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Deutsche Konsum REIT-AG
Broderstorf

ISIN DE000A14KRD3 / WKN A14KRD

Invitation to the Annual General Meeting

on 5 March 2020

We invite the shareholders of our Company to the Annual General Meeting of Deutsche Konsum REIT-AG (hereinafter also referred to as the "**Company**") to be held on Thursday, 5 March 2020, at 11:00 a.m. (CET) at Sofitel Berlin Kurfürstendamm, Augsburger Straße 41, 10789 Berlin.

AGENDA

- 1. Presentation of the adopted annual financial statements and the management report for the financial year ended 30 September 2019, together with the report of the Supervisory Board and the explanatory report of the Management Board on the information pursuant to § 289a (1) of the German Commercial Code (HGB)**

These documents can be inspected with immediate effect at the Company's offices at August-Bebel-Straße 68, 14482 Potsdam, Germany, and on the Internet at <https://www.deutsche-konsum.de/en/investor-relations/annual-general-meeting/>. The aforementioned documents will also be available for inspection at the Annual General Meeting.

2. Resolution on the appropriation of the net profit for the 2018/2019 financial year

The Management Board and the Supervisory Board propose that the balance sheet profit for the 2018/2019 financial year in the amount of EUR 11,399,940.70 be appropriated as follows:

Balance sheet profit as of 30/09/2019	EUR 11,399,980.70
thereof distribution of a dividend of EUR 0.35 per share entitled to dividend	EUR 11,185,980.40
thereof carried forward to new account	EUR 214.000,30

The proposal for the appropriation of profits is based on the number of dividend-bearing shares for the past 2018/2019 financial year as of the date of convening, to the knowledge of the Company.

In accordance with § 58 (4) sentence 2 of the German Stock Corporation Act (AktG), the claim to the dividend is due on the third business day following the resolution of the Annual General Meeting, i.e. on 10 March 2020.

3. Resolution on the discharge of the members of the Management Board for the financial year ended 30 September 2019

The Management Board and the Supervisory Board propose that the members of the Management Board be discharged for the financial year beginning on 1 October 2018 and ending on 30 September 2019.

It is intended to have the Annual General Meeting vote on the discharge of the members of the Management Board by way of an individual vote.

4. Resolution on the discharge of the members of the Supervisory Board for the financial year ended 30 September 2019

The Management Board and Supervisory Board propose that the members of the Supervisory Board be discharged for the financial year beginning on 1 October 2018 and ending on 30 September 2019.

It is intended to have the Annual General Meeting vote on the discharge of the members of the Supervisory Board by way of an individual vote.

5. Resolution on the appointment of the auditor for the 2019/2020 financial year and for the audit review of interim financial reports

The Supervisory Board proposes that DOMUS AG Wirtschaftsprüfungsgesellschaft/Steuerberatungsgesellschaft, Lentzeallee 107, 14195 Berlin, Germany, be elected auditor for the financial year beginning on 1 October 2019 and ending on 30 September 2020.

Furthermore, the Supervisory Board proposes that DOMUS AG Wirtschaftsprüfungsgesellschaft/Steuerberatungsgesellschaft, Lentzeallee 107, 14195 Berlin, Germany, be appointed as auditor for a possible audit review of financial reports during the year for the financial year commencing on 1 October 2019 and ending on 30 September 2020 and for the financial year commencing on 1 October 2020 until the next annual general meeting.

6. Resolution on the Deputy Chairman of the Supervisory Board and amendment of the Articles of Association

§ 10 of the Articles of Association regulates the chairmanship of the Supervisory Board and in particular the deputy chairmanship of the Supervisory Board. The flexibility of the Supervisory Board in performing its duties is to be increased. Accordingly, the possibility of electing more than one deputy for the Chairman is intended to ensure that the Supervisory Board is able to act with a capable Chairman in emergencies. In doing so, the provision in the Articles of Association should also take into account the right of election of Supervisory Board members as provided for in § 107 (1) sentence 1 AktG.

The Management Board and Supervisory Board therefore propose the following resolution:

a) § 10 of the Articles of Association shall be revised as follows:

"1. At the first meeting following its election, the Supervisory Board elects a chairman and one or more deputies from among its members. The election shall be for the term of office specified in § 9 (2) of these Articles of Association or for a shorter period specified by the Supervisory Board. Deputies have the rights and duties of the Chairman of the Supervisory Board if he is prevented from attending. If there are several deputies, the order of precedence determined at the time of their election shall apply.

2. If the chairman or one of his deputies resigns from office before the end of the term of office, the Supervisory Board shall immediately hold a new election for the remaining term of office of the resigning member."

- b) The Management Board is authorised to apply for the amendment to the Articles of Association mentioned above under letter a) to be entered in the commercial register independently of the other resolutions of the Annual General Meeting.

7. Resolution to increase the number of members of the Supervisory Board and amendment of the Articles of Association

§ 9 (1) of the Articles of Association specifies the number of members of the Supervisory Board. To date, the Supervisory Board consists of five members. The Supervisory Board is to be expanded and in future will consist of six members.

The Management Board and Supervisory Board therefore propose the following resolution:

- a) § 9 (1) of the Articles of Association shall be revised as follows:

"The Supervisory Board consists of six members."

- b) The Management Board is authorised to apply for the amendment to the Articles of Association mentioned above under letter a) to be entered in the commercial register independently of the other resolutions of the Annual General Meeting.

8. Elections to the Supervisory Board

The term of office of the five members of the Supervisory Board ends at the end of the Annual General Meeting that resolves on the formal approval of their actions for the financial year that began on 1 October 2018 and ended on 30 September 2019.

The Supervisory Board proposes that the current members be elected by the Annual General Meeting

- a) Mr Achim Betz, German CPA and Tax Consultant,, resident in Nürtingen, Germany
- b) Mr Johannes C. G. (Hank) Boot, Fund manager, resident in London, United Kingdom
- c) Mr Nicholas Cournoyer, Investment advisor, residing in Monaco, Monaco
- d) Mr Kristian Schmidt-Garve, Attorney at Law, LL.M, resident in Munich, Germany
- e) Mr Hans-Ulrich Sutter, business graduate, former CFO of TAG Immobilien AG, resident in Dusseldorf, Germany

and, subject to the condition precedent that the resolution on the amendment to the Articles of Association proposed under agenda item **Fehler! Verweisquelle konnte nicht gefunden werden.** entered in the commercial register, additionally

- f) Ms Cathy Bell-Walker, Solicitor (admitted in England and Wales), residing in Guildford, United Kingdom

be elected to the Supervisory Board for a term of office up to the end of the Annual General Meeting which resolves on the discharge for the first financial year after the commencement of the term of office, whereby pursuant to § 9 para. 2 sentence 2 of the Articles of Association the financial year in which the term of office commences shall not be counted.

The Annual General Meeting is not bound by election proposals. It is intended to have individual votes on agenda item8 letters a) to f).

In accordance with the vote of the Supervisory Board, it is intended that Mr Hans-Ulrich Sutter will stand as a candidate for the chairmanship of the Supervisory Board in the event of his election by the Annual General Meeting in connection with the constitution of the new Supervisory Board.

