures	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2022	Dec. 31, 2021	Dec. 31, 2020
G-REIT equity ratio (%)	38.77	43.0	55.3	69.1	71.1
Revenues including other income from investment properties (%)	100	100	100	100	100

EPRA figures[1]	2024	2023	2022	2021	2020
EPRA earnings per share (EUR)	0.38	0.51	0.63	0.55	0.61
EPRA cost ratio A (%)[2]	21.0	23.6	32.1	25.0	26.6
EPRA cost ratio B (%)[3]	15.0	18.3	27.0	21.1	22.1

	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2022	Dec. 31, 2021	Dec. 31, 2020
EPRA NRV per share (EUR)	10.69	10.87	16.40	20.86	20.13
EPRA NTA per share (EUR)	9.15	9.10	14.47	18.97	18.34
EPRA NDV per share (EUR)	8.88	10.32	15.69	18.82	17.95
EPRA net initial yield (%)	4.1	4.2	3.5	2.9	3.3
EPRA 'topped-up' net initial yield (%)	4.5	4.4	3.7	3.4	3.7
EPRA vacancy rate (%)	7.9	8.0	7.2	6.9	7.6

[1] For further information, please refer to EPRA Best Practices Recommendations, www.epra.com.

[2] Including vacancy costs.

[3] Excluding vacancy costs.

CONTENT

DETAIL INDEX COMBINED MANAGEMENT REPORT

A. COMBINED MANAGEMENT REPORT

I. ECONOMICS AND STRATEGY

1. STRATEGY

alstria office REIT-AG (herein referred to as the “Company”, “alstria”, or “alstria AG”) is a German stock corporation in the legal form of a Real Estate Investment Trust (REIT) that invests in office real estate in major German economic centers. The Company has been listed on the Frankfurt Stock Exchange since 2007 (WKN: A0LD2U). As of December 31, 2024, the alstria group consisted of the parent company alstria and 35 direct and indirect subsidiaries (hereinafter “alstria” or the “Group”). Operational decisions are made in the parent company. As of December 31, 2024, alstria’s real estate portfolio comprised 106 buildings, with a lettable area of 1.4 million m² and a total value of EUR 4.1 billion. The properties are predominantly located in the major German office markets of Hamburg, Düsseldorf, Frankfurt, Stuttgart and Berlin, which alstria defines as its core markets and in which alstria is represented by local and operating offices. As a fully integrated and long-term oriented company, alstria’s 195 employees actively manage the buildings over their entire life cycle.

In 2022, alstria was taken over by Brookfield Corporation, Toronto/Canada, via its subsidiary Alexandrite Lake Lux Holdings S.á.r.l., Luxembourg, Grand Duchy of Luxembourg (hereinafter "Alexandrite" or "Acquirer"). According to the most recently published voting rights notification, Brookfield directly and indirectly held 95.4% of the shares of alstria office REIT-AG at the end of 2024, whereby no Brookfield subsidiary exceeded a voting interest of 10%.

On September 18, 2024, the majority shareholder submitted a transfer request pursuant to sections 327a et seq. to alstria via its subsidiary BPG Holdings Bermuda Limited. Accordingly, the general meeting of alstria is to resolve on the transfer of the shares of all other shareholders to BPG Holdings Bermuda Limited or one of its subsidiaries in return for an appropriate cash compensation (squeeze-out under stock corporation law). The extraordinary general meeting took place on February 11, 2025 and passed the corresponding resolution with the required majority. Following the takeover of all alstria shares by the subsidiaries of Brookfield Corporation, a delisting of the company with a termination of the share listing is planned for later in 2025.

Against the background of the squeeze-out under stock corporation law, alstria no longer met the requirements of the German Act on Real Estate Stock Corporations with Listed Shares (REITG), with regard to the free float requirements for the third consecutive reporting date, meaning that the company's status as a REIT ended at the end of December 31, 2024. As a result, the company lost its exemption from the obligation to pay corporation and trade tax starting with the 2025 financial year.

The compensation due to the minority shareholders for the loss of the tax exemption in accordance with Section 20 of the company's Articles of Association was determined by an external auditor and paid to the minority shareholders in the form of a cash settlement on January 9, 2025.

The most significant financial impact of the loss of REIT status is the recognition of a non-cash deferred tax liability of EUR k 230,387 (as at December 31, 2024) in the company's balance sheet. The main part of this (EUR k 225,279) was already recognised as at September 30, 2024, when the loss of REIT status became largely likely.

alstria's business strategy will not change as a result of the complete takeover by Brookfield. The company will continue to focus on implementing value-enhancing modernisation and repositioning measures with sustainable value creation potential on the basis of hands-on asset management in order to future-proof the portfolio and continue the ongoing decarbonisation process.

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

- Access to capital and a comprehensive operational knowledge based on an integrated business model are fundamental success factors for alstria.
- By concentrating the real estate portfolio on the major German office markets and by focusing on solvent tenants, alstria generates steady income primarily used for reinvesting in the portfolio.
- Continuous investments in the quality of the real estate portfolio secure and increase rental income and property values and improve the portfolio’s energy efficiency.
- Depending on the assessment of the market situation, properties are bought or sold. The goal is risk-adjusted corporate growth and achieving a return in line with the market over the real estate cycle.

2. CORPORATE MANAGEMENT

alstria proactively controls the Company based on two key financial performance indicators: revenues and funds from operations (FFO). Revenues mainly comprise rental income derived from the Company’s leasing activities. FFO is the operating result from property management, excluding valuation effects, capital gains and other non-cash income/cost items or income/cost items that are not expected to recur annually. Adjustments are also made for income/cost items relating to other periods and income/cost items not attributable to the operating business.[*]

[*] For further details, please refer to page 13f.

The revenue and FFO forecast published by alstria at the beginning of 2024 was exceeded in the financial year 2024. The Group's revenues totalled EUR 198.4 million (forecast: EUR 195 million) and

FFO reached EUR 81.2 million in the reporting year (forecast: EUR 71 million). The main reasons for the better earnings performance compared to the forecast were higher-than-expected rental income (higher new lettings, indexation, turnover rents), a more favourable trend in property operating costs and lower administrative and personnel costs.

The company also monitors the development of net LTV*, the REIT equity ratio**, net debt*** to EBITDA and cash and cash equivalents, although these are not the most important performance indicators for the Group's internal management. As per December 31, 2024, the net LTV ratio was 56.5%, compared to 58.3% at the end of the 2023 financial year. The improvement in the net LTV was primarily the result of a slight reduction in debt coupled with a slight increase in the value of the property portfolio. The REIT equity ratio was 38.8% as at the reporting date, compared to 43.0% in the previous year. In view of the termination of the REIT status as at December 31, 2024, this ratio will no longer be calculated in future. EBITDA and cash and cash equivalents developed according to plan.

The management at the level of the Company primarily focuses on the total operating performance. alstria AG strives for stable results with low volatility.

3. ECONOMY AND OFFICE MARKETS

3.1. Economic development ****

With a 0.2% decline in gross domestic product, the German economy stagnated again in 2024, now for the third year in a row. In particular, economically significant sectors such as capital goods manufacturers and energy-intensive industries continued to decline. This was due to the weak order situation, intense competition and structural challenges. Even the moderate easing of monetary policy over the course of the year was unable to boost economic activity. Against the backdrop of a weak economic development, the unemployment rate rose to 6.0%. Consumer prices rose by 2.2% in 2024, bringing them closer to the European Central Bank's target corridor.

* Net debt at the fair value of immovable assets (less shares in joint ventures).
** Ratio of equity to the book value of immovable assets. Minimum requirement in accordance with the G-REIT Act: 45%.
*** Total liabilities less cash and cash equivalents and current financial assets.
**** Source: German Government- Jahreswirtschaftsbericht 2025.
***** Source: Top 7 locations market report Q1-4 2025, German Property Partners.

3.2. Office markets*****

3.2.1. Vacancy rate, office lettings and rents

The persistently weak economic development and the economic uncertainty of many companies had a direct impact on demand for office space. In the seven major office markets (‘Big 7’ cities: Berlin, Düsseldorf, Frankfurt am Main, Hamburg, Cologne, Munich and Stuttgart), take-up totalled around 2.6 million sqm in the course of 2024. This figure was slightly higher than the previous year's figure of 2.4 million sqm, but still well below the ten-year average of 3.3 million sqm.

The vacancy rate rose by 1.2 percentage points to 7.3% over the course of the year, while prime rents remained largely stable year-on-year. Average rents per sqm in the markets relevant to alstria varied from region to region. While higher rents were recorded in Stuttgart (+29% to EUR 22.40/m²/month), Frankfurt (+11% to EUR 25.40/m²/month) and Berlin (+6% to EUR 30.90/m²/month), average rents fell in Düsseldorf (-8% to EUR 19.50/m²/month). In Hamburg, the rent level remained largely stable (+1 % to EUR 20.80/m²/month).

3.2.2. Transactions

Despite the continuing weak economic development, the transaction volume in the commercial property sector of the ‘Big 7’ rose by 54% year-on-year to EUR 12.1 billion, but was still well below the ten-year average of EUR 27.5 billion. The individual markets relevant for alstria developed as follows: Hamburg: EUR 2.2 billion (+69%), Düsseldorf: EUR 1.0 billion (+66%), Frankfurt: EUR 1.4 billion (+113%), Stuttgart: EUR 0.5 billion (0%) and Berlin: EUR 3.3 billion (+22%).

4. PORTFOLIO ANALYSIS

4.1. Key metrics of the portfolio and investment locations

alstria owns, manages, and develops office buildings with a total lettable area of 1.4 million m². At the end of 2024, 90.0 % of this was office and storage space and 10.0 % included other types of use (retail, hotel, and other). By focusing on the large and liquid German office markets, the management board believes that alstria can secure its competitive position by efficiently managing substantial sub-portfolios even in economically difficult times. Rather than large buildings, alstria typically prefers smaller, geographically close properties. alstria's management believes that such a portfolio design allows the company to spread the operational risk over a larger number of buildings and thus reduce the overall risk of the real estate portfolio. The buildings in the alstria portfolio have an average lettable area of 13,200 m² and an average market value of EUR 38.7 million.

Key metrics	Dec. 31, 2024	Dec. 31, 2023
Number of properties	106	106
Market value (EUR bn)[1]	4.1	4.0
Annual contractual rent (EUR m)	203.2	199.6
Valuation yield (%, contractual rent / market value)	4.9	5.0
Lettable area (m²)	1,395,000	1,394,000
EPRA vacancy rate (%)	7.9	8.0
WAULT (weighted average unexpired lease term in years)	5.2	5.3
Average value per m² (EUR)	2.970	2.860
Average rent/m² (EUR / month)[3]	15.23	14.61

[1] Including fair value of owner-occupied properties.

[2] Average rent for the office space.

Total portfolio by region (% of market value)	Dec. 31, 2024	Dec. 31, 2023	Change (pp)
Hamburg	33	33	-
Düsseldorf	27	26	1
Frankfurt	22	23	-1
Stuttgart	10	9	1
Berlin	8	9	-1

4.2. Tenants and leases

Public tenants and large national and international companies in particular characterize alstria's tenant structure. The following table shows the ten largest tenants as of December 31, 2024:

alstria's main tenants (% of annual rent)	Dec. 31, 2024	Dec. 31, 2023	Change (pp)
City of Hamburg	14	13	1
Bundesanstalt für Immobilienaufgaben	5	5	-
City of Frankfurt	4	4	1
GMG Generalmietgesellschaft	3	3	-
Mercedes-Benz AG	2	3	-2
HOCHTIEF Aktiengesellschaft	2	2	-
Commerzbank Aktiengesellschaft	2	2	-
Hamburger Hochbahn AG	2	2	-
Deutsche Post Immobilien	2	2	-
City of Berlin	2	2	-

Letting metrics[1)] (m^2)	2024	2023	Change
New leases	52,100	23,400	28,700
Renewals of leases	106,500	110,000	-3,500
Total	**158,600**	**133,400**	**25,200**

[1)] Total leasing volume including option drawings of existing tenants.

Commercial leases usually have a limited term agreed in the respective lease. The following table summarizes the share of expiring leases as a share of the total portfolio over the next three years:

Lease expiry profile (% of annual rent)	Dec. 31, 2024	Dec. 31, 2023	Change (pp)
2025	8.0	8.1	-0.1
2026	20.9	14.2	6.7
2027	11.8	19.0	-7.2

4.3. Capital expenditure into the existing portfolio

In 2024, EUR 92.4 million was invested in the existing portfolio. In addition, EUR 10.7 million in development costs were capitalised, although these were immediately written off again for reasons of prudence. At EUR 56.5 million, more than half of the capex was invested in development projects, which significantly improved the quality of the space in order to achieve higher rents. Development capex remained at a high level in 2024, because alstria sees the best returns potential here. The current development portfolio comprises 12 projects with a total lettable area of approx. 119,400 m^2.

Project	Lettable area (m²)	Status	Estimated completion
Carl-Reiß-Platz 1, Mannheim	8,500	Under construction	Q2 2025
Gartenstr. 2, Düsseldorf	5,000	Under construction	Q1 2027
Handwerkstr. 4/Breitwiesenstr. 27, Stuttgart	6,400	Under construction	Q2 2025
Uhlandstr. 85, Berlin	13,000	Under construction	Q3 2028
Friedrich-Scholl-Platz 1 (Teil A), Karlsruhe	5,900	Under construction	Q4 2025
Platz der Einheit 1, Frankfurt	30,400	Under construction	Q4 2025
Epplestr. 225 (Gebäude 10), Stuttgart	11,900	Under construction	Q3 2026
Epplestr. 225 (Gebäude 20), Stuttgart	7,900	Under construction	Q2 2026
Lehrter Str. 17, Berlin	2,400	In planning	Q3 2027
Hanauer Landstr. 161-173, Frankfurt	15,500	In planning	n/a
Maxstr. 3a, Berlin	4,100	In planning	n/a
Ivo-Beucker-Str. 43, Düsseldorf	8,400	In planning	n/a
Gesamt	**119,400**		

4.4. Transactions

Due to the weak transaction market, no property transactions took place in 2024.

4.5. Portfolio valuation

alstria's entire real estate portfolio was valued at fair value as per December 31, 2024 in accordance with the requirements of IAS 40 in conjunction with IFRS 13. For the portfolio as a whole, the valuation as at December 31, 2024 resulted in an appreciation of EUR 52.8 million (previous year: depreciation of EUR 769.5 million) after deduction of investments and transactions. Based on the established market value as per December 31, 2024, this results in an average value of EUR 2,970 per sqm and a yield of 4.9 %, based on the ratio of contractual rent to market value, for the portfolio as a whole.

II. FINANCIAL ANALYSIS

1. EARNINGS POSITION

EUR k	2024	2023
Revenues	198,441	192,026
Net rental income	171,854	163,936
Administrative and personnel expenses	-18,297	-20,126
Other operating result	-24,560	20,135
Operating income	**128,998**	**163,946**
Net result from fair value adjustments to investment property	52,751	-769,541
Net result from disposal of investment property	-	81
Net operating result	**181,749**	**-605,514**

1.1. Net operating result

alstria closed the financial year 2024 with a net operating result before interest and taxes of EUR 181,749 k, compared to EUR -605,514 k in 2023.

The main reason for the significant improvement in the net operating result was the net result from the fair value measurement of investment properties, which amounted to EUR 52,751 k in the 2024 financial year (2023: EUR -769,541 k).

1.2. Revenues

Revenues in the 2024 financial year totalled EUR 198,441 k (2023: EUR 192,026 k). This corresponds to an increase of 3.3% or EUR 6,415 k, which is attributable in particular to additional revenue from the indexation of existing rental agreements and the conclusion of new lease agreements. The increase in rental income was partially offset by the scheduled expiry of lease agreements. Overall, revenues were higher than the forecast of EUR 195 million published at the beginning of the year, in particular due to the higher-than-planned rent adjustments.

1.3. Real estate operating expenses

Real estate operating expenses consist of recoverable and non-recoverable operating costs and totalled EUR 67,322 k in the reporting period (2023: EUR 66,257 k). The ratio of non-recoverable operating costs fell from 15.4% in 2023 to 13.9% in 2024. As a result, net rental income for the Group as a whole increased by EUR 7,918 k to EUR 171,854 k in 2024 (2023: EUR 163,936 k).

1.4. Administrative and personnel expenses

Administrative expenses fell by EUR 900 k year-on-year in 2024 to EUR 8,341 k (2023: EUR 9,241 k), primarily due to lower consulting costs. Personnel expenses totalled EUR 9,955 k in the 2024 financial year, a year-on-year decrease of EUR 929 k (2023: EUR 10,855 k). This was mainly due to lower bonus payments and lower recruitment costs. Total administrative and personnel expenses thus corresponded to around 9.2 % of sales revenue and 0.4 % of the fair value of the portfolio (2023: 10.5 % and 0.5 %).

1.5. Other operating result

In the 2024 financial year, the other operating result was EUR -24,560 k (2023: EUR 20,135 k). The significant change is due in particular to an increase in other operating expenses from EUR -848 k in 2023 to EUR -32,528 k in 2024. This is mainly due to the recognition of a liability for a special payment of EUR 23,239 k made to the free float shareholders of alstria office REIT-AG in January 2024, which was made as compensation for the loss of REIT status in accordance with Section 20 of the company's articles of association. By contrast, other operating income fell significantly to EUR 7,968 k (2023: EUR 20,983 k). The decrease was related to the valuation of the limited partner contributions of non-controlling shareholders of alstria office Prime Portfolio GmbH & Co. KG. Here, the valuation result of the subsidiary in the previous year led to income as a consequence of the devaluation of the properties held by this company for investment purposes. However, in the reporting year there was a slight revaluation of the corresponding portfolio as at December 31, 2024, which led to other operating expenses of EUR 6,487 k. On the other hand, an arrangement fee of EUR 3,290 k for arranging a loan from a Group company to a bank had a positive effect.

1.6. Net result from fair value adjustments to investment property

The net result from the fair value measurement of investment properties reported in the 2024 financial year amounted to EUR 52,751 k (2023: EUR -769,541 k) and reflects the revaluation of the property portfolio by the external valuer BNP Paribas Real Estate Consult GmbH, Frankfurt (previous year: Savills Immobilien Beratungs-GmbH, Frankfurt). The slight revaluation was a result of the stability of the portfolio, a largely stable market environment and the easing of the interest rate environment. The result of the portfolio valuation as at December 31, 2024 was comprehensively reviewed by the company's legal representatives and adopted unchanged.

1.7. Net result from the disposal of investment property

As no property transactions took place in the 2024 financial year, the transaction result did not contribute to earnings (2023: EUR 81 k).

1.8. Net financial result

EUR k	2024	2023
Interest expenses, corporate bonds	-13,764	-16,677
Interest expenses bank loans	-77,672	-57,138
Interest result Schuldschein	-1,116	-1,419
Interest result from derivatives	13,889	9,385
Other interest expenses	-386	-76
Financial expenses	**-79,049**	**-65,925**
Income from financial instruments	19,196	19,552
Other financial expenses	-978	-1,005
Net financial result	**-60,831**	**-47,378**

Despite a slight decrease in financial debt, financial expenses rose by EUR 13,124 k to EUR 79,049 k in the reporting period, reflecting the increase in market interest rates. The new loans taken out were used exclusively to refinance existing financial debt, primarily in the form of a partial repurchase of bonds, but also to repay bank loans. Proceeds from financial instruments and other interest income include interest-like income of EUR 11,350 k that arose in connection with the repurchase of own bonds below their issue value. alstria acquired own bonds with a nominal value of EUR 97,300 k at an average price of 88.34 % in the 2024 financial year. For details of the debt portfolio, please refer to the section ‘Non-current and current financial liabilities‘.

1.9. Share of the result of companies accounted for at equity

There was no contribution to earnings from investments and joint ventures accounted for using the equity method in 2024 (2023: EUR 17 k).

1.10. Consolidated profit

The consolidated net result for the year amounted to EUR -104,545 k in the 2024 financial year (2023: EUR -653,374 k), an improvement of EUR 548,829 k compared to the previous year. The main driver of this development was the result from the fair value measurement of investment property, which amounted to EUR 52,751 k in the 2024 financial year (2023: EUR -769,541 k). By contrast, tax expenses had a negative impact of EUR -223,514 k in the reporting period (2023: EUR 222 k). This was due to the loss of REIT status as per December 31, 2024, which required the recognition of a deferred tax liability of EUR 230,387 k. Basic earnings per share for the 2024 financial year amounted to EUR - 0.59 (2023: EUR -3.66).

1.11. Funds from operations (FFO)

FFO after minority interests amounted to EUR 81,173 k (2023: EUR 87,972 k) and were therefore higher than the forecast of EUR 71 million published at the beginning of 2024. This was due to lower-than-planned cost (property operating costs, administrative costs and personnel expenses) combined with higher-than-expected revenue. Due to the further increase in financing costs, FFO for the 2024 financial year of EUR 81,173 k was nevertheless EUR 6,799 k lower than the previous year's figure of EUR 87,972 k. The FFO margin (FFO/Revenue) fell accordingly to 40.9 % in 2024 (previous year: 45.8 %).

The reconciliation from consolidated net profit/loss for the period to FFO is based on the elimination of non-cash income/cost figures that are not expected to recur annually, relate to other periods and are not attributable to the operating business. The adjustments between the income/cost figures in the income statement and FFO are shown in the table on the next page. The most significant adjustments (> EUR 1,000 k) related to non-cash administrative expenses (EUR 1,558 k), non-recurring other operating income (EUR 4,611 k, of which a one-off arrangement fee of EUR 3,290 k for arranging a loan from a Group company to a bank) and non-recurring other operating expenses (EUR 31,555 k). The latter mainly include the non-recurring compensation payment to the minority shareholders of alstria office REIT-AG in the amount of EUR 23,239 k, which they received as compensation for the loss of the REIT status. Furthermore, other operating expenses include a non-cash expense of EUR 6,487 k resulting from the valuation of the minority interests in alstria office Prime Portfolio GmbH & Co. KG. The consolidated result was also adjusted for the non-cash valuation result (EUR 52,751 k) and income not attributable to the operating business in the net financial result (EUR 11,791 k). This includes EUR 11,350 k that arose in connection with the acquisition of own bonds on the capital market. They represent the difference between the purchase price and the nominal value. The non-cash effect of derivatives (EUR 2,062 k) and tax expenses (EUR 223,401 k) were also adjusted.

EUR k[1]	IFRS P&L	Adjustments	FFO 2023	FFO 2023
Revenues	198,441	-	198,441	192,026
Revenues from service charge income	40,735	-	40,735	38,167
Real estate operating expenses	-67,322	-	-67,322	-66,257
Net rental income	**171,854**	**-**	**171,854**	**163,936**
Administrative expenses	-8,341	1,558	-6,784	-7,684
Personnel expenses	-9,955	-	-9,955	-10,364
Other operating income	7,968	-4,611	3,358	1,872
Other operating expenses	-32,528	31,555	-973	-2,094
Net result from fair value adjustments to investment property	52,751	-52,751	-	-
Net result from the disposal of investment property	-	-	-	-
Net operating result	**181,749**	**-24,248**	**157,500**	**145,665**
Net financial result	-60,831	-11,791	-72,622	-53,758
Share of the result of companies accounted for at equity	-	-	-	17
Net result from the valuation of derivative financial instruments	-2,062	2,062	-	-
Pretax income	**118,856**	**-33,978**	**84,878**	**91,924**
Income tax expenses	-233,401	223,401	-	-
Consolidated profit	**-104,545**	**189,423**	**84,878**	**91,924**
Minority interests	-	−3,705	-3,705	-3,953
Consolidated profit / FFO (after minorities)[2]	**-104,545**	**185,718**	**81,173**	**87,972**
Number of outstanding shares (k)			178,562	178,562
FFO per share (EUR)			**0.45**	**0.49**

[1] Numbers may not sum up due to rounding.

[2] FFO is not a measure of operating performance or liquidity under generally accepted accounting principles, in particular IFRS, and it should not be considered an alternative to the Company's income or cash flow measures as determined in accordance with IFRS. Furthermore, there is no standard definition for FFO. Thus, alstria's FFO values and the measures with similar names presented by other companies may not be comparable.

2. FINANCIAL AND ASSET POSITION

2.1. Investment properties

The total value of investment properties as of December 31, 2024 was EUR 4,127,431 k, compared to EUR 3,971,253 k at the beginning of 2024. The increase is largely due to investments in the existing portfolio during the year. In addition, the year-end valuation resulted in a slight increase in the value of investment properties.

EUR k	
Investment property as of December 31, 2023	**3,971,253**
Investments	103,150
Acquisitions	276
Acquisition costs	-
Disposals	-
Transfer to assets held for sale	-
Transfer to property, plant, and equipment (owner-occupied properties)	-
Transfer from property, plant, and equipment (owner-occupied properties)	-
Net loss / gain from fair value adjustments to investment property	52,751
Investment property as of December 31, 2024	**4,127,431**
Carrying amount of owner-occupied properties	16,583
Carrying amount of the forest	2,835
Fair value of assets held for sale	-
Interests in joint ventures	-
Carrying amount of immovable assets	**4,146,849**

2.2. Cash and cash equivalents

Cash and cash equivalents decreased by EUR 36,049 k from EUR 116,282 k to EUR 80,233 k in the reporting period. A positive cash flow of EUR 92,268 k was generated from operating activities. Financing activities showed net cash outflows of EUR 24,301 k, which resulted primarily from the net repayment of financial liabilities. Investing activities resulted in cash outflows totalling EUR 104,015 k, mainly due to investments in the existing portfolio.

2.3. Equity

	Dec. 31, 2024	Dec. 31, 2023	Change
Equity (EUR k)	1,506,869	1,617,547	-6.8%
Number of outstanding shares (k)	178,562	178,562	-
Net asset value per share (EUR)	8.44	9.06	-6.8%
Equity ratio (%)	34.6	38.2	-3.5pp
G-REIT equity ratio (%)	38.8	43.0	-4.2pp

Compared to December 31, 2023, equity as per December 31, 2024 decreased by EUR -110,678 k to EUR 1,506,869 k. This was due in particular to the significantly higher tax expense resulting in a consolidated net loss for the year of EUR -104,545 k. Equity as per December 31, 2024 was also negatively impacted by a negative hedging reserve of EUR -6,132 k.

2.4. Limited partnership capital non controlling interests

Liabilities due to minority interests represent the limited-partner capital of non controlling shareholders in the alstria office Prime Portfolio GmbH & Co. KG. In line with IFRS requirements, the share capital that minority shareholders in German partnerships owned is treated as a liability on the Company's balance sheet. Due to the negative valuation effect of the real estate portfolio, this balance sheet item increased to EUR 101,038 k (2023: EUR 98,297 k).

2.5. Non current and current financial liabilities

alstria's financial management is carried out at the corporate level. Individual loans and corporate bonds are taken out at the property and the portfolio levels. alstria's main financial goal is to establish a sustainable long-term financial structure. Therefore, alstria diversifies its financing sources and strives for a balanced maturity profile to enable coordinated and constant refinancing (see the following overview of the loan facilities and maturity profile of financial debt on the page after next).

In the reporting period, alstria has drawn down a mortgage loan (loan #9) signed at the end of 2023 in the amount of EUR 120,000 k. The funds received from this new loan were primarily used to finance bond repurchases. In addition, loan #1, which was due on June 28, 2024, was extended by 7 years and the loan amount was reduced by EUR 25,000 k to EUR 125,000 k. The nominal amount of loan #4 was also reduced by EUR 20,000 k. In total, secured loan liabilities thus increased by EUR 75,000 k to EUR 1,407,000 k in the reporting period, while the volume of outstanding bonds was reduced by EUR 97,300 k, bringing total financial liabilities to EUR 2,427,700 k as per December 31, 2024 (2023: EUR 2,450,000 k). The financial derivatives entered into in connection with the secured loans are described in detail in the notes to the consolidated financial statements (section 6.5) of this report.

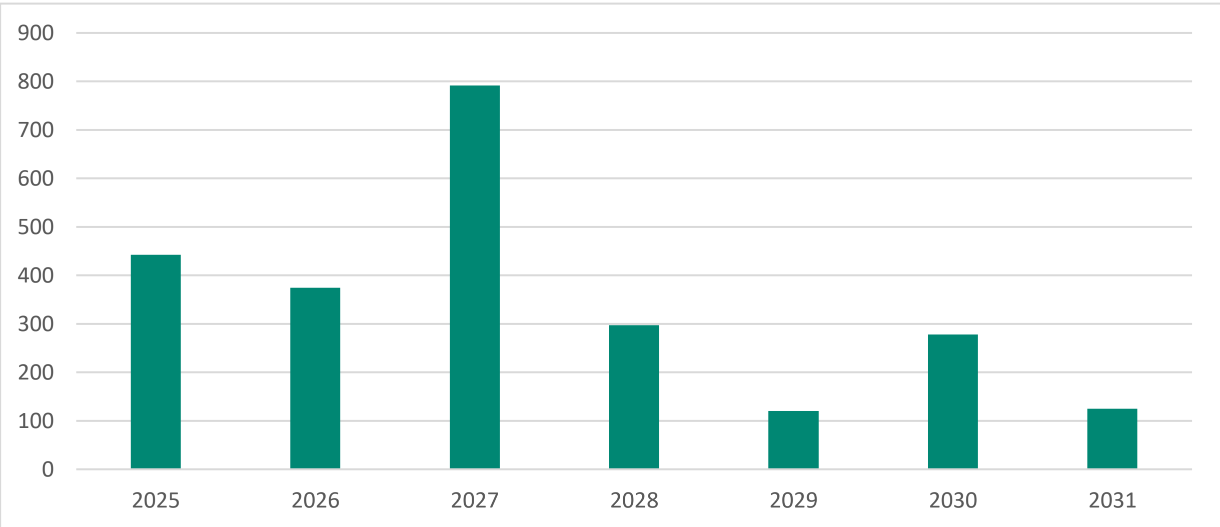
The loan facilities in place as of December 31, 2024 are in the following table.

Liabilities	Maturity	Principal amount drawn as of Dec. 31, 2024 (EUR k)	LTV[1] as of Dec. 31, 2024 (%)	LTV covenant (%)	Principal amount drawn as of Dec. 31, 2023 (EUR k)
Loan #1	Jun 30, 2031	125,000	58.7	63.0	150,000
Loan #2	Mar 29, 2030	90,000	n/a	-	90,000
Loan #3	Sep 29, 2028	97,000	54.6	65.0	97,000
Loan #4	Sep 30, 2027	480,000	70.5	75.0	500,000
Loan #5	Aug 29, 2025	107,000	n/a	-	107,000
Loan #6	Apr 26, 2030	188,000	63.7	65.0	188,000
Loan #7	Jun 30, 2028	100,000	55.7	70.0	100,000
Loan #8	Aug 31, 2028	100,000	62.9	65.0	100,000
Loan #9	Dec 28, 2029	120,000	62.9	70.0	-
Total secured loans		**1,407,000**	**n/a**	**-**	**1,332,000**
Bond #3	Nov 15, 2027	311,400	-	-	328,000
Bond #4	Sep 26, 2025	335,200	-	-	400,000
Bond #5	Jun 23, 2026	334,100	-	-	350,000
Schuldschein 10y/fixed	May 06, 2026	40,000	-	-	40,000
Revolving credit line[2]	Apr 29, 2027	-	-	-	-
Total unsecured loans		**1,020,700**	**-**	**-**	**1,118,000**
Total		**2,427,700**	**58.4**		**2,450,000**
Net LTV			**56.5**		

[1] Calculation based on the market values (as per December 31, 2024) of the properties serving as collateral in relation to the loan amount drawn down.

[2] Agreement of a revolving credit line on April 29, 2022: term of EUR 150 million until April 29,2027 and a further EUR 50 million until April 29, 2026.

Maturity profile of financial debt in EUR m



During 2024, alstria purchased a total of EUR 97,300 k of its outstanding bonds at an average price of 88.34 %. The acquired bonds were subsequently cancelled and derecognised. The following table summarises the acquisitions made during the year.

Bond	Maturity	Notional amount acquired (EUR m)	Average price (%)
Bond #3	Nov 15, 2027	16,600	78.75
Bond #4	Sep 26, 2025	64,800	91.23
Bond #5	Jun 23, 2026	15,900	86.53
Total		**97,300**	**88.34**

In December 2024, alstria signed two new loan agreements, which had not yet been drawn down as of the reporting date. Loan #10 with a volume of EUR 94.5 million was signed on December 6, 2024, loan #11 with a volume of EUR 70.0 million was signed on December 12, 2024.

2.6. Cost of debt

Cash cost of debt	Dec. 31, 2024			Dec. 31, 2023		
	Nominal amount (EUR k)	Ø cost of debt (%)	Ø maturity (years)	Nominal amount (EUR k)	Ø cost of debt (%)	Ø maturity (years)
Bank debt	1,407,000	3.9	3.8	1,332,000	3.8	3.9
Bonds	980,700	1.2	1.7	1,078,000	1.1	2.7
Schuldschein	40,000	2.8	1.4	40,000	2.8	2.4
Total	**2,427,700**	**2.8**	**2.9**	**2,450,000**	**2.6**	**3.3**

2.7. Compliance with and calculation of the Covenants, referring to § 11 of the Terms and Conditions*

In case of the incurrence of new Financial Indebtedness for purposes other than the refinancing of existing liabilities, alstria needs to comply with the following covenants:

- The ratio of Consolidated Net Financial Indebtedness to Total Assets will not exceed 60 %
- The ratio of Secured Consolidated Net Financial Indebtedness to Total Assets will not exceed 45 %
- The ratio of Unencumbered Assets to Unsecured Consolidated Net Financial Indebtedness will be more than 150 %

* The following section refers to the Terms and Conditions of the Fixed Rate Notes, as well as to the Terms and Conditions of the Schuldschein (for further information, please refer to www.alstria.com). Capitalized terms have the meanings defined in the Terms and Conditions.

EUR k	Dec 31, 2024
Consolidated Net Financial Indebtedness as of the reporting date	2,337,651
Net Financial Indebtedness incurred since the reporting date	-
Sum Consolidated Net Financial Indebtedness (I)	**2,337,651**
Total Assets as of the reporting date (less cash)	4,268,735
Purchase price of any Real Estate Property acquired or contracted for acquisition since the reporting date	-
Proceeds of any Financial Indebtedness incurred since the reporting date that were not used to acquire Real Estate Property or to reduce Financial Indebtedness	-
Total (II)	**4,268,735**
Ratio of the Consolidated Net Financial Indebtedness over Total Assets (max. 60 %) (I/II)	**55 %**

EUR k	Dec 31, 2024
Secured Consolidated Net Financial Indebtedness as of the reporting date	1,386,106
Secured Net Financial Indebtedness incurred since the reporting date	-
Sum Secured Consolidated Net Financial Indebtedness (I)	**1,386,106**
Total Assets as of the reporting date (less cash attributable to secured debt)	4,341,519
Purchase price of any Real Estate Property acquired or contracted for acquisition since the reporting date	-
Proceeds of any Financial Indebtedness incurred since the reporting date that were not used to acquire Real Estate Property or to reduce Financial Indebtedness	-
Total (II)	**4,341,519**
Ratio of the Secured Consolidated Net Financial Indebtedness over Total Assets (max. 45 %) (I/II)	**32 %**

EUR k	Dec 31, 2024
Value of Unencumbered Real Estate Property	1,638,443
Value of all other assets	127,073
Unencumbered Assets as of the reporting date	**1,765,516**
Net Unencumbered Assets recorded since the reporting date	-
Sum Unencumbered Assets	**1,765,516**
Unsecured Consolidated Net Financial Indebtedness as of the reporting date	950,632
Net Unsecured Financial Indebtedness incurred since the reporting date	-
Sum Unsecured Consolidated Net Financial Indebtedness	**950,632**
Ratio of Unencumbered Assets over Unsecured Consolidated Net Financial Indebtedness (min. 150 %)	**186 %**

Furthermore, alstria needs to maintain a ratio of the Consolidated Adjusted EBITDA over Net Cash Interest of no less than 1.80 to 1.00. The ratio should be calculated and published at every reporting date following the issuance of the bond or the Schuldschein, starting after the fifth reporting date.

EUR k	Cumulative 2024
Earnings Before Interest and Taxes (EBIT)	**179,687**
Net profit / loss from fair value adjustments to investment property	-52,751
Net profit / loss from fair value adjustments to financial derivatives	2,062
Profit / loss from the disposal of investment property	-
Other adjustments[1)]	28,503
Fair value and other adjustments in joint venture	-
Consolidated Adjusted EBITDA	**157,500**
Net Cash Interest	**−65,895**
Consolidated Coverage Ratio (min. 1.80 to 1.00)	**2.4**

[1)] Depreciation, amortization, and nonrecurring or exceptional items.

In the 2024 financial year no covenants under the loan agreements and / or the terms and conditions of the bonds and Schuldschein had been breached. The breach of a covenant would lead to liquidity outflow.

2.8. Current liabilities

Current liabilities amounted to EUR 515,008 k as per December 31, 2024 (December 31, 2023: EUR 319,190 k). Of this amount, EUR 445,958 k represented current loan liabilities (December 31, 2023: EUR 261,777 k) and EUR 21 k represented limited partner contributions from non-controlling interests (December 31, 2023: EUR 21 k). Current liabilities also include trade payables in the amount of EUR 3.410 k (December 31, 2023: EUR 4,717 k). Other current liabilities of EUR 57,015 k (December 31, 2023: EUR 44,744 k) primarily include the liability of EUR 23,239 k , which represents the compensation of the free float shareholders for the loss of REIT status, provisions for outstanding invoices of EUR 17,483 k (31 December 2023: EUR 26,638 k) and rent deposits received of EUR 6,196 k (December 31, 2023: EUR 8,007 k).

3. THE MANAGEMENT BOARD’S OVERALL ASSESSMENT OF THE FINANCIAL YEAR

Despite the weak macroeconomic development and a persistently difficult market environment for office properties, alstria's earnings position developed above plan in the 2024 financial year. Revenues and earnings reflected the high quality of the property portfolio and the efficient corporate structure. The financial position and net assets were adversely affected by the recognition of a deferred tax liability as a result of the cessation of REIT status. The liquidity position was sufficient at all times during the 2024 financial year.

III. EXPECTED DEVELOPMENTS

The report on expected developments contains statements related to anticipated future developments. The Company’s development depends on various factors, some of which are beyond alstria’s control. Statements about expected developments are based on current assessments and are thus, by their nature, are exposed to risks and uncertainty.

The alstria Group’s actual development may differ positively or negatively from the predicted development presented in this report’s statement.

1. EXPECTED ECONOMIC DEVELOPMENT

Economic conditions are unlikely to improve significantly in 2025. According to the current assessment of the German Federal Government[*] , only slight growth of 0.3% is expected in 2025. Inflation is likely to average 2.1% in 2025. Downside risks to the forecast for the German economy include a hardening of industrial weakness and a further increase in uncertainty, which could further delay the recovery in investment and private consumption. On the other hand, a more positive trend could emerge if the reluctance to consume on the part of private households disappears and the savings rate normalises more quickly than expected.

2. DEVELOPMENT OF THE REAL ESTATE MARKET: OUTLOOK FOR 2025

It is to be expected that the continuing weak economic development will continue to have a dampening effect on the commercial property market in 2025. The letting market is likely to remain at the level of 2024. The transaction market will remain challenging in 2025. A liquid transaction market is not expected to emerge until the second half of 2025 at the earliest.

[*] Source: German Federal Government: Jahreswirtschaftsbericht 2025

3. OUTLOOK FOR THE ALSTRIA GROUP

For 2025, alstria expects a slight decline in revenues to around EUR 192 million. This is caused by lower rental income due to expiring leases and planned property sales. FFO is expected to decline significantly to EUR 52 million. In addition to the expected decline in revenues, this development reflects in particular the higher financing costs as a result of the more expensive refinancing of maturing bonds. After alstria lost its REIT status as of December 31, 2024, the company is working on an organisational restructuring to be implemented in the course of 2025.

IV. REPORT REGARDING ALSTRIA AG

1. EARNINGS POSITION

The following table shows the key operating figures of the audited income statements for the 2024 and 2023 financial years:

in EUR k	2024	% of oper. perf.	2023	% of oper. perf.	Change
Total operating performance	169,646	100.0	163,129	100.0	6,517
Other operating income	35,230	20.8	27,583	16.9	7,647
Cost of purchased services	-34,861	-20.5	-32,358	-19.8	-2,503
Personnel expenses	-21,281	-12.5	-22,212	-13.6	931
Depreciation	-50,144	-29.6	-61,571	-37.7	11,427
Other operating expenses	-50,628	-29.8	-42,110	-25.8	-8,518
financial result	-47,636	-28.1	-229,751	-140.8	182,115
Net result of the year	**326**	0.2	**- 197,290**	-120.9	**197,616**

1.1. Business development

The net profit for the year improved by EUR 197,616 k compared to the previous year, resulting in a net profit of EUR 326 k for the 2024 financial year (previous year: net loss of EUR 197,290 k). As the company was tax-exempt as a REIT until December 31, 2024, there was no tax expense for the 2024 assessment period.

The improvement in the annual result compared to the previous year is mainly due to the increase in the net financial result (EUR +182,115 k), the decrease in depreciation and amortization (EUR +11,427 k), the increase in other operating income (EUR +7,647 k) and the increase in total operating performance (EUR +6,517 k).

In contrast, other operating expenses rose by EUR 8,518 k and expenses for purchased services increased by EUR 2,503 k.

1.2. Total operating performance

Total operating performance rose in the past financial year due to the increase in rental income and an increase in income from real estate-related services that were passed on to subsidiaries. Revenue amounted to EUR 167,520 k in the 2024 financial year. Together with changes in inventories of EUR 2,126 k, this resulted in total operating performance of EUR 169,646 k (previous year: EUR 163,129 k).

The increase in income is mainly the result of rent increases due to indexation and new lettings.

1.3. Other operating income

Other operating income increased by EUR 7,647 k to EUR 35,230 k compared to the previous year. The increase is primarily due to income from the reversal of the carrying amount of a subsidiary (EUR 24,285 k), the market value of which recovered in the financial year. There was also an arrangement fee of EUR 3,290 k for arranging a loan from a Group company to a bank. In contrast, the sale of a property in the previous period resulted in a book profit of EUR 13,319 k, whereas no disposals were made in the reporting period. In addition, income from recharged operating costs decreased by EUR 7,421 k, as the previous period included extraordinary income of EUR 8,214 k from the recharging of special rental requests.

1.4. Purchased services

The cost of purchased services increased by EUR 2,503 k to EUR 34,861 k, mainly due to inflation.

1.5. Depreciation and amortization

Depreciation and amortization decreased by EUR 11,427 k to EUR 50,144 k compared to the previous year. The decrease is mainly due to the unscheduled depreciation of 4 properties in the previous year amounting to EUR 14,110 k, which was offset by unscheduled write-downs of only EUR 1,790 k in the reporting period.

1.6. Other operating expenses

Other operating expenses increased by EUR 8,518 k. The REIT compensation payments of EUR 23,964 k, which were recognized as a liability as at the reporting date, were partly offset by the last periods costs for special rental requests of EUR 8,214 k, which were incurred for a tenant in the previous period but were not repeated in the reporting period, and a decrease of EUR 5,897 k in operating costs that were not recharged. The latter decreased in particular due to lower re-letting costs.

1.7. Financial result

in EUR k	2024	2023	Change (%)
Interest expenses, corporate bonds	-11,466	-14,383	-20
Transaction costs	-5,081	-4,598	11
Interest result "Schuldschein" ("senior unsecured debt")	-1,100	-1,396	-21
Interest expenses from bank loans	-64,312	-47,167	36
Interest result from financial derivatives	11,316	8,174	38
Other interest expenses	-115	-208	-45
Financial expenses	**-70,758**	**-59,578**	**19**
Income from participating interests	0	18	-
Income from loans to affiliates	8,806	6,813[1]	29
Other interests and similar income	15,256	13,686[2]	11
Write down on financial assets	-939	-190,691	-100
Net financial result	**-47,635**	**-229,752**	**-79**

1) Includes interest income from a loan to third parties in the amount of EUR 3,322 thousand, which was reported under "Other interest income" in the previous year's report.
2) Included income of EUR 3,322 thousand in the previous year's report, which was reclassified to interest income from loans for the purposes of comparability.

The net financial result increased by EUR 182,115 k to EUR -47,636 k compared to the previous period, primarily due to the decrease in write-downs on financial assets, which in the previous period included write-downs of EUR -190,691 k due to the expected permanent decline in market values. In the reporting period, on the other hand, only impairment losses of EUR 939 k had to be recognized. In addition, total interest expenses rose by EUR 11,180 k to EUR 70,758 k compared to the 2023 financial year, primarily due to the increase in interest expenses from loans (EUR -17,145 k) as a result of the rise in interest rates. This is offset by the decrease in interest expenses from bonds due to the repurchase of bond units (EUR 2,917 k) and an improved interest result from derivatives (EUR +3,142 k). Finally, interest income from loans (EUR +1,993 k) and other interest income (EUR +1,570 k) increased. The increase in interest income from loans is based on the increase in the amount of loans by EUR 30,000 k, while the increase in other interest income is due to favorable prices of the bond tranches at the time of the repurchase of shares in corporate bonds issued by the company itself.

2. FINANCIAL AND ASSET POSITION

On the balance sheet date, alstria owned 82 real estate properties (in 2023: 82). The following table illustrates alstria's changes in investment property in 2024:

in EUR m	
Land and Buildings on December 31, 2023	**1,720.09**
Investments	17.17
Adjustments	82.91
Disposals	0.00
Appreciations on market value	2.35
Nonscheduled depreciation	-1.79
Ordinary depreciation	-50.66
Land and Buildings as of December 31. 2024	**1,770.07**

2.1. Land, land rights and buildings

Land, land rights and buildings increased by EUR 50.0 m compared to the previous year's reporting date. In the reporting period, EUR 17.2 m was invested in existing properties and assets under construction amounting to EUR 82.9 m were completed.

One property was written down by a total of EUR 1.8 m due to permanent impairment.

2.2. Prepayments and constructions in progress

Prepayments and assets under construction decreased by EUR 38,001 k to EUR 85,477 k compared to the previous year. EUR 41,853 k was invested in modernization projects in the reporting year. A further EUR 82,907 k was reclassified to land, land rights and buildings following the completion of the projects.

2.3. Financial assets

Financial assets increased by EUR 40,889 k to EUR 519,569 k compared to the previous year's reporting date. The increase is primarily due to the issue of loans to subsidiaries in the amount of EUR 50,000 k.

This is offset by a reduction in the carrying amount of an investment in a subsidiary due to a withdrawal of equity (EUR 33,066 k). The effect was only partially offset by a simultaneous reversal of impairment losses on the carrying amount of the investment (EUR 24,285 k) due to the increase in market value and now totals EUR -9,111 k.

2.4. The cash position

Cash and cash equivalents decreased by EUR 35,980 k to EUR 69,410 k in the financial year.

Cash outflows resulted primarily from the repurchase of shares in the corporate bonds (EUR 86,000 k), payments to subsidiaries as part of the increase in loans (EUR 50,000 k) and in addition, investments of EUR 59,091 k were made in fixed assets.

Cash inflows resulted primarily from taking out loans (EUR 95,000 k), from the annual result, which, adjusted for non-cash valuation gains from financial assets, the REIT compensation payments for minority shareholders not yet paid out as at the reporting date, the decrease in provisions, the decrease in liabilities, the increase in inventories and depreciation and amortization totaled EUR 37,159 k. Furthermore, the distribution of dividends from subsidiaries resulted in cash inflows of EUR 33,067 k.

2.5. Equity

The equity and liabilities side of the balance sheet shows equity of EUR 134,153 k. As at the balance sheet date, the equity ratio was 5.4%. This corresponds to the ratio of the previous year. The slight increase in equity compared to the previous year of EUR 326 k is based on the net profit for the year in the same amount.

2.6. Provisions

Provisions decreased by EUR 8,302 k to EUR 25,651 k compared to the previous year's reporting date. The decrease is mainly due to the reduction in provisions for outstanding invoices of EUR -4,538 k and the utilization of a provision formed in the previous year for a market flex premium (EUR -3,800 k). The market flex premium reported on the previous balance sheet date related to the obligation to a lending bank. For the portion of the loan that the bank cannot pass on to a syndicate of banks, alstria has undertaken to pay the market flex premium.

2.7. Liabilities

Liabilities decreased by EUR 19,788 k compared to the previous year's reporting date. Shares in three corporate bonds issued by alstria totaling EUR 97,300 k were acquired by the company itself. Finally, the company repaid a loan of EUR 150,000k by EUR 25,000k.

On the other hand, the company took out a further secured loan of EUR 120,000k. By giving up its REIT status as at December 31, 2024, the company undertook to pay compensation of EUR 23,239 k to the minority shareholders for the loss of tax exemption. The liability is reported under other liabilities.

3. ADDITIONAL DISCLOSURE REGARDING ALSTRIA AG

3.1. Employees

As of December 31, 2024, alstria AG had 186 employees (December 31. 2023: 181). The annual average number of employees was 186 (previous year: 175). These figures exclude the Management Board.

3.2. Outlook for alstria AG

The company is managed at Group level and the planning is therefore also based on the Group's key figures. After adjusting for non-forecastable earnings components such as write-downs on financial assets (EUR +1.8 m), reversals of write-downs on financial assets (EUR -24.3 m), impairment losses on property, plant and equipment (EUR +1.8 m), write-ups on property, plant and equipment (EUR 2.4 m) and non-recurring items such as the compensation payment to free float shareholders for the loss of REIT status (EUR +24,0 m), the planned annual result is EUR 1.2 m. A similar development is expected for the coming financial year.

