

---

**Annual General Meeting of ADLER Real Estate Aktiengesellschaft, Berlin, on June 11, 2019, at 10:00 a.m. (CEST), at Sofitel Berlin Kurfürstendamm, Augsburger Str. 41, 10789 Berlin**

**DETAILED EXPLANATION OF THE RIGHTS OF SHAREHOLDERS ACCORDING TO SECTIONS 122 PARA. 2, 126 PARA. 1, 127, 131 PARA. 1 OF THE GERMAN STOCK CORPORATION ACT (AKTG) ("AktG")**

**1. Requests to add items to the Agenda pursuant to § 122 (2) AktG**

Shareholders whose shares in the aggregate reach the proportional amount of EUR 500,000.00 of the share capital (which corresponds to 500,000 shares) may demand pursuant to § 122 (2) AktG that items be put on the agenda and published. Each new agenda item must be accompanied by a statement of grounds or by a proposed resolution. The demand must be made in writing and sent to the following address:

ADLER Real Estate Aktiengesellschaft  
- Management Board -  
c/o Link Market Services GmbH  
Landshuter Allee 10  
80637 Munich  
Germany

It must reach the Company at least 30 days prior to the meeting, i.e. by no later than May 11, 2019, 24:00 midnight (CEST). The respective shareholders must prove pursuant to § 122 (2) sentence 1, (1) sentence 3 AktG that they have owned the required number of shares for at least 90 days prior to the date of receipt of the demand and that they hold the shares up until the Management Board's decision on the motion.

Additions to the agenda that are to be published will be published in the Federal Gazette (Bundesanzeiger) immediately upon receipt of the demand and will be forwarded pursuant to § 121 (4a) AktG to media that are presumed to be capable of disseminating such information through-out the entire European Union. They will moreover be made available on the Company's website at <http://www.adler-ag.com> in section „Investor Relations/Annual General Meeting 2019“

The provisions of the German Stock Corporation Act (Aktiengesetz) on which these shareholder rights are based read as follows:

*§ 122 Convening a meeting at the request of a minority (excerpt)*

- (1) *1The shareholders' meeting shall be called if shareholders whose holding in aggregate equals or exceeds one-twentieth of the share capital demand such meeting in writing, stating the purpose*

*and the reasons of such meeting; such demand shall be addressed to the management board. <sup>2</sup>The articles may provide that the right to demand a shareholders' meeting shall require another form or the holding of a lower proportion of the share capital. <sup>3</sup>Persons submitting a request must prove that they have held the shares for at least 90 days before the date the request is received and that they hold the shares until the Management Board decides on the request. <sup>4</sup>§ 121 (7) shall be applied accordingly.*

*(2) <sup>1</sup>In the same manner, shareholders whose shares amount in aggregate to no less than one-twentieth of the share capital or represent an amount of the share capital corresponding to EUR 500,000 may demand that items be put on the agenda and announced. <sup>2</sup>Each new item shall be accompanied by an explanation or a draft proposal. <sup>3</sup>The demand in the sense of sentence 1 shall be provided to the company at least 24 days, in case of listed companies at least 30 days, prior to the meeting; the day of receipt shall not be included in this calculation.*

#### *§ 124 AktG Publication of requests for supplements; proposals for resolutions (excerpt)*

*(1) <sup>1</sup>If the minority has requested pursuant to § 122 (2) that items be added to the agenda, these items shall be published either upon calling the meeting or immediately following receipt of the request. <sup>2</sup>§ 121 (4) shall apply analogously; moreover, § 121 (4a) shall apply analogously to listed companies. <sup>3</sup>Publication and submission shall be made in the same way as applicable for calling the meeting.*

## **2. Counter-motions and election proposals by shareholders pursuant to § 126 (1), § 127 AktG**

According to § 126 (1) AktG, each shareholder is entitled to submit counter-motions to the pro-posed resolutions on the agenda items. If the Company is supposed to make such counter-motions available, they and any statement of grounds must be sent by post at least 14 days prior to the Annual General Meeting, i.e. by no later than May 27, 2019, 24:00 midnight (CEST), to the address

ADLER Real Estate Aktiengesellschaft  
c/o Link Market Services GmbH  
Landshuter Allee 10  
80637 Munich  
Germany

by fax: +49 89 210 27 298

or by email: [antraege@linkmarketservices.de](mailto:antraege@linkmarketservices.de).