Achim Betz in particular has expertise in the areas of accounting and auditing within the meaning of § 100 (5) of the German Stock Corporation Act (AktG). All proposed candidates are familiar with the sector in which the company operates.

The candidates for the Supervisory Board proposed under agenda item8 are members of a statutory supervisory board of the companies listed under (i) below or members of comparable domestic and foreign supervisory bodies of the commercial enterprises listed under (ii) below:

- a) Mr Achim Betz
- i. Chairman of the Supervisory Board of Hevella Capital GmbH & Co KGaA, Potsdam, Germany
Deputy Chairman of the Supervisory Board of Deutsche Leibrenten Grundbesitz AG, Frankfurt a.M., Germany
Member of the Supervisory Board of Deutsche Industrie REIT-AG, Rostock, Germany
 - ii. Deputy Chairman of the Board of Directors of NEXR Technologies SE, Berlin, Germany
- b) Mr Johannes C. G. (Hank) Boot
- i. none
 - ii. Gerlin NV, Maarsbergen, Netherlands (Member of the Supervisory Board)
- c) Mr Nicholas Cournoyer
- i. none
 - ii. none

- d) Mr Kristian Schmidt-Garve
 - i. none
 - ii. Member of the Supervisory Board of Biocrates Life Sciences AG, Innsbruck, Austria
Advisory Board of Cynora GmbH, Munich, Germany (Chairman)

- e) Mr Hans-Ulrich Sutter
 - i. Chairman of the Supervisory Board of Deutsche Industrie REIT-AG, Rostock, Germany
Deputy Chairman of the Supervisory Board of TAG Colonia-Immobilien AG, Hamburg, Germany
 - ii. none

- f) Mrs Cathy Bell-Walker
 - i. none
 - ii. none

Messrs Achim Betz (since November 2014), Johannes C. G. (Hank) Boot (since April 2016), Nicholas Cournoyer (since April 2016), Kristian Schmidt-Garve (since March 2018) and Hans-Ulrich Sutter (since November 2014) are currently members of the Supervisory Board of the Company. There are no other personal or business relationships between the persons proposed for election and the Company, the Company's executive bodies or a shareholder with a significant stake in the Company.

Further information on the candidates is listed below the agenda and will be available on the Internet at <http://www.deutsche-konsum.de/investor-relations/hauptversammlung> from the day the Annual General Meeting is convened.

9. Resolution on the cancellation of the existing Authorised Capital 2019/I and the creation of new Authorised Capital 2020/I and the corresponding amendment of the Articles of Association

The Company's authorised capital (Article 4 (3) of the Articles of Association) currently no longer reaches the limit of 50% of the share capital specified in Article 202 (3) sentence 1 AktG. The existing authorised capital is therefore to be replaced by new authorised capital including the authorisation for simplified exclusion of subscription rights in accordance with § 186 (3) sentence 4 AktG (Authorised Capital 2020/I).

The Authorised Capital 2020/I is intended to enable the Company to continue to cover corresponding financing requirements quickly and flexibly in the future and, in particular, to finance acquisitions - whether in return for cash, shares or a mixture of cash and non-cash contributions - without having to refer the matter to the Annual General Meeting, which is often not possible at the time. As before, the Management Board is also to be authorised to exclude the subscription right for fractional amounts and in the event of the issue of new shares against contributions in kind in the context of mergers or in the context of the acquisition of companies, parts of companies or equity interests in companies (including the increase

in existing shareholdings), or other contributable assets in connection with such acquisition projects, including receivables from the Company, and in the context of other acquisitions of contributable assets outside the aforementioned acquisition projects.

The Authorised Capital 2020/I is intended to fully utilise the 50% of the share capital specified in § 202 (3) sentence 1 AktG. The aforementioned maximum limit is based on the amount of share capital at the time the authorisation takes effect, i.e. the date on which the amendment to the Articles of Association regarding Authorised Capital 2020/I is entered in the commercial register. The Management Board and the Supervisory Board therefore reserve the right to adjust the following proposed resolution with regard to the amount of Authorised Capital 2020/I, unless the amounts provided for in the proposed resolution correspond to 50% of the share capital at the time of the Annual General Meeting (for example, due to changes in the share capital that have been completed on the day of the Annual General Meeting or are about to be completed).

The Management Board and Supervisory Board propose that the following resolution be adopted:

- a) The authorisation of the Management Board contained in Article 4 (3) of the Articles of Association to increase the share capital of the Company with the approval of the Supervisory Board on one or more occasions until 20 March 2024 by issuing new shares against cash or non-cash contributions, currently up to a total of EUR 14,979,972.00, is cancelled in accordance with the following letter) effect from the date of entry of this cancellation resolution in the Commercial Register as specified therein.
- b) The Management Board is authorised, with the approval of the Supervisory Board, to increase the Company's share capital on one or more occasions on or before 4 March 2025 by up to a total of EUR 15,979,972.00 (Authorised Capital 2020/I) by issuing new no-par value bearer shares against cash or non-cash contributions.

The new shares must be offered to the shareholders for subscription. However, the Management Board is authorised, with the approval of the Supervisory Board, to exclude shareholders' subscription rights in the following cases:

- for fractional amounts resulting from the subscription ratio,
- insofar as the capital increase is made against contributions in kind in order to be able to offer the new shares of the Company to third parties or shareholders in return for contributions in kind as part of mergers or as part of the acquisition of companies, parts of companies or interests in companies (including the increase in existing shareholdings), or other assets, including receivables from the Company, industrial property rights, real estate, heritable building rights or other contributions in kind,

- if the shares of the Company are traded on a German stock exchange, the capital increase against cash contributions does not exceed 10% of the share capital existing at the time of the entry of the Authorised Capital 2020/I in the commercial register or - if this amount is lower - 10% of the share capital existing at the time of the issue of the new shares and the issue price is not significantly lower than the stock exchange price of the shares already traded on the stock exchange at the time of the final determination of the issue price by the Management Board (§ 203 (1) in conjunction with § 186 (3) sentence 4 AktG). If, during the term of Authorised Capital 2020/I, use is made of other authorisations to issue or sell shares in the Company or to issue rights that enable or obligate the subscription of shares in the Company and the subscription right is excluded in accordance with or pursuant to § 186 (3) sentence 4 AktG, this is to be offset against the aforementioned 10% limit,
- to offer up to 3,150,000 new shares by way of a public offering and/or by way of a private placement abroad at a selling price to be determined by the Management Board, which requires the approval of a resolution of the Supervisory Board, combined with a listing of the Company's shares for trading on a foreign stock exchange ('Secondary listing'),
- insofar as the exclusion of subscription rights serves (i) to offer new shares to holders of option bonds or creditors of convertible bonds issued or to be issued by the Company to the extent that they would have been able to acquire such shares after exercising their option or conversion rights or (ii) to grant holders of bonds with warrants or creditors of convertible bonds issued or to be issued by the Company a subscription right to new shares to the extent to which they would be entitled after exercising the option or conversion rights or after fulfilling conversion obligations, and
- for the purpose of a stock dividend (script dividend), under which the shareholders are offered the option of contributing their dividend claim to the Company (in whole or in part) as a contribution in kind against the granting of new shares from Authorised Capital 2020/I.