On February 11, 2025, the Extraordinary General Meeting resolved to transfer the shares of all other shareholders to BPG Holdings Bermuda Limited or one of its subsidiaries in return for an appropriate cash compensation. Following the acquisition of all alstria shares by the subsidiaries of Brookfield Corporation, a delisting of the company with a termination of the share listing is planned for later in 2025.

V. RISK AND OPPORTUNITY REPORT

1. RISK REPORT

1.1. Risk management

alstria has implemented a Group-wide system for structured risk management and early warning in accordance with Section 91 para. 2 of the German Stock Corporation Act (AktG).

alstria AG is the parent company of the alstria group. alstria AG’s directly and indirectly held subsidiaries considerably influence its results. Its business performance is fundamentally subject to the same risks and opportunities as those of the alstria group, and therefore the following explanations for the alstria group also apply to alstria AG.

All risks are recorded, evaluated, and monitored on at least a quarterly basis.

As part of alstria's operating business and its strategic management, alstria weighs opportunities and risks and ensures that they remain balanced. We aim to identify and evaluate risks and opportunities as early as possible and take appropriate action to mitigate risk. This should prevent potential damage and safeguard the Company against losses and risks to its going concern. The Company’s risk identification allows for the early identification of potential new risks on an ongoing basis. Risk mitigation measures are defined so that alstria can undertake the necessary steps to circumvent any identified risks (i.e., to insure, diversify, manage, or avoid those risks).

For alstria, risk management means growing sustainably and increasing the company's value while managing appropriate risks and opportunities as well as avoiding inappropriate risks. alstria’s risk-management system is an integral part of its management and control system, with the risk policy being specified by the Management Board. The risk-management system is integrated into its regular reporting to the Management Board and Supervisory Board, which ensures that risks are addressed proactively and efficiently. The risk-management system thereby focuses on full coverage of the risks. Identifying and assessing opportunities are not part of alstria’s risk-management system.

1.1.1. Structure of the risk-management system

Risk management is coordinated independently from individual business divisions. The risk manager prepares a risk report on a quarterly basis and provides it to the Management Board. This report is based on reports from the risk owners — those who are responsible for particular risk areas. The risk manager also informs the Management Board on matters relating to implementing, operating, and overseeing the risk and internal control system and assists the Management Board by, for example, reporting to the Audit Committee of the Supervisory Board.

alstria faces various risk areas within the context of its business activities. These are divided into the following four risk categories:

- Strategic risks
- Operational risks
- Compliance risks
- Financial risks

Each risk category is assigned to one or several so-called “risk owners.” Inherent to the risk owners’ position in the Company is that they represent the area in which the identified risks could materialize; the risk owner is also responsible for the assigned risk category.

alstria’s areas of risk and risk categories

Risk category	Risk owner
Strategic risks	Finance & Controlling
Operational risks	Real Estate Operations, Development, and IT
Compliance risks	Legal
Financial risks	Finance & Controlling

The risk report presents the findings observed during risk identification, assessment, evaluation, and monitoring. At the same time, this report’s comprehensive documentation ensures an orderly assessment, which the responsible departments and the Supervisory Board conduct.

In addition, the divisions report their respective risks and opportunities to the Management Board in weekly meetings.

1.1.2. Risk valuation

A risk (or an opportunity) is defined as the occurrence of future uncertainties that could result in either a negative (or a positive) variance from the business plan.

Risks (and opportunities) under risk management are measured on a net basis by taking into account any existing management and mitigation measures. The time periods and measurement categories used are closely linked to the short-term and medium-term business planning of the Group and its entrepreneurial targets.

Risks are assessed according to their likelihood of occurrence and their magnitude of affect. Accordingly, they are categorized as high, medium, or low. The potential damage includes any potential negative deviation from alstria’s forecasts and objectives with regard to its total comprehensive income or effects on the overall result of alstria.

Classification according to degree of impact

Expected impact in EUR m	Degree of impact
Between 0.0 and 0.6	minor
Between 0.6 and 1.5	low
Between 1.5 and 6.0	moderate
Between 6.0 and 15.0	high
Greater than 15.0	very high

Classification according to likelihood

Probability/likelihood of occurrence	Description
1 to 15 %	very unlikely
16 to 30 %	unlikely
31 to 50 %	possible
51 to 70 %	likely
71 to 99 %	highly likely

According to this framework, a very unlikely risk is defined as one that occurs only in exceptional circumstances and a highly likely risk as one that is expected to occur within a specified period.

Based on the likelihood that a specific risk event will occur and the affect it would have on alstria's business, financial position, profit, and cash flow, each risk is classified as high, medium, or low according to the following matrix.

Risk classification

Probability					
highly likely	L	M	H	H	H
likely	L	M	M	H	H
possible	L	L	M	M	H
unlikely	L	L	L	M	M
very unlikely	L	L	L	L	M
Degree of impact	minor	low	moderate	high	very high

L = low risk.
M = medium risk.
H = high risk.

In 2023, in principle the Company's risk-management system was not subject to any significant changes compared to the previous year.

1.2. Internal control system*

alstrias's internal control system (ICS) comprises all principles, policies, procedures, and measures aimed at implementing the decisions of the Group's management to ensure:

- The effectiveness and economic efficiency of alstria's operations (this encompasses asset protection, including the prevention and detection of financial losses)
- The correctness and reliability of the accounting (internal control and risk management system relating to the (consolidated) accounting process)
- Compliance with the laws and regulations that apply to the alstria Group.

The ICS is an integral part of the centralized and decentralized internal control and monitoring processes with corresponding responsibilities and is documented in a corporate policy.

The ICS also includes a compliance management system (CMS) which reflects the company's risk situation.

Internal monitoring includes both process integrated and process independent measures. Process-integrated monitoring includes the controls and security measures integrated in the organizational and operational structure. They include authorization schemes, access restrictions, separation of functions, completeness and plausibility checks, and limit monitoring.

Managers responsible for risks and Opportunities are designated at appropriate hierarchy levels to manage and monitor identified risks and opportunities according to their relevance. These are essentially the risk owners (department heads responsible for risk; see section V.1.1.1 Structure of the risk management). They are responsible for formally determining a set of appropriate risk and opportunity management strategies (in the case of risks: avoidance, mitigation, control, transfer or acceptance). Working closely with corporate functions and individual managers responsible for measures, the risk owner and opportunity owner are also responsible for defining and monitoring the measures aimed at implementing the management and control strategy. The active and specific management and monitoring of risks and opportunities are critical to the success of our system.

Controls and measures are regularly assessed in the organization. In addition, the company monitors and reviews the structures and activities (such as the internal control and risk management system) and identifies corrective measures if necessary. The Management Board is thus able to assess the effectiveness and adequacy of the internal control and risk management system. In accordance with the recommendations of the 2022 German corporate Governance Code, the Management Board has examined the adequacy and effectiveness of the risk management system and the internal control system in detail and has identified no indications that the RMS and ICS as a whole are not appropriate and effective.

* This section is an unaudited statement.

The Audit Committee deals with the ICS as well.

1.3. Compliance Management System*

alstria has implemented a group-wide compliance management system to manage compliance-related risks systematically and sustainably. alstria sought advice from law firms specializing in such issues when implementing, reviewing, and assessing the appropriateness and effectiveness of its CMS.

The management board of alstria bears the corporate responsibility for compliance with all relevant laws and internal guidelines and decides on the CMS and possible changes or additions. He is supported by the Compliance Officer, who reports directly to the Management Board. If there are any suspicions against a member of the Management Board, the Compliance Officer reports directly to the Chairman of the Supervisory Board. The Compliance Officer reports to the Supervisory Board at least once a year.

The internal regulations, particularly the alstria Code of Conduct and the Compliance Management Handbook, define the fundamental principles and behavioral standards that must be adhered to by all employees within the company and in their interactions with customers, external partners, and the public. They encompass legal risk areas such as corruption, data protection, money laundering, anti-discrimination, and human rights, as well as alstria's ethical principles, which go beyond legal requirements and regulations.

We continually develop the essential elements of our CMS to prevent, detect and respond to compliance-related incidents. Compliance is monitored through regular internal audits carried out by an auditing firm (most recently in the 2023 financial year).

As part of the CMS, compliance risks are regularly identified based on the compliance goals. In the case of incidents, the risk analysis can also be repeated after a shorter period of time to check whether changes to the CMS after an incident have had the desired effect. In addition, a process for systematic risk identification and reporting has been implemented, in which the identified compliance risks are analysed as part of risk management with regard to the probability of occurrence and possible consequences (e.g. amount of damage and reputational consequences).

*This section is an unaudited statement.

1.4. Key characteristics of accounting-related internal controls and risk-management system

Regarding the reporting process, the control and risk-management system aims to ensure that reporting is consistent and in line with legal requirements, generally accepted accounting principles, the International Financial Reporting Standards (IFRS), and internal guidelines. Only then can it provide true and reliable information to the recipients of the annual financial statements and the combined management report. To this end, alstria has implemented an internal control and risk-management system that combines all relevant principles, processes, and measures.

The internal control system consists of two areas: control and monitoring. In organizational terms, the divisions' treasury, controlling, and accounting divisions are responsible for control.

The monitoring measures consist of elements incorporated into the process as well as independent external elements. The integrated measures include process-related, system-based technical controls such as the "dual control principle" (which is applied universally) and software-based checking mechanisms. In addition, qualified employees with the appropriate expertise and specialized departments, such as controlling, legal, and treasury, perform monitoring and control functions as part of the various processes.

The Management Board and the Supervisory Board, particularly the Audit Committee, are integrated into the internal monitoring system through process-independent audit measures. The Internal Audit function concerning the financial reporting-related internal control and risk management system is carried out by an external auditing firm of the overarching Brookfield parent company. The basis for these audits is the strict regulations of the Sarbanes-Oxley Act, which alstria ensures to implement.

Since the 2023 financial year, the key items on the Group's balance sheet and profit and loss statement, including accounting-related controls, have also been included in a control concept in accordance with the Sarbanes-Oxley Act of 2002 (SOX). The SOX requirements applied until deconsolidation on October 4, 2024. Regardless, controls will continue to be carried out.

The Accounting Department acts as the central interlocutor for special technical questions and complex reporting issues. If required, external experts (auditors, qualified accounting specialists, etc.) are consulted.

In addition, the Company's controlling department executes monitoring related to accounting. All items and main accounts for the consolidated companies' income statements and balance sheets, as well as the consolidated income statements and the consolidated statement of financial position, are reviewed regularly for accuracy and plausibility. This process is conducted for both the consolidated financial statements and alstria's individual financial statement. Accounting-related data are monitored monthly or quarterly, depending on the frequency of their preparation.

The accounting-related risk-management system forms part of the alstria Group's risk-management system. The risk owner responsible for the finance area monitors the risks relevant to the accuracy of accounting-related data. Risks are identified on a quarterly basis and the risk-management committee assesses and documents them. Appropriate action is taken to monitor and optimize accounting-related risks throughout the Group.

1.5. Description and assessment of risks

According to the four risk categories described, alstria differentiates between strategic risks, operational risks, compliance risks, and financial risks. All material risks inherent to the future development of the Group's position and performance (including effects on assets, liabilities, and cash flows) and reputation are described in this section.

The order in which the risks are presented in each of the four categories reflects the currently estimated relative exposure for alstria associated with these risks and thus indicates the risks' current importance to the Group. Additional unknown risks and those currently considered immaterial may also negatively affect alstria's business objectives and operations. Unless otherwise stated, the risks described below relate to all Group companies.

The individual risks described relate to the planning period from 2025 to 2027.

Corporate risks

	Likelihood	Risk impact	Risk level	Change since prior year
Strategic risks				
Market environment risks	likely	high	H	unchanged
Risks in relation to changes to the legal environment	unlikely	moderate	L	unchanged
Risks due to inefficient organizational structures	unlikely	moderate	L	unchanged
Operational risks				
Property transactions	likely	very high	H	unchanged
Refurbishment project risks	possible	high	H	decreased
Vacancy risks	possible	high	M	unchanged
Shortfalls of rental payment risks	possible	high	M	unchanged
Maintenance risks	Possible	high	M	unchanged
HR risks	possible	low	L	unchanged
IT risks	possible	low	L	unchanged
Compliance risks				
Risks arising from fraud or noncompliance	unlikely	moderate	L	unchanged
Litigation risks	unlikely	moderate	L	unchanged
Climate-related risks	possible	low	L	unchanged
Human rights risks	unlikely	low	L	unchanged
Risks resulting from not complying with G-REIT legislation	n/a	n/a	n/a	no risk anymore
Financial risks				
Refinancing on unfavorable terms	likely	very high	H	increased
Breaches of covenants	likely	very high	H	unchanged
Valuation risks	possible	very high	H	unchanged
Interest rate risks	possible	high	M	unchanged
Tax risks	unlikely	high	M	unchanged
Liquidity risks	unlikely	high	M	unchanged
Counterparty risks	very unlikely	high	L	unchanged

1.5.1. Strategic risks

Strategic risk management addresses the factors that influence the Company’s market environment, regulatory environment, and strategic corporate organization.

Market environment risks

Market environment risks for the Group arise from the economic conditions and developments in the real estate market. An economic downturn in Germany could lead to a decline in employment levels, thereby reducing the demand for office space. This, in turn, could result in increased vacancy risks and lower rental income. Additionally, structural changes, such as the growing adoption of hybrid work models, may further dampen demand for office spaces.

The EU economy is expected to recover only slightly, with GDP projected to grow by 1.4% in 2025, compared to 0.9% in 2024. The region is expected to benefit from rising real incomes, declining unemployment, and lower financing costs, all of which should strengthen domestic demand. However, Germany remains a weak point within the EU economy. Following two consecutive years of mild recession (GDP decline of 0.1% and 0,2% in 2024), growth in Germany is expected to reach only 0.3% in 2025. While forecasts for other EU countries are more optimistic, Germany's sluggish recovery will weigh on the region's overall growth.[*]

The global economic situation continues to have an indirect impact on alstria's business performance, even though the focus remains on the German rental market. While declining interest rates from 2025 may stimulate investments in commercial real estate, core inflation remains a significant risk, as any delay in rate reductions could slow the anticipated recovery.

Geopolitical tensions remain a major uncertainty. The Russian invasion of Ukraine, the conflict in the Middle East, and escalating tensions in Asia (e.g., over Taiwan) pose risks to global energy supply, supply chains, and international trade. Blockages of critical shipping routes, such as the Red Sea, and potential disruptions in oil and gas supplies could cause significant economic damage. These geopolitical developments may also increase refinancing costs and erode confidence in the real estate market.

The decoupling of the U.S. and China, along with increasing protectionism, could undermine confidence in international markets and investment activities. Significant risks persist in the form of global supply chain bottlenecks, which could drive up the costs of real estate projects.

[*] The GDP forecasts presented here for the calendar years 2025 and 2024 are based on the European Commission’s autumn report of 15 November 2024 (https://germany.representation.ec.europa.eu/news/herbstprognose-2024-allmahliche-erholung-unter-widrigen-bedingungen-2024-11-15-0_en) and BMWK- The economic situation in Germany in January 2025..

Additionally, the highly interconnected global economy remains vulnerable to external shocks such as pandemics, cyberattacks, and natural disasters, which could be exacerbated by climate change. The likelihood of hybrid warfare and its potential market impacts also represents a substantial and underestimated risk.

Following the economic disruptions caused by the COVID-19 pandemic, the Ukraine war, and ongoing geopolitical tensions, uncertainty regarding future economic development remains high. As a result, the risk level of market environment risks remains elevated (H).

Risks in relation to changes in the legal environment

Risks related to the legal environment concern changes in legislation that could impact key regulatory requirements and the corporate governance framework of alstria entities. Stricter EU and national regulations on corporate governance, tax compliance, and sustainability reporting, such as the Corporate Sustainability Reporting Directive (CSRD) and expanded ESG disclosure obligations, could lead to higher administrative costs and compliance efforts.

The intended discontinuation of alstria AG's REIT status as of December 31, 2024, significantly reduced the risk of regulatory reassessment in this area. However, transitioning to a standard corporate tax and regulatory framework may involve increased administrative requirements and adjustment costs. These could include changes in tax and financial reporting as well as potential impacts on capital structure and financing.

Additionally, changes in tax legislation, particularly in the context of international frameworks such as the OECD's global minimum tax initiative, could affect the Group's tax planning and financial strategies. Stricter requirements for sustainability reporting may also necessitate additional resources.

The risk management considers alstria well prepared for these changes due to the existing compliance and governance systems. Overall, risks related to the regulatory environment remain classified as low (L), unchanged from the previous year.

Risk caused by inefficient organizational structures

Organizational risk refers to the possibility that the corporate organization, processes, and regulatory framework are not effectively aligned with the corporate strategy and objectives, or that there is no connection between strategy and operational business. Within the context of strategic alignment, risks include an inefficient organizational structure, insufficient adaptation to rapidly changing market demands, and dependency on IT systems and infrastructures.

Dependency on IT systems, in particular, poses risks such as cyberattacks, system failures, or inadequate integration of new technologies. At the same time, the organization's adaptability to hybrid work models remains a critical factor in successfully implementing the corporate strategy. The transition to decentralized, digital work structures has been successfully implemented without significant disruptions.

The corporate organization and IT infrastructure remain designed to support the Group's strategic and operational objectives. Given the stable organizational framework and the existing resilience against potential risks, the risk associated with strategic corporate organization continues to be classified as low (L).

1.5.2. Operational risks

alstria's operational risk management encompasses both property-specific and general business risks. These include, among others, vacancy rates, tenant creditworthiness, and the risk of declining market rents. Additionally, risks arising from the potential loss of key personnel—such as the loss of know-how and critical competencies—are also addressed in this context.

alstria utilizes various early warning indicators to monitor these risks. Measures such as preparing rental forecasts, conducting vacancy analyses, monitoring lease terms and termination clauses, as well as regular reviews of insurance coverage, help to identify potential threats at an early stage.

Risks relating to property transactions

alstria is exposed to risks associated with the acquisition and sale of properties. These include, in particular, the partial or complete failure to uncover defects and obligations that may remain hidden despite a thorough due diligence process.

In the context of property sales, alstria typically provides guarantees regarding the factual or legal conditions of the sold properties to buyers. It cannot be completely ruled out that unknown obligations may arise, which are covered by contractual guarantees. This could result in claims from buyers.

Similarly, when acquiring properties, there is a possibility that hidden defects or unfavorable contractual agreements are overlooked, which could lead to unexpected costs and adversely affect profitability.

To address these risks, alstria conducts thorough technical, legal, and tax reviews. Internal and external experts, such as architects, civil engineers, lawyers, and tax consultants, are engaged to comprehensively analyze all relevant issues.

The renovation and repositioning of office properties remain a central part of the corporate strategy. Significant investments are planned for these development projects, which are intended to be largely financed through property sales. However, the severely constrained market for commercial real estate transactions in Germany, already evident in 2023, did not improve during the 2024 fiscal year. No real estate transactions were completed throughout the entire reporting period of 2024.

The ongoing market stagnation complicates planned property sales, potentially jeopardizing the implementation of development projects. This could, in turn, negatively affect the marketability of the properties concerned and lead to rental income losses.

Due to the persistently challenging market conditions, the risks from real estate transactions are still assessed as high (H), as was the case in the previous year.

Refurbishment project risks

alstria continues to undertake extensive renovation and modernization projects. The risks associated with these projects, such as delays in completion, budget overruns, and construction defects, are addressed through the application of comprehensive project controlling and budget process management.

The previously high workload in the construction sector is showing initial signs of easing, as service providers are becoming more interested in actively marketing their construction services. This trend suggests that construction prices may gradually decrease and the likelihood of cost overruns is diminishing.

The availability of skilled tradespeople and construction companies remains challenging, particularly in light of the geopolitical tensions described in the section on market environment risks. While supply chain issues and inflation continue to impact the planning and execution of construction projects, their effects have somewhat decreased compared to the prior year.

The volume of construction projects planned by alstria for the next three fiscal years remains significant but aligns with the company’s strategic goals. The emerging relaxation in the German real estate market, especially in project developments, is contributing to a reduced strain on the industry.

Against this backdrop, the risk from renovation and modernization projects as of December 31, 2024, is no longer classified as high (H) but as moderate (M).

Vacancy risk

In the event of lease terminations, non-renewals, or existing vacancies, there remains a risk that rental spaces may not be re-leased as planned, which could result in lower-than-expected revenues. Planning assumes that rental spaces can be re-leased within a defined period after the termination of a lease agreement.

However, the office rental market remains characterized by ongoing uncertainties. The volume of new lease agreements in the office leasing market is still subdued. Flexible working models, such as home and remote offices, have largely become established, and the long-term impact on office space demand remains unclear. This is particularly true as companies increasingly adapt their space requirements to hybrid work concepts.

Additionally, the changed overall economic situation has a downstream impact on the office property market, particularly on the rental market. There is a lag between macroeconomic changes and their effects on alstria's leasing results. Rental spaces may be more challenging to re-let if economic conditions remain strained or demand is dampened by the continued prevalence of home office arrangements.

While existing lease agreements are minimally affected, the volume of leases remains below pre-COVID-19 pandemic levels. Due to extended planning and decision-making phases by companies regarding office space leasing, a prolonged lagging effect is expected.

Consequently, the vacancy risk remains elevated and, as at the end of the previous reporting period, continues to be classified as a medium risk (M).

Shortfall of rental payment risks

An operational risk that could materialize, for example, due to an economic downturn or in specific cases, is the potential rental payment default by one or more key tenants. While the economic impacts of the COVID-19 pandemic have largely been overcome, the situation remains challenging for some market participants due to the ongoing recessionary market environment, high inflation, and increased interest rates. Consequently, there is still a risk that alstria's tenants may face difficulties in meeting their rental payment obligations.

alstria’s key tenants are predominantly public institutions or companies with high credit ratings, which generally mitigates the risk of rental defaults. Actual payment defaults remained limited over the past years, including during the pandemic, and through the end of 2024. Geopolitical uncertainties, particularly the war in Ukraine, and economic challenges have not yet resulted in a significant increase in defaults.

The long-term effects of current macroeconomic conditions on tenants' future payment behavior, however, cannot yet be fully assessed. Given the stable historical development combined with the uncertainty of potential mid-term changes, the risk of rental default remains classified as a medium risk (M), consistent with the prior year.

Maintenance risks

For maintenance planning, assumptions are made regarding the condition and intended standard of the properties. Undetected defects or unexpected repair requirements, for example, due to external damages, unforeseen wear and tear, new legal requirements for building conditions, or even fire protection upgrades, could result in higher maintenance expenses than originally planned. Similarly, an inaccurate assessment of long-term maintenance needs could lead to budget overruns.

alstria's consistently high maintenance budget reduces the risk of necessary repairs or modernizations not being carried out in a timely manner. However, additional legal requirements, particularly regarding sustainability standards and energy efficiency, could lead to increased costs in the medium term. Inflation and rising material costs also continue to influence maintenance planning.

Overall, the maintenance risk remains classified as a medium risk (M), unchanged from the previous year.

HR risks

The skills and motivation of alstria's employees are crucial factors for the company's success. The loss of skills and knowledge resources due to employee turnover, as well as delays in recruiting sufficiently qualified professionals, continue to pose risks. The general shortage of skilled workers in Germany and the increasing competition for talent, particularly in specialized areas such as real estate management, construction, IT specialists, accounting, and tax expertise, could make it more challenging to fill open positions. Another potential risk is the growing demand for hybrid working models and flexible working arrangements. Failing to adequately adapt to these expectations could reduce the company's attractiveness as an employer.

The uncertainties following Brookfield's acquisition in 2022 have largely subsided. However, certain uncertainties related to the planned squeeze-out and the currently challenging market environment cannot be entirely ruled out. Employee motivation therefore remains a key focus for alstria.

To foster employee motivation and create an attractive work environment, alstria offers competitive benefits. These include fruit baskets, fitness studio subsidies, a job bike program, foosball and fitness rooms, as well as additional perks tailored to employees' needs. Furthermore, alstria actively promotes a culture of genuine collaboration and teamwork, characterized by appreciation, respect, team spirit, and a healthy ambition.

alstria addresses these challenges through targeted skills development for existing employees, university outreach, trainee programs, vocational training, and a performance-based compensation system. Hybrid working models and measures to promote diversity and inclusion are also central elements of the strategy. Regular employee surveys on motivation, leadership, and corporate culture are conducted anonymously by independent experts to identify potential risks early on.

Overall, alstria continues to assess the described risks as low (L), unchanged from the previous year.

IT risks

Most business processes are supported by IT systems, making the smooth operation of these systems critical to alstria’s success. A loss of data or prolonged system outages could cause significant disruptions to business operations. However, alstria has implemented comprehensive measures to mitigate IT risks and ensure system integrity.

These measures include regular reviews and updates of the employed information technologies, the use of modern hardware and software solutions, and extensive safeguards against attacks. In response to the growing threat of cybercrime, particularly phishing and ransomware attacks, additional measures have been introduced. These include real-time monitoring systems, advanced firewall solutions, and multi-factor authentication protocols.

Physical security measures protect the data center, and all data is backed up daily in a separate storage facility. Established data recovery and continuity plans are in place to address disruptions or data loss, and these plans are regularly tested and updated as needed (Business Continuity Management). Employees are granted access only to the systems and documents necessary for their work through detailed access control policies.

The transition from office-based work to decentralized digital operations was accompanied by specific adaptations of IT security measures. These measures were extended to meet the demands of remote work and reviewed by external IT consultants to ensure the effectiveness of IT security protocols in home office environments.

Despite the increasing complexity of the threat landscape, IT risks continue to be assessed as unlikely due to the measures implemented, although the possibility of their realization remains. The potential damage is still considered low, given the established data recovery and continuity plans. Overall, this corresponds to an assessment of IT risk as a low risk (L), consistent with last year's evaluation.

1.5.3. Compliance risks

Termination of REIT risks

With the termination of alstria office REIT-AG's REIT status as of December 31, 2024, the risks associated with the REIT Act have become irrelevant. As a result, this risk category has been entirely eliminated.

Risks of Non-Compliance with Compliance Requirements

alstria relies on all employees and management to adhere to compliance standards. The company's operations are based on documented regulations, guidelines, and applicable laws, which must be followed by its employees and management. If alstria's management fails to document and enforce corporate policies, or if employees engage in criminal, unlawful, or unethical conduct (including corruption), this could have significant adverse effects on alstria's operations, financing conditions, and financial performance. Such consequences could also arise from reputational damage in the real estate market, potentially impacting future business opportunities.

alstria addresses these risks through a comprehensive compliance organization, which is considered appropriate and includes documented policies, process guidelines, and compliance training for all employees. Long before the German Whistleblower Protection Act (HinSchG), alstria already had internal and external whistleblowing systems in place, allowing employees and third parties to anonymously and securely report potential violations. The introduction of the HinSchG in 2023 further strengthened and formalized these existing practices.

The core behavioral principles address areas such as:

- anti-corruption,
- avoidance of conflicts of interest,
- handling confidential information and insider knowledge,
- anti-discrimination, equality, and diversity issues,
- adherence to ESG Standards.

Existing data protection measures and new policies comply with the requirements of the General Data Protection Regulation (GDPR). Furthermore, measures have been introduced to meet new requirements, such as those of the proposed EU Cyber Resilience Act.

The likelihood of disadvantages arising from the realization of compliance risks remains low. Overall, the risk continues to be classified as low (L), unchanged from the previous year.

Litigation risks

The alstria AG or its subsidiaries could, in principle, be involved in ongoing or foreseeable legal or arbitration proceedings that might significantly impact the Group's financial position. Additional potential risks could arise from claims made through litigation, such as warranty, restitution, or other claims related to real estate transactions or development projects carried out in recent years.

Following the final resolution of the legal disputes concerning the transformation of DO Deutsche Office AG into the partnership alstria office Prime Portfolio GmbH & Co. KG in 2016, neither alstria office REIT-AG nor its subsidiaries are currently involved in any ongoing or foreseeable legal or arbitration proceedings that could have a significant impact on the Group's financial position.

This also applies to potential claims related to real estate sales or development projects conducted in previous years. Provisions have been made at the respective Group company level to cover potential financial obligations arising from any ongoing or foreseeable proceedings.

As no material lawsuits or disputed claims against any company within the Group are currently pending or foreseeable, the risk from legal disputes remains classified as low (L), unchanged from the prior year.

Climate-related risks

Considering the long-term nature of the real estate business and the immovable nature of the assets, it is imperative to take into account the effect of climate change on the prospects.

Alstria's assets are in areas with (on a global scale) relatively limited climate sensitivity. In most cases, the changes in market regulations and tenant demand that will be caused by the transition to a low-carbon society are known and predictable. The adaptation and innovation need of the company's assets and services fit naturally into the modernization cycle of its portfolio. However, alstria's business is not immune to the systemic risks created by climate change.

The specific risks related to climate change that the Company faces are listed below.

Physical risks: alstria's property portfolio is subject to extreme weather events, such as flooding, storms, and hail, which may weaken building structures and threaten tenants' safety. The potential immediate risk for alstria relates to the cost of repairing a damaged building and reduced revenues due to reduced office quality/availability during the renovation period. In the worst case, the structural value of the asset will be negatively impacted. According to many experts, such as the IPCC (Intergovernmental Panel on Climate Change), extreme weather phenomena will increase in the coming years. alstria's control process includes:

- Regular update of physical climate-risk assessments to determine which buildings must be upgraded accordingly.
- Insurances covering the portfolio from the loss of due to events such as fire, storms, and other unforeseen incidents. For the fiscal year 2024, the cost of this insurance was EUR 3.8 m, covering assets valued at EUR 6,317.6 m. For the fiscal year 2023, the cost of this insurance was EUR 3.4 m, covering assets valued at EUR 5,864.9 m.

Transition risks: policy and legal risks: After the Paris Agreement, new regulations, for example the EU Energy Performance of Buildings Directive imposes stringent obligations for the energy efficiency of EU's building stock to be met by 2050. Failing to meet new climate regulations may decrease the attractiveness of alstria's assets, which may, in turn, lower or nullify their rental potential and ultimately decrease the company's revenues and value. alstria's control process includes:

- Ongoing environmental monitoring and compliance with applicable laws and standards.
- Participation in industry bodies to monitor emerging legislation early.
- Integration of physical, regulatory, and demand-related factors into all central decision-making and planning processes (incl. OPEX and CAPEX) along the business cycle (buy, manage, redevelop, and sell), to reduce the carbon footprint of the company's building portfolio.
- De-carbonization of the company's revenues/ business model through technological innovations, e.g., smart building technology, which also enables less carbon-intensive office offerings in the sharing economy (e.g., alstrias coworking business BEEHIVE).
- Prioritizing the development of existing assets over ground-up developments. From alstrias perspective, new developments have negative contribution to climate change, regardless of their operational efficiency, because of the carbon needed for their construction (i.e., embodied carbon).

Market and reputational risks: The growing awareness of climate change, coupled with the increase in environmental taxes like carbon taxes, is increasingly influencing tenant preferences for energy efficient office spaces. Failing to meet this emerging demand could result in our assets becoming less attractive, thereby affecting their rental value. alstria's control process includes:

- Piloting new technologies in alstria's corporate offices first to prevent complications and reputational risks when rolling them out across our portfolio.
- Offering additional services to help tenants run their offices efficiently (e. g., Mieterstrompool and coworking spaces).
- Recognizing early the financial requirements to upgrade and modernize buildings.

Systemic risks: alstria faces significant indirect risks from climate change; events occurring far away can still impact its operations by affecting tenant economic stability. Key systemic risks—like climate refugees, political instability, and disruptions in global supply chains—are expected to affect alstria more imminently and often than direct risks.

Alstria addresses these risks as follows:

- Annual preparation and analysis of a carbon accounting report, including a balance sheet and profit-loss statement, to detail alstria's building portfolio's impact on climate change. This report quantifies the company's operations' unpaid environmental impact, using EU ETS carbon pricing for calculations.
- Facilitating shareholder investments in specific alstria projects through the green dividend. Though these investments may not directly enhance alstria's risk/return metrics, they aim to bolster shareholders' portfolio resilience by mitigating systemic climate risk in the real estate sector and beyond.

Similar to the previous year, environmental risks are assessed at a low (L) level.

Risk of noncompliance with human rights

There remains a risk that activities triggered by alstria's operations could result in human rights violations. Such risks may arise, for example, from poor working conditions on construction sites or in the production of goods and services required for alstria's business activities.

alstria is fully committed to its responsibility to respect human rights. Effective leadership guidelines and the compliance organization, which focus particularly on adherence to laws, anti-discrimination, and diversity, ensure that the conduct of alstria's legal representatives and employees complies with legal requirements while also meeting high ethical standards. This commitment also extends to contractual arrangements with contractors and customers to minimize the risk of human rights violations throughout the entire value chain.

The entire Group follows the UN Guiding Principles on Business and Human Rights, which recognize the obligation of states and businesses to respect human rights. States are primarily responsible for protecting the human rights of their citizens, which they ensure through national regulations and laws. If national laws fail to adequately safeguard internationally recognized human rights principles, the UN Guiding Principles expect businesses to align their actions with these higher international standards.

In Germany, human rights are comparatively well-protected. alstria is a German real estate company focused exclusively on German office properties and operates within the framework of German laws. Consequently, alstria adheres to the applicable human rights rules and regulations.

The risk of non-compliance with human rights remains low (L), as in the previous year, due to the measures implemented and the regulatory framework in Germany.

1.5.4. Financial risks

Refinancing risks

The financial instruments primarily used by the Group are mortgage-backed bank loans and fixed-interest bonds. These are primarily used to finance alstria’s business activities. The main risks associated with the Group's financial instruments include cash flow, interest rate, and liquidity risks.

At the end of the reporting period, alstria's Net LTV stood at 56.5%, compared to 58.4% in the previous year. Standard & Poor’s rating remains unchanged at BB for the long-term issuer credit rating and BB+ for the company’s unsecured debt instruments. This affirms the stability of alstria’s creditworthiness despite the persistently challenging market conditions.

alstria maintains a diversified maturity profile for its bonds and bank loans to avoid the need to refinance all liabilities at the same time (see loan maturity profile on page 17). While alstria successfully implemented the changes to its capital structure triggered by the change of control in January 2022, planned refinancing totaling approximately EUR 1.6 billion is scheduled within the three-year risk assessment period.

Although alstria has demonstrated that financing is achievable under current conditions, the challenging market environment and increased interest rates remain significant factors impacting the company’s refinancing ability. The refinancing risk is therefore still assessed as high (H), unchanged from the previous year.

Breaches of covenants

alstria is committed to adhering to certain loan covenants when issuing corporate bonds, taking out loans, or issuing promissory notes. These include, among other things, maintaining a defined loan-to-value ratio (LTV) and meeting minimum income requirements from mortgaged properties. In the event of a breach of such agreements, significant consequences could arise, such as increased credit margins or, in the worst case, the extraordinary termination of a loan by the lender.

The impact of breaching loan covenants could be significant, as it might restrict the Group's liquidity (so-called cash trap). Despite stabilized valuations of the Group's real estate portfolio, the LTV remains at an elevated level, which means that the risk of breaching such covenants remains likely (see Section II.2.7 "Compliance with and Calculation of Financial Covenants").

Overall, the risk of breaching loan covenants as of December 31, 2024, is still classified as high (H), unchanged from the previous year.

Valuation risks

The fair value of properties reflects the market value determined by independent appraisers. This value may change in the future. Generally, the market value of properties depends on various factors, including exogenous influences such as declining rent levels, reduced demand, or increasing vacancy rates, over which alstria has no direct control. Qualitative factors, such as future rental payments, the condition, and location of the property, also play a decisive role. The final judgment of the appointed appraisers is subject to a certain degree of discretion and may differ from the opinion of other appraisers.

If the factors or assumptions considered in the valuation change due to new developments or other reasons, revaluations may result in a reduction in market value, leading to significant valuation losses for the company.

While interest rates rose sharply in 2022 and 2023, this trend reversed during the reporting period. Central banks initiated interest rate cuts, which stabilized financing costs for property purchases. This had a stabilizing effect on the real estate market and enabled a slight appreciation of the portfolio. The positive effect of rents linked to the consumer price index, which applies to a significant portion of alstria's tenants, also supports value stabilization.

However, demand for office properties remains subdued, as reflected in a still very limited transaction market. Despite the observed positive developments, uncertainty about the long-term effects of macroeconomic factors, such as interest rate changes or inflation developments, on valuations persists.

To mitigate risks, alstria relies on regional diversification, a consistent focus on tenant needs, and detailed market monitoring and analysis (e.g., broker reports). The market value of all properties is assessed at least once a year by independent, internationally recognized appraisers.

Given the ongoing uncertainties, particularly regarding the long-term stability of the real estate market, the risk of unexpected write-downs continues to be assessed as high (H), unchanged from the previous year. (H).

Interest rate risks

Interest rate risks arise from changes in market interest rates. Such changes affect the level of interest costs during the fiscal year and the three-year forecast period that forms the basis of risk management. The development of nominal interest rates remains closely tied to inflation trends.

alstria's hedging policy includes the use of traditional interest rate swaps and caps to hedge the company's credit facilities against interest rate changes while maintaining sufficient flexibility to facilitate property sales. The 3-month EURIBOR serves as the interest rate benchmark for variable-rate financial liabilities and is adjusted quarterly. However, the majority of the Group's debt financing consists of fixed-rate bonds and bank loans, whose variable interest components (3-month EURIBOR) are fully hedged through swaps and are therefore not exposed to interest rate risk until maturity.

While inflation rates and interest rates declined during the reporting period, with the European Central Bank initiating rate cuts, uncertainty regarding the long-term development of interest rates remains. Future refinancing, as described in the previous section, may be executed under different conditions. If interest rates at the time of refinancing are higher than expected, this could have significant implications for the Group's financing costs.

Despite positive developments during the reporting period, such as the stabilization of interest rates, the risk of new loans carrying higher interest costs remains present. However, due to the implemented hedging measures and observed market trends, interest rate risk continues to be classified as a medium risk (M), unchanged from the prior year.

Tax risks

With the loss of alstria office REIT-AG's REIT status as of December 31, 2024, the parent company will be subject to corporate income tax and trade tax starting in 2025. As a result, the tax advantages previously associated with REIT status will no longer apply. However, taxes are considered a consequence of profits and are therefore expected rather than inherently a risk.

Tax risks may still arise from subsidiaries and other types of taxes, such as VAT, real estate transfer tax, or property tax. Additionally, there is a risk that changes in tax laws or differing interpretations could lead to higher tax burdens, including retroactively for all tax assessment periods not yet legally binding.

The restructuring measures implemented in 2016, particularly the conversion of companies into limited partnerships, resulted in the recognition of hidden reserves and liabilities as well as tax transparency for these entities. These restructuring measures and their associated tax implications are continuously reviewed.

Regarding property tax, new property tax values will apply from January 1, 2025, based on a value-dependent model. While the ability to pass property taxes on to tenants remains unaffected, the actual tax burden for alstria’s properties remains uncertain until the full implementation of the reform. An increase in property tax for alstria’s properties cannot be ruled out.

Another risk arises from real estate transfer tax, which can be triggered by the transfer of shares in companies holding real estate under certain conditions. To mitigate potential tax burdens arising from the Alexandrite acquisition, the acquirer has guaranteed not to undertake harmful share transfers and has committed to indemnify alstria and its affiliates against any real estate transfer tax liabilities resulting from such actions.

alstria mitigates tax risks through consistent monitoring, collaboration with internal and external tax experts, and effective tax processes. While these measures significantly limit tax risks, the tax risk remains classified as medium (M) due to potential legislative changes and their unpredictable impacts, unchanged from the previous year.

Liquidity risk

The management of liquid funds is one of alstria's central processes. The company monitors its future liquidity and oversees cash flow usage on a daily basis. To prevent any liquidity risks, a program for short-term financial disposition is employed. This liquidity planning program takes into account expected cash flows from business activities as well as the maturity of financial obligations and investments.

In recent years, alstria has successfully reduced the primary liquidity risk from the repayment of large credit volumes in a single installment ("balloon repayment") through the issuance of several corporate bonds with diversified maturity profiles, as well as, more recently, mortgage-backed bank loans. By the reporting date, all planned measures to optimize the refinancing strategy had been implemented. Existing corporate bonds will be gradually refinanced with mortgage-backed bank loans as they mature.

The company’s current liquidity has also allowed it to repurchase portions of its outstanding corporate bonds on the market below par value, thereby preserving future liquidity through reduced repayments. Additionally, liquidity can be strengthened by the targeted sale of investment properties. However, the absence of such sales could lead to liquidity shortages for investment and development projects (see Risk from Real Estate Transactions).

As of the reporting date, cash and cash equivalents amounted to EUR 80 million, a lower but still sufficient level compared to prior years (December 31, 2023: EUR 116 million). Despite reduced cash reserves and increased refinancing needs, liquidity is ensured through active management of the refinancing strategy and monitoring of all significant cash flows.

Overall, the liquidity risk remains classified as a medium risk (M), unchanged from the previous year.

Counterparty risks

alstria hedges a portion of its risk by applying third-party instruments (interest rate derivatives, property insurance, and others). alstria’s counterparties in these contracts are internationally recognized institutions that leading rating agencies rate. alstria regularly reviews the ratings of its counterparties to mitigate any risk of default. The 2007 financial crisis raised doubts regarding the reliability of rating agencies’ assessments. In response to this concern, alstria uses other information sources to verify rating agencies’ assessments. The COVID-19 crisis has not yet affected the creditworthiness of alstria’s major contractual partners. The determination of fiscal policy and monetary policy to support industries and particularly affected companies, as well as systemically important institutions such as banks and insurance companies, could have also contributed to this.

alstria is otherwise not exposed to significant credit risks. Hence, counterparty risk can be classified as low (L), just as it was last year.

1.6. Overall risk assessment by the Management Board

alstria AG consolidates and aggregates all identified risks across various risk categories in accordance with its risk management policy. The greatest challenges have been identified in each of the four categories: strategic risks, compliance risks, operational risks, and financial risks.

alstria's risk environment in recent years has been significantly influenced by external factors such as inflation, interest rate developments, and the Russian invasion of Ukraine. These factors had a particular impact on refinancing and valuation risks, while risks associated with REIT status ceased to exist following the loss of REIT status on December 31, 2024. In fiscal year 2024, no fundamentally new risk areas emerged.

Inflation, which had remained high in previous years, declined significantly during the reporting period, and central banks initiated interest rate cuts. These developments led to a stabilization of market parameters, providing early positive signals for valuation risks. alstria's real estate portfolio experienced a slight appreciation, reducing pressure on the future value development of the portfolio. However, uncertainty about the long-term stability of valuations persists, and valuation risk remains classified as significant.

The illiquid transaction market for office properties remains a challenge, especially as property sales represent a key source of financing for investment and development projects. If property sales do not materialize, development and renovation backlogs could arise, potentially impacting rental income. These risks highlight the importance of consistent liquidity and project planning.

alstria's refinancing strategy, with a balanced maturity profile and a gradual shift to mortgage-backed loans, helps mitigate potential risks associated with maturing liabilities. Additionally, the equity ratio of 35% after the revaluations provides a stable buffer to address any further challenges in the real estate market.

As a result, there were only minor percentage changes in 2024 compared to the previous year regarding the risks classified as high (H) or medium (M) in the risk matrix. In relation to the total number of identified risks, the share of high-risk category risks stood at 13.7% at year-end (December 31, 2023: 17.3%), while the share of medium-risk category risks was 32.4% (December 31, 2023: 30.9%).

Given the high proportion of public authorities, public sector companies, and companies with strong credit ratings, the implemented market-driven valuation adjustments to the real estate portfolio, and the balanced maturity profile of the loans, the Management Board currently considers the overall risk situation to be manageable.

In addition to assessing the potential impact of risks on the Group's net assets, the potentially required liquid funds are also calculated for selected key risks. These funds are intended to cover obligations arising from the evaluated risks over a three-year assessment period. As of the reporting date, this amount stood at EUR 90.8 million, compared to EUR 150.2 million as of December 31, 2023. The significant decrease is primarily attributable to the elimination of REIT-related risks.

In our view, the aforementioned risks, considering their likelihood of occurrence and potential impact, do not pose a threat to the company’s continued existence, either individually or collectively.

2. REPORT ON OPPORTUNITIES

2.1. Management of opportunities

alstria's opportunity management operates at the Group level, aiming to identify, evaluate, and implement opportunities as early as possible to achieve success.

Growth and earnings opportunities continue to arise from alstria’s existing real estate portfolio and potential acquisitions. Depending on the property’s stage in its lifecycle, value can be created through repositioning, renovation, leasing, or disposal.

The elimination of REIT status as of December 31, 2024, has no direct impact on alstria’s opportunities. Adjusting the business model to comply with tax obligations following the loss of REIT status provides stability and transparency, forming a solid foundation for future growth.

Opportunities are assessed annually as part of budget planning and are monitored continuously. A key focus is analyzing the market environment, portfolio properties, and regulatory changes, with particular attention to tenant needs, property categories, and ESG-related developments.

The management board is regularly updated on the progress of growth initiatives, while monthly reports compare planned costs and revenues with actual results. Financial and liquidity forecasts are continuously updated to reflect changed.

2.1.1. Opportunities related to real estate acquisitions

The acquisition strategy remains focused on identifying properties with capital appreciation potential. Priority is given to well-located assets that can be repositioned or renovated to generate long-term value.

2.1.2. Opportunities related to tenant relationships

Active asset and property management are critical to maintaining strong tenant relationships. Flexibly addressing tenant needs supports sustainable and long-term cash flows.

2.1.3. Opportunities arising from real estate redevelopment

Focusing on sustainable renovation and repositioning of existing properties enables alstria to unlock value while meeting market demands for sustainability and energy efficiency.

2.1.4. Opportunities from sustainable management

Sustainability remains central to alstria’s strategy. Renovating properties as a value creation process enhances compliance with ESG standards and increases investor demand, supporting long-term business growth.

2.1.5. Opportunities arising from financing

Access to capital remains a key success factor. alstria’s strong positioning in ESG and sustainability provides a competitive edge in securing favorable financing conditions to implement its long-term business plans.

2.2. Overall summary of the Opportunities Report

alstria’s core competencies—especially its focus on sustainability measures and a balanced real estate portfolio—continue to provide significant opportunities. The company has high-quality properties with creditworthy tenants and potential for value-enhancing development projects. The focus on renovating existing buildings allows flexibility in addressing increasing regulatory and sustainability requirements.

alstria is well-positioned to continue its strategy of sustainable real estate development, leasing, and integrated property management, and to capitalize on future market opportunities.

VI. SUSTAINABILITY REPORT*

In anticipation of the Corporate Sustainability Reporting Directive (CSRD), which is expected to become mandatory for alstria office REIT-AG from the 2025 fiscal year, the ESG information for the 2023 financial year has been presented exclusively in a tabular format. This approach facilitates adaptation to the evolving requirements of the CSRD while ensuring the continuity of alstria’s ESG reporting since 2010. The sustainability disclosures in the EPRA key figures tables for 2023 were reviewed by Deloitte GmbH Wirtschaftsprüfungsgesellschaft in accordance with ISAE 3000 (revised) and were issued with a limited assurance report regarding the sustainability disclosures in the EPRA key figures tables for 2023.

For additional details, please refer to the ‘Sustainability Statement’ section in alstria's Annual Report 2024.

* This section is an unaudited statement.

VII. DISCLOSURES REQUIRED BY TAKEOVER LAW

Disclosures and the explanatory report pursuant to Sections 289a and 315a of the German Commercial Code *(Handelsgesetzbuch, HGB*)

1. COMPOSITION OF SUBSCRIBED CAPITAL

On the balance sheet dated December 31, 2024, alstria's share capital amounted to EUR 178,561,572.00, divided into 178,561,572 no-par value bearer shares. All shares are fully paid in and have equal rights and obligations. Each share entitles the bearer to one vote at the Annual General Meeting and is decisive for the shareholder's share in the Company's profits. The shareholders' individual rights and duties result from the provisions of the German Stock Corporation Act (*Aktiengesetz*, AktG), particularly Sections 12, 53a *et seq.*, 118 *et seq.*, and 186.

2. RESTRICTIONS ON VOTING RIGHTS OR THE TRANSFER OF SHARES

The exercise of voting rights and the transfer of shares are based on statutory requirements and alstria's Articles of Association; the latter basis does not restrict either of these activities. According to Sections 71b and 136 of the AktG, for example, the voting rights of the affected shares are excluded by law. The shares held by the majority shareholder Brookfield were pledged as part of a financing agreement and are subject to the usual associated restrictions on the transfer of shares. Other restrictions as to voting rights or the transfer of shares do not exist, or, as far as they arise from agreements between shareholders, are not known to the Management Board.

3. SHAREHOLDINGS EXCEEDING 10 % OF VOTING RIGHTS

The Company was notified in accordance with Section 33 of the German Securities Trading Act (WpGH) that Brookfield Corportion, Toronto, Canada held 95.39 % of the voting rights in the Company as of January 15, 2025. It was notified that, in each case, 9.27% of the voting rights in the Company are held directly by Alexandrite Lake Lux Holdings I S.à r.l., Alexandrite Lake Lux Holdings II S.à r.l., Alexandrite Lake Lux Holdings III S.à r.l., Alexandrite Lake Lux Holdings IV S.à r.l., Alexandrite Lake Lux Holdings V S.à r.l., Alexandrite Lake Lux Holdings VI S.à r.l., Alexandrite Lake Lux Holdings VII S.à r.l., Alexandrite Lake Lux Holdings VIII S.à r.l. and Alexandrite Lake Lux Holdings IX S.à r.l. as well as 10.01% are held directly by Lapis Luxembourg Holdings S.à r.l. and less than 3% were held by each Lapis Luxembourg Holdings II S.à r.l. and BPG Holidings Bermuda Limited. As of the balance sheet date December 31, 2024, alstria was not aware of any other shareholders whose shareholding exceeded 10 % of voting rights.

