

PATRIZIA AG
Speech by the CEO Wolfgang Egger
to the Annual General Meeting on July 1, 2020

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- check against delivery -

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Dear Shareholders,
dear friends and partners of PATRIZIA,
Ladies and gentlemen,

I too would like to welcome you to this year's Annual General Meeting of PATRIZIA AG. I hope you are all healthy and so far well through the crisis! Due to the Corona Pandemic, the same applies to our Annual General Meeting: Safety and health come first! Of course we would have preferred the usual personal exchange with you. Unfortunately, however, the safety of all participants in an Annual General Meeting as a face-to-face event cannot yet be guaranteed. Postponement was not an option for us either. Because we want to pay our dividend to you punctually this year too.

At the same time, we have experienced in recent months that the crisis accelerates change and also brings new opportunities. We have expanded our digital communication channels and virtual cooperation has been massively expanded in recent months. Temporarily, more than three quarters of all PATRIZIA employees worked at home - and it worked amazingly well. This not only allowed us to protect the health and safety of our employees, but also to ensure "business continuity" - i.e. ensuring, continuation of our business processes.

My special thanks goes to all employees. They have achieved enormous things during the crisis and learned very quickly. All PATRIZIA employees have become much more flexible and have mastered this challenge better than I ever thought possible! Thanks to modern communications technology and powerful IT, but above all thanks to the right attitude and willingness to adapt to a completely new situation while maintaining close contact and exchange with our customers and all other stakeholders.

Through close virtual cooperation combined with a high sense of responsibility of all PATRIZIA employees, we were able to support our clients and business partners in these difficult times. Especially in times of crisis, reliable partners and strong local communities are essential. This has always distinguished PATRIZIA! We support our clients and partners in the best possible way, in which we jointly find viable solutions for all those affected on the ground.

We will make use of our experience from the crisis and enable very progressive and flexible work in the future, while relying even more on the personal responsibility, initiative and cooperation of all PATRIZIA employees.

Dear Ladies and Gentleman,

In my speech today I would like to address three issues:

- 1) Our successful financial year 2019
- 2) Our "Strategy 2023" with the four pillars: Simplification, Services, Scope and Stability
- 3) Our positioning for the future as a strong and reliable partner

1) Our financial year 2019

Last year, we not only further expanded our market position and our international investor network, but also exceeded our original earnings expectations. I would like to mention just three important points here. Our Chief Financial Officer Karim Bohn will then present our annual results in detail:

- 1) We increased our assets under management by 8.4 per cent year-on-year to more than EUR 44 billion. Thus, our basis for regular recurring service fee income increased further. This is a basic prerequisite for a stable business and earnings performance as an independent investment manager. We are less and less focused on profits from our own investments - the so-called "Principal Investments". We are less dependent on individual valuations and market developments. And we can thus build our further growth on an ever broader foundation of stable earnings.
- 2) We are continuously expanding our client base. As at today, our client base includes more than 400 institutional investors and more than 5,000 private and (semi-)professional investors. This is a broad stable basis for future growth. Nearly three quarters of our equity raised in 2019 came from clients who have already invested in PATRIZIA products on several occasions. More clients and increasing assets under management underline our motto: "Stronger for clients and shareholders"! Satisfied clients lead to satisfied shareholders!
- 3) We have a very stable financial position. We have a net equity ratio of 75.7 percent and available liquidity of around 600 million euros. This gives us considerable financial strength to take advantage of future market opportunities and continue our stable growth course.

2) Our "Strategy 2023"

As mentioned at the beginning, the Corona crisis is accelerating already existing trends. Only those who set the right course for the future during the crisis will emerge from it stronger. Let me therefore briefly discuss the four pillars of our Strategy 2023:

1. Simplification

Digitalisation, new technologies and innovation help us to meet the ever increasing demands of our clients. But new technologies also help to create structures, significantly simplify processes and workflows. Simplification is therefore a central pillar of our strategy. After all, the crisis has shown this too: New technologies enable decentralized, mobile and agile work. A few years ago this would also have been unthinkable at PATRIZIA!

