



Proposed merger between Atrium and Gazit Hercules 2020 Limited - Publication of the Shareholder Circular

Jersey, 23 November 2021 – On 18 October 2021, the Independent Committee of the Board of Directors (the “**Independent Committee**”) of Atrium European Real Estate Limited (VSE/Euronext: ATRS), (“**Atrium**” or the “**Company**”) and the board of directors of Gazit Hercules 2020 Limited (“**Newco**”), which is an indirect wholly-owned subsidiary of Gazit-Globe Ltd (“**Gazit**”) announced that they had signed a definitive merger agreement for a recommended cash acquisition (the “**Acquisition**”) of the entire issued and to be issued ordinary share capital of Atrium that is not already owned directly or indirectly by Gazit or its affiliates.

The Acquisition is to be implemented by means of a statutory merger between the Company and Newco under Part 18B of the Companies (Jersey) Law 1991, as amended (the “**Merger**”).

Atrium and Gazit are pleased to announce that Atrium has today published a circular and notice of an extraordinary general meeting (“**EGM**”) to consider, and if thought fit, approve the Merger (the “**Shareholder Circular**”). The EGM to consider the Merger Resolutions (and the steps contemplated by the Merger) is scheduled to be held at 10.00 a.m. on Thursday, 23 December 2021 at the offices of Aztec Financial Services (Jersey) Limited at 11-15 Seaton Place St Helier, Jersey JE4 0QH.

The Shareholder Circular is available, subject to certain restrictions relating to persons in Restricted Jurisdictions, on Atrium's website at www.aere.com and on Gazit's website at www.gazitglobe.com/investor-relations/news-and-updates/. A German translation of the Shareholder Circular will be made available later today on Atrium's website.

The Shareholder Circular, together with the associated Form of Instruction (for those Atrium Shareholders who hold interests in Atrium Shares through Euroclear) and Form of Proxy (for Atrium Shareholders who hold their Atrium Shares directly) for the EGM, will be sent to registered holders of Atrium Shares today. The Shareholder Circular, together with the associated Form of Instruction for the EGM, will be distributed by Euroclear to the account holding banks and brokers (via an intermediary of Euroclear), with the instruction to the account holding banks and brokers to provide the Shareholder Circular and the associated Form of Instruction to persons holding interests in Atrium Shares through such account holding banks or brokers.

The EGM is required to enable Atrium Shareholders to consider, and if thought fit, vote in favour of the resolutions to approve the Merger (amongst other ancillary matters).

Save as otherwise defined, capitalised terms used but not defined in this press announcement shall have the meaning given to them in the Shareholder Circular.

Recommendation of the Independent Committee

The Independent Committee continues to unanimously recommend that Atrium Shareholders vote in favour of the Merger. The Independent Committee has received a fairness opinion letter from UBS AG London Branch (“**UBS**”) as to the financial terms of the Acquisition.

In the event the Independent Committee receives a proposal from a third party which the Independent Committee determines, acting reasonably and in good faith, to be more beneficial to the Company and its shareholders (a “**Superior Proposal**”), the Independent Committee has discretion to withdraw its recommendation of the Acquisition in favour of the Superior Proposal. If this takes place, Gazit has confirmed to the Independent Committee that it will duly consider any Superior Proposal in good faith. Since the announcement of the Initial Proposal, the Independent Committee has not received any third-party proposals.

Action required

As further described in the Shareholder Circular, in order for the Merger to become effective, the Merger must be approved by:

- two-thirds of the Atrium Shareholders entitled to vote and voting on the Merger Resolutions at the EGM; and
- the holders of a majority of the Atrium Shares (other than the Excluded Shares or any Atrium Shares beneficially held by a Gazit Connected Person) entitled to vote and voting on the Merger Resolutions at the EGM.

Accompanying the Shareholder Circular, registered holders of Atrium Shares will find a Form of Proxy, for the EGM. The Form of Instruction will be provided by Euroclear to the account holding banks and brokers (via an intermediary of Euroclear) with an instruction to provide the Form of Instruction to persons holding interests in Atrium Shares through such account holding banks or brokers. The Form of Instruction and the Form of Proxy are available on Atrium’s website at www.aere.com. The deadlines for submitting the Form of Instruction and the Form of Proxy for the EGM are set out below.