4. SHARES WITH SPECIAL RIGHTS

There are no shares with special rights of control.

5. SYSTEM OF CONTROL FOR ANY EMPLOYEE SHARE SCHEME IN WHICH EMPLOYEES DO NOT DIRECTLY EXERCISE CONTROL RIGHTS

Employees who hold alstria shares exercise their rights of control as any other shareholders do, in accordance with the applicable law and the Articles of Association.

6. APPOINTMENT AND DISMISSAL OF MANAGEMENT BOARD AND AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The appointment and dismissal of members of the Management Board are governed by Sections 84 and 85 AktG. In accordance with Section 7 para. 1 of the Company's Articles of Association, alstria's Management Board consists of one or more members. The number of members of the Management Board is determined by the Supervisory Board in accordance with Section 7 para. 2 of the Articles of Association. Pursuant to Section 84 of the AktG, members of the Management Board are appointed by the Supervisory Board for a maximum term of five years. Reappointment or extension of the term of office is permitted for a maximum of five years in each case.

Amendments to the Articles of Association require a resolution by the General Meeting of shareholders in accordance with Section 179 AktG. Pursuant to Section 12, para. 2 of the Articles of Association, the Supervisory Board is also authorized to make changes and amendments to the Articles of Association that merely affect the wording without passing a shareholder resolution in at General Meeting. In addition, the Supervisory Board is, by resolutions of the Annual General Meeting on June 6, 2024, authorized to adapt the wording of the Articles of Association to the utilization of the Company's capitals and after expiration of the applicable authorization periods.

Pursuant to Section 15, para. 5 of the Articles of Association, in conjunction with Sections 179 paras. 2 and 133 of the AktG, shareholders may make resolutions regarding such amendments at a general meeting with a simple majority of the votes cast and a simple majority of the share capital represented. Insofar as a larger majority is prescribed by law, such a majority shall be decisive.

The Articles of Association were last amended in the reporting year by resolutions passed by the Annual General Meeting on June 6, 2024

The Authorised Capital I 2020 and Conditional Capital I and III 2020 were cancelled. At the same time, a new Authorised Capital 2024 was created in Section 5 para. 3 of the Articles of Association and a new Conditional Capital 2024 was created in Section 5 para. 4 of the Articles of Association. The former Sections 5 para. 4a to 8 have been cancelled.

In addition, the record date was adjusted in Section 14 para. 3 sentence 1 and the election of the chair and the location of the General Meeting were adjusted in Sections 14 para. 1 sentence 2 and 15 para. 1 of the Articles of Association.

7. AUTHORITY OF MANAGEMENT BOARD REGARDING THE ISSUE AND BUYBACK OF SHARES

7.1. Authorized Capital

The Articles of Association authorize the Management Board, with the approval of the Supervisory Board, to increase the share capital on or before June 5, 2029, by issuing new no-par value bearer shares against contributions in cash and/or in kind one or more times, up to a total amount of EUR 89,280,786.00. Further details are governed by Section 5 para. 3 of the Articles of Association.

7.2. Conditional Capital 2024

alstria holds one conditional capital (pursuant to Sections 192 et seq. of the AktG), which is regulated in Section 5 para. 4 of the Company's Articles of Association.

The share capital is conditionally increased by up to EUR 89,280,786.00 by issuing up to 89,280,786 no-par value bearer shares. The conditional capital is to be carried out to the extent that the holders of option or conversion rights or persons obliged to conversion under option or conversion bonds, profit participation rights or participating bonds which were issued by alstria AG on the basis of the authorization resolved by the shareholders in the Annual General Meeting on June 6, 2024, under item 7 of the agenda exercise their option or conversion rights or, if they are obliged to conversion or exercise of the option, fulfill their conversion obligation or, as the case may be, their obligation to exercise the option and that no cash settlement is granted and no own shares are being used to satisfy such claims. Further details are governed by Section 5, para. 5 of the Articles of Association.

7.3. Purchase of treasury shares

In the General Meeting held on May 4, 2023, the shareholders authorized the Management Board, subject to the approval of the Supervisory Board, to acquire their own shares of the Company of up to a total of 10 % of the share capital in place at the time of the authorization's issuance on or before May 3, 2028. The acquired shares and other treasury shares in the possession of, or to be attributed to, alstria (pursuant to Sections 71a et seq. of the AktG) may at no time amount to more than 10 % of the share capital. Shares may be purchased through a stock exchange, by means of a public offer to all shareholders, or by making use of financial derivatives (put or call options, or a combination of both).

By resolution of the Annual General Meeting on May 4, 2023, the Management Board is authorised to use shares acquired on the basis of this or previously granted authorisations - in addition to sale via the stock exchange or by offer with subscription rights to all shareholders - excluding shareholders' subscription rights as follows:

- They may be sold in return for cash, provided that the sale price is not significantly lower than the market price of the Company's shares at the time of sale. The Management Board may only make use of this authorisation in such a manner that the sum of the (i) shares sold in accordance with this authorisation, (ii) shares issued using the authorised capital (article 5 paragraph 3, 4 and 4a of the Articles of Association) and (iii) conversion and option rights for shares granted upon issuance of debentures with conversion or option rights or conversion obligations – in each case with the exclusion of the shareholders' subscription rights – does not exceed 10 % of the share capital at the time the resolution on the sale of the shares is passed.
- They may be sold and transferred in return for contributions in kind, in particular also in the context of mergers or the acquisition of companies, business units, shareholdings, or other assets. A sale and transfer, as used here, shall also include the granting of conversion or

subscription

- rights as well as purchase options and the lending of shares in the context of a securities lending transaction.
- They may be used in order to satisfy the rights of holders of debentures with conversion or option rights or conversion obligations issued by the Company or by its subsidiaries.
- They may be offered for acquisition and transferred to individuals employed by the Company or a subsidiary of the Company.
- They may be used for distributions in kind to the shareholders, also a so-called scrip dividend, meaning the shareholders' right to choose shares of the Company instead of a cash dividend.
- They can be redeemed.

8. SIGNIFICANT AGREEMENTS OF ALSTRIA AG THAT TAKE EFFECT UPON A CHANGE OF CONTROL FOLLOWING A TAKEOVER BID

Financing agreements of alstria AG and its group companies contain clauses common to such contracts regarding a change of control. In particular, the agreements entitle the lenders to request repayment of the utilizations or an obligation by alstria to repay the utilizations in the event that any person, company, or a group of persons should acquire, directly or indirectly, at least or more than 50 % of the voting rights, capital shares or otherwise a controlling influence in alstria. However, for some financings, the repayment obligation is subject to a downgrade of the Company's or the bonds rating, occurring within 120 days of the control change.

The total volume of obligations under those agreements with corresponding change of control clauses amounted to approx. EUR 2,237.7 million on the balance sheet date. In addition, two loan agreements of alstria for EUR 190 million total contain an obligation to repay the utilization if, following a change in the legal form or delisting of alstria AG, another person or group of persons (other than Brookfield Corporation or a company controlled by it) holds more than 25% of the voting rights.

Hedging agreements concluded in connection with these financing agreements grant the contractual partner a right of termination if the underlying financing agreement is repaid prematurely.

9. COMPENSATION AGREEMENTS WITH MANAGEMENT BOARD MEMBERS AND EMPLOYEES IN CASE OF A TAKEOVER BID

The employment contract with the CEO provides for a right of termination for the CEO in the event of a change of control that significantly changes the position of the Management Board member (e.g. by significantly reducing his responsibilities). A change of control is deemed to have occurred if (i) a third party acquires at least 30% of the voting rights in the Company pursuant to Sections 29,30 German Takeover Law (*WpÜG*) or (ii) alstria, as a dependent entity, concludes an intercompany agreement within the meaning of Sections 291 et seq. AktG or (iii) is merged into another company pursuant to Sections 2 et seq. German Reorganization Act (*UmwG*), unless the enterprise value of the other entity is, at the time the merger decision is made by the transferring company, less than 20 % of alstria's enterprise value. If this right of termination is exercised, the member of the Management

Board is entitled to receive a maximum of two years' full remuneration. In addition to the basic remuneration, the short-term incentive and the long-term incentive are also included in the calculation of the annual remuneration, whereby the total remuneration for the previous full financial year is taken into account in each case. The same applies in the event that the appointment of a member of the Management Board is revoked in connection with a change of control.

With employees, no compensation agreements are in place that will take effect in case of a takeover bid.

All these takeover provisions comply with statutory requirements or are reasonable and common practice at comparable, publicly listed companies. They are not intended to hinder potential takeover bids.

VIII. ADDITIONAL GROUP DISCLOSURE

1. CORPORATE GOVERNANCE GROUP DECLARATION PURSUANT TO SECTIONS 289F AND 315D HGB (“HANDELSGESETZBUCH”: GERMAN COMMERCIAL CODE)

The complete corporate governance declaration is published on alstria AG’s website (www.alstria.com/company). Thus, it is made permanently accessible to the public.

2. EMPLOYEES

As of December 31, 2024, alstria had 195 employees (compared to 189 on December 31, 2022). The annual average number of employees was 195 (compared to 185 in the previous year). These figures exclude Management Board members.

3. GROUP AND DEPENDENT-COMPANY REPORT

In accordance with Section 290 of the German Commercial Code (HGB), alstria is required to prepare consolidated statements and a Group management report with respect to the Group companies controlled by alstria. Therefore, alstria office REIT-AG and all associated companies as stated in the Due to the ability of Brookfield Corporation to exercise the majority of voting rights in alstria as of December 31, 2024 and the fact that no control agreement exists between a controlling company and alstria, the Company, as a dependent stock corporation pursuant to Section 312 AktG, has prepared a separate report on the Company's relationships with affiliated companies (dependency report). This report includes the following statement by alstria's Management Board:

"alstria office REIT-AG, Hamburg, has, in the transactions and measures listed in the report on relationships with affiliated companies, received an appropriate consideration for each transaction based on the circumstances known to us at the time the transactions were conducted or the measures were taken or omitted, and was not disadvantaged by the implementation or omission of such measures."

4. DIVIDEND

In the absence of balance sheet profit, the Management Board, in agreement with the Supervisory Board, do not intends to propose to the Annual General Meeting the payment of a dividend. In the event that there are significant changes in the company's available liquidity in the further course of the 2025 financial year, the Management Board and Supervisory Board reserve the right to submit a different dividend proposal to the Annual General Meeting. The payment of a dividend is subject to the approval of the General Meeting.

Hamburg, February 24, 2025

alstria office REIT-AG

The Management Board

Olivier Elamine
CEO

DETAIL INDEX CONSOLIDATED FINANCIAL STATEMENTS

B. CONSOLIDATED FINANCIAL STATEMENTS

I. CONSOLIDATED INCOME STATEMENT

For the period from January 1 to December 31, 2024

EUR k	Notes	2024	2023
Revenues	5.1	198,441	192,026
Revenues from service charge income	5.1	40,735	38,167
Real estate operating expenses	5.2	-67,322	-66,257
Net rental income		**171,854**	**163,936**
Administrative expenses	5.3	-8,341	-9,241
Personnel expenses	5.4	-9,955	-10,884
Other operating income	5.5	7,968	20,983
Other operating expenses	5.6	-32,528	-848
Net result from fair value adjustments to investment property	6.1	52,751	-769,541
Net result from the disposal of investment property	5.7	0	81
Net operating result		**181,749**	**-605,514**
Net financial result	5.8	-60,831	-47,378
Share of the result of companies accounted for at equity	6.2	0	17
Net result from the adjustment of financial derivatives		-2,062	-721
Pretax result		**118,856**	**-653,596**
Income tax expenses	5.9	-223,401	222
Consolidated profit		**-104,545**	**-653,374**
Attributable to:			
Shareholders of alstria office REIT-AG		-104,545	-653,374
Earnings per share in EUR			
Basic earnings per share	10	-0.59	-3.66
Diluted earnings per share	10	-0.59	-3.66

II. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the period from January 1 to December 31, 2024

EUR k	Notes	2024	2023
Consolidated profit for the period		**-104,545**	**-653,374**
Other comprehensive income for the period (items that can be reclassified to net income):			
Market valuation cash flow hedges	6.5	-8,362	-39,071
Income tax relating to items that may be reclassified subsequently to profit or loss	5.9	2,230	0
Total comprehensive income for the period		**-6,132**	**-39,071**
		-110,677	**-692,445**
Total comprehensive income attributable to			
Shareholders of alstria office REIT-AG		**-110,677**	**-692,445**

III. CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As of December 31, 2024

ASSETS

EUR k	Notes	Dec. 31, 2024	Dec. 31, 2023
Noncurrent assets			
Investment property	6.1	4,127,431	3,971,253
Property, plant, and equipment	6.2	20,719	21,395
Intangible assets	6.3	342	635
Deferred tax assets	5.9	7,321	0
Financial assets	6.4	94,432	95,350
Derivatives	6.5	4,961	6,587
Total noncurrent assets		**4,255,206**	**4,095,220**
Current assets			
Trade receivables	6.6	4,836	10,814
Income tax receivables		90	113
Other receivables	6.6	6,026	5,735
Derivatives	6.5	2,576	9,354
Cash and cash equivalents	6.7	80,233	116,282
thereof restricted		*7,448*	*8,031*
Total current assets		**93,761**	**142,298**
Total assets		**4,348,967**	**4,237,518**

EQUITY AND LIABILITIES

EUR k	Notes	Dec. 31, 2024	Dec. 31, 2023
Equity	7.1		
Share capital		178,562	178,562
Capital surplus		245,961	245,961
Hedging reserve	6.5	-12,540	-6,408
Retained earnings		1,091,401	1,195,947
Revaluation surplus		3,485	3,485
Total equity		**1,506,869**	**1,617,547**
Noncurrent liabilities			
Limited partnership capital noncontrolling interests	7.2	101,038	98,297
Long-term loans and bonds, net of current portion	7.3	1,971,926	2,177,607
Deferred tax liabilities	5.9	230,387	0
Other provisions	7.4	1,673	1,672
Other liabilities	7.5	13,932	13,203
Derivatives	6.5	8,134	10,001
Total noncurrent liabilities		**2,327,090**	**2,300,780**
Current liabilities			
Limited partnership capital noncontrolling interests	7.2	21	21
Short-term loans	7.3	445,958	261,777
Trade payables	7.5	3,410	4,717
Derivatives	6.5	5,190	2,747
Income tax liabilities	7.6	440	2,177
Other provisions	7.4	2,974	3,008
Other current liabilities	7.5	57,015	44,744
Total current liabilities		**515,008**	**319,191**
Total liabilities		**2,842,098**	**2,619,971**
Total equity and liabilities		**4,348,967**	**4,237,518**

IV. CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ending December 31, 2024

EUR k	Notes	2024	2023
1. Cash flows from operating activities			
Consolidated profit or loss for the period		-104,545	-653,374
Interest income	5.8	-19,196	-19,552
Interest expense	5.8	80,027	66,929
Result from income taxes	5.9	223,400	-222
Unrealized valuation movements		-41,063	751,439
Other noncash income (−)/expenses (+)	8.3	-552	6,210
Gain (−)/loss (+) on disposal of investment properties	5.7	0	-81
Depreciation and impairment of fixed assets (+)	6.3	1,558	1,557
Increase (−)/decrease (+) in trade receivables and other assets not attributed to investing or financing activities		5,518	-3,584
Increase (+)/decrease (−) in trade payables and other liabilities not attributed to investing or financing activities		15,027	-7,497
Cash generated from operations		**160,174**	**141,825**
Interest received		8,276	13,386
Interest paid		-75,110	-66,349
Income taxes paid		-1,073	222
Net cash generated from operating activities		**92,267**	**89,084**
2. Cash flows from investing activities			
Acquisition of investment properties		-103,427	-137,357
Proceeds from the sale of investment properties		0	29,750
Payment of transaction cost in relation to the sale of investment properties		0	-22
Proceeds from the equity release of interests in joint ventures		0	118
Acquisition of other property, plant, and equipment		-588	-1,559
Payments for investment in financial assets	6.4	-0	-463
Net cash used in/ generated from investing activities		**-104,015**	**-109,533**

EUR k	Notes	2024	2023
3. Cash flows from financing activities			
Cash received from cash equity contributions	7.1	0	271
Payments for the acquisition of shares in limited partnerships of minority interests		0	0
Distributions on limited partnerships of minority shareholders		-3,748	-3,851
Proceeds from the issue of bonds and borrowings		120,000	430,937
Payments of transaction costs for taking out loans		-7,362	-6,677
Payments for the redemption portion of leasing obligations		-690	-728
Payments of dividends	11	0	-262,469
Payments due to the redemption of bonds and borrowings		-130,950	-377,620
Payments for the acquisition of financial derivatives	6.5	-1,552	-8,105
Net cash used in financing activities		**-24,301**	**-228,242**
4. Cash and cash equivalents at the end of the period			
Change in cash and cash equivalents (subtotal of 1 to 3)		-36,049	-248,691
Cash and cash equivalents at the beginning of the period		116,282	364,973
Cash and cash equivalents at the end of the period		**80,233**	**116,282**
thereof restricted:	6.7	*7,448*	*8,031*

V. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period from January 1 to December 31, 2024

EUR k	Notes	Share capital	Capital Surplus	Hedging reserve	Retained earnings	Revaluation surplus	Total equity
As of Dec. 31, 2023		**178,562**	**245,961**	**-6,408**	**1,195,947**	**3,485**	**1,617,547**
Changes in the financial year 2024							
Consolidated profit		0	0	0	-104,545	0	**-104,545**
Other comprehensive income		0	0	-6,132	0	0	**-6,132**
Total comprehensive income		**0**	**0**	**-6,132**	**-104,545**	**0**	**-110,677**
As of Dec. 31, 2024	7.1	**178,562**	**245,961**	**-12,540**	**1,091,401**	**3,485**	**1,506,869**

For the period from January 1 to December 31, 2023

EUR k	Notes	Share capital	Capital Surplus	Hedging reserve	Retained earnings	Revaluation surplus	Total equity
As of Dec. 31, 2022		**178,291**	**507,640**	**32,663**	**1,849,321**	**3,485**	**2,571,400**
Changes in the financial year 2023							
Consolidated profit		0	0	0	-653,374	0	**-653,374**
Other comprehensive income		0	0	-39,071	0	0	**-39,071**
Total comprehensive income		**0**	**0**	**-39,071**	**-653,374**	**0**	**-692,445**
Payments of dividends	11	0	-262,469	0	0	0	**-262,469**
Share-based Remuneration	5.4; 13.2	0	520	0	0	0	**520**
Conversion of convertible participation rights	13.2	271	270	0	0	0	**541**
As of Dec. 31, 2023	7.1	**178,562**	**245,961**	**-6,408**	**1,195,947**	**3,485**	**1,617,547**

VI. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PRESENTATION

alstria office REIT-AG (the Company) is a listed real estate property corporation under the scope of the G-RETT Act. The main objectives of the Company and its subsidiaries (the Group or alstria) are the acquisition, management, operation, and sale of owned real estate property and the holding of participations in enterprises that acquire, manage, operate, and sell owned property.

Following the successful acquisition of the company by Alexandrite Lake Lux Holding S.à r.l. (hereinafter “Alexandrite”), it was first included in the consolidated financial statements of Alexandrite’s ultimate parent company, Brookfield Corporation, Toronto, Canada (hereinafter “Brookfield”), on January 11, 2022.

The partial transfer of limited partner shares in the fund controlling Alexandrite from Brookfield to Brookfield Wealth Solutions Limited (“BWS”) in the fourth quarter of the 2024 fiscal year resulted in the deconsolidation of the company in the consolidated financial statements of Brookfield Property Partners LP, Hamilton, Bermuda (BPY) and Brookfield. From that point onward, the alstria Group was no longer included in Brookfield’s consolidated financial statements.

Until the deconsolidation, Brookfield Corporation prepared the consolidated financial statements for the largest group of companies within the Brookfield Group. The Brookfield consolidated financial statements are published on their website at www.brookfield.com.

Additionally, the company was consolidated in the annual financial statements of Brookfield Property Partners LP, Hamilton, Bermuda (BPY), from January 1, 2023, until its deconsolidation. BPY is listed in both the United States (Nasdaq) and Canada (Toronto). The consolidated financial statements of BPY are published on the company’s website at https://bpy.brookfield.com/.

Irrespective of this, 95.37% of the voting rights are attributable to Brookfield Corporation as of December 31, 2024, as was the case on the previous year's reporting date.

As of December 2024, alstria office REIT-AG prepares the consolidated financial statements for both the largest and smallest group of companies within the alstria Group irrespective of the voting rights as of December 31, 2024.

As of the end of December 31, 2024, alstria office REIT-AG lost its REIT status after failing to meet the 15% free float requirement on three consecutive balance sheet dates. The effects of the loss of REIT status, including future tax liabilities and balance sheet adjustments, are reflected in these consolidated financial statements.

alstria prepared its consolidated financial statements in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union and with the additional requirements set forth in Section 315e para. 1 of the German Commercial Code (HGB).

The consolidated financial statements were prepared by the Management Board, as of February 24, 2025.

alstria office REIT-AG's registered office and address is Steinstrasse 7, 20095 Hamburg, Germany. The Company is entered in the commercial register at the local court of Hamburg under HRB No. 99204.

alstria prepares and reports its consolidated financial statements in Euro (EUR), the Group's functional currency. Due to rounding, the numbers presented may not add up precisely to the totals provided.

The financial year ends on December 31 of each calendar year. The consolidated financial statements presented in this report were prepared for the period from January 1 to December 31, 2024 and are prepared under the going concern principle.

2. BASIS OF PREPARATION

Apart from investment property (land and buildings), properties held for sale and certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below, the consolidated financial statements have been prepared based on historical cost.

The preparation of financial statements in conformity with the IFRSs requires the use of certain critical accounting estimates and for management to exercise its judgement when applying the Group's accounting policies. Areas involving a higher degree of judgement or complexity, or items wherein assumptions and estimates have a significant impact on the consolidated financial statements, are disclosed in Note 2.3.

The consolidated income statement is prepared using the total cost method. Single items are summarized in the consolidated statement of financial position and the income statement. They are commented on in the Notes to the financial statements.

Assets and liabilities are classified as noncurrent and current, respectively. Current items are defined as items that are due in less than 1 year and vice versa for noncurrent items.

2.1. Changes in accounting policies and mandatory disclosures

2.1.1. Effects of new and amended IFRSs

The Company adopted the following new amendments to existing standards for the first time for the financial year beginning January 1, 2024:

EU Endorsement	Standard/ interpretation	Content
Nov. 20, 2023	Amendments to IFRS 16	Lease Liability in a Sale and Leaseback
Dec. 19, 2023	Amendments to IAS 1	Presentation of Financial Statements: Classification of Liabilities as Current or Noncurrent
Dec. 19,. 2023	Amendments to IAS 1	Non-current Liabilities with Covenants
May 15, 2024	Amendments to IAS 7/IFRS 7	Supplier Finance Arrangements (Proposed amendments to IAS 7 and IFRS 7). Qualitative and quantitative information about supplier finance arrangements

The changes to standards and to the framework concept did not have any material effects on the Group's net assets, financial position, and results of operations. The changes to IAS 1 for loans with an extension option could only result in changes with regard to the presentation of the maturity of loans. If the requirements for exercising the extension are met on the balance sheet date, the end of the term is postponed to the possible end of the term after exercising this option. As a result of the amendment to IAS 1 on Non-current Liabilities with Covenants, the loan terms (covenants) are described in section 14.2 Capital management.

2.1.2. New and amended IFRSs and interpretations to existing standards that are not yet effective and that the Group has not adopted early

EU Endorsement	Standard	Content	Applicable for FY beginning on/after
Not yet endorsed	Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments to address matters identified during the post-implementation review of the classification and measurement requirements of IFRS 9 Financial Instruments	Jan. 1, 2026
Not yet endorsed	IFSR 18	New Standard. Presentation and Disclosure in Financial Statements. IFRS 18 includes requirements for all entities applying IFRS for the presentation and disclosure of information in financial statements. IFRS 18 replaces IAS 1 Presentation of Financial Statements.	Jan. 1, 2027
Not yet endorsed	IFSR 19	New Standard. Subsidiaries without Public Accountability. IFRS 19 specifies reduced disclosure requirements that an eligible entity is permitted to apply instead of the disclosure requirements in other IFRS Accounting Standards.	Jan. 1, 2027
Not yet endorsed	Amendments to IAS 21	The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability.	Jan. 1, 2025

The IASB published IFRS 18, Presentation and Disclosures in Financial Statements, in April 2024. IFRS 18 requires additional, defined subtotals in the income statement, disclosures on key performance indicators determined by management, adds new principles for aggregating and disaggregating information, and makes limited changes to IAS 7, Statement of Cash Flows. IFRS 18 replaces IAS 1, Presentation of Financial Statements. Initial application must be made retrospectively. The company is currently assessing the impact of initial application of IFRS 18 on the company's consolidated financial statements.

No further significant impact on financial reporting is expected from the other new standards and amendments to the existing standards listed above.

The Group did not adopt any new or amended standards or interpretations early in the 2024 financial year.

2.2. Basis of consolidation

2.2.1. Subsidiaries

The consolidated financial statements incorporate the financial statements of alstria office REIT-AG and entities controlled by the Company and its subsidiaries. Control is achieved when the Company

- exercises authority over the investee;
- is exposed or has rights to variable returns from its involvement with the investee; and
- can use its authority to affect the amount of its returns.

The Company reassesses whether it controls an investee if facts and circumstances indicate changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, the income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date when the Company gains control until the date when the Company ceases to control the subsidiary.

The profit or loss and each component of the other comprehensive income are attributed to the Company’s owners and noncontrolling interests. The total comprehensive income of the subsidiaries is attributed to the Company’s owners and noncontrolling interests, even if this results in the noncontrolling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to align their accounting policies with the Group’s accounting policies.

All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full upon consolidation.

Changes in the Group’s ownership interests in existing subsidiaries

Changes in the Group’s ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group’s interests and noncontrolling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the noncontrolling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognized in profit or loss and is calculated as the difference between

(i) the aggregate of the fair value of the consideration received and the fair value of any retained interest, and
(ii) the previous carrying amount of the assets (including any goodwill) and liabilities of the subsidiary and any noncontrolling interests.

All amounts previously recognized in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e., reclassified to profit or loss or transferred to another category of equity, as specified/permitted by applicable IFRSs).

Business combinations

Acquisitions of businesses within the meaning of IFRS 3 are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree, and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognized in profit or loss as incurred.

At the acquisition date, the identifiable acquired assets and the assumed liabilities are recognized at their fair value.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any noncontrolling interests in the acquiree, and the fair value of the acquirer’s previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. After reassessment, if the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any noncontrolling interests in the acquiree and fair value of the acquirer’s previously held interest in the acquiree fit and the excess is recognized immediately in profit or loss as a bargain purchase gain.

Noncontrolling interests that are present ownership interests and entitle their holders to a proportionate share of the entity’s net assets in the event of liquidation may be initially measured either at fair value or at the noncontrolling interests’ proportionate share of the recognized amounts of the acquiree’s identifiable net assets and reported under liabilities. The choice of measurement is made on a transaction-by-transaction basis. Other types of noncontrolling interests are measured at fair value or, when applicable, on the basis specified in another IFRS.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to its acquisition-date fair value, and the resulting gain or loss, if any, is recognized in profit or loss.

Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognized in other comprehensive incomes are reclassified as profit or loss, where such treatment would be appropriate if that interest were disposed of.

Significant companies wherein alstria office REIT-AG is directly or indirectly able to significantly influence financial and operating decisions (associates), or directly or indirectly share control (joint ventures), are accounted for using the equity method.

The acquisition of real estate property companies that do not represent a business in the sense of IFRS 3 is shown as a direct purchase of real estate (asset deal). The acquisition costs of the property company are assigned to the individually identifiable assets and liabilities on the basis of their fair values. In this case, there is no goodwill.

2.2.2. Fully consolidated subsidiaries

The Group of consolidated companies, including alstria office REIT-AG, comprised 37 companies in the financial year (2023: 41). As of the balance sheet date, 36 companies (prior-year balance sheet date: 37 companies) existed. In addition one joint venture and one noncontrolling interest have been accounted for using the equity method, with these companies being liquidated or sold during the financial year.

In the consolidated financial statements of alstria office REIT-AG, the following companies are included (statement according to Section 313 para. 2 and Section 315 (e) HGB):

No.	Company	Headquarters	Equity interest(%)	Held by No.	Business activity
1	alstria office REIT-AG	Hamburg	Mutter-gesellschaft		Asset management; Holding
2	Beehive solutions GmbH (formerly: alstria Bamlerstraße GP GmbH)	Hamburg	100.0	1	Service company General partner
3	alstria Portfolio 4 GP GmbH (formerly alstria Gänsemarkt Drehbahn GP GmbH)	Hamburg	100.0	1	General partner
4	alstria office Portfolio 3 GP GmbH & Co. KG[2)]	Hamburg	100.0	1	Own property
5	alstria office Portfolio 4 GP GmbH & Co. KG[2)]	Hamburg	100.0	1	Own property
6	alstria office Portfolio 5 GP GmbH & Co. KG[2)]	Hamburg	100.0	1	Own property
7	alstria Portfolio 1 GP GmbH	Hamburg	100.0	1	General partner
8	alstria Portfolio 3 GP GmbH	Hamburg	100.0	1	General partner
9	alstria Prime Portfolio 2 GP GmbH	Hamburg	100.0	1	General partner
10	alstria Prime Portfolio GP GmbH	Hamburg	100.0	1	General partner
11	alstria solutions GmbH	Hamburg	100.0	1	Service company
12	alstria Portfolio 5 GP GmbH (formerly alstria Steinstraße 5 GP GmbH)	Hamburg	100.0	1	General partner
13	beehive GmbH & Co. KG[2)]	Hamburg	100.0	1	Service company
14	First Pine GmbH & Co. KG[2)]	Hamburg	100.0	1	Own property
15	alstria office Prime Portfolio GmbH & Co. KG[2)]	Hamburg	89.0	1	Intermediate holding
16	alstria office PP Holding I GmbH & Co. KG[2)]	Hamburg	89.0	15	Intermediate holding
17	alstria office Kampstraße GmbH & Co. KG[2)]	Hamburg	89.0	16	Own property
18	alstria office Berliner Straße GmbH & Co. KG[2)]	Hamburg	89.0	16	Own property
19	alstria office Hanns-Klemm-Straße GmbH & Co. KG[2)]	Hamburg	89.0	16	Own property
20	alstria office Maarweg GmbH & Co. KG[2)]	Hamburg	89.0	16	Own property
21	alstria office Heerdter Lohweg GmbH & Co. KG[2)]	Hamburg	89.0	16	Own property
22	alstria office Solmsstraße GmbH & Co. KG[2)]	Hamburg	89.0	16	Own property
23	alstria office PP Holding II GmbH & Co. KG[2)]	Hamburg	89.0	15	Intermediate holding
24	alstria office Wilhelminenstraße GmbH & Co. KG[2)]	Hamburg	89.0	23	Own property
25	alstria office Hauptstraße GmbH & Co. KG[2)]	Hamburg	89.0	23	Own property
26	alstria office Mergenthaler Allee GmbH & Co. KG[2)]	Hamburg	89.0	23	Own property
27	alstria office Am Hauptbahnhof GmbH & Co. KG[2)]	Hamburg	89.0	23	Own property
28	alstria office Kastor GmbH & Co. KG[2)]	Hamburg	89.0	23	Own property
29	alstria office Heidenkampsweg GmbH & Co. KG[2)]	Hamburg	89.0	23	Own property
30	alstria office An den Dominikanern GmbH & Co. KG[2)]	Hamburg	89.0	23	Own property
31	alstria office Carl-Schurz-Straße GmbH & Co. KG[2)]	Hamburg	89.0	23	Own property
32	alstria office Pempelfurtstraße GmbH & Co. KG[2)]	Hamburg	89.0	23	Own property
33	alstria office Frauenstraße GmbH & Co. KG[2)]	Hamburg	89.0	23	Own property
34	alstria office Olof-Palme-Straße GmbH & Co. KG[2)]	Hamburg	89.0	23	Own property
35	alstria office Region Nord GmbH & Co. KG[2)]	Hamburg	89.0	23	Own property
36	alstria office Region Süd GmbH & Co. KG[2)]	Hamburg	89.0	23	Own property
37	alstria office Region Mitte GmbH & Co. KG[2)]	Hamburg	89.0	23	Own property

1) Terminated by accretion or merger with its shareholder in the 2024 financial year.

2) The Company has made use of the exemption from the obligation to prepare annual financial statements in accordance with the provisions applicable to corporations in accordance with Section 264b HGB.

The consolidation scope includes, in addition to alstria office REIT-AG, companies in which the company directly or indirectly holds the majority of voting rights. As of the balance sheet date, the consolidation scope comprises the company itself, 13 domestic subsidiaries, and 22 domestic sub-subsidiaries. One company (No. 13 in the table) ceased to exist as a result of its merger into its limited partner.

The reporting date for the consolidated financial statements is the same as the reporting date for the alstria office REIT-AG and consolidated subsidiaries.

There were no further changes to the consolidated group in the 2024 financial year in comparison to the consolidated financial statements as of December 31, 2023. All of the Group's companies are land or property management companies, holding companies, or general partner companies.

2.2.3. Interests in joint ventures and noncontrolling interests

As of the reporting date of the current and prior reporting periods, the Group held no interests in joint ventures or associates. Consequently, there are no unrecognized losses or restrictions affecting the ability of such entities to transfer funds to the Group.

2.3. Key judgments and estimates

To a certain degree, estimates, assessments, and assumptions must be made in the course of preparing the Group’s consolidated financial statements. These can affect the reported amounts and recognition of assets and liabilities, contingent assets and liabilities on the balance sheet date, and the amounts of income and expenses reported for the overall period. The major items that such estimates, assessments, and assumptions affect are described hereafter. Actual amounts may differ from the estimates. Changes in the estimates, assessments, and assumptions can have a material impact on the consolidated financial statements.

2.3.1. Judgements

Management has made the following discretionary decisions in line with the Group’s accounting policies. Apart from decisions involving estimations, it has the most significant effect on the amounts recognized in the financial statements:

Operating lease commitments—the Group as lessor

The Group has entered into commercial property leases in its investment-property portfolio. Based on an evaluation of the terms and conditions of the arrangements, the Group has determined that all significant risks and rewards of ownership of these properties remain with the Group. As a result, the contracts are treated and accounted for as operating leases.

2.3.2. Estimates and assumptions

Significant key sources of estimation uncertainty and key assumptions concerning the future as of the balance sheet date relate to the following balance sheet items. They present a significant risk, possibly resulting in necessary material adjustments to the carrying amounts of assets and liabilities within the next financial year. Applying estimates is particularly necessary to

- determine the fair value of investment property (see Note 6.1);
- positive and negative fair values of derivatives (see Note 6.5);
- expected credit loss (see Note 6.6);
- determine the amortized cost of limited partnership capital of noncontrolling interests (see Note 7.2);
- determine the fair value of other provisions (see Notes 7.4) and
- determine the fair value of long term compensation granted to Management Board (see Note 13.1) and ACES granted to employees (so called alstria Collective Employee Scheme shares see Note 13.2).

At the end of the reporting period, the above-stated assets, liabilities, and equity instruments, which are particularly exposed to estimation uncertainties, had the following impact on the consolidated statement of financial position:

EUR k	Dec. 31, 2024	Dec. 31, 2023
Investment property and properties held for sale, without prepayments made	4,127,431	3,971,253
Positive fair values of derivatives	7,537	15,941
Expected credit loss	432	636
Limited partnership capital of noncontrolling interests	101,058	98,318
Other current provisions	2,974	3,008
thereof ACES and longterm compensation board	*2,510*	*2,543*
Other noncurrent provisions	*1,673*	1,672
thereof ACES and longterm compensation board	*1,673*	*1,672*
Negative fair values of derivatives	13,324	12,748

2.4. Summary of significant accounting policies

The following accounting and valuation methods have been used to prepare the consolidated financial statements of alstria office REIT-AG.

2.4.1. Fair value measurement

The Group measures certain financial instruments, such as derivatives, and nonfinancial assets, such as investment property, at their fair value at each reporting date.

The fair value of an asset or liability is determined based on the assumptions that market participants would use in pricing the asset or liability, regardless of whether that price is directly observable or estimated by applying another valuation technique. In estimating fair value, it is assumed that the transaction during which the disposal of the asset or the transfer of the liability occurs takes place either

- in the principal market for the asset or liability, or
- in the most advantageous market for the asset or liability if no principal market exists.

The Group must have access to the principal market or the most advantageous market.

Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis. Hereby excluded are the following:

- share-based payment transactions that are within the scope of IFRS 2 “Share-based payments”;
- leasing transactions that are within the scope of IFRS 16 “Leases”; and
- measurements that have some similarities to fair value but are not fair value, such as net realizable value in IAS 2 “Inventories” or value in IAS 36 “Impairment of assets.”

Market prices are not always available to determine the fair value. It must often be determined based on various valuation parameters. In addition, for financial-reporting purposes, fair value measurements are categorized as Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

Level 3 inputs require more extensive disclosures.

2.4.2. Investment property

Investment properties are properties held to earn rental income and/or for capital appreciation (including property under construction for such purposes). They are not used in production or for administrative purposes. This includes properties that are in production and are intended to serve the aforementioned purposes. Investment properties are measured initially at cost at the time of purchase or construction, including transaction costs. In accordance with IAS 40.17, costs incurred subsequently for dismantling, replacement of parts, or maintenance of property are also included, insofar as these contribute to an increase in the fair value of the property.

Costs of debt, which can be directly allocated to the acquisition or production of investment property, are capitalized in the year in which they arise.

For subsequent measurement, the Company uses the fair value model according to IFRS 13.61 et seq., which reflects an income-capitalization approach combined with market conditions at the end of the reporting period.

In the context of the fair value hierarchy described above, only inputs from Levels 2 and 3 are applicable for property. The majority is categorized as Level 3. Inputs used in the valuation approach that the Group has adopted for all of its properties include rental revenues, adjusted yield figures (e.g., property-based capitalization rates), and vacancy periods. These inputs are not observable in markets and are considered significant. Therefore, the fair value measurement used by the Group for valuation of all investment properties is generally categorized as Level 3. Information about the significant unobservable inputs used and their sensitivities to the fair values of the Group's investment property is presented in Note 6.1.

When determining the fair value, climate-related risks are indirectly taken into account on a property-specific basis through appropriate deductions for the expected cash inflows and surcharges for future investment expenditure.

Gains and losses arising from changes in the fair value of investment properties are included in the profit or loss in the period when they arise.

An investment property derecognized upon disposal, or when the investment property is permanently withdrawn from use, and future economic benefits are expected from the disposal. Any gain or loss arising from derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognized.

Investment properties are transferred to property, plant, and equipment when there is a change in use evidenced by the commencement of owner occupation. The properties' deemed cost for subsequent accounting corresponds to the fair value at the date of reclassification.

When the use of a property changes from owner-occupied to investment property, the property is remeasured to fair value and reclassified accordingly. Any gain arising from this remeasurement is recognized in profit or loss to the extent that it reverses a previous impairment loss on the specific property, with any remaining gain recognized in OCI and presented in the revaluation reserve.

Any loss is recognized in profit or loss. However, to the extent that an amount is included in the revaluation surplus for that property, the loss is recognized in other comprehensive income and reduces the revaluation surplus within equity.

Leases of land and buildings in which the Group acts as a lessee and which it sublet are also classified as financial investments and subsequently measured at fair value. The investment properties are shown with the addition of the leasing liabilities.

2.4.3. Valuation process for investment properties

The fair value hierarchy gives no information about the applied valuation techniques.

The basis for deriving fair value, as defined by IFRS 13.61, should, if possible, be based on valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, thereby maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. The analysis in the previous section showed there was no sufficient number of official comparable transactions to derive any market values. Therefore, fair value was determined based on an income approach in accordance with IFRS 13.61.

In estimating the fair value of the properties, their current use of the property is the highest and best option.

The valuation of the investment property at market value as of December 31, 2024 was carried out, as in the previous year, by external real estate experts using internationally customary, IFRS-compliant valuation methods. The properties were valued using the DCF method (discounted cash flow method). An accredited, external, and independent expert performed the fair value measurements (BNP Paribas Real Estate Consult GmbH, Frankfurt/Main, Germany). At the end of the previous financial year, the valuation was carried out, also according to the DCF method, by the independent appraiser Savills Advisory Services Germany GmbH & Co. KG, Frankfurt am Main, Germany. Both appraisers conducted the valuation using the same methodology and based their assumptions on factors that essentially lead to the same valuation result.

Description of the DCF method

The DCF method is a two-stage financial mathematical model to determine the cash value of the future yield of the property, which is viewed as its present value. In this coherence, a detailed forecast computation of the revenue and expenditures for a "holding period" of 10 years is compiled. This method fulfills the requirements of the Red Book, a set of international valuation standards, set forth by the Royal Institution of Chartered Surveyors. In addition, the method used by the independent experts is also appropriate and suitable for determining market values in accordance with the provisions of the International Valuation Standards (IVS, or the White Book).

To determine the fair values, the discounted cash flow method is applied, taking the following factors into account. Parameters that have changed due to modified framework conditions compared to the previous year are indicated in brackets.

- the contractual rent for the remaining term of the lease (in the case of open-ended leases, a residual term of 3 years (December 31, 2023: 1 year to half of the previous rental period) is assumed);
- new relets at market rents;
- necessary investments for reletting;
- leasing commission in the amount of 2 to 3 months' rent;
- an average lease term of 10 years (December 31, 2023: 7,5 to 10 years) for each potential new lease;
- rent-free periods from 3 to 6 (December 31, 2023: 4 to 10) months' rent;
- a vacancy period of between 6 and 68 months (December 31, 2023: 2 to 72 months) for vacancies existing at the valuation date and after the expiry of the lease;
- vacancy costs in the amount of EUR 1.00/m² to EUR 3.00/m² (December 31, 2023: EUR 0.50/m² to EUR 2.00/m²);
- management costs between 0,5 and 2 % (December 31, 2023: 1% to 3 %) of market rent;
- non-allocable costs of ongoing maintenance between EUR 6.50/m² and EUR 12.00/m² depending on the property standard (December 31, 2023: EUR 8.50/m² and EUR 12.00/m²);
- inflation assumptions;
- capitalization and discount rates reflecting the individual risk of the property and market activity (comparable transactions); and
- costs of transaction consisting of real estate transfer tax, notary fees and agency fees.

If the future development of these properties differs from the estimate, large-scale losses resulting from the change in the fair value may be incurred. This can have a negative impact on future earnings. The effects of the most significant input parameters on the valuation of the Group's investment properties are shown in Note 6.1.

The valuation method described also applies to investment properties in which development projects are realized. In the case of development projects, the construction costs incurred are also taken into account.

Gains or losses arising from changes in the fair values of investment properties are disclosed in the income statement under the item “Net gain/loss from fair value adjustments on investment property” in the year in which they arise.

Investment properties are derecognized when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognized in the income statement in the year of retirement or disposal.

2.4.4. Assets held for sale

Noncurrent assets intended for disposal under an asset deal are reported separately as being held for sale in the consolidated financial statements if the formally required resolution of the Board — and, when above a certain level of transaction volume, the Supervisory Board — for the sale of a property is met until the end of the reporting period. If the disposal is to take the form of a share deal, noncurrent assets and other assets and liabilities held for sale are reported separately on the consolidated balance sheet.

Assets held for sale are measured at fair value on the date of reclassification and each subsequent reporting date. Gains or losses from measuring individual assets held for sale and disposal groups are reported under gain or loss on the disposal of investment property until they have been sold.

2.4.5. Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in IFRS 16.

Further information on leases can be found in Notes 5.3 Administrative expenses, 5.8 Financial and valuation results, 6.1 Investment property, 6.3 Intangible assets and property, plant and equipment and 7.5 Trade payables and other obligations.

(i) As a lessee

At commencement or on modification of a contract that contains a lease component, the contractually agreed fee is to be allocated on the basis of its relative stand-alone prices. However, for the leases of property, the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred, and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, minus any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case, the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date and is discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and the type of asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as of the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain that it will not terminate early.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension, or termination option, or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or it is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The Group presents right-of-use assets that do not meet the definition of investment property in "property, plant, and equipment" and lease liabilities in "loans and borrowings" in the statement of financial position.

Short-term leases and leases of low-value assets

The Group has elected not to recognize right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Group recognizes the lease payments associated with these leases as an expense in a straight-line basis over the lease term.

(ii) As a lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, the lease is a finance lease; if not, it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the asset's economic life. The Group has classified the sublease contracts on the basis of the right of use and not the underlying asset, and it has come to the conclusion that the leases are operating leases in accordance with IFRS 16.

The Group recognizes lease payments received under operating leases as income on a straight-line basis over the lease term as revenues.

2.4.6. Revenue and expense recognition

Revenues and other operating expenses are generally only recognized when the entity satisfies a performance obligation by transferring a promised good or service to a customer. An asset is transferred when the customer obtains control of the asset.

This is usually the case when services are rendered or goods or products have been delivered and the risk has thus been transferred.

Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, and other sales taxes or duties. Revenues are recorded, excluding VAT. In addition, the following specific recognition criteria must be met before revenues are recognized.

Rental income from operating leases on investment properties is, according to IFRS 16, recognized on a straight-line basis over the terms of the relevant lease, regardless of the payment date. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset.

Revenues from service charge income are, according to IFRS 15, realized over the period of performance, which essentially corresponds to the time at which service charge expenses are recorded. With regard to the service charge costs of letting, alstria has a principal position. In this respect, the operating costs charged to the tenants must be shown as sales. The costs incurred relating to the provision of services in this context are presented as real estate operating expenses.

Proceeds from the sale of investment properties are recognized when the risks and opportunities associated with ownership of the property have passed to the buyer (transfer of ownership, benefits, and burdens of the property).

Operating expenses are recognized at the time of the service or when they are incurred.

Interest expenses and interest income are recognized using the effective interest method.

2.4.7. Income taxes

The income tax expense represents the sum of current and deferred income tax expense.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination. As a REIT-AG parent company, alstria office REIT-AG is exempt from corporation and trade taxes.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

The parent company alstria office REIT-AG was exempt from corporate and trade tax in the 2024 reporting year due to its REIT status. However, due to non-compliance with the conditions for maintaining REIT status, particularly with respect to the minimum free float requirement under Section 11 of the REIT Act, this status expired at the end of December 31, 2024. Consequently, the Group is subject to regular corporate and trade tax obligations from that date forward.

Deferred Tax

These take into account the expected tax liability from the 2025 financial year and are based on temporary differences between the tax and IFSR balance sheet values of assets and liabilities.

Deferred taxes are recognized for differences between the carrying amounts of assets and liabilities in the consolidated financial statements and their respective tax bases used in the computation of taxable income. Deferred tax liabilities are generally recognized for all taxable temporary differences, while deferred tax assets are recognized to the extent that it is probable that taxable income will be available against which deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary differences arise from the initial recognition (other than in a business combination) of other assets and liabilities in transactions that affect neither taxable income nor accounting profit. Furthermore, no deferred tax liability is recognized for temporary differences arising from goodwill.

For taxable temporary differences arising from interests in subsidiaries, associates, and joint ventures, deferred tax liabilities are recognized unless the Group is able to control the reversal of the temporary differences and it is probable that these differences will not reverse in the foreseeable future. Deferred tax assets arising from temporary differences associated with interests in subsidiaries, associates, and joint ventures are recognized only to the extent that it is probable that sufficient taxable income will be available to utilize the benefits of the temporary differences and that these temporary differences will reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured using tax rates and tax laws that are expected to apply to taxable income in the period in which the liability is settled or the asset realized.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Investment Properties

For the recognition and measurement of deferred tax liabilities and assets relating to investment properties measured at fair value, it is assumed that the economic benefits embodied in the carrying amounts will be realized entirely through disposal. This presumption is rebutted if the investment properties are depreciable and are held within a business model whose objective is to consume substantially all the economic benefits of the asset over time rather than through disposal. Management has reviewed the portfolio of investment properties and concluded that none of the properties are held with the intention of realizing the economic benefits through ongoing use. Therefore, management has determined that the presumption under IAS 12 is not rebutted. Accordingly, no deferred taxes are recognized on changes in the fair value of investment properties, as these changes are not subject to taxation upon disposal.

Offsetting

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities, they relate to income taxes levied by the same taxation authority, and the Group intends to settle its current tax assets and liabilities on a net basis.

2.4.8. Earnings per share

Basic earnings per share are calculated by dividing the profit attributable to the shareholders of the parent company by the weighted-average number of shares outstanding during the financial year. Diluted earnings per share are calculated based on the assumption that all potentially dilutive securities and share-based payments are converted or exercised.

2.4.9. Impairments of assets according to IAS 36

Assets are tested for impairment when triggering events or changes in circumstances indicate that the carrying amount may no longer be recoverable.