But new technologies not only change our working world fundamental. They simplify and automate increasingly complex processes: reporting, analysis, concluding contracts, identifying and evaluating trends, investment processes and much more. What today is still partially recorded manually, sometimes laboriously and time-consuming, will in future be much faster, more comprehensive and in better data quality. And through simplification we can focus even more on what we do best: Create long-term attractive investment opportunities for our clients.

2. Services

It is and remains our aspiration to meet the needs of our clients early on, understand them and fulfill them in the best possible way. This is a question of attitude and expertise. But it is also a question of the right technologies. We can only offer our clients "best-in-class" services if we have the right technologies to master them.

Today more than ever, technology is the enabler for tomorrow's client service. That's why we're building a modern service platform - with smart data solutions, real-time reporting and direct access to the performance of the assets in which our clients are invested. This will not only enable us to comprehensive transparency, but especially make it easier for our investors to invest their money with PATRIZIA.

3. Scope

Ladies and gentlemen,

one important lesson from the crisis is diversification - in other words, a broad, varied range of products pays off. This applies to the investor side: different sectors, strategies, regions and asset classes stabilize our clients' earnings. However, this also applies to us: the broader our offering, i.e. the broader our "scope", the better we can protect our clients' investments and at the

same time create new attractive offers. And this will lead to more trust from our clients to us as a stable and reliable partner at their side.

But "Scope" also means: We want to attract more and different groups of investors to us. Since 2016 we have also been addressing private and (semi-) professional investors with PATRIZIA Grundinvest and are building this client segment continuously. We continue to have a strong presence among our German-speaking institutional clients. And we are convincing more and more international institutional investors. The larger and more versatile our client groups, the more stable is our business development. Another good example of the expansion of our international "Scope" is the acquisition of the Japanese Asset Managers KENZO Capital Corporation in January 2019. With KENZO we have expanded our network to Asia. We have gained access to Japanese investors who want to invest in the European property market. And with our new subsidiary PATRIZIA Japan we can now offer European investors attractive investments in the Japanese real estate market.

4. Stability

Dear Shareholders,

the interaction of Simplification, Services and Scope leads to more stability. PATRIZIA AG has mastered several crises in the 36 years of its history. And we have emerged strengthened from every crisis so far. From the financial crisis in 2008, we learned the lesson to increase the share of stable, recurring income. As a result, we now have a much more stable and resilient business model, with which we also master difficult times very well. Karim Bohn will soon show you how this stability is reflected in our key figures.

We have so far weathered the crisis well as a strong, reliable partner for our stakeholders. However, we must not narrow our view now, but must look to our opportunities in the new normality after the crisis. We operate in a structural growth market. Worldwide we have an increasingly ageing population and prosperity continues to grow around the world. Pension institutions manage ever larger assets. Insurance companies are looking for long-term stable returns. The amount of capital available worldwide is constantly growing. The current crisis is not changing this. With interest rates remaining very low and government debt rising to mitigate the effects of the global economic downturn, investors are increasingly looking for investment opportunities to achieve stable long-term returns. This makes our broad range of real estate investment opportunities and our strategic move into real assets even more attractive and relevant to our clients.

The demand for "real assets", i.e. infrastructure facilities, is becoming increasingly popular. 2019 was a record year for both real estate and infrastructure funds: institutional investors invested USD 98 billion in infrastructure funds - the fifth record year in succession. Real estate funds received more than USD 150 billion in new funds for the first time. ¹

3) PATRIZIA: a strong reliable partner for the future

Ladies and gentlemen,

With our Strategy 2023, we are consistently addressing these future issues. This includes: We are driving forward the digitalization of PATRIZIA and expanding our portfolio systematically around new technologies. We are pursuing a dual objective:

1. We invest in new technologies that make our core business real estate management better, more efficient and easier. A good example of this are our investments in leading digital data management providers such as EVANA, Cognotekt or control.IT. The demand for automated digital solutions for data management and business processes are growing even faster due to the crisis. Companies want to increase efficiency and direct access to all relevant data, in order to be able to make better and quicker decisions. We therefore invest strategically in smart digital solutions not only for ourselves, but above all to develop future-oriented solutions for the entire industry.
2. We also invest in technology companies that use disruptive solutions to supersede established business models. This includes our strategic investment in Brickvest, an open digital platform for direct investments in real estate and real assets. We ensure that we have access at an early stage to

future technologies and strengthen our market position as a innovation leader. Because we have a clear aspiration to be a major player in the transformation of our industry. To this end, we also participate in technology funds, such as PI Lab or, as recently in May 2020, the Asian Tech Fund Taronga.

The guideline for the further development of our strategy is and will remain the constantly growing requirements of our clients. We are therefore expanding our range of investment solutions consistently. Among other things, we are thinking about investment solutions in the "fixed income" sector. Behind these fixed-income investment solutions are financings that use real estate as collateral. In other words, here too we could use our real estate expertise to generate added value for our clients.

We have a clear strategic ambition: We want to become a leading partner for worldwide investments in "real assets". We will therefore continue to expand our offering for infrastructure investments and as a consequence have adapted our vision:

PATRIZIA: A leading partner for global real assets

Dear Shareholders,

Fewer and fewer providers meet the high demands for a broad investment offering, first-class services and the ability to successfully manage large portfolios. The market consolidation is progressing faster and the growth is increasingly concentrated on the leading players.

PATRIZIA is one of them now and in the future. In line with our Strategy 2023, we intend to increase our assets under management in the next three to five years to around EUR 60 billion. As an independent global investment manager we want to make a decisive contribution to the consolidation and transformation of our industry. And on the basis of our stable business model and very sound financial position, we will continue to expand our scope for action and emerge stronger from this crisis.

Ladies and gentlemen,

Digitalisation, new technologies and innovation are closely combined with new working methods and skills, but also with new incentive systems. Our human resources strategy is therefore a key component of our "Strategy 2023". To this end, we have adapted our compensation model to reward performance more individually and more effectively. This is important for PATRIZIA in the battle for the best minds and greatest talents in the industry. At next year's Annual General Meeting, we will be presenting you, dear shareholders, the new remuneration model for the Management Board in detail and ask you for your approval.

Dear Shareholders,

since the last Annual General Meeting, we have adapted our management structures and prepared for future requirements. For this purpose the Supervisory Board expanded the Management Board with important core competencies. Digitalisation, Technology & Innovation and Human Resources are of great importance for the implementation of our "Strategy 2023", as is the strengthening of our international management experience.

- Alexander Betz is the new Chief Digitalisation Officer (CDO): Mr Betz was founder and chairman of the supervisory board of e-Fonds AG and entrepreneurs in various digital platforms. For a good two years, he has been responsible for the digitalization of PATRIZIA. His tasks include the expansion of PATRIZIA's IT platform with the aim to further improve operational excellence and service quality for clients.
- Dr Manuel Käsbauer takes over the function of Chief Technology & Innovation Officer (CTIO). He has been active for PATRIZIA since 2012 and heads the Technology & Innovation Team. Dr Käsbauer has extensive experience and a strong global network in the real estate and technology industry. His function includes, among other things, cross-sector trend scouting, the

identification of new business models and innovative solutions on a global level, and the strengthening of the offer from PATRIZIA through investments in the technology sector.