Atrium Shareholders and persons holding interests in Atrium Shares through Euroclear are strongly urged to complete, sign and return the Form of Instruction or the Form of Proxy (as applicable) in accordance with the notes contained therein.

The expected timetable of principal events for the implementation of the Merger is set out below. All references in this document to times are to Jersey time unless otherwise stated. The dates and times given are indicative only and are based on Atrium’s current expectations and may be subject to change. If any of the expected times and/or dates above change, the revised times and/or dates will be notified to Atrium Shareholders by announcement.

Expected timetable of principal events

The following indicative timetable sets out expected dates for the implementation of the Merger:

Event	Time and/or date
Date of Merger Implementation Agreement	17 October 2021
Announcement of the proposed Merger	18 October 2021

Publication and posting of this document, the Notice of Extraordinary General Meeting, the Form of Proxy and the Form of Instruction	23 November 2021
Recommended date for submission of Forms of Instruction by persons holding an interest in Atrium Shares through Euroclear to their account holding banks or brokers	By 13 December 2021
Latest time for lodging Forms of Instruction by persons holding an interest in Atrium Shares through Euroclear for the Merger Extraordinary General Meeting	10.00 a.m. on 17 December 2021
Latest time for lodging Forms of Proxy by Atrium Shareholders for the Merger Extraordinary General Meeting	10.00 a.m. on 21 December 2021
Merger Voting Record Time	6.00 p.m. on 21 December 2021
Merger Extraordinary General Meeting	10.00 a.m. on 23 December 2021
Announcement of results of the Merger Extraordinary General Meeting via a Regulatory Information Service	To be released immediately following the Merger Extraordinary General Meeting on 23 December 2021
Despatch of notice to creditors of Atrium and Newco in relation to the proposed Merger	23 December 2021
Publication of notice in Jersey Gazette	23 December 2021
Last date for creditors of Atrium and/or Newco to deliver to Atrium a written objection to the Merger pursuant to Article 127FE(2)(a) of the Companies Law	13 January 2022
Last date for holders of Atrium Shares to apply to the Court for an order under Article 143 of Companies Law	13 January 2022
Publication and posting of the notice of extraordinary general meeting in respect of the Reduction Extraordinary General Meeting (including a form of proxy and form of instruction)	17 January 2022
Ex-dividend date for Special Dividend	6.00 p.m. on 31 January 2022
Reduction Extraordinary General Meeting	10.00 a.m. on 1 February 2022
Filing of solvency statement and minute of reduction with Registrar in connection with reduction of capital	1 February 2022
Delivery to the Registrar of all relevant documents in relation to the Merger, as required under Article 127FJ of the Companies Law	1 February 2022
Special Dividend Record Time	6.00 p.m. on 1 February 2022
Special Dividend Payment Date	4 February 2022

Last day of trading in Atrium Shares	14 February 2022
Suspension of trading in Atrium Shares on the Exchanges	From, and including, 15 February 2022
Merger Record Time	6.00 p.m. on 17 February 2022
Expected date of completion and effectiveness of the Merger and reduction of capital (subject to the Conditions being satisfied or waived) i.e. Closing and the date that the Registrar of Companies in Jersey registers the final notices in connection with the Merger pursuant to Article 127FM of the Companies Law	18 February 2022
Settlement of the consideration payable under the Merger to each Merger Shareholder	18 February 2022
De-listing of Atrium Shares in Amsterdam and Vienna	As soon as practicable after Closing
Longstop Date	17 April 2022*

* This is subject to extension in the event that objections are raised from creditors or Atrium Shareholders.

All references in this document to times are to Jersey time unless otherwise stated. The dates and times given are indicative only and are based on Atrium's current expectations and may be subject to change (including as a result of changes to the regulatory timetable). Furthermore, the indicative dates have been prepared on the basis that there are no lawful objections filed by any Atrium Shareholders or creditors in accordance with Jersey law. If any of the expected times and/or dates above change, the revised times and/or dates will be notified to Atrium Shareholders and persons who hold interests in Atrium Shares through Euroclear by announcement.