An impairment loss is recorded at an amount equivalent to the excess of the carrying amount over the recoverable amount. If the reasons for an impairment loss cease to apply, the impairment loss is reversed as appropriate, but not above the maximum value that would have resulted if normal amortization had been charged.

2.4.10. Property, plant, and equipment

Property, plant, and equipment are stated at cost less accumulated depreciation and impairment losses. They include owner-occupied real estate, right-of-use assets according to IFRS 16, and operating and office equipment. Such costs include the cost of replacing part of the property, plant, and equipment at the time the cost is incurred, if the recognition criteria are met. All other repair and maintenance costs are recognized in profit or loss as incurred.

The depreciation of operating and office equipment is calculated on a straight-line basis over the estimated useful life of the asset (3 to 23 years). The useful life of owner-occupied property is estimated at 33 to 50 years. While the building is depreciated on a scheduled basis, the land is not subject to depreciation.

The growth of the tree population on a forest property in accordance with IAS 41 is also reported under property, plant and equipment. Initial and subsequent valuations are measured at fair value less estimated cost of sales.

2.4.11. Intangible assets

The Group amortizes intangible assets with finite useful lives on a straight-line basis over their respective estimated useful lives. Estimated useful lives for patents, licenses, and other similar rights generally range from 3 to 8 years. Currently, the Company does not have intangible assets with indefinite useful lives.

2.4.12. Financial instruments

Recognition and initial measurement

Trade receivables and debt securities issued are initially recognized when they are originated. All other financial assets and liabilities are initially recognized when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at:

- amortized cost;
- FVOCI – debt investment;
- FVOCI – equity investment;
- or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise to specified dates for cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms provide an increase of specified dates for cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost, are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets – Business model assessment

With respect to financial assets, the Group pursues a business model with the objective of holding assets in order to collect the contractual cash flows.

Financial assets – Assessment of whether contractual cash flows are solely payments of principal and interest

In assessing whether contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

A prepayment feature is consistent with the exclusive payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the outstanding principal amount, which may include reasonable additional compensation for early termination of the contract.

Financial assets - Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses, and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

Financial liabilities - Classification, subsequent measurement, and gains and losses

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as being at FVTPL if it is categorized as held-for-trading, it is a derivative, or it is designated as such on initial recognition.

Financial liabilities at FVTPL are measured at fair value; net gains and losses, including any interest expense, are recognized in profit or loss.

Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expenses and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss. All financial liabilities are currently classified at amortized cost.

Derecognition

Financial assets

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or when it transfers the rights to receive the contractual cash flows in a transaction in which all significant risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains all significant risks and rewards of ownership and does not retain control of the financial asset.

Financial liabilities

The Group derecognizes a financial liability when its contractual obligations are discharged, are cancelled, or expire. The Group also derecognizes a financial liability when its terms are significantly modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

Upon derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any noncash assets transferred or liabilities assumed) is recognized in profit or loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

Derivative financial instruments

Derivatives

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate risks, including interest rate swaps and interest rate caps. Further details of derivative financial instruments are disclosed in note 6.5.

Derivatives are recognised initially at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. Derivatives are not offset in the financial statements unless the Group has both a legally enforceable right and intention to offset. The impact of the master netting agreements on the Group's financial position is disclosed in note 34. A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

Embedded derivatives

An embedded derivative is a component of a hybrid contract that also includes a non-derivative host – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative.

Derivatives embedded in hybrid contracts with a financial asset host within the scope of IFRS 9 are not separated. The entire hybrid contract is classified and subsequently measured as either amortised cost or fair value as appropriate.

Derivatives embedded in hybrid contracts with hosts that are not financial assets within the scope of IFRS 9 (e.g. financial liabilities) are treated as separate derivatives when they meet the definition of a derivative, their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at FVTPL.

If the hybrid contract is a quoted financial liability, instead of separating the embedded derivative, the Group generally designates the whole hybrid contract at FVTPL.

An embedded derivative is presented as a non-current asset or non-current liability if the remaining maturity of the hybrid instrument to which the embedded derivative relates is more than 12 months and is not expected to be realised or settled within 12 months.

Hedge accounting

The Group designates certain derivatives as hedging instruments in respect of foreign currency risk and interest rate risk in fair value hedges, cash flow hedges, or hedges of net investments in foreign operations. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges.

At the inception of the hedge relationship, the Group documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk, which is when the hedging relationships meet all of the following hedge effectiveness requirements:

- There is an economic relationship between the hedged item and the hedging instrument
- The effect of credit risk does not dominate the value changes that result from that economic relationship
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item

If a hedging relationship ceases to meet the hedge effectiveness requirement relating to the hedge ratio but the risk management objective for that designated hedging relationship remains the same, the Group adjusts the hedge ratio of the hedging relationship (i.e. rebalances the hedge) so that it meets the qualifying criteria again.

Information on the fair values of the derivatives designated as part of hedging relationships can be found in Note 6.5. The development of the hedging reserve in equity is shown in Note 7.1.

Cash flow hedges

The effective portion of changes in the fair value of derivative instruments designated as cash flow hedges is recognized in the line item other comprehensive income, and any ineffective portion is recognized immediately in net income. Amounts accumulated in equity are reclassified to net income during the same periods in which the hedged item affects net income.

If the hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated, or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in the hedging reserve remains in equity until, for a hedge of a transaction resulting in the recognition of a nonfinancial item, it is included in the nonfinancial item's cost on its initial recognition or, for other cash flow hedges, it is reclassified to profit or loss in the same period or periods in which hedged expected future cash flows affect profit or loss.

If the hedged future cash flows are no longer expected to occur, the amounts that have been accumulated in the hedging reserve and the cost of the hedging reserve are immediately reclassified to profit or loss.

Other hedges

The Group uses neither any financial derivatives that qualify for the hedging of the fair value of recognized assets or liabilities or a firm commitment (fair value hedges) nor such financial derivatives that qualify for the hedging of a net investment in a foreign operation (net-investment hedge).

Cash and cash equivalents

The Company considers all highly liquid investments with less than three months' maturity from the date of acquisition to be cash equivalents.

For the purposes of the consolidated cash flow statement, cash and cash equivalents include those defined above, other short-term, highly liquid investments with original maturities of three months or less, and bank overdrafts.

2.4.13. Impairment

Nonderivative financial assets

Financial instruments and contract assets

The Group recognizes loss allowances for expected credit losses (ECLs) on financial assets measured at amortized cost.

The Group generally measures loss allowances at an amount equal to the 12-month ECLs if the default risk has not increased significantly since the initial recognition.

Loss allowances for trade receivables are measured at an amount equal to lifetime ECLs unless they are trade receivables from alstria's main tenant.

Value adjustments on trade receivables are always based on the amount of the ECL over the term. The Group applies the simplified approach in accordance with IFRS 9.5.5.15. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment as well as forward-looking information.

The Group assumes that the credit risk of a financial asset other than trade receivables measured at an amount equal to lifetime ECLs will have significantly increased if it is more than 30 days past due. For trade receivables, the number of days past due could be significantly higher due to the fact that service charge invoices are regularly under investigation on the tenants' side, causing a delay in acceptance by alstria until consent has been met. The same applies for rental receivables not paid by the tenants in case of other disputes relating to the tenancy.

The Group considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realizing security (if any is held). This usually does not apply to rental receivables for which the usual security deposit of two months' net rent is included in the assessment of whether a rental claim is deemed canceled.

The Group considers a financial asset to have low credit risk when its credit risk rating is equivalent to the globally understood definition of "investment grade." The Group considers this to be Baa3 or higher per Moody's Corporation, New York, USA or BBB- or higher per Standard & Poor's Corporation, New York, USA.

Lifetime ECLs are ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs for financial assets are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e., the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive).

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortized cost and debt securities at FVOCI are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial problems of the borrower or issuer;
- a breach of contract, such as a default; or
- probability that the borrower will enter bankruptcy or other financial restructuring.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in whole or in part. For tenants, the Group makes assessments individually with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery.

The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities.

2.4.14. Noncontrolling interests of limited partners

In addition to alstria office REIT-AG, other limited partners are minority shareholders in the subsidiary alstria office Prime Portfolio GmbH & Co. KG (“alstria office Prime”), which is included in the consolidated financial statements. From the Group’s point of view, the equity of these limited partners is to be reported as debt capital in accordance with IFRS. They are shown in the consolidated balance sheet under the item “limited partnerships of noncontrolling interests.” The limited partner contributions are shown at amortized cost in accordance with the articles of association.

2.4.15. Provisions

Provisions are recognized when a present obligation to third parties exists as a result of a past event, a future outflow of resources is probable, and a reliable estimate of that outflow can be made. Provisions are measured, taking all risks into account at the best estimate of future cash outflows required to meet the obligation. If they are not current, they are discounted. Provisions are not offset with reimbursements.

A debt resulting from termination of employment (severance) is recognized when the Group may not withdraw the offer of such services or if the Group recorded costs related to restructuring earlier.

2.4.16. Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets (including property, plant and equipment) are recognised as deferred income in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

The benefit of a government loan at a below market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

3. SEASONAL OR ECONOMIC EFFECTS ON BUSINESS

The business activities of alstria office REIT-AG (primarily the generation of revenues from investment properties) are not generally affected by seasonality. However, the sale of one or more large properties can have a significant impact on revenues and operating expenses.

Experience shows that the real estate market tends to fluctuate as a result of factors such as changes in consumers' net income, GDP, interest rates, consumer confidence, demographics, and other factors inherent to the market. Changes in interest rates might lead to a modified valuation of the investment property.

4. SEGMENT REPORTING

IFRS 8 requires a management approach, under which information on segments is presented to the Management Board on the same basis used for internal-reporting purposes.

The services offered by alstria office REIT-AG focus exclusively on letting activities to commercial-property tenants in Germany. In accordance with IFRS 8, a single reporting segment is identified that comprises all of the Group's operations.

The manner of reporting for this segment is consistent with the internal reporting provided to the chief operating decision maker, who is responsible for allocating resources to the operating segments of an entity and assessing their performance. The Group's chief operating decision maker is the Management Board.

A larger number of tenants generate revenues. Total revenues amount to EUR 239,176 k (2023: EUR 230,193 k), of which EUR 30,032 k (2023: EUR 26,794 k) are related to leases to the Group's largest customer with a share of more than 10% of revenues.

No other single customer has contributed 10 % or more to the consolidated revenues in the 2023 or 2024 financial years.

5. NOTES TO THE CONSOLIDATED INCOME STATEMENT

5.1. Revenues

EUR k	2024	2023
Revenues from investment properties	198,441	192,026
Revenues from service charge income	40,735	38,167
Revenues	**239,176**	**230,193**

Revenues from investment properties mainly comprised rental income. The rental income includes effects totaling -EUR 97 k (2023: EUR 3,411 k), which are attributable to rent-free periods. The reduced rental income was spread over the remaining term of the respective rental agreement. In addition, revenues from investment properties include income from asset management services in relation to the leased real estate properties in the amount of EUR 3,622 k (2023: EUR 3,427 k).

Rental income from property leases contains variable rental income amounting to EUR 5,699 k (2023: EUR 5,080 k). These are rental agreements in which the rental payments are linked to the operating results of the tenants.

5.2. Real estate operating expenses

EUR k	2024	2023
Operating costs that can be charged to tenants	39.738	36,600
Personnel expenses for real estate management	8.767	8,705
Maintenance and refurbishment	6.475	8,312
Ongoing repairs	5.302	4,728
Vacancy costs	3.887	4,472
Legal and advisory fees	929	1,253
Real estate-related administrative costs	748	839
Property management	232	379
Rent expenses	159	151
Electricity costs	133	368
Other expenses	952	450
Total	**67.322**	**66,257**

5.3. Administrative expenses

EUR k	2024	2023
Legal and consulting fees	2,517	3,095
Depreciation	1,558	1,557
IT maintenance	1,029	745
Audit fee (audit and audit-related services)	713	684
Communication and marketing	711	939
Insurance expenses	529	478
Leasing payments and rents	490	564
Travel expenses	448	427
Office area costs	400	373
Training & workshops	173	207
Recruitment	121	298
Office equipment	103	159
Contributions	97	181
Supervisory Board compensation	70	110
Other	301	502
Reclassified to real estate operating expenses	-748	-839
Reclassified to Net result from fair value adjustments on investment property	-171	-239
Total	**8,341**	**9,241**

The reclassifications into real estate operating expenses and Net result from fair value adjustments on investment properties relate to the cost center-specific allocation of administrative expenses.

The lease payments and rents in the 2024 financial year amounting to EUR 490 k are related to short-term and low-value leases.

5.4. Personnel expenses

EUR k	2024	2023
Salaries and wages	6,064	6,094
Social insurance contribution	1,151	986
Bonuses	1,022	1,541
Expenses for long term compensation	1,307	1,856
thereof long-term compensation components (previous year also share-based compensation from stock options) of the Management Board	*393*	*325*
thereof relating to the convertible profit participation certificates and other long term compensation	*914*	*1,531*
Amounts for Management Board retirement provisions and disability	48	88
Other	363	319
Total	**9,955**	**10,884**

Personnel expenses decreased by EUR 929 k or 8.5 %. This decrease is primarily attributable to lower bonuses and variable long-term compensation.

Overall, the expenses for remuneration for employees and the Managent Board in the financial year amounted to EUR 21,567 k (2023: EUR 22,049 k).

See also Sections 13.1 and 13.2 for information on expenses for long-term remuneration.

The employer’s contribution to statutory pension insurance, included in wages and salaries, amounts to EUR 1,173 k for the 2024 financial year (2023: EUR 1,053 k).

On average, the Group employed 195 employees in 2024 (2023: 185).

5.5. Other operating income

EUR k	2024	2023
Arrangement fee	3,290	21
Income from the reversal of accrued liabilities	1,668	289
Compensation payments and other recharges	777	497
Income from the reversal of EWB	485	83
Indemnity payments received	274	343
Proceeds from forest management	163	16
Health insurance reimbursement	65	51
Revaluation of the limited partnership capital noncontrolling interests	0	18,811
KfW loan grant for green investments	0	0
Guarantee builder	0	0
Other	1,086	893
Total	**7,968**	**20,983**

The arrangement fee was earned for facilitating a loan from a group company to a bank. The income from the release of provisions relates to a potential compensation payment of EUR 750 thousand due to the non-distribution of the REIT minimum dividend of a former REIT stock corporation, whose legal successor was acquired in 2015. This was derecognized because it had since expired. The amount of EUR 441 thousand was the release of a provision for a so-called market flex premium, which had not become due in that amount (see section 7.5).

The Revaluation of the limited partnership capital noncontrolling interests in the previous year concerns alstria office Prime Portfolio GmbH & Co. KG, in which the non-controlling partners have an interest. The valuation was essentially impacted due to the devaluation of the investment properties in that year held by this company.

Compensation payments and other charges result from early termination of leases and refurbishment activities conducted by alstria. The latter refers to refurbishments the tenants had originally committed to carry out themselves upon conclusion of the leasing contracts. This item also includes compensation payments made by a tenant for the postponement of the start of the lease caused by the tenant.

5.6. Other operating expenses

EUR k	2024	2023
Compensation payment to free float shareholders for REIT loss	23,239	0
Revaluation of the limited partnership capital noncontrolling interests	6,555	0
Valuation financial assets	918	0
Legal and advisory fees	910	49
Impairment on trade receivables	432	636
VAT payments made for previous years	371	118
Other operating expenses	103	44
Total	**32,528**	**848**

As a result of the loss of REIT status (see section 1), a compensation payment was required to be made to the free float shareholders in accordance with the REIT Act and Section 20 of the Comoany's articles of association. The amount of the compensation offsets the distribution disadvantage incurred by these shareholders due to the reinstatement of regular taxation. The amount was determined by an independent appraiser appointed by the Institute of Public Auditors in Germany (IDW).

The Revaluation of the limited partnership capital noncontrolling interests concerns alstria office Prime Portfolio GmbH & Co. KG, in which the non-controlling partners have an interest. The valuation was essentially impacted due to the increase in valuation of the investment properties held by this company.

5.7. Net results of the disposal of investment property

EUR k	2024	2023
Proceeds from the disposal of investment property - transferred to buyer	0	29,750
Carrying amount of investment property disposed of - transferred to buyer	0	-29,648
Costs in relation to the sale of investment properties - transferred to buyer	0	-21
Gain on disposal of investment property - transferred to buyer	**0**	**81**
Agreed selling price of held-for-sale investment properties	0	0
Carrying amount of investment property at the time of reclassification to held-for-sale	0	0
Costs in relation to the sale of investment properties - held for sale	0	0
Valuation result of held-for-sale investment properties	**0**	**0**
Gain on disposal of investment property	**0**	**81**

In the 2023 and 2024 financial years, no properties were sold at a sales price below their book value.

5.8. Net financial result

The financial result breaks down as follows:

EUR k	2024	2023
Interest income	4,514	9,850
Interest like income	14,682	9,702
Income from financial instruments and other interest income	**19,196**	**19,552**
Interest expenses, bank loans	-77,672	-57,138
Interest expenses, corporate bonds	-13,764	-16,677
Interest result "Schuldschein"	-1,116	-1,419
Interest result derivatives	13,889	9,385
Other interest expenses	-386	-76
Financial expenses	**-79,049**	**-65,925**
Commitment fees	-752	-700
Agency fees financial derivatives	-72	0
Financial expenses lease liability IFRS 16	-103	-105
Miscellaneous other expenses from financial instruments	-51	-200
Other financial expenses	**-978**	**-1,005**
Net financial result	**−60,831**	**−47,378**

The decrease in interest income essentially results from a lower level of funds compared to the previous year. Negative interest income was included in the amount of EUR 0 k and in the previous year in the amount of EUR 3 k. Interest-like income includes EUR 11,350 k (2023: EUR 6,380 k) in income from the repurchase of own corporate bonds below their issue value. alstria acquired its own corporate bonds with a nominal value of EUR 97,300 k for EUR 85,950 k.

The increase in interest expenses on bank loans is due to the new bank loans and the refinancing of a corporate bond through bank loans in the previous year at an increased interest rate level (compared to the interest rates at which the refinanced debt was taken out) (see Notes 7.3).

The positive interest result from derivative financial instruments reflects the development of interest rates over the course of the 2024 financial year, which led to compensation payments for the interest rate swaps and caps entered into to hedge the variable loan interest rates. Further information and explanations on the derivatives can be found in Note 6.5.

Overall, financial expenses increased by EUR 13,124 from EUR 65,925 k to EUR 79,049 k, as the refinanced loans had higher interest rates while the volume of financing remained almost the same.

The total interest expenses calculated by applying the effective interest method for financial liabilities (i.e., not recognized at fair value through profit or loss) amounted to EUR 6,087 k (interest expenses, 2023: EUR 5,916 k).

In neither of the two former financial years did the Group hold any financial assets available for sale. Therefore, the net result from the disposal of financial assets available for sale amounted, as in the previous year, to EUR 0.

5.9. Income tax expenses

On January 1, 2007, alstria office REIT-AG obtained G-REIT status. At that time, it was subject to final taxation and had been effectively tax exempt with regard to corporate and trade tax since then.

Minor tax-payment obligations may arise at Group level for affiliates serving as a general partner of a partnership or for REIT Service Companies.

With the acquisition of the alstria office Prime Portfolio GmbH & Co. KG, however, companies were included in the consolidated financial circle that are not subject to the REIT exemption. This resulted in expenses for income taxation at the level of the alstria office Prime Portfolio GmbH & Co. KG subgroup.

The parent company alstria office REIT-AG was exempt from corporate and trade tax in the 2024 reporting year due to its REIT status. However, due to non-compliance with the conditions for maintaining REIT status, particularly with respect to the minimum free float requirement under Section 11 of the REIT Act, this status expired as of the end of December 31, 2024. Consequently, the Group is subject to regular corporate and trade tax obligations from that date forward. Although no current income taxes were incurred by alstria AG for the 2024 reporting year, deferred tax assets and liabilities were recognized. These take into account the expected tax liability from the 2025 financial year and are based on temporary differences between the tax and balance sheet values of assets and liabilities (compare Note 2.4.7).

EUR k	2024	2023
Corporate Income tax:		
Current year	-61	-71
Adjustments in respect of prior years	1.957	293
Corporate Income tax	**1.895**	**222**
Deferred tax:		
Origination and reversal of temporary differences	-225.296	n/a
Effet on changes in tax rates	0	n/a
Write-down of previously deferred tax assets	0	n/a
Deferred tax	**-225.296**	**n/a**

Current income taxes relate exclusively to taxable profits of consolidated subsidiaries and alstria office REIT-AG. Current tax expense is composed primarily of corporation tax including solidarity surcharge amounting to EUR 891 k (previous year: EUR 253 k) and trade tax amounting to EUR 1,004 k (previous year: EUR 31 k).

Whether or not deferred tax assets are recoverable is determined based on management’s assessment regarding the recoverability of deferred tax assets. This depends on the generation of future taxable profits during the periods in which temporary differences are reversed and tax loss carryforwards can be utilised. alstria assumes that, based on the forecast for each investment property, the future taxable income will be sufficient to be able in all likelihood to realise the recognised deferred tax assets. The current assessment with regard to the recoverability of deferred tax assets may change, making higher or lower allowances necessary.

Due to the absence of tax loss carryforwards, no deferred taxes arose from this.

Deferred taxes are measured on the basis of the tax rates that apply or are likely to apply at the date they are realised. As in the previous year, the calculation of domestic deferred taxes is based on the corporation tax rate of 15%, the solidarity surcharge of 5.5% on the corporation tax rate, and the Company-specific trade tax rates (usually 16.45%). The Group's properties are generally held in non-commercial and de-registered partnerships that are not subject to trade tax. This does not apply to companies in which development projects are carried out on properties with the intention of subsequently selling the properties. The trade tax rate was only included for these companies in the calculation of deferred taxes. Deferred tax expense/income compares with the previous year as follows:

EUR k	2024	2023
Tax loss carryforwards	0	n/a
Investment properties	-225,296	n/a
Derivatives	0	n/a
Total	**-225,296**	n/a

Deferred tax assets and liabilities can be classified as follows:

	31.12.2024		31.12.2023	
EUR k	**Assets**	**Liabilities**	**Assets**	**Liabilities**
Tax loss carryforwards	0	0	n/a	n/a
Investment properties	5,092	230,387	n/a	n/a
Derivatives	2.229	0	n/a	n/a
Total	**7,321**	**230,387**	**n/a**	n/a

Deferred taxes on the items included in other comprehensive income amount to EUR 2,230 k (previous year: EUR 0 k), of which EUR 2,230 k (previous year: EUR 0 k) is attributable to the movements in the Group's cash flow hedges. Deferred tax assets and liabilities amounting to EUR 9,956 k (previous year: EUR 0 k) were netted.

The difference between anticipated tax expense and actual tax expense can be reconciled as follows:

EUR k	2024	2023
Profit for the period before tax	118,.856	-653,.596
Applicable statutory tax rate (in %)	32,.275	32,.275
	38,.361	**0**
Increase or decrease in the tax liability through		
REIT tax exemption	-38,.361	0
Deferred taxes	-225,.296	0
Current income tax result of consolidated subsidiaries	1,.895	222
Total	**-223,.401**	**222**

As of December 31, 2024, the Group's annual profits are solely subject to the German tax regime, as all Group entities are located and operating exclusively in Hamburg, Germany. Additionally, the Group's turnover remains below the threshold of EUR 750 million. Therefore, as of December 31, 2024, the provisions of the Minimum Taxation Act (Pillar II) do not apply to the Group.

However, as part of the Brookfield Group until October 2024, alstria was subject to the Global Minimum Tax rules (Pillar II) under both international and German domestic legislation.

During the period of consolidation with Brookfield, alstria recognized deferred tax expenses of EUR 217 million. Based on a preliminary estimate, this resulted in an indicative Effective Tax Rate (ETR) exceeding the 15% threshold. Even after adjustments for the GloBE Covered Tax calculation, the ETR is expected to remain above 15%.

There is a potential risk that German tax authorities may challenge the eligibility of certain deferred tax charges related to gross timing differences existing before January 1, 2024. However, deferred taxes arising from gross movements within the period should qualify as covered tax under the GloBE rules, maintaining alstria's ETR around 15%.

Based on professional advice, alstria is expected to qualify as an Investment Entity. Consequently, any potential Qualified Domestic Minimum Top-Up Tax (QDMTT) would apply only to the portion allocable to Brookfield as the Ultimate Parent Entity. Brookfield has undertaken to cover any such tax liabilities attributable to its share of alstria's profits.

As a result, no minimum tax charge will ultimately be borne by alstria for the period it was consolidated within Brookfield in 2024. Either the deferred tax charge will keep the ETR above 15%, or, as an Investment Entity, any remaining top-up tax will be allocated to Brookfield, which has committed to bearing this cost.

Therefore, no tax expenses or provisions for Pillar II income tax were recognized in the 2024 financial statements.

The group has applied the temporary exception issued by the IASB in May 2023 from the accounting requirements for deferred taxes in IAS 12. Accordingly, the Group neither recognises nor discloses information about deferred tax assets and liabilities related to Pillar Two income taxes.

6. NOTES TO THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION – ASSETS

6.1. Investment property

This item, comprising investment properties held by the Company, breaks down as follows:

EUR k	2024	2023
Investment property as of December 31	**3,971,253**	**4,606,848**
Investments (Capital expenditure))	103,150	137,338
Acquisitions	277	0
Acquisition costs	0	0
Recognition of a right-of-use asset according to IFRS 16	0	0
Disposals	0	–3,392
Transfer to assets held for sale	0	0
Transfer to property, plant, and equipment (owner-occupied properties)	0	0
Net loss / gain from fair value adjustments to investment property	52,751	-769,541
Investment property as of December 31	**4,127,431**	**3,971,253**

alstria did not carry out any real estate transactions in the 2024 financial year.

	Acquisition		Disposal	
Property transaction	**Number of properties**	**Transaction amount in EUR k**	**Number of properties**	**Transaction amount in EUR k**
Contract signed until 2022, transferred in 2023	0	0	1	26,550
Contract signed and transferred in 2023	0	0	1	3,200
Contract signed in 2023, transferred 2024	0	0	0	0
Total	**0**	**0**	**2**	**29,750**

Capital expenditure (EUR 103,150 k) comprises subsequent acquisition and production costs relating to property acquisitions and refurbishment projects.

The investment property includes rights-of-use assets from leases, which are shown in the amount of the leasing liabilities of EUR 4,338 k (December 31, 2023: EUR 4.276 k).

Borrowing costs that would have had to be capitalized as construction costs were not incurred during the reporting period (2023: EUR 0).

The alstria office REIT-AG applied the fair value model pursuant to IAS 40.33 et seq. for subsequent measurement of investment property. External appraisals were obtained for measurement. For a detailed description of the valuation of assets, please see Note 2.4.

The item “net result from fair value adjustments on investment property” on the income statement in the amount of EUR 144,495 k (2023: EUR 770,201 k) is attributable to a change in unrealized losses.

The total of the increases in value amounted to EUR 197,246 k (2023: EUR 660 k). Since no properties were sold in the financial year the net result from the valuation of investment properties was not not affected by property disposals.

As in the previous year, all real estate held as investment property measured at fair value is classified as Level 3 in the fair value hierarchy.

The Group has considered the nature, characteristics, and risks of its properties, as well as the level of the fair value hierarchy within which the fair value measurements are categorized, in determining the appropriate classes of investment property.

The following factors help determine the appropriate classes:

a) The real estate segment: Within all investment portfolios, the majority of the lettable area is dedicated to offices. Therefore, all investment properties belong to one asset class: offices.
b) The geographical location of all properties is Germany.
c) The level of fair value hierarchy for all investment properties is Level 3.
d) There are large differences between the contractual lease terms. This also affects the weighted average unexpired lease term (**WAULT**) for each investment property. A distinction is made between objects with a short, medium, and long WAULT.

As a result, three appropriate classes of investment properties emerged:

- Germany – Office – Level 3 – short WAULT (0–5 years);
- Germany – Office – Level 3 – medium WAULT (> 5–10 years); and
- Germany – Office – Level 3 – long WAULT (> 10 years).

Quantitative information about fair value measurements using unobservable inputs (alstria portfolio) (Level 3)

EUR k, unless stated otherwise				Range		
Portfolio	Fair value on Dec. 31, 2024	Valuation technique	Unobservable inputs	Min.	Max.	Weighted average
German offices	4,127,431	DCF	Estimated rental value (EUR/m²/mo.)	9.00	32.00	17.93
Number of properties:			Discount Rate	4.75%	9.00%	6.76%
106			Exit Cap Rate	3.15%	7.75%	5.70%
0 ≤ WAULT ≤ 5 Years						
German offices	2,188,731	DCF	Estimated rental value (EUR/m²/mo.)	10.00	32.00	17.45
Number of properties:			Discount Rate	4.75%	9.00%	6.91%
74			Exit Cap Rate	4.00%	7.75%	5.75%
5 < WAULT ≤ 10 Years						
German offices	1,258,000	DCF	Estimated rental value (EUR/m²/mo.)	9.00	28.00	16.84
Number of properties:			Discount Rate	5.15%	9.00%	6.91%
22			Exit Cap Rate	4.50%	7.25%	5.78%
WAULT > 10 Years						
German offices	680,700	DCF	Estimated rental value (EUR/m²/mo.)	12.00	32.00	23.67
Number of properties:			Discount Rate	4.75%	6.10%	5.35%
10			Exit Cap Rate	3.15%	6.35%	5.15%

Sensitivity of measurement to variance of significant unobservable input

A decrease in the estimated rental income decreases the fair value.

An increase in the discount rate decreases the fair value.

An increase in the Exit Cap Rate decreases the fair value.

In the following, the influence of changes in the capitalization rates (discount rate) on the market values is indicated.

Fair value of investment properties (EUR m)

Capitalization rate	Dec. 31, 2024	Dec. 31, 2023
−1.00 %	4,501	4,340
−0.50 %	4,309	4,151
−0.25 %	4,217	4,059
0.00 %	4,127	3,971
0.25 %	4,039	3,885
0.50 %	3,954	3,801
1.00 %	3,788	3,639

Capitalization rate	Dec. 31, 2024	Dec. 31, 2023
−1.00 %	4,854	**4,723**
−0.50 %	4,449	**4,307**
−0.25 %	4,280	4,130
0.00 %	4,127	3,971
0.25 %	3,989	3,828
0.50 %	3,863	3,697
1.00 %	3,644	3,465

Operating lease commitments – Group as lessor

The Group has entered into commercial property leases on its investment property portfolio, which consists of the Group’s offices and commercial real estate. These noncancelable leases have remaining maturity of between 1 and 17 years. Most leases include an indexation clause allowing rental charges to be raised annually according to consumer price indexation.

Future minimum rental charges receivable as agreed in noncancelable operating leases as at December 31, 2024 are as follows:

EUR k	Dec. 31, 2024	Dec. 31, 2023
Within 1 year	190,485	191.251
After 1 year but not longer than 5 years	488,330	485.180
Longer than 5 years	378,763	372.789
Total	**1,057,578**	**1,049,220**

Disclosures concerning expenses/income as recorded in the income statement pursuant to IAS 40.75 (f) include the following:

- EUR 239,176 k (2023: EUR 230,193 k) in revenues from investment properties, of which EUR 302 k is related to subleases of rights-of-use assets;
- EUR 55,705 k (2023: EUR 56,243 k) in operating expenses (including repairs and maintenance)

directly allocable to investment properties from which rental income was generated during the period under review; and

- EUR 11,617 k (2023: EUR 10,014 k) in operating expenses (including repairs and maintenance) arising from investment properties that did not generate rental income during the period under review.

Investment properties, held-for-sale properties, and own used properties amounting to EUR 2,505.9 m (December 31, 2023: EUR 1,985.1 m) served as collateral for bank loans.

6.2. Equity-accounted investment

As of the balance sheet date and the previous year's date, the Group held no investments in associated companies or joint ventures.

6.3. Intangible assets and property, plant, and equipment

The intangible assets consist of licenses to other rights and software licenses with carrying amounts of EUR 254 k and EUR 88 k, respectively. The useful life of the intangible assets is estimated to be between 1 and 8 years.

The alstria office REIT-AG occupies areas for its own use in four of its office buildings in Hamburg, Berlin, Düsseldorf and Frankfurt. Therefore, the owner-occupied areas of the properties are categorized as "Property, plant, and equipment" according to IAS 16, and amortized according to plan.

The following table shows the development of property, plant, and equipment.

EUR k	Plant	Furniture and fixtures	Owner-occupied property	Forrest	IFRS 16 right-of-use assets	Total 2024
Acquisition and production cost						
As of January 1, 2024	**1,266**	**2,194**	**18,770**	**2,834**	**2,507**	**27,571**
Additions	0	198	130	1	694	1,023
Disposals	-148	-304	16	0	-1,145	-1,580
As of December 31, 2024	**1,118**	**2,088**	**18,915**	**2,835**	**2,056**	**27,013**
Accumulated amortization, depreciation, and write-downs						
As of January 1, 2024	**1,263**	**1,472**	**1,996**	**0**	**1,445**	**6,177**
Additions		182	335	0	1,437	1,954
Disposals	-145	-180	0	0	-1,512	1,837
As of December 31, 2024	**1,118**	**1,474**	**2,331**	**0**	**1,370**	**6,294**
Net book values as of December 31, 2024	0	614	16,584	2,835	686	20,719

EUR k	Plant	Furniture and fixtures	Owner-occupied property	Forrest	IFRS 16 right-of-use assets	Total 2023
Acquisition and production cost						
As of January 1, 2023	**1,266**	**2,026**	**17,954**	**2,683**	**1,544**	**25,473**
Additions	0	168	816	151	963	2,098
Disposals	0	0	0	0	0	0
As of December 31, 2023	**1,266**	**2,194**	**18,770**	**2,834**	**2,507**	**27,571**
Accumulated amortization, depreciation, and write-downs						
As of January 1, 2023	**1,251**	**1,288**	**1,661**	**0**	**1,026**	**5,226**
Additions	**12**	**184**	**335**	**0**	**419**	951
Disposals	**0**	**0**	**0**	**0**	**0**	0
As of December 31, 2023	**1,263**	**1,472**	**1,996**	**0**	**1,445**	**6,177**
Net book values as of December 31, 2023	**3**	**722**	**16,774**	**2,834**	**1,062**	**21,395**

Three of the owner occupied properties were pledged with a mortgage to secure loans from the Group.

The forest property with an area of 2,168 hectares was acquired in the reporting period 2021 for sustainable management and use. The growth is a mixed pine forest. Accounting is carried out in accordance with IAS 41. There was no change in valuation as of the balance sheet date.

6.4. Financial assets

EUR k	Dec. 31, 2023	Repayments	Investment in financial assets	Valuation	Dec. 31, 2024
Noncurrent financial assets	95,350	0	0	-918	94,432

The financial assets of EUR 94,432 k (December 31, 2023: EUR 95,350 k) are related to long-term deposits in the amount of EUR 94,432 k with a term up to the end of the 2032 financial year. As of the prior year-end, an additional EUR 269k was allocated to shares in a joint-stock company in which alstria holds less than three percent and cannot exert significant influence. A further EUR 649k was invested in a minority interest in a company facilitating CO_2 storage techniques. Both financial investments continue to exist; however, an impairment of EUR 918k was recognized

Current financial assets did neither exist at the end of the reporting period nor at the end of the previous.

There were no value adjustments for long-term deposits as of the balance sheet date, as they are covered by the borrower's shares in an investment.

6.5. Derivative financial instruments

The following derivative financial instruments were in place at the end of the reporting period:

Product	Strike p.a. (%)	Start of Hedging	Maturity date	Counterparty	Dec. 31, 2024 Nominal (EUR k)	Dec. 31, 2024 Fair value (EUR k)	Dec. 31, 2023 Nominal (EUR k)	Dec. 31, 2023 Fair value (EUR k)
Swap	3.1350	30.06.2023	26.04.2030	Landesbank Hessen-Thüringen Girozentrale	70,500	-3,321	70,500	-3,362
Cap	0.0350	30.06.2023	26.04.2030	Societe Generale	70,500	638	70,500	1,191
Swap	4.0330 - 2.5000	01.11.2023	31.08.2028	Hamburg Commercial Bank AG	50,000	-1,429	50,000	-1,912
Swap w/ Floor	3.0000	30.06.2023	30.06.2028	Landesbank Baden-Württemberg	50,000	-1,437	50,000	-1,256
Swap	3.2300	30.06.2023	29.03.2030	Morgan Stanley Europe SE	67,500	-3,469	67,500	-3,561
Cap	3.5000 - 2.5000	01.11.2023	31.08.2028	Morgan Stanley Europe SE	10,000	92	10,000	165
Cap	3.5000 - 2.5000	01.11.2023	31.08.2028	Morgan Stanley Europe SE	40,000	367	40,000	663
Swap	1.7500	30.09.2022	30.09.2027	Societe Generale	500,000	4,627	500,000	10,714
Cap	3.5000	30.06.2023	30.06.2028	Societe Generale	35,000	198	35,000	323
Cap	3.5000	30.06.2023	29.03.2030	Societe Generale	22,500	119	22,500	372
Cap	3.5000	30.06.2023	26.04.2030	Societe Generale	47,000	426	47,000	795
Swap	3.0000	29.12.2023	31.08.2025	Societe Generale	107,000	-435	107,000	-2,367
Swap	3.0000	29.08.2025	29.08.2026	Societe Generale	107,000	-1,184	n/a	n/a
Swap	3.0000	31.08.2026	29.08.2027	Societe Generale	107,000	-971	n/a	n/a
Floor	0.0000	28.06.2024	29.08.2025	Societe Generale	107,000	0	n/a	n/a
Swap	1.9240	30.09.2022	30.09.2028	UniCredit Bank AG	60,000	424	60,000	1,039
Swap	1.9240	30.09.2022	30.09.2028	UniCredit Bank AG	22,450	159	22,450	389
Cap	4.0500	09.02.2024	31.12.2029	Societe Generale	90,000	483	n/a	n/a
Cap	3.5000	28.06.2024	30.06.2026	Societe Generale	100,000	13	n/a	n/a
Swap	2.5000	30.06.2026	30.06.2031	Landesbank Baden-Württemberg	100,000	-1,085	n/a	n/a
Financial derivatives					**1,763,450**	**-5,786**	**1,152,450**	**-3,193**

The derivative financial instruments held by alstria are exclusively interest rate swaps and caps.

Derivative financial instruments that are not designated for a cash flow hedge relationship were not held on the balance sheet date or during the year.

Offsetting agreements with counterparties (so-called master agreements) were not agreed.
The change in value of the derivatives is taken into account in different balance sheet items.

The following table shows the change in financial derivatives since December 31, 2023:

EUR k	Cash flow hedge reserve	Financial assets		Financial liabilities		Total
		Non-current	Current	Non-current	Current	
Hedging instruments as at January 1, 2024	**-6,408**	**6,587**	**9,354**	**-10,001**	**-2,747**	**3,193**
Effective change in fair values cash flow hedges	-8,698	-1,340	-6,723	1,772	-2,406	-8,698
Ineffective change in fair values cash flow hedges	0	-1,612	-167	95	-36	-1,720
Net result from fair value changes in financial derivatives not qualifying for cash flow hedging	0	0	0	0	0	0
Reclassification of cumulated loss from equity to income statement	333	0	0	0	0	0
Reclassification due to change of residual term	0	0	0	0	0	0
Changes in accrued interests concerning financial derivatives	0	-114	0	0	0	-114
Acquisitions	0	1,440	112	0	0	1,552
Disposals	0	0	0	0	0	0
Deferred tax result	2,229	0	0	0	0	0
Hedging instruments as at December 31, 2024	**-12,540**	**4,961**	**2,576**	**-8,134**	**-5,190**	**-5,787**

The notional amount of the financial derivatives effective at the end of the reporting period is EUR 1,763,450 k (December 31, 2023: EUR 1,152,450 k). This includes cash flow hedges and derivatives not qualifying for cash flow hedging.

Since all derivatives are designated for a cash flow hedging relationship, the nominal value of the non-designated derivatives is zero euros (December 31, 2023: EUR 0).

A decrease in the fair values of derivatives of an amount of EUR 8,698 k that are effective in a cash flow hedge was recognised in the equity in the hedging reserve in 2024 (2023: decrease of EUR 39,086 k). An amount of EUR 334 k (2023: EUR 15 k) was reclassified from the reserve for cash flow hedging to the income statement; these are amounts that relate to terminated derivatives and are amortized over the remaining term of the underlying loan.

The ineffective portion that arises from cash flow hedges amounted to a fair value loss of EUR 2.062 k (2023: loss of EUR 721 k) and is recognised in profit or loss.

Netting agreements with counterparties (so-called master agreements) have not been agreed.

6.6. Receivables and other assets

Due to the specific nature of the business, the Group considers receivables with a remaining term of up to 1 year to be current. The following table presents an overview of the Group's receivables:

EUR k	Dec. 31, 2024	Dec. 31, 2023
Net rent receivables	2,946	10,001
Service charge receivables	1,890	813
Trade receivables	**4,836**	**10,814**
Other receivables		
Creditors with debit balance	988	693
Maintenance reserves	396	392
Interest receivables	222	148
Cash in transit	18	323
Receivables and other assets	77	195
Financial assets	**1,701**	**1,751**
VAT receivables	2,997	1,975
Prepayments made	698	380
Capitalized transaction costs on outstanding loan facility	533	600
Deductible capital gains taxes	98	1,029
Non-financial assets	**4,326**	**3,984**
Other receivables	**6,027**	**5,735**

The decrease in trade receivables from EUR 10,814 k by EUR 5,978 k to EUR 4,836 k is based on an increased net rent receivable for special services from a tenant at the end of the prior period.

The deductible capital gains taxes are related to the taxation on hidden reserves in the course of the change of legal form in subsidiaries in the 2016 financial year. Affected are companies of the Prime Portfolio subgroup, which, following the takeover of the former DO Deutsche Office Group, changed from the legal form of a limited liability company to the legal form of a limited partnership. They were mostly settled during the fiscal year.

All receivables are due within 1 year from the balance sheet date. The fair value of all receivables is equal to their carrying amount.

The expected credit losses are calculated in two ways. For alstria's key tenants, default probabilities observed on the market made available by Bisnode Deutschland GmbH, Darmstadt, Germany, are used. For its receivables from the remaining (non-key) tenants, alstria uses an impairment matrix. The receivables of these other tenants are valued based on historical probabilities of default. Future developments or macroeconomic indicators are monitored, and adjustments are made if necessary.

On this basis, alstria estimates the following default rates:

EUR k	0-30 days overdue	31-90 days overdue	91-180 days overdue	More than 180 days overdue
Default rate as of 31.12.2024	19.95%	34.03%	88.77%	100.00%
Default rate as of 31.12.2023	22.83%	45.58%	90.47%	100.00%

Trade receivables from tenants of alstria as of December 31, 2024 are valued as follows:

EUR k	Gross amount	Provision made for default of receivables over the entire term	Provision made for default of receivables over 12 months	Net amount
0-30 days overdue	1,567	-206		1,361
31-90 days overdue	372	-88		284
91-180 days overdue	205	-170		35
More than 180 days overdue	82	-82		0
Total other tenants	**2,226**	**-546**		**1,679**
Key tenants	3,185	-	-30	3,156
Total	**5,412**	**-546**	**-30**	**4,836**

Trade receivables from tenants of alstria as of December 31, 2023 were valued as follows:

EUR k	Gross amount	Provision made for default of receivables over the entire term	Provision made for default of receivables over 12 months	Net amount
0-30 days overdue	1,790	-409		1,381
31-90 days overdue	548	-249		299
91-180 days overdue	134	-121		13
More than 180 days overdue	182	-182		0
Total other tenants	**2,654**	**-961**		**1,693**
Key tenants	9,150	-	-29	9,121
Total	**11,804**	**-961**	**-29**	**10,814**

The allowance for trade receivables developed as follows:

EUR k	2024	2023
As of January 1	990	829
Additions	432	636
Net revaluation of allowances	-847	-475
As of December 31	**575**	**990**

Receivables from rental agreements and property disposals, as well as insurance receivables and derivative financial instruments, have been assigned to the lenders (Note 7.3) to secure the Group's mortgage-backed loans.

6.7. Cash and cash equivalents

EUR k	Dec. 31, 2024	Dec. 31, 2023
Bank balances	**80,233**	**116,282**

Current accounts held with banks attract variable interest rates for on-call balances. As of the reporting date, EUR 7,448 k of the cash and cash equivalents were restricted. The amount corresponds to accrued interest obligations and other amounts that are not at the Company's free disposal. Restrictions on cash amounts as of the previous year's reporting date amounted to EUR 8,031 k.

Due to the very low credit default probabilities of the banks for the daily available bank balances, there was no impairment of cash and cash equivalents. The credit rating was based on observable market parameters.

In addition, cash and cash equivalents include EUR 6,196 k in rent deposits received from tenants (December 31, 2023: EUR 6,647 k). These tenant deposits, recognized under cash and cash equivalents, are offset by an item included under Other Liabilities.

6.8. Assets held for sale

As of the balance sheet date and the previous year's date, the Group did not hold any properties held for sale.

There was therefore no net result from the sale of investment properties for the 2024 financial year any more. (see Note 5.7).

The valuation of assets held for sale is generally based on the contract prices and, therefore, included within Level 1 of the fair value hierarchy.

7. NOTES TO THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION - EQUITY AND LIABILITIES

7.1. Equity

For detailed information on equity, please refer to the consolidated statement of changes in consolidated equity.

Share capital

EUR k	Dec. 31, 2024	Dec. 31, 2023
Ordinary shares of EUR 1 each	**178,562**	**178,562**

The share capital of alstria office REIT-AG stayed unchanged. As well as of December 31, 2023, as of December 31, 2024, it is represented by 178,561,572 no-par value bearer shares.

As a result of the acquisition by Brookfield and the subsequent restructuring measures (see Section 1), 95.37% of the company's shares were attributable to Brookfield as of the end of November 2024 (December 31, 2023: 95.37%).

Capital reserve

The capital reserve changed as follows during the financial year:

EUR k	2024	2023
As of January 1	**245,961**	**507,640**
Payment of dividends	0	–262,469
Share-based remuneration	0	520
Conversion of convertible participation rights	0	270
As of December 31	**245,961**	**245,961**

Revaluation surplus

Following the relocation of the headquarters within Hamburg in the first quarter of the financial year 2018, the office space that had previously been used as owner-occupied property again became investment property and was remeasured at fair value. The fair value revaluation resulted in an increase in the carrying amount of the property in the amount of EUR 3,485 k. The increase in value was recognized in other comprehensive income and allocated to the revaluation surplus.

Hedging reserve

EUR k	Dec. 31, 2024	Dec. 31, 2023
Hedging reserve	**-12,540**	**-6,408**

For further details on the change in hedging reserve please refer to Note 6.5.

Treasury shares

As of December 31, 2024, as was the case on the previous year's reporting date, the Company held no treasury shares.

By resolution of the Annual General Meeting held on May 4, 2023, the Company's authorization to acquire treasury shares was renewed. The resolution authorized alstria office REIT-AG to acquire up to 10 % of the capital stock until May 3, 2028. There is no intention to make use of this authorization at present.

Retained earnings

Retained earnings as of December 31, 2024, totaled EUR 1,091,401 k (December 31, 2023: profit carried forward of EUR 1,195,947 k). The reduction in retained earnings results from the consolidated annual result for the 2024 financial year.

Authorized capital

By resolution of the Annual General Meeting on June 6, 2024, the Company's Authorized Capital I 2020 was replaced with the new Authorized Capital 2024.

The Authorized Capital 2024 authorizes the Management Board, with the Supervisory Board's approval, to increase the Company's share capital on or before June 5, 2029 by up to EUR 89,281 k.

Conditional capital

The Company's share capital is conditionally increased by up to EUR 89,281 k ('Conditional Capital 2024'). The Conditional Capital 2024 serves to grant shares to the holders of convertible bonds or bonds with warrants, profit participation rights or participating bonds issued by the Company up to on or before June 5, 2029.

7.2. Noncontrolling interests of limited partners

In the 2017 financial year, alstria office REIT-AG acquired 2,128,048 limited partner shares. A further 3,593,463 limited partner shares were redeemed against cash compensation by alstria office Prime. In the financial years 2018 to 2020, a further 47,781 limited partner shares were acquired. No limited partnership shares were acquired in the 2021 to 2024 financial years. In the 2022 financial year, alstria office REIT-AG sold 8,840,478 limited partnership shares at a sale price of EUR 55,518 k.

In the reporting period, the change in value of the existing limited partnership shares of noncontrolling interests resulted in an expense of EUR 6,487 k (2023: gain of EUR 18,811 k). The fair value of the limited partnerships of noncontrolling interests reported as of the balance sheet date amounted to EUR 101.059 k (2023: EUR 98.318 k), whereby EUR 101,038 k are to be classified as long term and EUR 21 k as short term liabilities.

7.3. Financial liabilities

	Noncurrent	Current			Total
EUR k		Loan	Accrued interest	Total current	Dec. 31, 2024
Loans					
Corporate bonds	643,859	334,480	3,656	338,137	**981,996**
Mortgage loans	1,288,088	106,806	296	107,103	**1,395,191**
Schuldschein	39,979	0	718	718	**40,697**
Total	**1,971,926**	**441,287**	**4,671**	**445,958**	**2,417,884**

	Noncurrent	Current			Total
EUR k		Loan	Accrued interest	Total current	Dec. 31, 2023
Loans					
Corporate bonds	1,073,345	0	3,898	3,898	**1,077,243**
Mortgage loans	1,064,299	256,517	644	257,161	**1,321,460**
Schuldschein	39,963	0	718	718	**40,681**
Total	**2,177,607**	**256,517**	**5,260**	**261,777**	**2,439,384**

The table presents the long-term loans and the net of the current portion as stated under noncurrent liabilities. Furthermore, it shows the current amount due within 1 year, recorded as an item in short-term loans in current liabilities.

