

Ad hoc Announcement

Publication of inside information pursuant to Article 17(1) of Regulation (EU) 596/2014 on Market Abuse (Market Abuse Regulation)

Key word(s): Mergers & Acquisitions/Company merger

Deutsche Wohnen and Vonovia sign new agreement on merger of both companies

Berlin, 1 August 2021 - Today, Deutsche Wohnen SE (ISIN DE000A0HN5C6) ("Deutsche Wohnen") and Vonovia SE ("Vonovia") entered into a new business combination agreement ("BCA") regarding the merger of both companies. Deutsche Wohnen remains convinced of the strategic advantages of a merger between the two companies.

In this context, Vonovia plans, subject to the approval of the German Federal Financial Supervisory Authority ("BaFin"), to make another voluntary public takeover offer pursuant to the German Securities Acquisition and Takeover Act (*Wertpapiererwerbs- und Übernahmegesetz*) for all outstanding shares of Deutsche Wohnen at a price of EUR 53.00 per share in cash. The proposed takeover offer will be subject to a minimum acceptance rate of 50% of the outstanding shares in Deutsche Wohnen, and other customary conditions. As the planned takeover offer shall be made within the statutory lock-up period of one year after the minimum acceptance ratio of the takeover offer previously made by Vonovia has not been reached, prior exemption by BaFin is required.

The management board and the supervisory board of Deutsche Wohnen welcome Vonovia's planned improved takeover offer and, subject to the review of the final offer document, intend to support it and recommend its acceptance to the shareholders. Accordingly, Deutsche Wohnen has agreed to an exemption from the one-year lock-up period.

Together with Vonovia, Deutsche Wohnen remains committed to the joint plan to create Europe's largest residential real estate group.

Both companies have adapted the agreement in principle to the new situation. The parties have retained the core content of the agreement on the combined company ("Vonovia SE" with headquarters in Bochum and management from Bochum and Berlin). This also applies to the previously agreed governance structure and board composition, in particular the appointment of Mr. Michael Zahn as Deputy Chairman of the Management Board and Mr. Philip Grosse as Chief Financial Officer of Vonovia.

Deutsche Wohnen and Vonovia also remain committed to their responsibility for a social and sustainable housing policy and, more specifically, to the "Future and Social

Deutsche Wohnen SE

Mecklenburgische Straße 57
14197 Berlin
deutsche-wohnen.com

Contact

Sebastian Jacob
Director Investor Relations

Phone: +49 30 897 86 5413
Fax: +49 30 897 86 5419
ir@deutsche-wohnen.com

Housing Pact" ("*Zukunfts- und Sozialpakt Wohnen*") concluded with the federal state of Berlin. The waiver of terminations operations-related redundancies with effect from a date prior to December 31, 2023 in connection with the transaction is also part of the continuing agreements.

In connection with the transaction, the parties have also agreed to settle the previously agreed sale of 12,708,563 treasury shares of Deutsche Wohnen to Vonovia at a price of EUR 52.00 per share.

In addition, the management board of Deutsche Wohnen, with the approval of the supervisory board, has resolved, subject to certain conditions to increase the share capital of the Company by EUR 19,620,147.00 by issuing 19,620,147 new shares to be issued to Vonovia. Subject to the fulfilment of certain conditions, Deutsche Wohnen will sell the 3,362,003 treasury shares it continues to hold to Vonovia at the offer price of EUR 53.00 per share.

With respect to the outstanding convertible bonds of Deutsche Wohnen, it will, as agreed, determine the settlement mechanism in the event of a change of control upon conversion (cash payment or delivery of shares) in due time until the publication of the offer document relating to the takeover offer.

Vonovia has undertaken not to enter into a domination and/or profit and loss transfer agreement with Deutsche Wohnen for a period of three years from today's date of the conclusion of the BCA.

Notifying person:

Sebastian Jacob
Director Investor Relations
Phone +49 (0)30 897 86-5413
Fax +49 (0)30 897 86-5419
ir@deutsche-wohnen.com

End of announcement

Important notice

This announcement is for information purposes only and neither constitutes an invitation to sell nor an offer to purchase securities.

To the extent any announcements in this document contain forward-looking statements, such statements do not represent facts and are characterized by the words "will", "expect", "believe", "estimate", "intend", "aim", "assume" or similar expressions. Such statements express the intentions, opinions or current expectations and assumptions of Deutsche Wohnen and the persons acting jointly with Deutsche Wohnen. Such forward-looking statements are based on current plans, estimates and forecasts, which Deutsche Wohnen and the persons acting jointly with Deutsche Wohnen have made to the best of their knowledge, but which they do not claim to be correct in the future. Forward-looking statements are subject to risks and uncertainties that are difficult to predict and usually cannot be influenced by Deutsche Wohnen or the persons acting jointly with Deutsche Wohnen. These expectations and forward-looking statements can turn out to be incorrect and the actual events or consequences may differ materially from those contained in or expressed by such forward-looking statements.