Shareholder helpline

If you have any questions about the Shareholder Circular, the Merger, the EGM or how to complete the Form of Instruction or Form of Proxy, please refer to the FAQs which are available on Atrium's website at www.aere.com or email Georgeson at atrium@georgeson.com. You can also call the shareholder helpline on 0043 800 017876 (for calls outside of Austria, which are charged at the applicable international rate) or 0800 017876 (freephone, for calls from within Austria). If you would prefer to receive a call back, please contact atrium@georgeson.com. The helpline is open between 8.00 a.m. and 4.00 p.m. GMT, Monday to Friday excluding public holidays. Please note that the helpline cannot provide any financial, legal or tax advice and calls may be recorded and monitored for security and training purposes.

Advisors

UBS is acting as financial adviser and fairness opinion provider to the Independent Committee with Allen & Overy LLP as international legal adviser and Appleby as Jersey law legal advisers to the Independent Committee.

Goldman Sachs Israel LLC is acting as financial adviser to Gazit and Newco with Kirkland & Ellis International LLP as international legal adviser and Ogier (Jersey) LLP as Jersey law legal advisers to Gazit and Newco.

Enquiries

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About Atrium European Real Estate

Atrium is a leading owner, operator and redeveloper of shopping centres and residential for rent apartments in Central Europe. Atrium specializes in locally dominant food, fashion and entertainment shopping centres in the best urban locations. Atrium owns 26 properties with a total gross leasable area of over 809,000 sqm and with a total market value of approximately €2.5 billion. These properties are located in Poland, the Czech Republic, Slovakia and Russia, and with the exception of one, are all managed by Atrium's internal team of retail real estate professionals. In February 2020 Atrium announced a strategy to diversify its portfolio by investing in and managing residential for rent real estate, with a primary focus on Warsaw.

The Company is established as a closed-end investment company incorporated and domiciled in Jersey and regulated by the Jersey Financial Services Commission as a certified Jersey listed fund, and is listed on both the Vienna Stock Exchange and the Euronext Amsterdam Stock Exchange. Appropriate professional advice should be sought in the case of any uncertainty as to the scope of the regulatory requirements that apply by reason of the above regulation and listings. All investments are subject to risk. Past performance is no guarantee of future returns. The value of investments may fluctuate. Results achieved in the past are no guarantee of future results.

About Gazit Globe

Gazit Globe is a global real estate company focused on the ownership, development, and management of mixed-use income producing real estate for a variety of uses including commercial, offices and residential in highly populated urban areas in key cities. As of September 30, 2021, the Group held and managed 102 properties covering a built-up area for lease of 2.5 million sq. m with a value of NIS 37 billion.

Additional information available on the Company's website: www.gazitglobe.com.

Further information

This announcement is for information purposes only and is not intended to and does not constitute, or form part of, an offer, invitation or the solicitation of an offer to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of any securities, or the solicitation of any vote or approval in any jurisdiction, pursuant to the Acquisition or otherwise, nor shall there be any sale, issuance or transfer of securities of Atrium in any jurisdiction in contravention of applicable law. For the avoidance of doubt, this announcement does not constitute, and should therefore not be perceived as, an (announcement of a contemplated) public offer under the public offer rules in Austria and / or the Netherlands.

Important notices relating to financial advisers

UBS AG London Branch (“**UBS**”) is authorised and regulated by the Financial Market Supervisory Authority in Switzerland. It is authorised by the Prudential Regulation Authority and subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority in the United Kingdom. UBS is acting as financial adviser to Atrium and no-one else in connection with the matters described in this announcement and will not be responsible to anyone other than Atrium for providing the protections afforded to clients of UBS nor for providing advice in connection with the matters referred to herein. Neither UBS nor any of its affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of UBS in connection with this announcement, any statement contained herein, the Acquisition or otherwise.

Goldman Sachs Israel LLC is acting exclusively for Gazit and Newco and no one else in connection with the matters referred to in this announcement and will not be responsible to anyone other than Gazit and Newco for providing the protections afforded to clients of Goldman Sachs Israel LLC, or for providing advice in connection with the matters referred to in this announcement.

Overseas jurisdictions

The ability to participate in the Acquisition for Atrium shareholders who are not resident in and citizens of the Netherlands, Austria or Jersey may be affected by the laws of the relevant jurisdictions in which they are located or of which they are citizens. Persons who are not resident in the Netherlands, Austria or Jersey should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdictions. Further details in relation to overseas shareholders will be contained in the Shareholder Circular. The release, publication or distribution of this announcement in or into jurisdictions other than the Netherlands, Austria or Jersey may be restricted by law and therefore any persons who are subject to the law of any jurisdiction other than the Netherlands, Austria or Jersey should inform themselves of, and observe, any applicable requirements. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of any such jurisdiction. To the fullest extent permitted by applicable law, the companies and persons involved in the Acquisition disclaim any responsibility or liability for the violation of such restrictions by any person.