As of December 31, 2024, the total repayable amount of the corporate bonds, the bank loans, the Schuldscheindarlehen, and the convertible bond drawn by alstria (as of the prior year's balance sheet date) was EUR 2,427,700 k (December 31, 2023: EUR 2,450,000 k). The carrying amount of EUR 2,417,884 k (EUR 1,971,926 k, noncurrent, and EUR 445,958 k, current) considers interest liabilities and accrued transaction costs. Financial liabilities with a maturity of up to 1 year are recognized as current loans.

The following table shows the changes in financial liabilities:

EUR k	Dec. 31, 2023	Payments of the period	Reclassification noncurrent/ current	Changes in fair value	Dec. 31, 2024
Long-term loans and bonds, net of current portion	2,177,607	127,700	-335,200	1,819	1,971,926
Short-term loans	261,777	-150,000	335,200	-1,019	445,958
Total	**2,439,384**	**-22,300**	**0**	**800**	**2,417,884**

1) Changes in deferred loan costs (effective interest).

2) Changes in the accrued interest.

The cash changes in borrowings shown in the column "Payments of the period" include, in addition to the cash inflows and outflows from loans and corporate bonds, the payments of transaction costs for taking out loans.

The following table provides information on the Group's loans and borrowings:

Liabilities	Start	Maturity	Notional in EUR k	Coupon in %	Utilized at 31.12.2024 in EUR k	Book value as of 31.12.2024 in EUR k	OMV as at 31.12.2024 in EUR k	Accrued interest at 31.12.2024 in EUR k
Mortgage loan #1	*II 2024*	30.06.2031	150,000	3M-EURIBOR	125,000	123,101	125,000	24
Mortgage loan #2	*II 2016/ II 2023*	31.03.2030	90,000	3M-EURIBOR	90,000	89,383	89,461	10
Mortgage loan #3	*III 2018/ III 2022*	29.09.2028	97,000	3M-EURIBOR	97,000	96,821	95,092	10
Mortgage loan #4	*III 2022*	30.09.2027	500,000	3M-EURIBOR	480,000	476,550	477,755	117
Mortgage loan #5	*III 2022*	29.08.2025	107,000	3M-EURIBOR	107,000	106,806	106,889	24
Mortgage loan #6	*III 2023*	26.04.2030	188,000	3M-EURIBOR	188,000	185,514	187,260	28
Mortgage loan #7	*III 2023*	30.06.2028	100,000	3M-EURIBOR	100,000	98,669	100,036	42
Mortgage loan #8	*IV 2023*	31.08.2028	100,000	3M-EURIBOR	100,000	99,447	99,734	13
Mortgage loan #9	*I 2024*	28.12.2029	120.000	3M-EURIBOR	120,000	118,603	120,290	24
Total secured			**1,452,000**		**1,407,000**	**1,394,895**	**1,401,517**	**292**
Bond III	*IV 2017*	15.11.2027	350,000	1.5000	311,400	310,259	279,949	597
Bond IV	*III 2019*	26.09.2025	400,000	0.5000	335,200	334,480	320,652	442
Bond V	*II 2020*	23.06.2026	350,000	1.5000	334,100	333,600	308,074	2,617
Schuldschein 10y/fix	*II 2016*	06.05.2026	40,000	2.7500	40,000	39,979	39,625	718
Total unsecured			**1,140,000**		**1,020,700**	**1,018,318**	**948,300**	**4,374**
Total			**2,592,000**		**2,427,700**	**2,413,213**	**2,349,817**	**4,666**

Mortgage loans

These are property-related bank loans, most of them with variable interest rates. The loans are secured by mortgages and other collateral customary for bank loans.

In December 2024, alstria signed two new loan agreements, which had not yet been drawn down as of the reporting date. One loan with a volume of EUR 94.5 million was signed on December 6, 2024, and another loan with a volume of EUR 70.0 million was signed on December 12, 2024.

Corporate bonds

The Group has placed corporate bonds on the market to finance its debt capital. The table presented before contains a summary of the corporate bonds in existence in the financial year.

In the reporting period shares in outstanding corporate bonds were bought back by the Company to the following extent:

Bond	ISIN	Dec. 31, 2024	Notional value of shares
			EUR k
Bond III	XS1717584913	16,600,000	16,600
Bond IV	XS52053346297	64,800,000	64,800
Bond V	XS2191013171	15,900,000	15,900
		97,300,000	**97,300**

Schuldschein

As of May 6, 2016, alstria issued a Schuldschein (a debenture bond) with a nominal value of EUR 150,000 k. The Schuldschein has an average coupon of 2.07 % p.a. payable according to end-of-year convention and a staggered term of between 4 and 10 years. In the meantime, loan shares in the amount of EUR 110,000 k were repaid before the end of their term, so that the Schuldschein had a notional value of EUR 40,000 k at the end of the reporting period. The fair value (hierarchy Level 2) amounted to EUR 39,625 k as of the balance sheet date.

Further details regarding the loan liabilities

The current portion of the loans relates to planned repayments (EUR 442,200 k), effective interest accruals to be deducted (EUR-913 k) and interest accruals for the loans. The latter amounted to EUR 4,671 k as of the balance sheet date (December 31, 2023: EUR 5,260 k) and is to be paid in the course of the next twelve months.

The variable interest for the loans is payable on a quarterly basis, whereby the standard margin and borrowing costs for the market are added to the respective EURIBOR rate.

As of December 31, 2024, the loans, the bond and the promissory note (Schuldschein) were reduced by accrued transaction costs of EUR 14,487 k (December 31, 2023: EUR 16,143 k).

The average debt maturity decreased from 3.3 years as of December 31, 2023, to 2.9 years as of December 31, 2024. The Group’s average interest rate increased from 2.6 % at the previous balance sheet date to 2.8 % as of December 31, 2024.

The carrying amounts of the loans are all reported in euros. With the exception of the fixed rate corporate bonds, the Schuldschein, and the convertible bond described above, the fair values of the Group’s financial liabilities approximate their carrying values at the end of the reporting period. This does not apply to their accrued transaction costs. As of December 31, 2024, an undrawn loan facility of EUR 200,000 k was in place.

Information on the loan agreements (covenants) and compliance with them can be found in Note 14.2 Capital management.

The liabilities exposed to an interest rate risk are due as follows:

EUR k	Dec. 31, 2024	Dec. 31, 2023
Up to 1 year	106,806	256,251
More than 1 year	1,288,088	1,064,299
Total	**1,394,895**	**1,320,550**

The following loans are secured by land charges:

EUR k	Dec. 31, 2024	Dec. 31, 2023
Financial liabilities secured by land charges	1,407,000	1,332,000
thereof on investment property	*1,394,569*	*1,321,994*
thereof on own used property	*12,431*	*10,006*

7.4. Other provisions

	Due			Due		
EUR k	**up to 1 year**	**in more than 1 year**	**Total Dec. 31, 2024**	**up to 1 year**	**in more than 1 year**	**Total Dec. 31, 2023**
Other provisions						
Provision ACES and other long term incentives	2,510	1,673	**4,183**	2,543	1,672	**4,215**
Other	464	0	**464**	465	0	**465**
Total	**2,974**	**1,673**	**4,647**	**3,008**	**1,672**	**4,680**

The development of other provisions is shown in the following overview:

EUR k	Dec. 31, 2023	Consumption	Resolution	Additions	Dec. 31, 2024
Development of other provisions					
Provision ACES and other long term incentives	**4,215**	-2,680	-25	2,674	**4,183**
Other	**465**	-1	0	0	**464**
Total	**4,680**	**-2,681**	**-25**	**2,674**	**4,647**

As of the balance sheet date, there were provisions of EUR 4,183 k (December 31, 2023: EUR 4,215 k) for the ACES granted to the Management Board and employees. The program was relaunched in the 2022 financial year.

Other provisions are mainly related to litigation expenses.

7.5. Trade payables and other liabilities

EUR k	Due up to 1 year	Due in more than 1 year	Total Dec. 31, 2024	Due up to 1 year	Due in more than 1 year	Total Dec. 31, 2023
Trade payables	**3,410**	**0**	**3,410**	**4,717**	**0**	**4,717**
Other current liabilities						
Compensation payment to free float shareholder	23,239	0	23,239	0	0	0
Accruals for outstanding invoices	17,483	0	17,483	24,132	0	24,132
Rent and security deposits received	6,196	9,472	15,669	6,647	8,438	15,085
IFRS 16 lease liabilities	641	4,460	5,101	680	4,765	5,444
Salary obligations	2,571	0	2,571	2,467	0	2,467
Customers with credit balances	1,139	0	1,139	486	0	486
Accruals for tax consulting	743	0	743	790	0	790
Cash compensation	735	0	735	735	0	735
Auditing costs	370	0	370	343	0	343
Vacation provisions	329	0	329	329	0	329
Market flex premium	0	0	0	3,800	0	3,800
Supervisory Board compensation	70	0	70	110	0	110
Miscellaneous liabilities	16	0	16	68	0	68
Financial liabilities	**53,532**	**13,932**	**67,464**	**40,587**	**13,203**	**53,790**
Value-added tax liabilities	1,906	0	1,906	2,299	0	2,299
Advance rent payments received	1,355	0	1,355	1,535	0	1,535
Income tax and social security contributions	221	0	221	323	0	323
Non-financial liabilities	**3,483**	**0**	**3,483**	**4,157**	**0**	**4,157**
Total other liabilities	**57,015**	**13,932**	**70,947**	**44,744**	**13,203**	**57,947**

The disclosed carrying amounts approximate their fair values.

The obligation to pay compensation to free float shareholders is the statutory compensation for the loss of tax exemption to the free float shareholders as a result of the termination of the REIT status (see Section 5.6).

The market flex premium reported on the previous balance sheet date related to the obligation to a lending bank. alstria has committed to pay the market flex premium for the portion of the loan that the bank cannot pass on to a banking consortium. In the reporting period, it became due at EUR 3,359 k. EUR 441 k could be released to profit or loss and is reported under other operating income.

Salary liabilities relate to bonus provisions for the 2024 financial year.

The **IFRS 16 lease liabilities** relate to the contractually agreed rental terms, including the expected extension options. Future cash outflows that the lessee might face due to extension options that were not considered in the measurement of the lease liability amount to EUR 7,548 k.

In its decision of September 26, 2019, the Regional Court of Hamburg set the cash compensation to be paid to entitled shareholders of the former DO Deutsche Office AG, which was leaving the company with regard to the change of the legal form, at an amount of EUR 5.58 per share plus interest. The decision is meanwhile effective. This led to a resurgence of the liability from the cash value settlement (**Cash compensation**), in terms of the outstanding settlement obligation including interests according to the court decision, in the amount of EUR 6,052 k. At the end of the reporting period, after part of the obligation has been settled, this still amounts to EUR 735 k, including interest.

7.6. Income tax liabilities

The recognition of income tax liabilities as of December 31, 2024, is described in Note 5.9 regarding income tax expenses. Obligations from income taxes arise almost exclusively at the level of the alstria office’s Prime companies acquired through the business combination on October 27, 2015.

The tax liabilities mainly resulted from taxes arising out of the realization of hidden reserves as a result of the inclusion of the companies into the tax-exempt REIT structure. As a result, no further deferred tax liabilities had to be formed since the 2016 financial year.

8. OTHER NOTES

8.1. Compensation of the Management Board and Supervisory Board

Management Board The following total remuneration was granted to the members of the Management Board, according to IAS 24.17:

EUR k	2024	2023
Short-term benefits	808	1,019
Long Term Incentiv Plan (LTIP)	398	542
Postemployment benefits	88	88
Total	**1,294**	**1,649**

On the reporting date, liabilities for the compensation of the Management Board members amounted to EUR 250 k (2023: EUR 250 k).

The LTIP granted to the Management Board represent the long-term, key figure-based remuneration for the Management Board. The actual compensation to be achieved after the end of the term depends on the performance of these key figures. Further details on the LTIP can be found in Section 13.1 and in the remuneration report.

Supervisory Board Pursuant to the Articles of Association, Supervisory Board members' fixed annual payments amounted to EUR 70 k (2023: EUR 110 k).

Further information on the disclosures from HGB Section 314, para. 1, no. 6a (German Commercial Code) and IAS 24.17 is provided in the remuneration report of the Company.

8.2. Other financial commitments and contingencies

Other financial obligations from refurbishment projects and ongoing maintenance amounted to EUR 64,000 k (2023: EUR 94,391 k). The increase results from a higher level of ongoing development projects at the end of the reporting period.

As of December 31, 2024, rental agreements for the car parking spaces and administrative premises were subject to a minimum lease term. Future financial obligations of EUR 5,102 k arose from other leasing agreements. Of these, EUR 642 k in obligations has a residual maturity of up to 1 year; EUR 1,103 k in obligations has a remaining maturity of 1 to 5 years; and the remaining EUR 3,357 k has more than 5 years.

8.3. Consolidated cash flow statement

The cash flow statement shows how the Group's cash and cash equivalents have changed over the financial year as a result of cash received and paid. In accordance with IAS 7, cash flows are distinguished from operating activities and from investing and financing activities.

Cash flows from investing and financing activities are calculated based on payments, whereas cash flows from operating activities are indirectly derived based on the consolidated profit for the year.

The net cash generated from operating activities for the 2024 financial year amounted to EUR 92,267 k, which is above the level of previous year’s operating cash flow (EUR 89,084 k). The increase is due to a higher balance of revenues received and expenses for operating costs and interest payments compared to the previous period. The net cash generated from operating activities includes other noncash income and expenses totaling EUR 552 k. These essentially relate to allocation to provisions and other liabilities. Cash outflows for leases amounted to EUR 793 k for the financial year.

The cash flow from investing activities is affected by the cash outflow for investments in the investment property portfolio in the amount of EUR 103,426 k while there was no inflow of cash from property disposals.

The cash flows from financing activities includes cash inflows from taking out a bank loans in the amount of EUR 120,000 k. Cash outflows resulted mainly from the repayment of loans in the amount of EUR 130,950 k.

Cash and cash equivalents reported in the cash flow statement relate to all liquidity items disclosed on the balance sheet (e.g., cash in hand and bank balances).

9. RELATED PARTY RELATIONSHIPS

9.1. Preliminary remarks

The related parties are the Management Board, the members of the Supervisory Board, the managing directors of the subsidiaries and second-tier subsidiaries, and their close relatives. The related parties also include entities with a controlling influence over the Group and entities with joint control or significant influence over alstria office REIT-AG.

Alexandrite Lake Lux Holdings S. á r.l., Luxembourg, Grand Duchy of Luxembourg (parent company), Brookfield Corporation and all companies directly and indirectly controlled by them are considered to be companies that exercise a controlling influence over alstria office REIT-AG through their majority of voting rights. There was no group of companies with joint management or significant influence with which transactions were conducted during the reporting period.

The joint ventures over which alstria office REIT-AG has joint control are also considered related parties.

In the view of alstria office REIT-AG's management, all transactions with related parties entered into during financial year 2024 were undertaken in terms of arm's-length transactions or under conditions favoring alstria office REIT-AG.

9.2. Remuneration of key management personnel

For a description of the remuneration of key management personnel, please refer to Notes 8.1 and 13.1 and the Company's remuneration report.

9.3. Related party transactions

At the end of the reporting period, the Group recorded no receivables from or liabilities to joint ventures or related persons other than referred to in Note 9.2.

The following table shows transactions with related companies in the 2024 financial year:

	Revenues (+)/ Expenses (-)	**Receivables/liabilities (-)**
in EUR k	**2024**	**Dec. 31, 2024**
Interest Corporate Bonds	-2.658	-746
Accounting & Reporting services	100	0
Containerlease	-50	0
Letting	51	5

The following table shows transactions with related companies in the 2023 financial year:

in EUR k	Revenues (+)/ Expenses (-) 2023	Receivables/liabilities (-) Dec. 31, 2023
Interest Corporate Bonds	-1,549	-862
Accounting & Reporting services	100	0
Containerlease	-44	0
Letting	15	5

The accounting and reporting services relate to the preparation of consolidation accounting and reporting services for Brookfield companies outside the alstria group.

The interest expenses relate to corporate bonds that alstria placed on the capital market and that were acquired by Brookfield companies on the capital market in the 2024 financial year. As of December 31, 2024, this relate to the following corporate bonds:

Bond	ISIN	Shares	Notional value of shares
			EUR k
Bond III	XS1717584913	87,500,000	87,500
Bond IV	XS52053346297	100,000,000	100,000
Bond V	XS2191013171	55,900,000	55,900
		243,400,000	**243,400**

The construction containers were rented as part of ongoing business for an alstria construction site. The lessor is a company dependent on Brookfield and is outside of the alstria group of consolidated companies.

There were no other transactions with related companies and persons in the reporting period.

10. EARNINGS PER SHARE

Basic earnings per share are calculated as the quotient of the profit attributable to the shareholders and the weighted average number of shares outstanding during the financial year — except for the average number of treasury shares held by the Company itself.

Diluted earnings per share are calculated by dividing the profit attributable to the parent company's ordinary owners by the weighted average number of ordinary shares outstanding during the year — except for the treasury shares held by the Company itself — plus the weighted average of shares that would be issued as a result of the dilutive potential ordinary shares' conversion.

The following table reflects the income and share data used in the earnings per share computations:

Earnings per share	2024	2023
Profit attributable to the shareholders (EUR k)	-104,545	-653,374
Average number of shares outstanding (thousands)	178,562	178,466
Basic earnings per share (EUR)	**-0.59**	**-3.66**

The granted Stock Awards and the convertible profit participation rights did not result in dilution effects during the period under review.

alstria office REIT-AG is authorized to issue up to EUR 89,281 k in shares as conditional capital. These contingently issuable shares could dilute basic earnings per share in the future, but they were not included in the calculation of diluted earnings per share because they are nondilutive for the presented period.

11. DIVIDENDS PAID AND DIVIDENDS PROPOSED

EUR k	2024	2023
Dividends on ordinary shares[1)] not recognized as a liability as of December 31	0	262,469
Dividend per share	0.00	1.47

[1)] Refers to all shares except treasury shares on the dividend payment date.

No proposal for the distribution of a dividend was put to the vote at the Annual General Meeting of alstria office REIT-AG on June 6, 2024. In the 2023 financial year, dividends of EUR 262,469 k (EUR 1.47 per outstanding share) were paid.

The Management Board, in agreement with the Supervisory Board, intends to propose to the Annual General Meeting to forego the distribution of a dividend for the 2024 financial year in the absence of a retained profit for alstria office REIT-AG. In the event that there are significant changes in the company's available liquidity in the further course of the 2025 financial year, the Management Board and Supervisory Board reserve the right to submit a different dividend proposal to the Annual General Meeting. The payment of a dividend depends on the approval of the General Meeting.

12. EMPLOYEES

From January 1 to December 31, 2024, the Company had an average of 195 employees (January 1 to December 31, 2023: 185 employees on average). The average was calculated based on the total number of employees at the end of each quarter. On December 31, 2024, 195 people were employed at alstria, excluding the Management Board members (December 31, 2023: 189 employees).

Employees	Average 2024	December 31, 2024	Average 2023	December 31, 2023
Real estate management and development	124	124	117	121
Finance and legal	38	37	37	37
Other occupations	33	34	31	31
Total	**195**	**195**	**185**	**189**

13. LONG-TERM REMUNERATION

13.1. Long-term remuneration components for the Management Board

As part of the new remuneration system 2022, the members of the Management Board receive certificates with a term of two years, the performance of which is linked to certain budget-based key figures. At the end of the term, a payment is made in cash, whereby the performance and the amount of the payment can be between 0% and 115% depending on the development of the based key figures. The following table shows the development of the certificates granted to the members of the Management Board, each with a nominal value of EUR 1.00.

Number certificates	ACES 2024 Olivier Elamine	ACES 2023[1)] Olivier Elamine	ACES 2022[1)] Olivier Elamine	ACES 2022[1)] Alexander Dexne	Gesamt
As of Dec. 31, 2023	0	500,000	500,000	400,000	1,400,000
Certificates granted as at Jan. 1	500,000	0	0	0	500,000
Certificates matures in reporting period	0	0	-500,000	-400,000	-900,000
As of Dec. 31, 2024	**500,000**	**500,000**	**0**	**0**	**1,000,000**
Time pro rata as of Dec. 31, 2024	50,0%	100,0%	n/a	n/a	
Degree of target achievement as of Dec. 31, 2024	100%	75%	n/a	n/a	
Provision made as of Dec. 31, 2024 in EUR	250,000	375,000	0	0	625,000

1) Year of issue, values in the table refer to 2024

The provisions for long-term remuneration components of the Management Board amount to EUR 625 k as of December 31, 2024 (December 31, 2023: EUR 774 k). The expenses from these remuneration components amounted to EUR 393 k in the 2024 financial year after EUR 325 k in the 2023 financial year.

13.2. Convertible profit participation rights program

On September 5, 2007, the Company's Supervisory Board resolved the issuance of convertible profit participation certificates ("certificates") to employees of the Company and of companies in which alstria office REIT-AG directly or indirectly holds a majority interest. Members of alstria office REIT-AG's Management Board were not considered employees of the Company for the purposes of this convertible profit participation rights program, which has now ended in the reporting period. The Supervisory Board passed a resolution to specify the details of the convertible profit participation rights program in accordance with an authorization granted at the General Meeting of shareholders on March 15, 2007. The convertible profit participation rights program was renewed by the Supervisory Board with minor modifications in 2012 in accordance with an authorization granted at the General Meeting of shareholders on April 24, 2012.

Due to the lack of visibility of the alstria share as described in the previous section because of the takeover by Brookfield, the convertible profit participatory rights program was also discontinued and replaced by a new employee participation program (see below).

The following share-based payment agreements under the employee profit participation program still existed during the previous year:

Number of certificates	
Grant date of tranche	**May 7, 2021**
January 1, 2023	**279,050**
Expired due to termination of employment	-8,750
Converted	**-270,300**
December 31, 2023	**0**

For the conversion of 270,300 of the 2021 convertible profit participation right certificates, the relevant XETRA share price on the conversion date was EUR 5.8900 per share.

Total expenses relating to convertible profit participation rights amounted to EUR 520 k in 2024.

As a result of the aforementioned termination of the convertible participation rights program, no new convertible participation rights have been granted since the 2022 fiscal year. Instead, a new long-term compensation system was introduced by the Management Board.

Employees also receive certificates (so-called ACES) as part of the “alstria Collective Employee Scheme”. The ACES have a term of two years and their performance is linked to certain budget-based key figures. At the end of the term, a payment is made in cash, whereby the performance and the amount of the payment can be between 0% and 115% depending on the development of the underlying key figures. The following table shows the development of the ACES granted to employees with a nominal value of EUR 1.00 each:

Number ACES	ACES 2024[1)]	ACES 2023[1)]	ACES 2022[1)]	Gesamt
As of Dec. 31, 2023	0	2,853,751	2,522,319	5,376,070
ACES granted during reporting period	2,846,607	0	0	2,846,607
Changes	0	-7,503	-2,522,319	-2,529,822
As of Dec. 31, 2024	**2,846,607**	**2,846,248**	**0**	5,692,855
Time pro rata as of Dec. 31, 2024	50,0%	75,0%	n/a	n/a
Degree of target achievement as of Dec. 31, 2024	100%	100%	n/a	n/a
Provision made as of Dec. 31, 2024 in EUR k	**1,423**	**2,135**	**0**	**3,558**

[1)] Year of issue, values in the table refer to 2024

The provisions for long-term remuneration components for employees (ACES) amounted to EUR 3,558 k as of December 31, 2024 (December 31, 2023: EUR 3,441 k). The expenses from these remuneration components amounted to EUR 914 k in the first half of the financial year after EUR 1,531 k in the 2023 financial year.

14. FINANCIAL RISK MANAGEMENT

14.1. Managing financial risk factors

The Group’s activities expose it to a variety of financial risks related to interest rates, credit, and liquidity. The Group’s overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group’s financial performance. To this end, sources of funding are diversified and a balanced maturity profile is planned, enabling a coordinated and continuous refinancing process. The financial instruments mainly used by the Group are Bank loans, corporate bonds, and a Schuldschein (promissory note loan).

The increase in the debt ratio initiated after the takeover of the majority of the shares by Alexandrite in January of the 2022 financial year (see Note 1), did not change the basic refinancing strategy of the Group. In particular, neither the corporate bonds nor the promissory note were to be repaid before the end of their regular term. In the event of the loss of the investment grade rating assigned to alstria by the rating agency Standard & Poor's (S&P), the bondholders could have had demanded that the corporate bonds would have to be repaid. In February 2022, S&P confirmed the investment grade rating, although the rating was downgraded from BBB+ to BBB- ("outlook stable"), the lowest notch within the investment grade rating. Even though there was subsequently a change from "outlook stable" to "outlook negative" on May 9, 2023 and a downgrade to BB+ ("issuer rating") on October 20, 2023, the rating of the bonds was confirmed as BBB-. This means that the conditions for bondholders to demand a repayment of the corporate bonds before the end of their term were no longer met. The subsequent downgrading of the corporate rating to BB and the bond ratings to BB+ in 2024 did not change this, as these were no longer related to the takeover.

The main purpose of the debt funding is to finance alstria's business activities. In addition, the Group also owns various financial assets, such as loans granted and short-term deposits, which arise directly from business activities.

The treasury function (group treasury) within the finance and controlling department manages financial risks. The group treasury identifies, evaluates, and hedges financial risks in close cooperation with the Management Board. The Management Board provides written principles for overall risk management and policies that cover specific areas, such as interest rate risk and credit risk, making use of both derivative and nonderivative financial instruments, as well as excess liquidity investment.

Derivative financial instruments comprise interest caps. The purpose of these derivative financial instruments is to hedge against the interest risks arising from the Group's business activities and funding.

The main risks arising from the Group's financial instruments are related to cash flow, interest rates, and liquidity. The Group is exposed mainly to credit risks, due to derivative financial instruments being held as assets and due to its bank balances. The carrying amount of the financial assets is the amount that best presents the maximum credit risk. The Management Board decides on strategies and processes to manage specific risk types, as defined in the following paragraphs.

Risks that can arise from an economic slowdown are seen mainly in the potential default of payment by tenants. Given that all of the Company's main tenants are public institutions or are highly rated, the risk of such defaults is currently limited.

The loan agreements of alstria Group allow for the loan-to-value (LTV) ratios outlined by the following table. As represented in the overview, the Group managed to keep its LTV below the LTV of the loan at the relevant date — in some cases, significantly so. The risk of a breach of covenant is effectively countered.

The following table presents the single-LTV ratios and covenants for the Group's loans as of the end of the reporting period:

Liabilities	Maturity	Principal amount drawn as of Dec. 31, 2024 (EUR k)	LTV[1] as of Dec. 31, 2024 (%)	LTV covenant (%)	Principal amount drawn as of Dec. 31, 2023 (EUR k)
Loan #1[2]	Jun 30, 2031	125,000	58.7	63.0	150,000
Loan #2[3]	Mar 29, 2030	90,000	n/a	-	90,000
Loan #3	Sep 29, 2028	97,000	54.6	65.0	97,000
Loan #4[4]	Sep 30, 2027	480,000	70.5	75.0	500,000
Loan #5	Aug 29, 2024	107,000	n/a	-	107,000
Loan #6[6]	Apr 26, 2030	188,000	63.7	65.0	188,000
Loan #7	Jun 30, 2028	100,000	55.7	70.0	100,000
Loan #8	Aug 31, 2028	100,000	62.9	65.0	100,000
Loan #9	Dec 28, 2029	120,000	62.9	65.0	-
Total secured loans		**1,407,000**	**n/a**	**-**	**1,332,000**
Bond #3	Nov 15, 2027	311,400	-	-	328,000
Bond #4	Sep 26, 2025	335,200	-	-	400,000
Bond #5	Jun 23, 2026	334,100	-	-	350,000
Schuldschein 10y/fixed	May 06, 2026	40,000	-	-	40,000
Revolving credit line[2]	Apr 29, 2027	-	-	-	-
Total unsecured loans		**1,020,700**	**-**	**-**	**1,118,000**
Total		**2,427,700**	**58.4**		**2,450,000**
Net LTV			**56.5**		

[1] Calculation based on the market values (as per December 31, 2024) of the properties serving as collateral in relation to the loan amount drawn down.

[2] Agreement of a revolving credit line on 29 April 2022: term of EUR 150 million until April 29,2027 and a further EUR 50 million until April 29, 2026.

Apart from the risks mentioned above, the Group is not exposed to any commodity or currency risks.

14.1.1. Interest rate risk

The following tables display the carrying amount of the Group's financial instruments that are exposed to interest rate risk by maturity:

EUR k	< 1 year	1-2 years	2-3 years	3-4 years	> 4 years	Total
Financial year ending Dec. 31, 2024						
Variable interest						
Mortgage bank loans without hedge designation	0	0	0	29,550	55,000	**84,550**
Mortgage bank loans with hedge designation	107,000	0	480,000	267,450	468,000	**1,322,450**
Total	**107,000**	**0**	**480,000**	**297,000**	**523,000**	**1,407,000**

EUR k	< 1 year	1-2 years	2-3 years	3-4 years	> 4 years	Total
Financial year ending Dec. 31, 2023						
Variable interest						
Mortgage bank loans	257,000	0	0	500,000	575,000	**1,332,000**
Total	**257,000**	**0**	**0**	**500,000**	**575,000**	**1,332,000**

Given its noncurrent financial liabilities with variable interest rates, alstria is exposed to risks from fluctuations in market interest rates. The interest base for these financial liabilities (loans) is the three-month EURIBOR rate, which is adjusted every three months.

The term of the derivative financial instruments corresponds to the term of the loan. The derivative financial instruments are interest rate swaps, in which the company agrees with its contractual partners to exchange the difference between fixed interest and variable interest amounts at fixed intervals. This is calculated based on an agreed nominal amount.

The overview in Note 6.5 reflects the status of the derivative financial instruments of alstria office REIT-AG as of December 31, 2024.

The interest rate swaps are also used to hedge the obligations resulting from loans.

The following table shows the sensitivity of the Company's loans to consolidated profit or loss and equity, due to a reasonably possible change in interest rates (due to the effect on the floating-interest loans). All of the variables remain constant; the effects from the derivative financial instruments were not factored into this calculation.

Interest expenses per annum

EUR k	2024	2023
+ 100 bps	14,570	13,820
– 50 bps	-7,285	-6,910

The fair market value of derivative financial instruments is also subject to interest rate risks. A change in the interest rate would give rise to the following changes in respective fair market values:

Impact on equity

Financial derivatives qualifying for cash flow hedge accounting.

EUR k	2024	2023
+ 100 bps	30,896	38,324
– 50 bps	-21,313	-18,963

14.1.2. Credit risk

Credit risks are managed at the group level, except for those relating to accounts receivable balances.

The department responsible for managing the operating business property oversees and analyzes credit risks in relation to each reletting activity before the standard payment and lease terms and conditions are offered. Credit risk arises from cash and cash equivalents, derivative financial instruments, deposits with banks and financial institutions, and credit exposures to customers (including outstanding receivables and other compensatory commitments). Only banks and financial institutions are accepted as counterparties—and only if they are independently rated parties with a minimum rating of “investment grade.” If the tenants are independently rated, then their ratings are applied. If there is no independent rating, the tenant’s credit quality is assessed; its financial position, past experience, and other factors are taken into account. Credit limits are generally not provided to tenants. Lease receivables from tenants are settled in bank transfers, which are usually due at the beginning of each payment term. Tenants must pay a deposit or provide other warranties prior to the start of a lease term.

14.1.3. Liquidity risk

The Company continually monitors the Group-wide risk of potential liquidity bottlenecks with a liquidity planning tool. The tool uses the expected cash flows from business activities and the maturity of the financial liabilities as a basis for analysis. The Group's long-term refinancing strategy ensures that these medium- and long-term liquidity requirements are met. Such forecasting considers the Group's debt-financing plans, covenant compliance, compliance with internal balance sheet targets, and, if applicable, external regulatory or legal requirements (e. g., G-REIT equity ratio).

At the end of the reporting period, the nominal financial liabilities had the following maturities in line with their contractual maturity (based on the three-month EURIBOR) as of December 31, 2024.

The following chart shows the related future undiscounted cash flows of financial liabilities:

EUR k	< 1 year	1-2 years	2-3 years	3-4 years	4-5 years	>5 years	Total
Financial year ending Dec. 31, 2024							
Loans	107,000	0	480,000	297,000	120,000	403,000	1,407,000
Corporate bond	335,200	334,100	311,400	0	0	0	980,700
Interest	64,806	55,415	48,571	28,183	21,187	11,275	229,438
Schuldschein	0	40,000	0	0	0	0	40,000
Trade payables	3,410	0	0	0	0	0	3,410
Other liabilities	57,015	2,405	2,160	2,085	2,032	5,251	70,947
	567,431	**431,919**	**842,131**	**327,268**	**143,219**	**419,526**	**2,731,495**

EUR k	< 1 year	1-2 years	2-3 years	3-4 years	4-5 years	>5 years	Total
Financial year ending Dec. 31, 2023							
Loans	257,000	0	0	500,000	297,000	278,000	1,332,000
Corporate bond	0	400,000	350,000	328,000	0	0	1,078,000
Interest	61,955	51,892	45,981	38,629	18,158	11,289	227,904
Schuldschein	0	0	40,000	0	0	0	40,000
Trade payables	4,717	0	0	0	0	0	4,717
Other liabilities	44,744	2,355	2,159	1,904	1,885	4,899	57,946
	368,416	**454,247**	**438,140**	**868,533**	**317,043**	**294,188**	**2,740,567**

Details on the loans, borrowings, and bonds can be found in Note 7.3. The loans' maturity profile is shown in Note 2.5 of the Combined Management Report. To secure the bank loans, receivables from rental and property purchase agreements, as well as from insurance and derivative financial instruments, were assigned to the lenders. Liens were granted on bank accounts, and charges were registered on the land. Obligations arising from floating-interest bank loans were fully secured. Land charges for real estate properties with a carrying amount of EUR 2,505,900 k (December 31, 2023: EUR 1,630,488 k) were provided as collateral.

14.2. Capital management

The Group's capital management activities aim to ensure an efficient capital structure that supports its business operations and maximizes shareholder value.

Following the loss of REIT status as of December 31, 2024, due to non-compliance with the statutory free float requirement, the Group's capital management now focuses on optimizing its financing and equity structure. The Group actively adjusts its capital structure in response to economic changes, including the possibility of capital repayments to shareholders or the issuance of new equity instruments.

As part of its capital management strategy, the Group monitors its capital structure using metrics such as the loan-to-value (LTV) ratio and the equity ratio. The primary focus is on ensuring financial stability and compliance with financial covenants under IFRS 9. The LTV indicator, defined as the ratio of net financial liabilities to assets, is regularly monitored to ensure that the debt level aligns with the Group's strategic objectives.

The corporate bonds and the promissory note loan (see section 7.3 Loans and bonds) are tied to compliance with certain key figures, which are reviewed quarterly on March 31, June 30, September 30 and December 31 of each year. These are the following covenants:

- The ratio of Consolidated Net Financial Indebtedness to Total Assets will not exceed 60 %
- The ratio of Secured Consolidated Net Financial Indebtedness to Total Assets will not exceed 45 %
- The ratio of Unencumbered Assets to Unsecured Consolidated Net Financial Indebtedness will be more than 150 %

Financing agreements of alstria AG and its group companies contain clauses common to such contracts regarding a change of control. In particular, the agreements entitle the lenders to request repayment of the utilizations or an obligation by alstria to repay the utilizations in the event that any person, company, or a group of persons should acquire, directly or indirectly, at least or more than 50 % of the voting rights, capital shares or otherwise a controlling influence in alstria. However, for some financings, the repayment obligation is subject to a downgrade of the Company's or the bonds rating, occurring within 120 days of the control change.

The total volume of obligations under those agreements with corresponding change of control clauses amounted to approx. EUR 2,237.7 million on the balance sheet date. In addition, two loan agreements of alstria for EUR 190 million total contain an obligation to repay the utilization if, following a change in the legal form or delisting of alstria AG, another person or group of persons (other than Brookfield Corporation or a company controlled by it) holds more than 25% of the voting rights.

Hedging agreements concluded in connection with these financing agreements grant the contractual partner a right of termination if the underlying financing agreement is repaid prematurely.

All loan agreements (covenats) have been and will be complied with by alstria.

Until the end of the last reporting period capital management activities aimed at maintaining the Company's classification as a REIT. Therefore the Company's capital structure also focused on the relevant performance indicators, for its classification as a REIT.

The following ratios were also used to manage capital:

Ratios according to G-REIT law

%	2024	2023	G-REIT covenant
Equity ratio according to G-REIT law	36,33	42.99	> 45
Immovable assets	95,37	94.18	> 75
Revenues gained from immovable assets	100,00	100.00	> 75
Income gained from disposal of immovable assets	9,32	13.09	< 50[1]

[1] Within five years, based on the average property value during this period.

14.3. Determination of fair value

The following table shows the carrying amount and fair value of all financial instruments disclosed in the consolidated financial statements:

	Carrying amount	Nonfinancial assets	Financial assets				
Assets as per balance sheet (EUR k) as of Dec. 31, 2024			**At amortized costs**	**Fair value through p/l**	**Derivatives**	**Total**	**Fair value**
Deferred tax assets	7,321	7,321	0	0	0	0	0
Financial assets	94,432	0	94,432	918	0	95,350	95,350
Derivatives	4,961	0	0	-2,062	7,023	4,961	4,961
Total long-term	**106,714**	**7,321**	**94,432**	**-1,144**	**7,023**	**100,311**	**100,311**
Trade receivables	4,836	0	4,836	0	0	4,836	4,836
Tax receivables	90	90	0	0	0	0	0
Receivables and other assets	6,026	3,984	2,042	0	0	2,042	2,042
Derivate	2,576	0	0	0	2,576	2,576	2,576
Cash and cash equivalents	80,233	0	80,233	0	0	80,233	80,233
Total short-term	**93,761**	**4,074**	**87,111**	**0**	**2,576**	**89,687**	**89,687**
Total	**200,475**	**11,395**	**181,543**	**-1,144**	**9,599**	**189,998**	**189,998**

Liabilities as per balance sheet (EUR k) as of Dec. 31, 2024	Carrying amount	Nonfinancial liabilities	Financial liabilities			
			At amortized costs	Derivatives	Total	Fair value
Ltd. equity of noncontrolling interests	101,038	0	101,038	0	101,038	101,038
Long-term loans	1,971,926	0	1,971,926	0	1,971,926	1,962,359
Deferred tax liabilities	230,387	230,387	0	0	0	0
Other liabilities	13,932	0	13,932	0	13,932	13,932
Derivatives	8,134		0	8,134	8,134	8,134
Total long-term	**2,325,417**	**230,387**	**2,086,896**	**8,134**	**2,095,030**	**2,085,463**
Ltd. equity of noncontrolling interests	21	0	21	0	21	21
Short-term loans	445,958	0	445,958	0	445,958	387,458
Trade payables	3,410	0	3,410	0	3,410	3,410
Derivatives	5,190	0	0	5,190	5,190	5,190
Tax liabilities	440	440	0	0	0	0
Other liabilities	57,015	3,483	53,532	0	53,532	53,532
Total short-term	**512,033**	**3,923**	**502,920**	**5,190**	**508,110**	**449,610**
Total	**2,837,451**	**234,311**	**2,589,816**	**13,324**	**2,603,140**	**2,535,073**

Assets as per balance sheet (EUR k) as of Dec. 31, 2023	Carrying amount	Nonfinancial assets	Financial assets				
			At amortized costs	Fair value through p/l	Derivatives	Total	Fair value
Financial assets	95,350	0	94,432	918	0	95,350	95,350
Derivatives	6,587	0	0	-721	7,309	6,587	6,587
Total long-term	**101,937**	**0**	**94,432**	**197**	**7,309**	**101,937**	**101,937**
Trade receivables	10,814	0	10,814	0	0	10,814	10,814
Tax receivables	113	113	0	0	0	0	0
Receivables and other assets	5,735	3,984	1,751	0	0	1,751	1,751
Derivate	9,354	0	0	0	9,354	9,354	9,354
Cash and cash equivalents	116,282	0	116,282	0	0	116,282	116,282
Total short-term	**142,298**	**4,097**	**128,847**	**0**	**9,354**	**138,201**	**138,201**
Total	**244,235**	**4,097**	**223,279**	**197**	**16,663**	**240,138**	**240,138**

Liabilities as per balance sheet (EUR k) as of Dec. 31, 2023	Carrying amount	Nonfinancial liabilities	Financial liabilities			
			At amortized costs	Derivatives	Total	Fair value
Ltd. equity of noncontrolling interests	98,297	0	98,297	0	98,297	98,297
Long-term loans	2,177,607	0	2,177,607	0	2,177,607	1,972,155
Other liabilities	13,203	0	13,203	0	13,203	13,203
Derivatives	10,001	0	0	10,001	10,001	10,001
Total long-term	**2,299,108**	**0**	**2,289,107**	**10,001**	**2,299,108**	**2,093,656**
Ltd. equity of noncontrolling interests	21	0	21	0	21	21
Short-term loans	261,777	0	261,777	0	261,777	256,575
Trade payables	4,717	0	4,717	0	4,717	4,717
Derivatives	2,747	0	0	2,747	2,747	2,747
Tax liabilities	2,177	2,177	0	0	0	0
Other liabilities	44,744	4,157	40,586	0	40,586	40,586
Total short-term	**316,183**	**6,334**	**307,101**	**2,747**	**309,848**	**304,646**
Total	**2,615,291**	**6,334**	**2,596,208**	**12,748**	**2,608,956**	**2,398,303**

All of the Group's financial instruments recognized at fair value, with the exception of the corporate bonds, were measured using the Level 2 valuation method.

The disclosures in the notes on the market values of the corporate bonds were based on quoted market prices and were therefore evaluated according to Level 1.

15. SIGNIFICANT EVENTS AFTER THE END OF THE REPORTING PERIOD

On September 18, 2024, the majority shareholder submitted a transfer request to alstria via its subsidiary BPG Holdings Bermuda Limited in accordance with Sections 327a et seq. German Stock Corporation Act. According to this, the Annual General Meeting of alstria is to resolve to transfer the shares of all other shareholders to BPG Holdings Bermuda Limited or one of its subsidiaries in return for an appropriate cash settlement (squeeze-out under stock corporation law). The Extraordinary General Meeting took place on February 11, 2025 and passed the corresponding resolution with the required majority.

The compensation to which the free float shareholders are entitled under Section 20 of the Company's Articles of Association for the loss of tax exemption (see Note 7.5 Trade accounts payable and other obligations) was determined by an external auditor and paid to the minority shareholders on January 9, 2025 in the form of a cash settlement.

The two bank loans signed in December 2024 (see Note 7.3 Loans and bonds) were disbursed in February 2025.

16. UTILIZATION OF EXEMPTING PROVISIONS

Certain subsidiaries, which have been included in the consolidated financial statements of alstria office REIT-AG have made use of the exemption from the obligation to prepare annual financial statements in accordance with the provisions applicable to corporations and certain commercial partnerships pursuant to Section 264b HGB. An overview of the companies that made use of the exemption can be found in the table in Note 2.3.2.

17. DISCLOSURES PURSUANT TO THE WERTPAPIERHANDELSGESETZ [GERMAN SECURITIES TRADING ACT] AND EUROPEAN MARKET ABUSE REGULATION [MAR]

17.1. Ad hoc announcements

The following table summarizes the announcements pursuant to Art. 17 MAR, as published by the Company during the reporting period:

Date	Topic
Dec 16, 2024	Cancellation of the bonds held by the Company
Dec 13, 2024	Squeeze Out; Specified transfer demand regarding the shares of the minority shareholders of alstria office REIT-AG submitted; Cash compensation of EUR 5.11 per share determined
Dec 13, 2024	Compensation payment due to minority shareholders at the termination of the REIT status equal to EUR 2.81 per share
Sep 18, 2024	Squeeze-out demand regarding the shares of the minority shareholders of alstria office REIT-AG by the majority shareholder; alstria office REIT-AG enters into an amendment agreement to the investment agreement with its majority shareholder; Loss of the REIT-status at year-end 2024
Jan 12, 2024	Third-party portfolio valuation as per December 31, 2023

17.2. Directors' dealings

The following transaction regarding the shares of the Company (ISIN DE000A0LD2U1) has been reported to the Company during the reporting period pursuant to Art. 19 MAR:

Name of person subject to the disclosure requirement	Function	Transaction	Place	Transaction date	Price per share in EUR	Volume in EUR
Olivier Elamine	CEO	Disposal	Outside a trading venue	Jan 15, 2025 UTC +1	5.11	151,409.30
Aggregated information: Average weighted share price: EUR 5.11; aggregated volume: EUR 151,409.30						

17.3. Voting right notifications

Below is information according to Section 160 para. 1 No. 8 German Stock Corporation Act (AktG): The Company received one notification pursuant to Section 33 para. 1 WpHG and published it pursuant to Section 40 para. 1 WpHG:

Shareholders, registered office	Voting rights (new) (%)[1]	Amount of shares	Date of change	Attribution of voting rights	Contains 3 % or more of voting rights from
Brookfield Corporation, Toronto, Canada	95.39[)]	178,591,572	Jan 15, 2025	Yes	Lapis Luxembourg Holdings S.à r.l., (10.01%)[2)] Alexandrite Lake Lux Holdings I S.à r.l. (9.27%) Alexandrite Lake Lux Holdings II S.à r.l. (9.27%) Alexandrite Lake Lux Holdings III S.à r.l. (9.27%) Alexandrite Lake Lux Holdings IV S.à r.l. (9.27%) Alexandrite Lake Lux Holdings V S.à r.l. (9.27%) Alexandrite Lake Lux Holdings VI S.à r.l. (9.27%) Alexandrite Lake Lux Holdings VII S.à r.l. (9.27%) Alexandrite Lake Lux Holdings VIII S.à r.l. (9.27%) Alexandrite Lake Lux Holdings IX S.à r.l. (9.27%)

[1)] Percentage as per date of change. Current percentage in voting rights can deviate, e. g., due to changes in the share capital of the issuer.

During the reporting period the Company did neither receive any notifications on no longer existing shareholdings nor notifications pursuant to Section 20 para. 1 and 4 AktG or pursuant to Section 33 para. 2 WpHG.

18. DECLARATION OF COMPLIANCE PURSUANT TO AKTG SECTION 161

The Management Board and the Supervisory Board have submitted the declaration of compliance required by AktG Section 161 with respect to the recommendations of the German Corporate Governance Code as developed by a government commission. It is permanently available to the public on alstria office REIT-AG's website (www.alstria.com) and is included in the Group's declaration of corporate management according to HGB Section 315d.

19. AUDITORS' FEES

On June 6, 2024, the General Meeting elected Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Dammtorstraße 12, Hamburg auditor of the separate and consolidated financial statements for the 2024 financial year. The fees totaled EUR 713 k in 2024. They were structured as follows:

Auditors' fees in EUR k	**2024**	**2023**
Audit services	556	589
thereof from previous year	*0*	*26*
Other confirmation services	157	98
Tax advisory services	0	0
Other services	0	0
Total	**713**	**687**

The non-audit services in the 2024 business year essentially relate to the review of the sustainability report, the review of quarterly reports and audit related advisory.

The non-audit services in the 2023 business year, essentially relate to the review of the sustainability report, the review of quarterly reports and audit related advisory.

Annika Deutsch is the auditor directly responsible for the audit of the financial statements for alstria office REIT-AG and the Group. She first assumed this position in fiscal year 2022.

20. MANAGEMENT BOARD

During the financial year, the Company's Management Board was:

Name	**Place of residence** External Mandate	**Profession** Function
Olivier Elamine	**Hamburg, Germany** Urban Campus Group SAS	**CEO of the Company** Member of the Advisory Board

The remuneration report details the principles used to define the remuneration of the Management Board and Supervisory Board.

21. SUPERVISORY BOARD

Pursuant to the Company's Articles of Association (Section 9), the Supervisory Board consists of four members who are elected at the General Meeting of the shareholders.

During the 2024 financial year, the members of the Supervisory Board and their membership in supervisory boards of German companies or comparable German or foreign controlling committees of commercial enterprises were as follows:

Name Start or end date of the mandate	**Place of residence** External Mandate	**Profession** Function
Brad Hyler Chair	**London, United Kingdom**	**Managing Partner, Brookfield Asset Management, United Kingdom**
Until Nov 18, 2024	Edyn Apart Hotels (Brookfield Group), United Kingdom	Member of the Board of Directors (non-executive)
	Experimental Group (Brookfield Group), France	Member of the Board of Directors (non-executive)
	Canary Wharf Group Investment Holdings PLC, United Kingdom	Member of the Board of Directors (non-executive)
	Center Parcs (Brookfield Group), United Kingdom	Member of the Board of Directors (non-executive)
Jan Sucharda Vice-Chair	**Toronto, Canada**	**Managing Partner, Brookfield Property Group, Canada**
	Brookfield India Real Estate Trust (Brookfield Group), India	Member of the Board of Directors (non-executive)
	Canary Wharf Group Investment Holdings plc, United Kingdom	Member of the Board of Directors (non-executive)
Richard Powers	**London, United Kingdom**	**Managing Partner, Brookfield Asset Management, United Kingdom**
Becky Worthington	**Berkshire, United Kingdom**	**Chief Financial Officer, Canary Wharf Group, United Kingdom**

Hamburg, February 24, 2025

alstria office REIT-AG

The Management Board

Olivier Elamine

CEO

C. RESPONSIBILITY STATEMENT

To the best of my knowledge, I confirm that, in accordance with the applicable reporting principles, the Consolidated Financial Statements for 2024 give a true and fair view of the Group’s assets, liabilities, financial position and profit or loss, and that the Group Management Report 2024, which has been combined with the Management Report for alstria office REIT-AG, includes a fair review of the business’s development and performance and the Group’s position, together with a description of the principal opportunities and risks associated with the Group’s expected development.