The Management Board is authorised, with the approval of the Supervisory Board, to determine the further details of the capital increases and the conditions of the share issue, in particular the issue price.

- c) The Supervisory Board is authorised to amend Article 4 (1) and (3) of the Articles of Association in accordance with the respective utilisation of Authorised Capital 2020/I or after expiry of the authorisation period.
- d) § 4 (3) of the Articles of Association is revised as follows:

"The Management Board is authorised, with the consent of the Supervisory Board, to increase the

Company's share capital on one or more occasions on or before 4 March 2025 by up to a total of EUR 15,979,972.00 by issuing new no-par value bearer shares against cash or non-cash contributions (Authorised Capital 2020/I).

The new shares must be offered to the shareholders for subscription. However, the Management Board is entitled to exclude shareholders' subscription rights in the following cases:

- a) to exclude fractional amounts from the shareholders' subscription right;*
- b) in order to be able to offer the new shares of the Company in return for contributions in kind in the event of mergers or for the acquisition of companies, parts of companies or interests in companies (including the increase in existing shareholdings) or other assets, including claims against the Company, industrial property rights, real estate, heritable building rights or other contributions in kind;*
- c) if the shares of the Company are traded on a German stock exchange, the capital increase against cash contributions does not exceed 10% of the share capital existing at the time of the entry of the Authorised Capital 2020/I in the commercial register or - if this amount is lower - 10% of the share capital existing at the time of the issue of the new shares and the issue price is not significantly lower than the stock exchange price of the shares already traded on the stock exchange at the time of the final determination of the issue price by the Management Board (§ 203 (1) in conjunction with § 186 (3) sentence 4 AktG). If, during the term of Authorised Capital 2020/I, use is made of other authorisations to issue or sell shares in the Company or to issue rights that enable or obligate the subscription of shares in the Company and the subscription right is excluded in accordance with or pursuant to § 186 (3) sentence 4 AktG, this is to be offset against the aforementioned 10% limit;*
- d) to offer up to 3,150,000 new shares by way of a public offering and/or by way of a private placement abroad at a selling price to be determined by the Management Board, which requires the approval of a resolution of the Supervisory Board, combined with a listing of the Company's shares for trading on a foreign stock exchange ('Secondary listing'),*
- e) insofar as the exclusion of subscription rights serves (i) to offer new shares to holders of option bonds or creditors of convertible bonds issued or to be issued by the Company to the extent that they would have been able to acquire such shares after exercising their option or conversion rights or (ii) to grant holders of bonds with warrants or creditors of convertible bonds issued or to be issued by the Company a subscription right to new shares to the extent to which they would be entitled after exercising the option or conversion rights or after fulfilling conversion obligations;*
- f) for the purpose of a stock dividend (script dividend), under which the shareholders are offered the option of contributing their dividend claim to the Company (in whole or in*

part) as a contribution in kind against the granting of new shares from Authorised Capital 2020/I.

The Management Board is authorised, with the approval of the Supervisory Board, to determine the further details of the capital increases and the conditions of the share issue, in particular the issue price. The Supervisory Board is authorised to amend § 4 (3) of the Articles of Association in accordance with the respective utilisation of Authorised Capital 2020/I or after expiry of the authorisation period.

- e) The Management Board is instructed to apply for entry of the cancellation of the existing Authorised Capital pursuant to a) above only together with the resolved creation of Authorised Capital 2020/I with the corresponding amendment to the Articles of Association pursuant to d) above for entry in the commercial register, with the proviso that the cancellation of the existing Authorised Capital is to be entered in the commercial register only if it is ensured that Authorised Capital 2020/I is entered in the commercial register at the same time or immediately thereafter.

With regard to the exclusion of subscription rights, the Management Board submits the following report in accordance with § 203 (2) AktG in conjunction with § 186 (4) AktG:

Under agenda item9 a proposal will be made to the Annual General Meeting to create new Authorised Capital 2020/I in place of Authorised Capital 2019/I in the amount of EUR 15,979,972.00, which can be utilised until 4 March 2025. When using the Authorised Capital 2020/I, shareholders should generally be granted subscription rights. However, the Company is to retain the option to exclude the subscription right in the six cases mentioned:

a) The authorisation to exclude the subscription right for fractional amounts serves to ensure that a practicable subscription ratio can be represented with regard to the amount of the respective capital increase. Without the exclusion of the subscription right for fractional amounts, the technical implementation of the capital increase and the exercise of the subscription right would be considerably more difficult, especially in the case of a capital increase by round amounts. The new shares excluded from the shareholders' subscription rights as free fractions will be realised either by sale on the stock exchange or in another manner in the best interest of the Company.

b) The exclusion of subscription rights in the event of a capital increase against contributions in kind is intended to enable the Management Board to acquire companies, parts of companies or interests in companies (including an increase in existing shareholdings) as well as receivables from the Company and other contributable assets in return for the transfer of shares in the Company in suitable individual cases, and to use such shares in the context of mergers. This opens up the possibility of both offering new shares in the Company to a seller as consideration for investments in companies or for other contributable assets in connection with such an acquisition project, including claims against the Company, and of offering new

shares in the Company to a creditor of the Company instead of a cash payment to satisfy a claim or to acquire other contributable assets in a manner that preserves liquidity.

Experience shows that owners of interesting acquisition targets often do not demand money as consideration for the sale, but shares or a combination of shares and money. In the competition for attractive acquisitions, advantages may therefore arise if a seller can be offered new shares in the Company as consideration. In order to be able to make use of such acquisition opportunities, the company must, if necessary, have the possibility to increase its capital against contributions in kind with the exclusion of subscription rights.

The possibility of transferring shares for the acquisition of companies, parts of companies or interests in companies, for the fulfilment of claims against the Company or for the acquisition of other contributable assets may also prove to be the more favourable, liquidity-conserving form of financing for the Company compared with cash contributions and is therefore also in the interest of the shareholders.

The proposed authorisation will enable the Management Board, with the approval of the Supervisory Board, to react flexibly and at short notice to such offers on the national or international market. The Management Board and the Supervisory Board will carefully examine in each individual case whether it is necessary to use this instrument and whether the value of the new shares is in reasonable proportion to the value of the company to be acquired, the interests in a company to be acquired or the other assets (including receivables) to be acquired. The issue price for the new shares is determined by the Management Board, taking into account the interests of the shareholders and the Company.

c) The option of so-called simplified exclusion of subscription rights in accordance with § 186 (3) sentence 4 AktG serves the interests of the Company in achieving the best possible issue price when issuing the new shares. The possibility of excluding subscription rights as provided for in § 186 (3) sentence 4 AktG enables the Management Board, with the approval of the Supervisory Board, to take advantage of opportunities arising from the prevailing stock market conditions quickly, flexibly and cost-effectively. In this way, the best possible strengthening of equity is achieved in the interests of the Company and all shareholders. The issue amount achievable through open market pricing can lead to a significantly higher inflow of funds than the share placement with subscription rights and thus to the greatest possible strengthening of equity. By dispensing with the time-consuming and costly processing of the subscription right, the equity capital requirement can be covered very promptly from market opportunities that arise at short notice, and new groups of shareholders can also be acquired at home and abroad.

