TRANSACTION ANNOUNCEMENT

Aareal Bank signs green loan agreement for Villa Copenhagen Hotel

Wiesbaden, 29 August 2023 – Aareal Bank announces the successful closing of a DKK 769 million (€ 103 million) financing agreement under the Group's Green Finance Framework for Villa Copenhagen Hotel in the Danish capital.

Set in Denmark's century-old Central Post and Telegraph Head Office, adjacent to the famed Tivoli Gardens, Villa Copenhagen is a five-star hotel opened in 2020 and run by Strawberry Group, formerly known as Nordic Choice. Strawberry is a corporation consisting of eleven companies within finance, real estate, hotels, and sustainable business and controlled by entrepreneur Petter Stordalen.

The new client of Aareal Bank is one of the largest hotel companies in the Nordics with over 225 hotels at more than 100 destinations across the Nordics. The property is 50% co-owned with Varner Brothers.

The building is a landmark that has been turned into a hotel with a total of 390 rooms. Villa Copenhagen is strongly committed to environmental sustainability. On the roof of the house, for example, a hidden garden was created – including a beehive. Organic vegetables, herbs and honey are thus used directly from the hotel's own production. But those elements alone do not make the property green. The hotel is committed to the UN Sustainable Development Goals ("UN SDG"), rooms are made from recycled or sustainable materials and ecological aspects were also given priority within the planning process of operations, for example, surplus heat from the kitchen is used to warm up the pool on the roof.

"Petter Stordalen is a visionary within the hospitality industry, and we are pleased to enter into a partnership with his group, which is one of the largest hotel platforms in the Nordics," stated **Patrik Lundström,** General Manager at Aareal Bank.

"We are very pleased to have successfully closed this financing agreement and are very excited to start this partnership with Aareal Bank, one of the leading banks within the hotel industry," adds **Mads B. Koch**, CFO of Strawberry Brothers.

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About Aareal Bank Group – 100 years of Aareal Bank. 100 years of writing success stories.

Aareal Bank Group, headquartered in Wiesbaden, was founded 100 years ago and has since become a leading international property specialist. The Bank uses its expertise to identify trends, challenges and opportunities at an early stage, and to exploit them for the benefit of its stakeholders. Today, it offers smart financing, software products and digital solutions for the property sector and related industries, and is present across three continents: Europe, North America and Asia/Pacific. Aareal Bank Group's business strategy focuses on sustainable business success, with environmental, social and governance aspects as an integral part of this strategy.

Aareal Bank AG comprises the business segments Structured Property Financing, Banking & Digital Solutions and Aareon. The Structured Property Financing segment encompasses all of Aareal Bank

Group's property financing and funding activities. Here, the Bank supports its clients in making largevolume commercial property investments. The investment properties mostly comprise office buildings, hotels, shopping centres, logistics and residential property, as well as student housing. In the Banking & Digital Solutions segment, Aareal Bank Group supports businesses from the housing, property management and energy industries as a digitalisation partner – combining extensive advisory services and product solutions with traditional corporate banking services and deposit-taking. Its subsidiary Aareon, the leading supplier of SaaS solutions for the European property sector, represents the third business segment. It is digitalising property management by offering user-oriented software solutions that simplify and automate processes, support sustainable and energy-efficient operations, and interconnect all process participants.