

5. Dependency Report and Overall Assessment

DKR is a company dependent on Obotritia Capital KGaA. In accordance with the statutory provisions, the Management Board of DKR has drawn up a report on relations with affiliated companies (dependent company report) for the past financial year and conclusively stated that:

"In accordance with Section 312 (3) AktG, we hereby declare that in the course of any legal

transaction listed in the above report on relationships with affiliated companies under the circumstances known to us at the time the legal transactions were conducted, our Company received appropriate consideration. No action was taken or omitted at the initiative or in the interest of Obotritia Capital KGaA or its affiliates."

6. Other information in accordance with

§ 289 (4) HGB and corporate governance statement pursuant to § 289a HGB (former version)

Composition of the share capital, voting rights and special rights

The share capital of the Company is divided into 24,760,285 bearer shares of no-par-value. As of the balance sheet date, the Company holds no treasury shares. All shares have the same rights and obligations. Each share

represents one vote in the Annual General Meeting. The shares may be freely transferred in accordance with the legal provisions applicable to bearer shares. No shares were issued with special rights conferring control powers. Insofar as employees are involved in the Company, they directly exercise their control right.

Shareholdings of 10 % or more of the voting rights

No shareholder may hold 10 % or more of the shares or voting rights directly in accordance with § 11 (4) REITG (maximum participation limit). In the event that the maximum participation limit is exceeded, the shareholder concerned must provide evidence of the reduction of his direct holding in an appropriate form within two months of the request of the Management Board. A continued breach of the maximum participation limit may, according to the Articles of Incorporation, result in the transfer of shares without compensation in excess of the maximum participation limit or in the compulsory collection of these shares without compensation. As of the balance sheet date, no shareholder holds 10 % or more of the voting rights.

Authorisation of the Management Board to acquire own shares and to issue new shares

Authorised capital

On 9 March 2017, the Management Board was authorised by the Annual General Meeting with the approval of the Supervisory Board to increase the share capital of the Company Board until 8 March 2022 by issuing new bearer shares of no-par-value against cash or non-cash contributions once or sev-

eral times up to a total of EUR 12,380,142.00 (Authorised Capital 2017). The authorised capital 2016 has been repealed.

Conditional capital

On 9 March 2017, the Management Board was authorised by the Annual General Meeting with the approval of the Supervisory Board, to issue single or multiple bearer bonds with warrants or convertible bonds (together "bonds") with a total nominal value of up to EUR 150,000,000 with or without maturity restrictions until 8 March 2022, and to grant or impose to the holders of bonds with warrants option rights or obligations and the holders of convertible bonds conversion rights or obligations for bearer shares of the Company with a proportional amount of capital stock in the amount of EUR 1.00 each to the details set out in the respective conditions for the bonds.

For this, the share capital has been conditionally increased by up to EUR 10,000,000.00 through the issue of up to 10,000,000.00 new bearer shares (Conditional Capital I). The old Conditional Capital I of April 20, 2016 has been repealed.

Furthermore, by resolution of the shareholders' meeting on 9 March 2017, the Company's share capital was conditionally increased by up to EUR 2,380,142.00 by issuing up to 2,380,142 new bearer shares of no-par-value from the beginning of the financial year in

which they were conditionally increased (Conditional Capital II). The conditional capital increase serves to grant shares to the holders of bonds issued on the basis of the authorisation resolution of the Annual General Meeting on 30 January 2015.

Repurchase of own shares

At the Annual General Meeting on 20 April 2016, the Company authorised the Management Board to acquire by 19 April 2021 treasury shares of up to 10 % of the share capital existing at the time of the resolution or, if this amount is lower, to acquire at the time of the respective utilisation of the authorisation existing share capital for any authorised purpose within the scope of the legal restrictions.

The treasury shares may be acquired at the discretion of the Management Board via the stock exchange or by means of a public purchase offer addressed to all shareholders. The equivalent consideration per share (excluding incidental acquisition costs) may not exceed or fall short of the average of the last share price (closing price) of the Company's

stock in XETRA trading on the Frankfurt Stock Exchange on the last ten trading days prior to the date of the commitment to purchase or the date of publication of the offer by more than 10 %.

Amendment to the Articles of Association

Amendments to the Articles of Association require the majority of 75 % of the voting rights represented at the Annual General Meeting, as required by the German Stock Corporation Act.

Appointment and revocation of members of the Management Board

The determination of the number as well as the appointment of the ordinary members of the Management Board and Deputy Management Board members, the conclusion of the employment contracts and the revocation of the appointment are made by the Supervisory Board.