In the event that the authorised capital is used in return for cash contributions, the fact that the placement price is tied to the stock market price, which may not be significantly lower, prevents any significant economic disadvantage for the shareholders excluded from subscription rights and limits the loss of influence for the shareholders.

When making use of the authorisation, the Management Board will endeavor to ensure that the new shares from the capital increase are issued without impacting the market. In particular, the Management Board will keep any discount from the then applicable stock exchange price as low as possible in accordance with the market conditions prevailing at the time of the final determination of the issue price. Shareholders who wish to maintain their participation quota in the event of a capital increase with the exclusion of subscription rights have the opportunity to acquire the required number of shares on the stock exchange.

The shares issued under exclusion of subscription rights in accordance with § 186 (3) sentence 4 of the AktG may in total neither exceed 10% of the share capital existing at the time of the entry of the Authorised Capital 2020/I in the commercial register nor - if this amount is lower - 10% of the share capital existing at the time of the issue of the new shares.

Overall, this ensures that, in accordance with the legal assessment of § 186 (3) sentence 4 AktG, the interests of the shareholders are appropriately safeguarded when the authorised capital is utilised to the exclusion of shareholders' subscription rights, while at the same time providing the Company with further scope for action in the interests of all shareholders.

d) The exclusion of subscription rights for a possible secondary listing on a foreign stock exchange serves the interests of the Company in this regard. The material advantages of such a foreign listing for the Company include, in particular, an expansion of the circle of its shareholders by attracting private and institutional investors through the introduction of its shares on stock exchanges located abroad. In addition to the associated positive effects on the liquidity of the Company and a presumably lower volatility of the shares, the Company expects that this will enable it to place new shares to a particular extent. In particular, institutional investors from South Africa, who have a particular interest in investing in real estate markets, expressed a fundamental interest in investing in the Company. However, foreign institutional investors are regularly only permitted by law to acquire shares traded on a local stock exchange. A possible secondary listing therefore also serves in particular to attract such institutional investors. The development of international financial markets is also in the interests of the Company, as it has already carried out regular capital measures in the past and intends to keep this possibility open in the future in the event of and for financing strategically suitable purchase opportunities that may arise. In this context, a possible secondary listing on a foreign stock exchange would enable the Company to place such shares that the German market could no longer absorb. The Company also considers it possible that such a secondary listing could make it easier to raise external funds and thus make future financing terms more favourable. The economic strategic concept pursued by the Company, which is to expand the circle of its shareholders by attracting private or institutional investors through the introduction of its shares on stock exchanges located abroad, requires that it create additional shares and place them on the market. The granting of a subscription right is therefore excluded for such a purpose. At the same time, the legitimate interests of existing shareholders are protected by the fact that the possible number of new shares created in this context, for which subscription rights would be excluded, is limited to 3,150,000 shares. This limit takes into account the interests of the existing shareholders, as it limits any dilution from the outset. At the same time, it provides

the Company with sufficient room for manoeuvre in the interests of all shareholders to successfully carry out a secondary listing abroad if necessary.

e) Furthermore, the authorisation serves to exclude the subscription right in favor of the holders of bonds with warrants or creditors of convertible bonds that were or will be issued by the Company for the purpose of not having to reduce the option or conversion price in accordance with the so-called antidilution clauses in the event of subsequent share issues. Rather, instead of this cost-intensive reduction, the Company is to be given the opportunity to grant protection against dilution in subsequent share issues by granting subscription rights for new shares. The holders of the bonds are thus placed in the same position as if they were already shareholders. In order to provide the Bonds with such protection against dilution, the shareholders' subscription rights to the new shares must be excluded.

On the other hand, the exclusion of subscription rights is intended to ensure that the holders of bonds with warrants and creditors of convertible bonds can be granted as many shares as they are entitled to after exercising their option or conversion rights. This will be necessary in particular if the shares available via conditional capital are not sufficient to fully satisfy the conversion or option rights. This avoids the Company having to resort to possible cash payment options that burden its liquidity in order to meet its obligations arising from the bonds with warrants or convertible bonds.

f) Finally, the subscription right can be excluded for the purpose of a so-called stock dividend (also known as a scrip dividend), in the context of which the shareholders are offered to contribute their claim to payment of the dividend, which has arisen in accordance with the resolution on the appropriation of profits of the Annual General Meeting, to the Company at their discretion (in whole or in part) as a contribution in kind in return for the granting of new shares from the Authorised Capital 2019/I. This should enable the Company to distribute a stock dividend on optimal terms. The distribution of a stock dividend can be carried out as a subscription right issue in particular in compliance with the provisions of § 186 (1) of the AktG (minimum subscription period of two weeks) and § 186 (2) of the AktG (announcement of the issue price no later than three days before the end of the subscription period). In individual cases, however, depending on the capital market situation, it may be preferable to structure the distribution of a stock dividend in such a way that although the Management Board offers all shareholders entitled to dividends new shares for subscription against contribution of their dividend entitlement in compliance with the general principle of equal treatment (§ 53a AktG) and thus grants the shareholders a subscription right in economic terms, but legally excludes the shareholders' subscription right to new shares altogether. Such an exclusion of subscription rights enables the distribution of stock dividends without the aforementioned restrictions of § 186 (1) and (2) of the AktG and thus at more flexible conditions. In view of the fact that the new shares will be offered to all shareholders and any excess dividend amounts will be settled in cash, an exclusion of subscription rights in such a case appears justified and appropriate.

There are currently no concrete plans to use the Authorised Capital 2020/I. In any case of a concrete utilisation of the proposed Authorised Capital 2020/I, the Management Board will report thereon to the

Annual General Meeting of shareholders. The Management Board will in each case carefully examine whether the utilisation of the Authorised Capital 2020/I and the exclusion of the shareholders' subscription rights is in the interest of the Company and its shareholders.

10. Resolution on the cancellation of the existing authorisation and the creation of a new authorisation to issue bonds with warrants and/or convertible bonds with the option to exclude subscription rights and on the amendment of the existing Conditional Capital I and II and corresponding amendment of the Articles of Association

The Annual General Meeting of the Company on 21 March 2019 authorised the Management Board to issue bearer bonds with warrants or convertible bonds with a total nominal value of up to EUR 150,000,000.00 with or without a limited term on one or more occasions up to 20 March 2024.

In the event that this authorisation is exercised, the Articles of Association provide for Contingent Capital I in Article 4 (4) in order to ensure that sufficient contingent capital is available to service exercised conversion or option rights or conversion or option obligations. § 4 (5) of the Articles of Association also provides for Contingent Capital II in order to ensure that sufficient contingent capital is available to service exercised conversion or option rights or conversion or option obligations resulting from the convertible bonds issued in January 2015.