Counter-motions addressed in any other way do not have to be made available. In all cases in which a counter-motion is submitted, receipt of the counter-motion by the Company will be decisive. Counter-motions made by shareholders, including their names and any grounds for the counter-motion, as well as any positions taken by the management in this respect, will be made available on the Internet at <http://www.adler-ag.com> in section „Investor Relations/Annual General Meeting 2019“.

The Management Board does not have to make available a counter-motion or the respective statement of grounds and may combine counter-motions and the respective statements of grounds if the requirements of § 126 (2) and (3) AktG have been fulfilled. The details have been published on the Internet at <http://www.adler-ag.com> in section „Investor Relations/Annual General Meeting 2019“.

According to § 127 AktG, these regulations apply analogously to a proposal made by a shareholder for the election of Supervisory Board members or auditors. In addition to the grounds set out in § 126 (2) AktG, the Management Board also does not have to make available nominations if they do not state the candidate's name, profession and place of residence. Proposals on the election of Supervisory Board members do not have to be made available also if they lack information on the nominated candidate's membership in other supervisory boards that are to be established based on statutory provisions within the meaning of § 125 (1) sentence 5 AktG.

The provisions of the German Stock Corporation Act (Aktengesetz) on which these shareholder rights are based read as follows:

#### *§ 126 Motions by Shareholders*

*(1) <sup>1</sup>Motions by shareholders together with the shareholder's name, the grounds and any position taken by the management shall be made available to the persons entitled pursuant to § 125 (1)–(3) under the conditions stated therein if at least 14 days before the meeting the shareholder sends to the address indicated in the notice convening the meeting a motion counter to a proposal of the management board and supervisory board as to an item on the agenda. <sup>2</sup>The date of receipt shall not be taken into account. <sup>3</sup>In the case of listed companies, access shall be provided via the company's Internet page. <sup>4</sup>§ 125 (3) shall apply accordingly.*

*(2) <sup>1</sup>A counter-motion and the grounds for this need not be made available, if:*

- 1. the management board would by reason of such communication become criminally liable;*
- 2. the counter-motion would result in a resolution of the shareholders' meeting which would be illegal or would violate the articles;*
- 3. the grounds contain statements which are manifestly false or misleading in material respects or which are libellous;*
- 4. a counter-motion of such shareholder based on the same facts has already been communicated with respect to a shareholders' meeting of the company pursuant to § 125;*
- 5. the same counter-motion of such shareholder on essentially identical grounds has already been communicated pursuant to § 125 to at least two shareholders' meetings of the company within the past five years and at such shareholders' meetings less than one-twentieth of the share capital represented has voted in favour of such counter-motion;*
- 6. the shareholder indicates that he will neither attend nor be represented at the shareholders' meeting; or*

7. *within the past two years at two shareholders' meeting the shareholder has failed to make or cause to be made on his behalf a counter-motion communicated by him.*

<sup>2</sup> *The statement of the grounds need not be communicated if it exceeds one hundred words.*

(3) *If several shareholders make counter-motions for resolution in respect to the same subject matter, the management board may combine such counter-motions and the respective statements of the grounds.*

#### *§ 127 Nominations by Shareholders (excerpt)*

<sup>1</sup> *§ 126 shall apply accordingly to a nomination by a shareholder for the election of a member of the supervisory board or external auditors. <sup>2</sup>Such nomination need not be supported by a statement of the grounds for this. <sup>3</sup>The management board also need not communicate such nomination if it fails to contain the particulars required by § 124 (3) sentence 4 and § 125 (1) sentence 5. [...]*

#### *§ 124 Publication of Requests for Supplements; Proposals for Resolutions (excerpt)*

(3) <sup>4</sup>*The proposal for the election of members of the supervisory board or auditors shall state their name, profession and place of residence.*

#### *§ 125 Communications to Shareholders and Members of the Supervisory Board (excerpt)*

(1) <sup>5</sup>*In case of listed companies details on the membership in other supervisory boards to be established pursuant to statutory provisions must be added to any nomination for the election of supervisory board members; details on their membership in comparable domestic and foreign controlling bodies of enterprises should be added.*

(3) *Each member of the supervisory board may request that the management board send the same communication to him.*

### **3. Shareholders' right to demand information pursuant to § 131 Abs. 1 AktG**

Pursuant to § 131 (1) AktG, each shareholder must, upon request, be provided with information at the Annual General Meeting by the Management Board about the Company's affairs, to the extent that such information is necessary for a proper evaluation of an agenda item and no right to refuse such information exists. The Management Board's duty to provide information also extends to the Company's legal and business relationships with its affiliates. Furthermore, the duty to provide information relates also to the situation of the ADLER Group and of the companies that are included in ADLER's consolidated financial statements. The situations in which the Management Board has the right to refuse to provide information are specified on the Company's website at <http://www.adler-ag.com> in section „Investor Relations/Annual General Meeting 2019“.