- As the new Chief Human Resources Officer (CHRO), Simon Woolf will be responsible for Human Resources. Previously, as Senior Vice President HR, he was responsible for the international operations of Sony Music Entertainment with 42 locations worldwide. During his ten years at Sony, he was responsible for the design and implementation of leadership programs. His main areas of expertise include the further development of PATRIZIA's corporate culture and attracting and developing the best talents for our company.
- Furthermore, Thomas Wels supports us as new Co-CEO since the beginning of May this year. Thomas Wels was Head of Global Real Estate and until 2019 Chief Operating Officer for UBS Asset Management. With his international experience and expertise in the real estate sector as well as with real assets Thomas Wels will be responsible for shaping our growth course.

With the expansion of the Management Board and the appointment of Thomas Wels as Co-CEO, we rearranged responsibilities in the Management Board. For example, Anne Kavanagh will also be responsible for our infrastructure investments in the future. This underlines the growing importance of new asset classes in our portfolio.

The Management Board is also supported by our "Operational Board". All important corporate functions are represented in it. We ensure that decisions are coordinated and implemented and consistently align all processes to the fulfilment of our clients' interests.

Management Board member and COO Klaus Schmitt has decided to leave the company with effect from 30 June 2020 to pursue new professional challenges. Klaus has successfully managed our operating business for more than 17 years and played a key role in developing and building our pan-European organisation. The Supervisory Board and Management Board -also on behalf of all employees - would like to thank Klaus Schmitt for the many years of trustful cooperation and wish him all the best for his future plans.

Dear Shareholders,

economic success is decisive for a company, but not the only decisive factor. I personally have always been convinced that a company that is successful in the long term must assume social responsibility. The English terms "Social Impact" and "Purpose" have long been found its way into our language. Social responsibility and orientation are becoming increasingly important for companies to attract the best talents in the market.

Young people in particular rightly ask the questions: What contribution do you make to society? How are you social committed? Where do you take responsibility? How sustainable is your business model? And how do you feel about the climate protection? But these questions are not only posed by new talents, but also by our clients. That is why sustainable and long-term investments are becoming increasingly important in our portfolio.

The decisive factor is that employees who share our responsibility, identify with our role in society and make their own contribution to social cohesion develop much more motivation and commitment to achieve extraordinary things.

During the Corona crisis, many PATRIZIA employees not only worked for our clients but also for their "communities" on site. I am particularly pleased about this and would like to thank all PATRIZIA employees on behalf of the of the entire management team for their commitment.

On our website and our social media channels you can learn more about this personal commitment. Just two examples: A colleague from England organized parking spaces in Birmingham, where Covid-19

drive-in test stations were set up. A colleague from Madrid supports staff in nursing homes and distributes food.

As you know, since its founding PATRIZIA takes social responsibility for the educational opportunities of children. The PATRIZIA Children Foundation has been active for more than 20 years and has given over 220,000 needy children worldwide better opportunities for education and thus a better life. The current crisis has severely restricted access to education worldwide. The foundation has therefore very quickly reacted and launched the "CORONA FUND EDUCATION HEALTHCARE" as emergency aid. In this way we want to prevent the pandemic from becoming an even more serious educational and social crisis for children in need.

And let me also tell you: we are pleased for every new donor for our foundation, because especially children in developing countries are particularly affected by the global consequences of the pandemic. Further information on this can be found on the Internet at www.patrizia.foundation.

Dear Shareholders,

we have also further developed our company successfully in 2019. In the crisis we are proving not only economic stability and reliability but assume social responsibility. And I hope this is also in your personal interest.

Many thanks for your support! And of course, we would be delighted if you would continue to join us on PATRIZIA's path to becoming a "*Leading partner for global real assets*" and participate in our success and our sharing social responsibility in the future!

Karim Bohn will now present our financial performance of the financial year 2019 in detail.

Thank you for your attention!

Footnote 1

<https://www.preqin.com/Portals/0/Documents/About/press-release/2020/jan/RE-Update-Jan-20.pdf?ver=2020-04-29-132802-303>

<https://www.preqin.com/Portals/0/Documents/About/press-release/2020/feb/INF-Global-Feb-20.pdf?ver=2020-05-02-181652-037>