Hamburg, February 24 2025
alstria office REIT-AG

The Management Board

Olivier Elamine
CEO

D. INDEPENDENT AUDITOR'S REPORT

To alstria office REIT-AG, Hamburg

I. REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS AND OF THE COMBINED MANAGEMENT REPORT

1. AUDIT OPINIONS

We have audited the consolidated financial statements of alstria office REIT-AG, Hamburg/Germany, and its subsidiaries (the Group) which comprise the consolidated statement of financial position as at December 31, 2024, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the financial year from January 1 to December 31, 2024, and the notes to the consolidated financial statements, including material accounting policy information. In addition, we have audited the combined management report for the parent and the group of alstria office REIT-AG, Hamburg/Germany, for the financial year from January 1 to December 31, 2024. In accordance with German legal requirements, we have not audited the content of the combined corporate governance statement referenced in the section "VIII.1 Consolidated corporate governance statement of the Group and alstria AG pursuant to Sections 289f and 315d German Commercial Code (HGB)" referenced in the combined management report, of the sustainability report referenced in the section "VI. Sustainability Report" of the combined management report, of the section "V.1.2 Internal control system" of the combined management report, including the executive directors' statement on the appropriateness and effectiveness of the entire internal control system and of the risk management system included therein, and of the section "V.1.3 Compliance management system" of the combined management report.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying consolidated financial statements comply, in all material respects, with the IFRS® Accounting Standards issued by the International Accounting Standards Board (IASB) (hereinafter "IFRS Accounting Standards") as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) German Commercial Code (HGB) and, in compliance with these requirements, give a true and fair view of the assets, liabilities and financial position of the Group as at December 31, 2024 and of its financial performance for the financial year from January 1 to December 31, 2024, and
- the accompanying combined management report as a whole provides an appropriate view of the Group's position. In all material respects, this combined management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion on

the combined management report does not cover the contents of the combined corporate governance statement referred to above and of the sustainability report. Furthermore, our audit opinion on the combined management report does not cover the contents of the section "V.1.2 Internal control system" and the executive directors' statement on the appropriateness and effectiveness of the entire internal control system and of the risk management system included therein, and of the section "V.1.3 Compliance management system".

Pursuant to Section 322 (3) sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the combined management report.

2. BASIS FOR THE AUDIT OPINIONS

We conducted our audit of the consolidated financial statements and of the combined management report in accordance with Section 317 HGB and the EU Audit Regulation (No. 537/2014; referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Combined Management Report" section of our auditor's report. We are independent of the group entities in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2) point (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the consolidated financial statements and on the combined management report.

3. KEY AUDIT MATTERS IN THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year from January 1 to December 31, 2024. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our audit opinion thereon; we do not provide a separate audit opinion on these matters.

In the following, we present the measurement of investment properties, which we have determined as the key audit matter in the course of our audit.

Our presentation of this key audit matter has been structured as follows:

a) description (including reference to corresponding information in the consolidated financial statements)
b) auditor's response

Measurement of investment properties

a) Investment property of mEUR 4,127.4 is disclosed in the consolidated financial statements of alstria office REIT-AG as at December 31, 2024. The share of this item in total assets amounts to a total of 94.9% and thus has a material influence on the Group’s assets and liabilities. alstria office REIT-AG measures the investment properties at fair value. In the financial year 2024, total income from the measurement at fair value of mEUR 52.8 was recognized in the consolidated income statement. The investment properties were measured at fair values in accordance with the discounted cash flow method. The measurement date was December 31, 2024. The fair values were determined by the accredited external expert BNP Paribas Real Estate Consult GmbH, Frankfurt am Main/Germany. Apart from the actual data provided by the Parent, which include, for exam-ple, the lettable area, vacancy, scheduled maintenance or modernization measures and the actual rent, further measurement-related assumptions are taken into account in determining the fair values of the proper-ties. These assumptions are subject to significant estimation uncertainties and judgment.

Even minor changes in the assumptions relevant for the measurement can lead to material changes in the fair values resulting from the computation. The main measurement assumptions for the measurement of in-vestment properties are current and future market rents as well as capitalization and discount rates. Against this backdrop, and due to the complexity of the valuation model, this matter was of particular importance within the context of our audit.

The disclosures of the executive directors with respect to the measurement of investment properties are included in sections 2.4.3 and 6.1 of the notes to the consolidated financial statements.

b) As part of our audit, we gained an understanding of the process for measuring property assets, examined the internal control system that was in place to assess the fair values determined by the external expert and performed a test of the design and implementation, and operating effectiveness of implemented controls relevant to the audit. We critically assessed the competence, capabilities and objectivity of the external ex-pert. Together with our own internal real estate valuation experts, we examined the conformity of the measurement technique applied in accordance with IAS 40 in conjunction with IFRS 13 and made sample on-site visits, held critical discussions with the external expert and checked the calculation logic supporting the values that had been determined in the expert report. We squared the input parameters used in the measurement process with underlying contractual data or – to the extent that they were based on assumptions and estimates – assessed their appropriateness with regard to the methods, assumptions and data used by the Parent, also based on available market data.

In addition, we audited the completeness and accuracy of the disclosures made in the notes to the consolidated financial statements in accordance with IAS 40 and IFRS 13.

4. OTHER INFORMATION

The executive directors and/or the supervisory board are responsible for the other information. The other information comprises:

- the report of the supervisory board,
- the consolidated corporate governance statement pursuant to Section 315d HGB, which is combined with the corporate governance statement pursuant to Section 289f HGB and referenced in the section “VIII.1 Consol-idated corporate governance statement of the Group and alstria AG pursuant to Sections 289f and 315d German Commercial Code (HGB)” of the combined management report,
- the separate sustainability report referenced in the section “VI. Sustainability report” of the combined manage-ment report,
- section “VI: Sustainability report” of the combined management report,
- section “V.1.2 Internal control system” of the combined management report, including the executive directors’ statement on the appropriateness and effectiveness of the entire internal control system and of the risk management system included therein,
- section “V.1.3 Compliance management system” in the combined management report,
- the remuneration report pursuant to Section 162 AktG,
- the executive directors’ confirmations pursuant to Section 297 (2) sentence 4 and Section 315 (1) sentence 5 HGB regarding the consolidated financial statements and the combined management report, and
- all other parts of the annual report,
- but not the consolidated financial statements, not the audited content of the disclosures in the combined man-agement report and not our independent auditor’s report thereon, not the declaration of the executive board regarding compliance with the requirements under Sections 11 to 15 German REIT Act and regarding the income composition with regard to previously taxed and not previously taxed income pursuant to Sec-tion 19 (3) in conjunction with Section 19a German REIT Act (“REIT declaration”) and not our auditor’s memo-randum pursuant to Section 1 (4) German REIT Act (“auditor’s memorandum”).

The supervisory board is responsible for the report of the supervisory board. The executive directors and the supervisory board are responsible for the statement pursuant to Section 161 AktG concerning the German Corpo-rate Governance Code, which is part of the consolidated corporate governance statement combined with the corporate governance statement, as well as for the remuneration report pursuant to Section 162 AktG. Otherwise the executive directors are responsible for the other information.

Our audit opinions on the consolidated financial statements and on the combined management report do not cover the other information, and consequently we do not express an audit opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information identified above and, in doing so, to consider whether the other information

- is materially inconsistent with the consolidated financial statements, with the audited content of the disclosures in the combined management report or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

5. RESPONSIBILITIES OF THE EXECUTIVE DIRECTORS AND THE SUPERVISORY BOARD FOR THE CONSOLIDATED FINANCIAL STATEMENTS AND THE COM-BINED MANAGEMENT REPORT

The executive directors are responsible for the preparation of the consolidated financial statements that comply, in all material respects, with IFRS Accounting Standards as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB, and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position and financial performance of the Group. In addition, the executive directors are responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the consolidated financial statements, the executive directors are responsible for assessing the Group's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, the executive directors are responsible for the preparation of the combined management report that as a whole provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a combined management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the combined management report.

The supervisory board is responsible for overseeing the Group's financial reporting process for the preparation of the consolidated financial statements and of the combined management report.

6. AUDITOR’S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS AND OF THE COMBINED MANAGEMENT REPORT

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the combined management report as a whole provides an appropriate view of the Group’s position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor’s report that includes our audit opinions on the consolidated financial statements and on the combined management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this combined management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements and of the combined management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures relevant to the audit of the combined management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of internal control or these arrangements and measures of the Group.

- evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of esti-mates made by the executive directors and related disclosures.
- conclude on the appropriateness of the executive directors’ use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group’s ability to continue as a going concern. If we conclude that a materi-al uncertainty exists, we are required to draw attention in the auditor’s report to the related disclosures in the consolidated financial statements and in the combined management report or, if such disclosures are in-adequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence ob-tained up to the date of our auditor’s report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclo-sures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRS Accounting Standards as adopted by the EU and with the additional requirements of German commercial law pursuant to Section 315e (1) HGB.
- plan and perform the audit of the consolidated financial statements in order to obtain sufficient appropriate audit evidence regarding the financial information of the entities or of the business activities within the Group, which serves as a basis for forming audit opinions on the consolidated financial statements and on the com-bined management report. We are responsible for the direction, supervision and inspection of the audit procedures performed for the purposes of the group audit. We remain solely responsible for our audit opinions.
- evaluate the consistency of the combined management report with the consolidated financial statements, its con-formity with German law, and the view of the Group’s position it provides.
- perform audit procedures on the prospective information presented by the executive directors in the combined management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the sig-nificant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the actions taken or safeguards applied to eliminate independence threats.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the current period and are therefore the key audit matters. We describe these matters in the auditor’s report unless law or regulation precludes public disclosure about the matter.

II. OTHER LEGAL AND REGULATORY REQUIREMENTS

Report on the Audit of the Electronic Reproductions of the Consolidated Financial Statements and of the Combined Management Report Prepared for Publication Pursuant to Section 317 (3a) HGB

Audit Opinion

We have performed an audit in accordance with Section 317 (3a) HGB to obtain reasonable assurance whether the electronic reproductions of the consolidated financial statements and of the combined management report (hereinafter referred to as “ESEF documents”) prepared for publication, contained in the file, which has the SHA-256 value 32053a40e0a0babe3b6ef8887b878c7a6c02b2c701cd82a1f37a52b368bbcd47, meet, in all material respects, the requirements for the electronic reporting format pursuant to Section 328 (1) HGB (“ESEF format”). In accordance with the German legal requirements, this audit only covers the conversion of the information contained in the consolidated financial statements and the combined management report into the ESEF format, and therefore covers neither the information contained in these electronic reproductions nor any other information contained in the file identified above.

In our opinion, the electronic reproductions of the consolidated financial statements and of the combined management report prepared for publication contained in the file identified above meet, in all material respects, the requirements for the electronic reporting format pursuant to Section 328 (1) HGB. Beyond this audit opinion and our audit opinions on the accompanying consolidated financial statements and on the accompanying combined management report for the financial year from January 1 to December 31, 2024 contained in the “Report on the Audit of the Consolidated Financial Statements and of the Combined Management Report” above, we do not express any assurance opinion on the information contained within these electronic reproductions or on any other information contained in the file identified above.

Basis for the Audit Opinion

We conducted our audit of the electronic reproductions of the consolidated financial statements and of the combined management report contained in the file identified above in accordance with Section 317 (3a) HGB and on the basis of the IDW Auditing Standard: Audit of the Electronic Reproductions of Financial Statements and Management Reports Prepared for Publication Purposes Pursuant to Section 317 (3a) HGB (IDW AuS 410 (06.2022)). Our responsibilities in this context are further described in the “Group Auditor’s Responsibilities for the Audit of the ESEF Documents” section. Our audit firm has applied the requirements of the IDW Quality Management Standards.

Responsibilities of the Executive Directors and the Supervisory Board for the ESEF Documents

The executive directors of the parent are responsible for the preparation of the ESEF documents based on the electronic files of the consolidated financial statements and of the combined management report according to Section 328 (1) sentence 4 no. 1 HGB and for the tagging of the consolidated financial statements according to Section 328 (1) sentence 4 no. 2 HGB.

In addition, the executive directors of the parent are responsible for such internal control that they have considered necessary to enable the preparation of ESEF documents that are free from material intentional or unintentional non-compliance with the requirements for the electronic reporting format pursuant to Section 328 (1) HGB.

The supervisory board is responsible for overseeing the process for preparing the ESEF documents as part of the financial reporting process.

Group Auditor’s Responsibilities for the Audit of the ESEF Documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also

- identify and assess the risks of material intentional or unintentional non-compliance with the requirements of Sec-tion 328 (1) HGB, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinion.
- obtain an understanding of internal control relevant to the audit on the ESEF documents in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.

- evaluate the technical validity of the ESEF documents, i.e., whether the file containing the ESEF documents meets the requirements of the Delegated Regulation (EU) 2019/815, in the version in force at the reporting date, on the technical specification for this electronic file.
- evaluate whether the ESEF documents enable an XHTML reproduction with content equivalent to the audited consol-idated financial statements and to the audited combined management report.
- evaluate whether the tagging of the ESEF documents with Inline XBRL technology (iXBRL) in accordance with the re-quirements of Articles 4 and 6 of the Delegated Regulation (EU) 2019/815, in the version in force at the re-porting date, enables an appropriate and complete machine-readable XBRL copy of the XHTML reproduction.

Further Information pursuant to Article 10 of the EU Audit Regulation

We were elected as group auditor by the general meeting on June 6, 2024. We were engaged by the supervisory board on July 4, 2024. We have been the group auditor of alstria office REIT-AG, Hamburg/Germany, without interruption since the financial year 2022.

We declare that the audit opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

III. OTHER MATTER – USE OF THE AUDITOR’S REPORT

Our auditor’s report must always be read together with the audited consolidated financial statements and the audit-ed combined management report as well as with the audited ESEF documents. The consolidated financial statements and the combined management report converted into the ESEF format – including the versions to be submitted for inclusion in the Company Register – are merely electronic reproductions of the audited consolidated financial statements and the audited combined management report and do not take their place. In particular, the ESEF report and our audit opinion contained therein are to be used solely together with the audited ESEF documents made available in electronic form.

IV. GERMAN PUBLIC AUDITOR RESPONSIBLE FOR THE ENGAGEMENT

The German Public Auditor responsible for the engagement is Annika Deutsch.

Hamburg, February 24, 2025

Deloitte GmbH

Wirtschaftsprüfungsgesellschaft

Signed: **Annika Deutsch** Wirtschaftsprüferin [German Public Auditor]	Signed: **Maximilian Freiherr v.Perger** Wirtschaftsprüfer [German Public Auditor]

E. SUSTAINABILITY STATEMENT

I. READINESS EXERCISE FOR CSRD

1. INTRODUCTION

Although the directive is not set to formally apply to us until 2026, we have chosen to implement certain requirements in this report as a proactive measure to test our capacities and readiness for full compliance.

We have developed a new ‘Sustainability Statement’ section for the Annual Report 2024 as part of this effort. We have aimed to implement as much of the fundamental structure of the standards as possible, with a particular focus on internal workshops and capacity-building to ensure a solid understanding across the organization. At the same time, we have enhanced our data collection processes to ensure the timely availability of relevant data, incorporating extrapolations for future projections. Our double materiality assessment has been conducted with reference to the European Sustainability Reporting Standards (ESRS) guidance from May 2024 and serves as a foundation for our evolving approach. We will continue to refine and develop this assessment as we move towards full CSRD (Corporate Sustainability Reporting Directive) compliance, which is anticipated to apply from 2026.

In our previous sustainability reports, we have tracked a wide range of Environmental, Social and Governance (ESG) metrics. Moving forward, we plan to streamline our reporting by focusing on the material issues identified through our double materiality analysis. This year, we aim to present the results of this analysis, explore Key Performance Indicators (KPIs) further, and provide a detailed description of our sustainability matters next year.

Continuity in ESG reporting is important. Therefore, we have published all EPRA-relevant ESG KPIs for the financial year 2023 on November 7, 2024, which are available on our website (see www.alstria.com/sr). Our goal remains the same: transparent reporting and sharing of real estate data to foster dialogue, drive industry-wide engagement, and advocate for reusing existing buildings over new construction.

2. OUR ESG REPORTING TIMELINE

2007: alstria's initial public offering and listing on the Frankfurt Stock Exchange.

2010: Published the first stand-alone sustainability report based on GRI standards, becoming the first German real estate company to do so and initiating an annual reporting practice.

2012: Integrated ESG risks into portfolio management and business planning, including the first description of climate change risks in the management report.

2015: Conducted the first materiality analysis under GRI 4 and assigned ESG reporting responsibilities to the newly established sustainability department.

2016: Introduced third-party assurance for ESG data, beginning with the 2015 reporting year.

2020: Set science-based targets, introduced Low Carbon Design Principles with embodied emissions assessments aligned with CRREM[*], and began responding to TCFD[†] guidelines for climate risk disclosure.

2021: Published alstria's first Carbon Accounting Report[‡] and received industry recognition for excellence in sustainability reporting.

2023: Published the final stand-alone sustainability report under GRI[§] standards, concluding GRI-based reporting practices.

2024: Transitioned to CSRD-aligned reporting, preparing for the first voluntary publication under these standards in 2025.

2025: Issued a voluntary sustainability statement in the annual report as an interim step aligned with CSRD guidelines.

2026: Will fully adopt CSRD requirements, integrating sustainability statements into the annual report for clear and transparent reporting.

[*] Carbon Riks Real Estate Monitor (see also www.crrem.eu/)

[†] Task Force on Climate-related Financial Disclosures (see also www.fsb-tcfd.org/)

[‡] See also www.alstria.com/sustainability/#carbon-accounting

[§] Global Reporting Initiative (see also www.globalreporting.org/)

II. BASIS FOR PREPARATION

1. REPORTING BOUNDARIES

This Sustainability Statement is prepared in anticipation of compliance with the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS). While the CSRD has not yet been transposed into German law and is anticipated to apply to us from 2026, we have voluntarily adopted certain requirements to assess our readiness for full compliance.

It has been developed on a consolidated basis, alongside the 2024 financial statements, which adhere to IFRS standards and have been assured by a third party. It covers all entities included in the consolidated group, as presented in the alstria Annual Report 2024 (see Section 2.3.2 'Fully consolidated subsidiaries'). Any deviations from this scope, such as the exclusion of joint ventures, are noted.

The 'Sustainability Statement' encompasses alstria's own operations as well as its upstream and downstream value chain. Where necessary, references to the company's annual report or related websites provide additional context. This statement has been reviewed by the Management Board.

alstria follows the ESRS definitions of time horizons, aligning them with our risk management framework and financial reporting cycles. The short-term horizon is defined as one year, the medium-term horizon ranges from two to five years, and the long-term horizon extends beyond five years, with a ten-year period typically applied for risk and opportunity quantification.

The Sustainability Statement is publicly available as part of our Annual Report 2024 (see www.alstria.com/investor/#reports). The next sustainability disclosure is scheduled for publication in March 2026.

2. DATA ESTIMATIONS AND REPORTING CHALLANGES

Our double materiality assessment identifies sustainability matters, among other aspects, will require reporting energy consumption data. With the 'Sustainability Statement' now and in the future being published in financial quarter Q1 instead of Q3, as was previously the case for alstria's sustainability information, obtaining complete and verified data at the time of reporting is challenging. This delay results from data collection processes within the German energy market, which are beyond our control.

To address this, we have developed a structured methodology that applies normalization, extrapolation, and estimation techniques based on prior-year verified data. Moving forward, we will expand real-time energy monitoring to improve data accuracy, reduce reliance on estimations, and ensure greater transparency in future reports.

2.1. Methodology for extrapolation and estimation techniques

To bridge data gaps, we implement industry-standard estimation techniques derived from historical consumption patterns, climate adjustments, and recognized benchmarks. These methodologies ensure consistent and reliable reporting when real-time or direct measurement data is unavailable.

Key considerations include:

- **Weather adjustments**: Heating data is normalized using degree-day correction factors to account for seasonal variations.
- **Vacancy rate impact:** High vacancy rates are considered in consumption estimates to reflect actual occupancy levels.
- **Industry benchmarks:** Standardized values, such as energy efficiency regulations, are validated against historical data from our portfolio to ensure their accuracy.

III. GOVERNING BODIES

alstria's dual management system, which is standard for German stock corporations, consists of a Management Board and a Supervisory Board, with clearly defined responsibilities. The Management Board oversees the operational and strategic activities of the company, ensuring compliance with legal and internal regulations and maintaining effective risk management. The Supervisory Board monitors the Management Board’s performance and offers guidance to support the company's objectives. As of January 2024, the Management Board comprises a single member.

Olivier Elamine, CEO of alstria office REIT-AG, emphasizes sustainability by prioritizing the refurbishment of existing buildings over new construction. His advocacy for adaptive reuse reflects a deep commitment to conserving resources and minimizing the carbon emissions associated with new developments. Under his leadership, alstria has implemented initiatives like the 'Green Dividend,' directing funds toward renewable energy and carbon capture projects, demonstrating a tangible commitment to environmental sustainability (see also Green Dividend | alstria office REIT-AG).The CEO’s active participation in industry thinks tanks, such as the EPRA Sustainability Committee, further reflects his dedication to advancing sustainable practices in the real estate sector. Through these efforts, he contributes to reducing the environmental footprint of the built environment and promotes sustainable development across the industry.

Further information about the Management and Supervisory Board’s composition and responsibilities can be found in the Section F. ‘Corporate governance statement’ of the Annual Report 2024 and on the company’s website (see www.alstria.com/company/#corporate).

1. RISK MANAGEMENT AND INTERNAL CONTROLS

The responsibility for overseeing impacts, risks, and opportunities is delegated to the CEO, who provides strategic oversight of alstria's risk management framework. To support this, the Risk Committee, led by the Risk Manager and comprising the CEO and designated risk owners, conducts quarterly assessments of strategic, compliance, financial, and operational risks, including climate-related risks. Risk owners are responsible for identifying potential risks and developing mitigation strategies.

The outcomes of these assessments are reported to the Audit Committee of the Supervisory Board, which supports the Management Board in overseeing alstria's risk management and internal control processes. Additionally, the company conducts independent internal audits, with findings presented to both the Management Board and the Audit Committee.

Beyond the Audit Committee, a dedicated sustainability leadership body within alstria's majority shareholder, Brookfield, oversees and coordinates sustainability-related activities. This group supports implementing current and future initiatives while monitoring sector and market trends to ensure the company remains aligned with sustainability best practices.

Strategic planning is based on thoroughly analyzing market conditions and emerging opportunities. Annual and quarterly budget planning incorporates a detailed evaluation of market trends, property portfolio performance, tenant preferences, and regulatory developments. The Management Board receives regular updates on growth strategies and potential opportunities, including climate-related implications in budget discussions.

Further information about the risk management of alstria can be found in the Section 'V. Risk and opportunity report' of the Annual Report 2024.

2. SUSTAINABILITY GOVERNANCE FRAMEWORK

Sustainability oversight follows a structured framework, ensuring clear responsibilities at all levels. The CEO holds overall accountability, while the Head of Sustainability & Future Research, reporting directly to the CEO, ensures execution and alignment with corporate strategy.

Sustainability discussions occur at defined intervals to monitor progress:

- Supervisory Board – Reviews material sustainability matters at least once per year.
- Management Board – Meets monthly with the Head of Sustainability & Future Research to review sustainability objectives.
- Compliance Officer – Meets with the Head of Sustainability & Future Research once per financial quarter to discuss risks and regulatory compliance.
- Head of Operations – Meets every two months with the Head of Sustainability & Future Research to assess implementation progress.

2.1. Sustainability implementation and department roles

The Head of Sustainability & Future Research coordinates sustainability initiatives and works with departments to integrate sustainability into daily operations.

Key departmental responsibilities:

- Monitoring energy consumption across the building portfolio.
- Developing and tracking sustainability goals.
- Implementing sustainability projects across the value chain.
- Identifying and addressing environmental risks and opportunities.
- Enhancing internal communication on sustainability.
- Engaging with the public on sustainability topics.

3. DUE DILIGENCE

In our day-to-day operations, we conduct due diligence to assess business partners and suppliers, focusing on their compliance with policies, procedures, and commitment to ethical business practices. We will not engage an external party if the compliance risk is deemed too high and cannot be sufficiently mitigated.

To further strengthen our due diligence, we emphasize the following:

- **Supplier engagement and compliance**: We operate solely in Germany, and all our Tier 1 suppliers adhere to German law, ensuring thorough screening and strong enforcement of ESG conduct, supported by the country's numerous ESG compliance regulations. Tier 1 suppliers are also informed of alstria's Code of Conduct for Suppliers (see also www.alstria.com/code-of-conduct/), which outlines expectations for ESG compliance, including human rights and labor standards. Suppliers are encouraged to cascade these requirements to their subcontractors. To further support accountability, alstria maintains a 24/7 whistleblower platform for anonymous reporting of potential violations.
- **Targeted risk management**: Quarterly risk assessments evaluate ESG risks, such as human rights compliance and working conditions. For example, stringent checks are conducted on suppliers of photovoltaic components to ensure adherence to human rights standards.
- **Operational focus:** We prioritize procuring 'assembled services' rather than directly sourcing raw building materials from non-Tier 1 suppliers. This approach simplifies our supply chain and ensures alignment with strict ESG compliance standards. Redevelopment projects typically impact only 20% of our portfolio, further limiting supply chain complexities and associated risks.

Similarly, appropriate due diligence is conducted when evaluating new projects, partnerships, and strategic investment opportunities by leveraging in-house expertise and third-party support in legal, finance, tax, insurance, and risk management as needed.

4. INTEGRATION OF ESG IN REMUNERATION

ESG performance is not included in the company's remuneration scheme. We do not believe that ESG performance should be measured separately, as this could introduce unintended biases into the remuneration system. Our remuneration framework is based solely on financial performance. However, we are confident that strong ESG stewardship drives long-term positive economic performance and is, therefore, inherently reflected in our financial performance-based remuneration approach.

IV. BUSINESS MODEL, STRATEGY AND VALUE CHAIN

1. OUR PURPOSE AND STRATEGIC VISION

alstria acts as a transition agent, ensuring that office buildings reaching the end of their economic life cycle are repurposed for continued use. The company's primary goal is to transition these assets into the next life cycle while generating returns in line with the expected cost of capital. Unlike a fee-based asset manager, developer, or real estate fund, alstria is fully engaged in the acquisition, refurbishment and management of its properties. alstria's strategy is built on three core pillars: sustainability-driven growth, financial discipline, and long-term value creation in Germany's office real estate market.

1.1. Sustainability-driven growth

alstria prioritizes refurbishment over new construction, preserving 70-80% of embodied carbon and supporting EU climate objectives. By repositioning and revitalizing office spaces, the company reduces waste, extends building lifespan, and aligns with circular economy principles. Energy-efficient upgrades, smart systems, improved insulation, and electrification optimize operational performance while ensuring compliance with German and EU energy efficiency regulations.

1.2. Risk-optimized capital education

alstria follows strict underwriting criteria, ensuring that acquisitions align with long-term refurbishment potential rather than short-term speculation. Recycling capital once refurbishment projects are completed optimizes portfolio performance and ensures a proper usage of working capital.

1.3. Tenant-focused asset management

alstria manages assets throughout their entire lifecycle, ensuring strategic oversight from acquisition to leasing and monetization. The company focuses on a select number of Germany's most liquid and dynamic office markets, chosen for their strong tenant demand, real estate investment potential, and above-average population growth prospects, ensuring long-term value appreciation.

A tenant-focused leasing strategy keeps office spaces adaptable, ensuring continued relevance in evolving workplace environments. With in-house technical expertise, including architects, construction specialists, and energy market experts, alstria carries out refurbishments that enhance efficiency and long-term asset value.

More information is available in Section 'I. Economics and strategy', of the Annual Report 2024.

2. VALUE CHAIN

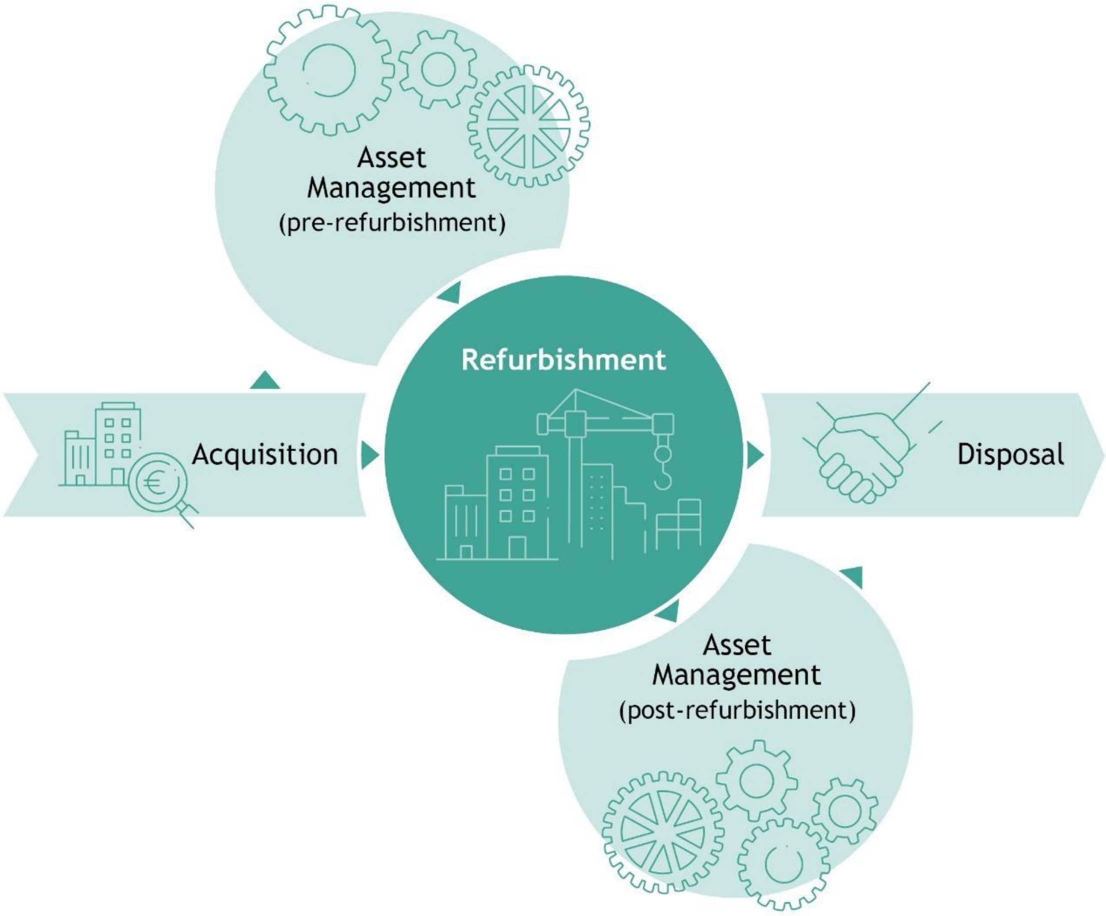
alstria's value chain is structured to maximize the long-term value and sustainability of office buildings while ensuring financial resilience. The company takes an integrated approach to real estate investment, managing properties throughout their entire lifecycle—from acquisition to refurbishment, active asset management, and eventual repositioning or sale.

Unlike traditional manufacturing companies, where core operations revolve around production, alstria considers the entire lifecycle of a building as part of its own operations. Refurbishment is its core activity, as it represents the central function around which all other activities are structured. Asset management, as well as the acquisition and sale of properties, serve as supporting functions—ensuring financial stability before and after refurbishment.

Consequently, alstria's value chain is streamlined, with upstream and downstream supporting activities occurring outside of its direct control. Upstream activities include the supply of building materials and construction services, while downstream activities involve interactions with tenants, investors, and buyers.

At every stage, alstria collaborates with suppliers and business partners involved in building material production and essential service provision. The following section outlines alstria's business activities and classifies its suppliers based on their contractual relationship with the company (Tier 1, 2, and 3). For further details on alstria's contractual relationships with its suppliers, please also refer to the 'Due Diligence' paragraph.

[Graphic : alstria’s business model]



2.1. Acquisition (Supporting upstream activity)

The process begins with acquiring properties nearing the end of their economic lifecycle. Once acquired, buildings follow one of two pathways:

1. Immediate refurbishment: Properties identified as ready for redevelopment move directly to the refurbishment phase.
2. Asset management before refurbishment: Properties not yet scheduled for refurbishment are actively leased and managed to maintain occupancy and cash flow until market conditions support redevelopment or sale.

Core activities of acquisition

- Identifying suitable properties aligned with investment and refurbishment goals.
- Conducting due diligence, including legal, financial, and sustainability assessments.
- Negotiating and finalizing transactions, securing financing, and coordinating with key stakeholder.

Examples of core suppliers and business partners:

- Tier 1: real estate brokers, legal counsels, due diligence consulters

2.2. Asset management across the building lifecycle (Supporting upstream & downstream activity)

alstria actively manages properties throughout their lifecycle, focusing on maintaining asset value before refurbishment through stable occupancy and revenue generation, and enhancing performance, operational efficiency, and tenant satisfaction after refurbishment to secure long-term financial returns.

Core activities of pre-refurbishment asset management:

- Marketing & Tenant acquisition: Promoting vacant spaces to secure new tenants.
- Lease negotiation: Structuring lease agreements to align with market conditions.
- Onboarding new tenants: Ensuring a smooth transition to maximize occupancy.

Core activities of post-refurbishment asset management:

- Lease termination review: Analyzing tenant departures to improve retention strategies.
- Exit process management: Coordinating move-outs and preparing properties for new tenants.
- Renegotiation & Lease extensions: Proactively engaging with tenants for potential lease renewals.
- Amenities & Technology upgrades: Enhancing office spaces with modernized infrastructure.
- Energy efficiency improvement: Implementing energy-efficient solutions to reduce operational costs.

Examples of core suppliers and business partners:

- Tier 1: real estate brokers, marketing and advertising agencies for property listings, facility managers
- Tier 2: office furniture companies, utility providers
- Tier 3: Building health and safety inspectors

2.3. Refurbishment & Redevelopment (core activity)

At the center of alstria's value chain is refurbishment and redevelopment, ensuring office buildings can be efficiently repurposed rather than demolished. Refurbishment typically occurs every 25-35 years due to technical system degradation or design obsolescence. alstria prioritizes reusing as much of the existing structure as possible, reducing embodied carbon emissions by 70-80% compared to new construction.

Stages of refurbishment:

1. Defining the end product: Establishing specifications, sustainability goals, and performance benchmarks, while aligning renovations with market demands and tenant expectations.
   - Implementation steps: Setting sustainability targets, identifying reuse potential for structural components to minimize embodied carbon, and defining efficiency upgrade priorities.
2. Managing the refurbishment process: Overseeing redevelopment, ensuring timely execution, and integrating efficiency upgrades.
   - Implementation steps: Coordinating construction activities, managing project timelines, implementing energy efficient solution (e.g. façade upgrades, insulation, and modern heating, cooling, and ventilation systems, with a focus on low-carbon and electrification technologies), and monitoring progress against sustainability benchmarks.
3. Preparing for market readiness: Ensuring regulatory compliance, documentation finalization, and tenant readiness.
   - Implementation steps: Verifying legal and financial compliance, including alignment with the EU Taxonomy, enhancing tenant readiness through fit-out adjustments, and optimizing sustainability performance to strengthen market positioning.

Examples of core suppliers and business partners:

- Tier 1: Construction service providers, builders and planners, project managers and support services
- Tier 2: Building components manufacturers, construction and site- related service provides
- Tier 3: Raw materials (e.g sand, cement, timber)

2.4. Sale of refurbished assets & Capital recycling (supporting downstream activity)

After refurbishment, properties follow one of two pathways: they are either retained in alstria's long-term portfolio or sold to realize added value. To maintain an optimized portfolio, alstria periodically evaluates market conditions to determine whether to hold, sell, or reinvest capital into new acquisitions.

Stages of transactions:

1. Property evaluation & Market assessment: Analyzing asset performance and current market conditions to determine whether to retain, sell, or reposition properties.
    - Implementation steps: Evaluating market trends to optimize pricing and timing, while ensuring alignment with the overall portfolio strategy.
2. Preparation for sale: Ensuring that assets meet regulatory, sustainability, and market standards before listing.
    - Implementation steps: Verifying legal and regulatory compliance, meeting sustainability criteria (including EU Taxonomy alignment), and preparing documentation to enhance the property's appeal to potential investors.
3. Investor identification: Finding suitable buyers based on market demand and investment potential.
    - Implementation steps: Engaging with institutional investors, leveraging professional networks, and collaborating with real estate brokers to maximize market reach and attract qualified buyers.
4. Transaction execution & Capital recycling: Completing legal and financial processes while ensuring reinvestment into higher-value assets.
    - Implementation steps: Overseeing contract negotiations, ownership transfers, and financial settlements. Proceeds from asset sales are strategically reinvested into new acquisitions or high-return projects, supporting continuous portfolio growth and long-term value creation.

Examples of core suppliers and business partners:

Tier 1: Real estate brokers, legal counsels, due diligence consulters

3. MANAGING INTERESTS OF STAKEHOLDERS

Our business depends on diverse stakeholders, and understanding their expectations is essential to our success. Open dialogue strengthens our relationships and helps align our operations with those who impact or are impacted by our activities. Our engagement follows a structured approach:

3.1. Stakeholder engagement approach

- **Clients/Investors, lenders:** Engaged through quarterly financial presentations, meetings, and annual bank presentations. Annual financial and ESG disclosures ensure transparency in financial and non-financial performance.
- **Business partners and suppliers:** Engagement occurs through direct discussions before partnerships, weekly contractor meetings during projects, clear procurement processes, and supplier screenings to maintain quality and sustainability standards. A complaint hotline is also available at Compliance - Whistleblower Portal.
- **Corporate tenants:** Engagement includes one-on-one meetings with in-house asset managers, tenant satisfaction surveys, and online communication portals to enhance building efficiency and tenant experience.
- **Employees:** An open and collaborative work culture is fostered through regular employee feedback surveys, annual appraisals, and an open-door policy. Training programs, internal communication channels, and workshops support professional development. Employees have access to a formal complaint-handling mechanism. See also para.2.3.'Complaints procedure' at Verhaltenskodex_Mitarbeiter_en_website.pdf
- **Local communities**: Engaged through press events, social media, and site visits. We actively participate in discussions on urban development, sustainability initiatives, and environmental responsibility.

As part of the 2024 DMA process, several external stakeholders were engaged. See also paragraph 4.5.'Step 3: External stakeholder engagement'.

3.2. Key stakeholder interests and response

Create long-term value

- We only invest in assets that will sustain our growth requirements and deliver long-term returns.
- Our operations focus on maintaining the occupancy level in our portfolio and the quality of our revenue stream.

Promote good governance and transparency

- Our financial and sustainability reporting undergoes a yearly external audit.
- We comply with most recommendations of the German Corporate Governance Code.

Retain reliability

- We publish information on every building we buy, own, and sell. We are firmly convinced that an open and reliable information policy can form a solid basis for trust between our company and our stakeholders.
- We have a responsible contracting policy and pay agreed prices within the set time frame.

Promote equal and fair treatment

- We have established leadership principles to ensure that all our employees are treated fairly and can develop.
- We have a compliance system that ensures the effective implementation of our internal regulations.

3.3. Industry engagement and collaboration

We actively participate in key industry groups to anticipate regulatory changes, explore trends, and contribute to sector-wide advancements.

Key partnerships and contributions:

- European Public Real Estate Association (EPRA): CEO serves on the Advisory Board, Sustainability Committee, and chairs the Reporting and Accounting Committee.
- German Property Federation (ZIA): Contributes to Germany's Energy and Climate Action Plan 2050, with our Head of Sustainability as Vice Chairman of the CSR/Sustainability Committee.
- Carbon Risk Real Estate Monitor (CRREM) – Global Investor Committee: Advisory Board member, contributing to industry decarbonization efforts.
- BAUAKADEMIE & Neo Impact Bench: Head of Real Estate Operations serves on the Advisory Board of this benchmarking platform for real estate metrics.
- German Society for Real Estate Research (gif e.V.): Contributions to the Redevelopment Competence Group, developing lifecycle carbon emission assessments for existing buildings.
- DENEFF Working Groups: Participation in IMMO2.Zero, collaborating on ambitious energy-efficiency regulations in Germany.

3.4. Tenant engagement initiatives

Through structured feedback mechanisms and dedicated management, we ensure that tenant needs are met efficiently while enhancing the overall workplace experience.

Key initiatives:

- Tenant satisfaction surveys: Regularly conducted to assess tenant experience. A 2020 survey showed 86% satisfaction among 47 key tenants. Feedback has driven improved training in complaint management and overall communication enhancements.
- QR Code feedback system: Enables tenants and visitors to provide real-time input on safety, cleanliness, and maintenance.
- Designated alstria managers: Each tenant and building is assigned to a dedicated alstria manager to address operational and strategic needs.
- Internal IT monitoring platform: Tracks tenant requirements, data, and updates, ensuring efficient service delivery.

4. DOUBLE MATERIALITY ASSESSMENT (DMA) 2024

4.1. Purpose

Our 2024 Double Materiality Assessment (DMA) identifies actual and potential impacts of our operations, value chain, and business activities on people and the environment (impact materiality), while also assessing sustainability-related risks and opportunities that could affect our financial position, performance, and resilience (financial materiality).

In line with the European Sustainability Reporting Standards (ESRS), double materiality requires companies to assess sustainability from both an outward and inward perspective, recognizing that environmental and social impacts can also create financial risks and opportunities. To determine which of the ten ESRS sustainability topics are material to us, we conducted a comprehensive assessment in 2024. The associated CSRD process steps were reviewed by our external auditors.

4.2. Scoring approach for Impacts, Risks and Opportunities (IROs)

Each identified Impact, Risk or opportunity (IRO) is documented and assessed for materiality in a structured project workbook, ensuring alignment with ESRS. (See also 'Step 2: Internal identification and evaluation of IROs' for further details.) The assessment follows a clear scoring methodology, integrating both impact materiality and financial materiality parameters.

To ensure consistency, alstria's time horizons are aligned with ESRS 1, §6, incorporating our risk management framework and financial reporting cycles. The short-term horizon is set at one year, the medium-term ranges from two to five years, and the long-term extends beyond five years, with a ten-year period typically applied for risk and opportunity quantification.

IROs are scored on a 1-5 scale, where 1 represents low significance/likelihood and 5 indicates high significance or likelihood based on ESRS 1 requirements. Impact materiality is assessed through scale, scope, irremediability, and likelihood, considering whether an impact is direct or indirect, positive or negative, actual or potential. Financial materiality is evaluated based on the magnitude of financial risk or opportunity, likelihood of occurrence, and the nature of financial effects. A materiality threshold of ≥3.5 has been defined to determine which IROs are considered material for reporting purposes. An exception applies to human rights-related impacts, severity takes precedence over likelihood, in line with ESRS 1, §45, reflecting the critical importance of human rights considerations regardless of probability.

The initial scoring of IROs was conducted by internal stakeholders, followed by adjustments based on external stakeholder input. Finally, IROs were reviewed in management workshops and formally approved as material or non-material by the Management Board.

4.3. Step 1: Foundation research and benchmarking

Our Double Materiality Assessment (DMA) began with a thorough due diligence process, integrating previous materiality assessments (see alstria Sustainability Report 2022/23,page 78) and company policies (https://alstria.com/sustainability/#policies). To ensure an industry-specific lens, we reviewed European Public Real Estate Association (EPRA) standards relevant to alstria's business. Additionally, insights from our participation in multiple ESG ratings helped identify a broad spectrum of IROs.

To support the identification phase, we benchmarked CSRD voluntary reporting practices from 2024 within and beyond our industry. This included survey responses from members of the ZIA industry association, providing insights into material topic selection within our industry group.

Following the EFRAG IG 1 Implementation Guidance (May 2024), we reassessed our business model and value chain, integrating key recommendations, which serve as the foundation for our materiality assessment.

4.4. Step 2: Internal identification and evaluation of IROs

After laying our groundwork, we conducted a structured process to identify and categorize the Impacts, Risks, and Opportunities (IROs) relevant to our operations and value chain. This phase was led by an internal task force consisting of sustainability experts with support from Legal, Compliance, Finance, and Human Resources. The assessment was conducted in alignment with the EFRAG IG 1 Implementation Guidance (May 2024).

The task force systematically:

- Mapped IROs to determine their relevance within alstria's own operations and broader value chain.
- Pre-screened application requirements to identify potential data collection challenges.
- Distinguished between actual and potential IROs to ensure structured classification.
- Established thresholds for materiality weighting
- Defined time horizons for potential IROs to assess short-, medium-, and long-term impacts.

The results were compiled in a project workbook, providing a reference for subsequent scoring and prioritization in the next steps of the DMA process.

4.5. Step 3: External stakeholder engagement

To ensure a comprehensive and balanced materiality assessment, we employed a two-step stakeholder engagement approach involving both internal proxy representatives and external AI-supported consultation.

1. Stakeholder representation through internal proxies

We selected internal proxies to represent key stakeholder perspectives, particularly those of vulnerable groups who may be affected by sustainability decisions. The selection was informed by previous materiality assessments and organizational expertise.

- Climate change-related considerations (E1): Our in-house sustainability experts, with over a decade of experience and extensive knowledge of the building sector, provided insights into climate-related matters. Their assessment was further informed by scientific knowledge from internationally recognized sources, such as the Intergovernmental Panel on Climate Change (IPCC) and other climate science frameworks. Additionally, alstria's CEO contributed expertise, representing financial market interests and while leveraging his civil engineering background.

- Circular economy considerations (E5): The Head of Sustainability, with extensive experience as a real estate developer, served as a proxy for the interests of construction service providers, builders, planners, and building materials manufacturers.
- Regulatory considerations (G1): The Head of Legal that serves also as the Compliance Officer of alstria evaluated sustainability matters under Governance (G1), serving as a proxy for regulatory perspectives.
- Employee perspectives (S1): A Human Resources representative participated in two rounds of discussions, serving as a proxy for employee-related sustainability concerns under Social (S1).

These internal stakeholder proxies played a crucial role in refining the internal classification of IROs.

2. External stakeholder consultation (AI-Facilitated approach)

We conducted structured AI-supported stakeholder consultations using Large Language Models (LLM) to introduce an unbiased external perspective. This approach aimed to identify additional sustainability issues and validate the relevance of pre-identified IROs.

Objective

The AI program simulated interviews with key stakeholder groups, focusing on material sustainability topics identified by alstria under the double materiality principle.

Methodology

- AI discussions were structured based on:
- alstria’s internal classification workbook (preliminary IRO identification, excluding scoring)
- The LLM's own perspective and knowledge
- Historical company sustainability reports
- EFRAG regulatory papers

Outcome

The AI-generated discussions helped refine IRO relevance and stakeholder concerns, ensuring that alstria’s assessment aligns with external sustainability expectations.

4.6. Step 4: Scoring and prioritization of IROs

To finalize the classification of IROs, we conducted a structured scoring workshop led by our CEO and sustainability experts. Building upon the scoring methodology defined in the 4.2.'Scoring approach for IROs' paragraph, this step applied impact and financial materiality evaluations simultaneously.

To ensure consistency, internal scoring results were cross-validated with findings from external AI-facilitated consultations. If discrepancies were substantial (for example, exceeding two scoring points), classifications were reviewed and adjusted accordingly.

Once the scoring process was completed, a final classification document was compiled, serving as the foundation for Step 6: 'Governance Review'.

4.7. Step 5: DMA process documentation

The final stage of the Double Materiality Assessment (DMA) process focused on formally documenting all assessments. Relevant documentation included:

- IRO classification workbooks detailing the assessment process
- Summaries of stakeholder interviews conducted during the engagement phase
- Workshop findings from internal and external validation sessions
- Scoring justifications and rationale overviews, outlining the materiality determination process

This comprehensive documentation serves as the foundation for governance review and final approval in the subsequent board evaluation phase.

4.8. Step 6: Governance Review

Our Double Materiality Assessment (DMA) results will be presented to the Supervisory Board in the next reporting cycle as part of our CSRD-compliant sustainability disclosures.

5. OUTCOME OF DOUBLE MATERIALITY ASSESSMENT (DMA)

The materiality assessment identified E1 'Climate', E5 'Resource Use and Circular Economy', S1 'Own Workforce', and G1 'Business Conduct" as material topics for alstria. This outcome aligns with our existing sustainability reporting framework and is consistent with the topic selection of our peer group and members of the ZIA association. Our increasing focus on embodied emissions led to the selection of the "Resource Inflows, including resource use" sub-topic as material. On the other hand, the assessment determined that certain topics, such as pollution, water, and biodiversity-related issues, are not material under ESRS definitions. This allows for streamlined reporting and enables necessary adjustments to our previous ESG reporting practices.