Since the current Conditional Capital II amounts to up to EUR 2,380,142.00, which would not be sufficient to fully deliver the shares to be converted, the Company considers an increase in Conditional Capital II to be reasonable. It is true that, in accordance with the bond terms and conditions, the Company is entitled to make a cash settlement in lieu of the delivery of shares in the event that conversion or option rights or conversion or option obligations are exercised. Nevertheless, the Company considers it appropriate to create the conditions for the short-term creation of additional shares by increasing Contingent Capital II in order to be able to act flexibly in the event of a conversion. Since no use has been made to date of the authorisation to issue further bonds with warrants and convertible bonds in accordance with the resolution of the Annual General Meeting of 21 March 2019, Contingent Capital I is currently not required to service conversion rights from bonds with warrants or convertible bonds already issued. Against this background, Conditional Capital I and Conditional Capital II are to be adjusted accordingly, taking into account the permissible maximum amount of 50 % of the share capital specified in § 192 (3) AktG. In addition, the term of the existing convertible bonds referred to in § 4 (5) of the Articles of Association was extended by 5 years, so that the term stated in the Articles of Association must be adjusted accordingly.

The maximum limit of 50 % of the share capital is determined by the share capital existing at the time of the resolution on the (to be amended) conditional capital. The Management Board and the Supervisory Board therefore reserve the right to adjust the following proposed resolution with regard to the amount of Contingent Capital I and II, unless the amounts provided for in the proposed resolution correspond to 50%

of the share capital at the time of the Annual General Meeting (for example, due to changes in the share capital that have been completed on the day of the Annual General Meeting or are about to be completed).

The Management Board and Supervisory Board therefore propose that the following resolution be adopted:

- a) Revocation of the authorisation of 21 March 2019

The authorisation of the Management Board to issue bonds with warrants and/or convertible bonds resolved under agenda item 10 of the Annual General Meeting of 21 March 2019 is cancelled.

- b) Authorisation to issue bonds with warrants or convertible bonds and to exclude the subscription right to these bonds with warrants or convertible bonds

- aa) General

The Management Board is authorised, with the approval of the Supervisory Board, to issue bearer bonds with warrants or convertible bonds (collectively "**bonds**") with a total nominal amount of up to EUR 150,000,000.00 with or without a limited term until 4 March 2025 and to grant the holders or to grant or impose option rights or obligations on creditors (collectively "**holders**") of bonds with warrants and of convertible bonds conversion rights or obligations for bearer shares in the Company with a proportionate amount of the share capital of EUR 1.00 each in accordance with the more detailed provisions of the terms and conditions of the bonds. The bonds may be issued in euros or - limited to the corresponding equivalent value - in a foreign legal currency, for example of an OECD country. They may also be issued by a subordinated group company of the Company. In this case, the Management Board shall be authorised, with the approval of the Supervisory Board, to assume the guarantee for these bonds on behalf of the Company, to grant or impose option or conversion rights or obligations on their holders for bearer shares in the Company with a proportionate amount of the share capital of EUR 1.00 each and to make further declarations and take other actions required for a successful issue. The Bonds may also be issued in return for a contribution in kind, in particular in return for investments in other companies. The bonds are divided into partial bonds.

- bb) Subscription rights and exclusion of subscription rights

The shareholders are generally entitled to a subscription right to the Bonds. The statutory subscription right can be granted to the shareholders in such a way that the bonds are taken over by one or more credit institutions or one or more companies equivalent to credit institutions in accordance with § 186 (5) sentence 1 AktG with the obligation to offer them to the shareholders for subscription. If bonds are issued by a group company of the Company, the Company must ensure that its shareholders are granted the statutory subscription right in accordance with the above sentence.

However, the Management Board is authorised, with the approval of the Supervisory Board, to exclude fractional amounts resulting from the subscription ratio from the shareholders' subscription right and also to exclude the subscription right to the extent necessary in order to grant a subscription right to those to whom previously issued option or conversion rights or obligations are due or imposed to the extent to which they would be entitled as shareholders after exercising the option or conversion right or upon fulfilment of the option or conversion obligation.

The Management Board is further authorised, with the approval of the Supervisory Board, to completely exclude the subscription right of shareholders to bonds issued against cash payment, which are issued with option and/or conversion rights and/or obligations, if the Management Board, after due examination, comes to the conclusion that the issue price of the bonds is not significantly lower than their hypothetical market value determined according to recognised, in particular financial mathematical methods. This authorisation to exclude the subscription right applies to bonds with option or conversion rights or obligations for bearer shares with a proportionate amount of the share capital which may not exceed a total of 10 % of the share capital, either at the time the authorisation takes effect or - if this value is lower - at the time the present authorisation is exercised. The aforementioned 10 % limit shall include the pro rata amount of share capital attributable to shares which have been issued with exclusion of subscription rights since the granting of this authorisation until the issue of bonds with option and/or conversion rights and/or obligations with option and/or conversion obligations and/or conversion rights and/or obligations under exclusion of subscription rights in accordance with § 186 (3) sentence 4 AktG either on the basis of an authorisation of the Management Board to exclude subscription rights in direct or analogous application of § 186 (3) sentence 4 AktG or which have been sold as acquired treasury shares in corresponding application of § 186 (3) sentence 4 AktG.

Insofar as Bonds are issued against non-cash contributions, the Management Board is also entitled, with the consent of the Supervisory Board, to exclude the subscription right, provided that the value of the non-cash contribution is in reasonable proportion to the market value of the Bonds to be determined in accordance with the above paragraph.

cc) Conversion right

If bonds with conversion rights are issued, the holders may exchange their bonds for shares in the Company in accordance with the bond terms and conditions. The proportionate amount of the share capital of the shares to be issued upon conversion may not exceed the nominal amount of the bond or a lower issue price. The exchange ratio is calculated by dividing the nominal amount of a bond by the fixed conversion price for one share of the Company, which is to be determined in accordance with lit. ff). The exchange ratio can also be calculated by dividing the issue price of a bond, which is below the nominal amount, by the fixed conversion price for one share of the Company. The exchange ratio may be rounded up or down to a whole number; furthermore, an additional cash payment may be stipulated. In addition, it may be

provided that fractional shares are combined and/or compensated in cash. The bond terms and conditions may also provide for a variable exchange ratio. §§ 9 (1), 199 (2) AktG remain unaffected.

dd) Option right

In the event of the issue of warrant bonds, one or more warrants shall be attached to each bond, which entitle the holder to subscribe to shares in the Company against payment of the option price in accordance with the option conditions to be determined by the Management Board. The option terms and conditions may also provide that the option price can be satisfied in whole or in part by transferring Bonds and, if necessary, by making an additional cash payment. The pro rata amount of the share capital represented by the shares to be subscribed for each bond may not exceed the nominal amount of the bond or a lower issue price. Insofar as fractions of shares result, it can be provided that these fractions can be added up in accordance with the option or bond conditions, if necessary against additional payment, to subscribe to whole shares. §§ 9 (1), 199 (2) AktG remain unaffected.