The Management Board may decline to answer individual questions for the reasons cited in § 131 (3) of the German Stock Corporation Act, for example because the information could cause the Company or an affiliated company a considerable disadvantage according to sound business judgement. According to Article 21 (4) of the Articles of Association of ADLER Real Estate Aktiengesellschaft, the chairman of the Meeting is authorised to impose a reasonable time limit on a shareholder's right to ask questions and speak.

The provisions of the German Stock Corporation Act and the Articles of Association upon which these shareholder rights are based are as follows:

*§ 131 Right of shareholders to information*

- (1) *<sup>1</sup>Each shareholder shall upon request be provided with information at the shareholders' meeting by the management board regarding the company's affairs, to the extent that such information is necessary to permit a proper evaluation of the relevant item on the agenda. <sup>2</sup>The duty to provide information shall also extend to the company's legal and business relations with any affiliated enterprise. <sup>3</sup>If a company makes use of the simplified procedure pursuant to § 266 (1) sentence 3, § 276 or § 288 of the Commercial Code, each shareholder may request that the annual financial statements be presented to him at the shareholders' meeting on such annual financial statements in the form which would have been used without these simplifications. <sup>4</sup>A parent enterprise's (§ 290 (1) and (2) of the Commercial Code) management board's duty to inform in the shareholders' meeting that considers the consolidated financial statement and consolidated management report shall extend to the outlook of the group and the enterprises included in the consolidated financial statement.*
- (2) *<sup>1</sup>The information provided shall comply with the principles of conscientious and accurate accounting. <sup>2</sup>The articles or the rules of procedure pursuant to § 129 may authorise the chairperson of the meeting to limit the number of questions and speaking time of shareholders as appropriate and to lay down general rules thereon.*
- (3) *<sup>1</sup> The management board may refuse to provide information:*
- 1. to the extent that providing such information is, according to sound business judgment, likely to cause material damage to the company or an affiliated enterprise;*
  - 2. to the extent that such information relates to tax valuations or the amount of certain taxes;*
  - 3. with regard to the difference between the value at which items are shown in the annual balance sheet and the higher market value of such items, unless the shareholders' meeting is to approve the annual financial statements;*
  - 4. with regard to the methods of classification and valuation, if disclosure of such methods in the notes suffices to provide a clear view of the actual condition of the company's assets, financial position and profitability within the meaning of § 264 (2) of the Commercial Code; the foregoing shall not apply if the shareholders' meeting is to approve the annual financial statements;*
  - 5. if provision thereof would render the management board criminally liable;*

6. *if in the case of a credit institution or financial services institution information about the applied balance sheet and valuation methods or calculations made in the annual financial statements, the management report, the consolidated annual financial statement or the group's management report need not be given;*
7. *if the information is continuously available on the company's Internet page seven or more days prior to the shareholders' meeting as well as during the meeting.*

*<sup>2</sup>The provision of information may not be denied for other reasons.*

*(4) <sup>1</sup>If information has been provided outside a shareholders' meeting to a shareholder by reason of his status as a shareholder, such information shall upon request be provided to any other shareholder at the shareholders' meeting, even if such information is not necessary to permit a proper evaluation of an item on the agenda. <sup>2</sup>The management board may not refuse to provide such information on the grounds of (3) sentence 1 Nos. 1 to 4. <sup>3</sup>Sentences 1 and 2 shall not apply if a subsidiary (§ 290 (1), (2) of the Commercial Code), a cooperative enterprise (§ 310 (1) of the Commercial Code) or an affiliate (§ 311 (1) of the Commercial Code) provides the information to a parent company (§ 290 (1), (2) of the Commercial Code) for the purpose of inclusion in the consolidated annual financial statement of the parent company and the information is required for this purpose.*

*(5) A shareholder who has been denied information may request that his question and the reason for which the information was denied be recorded in the minutes of the meeting.*

#### *§ 21 (4) of Articles of Association*

*(4) The chairperson may limit the time allocated to shareholders for speaking and asking questions within reason. The chairperson is in particular entitled, at the beginning of the Shareholders' General Meeting or during its course, to decide upon a reasonable timeframe for the whole conduct of the Shareholders' General Meeting, or for individual points on the agenda, or for individual requests to speak or ask questions..*

Berlin, April 2019

ADLER Real Estate Aktiengesellschaft  
The Management Board