The results of our analysis are presented in the ‘List of sustainability matters’ below, following the requirements of paragraph 11 of ESRS 1, with a sub-topic level assessment—except for S1 “Own Workforce”," which was assessed at the sub-sub-topic level. In total, more than 50 company-specific IROs were defined, assessed, and classified based on our scoring approach (see 4.2.“Scoring Approach for IROs” paragraph). The material topics will be further examined in the next reporting cycle, which is expected to mark alstria’s first CSRD-compliant year.

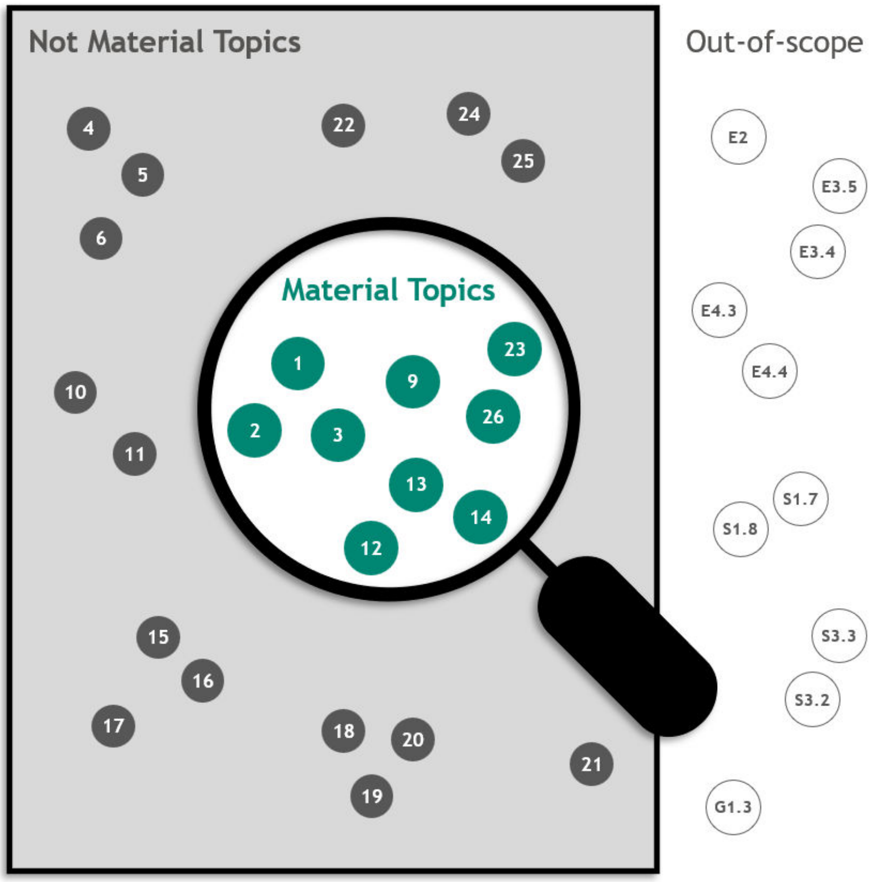
Additionally, scoped-out topics—marked in grey—in the table below, were excluded from the assessment from the outset, as they do not currently align with our business operations and value chain. However, these topics will be reassessed in future reporting cycles to determine their relevance.

5.1. List of sustainability matters

Sub-topics	Material	Not Material	Out-of Scope
E1 Climate Change			
1. Climate change adaptation	X		
2. Climate change mitigation	X		
3. Energy	X		
E2 Pollution (whole topic)			X
E3 Water & marine resources			
4. Water consumption		X	
5. Water withdrawals		X	
6. Water discharges		X	
Water discharges in the oceans			X
Extraction and use of marine resources			X
E4 Biodiversity & Ecosystems			
7. Direct impact drivers of biodiversity loss		X	
8. Impact on the extent and condition of ecosystems		X	
Impacts on state of species			X
Impact and dependencies on ecosystems			X
E5 Resource use and circular economy			
9. Resource inflows, including resource use	X		
10. Resource outflows related to products and services		X	
11. Waste		X	

Sub-topics	Material	Not Material	Out-of Scope
S1 Own workforce			
12. Secure employment & Working time	X		
13. Health and Safety	X		
14. Work life balance	X		
15. Diversity		X	
16. gender equality and equal pay		X	
17. Training and skills development		X	
Adequate wages, Social dialogue, Freedom of association, Collective bargaining			X
Child labor, forced labor, adequate housing, privacy			X
S2 Workers in the value chain			
18. Working conditions		X	
19. Equal treatment and opportunities		X	
20. Other work-related rights		X	
S3 Affected Communities			
21. Communites´economic, social and cultural rights		X	
Communities´civil and political rights			X
Rights of indigenous people			X
S4 Consumers & End-users (whole topic)			X
G1 Business conduct			
22. Business conduct policies and corporate culture		X	
23. Protection of whistleblowers	X		
Animal welfare			X
24. Political engagement		X	
25. Management of relationships with suppliers		X	
26. Corruption and bribery	X		

[Graphic: Visual representation of alstria's material topics (as displayed in Table 5.1)]



6. OUTLOOK

As we prepare for our CSRD-compliant reporting next year, we will refine our double materiality assessment where necessary and take into account insights from the first real estate companies reporting under the CSRD directive. We remain committed to continuously improving our sustainability reporting and aligning with evolving regulatory expectations.

F. REPORT OF THE SUPERVISORY BOARD

Dear shareholders,

In the 2024 financial year, the Supervisory Board performed the duties incumbent upon it by law and by the articles of association. In this report, we explain the advising and monitoring of the Management Board, the main topics discussed by the Supervisory Board and the audit committee, and the audit of the annual and consolidated financial statements for 2024.

I. OVERVIEW AND MAIN TOPICS OF DISCUSSION

The main topics discussed by the Supervisory Board and the audit committee in the 2024 financial year were the financing of the Company and the possible adjustment of the Company's shareholding structure to maintain the Company's REIT status, as well as the squeeze-out request by the main shareholder.

In the 2024 reporting year, we advised the Company's Management Board and monitored its management of the business. Based on the reports of the Management Board, we have dealt in detail with business development and with decisions and events of group-wide significance. The Supervisory Board was closely involved in the fundamental decisions of the Company. All measures requiring approval were discussed in detail between the Management Board and the Supervisory Board. As required by law, the articles of association or the rules of procedure, the Supervisory Board cast its vote after thorough examination and discussion.

At the Supervisory Board and committee meetings, the Management Board regularly, promptly and comprehensively informed the Supervisory Board about the Company's business development, financial position, planning, important business transactions, risk situation, risk management and compliance. Regularly the Supervisory Board met without the Management Board as well. Between meetings, the Management Board informed the Supervisory Board of important events. The chair of the Supervisory Board and the Management Board regularly held informational and advisory meetings.

II. MEETINGS OF THE SUPERVISORY BOARD

The Supervisory Board held five meetings in the 2024 financial year. In addition, we made seven decisions by circular resolution based on detailed documents. In the reporting year, the Supervisory Board held four meetings in person and offered guests the opportunity to participate via video conference; one meeting was held as a video conference.

During its regular meetings, the Supervisory Board discussed with the Management Board the business results (quarterly and half-yearly financial reports, annual and consolidated financial statements) as well as the Company's situation, development, business performance and market situation.

In February 2024, the Supervisory Board decided on the corporate governance statement submitted jointly with the Management Board and on the remuneration report for the 2023 financial year. The Supervisory Board also decided on the Management Board’s variable remuneration and on the conclusion of a loan. The Supervisory Board evaluated the results of the employee satisfaction survey and discussed them in detail. It was found that employee satisfaction is significantly higher than the market average.

At its meeting in March 2024, the Supervisory Board discussed the annual and consolidated financial statements as of December 31, 2023, the combined management report and the report by alstria office REIT-AG on relations with affiliated companies in accordance with Section 312 of the German Stock Corporation Act (AktG) and discussed these reports with the auditor. The Supervisory Board approved the annual financial statements of alstria office REIT-AG and the consolidated financial statements as of December 31, 2023. It examined the report of the Management Board on relations with affiliated companies for the 2023 financial year and approved the result of the audit of this report by the auditor. Furthermore, the Supervisory Board discussed with the Management Board the Company's situation in the current market environment and the positive carbon accounting results for the 2023 financial year.

In April and May 2024, the Supervisory Board prepared the Company's annual general meeting and approved the amendment of a financing agreement. At its meeting in June 2024, the Supervisory Board discussed with the Management Board compliance with the criteria for maintaining REIT status and approved investments in the maintenance of properties.

During fall and winter 2024, the Management Board and Supervisory Board discussed the termination of the REIT status. The Supervisory Board approved an amendment to the investment agreement concluded in connection with the takeover of the Company in 2022, which enabled the majority shareholder or one of its subsidiaries to initiate a squeeze-out before the end of the term of the investment agreement in February 2025.

The Supervisory Board discussed with the Management Board the squeeze-out request received by the Company from BPG Holdings Bermuda Limited, a subsidiary of Brookfield Corporation. The Management Board and Supervisory Board discussed the valuation process for the cash compensation of the minority shareholders in connection with the loss of the tax exemption as REIT company and the simultaneously performed valuation for the squeeze-out compensation of the minority shareholders. The Supervisory Board discussed the preliminary result of the compensation calculated by the valuers for the termination of the tax exemption as REIT company and the squeeze-out with the Management Board in detail. In this context, the Supervisory Board also discussed the corporate planning for 2025 with the Management Board and passed a resolution on it.

Furthermore, the Supervisory Board and the Management Board discussed future financing measures in detail. The Supervisory Board approved leases and investment measures and decided on the multi-year variable remuneration of the Management Board. In addition, the Supervisory Board prepared an extraordinary general meeting to be held in the first quarter of financial year 2025.

In February 2025, the Supervisory Board discussed matters relating to the compensation of the Management Board and adopted the annual corporate governance declaration, the corporate governance statement and the compensation report for the 2024 financial year. At the balance sheet meeting in February 2025, the Supervisory Board dealt with the annual and consolidated financial statements as of December 31, 2024, with the report of the Management Board on relations with affiliated companies in accordance with Section 312 of the German Stock Corporation Act (AktG) and with the Management Board's proposal for the appropriation of profits for the 2024 fiscal year.

III. AUDIT COMMITEE

The audit committee prepares part of the resolutions of the Supervisory Board by making recommendations for resolution; in some cases, decision-making authority has been delegated to the audit committee to the extent permitted by law. Information on the number and format of committee meetings can be found in the following table. The main topics discussed by the audit committee in the 2024 financial year are described below:

At the beginning of the reporting year, the audit committee dealt in detail with the real estate valuation as of December 31, 2023. The audit committee discussed the annual financial statements and the consolidated financial statements as of December 31, 2023, as well as the combined management report, as part of the final audit. It discussed the documents with the auditors, carried out a review of the annual and consolidated financial statements and submitted corresponding resolution proposals to the Supervisory Board plenum. The audit committee looked into the report of the Management Board on relations with affiliated companies in accordance with Section 312 AktG and the auditor's report in accordance with Section 1 (4) of the German REIT Act, as well as the quality of the audit. In doing so, the audit committee discussed in detail the valuation of assets and compliance with the German REIT Act. It also discussed the non-audit services provided by the auditor in the 2023 financial year and those to be provided in the 2024 financial year. In the summer of 2024, the Audit Committee looked into the financial report as of June 30, 2024, prior to its publication, and discussed it with the auditor.

The Company's risk situation was regularly discussed. Other topics included the results of the audit of the system for compliance with the requirements of Section 32 (1) of the German Securities Trading Act (WpHG) for the 2023 financial year (EMIR audit) and the audit of the ESG-reporting in accordance with the European Corporate Social Responsibility Directive (CSRD), which the Company voluntarily carried out in the 2024 financial year and is expected to be required to carry out from the 2025 financial year onwards. The audits were each carried out by Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Hamburg, (Deloitte).

The audit committee also reviewed the auditor's independence and deliberated the appointment of Deloitte as auditor for the financial reports 2024. In addition to the audit results, the audit committee discussed the audit risk assessment, audit strategy and audit planning with the auditor. The chair of the audit committee discussed the progress of the audit with the auditor and reported to the committee on the matter. The audit committee discussed the accounting, the accounting process, the risk management system, the identified material risks and the effectiveness of the internal control and audit system with the Management Board. The audit committee also addressed the results of the internal audit for the 2024 financial year, which was carried out internally during this financial year.

At its meeting in December 2024, the audit committee consulted with the Management Board regarding the change in the Company's tax situation following the termination of its REIT status, the Company's risk situation and compliance. In addition, the audit committee pre-approved certain non-audit services to be provided by the auditor for the 2025 financial year.

The Management Board attended all the meetings of the audit committee; however, when the audit committee consulted with the auditor about the auditor's reports, the Management Board was not present. Some of the meetings of the Audit Committee were also attended by the heads of Accounting & Reporting and Finance, as well as the compliance officer and the auditors.

No other committees were formed in the 2024 financial year.

IV. COMPOSITION OF THE MANAGEMENT BOARD AND SUPERVISORY BOARD AND ATTENDANCE OF MEETINGS

There were no changes in the composition of the Management Board and Supervisory Board in the 2024 financial year. The members of the Supervisory Board attended almost all meetings of the Supervisory Board and the audit committee in the 2024 financial year.

Attendence at meetings*	Total number of meetings/ attended	Number of physical meetings	Number of meetings via video conference	Participation in %
Full Supervisory Board:	**5**	**4**	**1**	
Brad Hyler (chair)	5/5			100
Jan Sucharda (vice-chair)	5/5			100
Richard Powers	5/5			100
Rebecca Worthington	5/5			100
Audit Committee:	**7**	**4**	**3**	
Rebecca Worthington (chair)	7/7			100
Jan Sucharda	7/7			100
Richard Powers	7/7			100
Brad Hyler	6/7			85.71
Total				**98.21**

* Participation in a meeting can also take place via telephone or video conference.

V. AUDIT OF THE ANNUAL AND CONSOLIDATED FINANCIAL STATEMENTS

Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Hamburg, audited the annual financial statements of alstria office REIT-AG and the consolidated financial statements for the fiscal year from January 1 to December 31, 2024, including the combined management report and issued an unqualified audit opinion.

The annual financial statements of alstria office REIT-AG, the consolidated financial statements and the combined management report as well as the auditor's reports were made available to all members of the Supervisory Board immediately after their preparation. The Supervisory Board thoroughly reviewed the documents prepared by the Management Board in the audit committee and in the full Supervisory Board. At the meeting of the audit committee, the auditor reported on the scope of the audit, the risk assessment, the main points of the audit and the significant results (also in relation to the accounting-related internal control system and the risk management system). The auditor addressed the key audit matters and the audit procedures and was available to answer questions. The audit committee dealt with the key audit matters described in the auditor's report, including the audit procedures performed. The full Supervisory Board examined the annual financial statements and the consolidated financial statements for the 2024 fiscal year prepared by the Management Board, the combined management report and the Management Board's proposal for the appropriation of profits and discussed the result of the audit. The final result of the Supervisory Board's review did not give rise to any objections. The Supervisory Board approved the annual financial statements and the consolidated financial statements. The annual financial statements are thus deemed adopted.

Moreover, the Management Board presented its report on relations with affiliated companies to the Supervisory Board in accordance with Section 312 of the German Stock Corporation Act (AktG). The audit report prepared by Deloitte for this purpose was also submitted to the Supervisory Board. Both reports were also forwarded to each member of the Supervisory Board. The auditor's report reads as follows:

“On completion of our audit in accordance with professional standards, we confirm that

1. the factual statements made in the report are correct,
2. the company's compensation with respect to the legal transactions listed in the report was not inappropriately high, or else any disadvantages have been compensated,
3. there are no circumstances that would speak for a materially different assessment than that given by the Executive Board for the measures listed in the report.”

The Supervisory Board also examined the report of the Management Board on the relations to affiliated companies in accordance with Section 312 AktG and took note of and approved the auditor's report prepared for this purpose. Based on the final result of its own examination, the Supervisory Board approves the Management Board's statement on the report in accordance with Section 312 (3) AktG.

The Supervisory Board would like to thank the Management Board and all employees for their dedicated work in the 2024 financial year.

London, February 2025

For the Supervisory Board

Brad Hyler
Chair of the Supervisory Board

G. CORPORATE GOVERNANCE STATEMENT

In this statement, the Management Board and Supervisory Board of alstria office REIT-AG (“**alstria**” or “**Company**”) report on the corporate governance at the Company pursuant to Sections 289f and 315d of the German Commercial Code (*Handelsgesetzbuch*, HGB) and Principle 23 of the German Corporate Governance Code (“**Code**”).

I. MANAGEMENT BOARD AND SUPERVISORY BOARD

German stock corporations are required by law to have a dual management system (two-tier board), which provides a strict separation of personnel and functions between the Management Board as the management body, and the Supervisory Board as the monitoring and advising body. Within this dual management system, Management Board and Supervisory Board cooperate closely and faithfully in the Company’s interests.

1. MANAGEMENT BOARD

The Management Board is responsible for managing the enterprise in the best interests of the enterprise. In particular, the Management Board develops the enterprise’s strategic direction, coordinates it with the Supervisory Board and ensures its implementation. Furthermore, the Management Board ensures an appropriate internal control and risk management system as well as the observation of legal provisions and internal guidelines and works towards their observance in the enterprise (Compliance).

The Company’s Articles of Association stipulate that alstria’s Management Board consists of one or more members. The Supervisory Board appoints the members of the Management Board and determines their number.

If several Management Board members have been appointed, they are jointly responsible for the management of the Company. Fundamental matters or financially significant material matters stipulated by law, by the Articles of Association or by the rules of procedure for the Management Board, are decided by the Management Board as a whole. Resolutions of the Management Board are passed by a simple majority, whereby a unanimous vote shall generally be sought.

Significant business transactions specified in the rules of procedure for the Management Board require the approval of the Supervisory Board. The Supervisory Board’s approval is required, for example, for the acquisition or disposal of real estate property and the conclusion of new financing agreements with a consideration or volume of more than EUR 30 million, or modernization measures that are not included in the budget approved by the Supervisory Board and exceed a total annual amount of EUR 2 million. Furthermore, transactions with related parties pursuant to Section 111 a para.1 of the German Stock Corporation Act (*Aktiengesetz*, AktG) require the approval of the Supervisory Board.

The Management Board regularly and promptly provides the Supervisory Board with comprehensive information on all issues relevant to the Company and the Group relating to the strategy, development of the business and financial position of the Company, planning, material business transactions as well as on the risk situation, risk management and compliance of the Company. At least once a year, the Management Board reports on the planned business policy and on other fundamental issues of corporate planning for the Company and the Group. At least quarterly, the Management Board reports on the course of business, in particular revenues and income, key performance indicators and the development of the net assets, financial position and results of operations. The work of the Management Board, the reporting and information obligations to the Supervisory Board and the transactions requiring Supervisory Board approval are governed by rules of procedure for the Management Board.

In financial year 2024, the Management Board of alstria office REIT-AG consisted of one member:

Member		Term of office (in years)	Appointed until
Olivier Elamine	Chief Executive Officer	18	31.12.2027

Management Board members are committed to the Company's interests and do not pursue personal interests in their decisions or take advantage of business opportunities to which the Company is entitled. The rules of procedure for the Management Board stipulate that conflicts of interest must immediately be disclosed to the Chair of the Supervisory Board. A member of the Management Board shall also not directly compete with the Company through private real estate investments; real estate transactions between the Company and a member of the Management Board are prohibited. Significant transactions between the Company on the one hand and a Management Board member or related parties within the meaning of Section 111a AktG on the other hand, require the Supervisory Board's approval. All such transactions must be concluded under customary commercial conditions. A Management Board member requires the Supervisory Board's approval to conduct secondary activities, particularly memberships in supervisory boards of companies outside the Group. In the reporting period, there were no conflicts of interest involving the CEO that were not reported to the Supervisory Board. There were also no agreements or transactions between the Company on the one hand and the CEO or parties related to him pursuant to Section 111a AktG on the other hand. With the approval of the Supervisory Board, the CEO holds a mandate in the board of a company outside the Group. A list of the CEO's memberships in supervisory boards of listed companies or companies with comparable requirements pursuant to Section 285 No. 10 HGB can be found on page 156 of the Company's Annual Report.

The compensation of the Company's CEO is presented in the Remuneration Report on pages 216 to 236 of the Company's Annual Report. The Remuneration Report, together with the other documents required by Section 289 f HGB, is also available on the Company's website at www.alstria.com → Company → Corporate Governance → Remuneration.

2. PROFILE FOR THE MANAGEMENT BOARD

The Supervisory Board appoints and dismisses the members of the Management Board and, with the support of the Management Board, ensures long-term succession planning. The Supervisory Board strives for a Management Board composition that ensures that all the knowledge, skills and experience necessary to best manage the Company are available on the Management Board. Therefore, with due consideration of alstria's specific situation, on July 19, 2023 the Supervisory Board last established this profile of skills and expertise and diversity concept with targets for the composition of the Management Board (**Profile for the Management Board**), pursuant to Section 289 f HGB, Section 76 para. 3 AktG and to the German Corporate Governance Code.

The Company's Articles of Association provide that the Management Board shall consist of one or more members. The Supervisory Board decides on the exact number of Management Board members, the Management Board's individual staffing and the Management Board's chairman. Acting members of the Management Board will only be reappointed more than one year before the end of their term of office and their current appointment terminated at the same time, if there are special circumstances.

2.1. Requirements for all management board members

All Management Board members shall have the personal qualification for being a member on the Company's Management Board and shall each meet the legal as well as the following requirements:

- a managerial mindset,
- integrity,
- a capacity for interaction and teamwork,
- leadership skills and persuasive power,
- communication skills,
- an ability to balance risk appetite and risk avoidance,
- relevant education and sufficient professional experience and
- an age of up to 65 years, as a general rule.

2.2. Requirements for the entire Management Board

Viewed as a whole, the members of the Management Board shall have all knowledge, skills and experience needed. In particular, at all times at least one Management Board member shall have due / be duly:

- expertise regarding real estate management (ideally in the management of office properties, acquired in a comparable company);
- knowledge of the German real estate market;
- skills in the sectors real estate transactions, asset management/letting, project development, real estate valuation and all other relevant business divisions;
- experience in defining, setting and executing corporate strategy and an ability to implement profound change and ensure good communication;
- familiarity with the requirements concerning corporate governance and investor communication, gained within a listed company (ideally with a comparable market capitalization);
- experience in leadership and corporate management (ideally acquired in a comparable company) and
- experience in corporate finance and capital markets (ideally acquired in a comparable company).

The composition of the Management Board shall also reflect internationality in terms of diverse cultural backgrounds and international experience of the Management Board members.

2.3. Diversity

The members of the Management Board shall complement one another in terms of their backgrounds, professional experience and expertise in order to let the leadership benefit from diverse sources of experience, skills and points of view on corporate challenges.

In the recruitment process, the candidates are treated neutrally in terms of sex and age and will be assessed according to their qualifications.

2.4. Status of implementation

In its current composition, the Management Board meets all the requirements of the Profile for the Management Board.

3. SUPERVISORY BOARD

The Supervisory Board advises and supervises the Management Board in the management of the enterprise. Advice and supervision also include sustainability issues. The Supervisory Board reviews the annual and consolidated financial statements along with the combined management report of alstria, adopts the annual financial statements and approves the consolidated financial statements and the combined management report. It examines the proposal for the profit appropriation and, with the Management Board, submits it to the Annual General Meeting for resolution. On the substantiated recommendation of the Audit Committee, the Supervisory Board proposes the auditors for election by the Annual General Meeting. After the corresponding resolution is passed by the Annual General Meeting, the Audit Committee awards the contract to the auditors and monitors the audit of the financial statements together with the independence and quality of the auditors. Details of the activities of the Supervisory Board in the reporting year are contained in the report by the Supervisory Board on pages 193 to 199 of the Company’s Annual Report.

In accordance with the Articles of Association, the Company's Supervisory Board consists of four members, all of whom are shareholder representatives. As a rule, they are elected by the Annual General Meeting. The Supervisory Board elects a Chair and a Deputy Chair from among its members. The Chair of the Supervisory Board coordinates the Supervisory Board’s activities, chairs its meetings and represents the interests of the Supervisory Board externally. The Chair maintains regular contact with the Management Board and discusses the enterprise’s strategy, business development, the risk situation, risk management and compliance. The Management Board immediately informs the Chair of important events that are of material significance for assessing the situation as well as for development and management. If necessary, the Chair then informs the Supervisory Board and, when appropriate, convenes a Supervisory Board meeting.

Supervisory Board resolutions are adopted by a majority of votes of the Supervisory Board members as specified in the Articles of Association, unless otherwise required by law. Resolutions are generally passed at ordinary or extraordinary meetings. Supervisory Board members may participate in meetings of the Supervisory Board in person or via telephone, video conference, or similar audiovisual means. The Supervisory Board also meets regularly without the Management Board. Supervisory Board resolutions may also be adopted outside of meetings by means of written, telephonic or electronic communication (including e-mail and video conference) if the Chair so determines in individual cases.

All Supervisory Board members are obliged to act in the Company’s interests and do not pursue personal interests in their decisions or take advantage of business opportunities to which the Company is entitled. The rules of procedure for the Supervisory Board stipulate that conflicts of interest must be disclosed to the Chair of the Supervisory Board without delay. In the case of resolutions for which a conflict of interest exists, the Supervisory Board member concerned abstains from voting. Members of the Supervisory Board shall also not directly compete with the Company through private real estate investments; real estate transactions between the Company and members of the Supervisory Board are prohibited. Significant transactions between the Company on the one hand and members of the

Supervisory Board or related parties within the meaning of Section 111a AktG on the other hand require the approval of the Supervisory Board. In the reporting period, there were no conflicts of interest involving members of alstria's Supervisory Board that were not disclosed and there were also no such agreements on transactions between the Company on the one hand and members of the Supervisory Board and related parties on the other.

Each member of the Supervisory Board ensures that it has sufficient time available to fulfill its duties. The members of the Supervisory Board observe the overboarding rules as defined in the Code. The Supervisory Board regularly assesses how effectively the full Supervisory Board and its committees fulfill their duties. In financial year 2023, the supervisory board recommended a reduction of its size from 6 to 4 members, changed its composition accordingly, reduced the number of permanent committees, revised its rules of procedure and initiated an adjustment of its remuneration system. In February 2025, the supervisory board reassessed the quality of its work in the light of these changes. Based on internal discussions it did not identify any need for further adjustments.

More detailed information on the individual members of the Supervisory Board can be found on the Company's website, which contains the member's curricula vitae and an overview of their main activities in addition to their Supervisory Board mandate. A list of the memberships of the Supervisory Board members on supervisory boards or similar supervisory bodies of non-Group companies in accordance with Section 285 no. 10 of the HGB can also be found in the annual report on pages 156 to 157 of the Company's Annual Report. The rules of procedure for the Supervisory Board can also be viewed on the Company's website under www.alstria.com → Company → Corporate Governance.

The compensation paid to the individual Supervisory Board members is presented in the Remuneration Report on pages 231 to 233 of the Company's Annual Report. The Remuneration Report, together with the other documents required by Section 289 f of the HGB, is also available on the Company's website at www.alstria.com → Company → Corporate Governance → Remuneration.

4. SUPERVISORY BOARD COMMITTEES

The Supervisory Board has formed an Audit Committee from among its members. The Audit Committee has its own rules of procedure, in which its matters, tasks and decision-making powers are regulated in more detail. It deals with the Company's accounting and accounting process, risk management, internal control and audit system and compliance. In addition, the Audit Committee deals with the audit of the financial statements, in particular the selection, independence and qualification of the auditors and the additional services provided by the auditors, the issuing of the corresponding audit engagement, the determination of focal points of the audit, the fee agreement and the assessment of the audit's quality. From January 1 to December 31, 2024, the Audit Committee consisted of Becky Worthington (Chair) as well as Brad Hyler, Jan Sucharda and Richard Powers.

The Supervisory Board reports on the activities of its committees' work during the 2023 financial year in its report to the Annual General Meeting on pages 195 to 196 of the Company's Annual Report.

5. PROFILE FOR THE SUPERVISORY BOARD

alstria office REIT-AG's Supervisory Board shall ensure proper consultation with and control of the Management Board. Therefore, Supervisory Board members shall have the knowledge, skills and experience necessary to properly fulfil their duties and complement one another. For this reason, on July 19, 2023 the Supervisory Board has last established this profile of skills and expertise and diversity concept with targets for the composition of the Supervisory Board ("**Profile for the Supervisory Board**") according to provisions in Section 289 f HGB and in the Code. Thereby, the Supervisory Board has especially considered alstria's specific situation and shareholder structure.

5.1. General profile of qualification

- Managerial or operational experience
- Availability and willingness to dedicate sufficient time
- Discretion and integrity
- Capacity for interaction and teamwork
- Leadership skills and persuasive power
- Age of up to 70 years, as a rule

5.2. Qualification and diversity

- The members of the Supervisory Board shall complement one another in terms of background, professional experience and skills in order to provide the Supervisory Board with the most diverse sources of experience and skills possible, including such regarding sustainability issues relevant to the Company.
- Viewed as a whole, the members must be familiar with the real estate sector.
- At least two members of the Audit Committee, including the Chair, shall be financial experts: At least one member shall have gained special expertise and experience in accounting, the application of accounting principles and internal control systems. At least one further member shall have gained special expertise and experience in the auditing of annual statements.
- The members of the Supervisory Board shall complement one another in terms of gender. At least one member shall be female. At least one member shall be male.

5.3. Independence

A Supervisory Board member is **independent from the Company and its management** as long as it has no personal or business relationships with the Company or its Management Board, which could cause a substantial and not merely temporary conflict of interest.

A Supervisory Board member is **independent from a controlling shareholder** if the Supervisory Board member or a close relative is neither a controlling shareholder, nor a member of the executive governing body of the controlling shareholder and does not have a business or personal relationship with the controlling shareholder that may cause a substantial and not merely temporary conflict of interest.

The Supervisory Board has determined the following requirements for the independence regarding the composition of the plenum and the Audit Committee:

- The number of members of the Supervisory Board that shall be independent from a controlling shareholder is determined taking into consideration the relative ownership of such shareholder as well as the legal requirements for independence in the committees.
- No more than two Supervisory Board members shall be former members of the Management Board.
- The **Chair of the Supervisory Board** shall be independent from the Company and its Management Board. The Chair of the **Audit Committee** shall be independent from the Company and its Management Board and from a controlling shareholder.

5.4. Succession planning and elections to the Supervisory Board

alstria appoints Supervisory Board members using a structured process. The Supervisory Board submits nominations to the Annual General Meeting for each vacant Supervisory Board position.

The Supervisory Board chooses the candidates whom it recommends to the Annual General Meeting for an election as follows: Whenever a Supervisory Board members' office term comes to an end, the Supervisory Board checks the composition of the Supervisory Board and whether the targets laid down in the Profile for the Supervisory Board are being met. The Supervisory Board also checks whether the targets need to be adjusted in light of alstria's situation and circumstances, which might have evolved. Given such results, the Supervisory Board assesses in the first place whether it would be appropriate to recommend to the Annual General Meeting to reappoint the Supervisory Board member whose term of office will end with the next Annual General Meeting. When doing so, the Supervisory Board takes into consideration the criteria for independence mentioned above. The Supervisory Board strives to fulfil the Profile for the Supervisory Board.

In its election proposals to the Annual General Meeting, the Supervisory Board discloses the personal and business relationships of every candidate with the Company, the Management and Supervisory Boards and any shareholders with a material interest in the Company. The election proposals go along with a curriculum vitae, providing information on each candidate's relevant knowledge, skills and professional experience and an overview of the candidate’s material activities in addition to the Supervisory Board mandate.

The Annual General Meeting of shareholders elects each member of the Supervisory Board individually. Where an application is made for the appointment of a Supervisory Board member by a court, the term of that member will be limited until the next Annual General Meeting.

5.5. Status of implementation

The profile of skills and expertise and diversity concept with targets for the composition of the Supervisory Board is taken into account in the election proposals to the Annual General Meeting as well as into any application to judicial appointment of Supervisory Board members, with care being taken to ensure that the profile is met for the Supervisory Board as a whole.

The current composition of the Supervisory Board fulfills all the objectives set out in the Profile for the Supervisory Board. In the opinion of the Supervisory Board, all current members of the Supervisory Board are independent from the Company and its Management Board. Furthermore, the Chair of the Audit Committee, Rebecca Worthington, is independent from the controlling shareholder. Brad Hyler, Jan Sucharda and Richard Powers each have a business relation with group companies of Brookfield, the controlling shareholder of alstria. Brad Hyler and Richard Powers also belong to the governing bodies of Brookfield.

Having held the position as CFO at various companies for many years, Becky Worthington (as Chair of the Audit Committee) has professional expertise in the fields of accounting and auditing, namely special knowledge and experience in the application of accounting principles and internal control and risk management systems as well as special knowledge and experience in the auditing of financial statements, including sustainability reporting and its audit and assurance.

With many years of experience as a director on several boards of Brookfield's property portfolio companies, Brad Hyler has professional expertise in the field of accounting, namely special knowledge and experience in the application of accounting principles and internal control and risk management systems. Through his work as Chairman of the Company's Supervisory Board, Brad Hyler has also gained experience in sustainability reporting and its audit and assurance.

Status of implementation of the Profile for the Supervisory Board:

	Brad Hyler[1]	**Jan Sucharda**	**Richard Powers**	**Becky Worthington**[2]
Year of birth	*1978*	*1960*	*1963*	*1971*
Term of office in years[3]	*3*	*3*	*2*	*3*
Appointed until	*2027*	*2027*	*2028*	*2028*
Diversity				
Gender	m	m	m	f
Nationality	US-American	Canadian	British & US-American	British
Independence				
Term of office for more than 12 years[4]	no	no	no	no
Personal relationship with Management Board[5]	no	no	no	no
Material business relationship[6]	no	no	no	no
Relationship with controlling shareholder[7]	yes	yes	yes	no
Knowledge and experience				
Industry background	Real Estate	Real Estate	Real Estate	Real Estate
Real estate sector	X	X	X	X
Financial expert accounting	X			X
Financial expert audit				X
ESG				X

[1] Chair of Supervisory Board
[2] Chair of Audit Committee
[3] until the close of the Annual General Meeting in the respective financial year
[4] Relating to the Supervisory Board member and his/her close relatives
[5] Former member or close relative of a member of alstria's Management Board, relating in each case to the Supervisory Board member and his/her close relatives
[6] With alstria or a member of the Management Board, directly or as a shareholder or in a responsible function of a company outside the Group, currently or within the year up to his/her appointment, relating in each case to the Supervisory Board member and his/her close relatives
[7] Member of the executive governing body of controlling shareholder and /or business or personal relationship with controlling shareholder, relating in each case to the Supervisory Board member and his/her close relatives

II. WOMEN IN LEADING POSITIONS

Employees and their development within the Company are of central importance for society to achieve sustainable success. When filling management positions in the Company, the Management Board strives for a high level of diversity among employees and a high proportion of female managers. The Management Board determined a target figure of at least 30 % for the proportion of women in the first management level below the Management Board (Head of Departments) in accordance with Section 76 para. 4 AktG. This target figure will apply until December 31, 2026, and has been achieved with 41.67 % as of December 31, 2024. Due to the lack of an additional management level with decision-making competence and budget responsibility, there was no need to determine a target figure for women's participation at the second management level.

The Supervisory Board set a target figure of at least 25 % for the proportion of women on the Supervisory Board. This target applies until December 31, 2027, and was reached at 25 % as of December 31, 2024. In view of the fact that Olivier Elamine has been appointed as CEO of the Company until December 31, 2027, and there are no plans to re-fill the position of CFO, the target figure for the proportion of women on the Management Board has been set at a minimum of 0%. This target will apply until December 31, 2027, and was reached as of December 31, 2024.

III. GERMAN CORPORATE GOVERNANCE CODE

The recommendations and suggestions of the Government Commission, as appointed by the German Federal Ministry of Justice, contain internationally and nationally accepted standards of good and responsible corporate governance. Our declarations of compliance with the recommendations of the German Corporate Governance Code pursuant to Section 161 AktG are published on the Company's website (www.alstria.com). alstria complied and complies with the recommendations of the Code with the few exceptions stated in the declaration of compliance.

These exceptions and the reasons for the Company's nonconformity are set out in the declaration of compliance, as last issued by the Management Board and the Supervisory Board on February 10, 2025:

Declaration of compliance dated February 10, 2025

"Since its last Corporate Governance Declaration on February 27, 2024, alstria office REIT-AG has complied with the recommendations of the 'Government Commission German Corporate Governance Code' in the version which entered into force on June 27, 2022 ("**GCGC**") apart from the exceptions stated below. alstria intends to continue to comply with the GCGC recommendations to the same extent.

Management Board Remuneration System 2022

Following the takeover of the Company by Alexandrite Lake Lux Holdings S.à r.l., a company controlled by Brookfield Corporation (former Brookfield Asset Management) ("**Brookfield**"), the Supervisory Board had adjusted the remuneration system for the members of the Management Board ("**Management Board Remuneration System 2022**"). The annual general meeting on June 10, 2022 approved the Management Board Remuneration System 2022 with a majority of 99.55%.

Non-financial performance criteria, G. 1 GCGC

According to the recommendations in G. 1 GCGC, the remuneration system for the members of the management board shall define the non-financial performance criteria relevant for the granting of variable remuneration components. The Management Board Remuneration System 2022 does no longer contain ESG targets for the variable remuneration. The Supervisory Board is convinced that alstria's Management Board is a front runner in terms of sustainable real estate management even without non-financial performance criteria embedded in the remuneration system.

Share based remuneration and deferral, G. 10 GCGC

Pursuant to G.10 GCGC, the management board members' variable remuneration shall be predominantly invested in company shares or shall be granted predominantly as share-based remuneration. Granted long-term variable remuneration components shall be accessible to management board members only after a period of four years. As the share price performance is no longer a suitable indicator for management board performance following the takeover of the Company, the Management Board Remuneration System 2022 does no longer provide for a share based variable remuneration or share ownership guidelines. Furthermore, the Management Board Remuneration System 2022 shortens the deferral of the long-term variable remuneration from 4 to 2 years in order to meet the statutory provisions and fully align management board remuneration with the overall employee remuneration scheme.

Candidate proposals by nomination committee, D. 4 GCGC

Pursuant to D.4 GCGC, the Supervisory Board shall form a nomination committee, composed exclusively of shareholder representatives, which names suitable candidates to the Supervisory Board for its proposals to the general meeting.

As part of the reduction in the size of the Supervisory Board from six to four members, the Nomination and Remuneration Committee was terminated for reasons of efficiency. Since then, the selection of candidates for the election of Supervisory Board members by the Annual General Meeting is made directly by the full Supervisory Board.

Supervisory Board Remuneration System 2023, G. 17 GCGC

According to the recommendations in G. 17 GCGC, the remuneration of the supervisory board members shall take into account, in an appropriate manner, the higher time commitment of the chair and the deputy chair of the supervisory board as well as of the chairs and the members of committees.

In accordance with the resolution of the Annual General Meeting on May 4, 2023, only the chair of the Audit Committee is to be remunerated, in particular to reflect the demands of this activity on the Supervisory Board. The further members of the Supervisory Board shall receive no remuneration; the reimbursement of expenses shall remain unaffected.

The granting of fixed (and not variable) remuneration exclusively to the chair of the audit committee ensures that in particular the chair of the audit committee of the Supervisory Board can exercise the supervisory and advisory function independently. In addition, the non-granting of remuneration ensures that all members of the Supervisory Board will be able to carry out their activities independently of the short-term success of alstria. In this way, the Supervisory Board can concentrate primarily on its activities with regard to the long-term development of alstria.

The level of remuneration for the chair of the audit committee reflects the function and the area of responsibility and is appropriate to the situation of alstria. In particular, the greater amount of time required to be spent by the chair of the audit committee and the higher technical skills they need to possess are adequately taken into account."

IV. CORPORATE MANAGEMENT PRACTICES

To achieve a value-oriented and trust-building corporate management, alstria applies management practices that go beyond the legal requirements.

1. CORPORATE GOVERNANCE

In managing the Company, the Management Board and Supervisory Board of alstria are aware of their responsibility towards the shareholders, employees, tenants and business partners of alstria. Good corporate governance strengthens the trust of our stakeholders and is therefore the basis for our decision-making and control processes. It stands for a responsible, value and long-term success-driven governance and control of the Company, a targeted and efficient cooperation between the Management Board and the Supervisory Board, respect for the interests of our shareholders and employees, transparency and responsibility in all entrepreneurial decisions as well as an appropriate risk management.

alstria has implemented large parts of the recommendations and suggestions of the Code and thus goes beyond the legal requirements. At least once a year and whenever necessary, a corporate governance officer in the Company reports to the Management Board and the Supervisory Board any changes to the Code. alstria thus ensures that these principles are observed throughout the Company.

2. INTEGRITY AND COMPLIANCE

Behavior with integrity is one of alstria's most important principles. The trust of shareholders, tenants, employees and business partners depends crucially on the conduct of each individual. The Company's Management Board has therefore implemented a compliance management system geared towards the risk situation of the Company, to ensure compliance with legal requirements and internal guidelines, and it also sets standards for fair treatment of business partners, competitors and employees.

A code of conduct for employees sets our principles of conduct, provides guidance in conflict situations (e.g. a conflict of interest) and thus serves as a model and orientation for correct behavior for all employees of the Company. The code of conduct is published on the alstria website. The Compliance Officer is responsible for communicating these values to the employees by in-house training for all employees and by answering questions on the code of conduct's implementation of the as well as internal guidelines. Compliance with the code of conduct is monitored by colleagues, superiors and the Compliance Officer, as well as by regular reviews by an auditor. Employees are given the opportunity to report violations within the Company via various reporting channels. alstria has also set up a whistleblower portal where employees and third parties can anonymously report violations, e.g. of the code of conduct or the Company's internal guidelines. In addition, the Management Board regularly discusses the Company's compliance with the Supervisory Board. Violations of the code of conduct will not be tolerated and will be fully investigated and sanctioned. These may include disciplinary measures up to and including termination of employment, the assertion of a claim for damages and criminal charges.

Integrity is also an essential condition for building trusting partnerships and cooperation with our business partners. For this reason, alstria has introduced a code of conduct for its service providers, craftsmen, suppliers and business partners, which describes fundamental legal and ethical requirements. This code of conduct for service providers is published on the website of alstria and defines the Company's expectations of integrity and compliant behavior of its business partners.

3. COMMUNICATION AND TRANSPARENCY

Transparent corporate governance and good communication with the shareholders and the public help to strengthen the confidence of investors and the public in alstria's work.

3.1. Relationship to the shareholders

alstria respects the rights of its shareholders and guarantees to the best of its ability to exercise these rights within the legal and statutory framework. These rights include, in particular, the free acquisition and free sale of shares, participation in the Annual General Meeting, adequate satisfaction of the need for information and adequately distributed voting rights per share (one share - one vote). Shareholders have the option of exercising their voting rights at the Annual General Meeting in person or through a proxy of their choice or a company-appointed proxy that is bound by instructions. The invitation to the Annual General Meeting explains how instructions for exercising voting rights can be issued. The convening notice and the documents to be made available for inspection for the Annual General Meetings in accordance with the statutory provisions will be published on alstria's website together with the agenda and the additional documents pursuant to Section 124a AktG. The Chair of the Annual General Meeting aims to hold the Annual General Meeting within a time window of no more than four to six hours. Following the Annual General Meeting, the voting results will be announced on alstria's website.

3.2. Communication with the public

When sharing information with persons outside the Company, the Management Board follows the principles of transparency, promptitude, comprehensibility and equal treatment of shareholders. alstria informs its shareholders and the interested public about the Company's situation, significant business events, and changes in the business outlook and risk situation in particular through financial reports, analyst and press conferences, press and ad-hoc announcements and the Annual General Meeting. The alstria website provides comprehensive information about the Company, its shares and other financial instruments and the share price development, as well as notifications of directors' dealings in accordance with Article 19 of the Market Abuse Regulation (Regulation (EC) No. 596/2014 of the European Parliament and the Council) (Directors' Dealings). Furthermore, alstria publishes a financial calendar in its financial reports and on its website, listing all dates of importance to shareholders. The notices and information are additionally published in English.

3.3. Financial reporting

alstria regularly informs shareholders and third parties during each financial year by means of the consolidated financial statements and the group management report, as well as by interim financial information. The accounting of the alstria Group is based on International Financial Reporting Standards (IFRS) as applied in the European Union. For corporate law purposes (calculation of dividends, creditor protection), financial statements for alstria office REIT-AG are prepared in accordance with the national commercial law (HGB).

The Annual General Meeting appoints an independent auditor for alstria office REIT-AG and the Group as well as for the audit review of the interim financial reports. Following the election by the Annual General Meeting, the Audit Committee of the Supervisory Board awards the mandate for the audit of the financial statements and agrees on the fee with the auditor. It is agreed with the auditors that the auditors will inform the Audit Committee without delay of all findings and events of significance for their duties which come to their attention during the performance of the audit. In the event that the auditor, during the performance of the audit, discovers facts that indicate that the declaration of compliance with the German Corporate Governance Code issued by the Management Board and Supervisory Board in accordance with Section 161 AktG is incorrect, an obligation to provide information and disclosure in the audit report is agreed upon.

The auditor participates in the deliberations of the Audit Committee and if and as long as it does not consist of all members of the entire Supervisory Board the full Supervisory Board to discuss the financial statements of alstria office REIT-AG and the consolidated financial statements of the Group. The auditor also participates in the meeting of the Audit Committee to discuss the half-year financial report. In the meetings, the auditor presents the main results of the respective audit. Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Hamburg, was appointed to audit the annual financial statements of alstria office REIT-AG and of the Group for the 2024 financial year and for further interim financial reports until the next ordinary general meeting in 2025. WPin/StBin Annika Deutsch is the auditor responsible for auditing the financial statements of alstria office REIT-AG and the Group.

4. SUSTAINABILITY

Sustainability is part of alstria’s corporate DNA. This includes all actions alstria takes to promote and protect the environmental, social and economic interests of its stakeholders in the long term.

As a commercial organization, alstria’s main objective is to increase the value of the Company on a sustainable basis and to generate the best possible return on its capital in the long-term. Before making any decisions, the Company weighs the risk-benefit of all three areas and adapts its actions to what it feels is the most viable course of action in each case. The result of this approach is that alstria might not always make decisions that maximize its short-term profit, but strives to follow the path that will produce the best long-term prospects for the Company.

alstria’s sustainability approach and performance in the three sustainability areas, as well as its future goals, are described in detail in the Company’s annual sustainability report, which is available on alstria’s website.

February 2025

The Management Board **The Supervisory Board**

H. REMUNERATION REPORT

The remuneration report of alstria office REIT-AG (**alstria** or **Company**) for financial year 2024 explains the main elements of the remuneration of the Company's Management Board and Supervisory Board members. It describes the amount and structure of the remuneration. The Management Board and the Supervisory Board have jointly created this remuneration report and ensured that it corresponds with the legal requirements of section 162 German Stock Corporation Act (**AktG**). The remuneration report was audited by Deloitte GmbH Wirtschaftsprüfungsgesellschaft in accordance with the requirements of section 162 paragraph 3 AktG.

The audit note for this remuneration report (https://www.alstria.com/audit-report-remuneration-report-2024), the current remuneration systems for the Management Board (https://alstria.com/remuneration-system-management-board-2022) and the Supervisory Board (https://alstria.com/remuneration-system-supervisory-board-2023) as well as this remuneration report (https://alstria.com/remuneration-report-2024.pdf) are published on the Company's website.

The remuneration of the Management Board for the financial year 2024 was based on the remuneration system 2022, which was put to vote at the annual general meeting of shareholders on June 10, 2022 and approved by 99.6 % of votes cast (**Management Board Remuneration System 2022**). The remuneration report 2023 was approved by 99.7% of votes cast by our annual general meeting of shareholders on June 6, 2024 and the revised remuneration system for our Supervisory Board (**Supervisory Board Remuneration System 2023**) was approved by 99.9% of the votes cast by our annual general meeting of shareholders on May 4, 2023. Given the high approval, we do not see reason for changes to the remuneration report and remuneration systems. We will continue the high level of disclosure already established in the remuneration reports 2021, 2022 and 2023.

1. VIEW ON THE FINANCIAL YEAR 2024

The relevant remuneration KPIs were influenced in 2024 mainly by the following effects:

- German economy stagnated in 2024 (GDP –0.2%)
- Annual inflation rate (CPI) for 2024 was 2.2%
- Difficult, but stable letting markets
- Extremely low transaction volume
- Continuous investment in the existing portfolio
- Revenues and FFO per share above plan in 2024

With a decline in gross domestic product of 0.2%, the German economy stagnated again in 2024, now for the third year in a row. In particular, economically significant sectors such as capital goods manufacturers and energy-intensive industries continued to decline. This was due to the weak order situation, intense competition and structural challenges. Even the moderate easing of monetary policy over the course of the year was unable to boost economic activity. Against the backdrop of weak economic development, the unemployment rate rose to 6.0%. Consumer prices rose by 2.2% in 2024, bringing them closer to the European Central Bank's target corridor. Despite a weak commercial letting market, alstria's letting performance (measured in terms of new lettings, lease renewals and option drawings) increased by 25,200 m² to 158,600 m² compared to the previous year.

