



Corporate News

publity AG plans exchange offer for shares of publity Performance Funds No. 6, 7 and 8 against granting shares of PREOS Real Estate AG

Frankfurt, 18 August 2020 –publity AG (Scale, ISIN DE0006972508) plans to submit an exchange offer to the investors of publity Performance Funds No. 6, No. 7 and No. 8 for their GmbH & Co KG shares. In return for their fund shares, investors will be offered shares in the publity subsidiary PREOS Real Estate AG (ISIN DE000A2LQ850) owned by publity. The offer is expected to be made in the fourth quarter of 2020.

Basis for the evaluation of the fund shares shall be the respective still pending predicted payments of the three funds. The total distribution forecast for all three funds amounts to EUR 160 million. Of this amount - including the payments due for the coming weeks - around EUR 40 million have already been made to the investors, so that around EUR 120 million are currently still to be paid to meet the overall forecast. The shares in PREOS Real Estate AG to be granted as consideration are to be valued at the respective market price and are expected to be subject to a one-year lock-up, so that the shares can only be freely disposed of after this period.

Currently, the funds jointly hold 14 office properties in Hamburg, Cologne, Neu-Isenburg near Frankfurt, Darmstadt and Leonberg, among others, with a current market value of around EUR 100 million. Renowned national and international real estate agents have been commissioned with the sale of the properties. The sale process is currently subject to the usual market frictions caused by the Covid 19 pandemic, which, among other things, makes it considerably more difficult for international interested parties from the USA, Great Britain, Saudi Arabia, Singapore, South Korea and Japan to inspect the properties. Until around 2023, publity assumes that office property prices in Germany will probably rise in the next few years after the Covid 19 pandemic has been contained, so that the sale of the properties can be realized at adequate prices.

The properties have a good occupancy rate, and rental payments have so far been affected by the Covid 19 pandemic only to an extremely limited extent. publity AG therefore assumes that it will still be able to achieve the overall forecast of the funds, albeit at a later date than forecast.

Thomas Olek, CEO of publity AG: "We want to provide the fund's shareholders with an attractive offer as early as today. This enables them to convert their investment into a more liquid and daily marketable security with a one-year lock-up. In return, they will receive the outstanding forecast distributions in the form of PREOS shares and this as early as the end of 2020. The PREOS share is listed on the stock exchange and thus tradable on a daily basis. In addition, the planned 5% dividend policy of the company promises attractive distributions in the future. The free float at our subsidiary PREOS can be significantly increased with this step, which should further enhance the attractiveness of the share.

The securities prospectus, which forms the basis of the planned purchase offer, was submitted yesterday to the German Federal Financial Supervisory Authority (BaFin). In addition to the exchange offers, the securities prospectus contains a general public offer to publicly offer shares in PREOS Real Estate AG held by publity for sale.

Press Contact:

Financial Press and Investor Relations:

edicto GmbH

Axel Mühlhaus

Phone: +49 69 905505-52

Mail: publity@edicto.de

About publity

publity AG ("publity") is an asset manager and investor specialised in office real estate in Germany. The company covers the core of the value chain from the acquisition to the development and the sale of real estate. With over 1,100 transactions in the past seven years, publity is one of the most active players in the real estate market. Currently, the company manages a portfolio with a value of over five billion euros. publity is characterized by a sustainable network in the real estate industry and in the Work-Out departments of financial institutions. With very good access to investment funds, publity handles transactions rapidly with a highly efficient process and proven partners. On a case-by-case basis, publity participates as co-investor in joint venture transactions to a limited extent. The shares of publity AG (ISIN DE0006972508) are traded on the Scale segment of Deutsche Börse.