ee) Conversion or option obligation

The bond terms and conditions may also provide for a conversion or option obligation. In this case, the Company may be entitled in the bond terms and conditions to compensate in cash, in whole or in part, for any difference between the nominal amount of the bonds and the product of the exchange ratio and a stock exchange price of the shares at the time of the mandatory exchange, to be specified in more detail in the bond terms and conditions. The stock exchange price for the calculation within the meaning of the above sentence shall be at least 80% of the stock exchange price of the share relevant for the lower limit of the conversion price pursuant to subsection ff). §§ 9 (1), 199 (2) AktG remain unaffected.

ff) Conversion or option price

The respective conversion or The option price for a bearer share must either be at least 80 % of the volume-weighted average closing price of the company's shares with the same features on XETRA-In the event of a subscription right being granted, the subscription price must amount to at least 80 % of the volume-weighted average closing price of the Company's shares in XETRA trading on the Frankfurt Stock Exchange (or a corresponding successor system) during the subscription period on the ten trading days on the Frankfurt Stock Exchange prior to the date of the resolution by the Management Board on the issue of the Bond or – in the event of a subscription right being granted – at least 80 % of the volume-weighted average closing price of the Company's shares in XETRA trading on the Frankfurt Stock Exchange (or a corresponding successor system) during the subscription period, with the exception of the days of the subscription period which are necessary for the option or conversion price in accordance with § 186 (2) sentence 2 AktG in a timely manner.

gg) Protection against dilution

Notwithstanding § 9 (1) AktG, the bond terms and conditions of the bonds may provide for dilution protection clauses (i.e. in particular a reduction of the option and/or conversion price) in the event that the Company increases the share capital during the conversion or option period or grants or guarantees further convertible bonds, bonds with warrants or other option rights and the holders of conversion or option rights are not granted subscription rights to the extent to which they would be entitled after exercising the conversion or option rights or fulfilling a conversion obligation. The reduction of the option and/or conversion price can also be effected by a cash payment upon exercise of the option and/or conversion right and/or upon fulfilment of a conversion obligation. The terms and conditions may also provide for a value-preserving adjustment of the conversion or option price for other measures of the Company which may lead to a dilution of the value of the conversion or option rights and/or obligations.

In addition, the terms and conditions of the Bonds may provide for an adjustment of the option or conversion rights or obligations in the event of a capital reduction or other extraordinary measures or events (e.g. unusually high dividends, control gained by third parties). In the event of control being acquired by third parties, an adjustment of the option or conversion price in line with market conditions may be provided for. In any case, the pro rata amount of the share capital of the shares to be subscribed per bond may not exceed the nominal value of the bond or a lower issue price. §§ 9 (1), 199 (2) AktG remain unaffected.

hh) Further design possibilities

In addition, the terms and conditions of the Bonds may provide that the exchange ratio and/or the option or conversion price are variable and the option or conversion price is determined within a range to be determined depending on the development of the share price during the term. The minimum issue price in accordance with the provisions under lit. ff) may also not be undercut in this respect. The terms and conditions of the bonds may provide for the right of the Company, in the event of conversion or exercise of the option, to pay instead of granting shares a cash amount which, for the number of shares otherwise to be delivered, corresponds to the volume-weighted average price of the shares of the Company in XETRA trading (or a corresponding successor system) on the Frankfurt Stock Exchange during a reasonable period of days to be determined by the Management Board before or after declaration of the conversion or exercise of the option. The terms and conditions of the bonds may also provide that, at the Company's option, new shares from authorised capital, treasury shares of the Company or existing shares of another listed company may be granted instead of the delivery of new shares from conditional capital upon conversion or exercise of the option. In addition, the Company may grant payment of an appropriate prepayment penalty in the event of premature exercise of the conversion or option right.

The bond terms and conditions of the bonds may also provide for the right of the Company to grant the holders of the bonds shares in the Company in whole or in part instead of payment of the amount of money due. The shares are each credited at a value which, in accordance with the more detailed provisions of the

bond terms and conditions, corresponds to the mean value, rounded up to full cents, of the closing prices of shares with the same terms and conditions in XETRA trading (or a successor system) on the Frankfurt Stock Exchange on the last ten trading days before the due date.

ii) Authorisation to determine further bond conditions

The Management Board is authorised, with the approval of the Supervisory Board, to determine the further details of the issue and terms of the Bonds, in particular the interest rate, issue price, term, denomination, stock exchange listing (including over-the-counter trading), early repayment by the Company, dilution protection provisions and, within the aforementioned framework, the option or conversion period, or to determine them in agreement with the executive bodies of the Group company issuing the Bonds.

c) Conditional capital increase

aa) Contingent capital I

The share capital is conditionally increased by up to EUR 7,979,972.00 by issuing up to 7,979,972 new no-par value bearer shares with entitlement to dividends from the beginning of the financial year in which they are issued, amending the resolution of the Annual General Meeting of 21 March 2019 under agenda item 10 c) (Conditional Capital I). The conditional capital increase serves to grant shares to the holders of bonds issued or guaranteed in accordance with the authorisation resolved by this Annual General Meeting under agenda item 10b). The new shares shall be issued at the conversion or option price to be determined in each case in accordance with the authorisation resolved by this Annual General Meeting under agenda item 10b). The conditional capital increase is only to be carried out to the extent that, in each case in whole or in part, conversion or option rights from bonds are exercised in accordance with the authorisation resolved by this Annual General Meeting under agenda item 10b) and/or conversion or option obligations from such bonds are fulfilled or to the extent that the Company exercises an option to grant shares in the Company in whole or in part instead of payment of the amount of money due. The conditional capital increase will not be implemented if a cash settlement is granted or if own shares, shares from authorised capital or shares of another listed company are used for servicing. The Management Board is authorised to determine the further details of the implementation of the conditional capital increase.

bb) Contingent Capital II

The share capital is conditionally increased by up to EUR 8,000,000.00 by issuing up to 8,000,000 new no-par value bearer shares with entitlement to dividends from the beginning of the financial year in which they are issued, amending the resolution of the Annual General Meeting of 9 March 2017 under agenda item 8 a) (Conditional Capital II). The conditional capital increase serves to grant shares to the holders of convertible bonds, which were issued by the Company on 30 January 2015 in two tranches with a total volume of EUR 37,000,000.00 on the basis of the authorisation of the Annual General Meeting of 30

January 2015, and have a term until 30 January 2025. Otherwise, the decision of 9 March 2017 remains unchanged.

d) Amendment of the Articles of Association

Paragraph 4 of Article 4 of the Articles of Association is amended as follows:

"The share capital is conditionally increased by up to EUR 7,979,972.00 by issuing up to 7,979,972 new no-par value bearer shares (Conditional Capital I). The conditional capital increase will only be implemented to the extent that the holders of option or conversion rights or those obliged to exercise conversion or option rights under bonds with warrants or convertible bonds issued by the Company or a subordinate group company of the Company on the basis of the resolution passed by the Annual General Meeting on 5 June 2009 are granted conversion or option rights. The Management Board is authorised to issue or guarantee shares in the Company in accordance with the authorisation resolved by the Annual General Meeting on 3 March 2020 under agenda item 10b), to exercise their option or conversion rights or, if they are obliged to convert or exercise options, to fulfill their obligation to convert or exercise options, or if the Company exercises an option to grant shares in the Company in whole or in part instead of paying the amount of money due. The conditional capital increase will not be implemented if a cash settlement is granted or if own shares, shares from authorised capital or shares of another listed company are used for servicing. The new shares participate in the profit from the beginning of the financial year in which they are created as a result of the exercise of option or conversion rights or the fulfilment of option or conversion obligations. The Management Board is authorised, with the approval of the Supervisory Board, to determine the further details of the implementation of the conditional capital increase. The Supervisory Board is authorised to amend the wording of the Articles of Association in accordance with the respective issue of the subscription shares and to make all other related amendments to the Articles of Association that only affect the wording. The same shall apply mutatis mutandis in the event of non-utilisation of the authorisation to issue bonds with warrants or convertible bonds after expiry of the authorisation period and in the event of non-utilisation of Contingent Capital I after expiry of the deadlines for exercising option or conversion rights or for fulfilling option or conversion obligations.