Copies of this announcement and the formal documentation relating to the Acquisition and the Merger will not be and must not be, mailed or otherwise forwarded, distributed or sent in, into or from any jurisdiction where local laws or regulations may result in a significant risk of civil, regulatory or criminal exposure if information concerning the Acquisition is sent or made available to Atrium shareholders in that jurisdiction (a “**Restricted Jurisdiction**”) or any jurisdiction where to do so would violate the laws of that jurisdiction and persons receiving those documents must not mail or otherwise forward, distribute or send them in or into or from any Restricted Jurisdiction.

This announcement does not constitute an offer of securities in the State of Israel.

US holders

Holders of Atrium shares who: (i) are ordinarily resident in the US; or (ii) have a registered address in the US; or (i) are a custodian, nominee or trustee holding of Atrium shares for persons in the US or with a registered address in the US (“**US Holders**”) should note that the Acquisition relates to the securities of a Jersey company listed on the Amsterdam Stock Exchange and the Vienna Stock Exchange and is subject

to Dutch, Austrian and Jersey disclosure requirements and practices (which are different from those of the US) and is proposed to be implemented by means of a statutory merger under Jersey company law. A transaction effected by means of a statutory merger is not subject to the tender offer rules under the US Exchange Act, and the proxy solicitation rules under the US Exchange Act will not apply to the Acquisition. The Acquisition will be subject to Dutch, Austrian and Jersey disclosure requirements and practices, which are different from the disclosure requirements of the US tender offer and proxy solicitation rules. The financial information included in this announcement and the Shareholder Circular have been or will have been prepared in accordance with IFRS, and thus may not be comparable to financial information of companies whose financial statements are prepared in accordance with generally accepted accounting principles in the US.

The receipt of cash pursuant to the Acquisition by a US Holder may be a taxable transaction for US federal income tax purposes and under applicable US state and local, as well as foreign and other, tax laws. Each Atrium shareholder is urged to consult his independent professional adviser immediately regarding the tax consequences of the Acquisition applicable to him. It may be difficult for US Holders to enforce their rights and claims arising out of the US federal securities laws, since Newco and Atrium are located in countries other than the US, and some or all of their officers and directors may be residents of countries other than the US. US Holders may not be able to sue a non-US company or its officers or directors in a non-US court for violations of US securities laws. Further, it may be difficult to compel a non-US company and its affiliates to subject themselves to a US court's judgement.

Forward looking statements

This announcement (including information incorporated by reference in this announcement), oral statements made regarding the Acquisition, and other information published by Newco, Gazit and Atrium contain statements which are, or may be deemed to be, "forward-looking statements". Forward-looking statements are prospective in nature and are not based on historical facts, but rather on current expectations and projections of the management of Newco, Gazit and Atrium about future events, and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements.

The forward-looking statements contained in this announcement may include statements relating to the expected effects of the Acquisition on Newco, Gazit and Atrium, the expected timing and scope of the Acquisition and other statements other than historical facts. Often, but not always, forward-looking statements can be identified by the use of forward-looking words such as "plans", "expects" or "does not expect", "is expected", "is subject to", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "should", "would", "might" or "will" be taken, occur or be achieved. Although Newco, Gazit and Atrium believe that the expectations reflected in such forward-looking statements are reasonable, Newco, Gazit and Atrium can give no assurance that such expectations will prove to be correct. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements.

No profit forecasts or estimates

No statement in this announcement is intended as a profit forecast or estimate for any period and no statement in this announcement should be interpreted to mean that earnings or earnings for each share for Newco, Gazit or Atrium, as appropriate, for the current or future financial years would necessarily match or exceed the historical published earnings or earnings for each share for Newco, Gazit or Atrium, as appropriate.

Publication on website

A copy of this announcement will be made available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on Atrium's website at www.aere.com and on Gazit's website at www.gazitglobe.com/investor-relations/news-and-updates/.

For the avoidance of doubt, the contents of these websites are not incorporated by reference and do not form part of this announcement.