







a&o Development Presentation

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Introduction to the a&o Group



a&o - Introduction



Largest European hybrid hostel/hotel platform

SUMMARY

- ➤ a&o was founded in 2000 in Berlin by Oliver Winter (current CEO)
- ➤ 42 assets (incl. confirmed pipeline) with c. 29k beds, 8k rooms and c. 1,100 employees
- ➤ Currently present in Germany (26 assets), Austria (4), Czech Republic (2), the Netherlands (1), Italy (2), Denmark (2), Hungary (1) and Poland (1).
- Future openings in **Spain** (1), Italy (1) and Germany (1).
- Properties are located in gateway markets and recognized touristic hotspots including Berlin, Frankfurt, Munich, Vienna, Prague, Venice, Amsterdam, Copenhagen
- Strong focus on low complexity and best value for money
- Specialised in accommodating large groups and families
- Consistently growing asset base, with 3-4 new openings per year

CURRENT GEOGRAPHICAL PRESENCE



Current Portfolio



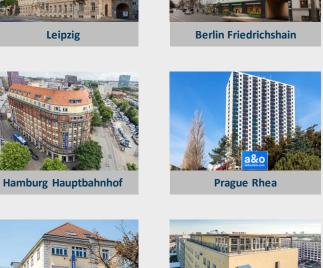
Balance between leased and owned assets located in 26 cities





Vienna Stadhalle

Cologne Hauptbahnhof















Current Pipeline and Recent Transactions

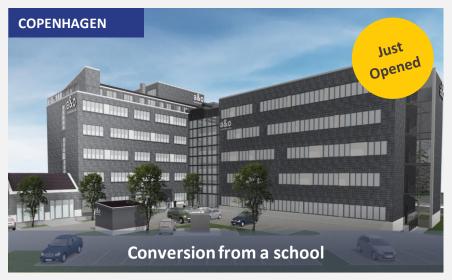


Traditional focus on conversion assets (turn-key developments or refurbished by a&o)









a&o – The Conversion Expert

a&c

Recently-opened a&o Budapest (September 2020)

BEFORE









AFTER









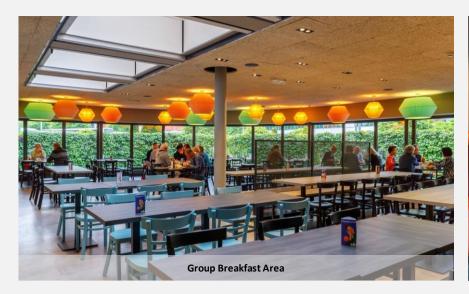
a&o's design and art&o Project



a&o's design (i/ii)

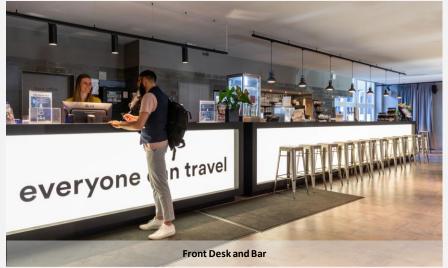
Common areas







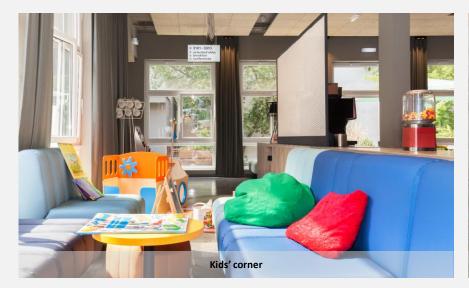




a&o's design (ii/ii)

Room product & kids' corner









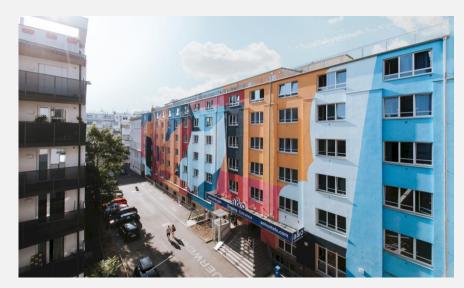


Note: Pictures from a&o Berlin Mitte – new design called out throughout the entire a&o portfolio

art&o Project



Spaces for artists, musicians and guests in our hostels to create and enjoy art together







Note: Pictures from facade of a&o Vienna, a&o art gallery in Leipzig and entrance passage from a&o Berlin Friedrichshain

Investment and Lease Agreement Criteria



Acquisition and Lease Agreement Criteria



Our current development focus is on acquiring freehold interests in existing hotels and hostels

Assets

- > Type of assets:
 - 1. Existing hotel and hostels
 - 2. Turn-key development projects for strategic locations
- ➤ Locations: Assets with excellent connections to public transport (train stations and tube). In general, up to 15min away from city centre
- ➤ Size: 3,000 to 10,000 sqm NIA, equivalent to 80-250 keys depending on location and market

Acquisitions

- ➤ **Typology of deal:** Strong preference for acquisition of existing hotels/hostels with licenses in place (asset or share deals)
- FF&E/OS&E/IT: provided and paid by a&o in turn-key scenarios
- ➤ Technical assistance of a&o throughout the planning and construction process in case of a turn-key project. No technical fees
- > Guarantee scheme: tbd deal per deal

Lease Agreements

- ➤ Typology of deal: Lease agreement for existing hotels/hostels or on forward-deals delivered under a turn-key scheme
- > Type of lease agreement: Fixed with preference for double-net leases
- ➤ **Term:** long-term lease agreements (initial term of 20 years with further extension options for the tenant)
- > Rent review mechanism: CPI indexation
- ➤ **Guarantee scheme:** Corporate guarantee from parent company
- > FF&E/OS&E/IT: provided and paid by a&o

Target geographic markets

Iberia: Madrid, Lisbon, Porto, Valencia, Seville, Malaga, Granada and Bilbao

Italy: Milan, Rome, Bologna, Turin, Verona and Genoa

UK and Ireland: London, Edinburgh, Glasgow, Dublin, Manchester and Liverpool

Germany: Berlin, Munich, Rostock, Munster, Hannover and Freiburg

Austria: Vienna and Innsbruck

Poland: Krakow, Wroclaw and Gdansk

Turkey: Istanbul

Benelux: Amsterdam, Rotterdam and Brussels

France: Paris, Lyon, Bordeaux and

Strasbourg

Greece: Athens

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