In Article 4 of the Articles of Association, paragraph 5 is amended as follows:

"The share capital is conditionally increased by up to EUR 8,000,000.00 by issuing up to 8,000,000 new no-par value bearer shares (Conditional Capital II). The conditional capital increase will only be implemented to the extent that the holders of convertible bonds issued by the Company in two tranches with a total volume of EUR 37,000,000.00 on 30 January 2015 on the basis of the authorisation resolved by the Annual General Meeting of 30 January 2015, and maturing on 30 January 2025, exercise their conversion rights. The conditional capital increase will not be implemented if a cash settlement is granted or if own shares, shares from authorised capital or shares of another listed company are used for servicing. The new shares participate in the profits from the beginning of the financial year in which they

are created as a result of the exercise of conversion rights. The Management Board is authorised, with the approval of the Supervisory Board, to determine the further details of the implementation of the conditional capital increase. The Supervisory Board is authorised to amend the wording of the Articles of Association in accordance with the respective issue of the subscription shares and to make all other related amendments to the Articles of Association that only affect the wording. The same shall apply mutatis mutandis in the event that Contingent Capital II is not used after expiry of the deadlines for the exercise of conversion rights.

As a precautionary measure, it is clarified that the resolutions adopted under lit. a) and b) under this agenda item¹⁰ (cancellation of the existing authorisation and creation of a new authorisation to issue bonds with warrants or convertible bonds and to exclude the subscription right to these bonds with warrants or convertible bonds) are to take effect immediately and independently of both the creation of Contingent Capital I and II resolved under lit.c) and the amendment to the Articles of Association regarding Contingent Capital I and II resolved under lit.0.

The Management Board reports as follows on the exclusion of subscription rights when issuing bonds with warrants and/or convertible bonds pursuant to §§ 221 (4) Sentence 2, 186 (4) Sentence 2 AktG

The proposed new authorisation to issue option and/or convertible bonds with a total nominal value of up to EUR 150,000,000.00 and to create Conditional Capital I of up to EUR 7,979,972.00 is intended to expand the Company's options for financing its activities and, with the approval of the Supervisory Board, to enable the Management Board to obtain flexible and timely financing that is in the interests of the Company, particularly if favorable capital market conditions arise.

The issue of bonds with conversion and/or option rights on shares of the Company enables the Company to raise capital at attractive conditions. The conversion or option premiums achieved will benefit the Company. The authorisation gives the Company the necessary flexibility to place the bonds itself or via companies in which it holds a majority interest.

The shareholders are generally entitled to the statutory subscription right to the warrants or convertible bonds (§ 221 (4) in conjunction with § 186 (1) AktG). In order to facilitate processing, use is to be made of the option to issue the warrant and/or convertible bonds to a credit institution or a consortium of credit institutions with the obligation to offer the bonds to the shareholders in accordance with their subscription rights (indirect subscription right within the meaning of § 186 (5) AktG). The exclusion of the subscription right for fractional amounts enables the utilisation of the requested authorisation by round amounts. This facilitates the handling of shareholders' subscription rights and is therefore in the interest of the Company and its shareholders.

Furthermore, the Management Board shall be given the opportunity, with the approval of the Supervisory Board, to exclude the shareholders' subscription right in order to grant subscription rights to the holders

of conversion and/or option rights or convertible bonds with conversion obligations to the extent to which they would be entitled after exercising the conversion or option rights or after fulfilling the conversion obligations. This offers the possibility of preventing the option or conversion price for the holders of already existing option or conversion rights having to be reduced in accordance with the option and conversion conditions in the event that the authorisation is exercised.

In addition, the Management Board shall be authorised, in analogous application of § 186 (3) sentence 4 AktG, to exclude the subscription right with the approval of the Supervisory Board if the issue price of the bonds with warrants and/or convertible bonds is not significantly lower than their market value. This can be useful in order to quickly take advantage of favourable stock market situations and to place a bond on the market quickly and flexibly at attractive conditions. Achieving the most advantageous outcome of an issue depends to a greater extent on the ability to react to market developments at short notice. Favourable conditions as close to market conditions as possible can generally be set if the Company is not bound to them for too long an offer period.

In the case of rights issues, a not inconsiderable safety margin is usually required to ensure the attractiveness of the conditions and thus the chances of success of the issue for the entire offer period. It is true that § 186 (2) AktG permits publication of the subscription price (and thus, in the case of bonds with warrants and convertible bonds, the terms and conditions of these bonds) until the third-last day of the subscription period. In view of the volatility of the stock markets, however, even then there is a market risk for several days, which leads to safety margins when determining the bond conditions and thus to conditions that are not close to market. Furthermore, when granting a subscription right, an alternative placement with third parties is more difficult or involves additional expense due to the uncertainty of the exercise. If a subscription right is granted, the Company cannot react to a change in market conditions at short notice due to the length of the subscription period, which may lead to an unfavorable capital procurement for the Company. Option and/or convertible bonds are mainly purchased by specialised investors, which is why the best issue prices can be achieved if these financing instruments are only offered to such investors.

The interests of the shareholders are safeguarded by the fact that the bonds with warrants and/or convertible bonds are not issued at a price significantly below their market value. The market value is to be determined according to recognised principles of financial mathematics. When setting the price, the Management Board will keep the discount from the market value as low as possible, taking into account the respective situation on the capital market. This means that the calculated value of a subscription right will be practically zero, so that the shareholders cannot suffer any significant economic disadvantage as a result of the exclusion of the subscription right. The shareholders also have the option of maintaining their share in the Company's share capital at approximately the same conditions by purchasing on the stock exchange. In this way their asset interests are adequately protected.

