



Aggregate Holdings S.A.: Statement on Bloomberg article “In Adler’s Orbit, A Set of Deals Leads to Azeri First Family” dated 13 January 2022

Luxembourg, 17 January 2022. Aggregate Holdings SA (“Aggregate”) noted the article published by Bloomberg titled “In Adler’s Orbit, A Set of Deals Leads to Azeri First Family” on 13 January, 2022 which included references to Aggregate transactions. Aggregate has provided a response below, and rejects any links between Aggregate and the Azeri First Family.

- Aggregate used a reputable large UK law firm for the transactions, which were negotiated and entered into on an arm’s length basis.
- Aggregate lawyers conducted appropriate compliance and due diligence checks, and AML/Sanctions representations and warranties were obtained from the seller in the transaction documentation. It is the legal responsibility of seller’s regulated advisers to carry out relevant AML/KYC checks on their clients, on which Aggregate legitimately relied.
- A change of legal entity prior to sale is not unusual for vendors in the industry in order to reorganise legally prior to a sale, and does not evidence in and of itself any wrongdoing. This was a matter solely for the vendor and the vendor’s lawyers.
- There was nothing untoward about these transactions, and Bloomberg have not alleged that there is any evidence to suggest otherwise.
- Bloomberg reported that the Crown Estate acquired one of the properties in this portfolio after Aggregate had undertaken its acquisitions, which demonstrates that other respected market participants undertook similar acquisitions.
- Aggregate retained the directors of the acquired hotel operating company due to their project knowledge and the knowledge of their colleagues. Their directorships ended in March 2021 once their role was completed. Aggregate was not aware at the time of the allegations regarding these directors.
- Aggregate is a real estate investment company which looks to acquire real estate assets and then to sell those assets at a premium, with the holding period varying significantly depending on the process and time required to add value. These transactions were in line with Aggregate’s business strategy.

In all of its transactions, Aggregate works with reputable law firms who conduct appropriate compliance due diligence and ‘know your client’ checks. Until Bloomberg’s queries, the management of Aggregate were unaware of the allegations regarding the counterparties mentioned. Based on the information that it has available, Aggregate is not aware of any breach of compliance with all applicable regulations.

In spite of the fact that Adler Group SA (“Adler”) has successfully sold EUR 2.5 billion of assets above book value, irrevocably addressing the key value argument of short-sellers, Aggregate continues to be concerned that short-sellers are influencing the content and tone of media articles published on Adler.



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About Aggregate Holdings

Aggregate Holdings SA ("Aggregate") is a predominantly German-focused real estate investment company, with interests also in Portugal. As at H1 2021, the company had €8.3bn of assets and a project portfolio with €9.5bn Gross Development Value. In its Build & Hold division, Aggregate owns Quartier Heidestrasse, the largest mixed use real estate development project in central Berlin with c.295,000 sqm of gross construction area ("GCA"), Fürst, the prime commercial asset located on Kurfürstendamm in central Berlin with c. 183,000 sqm of GCA, and Walter and Green Living projects in Berlin with a combined GCA of 620,000 sqm. Aggregate also owns in its Build & Sell division VIC Properties, the largest real estate developer in Portugal with c.570,000 sqm of GCA and €2.8bn Gross Development Value. Additionally, Aggregate holds the 26.6% strategic stake in Adler Group SA, one of largest residential players, among other investments.