Despite the ongoing weak economic development, prices on the German office property market stabilised, although the transaction volume remained at an extremely low level. The valuation of alstria's property portfolio as at 31 December 2024 by BNP Paribas Real Estate led to a positive revaluation of EUR 52.8 million in total (previous year: write-down of EUR 769.5 million) to EUR 4.1 billion. The new portfolio value reflects an average value of EUR 2,970 per sqm and a yield of 4.9% for the portfolio, based on the contractually agreed rent in relation to the market value.

In 2024, alstria invested a total of EUR 92.4 million in the existing portfolio*. More than half of this amount (EUR 56.5 million) was attributable to development investments, which significantly improved the quality of the assets. The current development portfolio comprises 12 projects with a total lettable area of 118,900 sqm.

The forecast for revenue and FFO published by alstria at the beginning of 2024 was significantly exceeded in the financial year 2024. Consolidated revenue amounted to EUR k 198,441 (forecast: EUR 195 million) and FFO reached EUR k 81,173 in the reporting year (forecast: EUR 71 million). This resulted in FFO per share of EUR 0.45 (forecast: EUR 0.40)

2. REMUNERATION OF THE MANAGEMENT BOARD MEMBERS

2.1. Remuneration Governance

The Supervisory Board is responsible for determining, implementing and reviewing the remuneration of the Management Board. The Supervisory Board discusses and reviews the remuneration system for the Management Board at regular intervals and whenever necessary and resolves on changes. The remuneration system will be submitted to the annual general meeting of shareholders for approval in the event of significant changes, but at least every four years.

Total remuneration of the individual Management Board members is determined by the Supervisory Board and covers all activities within the alstria Group. Criteria for the appropriateness of the remuneration include the duties of the individual Management Board member, the personal performance, the economic situation, the success and future prospects of alstria, as well as the customary nature of the remuneration, taking into account the competitive environment and the remuneration structure otherwise applicable in alstria.

* In addition, EUR 10.7 million in development costs were capitalised, although these were immediately written off again for reasons of prudence.

To assess the appropriateness of the total remuneration of the members of the Management Board compared to other companies, the Supervisory Board regularly conducts a remuneration benchmark using a suitable peer group of comparable companies, e.g. relevant competitors in the Real Estate business. When the Supervisory Board revised the remuneration system for the Management Board in financial years 2020/2021, this peer group comprised companies of the EPRA Germany Index (ADO Properties, Aroundtown, Deutsche Euroshop, Deutsche Wohnen, Grand City Properties, Hamborner REIT, LEG Immobilien, TAG Immobilien, TLG Immobilien, Vonovia), and, in addition, for the European perspective, the companies of the EPRA Developed Europe Office Index. In order to reflect national market practice and company size, MDAX companies were also considered. As the remuneration system has remained unchanged since then, no further comparisons have been made.

In order to assess the customary nature of remuneration within alstria, the ratio of Management Board remuneration to the remuneration of senior management reporting directly to the Management Board and of all employees is taken into account. Thereby, alstria regularly compares the remuneration levels (fixed salary, bonus, long-term incentive, excluding pension and healthcare) and reviews and publishes the CEO pay ratio, which shows the CEO target remuneration in relation to the median target remuneration of all employees and managers. The table below shows the respective compensation as well as the development of the CEO pay ratio since 2021.

CEO pay ratio

	2021	2022	2023	2024
CEO[1)]	1,267,000 €	1,259,000 €	1,261,000 €	1,260,000 €
Employees + managers[2)]	77,412 €	77,000 €	77,864 €	81,833 €
	16.4 : 1	16.4 : 1	16.2 : 1	15.4 : 1

1) Calculated as the CEO target all-in compensation w ithout insurance and pension benefits in relation to the median all-in compensation of all employees and managers. The numbers differ from the published numbers in the social data part of the ESG report due to different calculation bases.

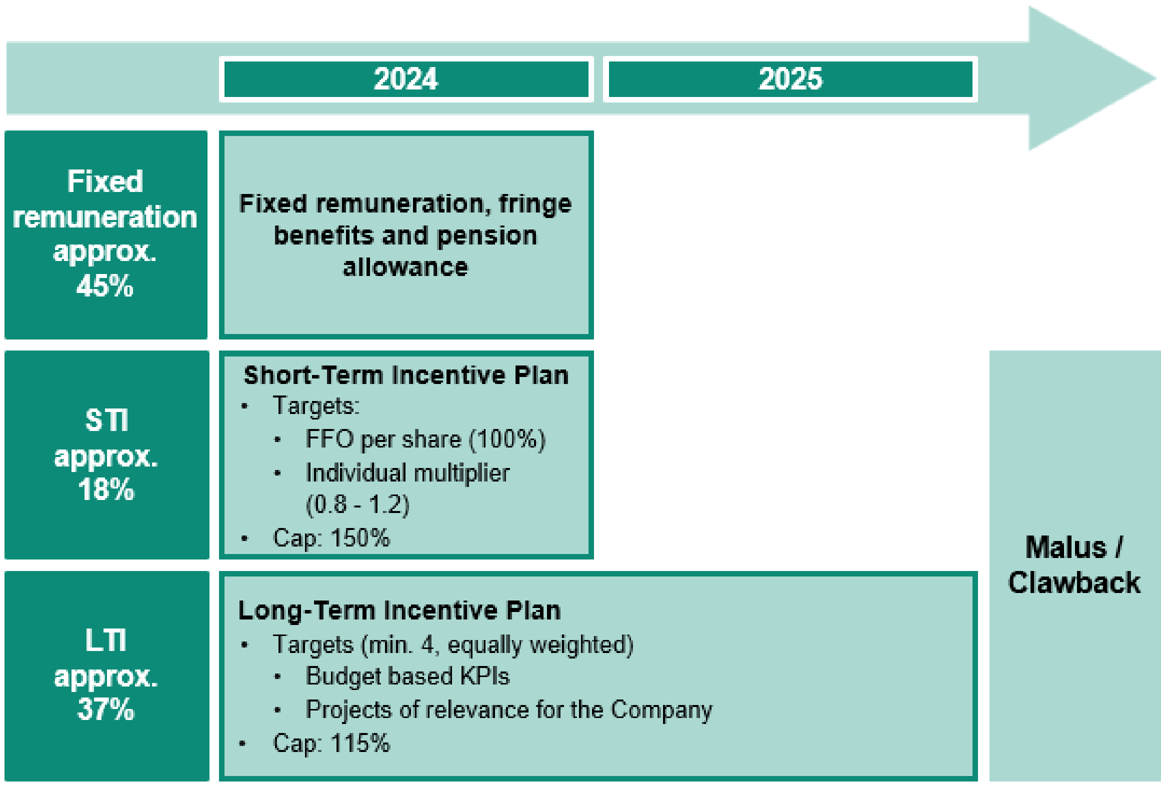
2) Median target compensation of employees and managers of alstria w as considered, therefore deviating from the average compensation aw arded and due in the comparative presentation.

A lack of independence and conflicts of interest of members of the Supervisory Board may prevent independent advice and supervision when determining the remuneration of the Management Board. The Supervisory Board considers all its members independent from the Company and its Management Board and its member Rebecca Worthington as also independent from the controlling shareholder. Furthermore, the members of the Supervisory Board are required by law, the German Corporate Governance Code in its current version as of April 28, 2022 (GCGC) and the internal rules of procedure for the Supervisory Board to disclose immediately any conflicts of interest they may have. In such cases, the Supervisory Board takes appropriate measures to take account of the conflict of interest. For example, the members concerned do not participate in discussions and resolutions.

The remuneration in the financial year 2024 is fully in line with the Management Board Remuneration System 2022. The details of the application in the financial year 2024 are presented hereafter.

2.2. Management Board Remuneration System

Management Board remuneration is granted in line with the Management Board Remuneration System 2022, which is systematically depicted in the diagram below.



The main essential remuneration components and further contractual provisions of the Management Board Remuneration System 2022 are described in more detail below.

<table>
<tr><td rowspan="3">Fixed remuneration</td><td>Annual base salary</td><td colspan="2">• Annual base salary paid in twelve monthly installments</td></tr>
<tr><td>Pension allowance</td><td colspan="2">• Monthly grants of cash for private pension purposes</td></tr>
<tr><td>Fringe benefits</td><td colspan="2">• Use of company cars and insurance premiums</td></tr>
<tr><td rowspan="8">Variable remuneration</td><td rowspan="4">Short-Term Incentive Plan</td><td>Type of plan</td><td>• Target bonus</td></tr>
<tr><td>Performance period</td><td>• 1 year</td></tr>
<tr><td>Targets</td><td>• 100% FFO per share (0% -150%)
• Individual multiplier (0.8-1.2)</td></tr>
<tr><td>Payout</td><td>• Payout 0% - 150% of target amount in cash</td></tr>
<tr><td rowspan="4">Long-Term Incentive-Plan</td><td>Type of plan</td><td>• Long term target bonus</td></tr>
<tr><td>Performance period</td><td>• 2 years</td></tr>
<tr><td>Targets</td><td>• Minimum 4 targets (equally weighed), including budget based KPIs or projects of relevance for the Company</td></tr>
<tr><td>Payout</td><td>• Payout 0% - 115% of target amount in cash</td></tr>
<tr><td colspan="2">Malus & Clawback</td><td colspan="2">• Reduction of variable remuneration which has not been paid out and reclaim of variable remuneration which has been paid out in cases of compliance violations and/or incorrect consolidated financial statements</td></tr>
<tr><td colspan="2">Termination in case of change of control</td><td colspan="2">• Management Board members are considered not to be responsible for a withdrawal after a change of control for up to 12 months after a change of control</td></tr>
<tr><td colspan="2">Share Ownership Guidelines</td><td colspan="2">• None</td></tr>
<tr><td colspan="2">Maximum remuneration</td><td colspan="2">• Maximum remuneration p.a. for the CEO is EUR 2,600,000 and for the CFO EUR 2,100,000.</td></tr>
<tr><td colspan="2">Post-Contractual Non-Compete Obligation</td><td colspan="2">• Comprehensive post-contractual non-competition clause for a period of six months after termination of the service agreement irrespective of the reason for termination.
• Compensation in the amount of 100% of the last annual base salary for the duration of the non-competition clause.</td></tr>
</table>

2.2.1. Target Remuneration and Remuneration Structure

The target remuneration of the Management Board member for the financial years 2024 and 2023, which is contractually defined as payable upon 100% target achievement, and the resulting remuneration structure are presented below. The term of office of CFO Alexander Dexne ended on December 31, 2022. The target remuneration for the Management Board has not been increased in the last year, therefore the structure of the total target compensation remains nearly identical for the CEO Olivier Elamine.

The sum of the fixed and variable remuneration elements constitutes the total target remuneration in the event of 100% target achievement by a Management Board member. The focus on the long-term and sustainable development of alstria pursuant to section 87 paragraph 1 sentence 2 AktG is ensured by the higher weighting of the Long-Term Incentive Plan compared to the Short-Term Incentive Plan. The share of the Short-Term Incentive Plan in the variable remuneration amounts to around 33%, whereas the share of the Long-Term Incentive Plan accounts for around 67% of the variable remuneration.

Target remuneration

	Olivier Elamine (CEO)		
	2024		2023
	in T€	in %[1)]	in T€
Annual base salary	**500**	**37**	**500**
Fringe benefits	**22**	**3**	**23**
Company car	*10*	-	*11*
Insurances	*12*	-	*12*
Pension allowance	**88**	**6**	**88**
Short-Term Incentive	**250**	**18**	**250**
STI 2023	-	-	*250*
STI 2024	*250*	-	-
Long-Term Incentive	**500**	**37**	**500**
LTI 2023-2024	-	-	*500*
LTI 2024-2025	*500*	-	-
Total target remuneration	**1,360**		**1,361**

1) Numbers commercially rounded.

2.2.2. Fixed Remuneration

Annual Base Salary

The annual base salary is paid in twelve equal monthly installments at the end of each month. If the service contract begins or ends during a financial year, the annual base salary for that financial year is payable on a *pro rata temporis* basis.

Fringe Benefits

Members of the Management Board also receive fringe benefits; these mainly consist of insurance premiums and the private use of company cars. As a remuneration component, these ancillary benefits are taxable. In principle, all Management Board members are equally entitled to them, while the amount of use varies depending on their personal situations. The fringe benefits are included in the maximum remuneration and therefore capped.

Furthermore, the Company has taken out a D&O insurance (Directors & Officers Liability Insurance) for the benefit of the members of the Management Board with a deductible of 10 % of the damage up to the amount of one and a half times the annual fixed remuneration of the respective Management Board member.

Pension Allowance

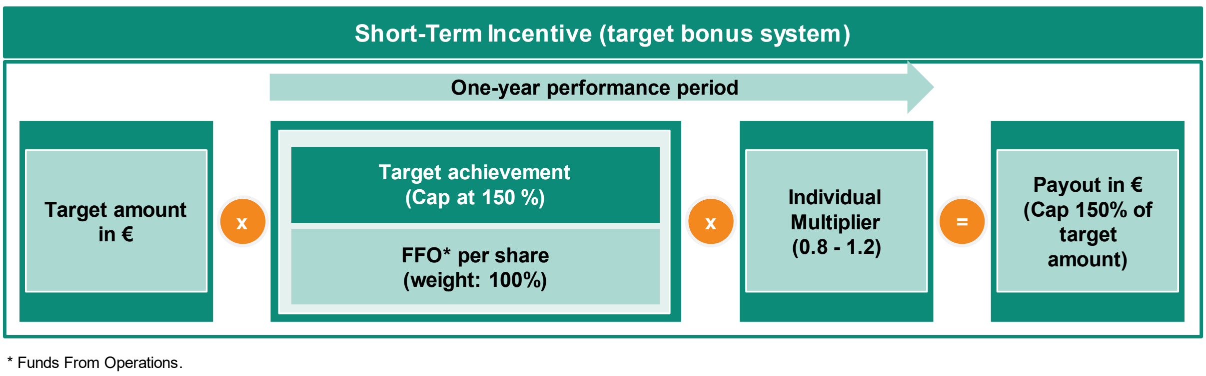
In addition, the Company grants the members of the Management Board monthly payments for pension purposes in form of a pension allowance. These pension benefits amount to approximately 18 % of the members' annual fixed salaries.

2.2.3. Variable Remuneration

Short-Term Incentive (STI)

As a short-term performance-based remuneration component, the STI is linked to the development of the quantitative performance target Funds from Operations (**FFO**) per share. It is designed as a target bonus system. A possible STI payout amount is calculated as the overall target achievement times the individual target amount as indicated in the respective service contract; it is capped at 150 % of the individual target amount (cap) and is paid out in cash. In addition to the performance target, an individual multiplier ranging between 0.8 to 1.2 is applied to determine the final payout.

The STI functions as follows:



Performance target

The STI performance target is the Funds From Operations per share. FFO are a key metric of alstria's strategy since they define the cash flow from operations. FFO per share is a non-GAAP metric which is frequently used for real estate companies in lieu of earnings per share. alstria annually publishes its FFO and FFO per share as well as a detailed reconciliation with its IFRS accounts.

The impact that acquisitions or disposals and changes to alstria's share capital have on the FFO per share for a financial year, will be disregarded by the Supervisory Board to guarantee a fair and well-balanced incentive.

The payout amount of the STI depends on the degree of target achievement for the FFO per share. The ratio of the FFO per share actually achieved during the financial year is measured against the budgeted FFO per share. Target achievement can range between 0 % and 150 %. For a payout to occur, at least 70 % of the performance target value must be achieved (threshold). If the actually achieved FFO per share is equal to the budgeted FFO per share the target achievement will be 100 %. A maximum of 130 % of the performance target value can be achieved (cap) and results in a target achievement of 150 %.

The values of FFO per share set for the financial year 2023 as well as the actually achieved value and the resulting overall target achievement are shown in the following table:

STI 2024	FFO per share [1)]
Threshold	0.31 €
Target value	0.44 €
Maximum	0.57 €
Actual value [2)]	0.48 €
Target achievement [2)]	**114%**

[1)] Before minorities.

[2)] Unaudited numbers at the time of the preparation of this report.

Multiplier

The preliminary payout value achieved is then multiplied with an individual multiplier ranging between 0.8 and 1.2. This enables the Supervisory Board to take into account the personal performance of the individual Management Board member and its responsibilities withing alstria in addition to the achievement of financial performance. When determining the multiplier, the Supervisory Board will take into account extraordinary events or developments as well as unexpected significant fluctuation in financial measures.

The performance target (FFO per share) for the STI 2024 has been overachieved. The Supervisory Board has set the individual modifier for the financial year 2024 on 1.0 for Olivier Elamine. With this multiplier, the Supervisor Board recognizes the good performance in the context of significant internal reorganisations and persistently challenging market conditions.

As the actually achieved FFO per share was 109% of the budgeted FFO per share, this translates into a target achievement of 114%. The target achievement of the individual performance criterium as well as the resulting overall target achievement after application of the individual modifier is shown in total below:

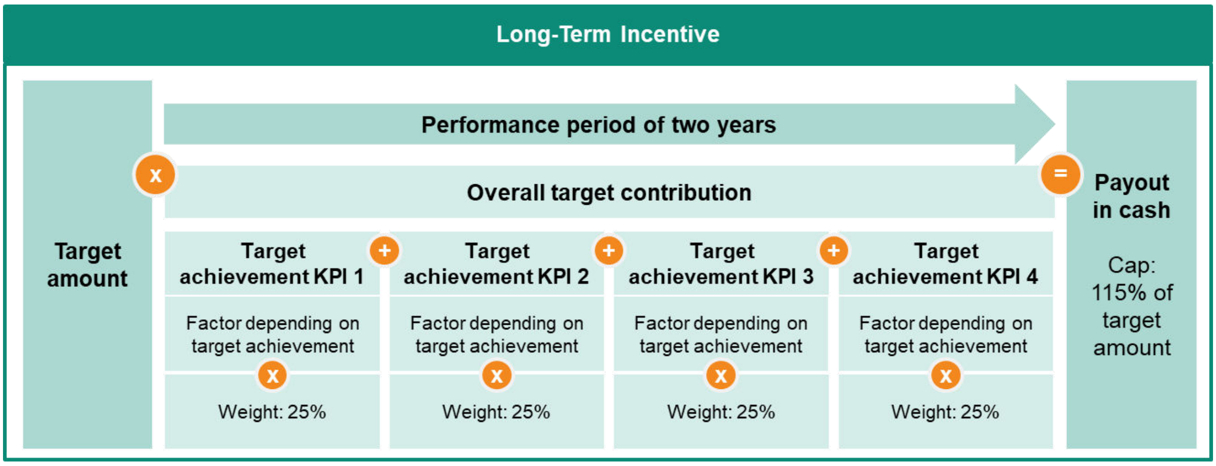
STI 2024

	Target achievement FFO per share	Multiplier	Total target achievement	Target amount STI 2024 (in T€)	Payout STI 2024 (in T€)
Olivier Elamine	114%	1.0	**114%**	250	**286**

Long-Term Incentive (LTI)

The Long Term Incentive Plan is constructed as an incentive scheme to reward general performance and overall achievement of alstria and is issued in annual tranches with a performance period of two years. The Supervisory Board sets at least 4 Key Performance Indicators (**KPI**), the achievement of which during the performance period will determine the final payout amount of the LTI. LTI KPIs correspond to either an explicit quantifiable target in the multi-year business plan or the achievement of a project of relevance within the respective performance period.

The following picture shows how the LTI functions:



After the end of the performance period, the performance achieved for each LTI KPI is determined by dividing the actually achieved KPIs by the KPI target value. The resulting performance achievement of each KPI is then multiplied with a factor in accordance with the following rule:

- If the performance achievement is lower than 90 %, the factor is zero.
- If the performance achievement lies between 90 % and 110 %, then the factor increases linearly between 0.85 and 1.15
- If the performance achievement is higher than 110 %, the factor is 1.15.

The respective target achievements resulting from the multiplication of performance achievement and factor are then multiplied with the respective weighting of the KPI to determine each KPI contribution to the final payout amount of the respective tranche. The final payout amount is the sum of each individual LTI KPI contribution multiplied with the target value of each LTI granted.

The LTI will be paid out no later than in the month following the adoption of the financial statements of the performance period and is capped at 115 % of the individually granted target amount. The payment is made *pro rata temporis*, taking into account the number of active months of the respective Management Board member in the performance period.

LTI 2023 - 2024 and LTI 2024 - 2025

For the periods 2023-2024 and 2024-2025, the LTI KPIs are defined as follows:

LTI 2023 - 2024 – KPIs	
Income management	• Total annualized rental income of new leases signed, leases re-newed or options taken by tenants over the period
Capital recycling	• Value of assets to be sold over the period
Cost control	• Cumulative SG&A over the period
Capital growth	• Number of development projects to be delivered (at a given cost) during the period
LTI 2024 - 2025 – KPIs	
Income management	• Value of new leases, option and lease renewal to be achieve over the period
Capital recycling	• Value of assets to be sold over the period
Cost control	• Control of admin & personnel cost over the period
Capital growth	• Number of development projects to be delivered (at a given cost) during the period

The target values for the LTI 2023 – 2024 and for the LTI 2024 – 2025 are reported in the table displaying target remuneration.

The LTI 2023 – 2024 assesses performance in financial years 2023 and 2024. The following table provides an overview of the target achievement resulting for the LTI 2023 – 2024, which will be paid out in early 2025:

LTI Tranche 2023 - 2024

		KPI target achievement	KPI multiplier	KPI contribution
Leasing	Value of new leases, option and lease renewal to be achieve over the period	1.1000	**1.1500**	**0.2875**
Asset sales	Value of assets to be sold over the period	0.0000	**0.0000**	**0.0000**
Capex	Number of development projects to be delivered (at a given cost) during the period	0.9206	**0.8809**	**0.2202**
Cost control	Admin & personnel cost over the period	1.1000	**1.1500**	**0.2875**
Overall target achievements				**0.7952**
	LTI target value (in T€)	**Presence factor**		**LTI vesting value (in T€)**
Olivier Elamine	500	1		**397,600**

2.2.4. Malus & Clawback

As a rule, all variable remuneration components of the Management Board members are only paid out after the end of the regular performance period. In the event that a Management Board member deliberately commits a material breach of

- a material duty of care within the meaning of section 93 German Stock Corporation Act (AktG) or
- a material duty under the service contract,

the Supervisory Board may at its reasonable discretion (section 315 of the German Civil Code (Bürgerliches Gesetzbuch, "**BGB**")) reduce the unpaid variable remuneration in the performance period of which the breach occurred in part or in full ("**Malus**") or reclaim parts or all of the gross amount of any variable remuneration already paid out ("**Clawback**").

Notwithstanding the above, Management Board members must repay any variable remuneration already paid out if and to the extent that it turns out after the payment that the audited and approved consolidated financial statement on which the calculation of the payment amount was based was incorrect and must therefore be publicly restated according to legal requirements and the relevant accounting standards, and based on the restated, audited consolidated financial statement and the relevant remuneration system, a lower or no payment amount would have been owed from the variable remuneration.

In the financial year 2024 no Malus or Clawback regulations were applied.

2.2.5. Remuneration Related Legal Provisions

Explanations of the post-contractual non-competition obligations agreed on with the members of the Management Board, the provisions in the event of premature contract termination, and the information required under section 162 paragraph 2 AktG on possible third-party benefits are provided below.

Third-Party Benefits

The member of the Management Board has not been awarded any third-party benefits in the financial year 2024 for his activities as a Management Board member of alstria.

Contract Termination Provisions

In the event of resignation from office by the member of the Management Board or a withdrawal of the appointment as member of the Management Board pursuant to section 84 paragraph 3 AktG, the service contract ends after the expiration of the notice period of section 622 BGB. The right of alstria and the Management Board member to terminate the service contract for good cause ("*wichtiger Grund*") pursuant to section 626 paragraph 1 BGB remains unaffected.

In case of an early termination of the service contract by mutual agreement, the Management Board member will receive the remuneration for the rest of the term of the service contract, but no more than the value of two years' full remuneration in any case calculated on the basis of the total remuneration for the foregoing full financial year (severance payment). The same shall apply in case of a withdrawal of the appointment according to section 84 paragraph 3 AktG, (but not in case of resignation by the Management Board member), if the withdrawal of appointment occurred for reasons the Management Board member is not responsible for.

Any withdrawal of the appointment occurring within a period of up to twelve months following a change of control, shall be considered as a withdrawal the Management Board member is not responsible for, unless the withdrawal is for good cause ("*wichtiger Grund*" pursuant to section 626 paragraph 1 BGB).

In case within a period of up to twelve months after a change of control the position as member of the Management Board is materially negatively impacted (e.g., by a material reduction of his responsibilities), the Management Board member has the right to resign from office and to terminate the service contract with a notice period of three months to the end of a month. In this case, the Management Board member will receive the severance payment.

A change of control occurs if (i) a third party acquires at least 30 % of the voting rights in alstria pursuant to sections 29, 30 German Takeover Law (*WpÜG*) or (ii) alstria as a dependent entity, concludes a corporate agreement within the meaning of section 291 et seq. AktG or (iii) alstria is merged with a non-affiliated entity pursuant to section 2 et seq. of the German Reorganization Act (*UmwG*), unless the enterprise value of the other entity is, at the time the merger decision is made by the transferring company, less than 20 % of alstria's enterprise value.

In the event of a contract termination, the STI shall be forfeited in case the contract is terminated by alstria for good cause or the Management Board member has terminated the service relationship without notice and without good cause ("*wichtiger Grund*"). In any other cases, the STI shall remain unaffected.

If a Management Board member retires from service with alstria for reasons of reaching the retirement age, invalidity, occupational disability, early retirement, or death the payment for the LTI is made *pro rata temporis*, taking into account the number of active months of the respective Management Board member in the performance period. If the service contract with alstria is terminated by alstria for good cause ("*wichtiger Grund*") subject to section 626 BGB, the LTI forfeits. The same applies in the event that the Management Board member has resigned from office without good cause.

In the financial year 2024 no change-of-control provisions were applied with regards to the possibility of an early termination of the service agreements of the Management Board members.

Post-Contractual Non-Compete Obligation

Post-contractual non-compete obligations are agreed on with the Management Board members. For the duration of six months after the termination of the service contract (for whatever reason), the Management Board member may not exercise any professional activity for an enterprise which is in direct or indirect competition to alstria. The Management Board member also undertakes, for the duration of six months, not to set up or to acquire or to participate in such a company directly or indirectly. alstria may waive the post-contractual non-compete-obligation at any time, and with the expiration of a period of notice of six months.

For the duration of the post-contractual non-compete-obligation, alstria shall pay to the Management Board member a remuneration amounting to 100 % of his last base salary. Payment of this remuneration is due at the end of each month. Remuneration from any professional activity which is not in competition to alstria shall be set off against accordingly. Furthermore, any severance payment to a Management Board member will be offset against any payments according to the post-contractual non-compete-obligation as far as the severance payment is due for the duration of the post-contractual non-compete-obligation.

For the first six months of financial year 2023, alstria's former CFO Alexander Dexne was subject to a post-contractual non-compete obligation and alstria paid him the contractually agreed compensation amounting to 100% of his last base salary.

3. INDIVIDUALIZED DISCLOSURE OF THE REMUNERATION OF THE MANAGEMENT BOARD

The following table shows on an individual basis the remuneration awarded and due in accordance with section 162 AktG for the members of the Management Board. Furthermore, the compliance with the maximum remuneration according to section 87a AktG is reported.

The service contract of Alexander Dexne has regularly been terminated at the end of the financial year 2022. For the first six months of financial year 2023, he was subject to the post-contractual non-compete obligation under the terms described in this remuneration report. He did not receive any severance payments. The STI 2022 was regularly paid out to him in 2023 and the LTI 2022 – 2023 has not be terminated early but settled after the regular end of the performance period.

3.1. Remuneration Awarded and Due

As part of the individualized disclosure of the remuneration awarded and due to the member of the Management Board for the financial year 2024, the following specific remuneration elements are reported:

- The base salary as well as the fringe benefits and the pension allowance that were paid in the financial year 2024 as well as the remuneration for the post-contractual non-compete-obligation
- The STI 2024 assessing performance in 2024 that will be paid out in the financial year 2025
- The LTI 2023-2024 assessing performance in financial years 2023 and 2024 that will be paid out in the financial year 2025

In order to allow for a transparent disclosure, the respective remuneration amounts for the financial year 2023 are included as additional information.

Remuneration awarded and due

	Olivier Elamine (CEO)			Alexander Dexne (CFO)		
	2024		2023	2024		2023
	in T€	in % [2]	in T€	in T€	in % [2]	in T€
Annual base salary	**500**	**39**	**500**	-	-	**200**
Fringe benefits	**22**	**2**	**23**	-	-	-
Company car	*10*	-	*11*	-	-	-
Insurances	*12*	-	*12*	-	-	-
Pension allowance	**88**	**7**	**88**	-	-	-
Short-Term variable remuneration	**286**	**22**	**296**	-	-	-
STI 2023	-	-	*296*	-	-	-
STI 2024 [1]	*286*	-	-	-	-	-
Long-Term variable remuneration	**398**	**31**	**387**	-	-	**155**
LTI 2022-2023	-	-	*387*	-	-	*155*
LTI 2023-2024 [1]	*398*	-		-	-	-
Total remuneration	**1.294**		**1.294**			**355**

[1] Unaudited numbers at the time of the preparation of this report.
[2] Numbers are commercially rounded.

3.2. Maximum Remuneration according to section 87a AktG

Pursuant to section 87a paragraph 1 sentence 2 number 1 AktG, the Supervisory Board is required to set a maximum remuneration for all remuneration elements, comprising base salary, fringe benefits, pension allowance and short-term variable as well as long-term variable remuneration.

For the CEO, the maximum remuneration that can be paid in relation to any given year is EUR 2,600,000. For a CFO and potential future Ordinary Management Board members, maximum remuneration that can be paid in relation to any given year is set at EUR 2,100,000. Extraordinary performance is required to actually achieve these maximum amounts.

The remuneration paid for financial year 2023 to the CEO (EURk 1,294) and CFO (EURk 355) was below the respective maximum remuneration pursuant to section 87a paragraph 1 sentence 2 number 1 AktG.

The total of all payments resulting from commitments for the 2024 financial year can only be determined after the expiry of the two-year performance period of the Long-Term Incentive and the calculation of target achievement based on the audited financial report for 2025. However, in compliance with the maximum remuneration pursuant to section 87a paragraph 1 sentence 2 number 1 AktG it can already be ensured today, that even in the event of a payout of the Long-Term Incentive 2024 – 2025 amounting to 115 % of the target amount (cap) the total of all remuneration components would be below the maximum remuneration. A detailed report on compliance with the maximum remuneration of the remuneration granted for the financial year 2024 will be provided in the remuneration report for the corresponding year after the end of the performance period of the LTI tranche 2024-2025.

4. REMUNERATION OF THE SUPERVISORY BOARD MEMBERS

The remuneration system of the Supervisory Board as well as the individual remuneration awarded and due to the members of the Supervisory Board in the financial year 2024 are shown below.

4.1. Remuneration system for the Supervisory Board Members

4.1.1. Remuneration governance

After the end of the fiscal year, the members of the Supervisory Board receive remuneration for that fiscal year, which is determined by resolution of the annual general meeting. The remuneration for the members of the Supervisory Board was last adjusted by the annual general meeting of shareholders on May 4, 2023 (AGM 2023) by 99.9% of votes cast (**Supervisory Board Remuneration System 2023**). The determination shall apply until the annual general meeting decides otherwise. At least every four years or in case of a change, the remuneration system of the members of the Supervisory Board is resubmitted to the annual general meeting of shareholders for resolution, see section 113 paragraph 3 AktG. In the event that the annual general meeting of shareholders does not approve a remuneration system put to the vote, a revised remuneration system shall be presented at the latest at the following annual general meeting of shareholders.

The remuneration in the financial year 2024 is fully in line with the Supervisory Board Remuneration System 2023. The Supervisory Board Remuneration System 2021 (as defined below) applied from January 1 until the Company's AGM 2023 and the Supervisory Board Remuneration System 2023 applied for the time after the AGM 2023 and December 31, 2023. The details of the application in the financial years 2024 and 2023 are presented hereafter.

4.1.2. Supervisory Board Remuneration System 2023

Some members of the Supervisory Board had waived their Supervisory Board remuneration. The Company wished to take this development into account. Therefore, remuneration is now granted only to the chair of the audit committee of the Supervisory Board, in particular to reflect the demands of this activity on the Supervisory Board. The chair of the audit committee receives a remuneration of EUR 70,000.00 p.a., which is fixed and not performance related. Members who chair the audit committee for only part of a year receive remuneration pro rata temporis. The further members of the Supervisory Board receive no remuneration. The Company reimburses the expenses of the members of the Supervisory Board and has, at its own expense, taken out an appropriate liability insurance (D&O insurance) for the benefit of the members of the Supervisory Board to cover the risks arising from the performance of their duties (Art. 13 paragraph 2 of the Articles of Association). No further remuneration is granted. Variable remuneration elements do not exist and no attendance fees are being paid. The granting of fixed (and not variable) remuneration exclusively to the chair of the audit committee ensures that in particular the chair of the audit committee of the supervisory board can exercise the supervisory and advisory function independently. In addition, the non-granting of remuneration or granting of fixed remuneration ensures that all members of the Supervisory Board will be able to carry out their activities independently of the short-term success of alstria. In this way, the Supervisory Board can concentrate primarily on its activities with regard to the long-term development of alstria.

4.1.3. Supervisory Board Remuneration System 2021

Until the annual general meeting on May 4, 2023, the remuneration for the members of the Supervisory Board was granted in line with the old supervisory board remuneration system as last confirmed by the annual general meeting of shareholders in 2021 by 99.7 % of votes cast (**Supervisory Board Remuneration System 2021**). The remuneration granted in line with the Supervisory Board Remuneration System 2021 was not performance-related. It consisted of a fixed remuneration and a likewise fixed remuneration for committee work. The Company reimbursed the expenses of the members of the Supervisory Board. The Company had, at its own expense, taken out an appropriate liability insurance (D&O insurance) for the benefit of the members of the Supervisory Board to cover the risks arising from the performance of their duties (Art. 13 paragraph 2 of the Articles of Association). Members of the Supervisory Board each received an annual fixed remuneration of EUR 50,000. The chair of the Supervisory Board received an additional annual amount of EUR 100,000 (factor 3); the deputy chair received an additional amount of EUR 25,000 (factor 1.5).

Membership in the audit committee entitled a member to an additional remuneration of EUR 10,000, while the chair of the audit committee received EUR 20,000 per year (factor 2). Membership in the nomination and remuneration committee entitled a member to an additional annual remuneration of EUR 7,500 while the chair of this committee was compensated with additional EUR 15,000 per year (factor 2). The same applied to the finance and investment committee, which was dissolved effective March 21, 2022. Membership in temporary committees did not entitle a member to additional remuneration.

Members who belonged to the Supervisory Board respectively one of its committees for only part of a year received a *pro rata temporis* remuneration. Variable remuneration elements did not exist and no attendance fees have been paid.

4.2. Individualized Disclosure of the Remuneration of the Supervisory Board

The composition of the Supervisory Board did not change in financial year 2024. The remuneration awarded and due to the members of the Supervisory Board in the 2024 financial year is presented in the following. A distinction is made between fixed remuneration and committee remuneration for financial year 2023.

Supervisory Board Remuneration	2024			2023				
	Remuneration		Total remuneration	Fixed remuneration		Committee remuneration		Total remuneration
	in T€	in %	in T€	in T€	in %	in T€	in %	in T€
Brad Hyler (Chair) [1]	-	-	**-**	- [3]	-	- [3]	-	**-**
Jan Sucharda (Deputy Chair) [1]	-	-	**-**	- [3]	-	- [3]	-	**-**
Richard Powers [2]	-	-	**-**	-	-	-	-	**-**
Rebecca Worthington [1]	70,0	100	**70,0**	17,0	24	53,0	76	**70,0**
Dr. Frank Pörschke [4]	-	-	**-**	17,0	83	3,4	17	**20,4**
Elisabeth Stheeman [4]	-	-	**-**	17,0	87	2,5	13	**19,5**
Karl Wambach [5]	-	-	**-**	- [6]	-	- [6]	-	
Sum	70,0	-	**70,0**	51,0	-	58,9	-	**109,9**

[1] Elected by court order with effect from March 1, 2022 and elected by the annual general meeting 2022.
[2] Elected by the annual general meeting 2023.
[3] The supervisory board member waived the payment of the fixed annual remuneration for the membership in the Company's supervisory board and its committees. alstria paid taxes.
[4] Resigned membership in the course of the downsizing of the supervisory board from 6 to 4 members with effect from May 31, 2023.
[5] Term expired on May 4, 2023.
[6] The supervisory board member waived the payment of the fixed annual remuneration for the membership in the Company's supervisory board and its committees.

5. COMPARATIVE PRESENTATION OF REMUNERATION AND COMPANY PERFORMANCE

In addition to the individualized disclosure of the remuneration of the Management Board and Supervisory Board, section 162 paragraph 1 sentence 2 of the German Stock Corporation Act (AktG) also requires a comparative presentation thereof with the remuneration of the workforce as well as the Company's performance. The following table therefore compares the remuneration awarded and due to members of the Management and Supervisory Board with the average employee remuneration and the key financial figures revenues and FFO per share, which were selected on the basis of their central management function for the Company.

Comparative presentation	2024	Change 2024/2023	2023	Change 2023/2022	2022	Change 2022/2021	2021	Change 2021/2020	2020
	in T€	in %	in T€	in %	in T€	in %	in T€	in %	in T€
Management Board									
Olivier Elamine (CEO)	1,294	0	1,294	-71	4,511	148	1,818	-15	2,143
Alexander Dexne (former CFO)	0	-100	355	-90	3,673	148	1,484	-16	1,760
Supervisory Board									
Brad Hyler (Chair) [1]	-	-	- [2]	-	- [2]	-	-	-	-
Jan Sucharda (Deputy Chair) [1]	-	-	- [2]	-	- [2]	-	-	-	-
Richard Powers [3]	-	-	-	-	-	-	-	-	-
Rebecca Worthington [1]	70	0	70	21	58	-	-	-	-
Dr. Frank Pörschke (former member)	-	-	20	-67	62	40	44	-	-
Elisabeth Stheeman (former member)	-	-	20	-67	59	38	43	-	-
Karl Wambach (former member)	-	-	- [4]	-	- [4]	-	-	-	-
Dr. Johannes Conradi (former Chair)	-	-	-	-	27	-84	165	0	165
Richard Mully (former Deputy Chair)	-	-	-	-	15	-84	90	0	90
Marianne Voigt (former member)	-	-	-	-	11	-84	70	0	70
Benoît Hérault (former member)	-	-	-	-	11	-84	68	0	68
Dr. Bernhard Düttmann (former member)	-	-	-	-	-	-	23	-65	68
Stefanie Frensch (former member)	-	-	-	-	-	-	23	-65	65
Employees									
Average remuneration	99	-10	110	-4	115	20	96	8	89
Company performance									
Revenues	198,441	3	192,026	5	182,819	0	183,670	4	177,063
FFO per share (in EUR) [5]	0.48	-6	0.51	-18	0.62	-7	0.67	8	0.62

1) Elected by the annual general meeting 2022.

2)The supervisory board member waived the payment of the fixed annual remuneration for the membership in the Company's supervisory board and its committees. alstria paid taxes.

3) Elected by the annual general meeting 2023.

4) The supervisory board member waived the payment of the fixed annual remuneration for the membership in the Company's supervisory board and its committees.

5) Before minorities.

The management board remuneration has been volatile over the past five years, despite a stable target remuneration and unchanged base salary. The management board remuneration was highly impacted by extraordinary developments since 2020, such as the takeover of the Company and the implementation of the new Management Board Remuneration System 2022 as approved by the Annual General Meeting in 2022 and the corresponding early termination of all outstanding LTI tranches that were reported as part of the remuneration awarded and due in financial year 2022. In the following years, the management board remuneration decreased in 2023 and remained stable at that level in 2024. The lower remuneration in 2023 and 2024 is mainly influenced by the long-term incentive tranches that vested below the target value and the end of the term of the second management board member.

The overall Supervisory Board remuneration decreased over the past 5 years. This was driven by the changes in the composition of the Supervisory Board over the last two years and by the introduction of the Supervisory Board Remuneration System 2023.

For the average employee remuneration, all employees of alstria are considered, with the exception of interns, working students, apprentices and marginally employed employees. In addition, employees who were not employed for the entire year under review or who were absent for more than two months during the year under review are also not included. The remuneration stated comprises the base salary and the bonus (each extrapolated to full-time equivalents) for the year in question, the long-term variable remuneration amount paid out during the year in question as well as contributions to the pension scheme. Furthermore, fringe benefits such as payments for a job ticket or allowances for a company car are also taken into account.

The average employee remuneration has increased over the years since 2020. There have been special effects in 2022 and 2023 due to the takeover. In the investment agreement made in the context of the Takeover, the bidder had agreed with the Company to offer the employees to acquire the last two tranches of shares from the long-term remuneration program granted to the employees at the price of the takeover bid. These two tranches vested in 2022 and 2023 and led to extraordinary temporary increases in the average remuneration of these years. In 2024, no such effect took place, and in consequence the average employee remuneration for 2024 is 10% lower than the average remuneration during 2023. If the remuneration was adjusted from this extra-ordinary event, the average employee remuneration would have been EUR 93k in 2023 leading to an increase of 6.5% in 2024.

Looking at the corporate development over the period of the past 5 years, the revenue increased steadily. This development continued from 2023 to 2024 as revenues increased to EUR 198 million (compared to EUR 192 million in 2023).

The FFO per share (before minorities) has decreased constantly over the period of 5 years, impacted by the re-leveraging strategy of the Company and the increased market rates. In 2024, the FFO per share amounted to EUR 0.48 (prior year: EUR 0.51).

Hamburg, February 2025

alstria office REIT-AG

The Supervisory Board	The Management Board
Brad Hyler Chairman of the Supervisory Board	Olivier Elamine CEO

I. REIT DISCLOSURES

I. REIT DECLARATION

Statement of the management board

In relation to the financial statements according to Section 264 of the German Commercial Code (*Handelsgesetzbuch,* HGB) and the IFRS consolidated financial statements according to Section 315e HGB as per December 31, 2024, the Management Board of alstria office REIT-AG (alstria or the company) issues the following declaration regarding compliance or noncompliance with the requirements of Sections 11 to 15 of the REIT Act (German Real Estate Investment Trust Act) and regarding how the composition of income subject to and not subject to income tax is calculated for the purposes of Section 19 paragraph 3 REIT Act, in conjunction with Section 19a REIT Act:

1. As per balance sheet date, to our knowledge, 4.63 % of alstria's shares were free float according to Section 11 paragraph 1 REIT Act. This was communicated in writing to the German Federal Financial Supervisory Authority (BaFin) on January 9, 2025. This is a deviation from the regulation of Section 11 (1) of the REIT Act, according to which at least 15% of the shares in a REIT stock corporation must be in free float. The criterion for the minimum free float pursuant to Section 11 (1) of the REIT Act was not met for the first time as of December 31, 2022. As the 15% free float requirement was not met for three consecutive balance sheet dates, the REIT status ended as of December 31, 2024.
2. In accordance with Section 11 paragraph 4 REIT Act, as per balance sheet date, no shareholder owned directly 10% or more of our shares or shares of such an amount, that he holds 10% or more of the voting rights.
3. In relation to the sum of the assets pursuant to the consolidated statements less the distribution obligation and the reserves pursuant to Section 12 paragraph 2 REIT Act
   a) As per the balance sheet date, the immovable assets amounted to EUR 4,147,536 k, which equals 95.37 % of the assets; therefore, at least 75 % of the assets are immovable assets.
   b) The assets belonging to the property of REIT service companies as per balance sheet date which were included in the consolidated statements amount to a maximum of 20 %, namely EUR 197 k and therefore 0.00 %.
4. In relation to the sum of the entire sales revenue plus the other earnings from immovable assets pursuant to the IFRS consolidated financial statements (Section 12 paragraph 3 and 4 REIT Act)
   a) For the financial year 2024, the entire sales revenues plus other results from immovable assets amounted to EUR 291.9 million. This equals 100 % of total revenues plus other earnings from immovable assets;

b) The sum of the sales revenue plus the other earnings from immovable assets of the REIT service companies amounted to EUR 0 k in the financial year 2024. This equals 0.00 % of the Group's total revenue plus other earnings from immovable assets.

5. In financial year 2024, no dividend payment for the prior financial year was distributed to the shareholders. Financial year 2023 resulted in a net loss amounting to EUR 197,289.6 k, according to commercial law.
6. No dividend distribution was made during the reporting period. Consequently, there was also no dividend of alstria office REIT-AG that could have originated from encumbered portions of the annual surplus.
7. Since 2020, the Group has realised 9.32 % of the average portfolio of its immovable assets and therefore did not trade with real estate, according to Section 14 REIT Act.
8. On the balance sheet date, the Group's equity plus the shares in subsidiaries included in the consolidated financial statements in accordance with Section 315e of the German Commercial Code (HGB) reported as debt was EUR 1,607.9 million, as shown in the IFRS Consolidated Financial Statements. This equals 38.77 % of the value of the immovable assets shown in the consolidated financial statements, in accordance with Section 12 paragraph 1 REIT Act (Section 15 REIT Act). For the second time, the equity ratio fell below the threshold pursuant to Section 15 REIT act.

Hamburg, February 24, 2025
alstria office REIT-AG

Olivier Elamine
CEO

II. REIT MEMORANDUM

Auditor's memorandum according Section 1 (4) REIT Act

To alstria office REIT-AG, Hamburg

As the auditor of the annual financial statements and the consolidated financial statements of alstria office REIT-AG, Hamburg/Germany, for the financial year from January 1 to December 31, 2024, we have audited the disclosures on compliance with the requirements conferred by Sections 11 to 15 German REIT Act and on the income composition with regard to previously taxed and not previously taxed income according to Section 19 (3) in con-junction with Section 19a German REIT Act as of December 31, 2024 contained in the attached declaration of the executive board (hereafter referred to as "REIT declaration"). The Company's executive board is responsible for the disclosures contained in the REIT declaration. Our responsibility is to express an opinion on these disclosures based on our audit.

We conducted our audit in accordance with Auditing Practice Statement IDW AuPS 9.950.2 promulgated by the Institute of Public Auditors in Germany (IDW): Specifics Regarding the Audit of a German REIT Stock Corporation in Accordance with Section 1 (4) German REIT Act, of a German pre-REIT Stock Corporation in Accordance with Section 2 Sentence 3 German REIT Act and Regarding the Audit in Accordance with Section 21 (3) Sentence 3 German REIT Act. Therefore, we have planned and performed our audit procedures on the disclosures in the REIT declaration so as to obtain reasonable assurance on whether the disclosures on the free float ratio and the maximum shareholding per shareholder according to Section 11 (1) and (4) German REIT Act correspond to the notifications according to Section 11 (5) German REIT Act as of December 31, 2024 and whether the disclosures on compliance with the requirements under Sections 12 to 15 German REIT Act and the composition of income with regard to previously taxed and not previously taxed income according to Section 19a German REIT Act are correct. Gaining a comprehensive understanding or performing a comprehensive audit of the tax assessments of the relevant companies was not included in the scope of the audit. As part of our audit, we compared the disclosures on the free float ratio and the maximum shareholding per shareholder according to Section 11 (1) and (4) German REIT Act contained in the REIT declaration with the notifications in accordance with Section 11 (5) Ger-man REIT Act as of December 31, 2024 and squared the disclosures on Sections 12 to 15 German REIT Act contained in the REIT declaration with the corresponding disclosures in the annual financial statements and the consolidated financial statements. In addition, we audited the adjustments made to the valuation of immovable as-sets held as investment concerning their compliance with the requirements under Section 12 (1) German REIT Act. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, on the basis of the knowledge obtained in the audit, the disclosures on the free float ratio and the maximum shareholding per shareholder according to Section 11 (1) and (4) German REIT Act contained in the REIT declaration correspond to the notifications according to Section 11 (5) German REIT Act as of December 31, 2024 and the disclosures on compliance with the requirements under Sections 12 to 15 German REIT Act and the income composition with regard to previously taxed and not previously taxed income pursuant to Section 19a German REIT Act are correct.

This memorandum is solely provided for submission to the tax authorities of the city of Hamburg/Germany as part of the tax declaration according to Section 21 (2) German REIT Act and must not be used for other purposes.

Hamburg, Februaray 24, 2025

Deloitte GmbH
Wirtschaftsprüfungsgesellschaft
[Original German version signed by:]

Annika Deutsch
Wirtschaftsprüferin
[German Public Auditor]

Maximilian Freiherr v. Perger
Wirtschaftsprüfer
[German Public Auditor]

J. FINANCIAL CALENDAR/IMPRINT

I. FINANCIAL CALENDAR

Events 2025	
February 11	**Extraordinary General Meeting**
March 4	**Publication of the 2024 Annual Report**
Mai 8	**Publication of Q1** Interim report
August 5	**Publication of Q2** Half-year interim report
November 6	**Publication of Q3** Interim report

II. CONTACT/IMPRINT

alstria office REIT-AG is a member of DIRK (Deutscher Investor Relations Verband, the German Investor Relations Association).

Other reports issued by alstria office REIT-AG are posted on the Company's website.

Forward-looking statements
This annual report contains forward-looking statements. These statements represent assessments which we have made on the basis of the information available to us at the time. Should the assumptions on which the statements are based not occur, or if risks should arise the actual results could differ materially from the results currently expected.

Note
This report is published in German (original version) and English (non-binding translation).

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