The authorisation to exclude subscription rights in accordance with § 221 (4) sentence 2 in conjunction § 186 (3) sentence 4 AktG only applies to the option and/or convertible bonds with rights to shares for which a proportionate amount of the share capital totalling no more than 10% of the share capital is accrued, neither at the time of this authorisation coming into effect nor at the time of its exercise. The aforementioned 10 % limit shall include the pro rata amount of share capital attributable to shares which have been issued since the granting of this authorisation until the issue, subject to the exercise of this authorisation, of bonds with option and/or conversion rights and/or obligations with option and/or conversion rights and/or obligations subject to the exclusion of subscription rights in accordance with § 186 (3) sentence 4 AktG either on the basis of an authorisation of the Management Board to exclude subscription rights in direct or analogous application of § 186 (3) sentence 4 AktG or which have been sold as acquired treasury shares in corresponding application of § 186 (3) sentence 4 AktG. This crediting is done in the interest of the shareholders in the smallest possible dilution of their participation.

For the calculation of the conversion or option price, the authorisation provides the exact basis for calculation. The starting point in each case is the stock market price of the Company at the time of the placement of the bonds or - in the case of the issue of bonds with an obligation to exercise the conversion right - of the conversion.

Irrespective of § 9 (1) AktG, the conversion/option price will be adjusted in a value-preserving manner on the basis of an anti-dilution clause in accordance with a more detailed definition of the conditions underlying the bond if, for example, the Company increases the share capital during the conversion/option period and the holders of conversion/option rights are not granted subscription rights to the extent to which they would be entitled after exercising their conversion/option rights.

The issue of bonds with warrants and/or convertible bonds may also be made in return for non-cash contributions, provided this is in the interests of the Company. In this case, the Management Board is authorised, with the approval of the Supervisory Board, to exclude the shareholders' subscription right, provided that the value of the non-cash contribution is in reasonable proportion to the theoretical market value of the bonds with warrants and/or convertible bonds, which is to be determined in accordance with recognised principles of financial mathematics. This opens up the possibility of repurchasing the issued bond against the issue of an option or convertible bond, if necessary with a mandatory conversion option. In addition, bonds with warrants and/or convertible bonds may be used as acquisition currency in suitable individual cases, for example in connection with the acquisition of companies, equity interests in companies or other assets. In negotiations, for example, it may well be necessary to provide the consideration not in money but in another form. The possibility of being able to offer bonds with warrants and/or convertible bonds as consideration thus creates an advantage in the competition for interesting acquisition targets as well as the necessary leeway to be able to take advantage of opportunities to acquire companies, equity interests in companies or other assets without affecting liquidity. This can also be useful from the point of view of an optimal financing structure. With the approval of the Supervisory Board, the Management Board will carefully examine in each individual case whether it will make use of the

authorisation to issue bonds with warrants and/or convertible bonds with option or conversion rights against non-cash contributions with exclusion of subscription rights. It will only do so if it is in the interest of the Company and thus its shareholders.

In order to increase flexibility, the bond terms and conditions may provide that the Company does not grant shares in the Company to a conversion or option beneficiary, but instead pays a cash amount which, for the number of shares otherwise to be delivered, corresponds to the volume-weighted average closing price of the Company's shares in XETRA trading (or a functionally comparable successor system replacing the XETRA system) on the Frankfurt Stock Exchange during the last ten trading days prior to the declaration of the conversion or option exercise. Furthermore, a variable conversion ratio and/or a determination of the conversion price within a specified range depending on the development of the price of the Company's shares during the term of the bond may be provided for. Finally, the terms and conditions of the bonds may also provide for a conversion obligation or an option obligation at the end of the term (or at another point in time) or the right of the Company to grant the holders of the bonds shares in the Company or another listed company instead of payment of the due amount of money, in whole or in part, upon final maturity of the bonds associated with a conversion or option right (this also includes maturity due to termination). This serves to better control the company's liquidity risks. The planned conditional capital serves to service the conversion or option rights associated with the bonds with warrants and/or convertible bonds. Instead, treasury shares or existing authorised capital may be used for this purpose, provided that such capital exists and its use for this purpose is permitted.

Display of documents

The business premises for inspection of the documents relating to the Annual General Meeting are located in 14482 Potsdam, August-Bebel-Straße 68.

Requirements for participation in the Annual General Meeting and exercise of voting rights

Pursuant to § 20 of the Articles of Association, only those persons who are shareholders of the Company at the beginning of the 21st day prior to the Annual General Meeting, i.e. on 13 February 2020, 0:00 hours (CET) ("**record date**"), and who have registered for the Annual General Meeting by 27 February 2020, 24:00 hours (CET), at the following authorised registration office, submitting evidence of their shareholding as of the record date, are entitled to participate in the Annual General Meeting and exercise their voting rights

Deutsche Konsum REIT-AG
c/o Link Market Services GmbH
Landshuter Allee 10
80637 Munich

or by e-mail: inhaberaktien@linkmarketservices.de

Proof of share ownership must be provided by submitting a confirmation issued in text form in German or English by the depositary bank on the record date and must be received by the registration office at the above address by midnight (CET) on 27 February 2020.

The entitlement to participate in the Annual General Meeting and the scope of voting rights are based on the shareholding of the shareholder as of the record date. The record date does not constitute a block on the disposal of the shares; in particular, the shares may be acquired and sold independently of the record date. Even in the event of the full or partial sale of shares after the record date, only the shareholding of the shareholder on the record date is relevant for participation and the scope of voting rights, i.e. sales of shares after the record date do not affect the entitlement to participate and the scope of voting rights. The same applies to the acquisition of additional shares after the record date. Persons who do not yet hold any shares on the record date and only become shareholders after that date are not entitled to participate and vote in the Annual General Meeting on 5 March 2020, unless they have been authorised to do so or have had their rights exercised.

Following timely receipt of the registration and proof of shareholding at the above address, admission tickets will be sent to the shareholders. In order to ensure that the admission tickets are received in good time, we would ask shareholders to ensure that their registration and proof of shareholding are received by the Company as early as possible.

Voting by proxy

Shareholders who do not wish to attend the Annual General Meeting in person may have their voting rights and/or other rights exercised by a proxy, including by an association of shareholders or a bank, by issuing a corresponding power of attorney. The power of attorney, its revocation and proof of authorisation vis-à-vis the Company must be in text form, unless the power of attorney is issued to a bank, a shareholders' association or another person deemed equivalent in accordance with § 135 AktG.

Forms for proxy authorisation are available on the Company's website at <https://www.deutsche-konsum.de/investor-relations/hauptversammlung/>. In addition, the proxy forms can also be downloaded from

Deutsche Konsum REIT-AG
c/o Link Market Services GmbH
Landshuter Allee 10
80637 Munich

or by e-mail: inhaberaktien@linkmarketservices.de

can be requested.

Irrespective of any other method permitted by law for transmitting proof of the appointment of a proxy, the proof may be sent electronically to the Company's e-mail address ir@deutsche-konsum.de.

§ 135 of the German Stock Corporation Act applies to the granting of a power of attorney to banks, shareholders' associations and other persons, institutions or companies deemed equivalent by § 135 of the German Stock Corporation Act with regard to the exercise of voting rights, as well as to its revocation and the proof of such authorisation. The authorised representative must then record the authorisation in a verifiable manner. It must be complete and may only contain declarations connected with the exercise of voting rights. In addition, the respective authorised representative may have special arrangements for his authorisation; this should be clarified with the respective authorised representative in advance.

As a special service, we offer our shareholders the opportunity to be represented at the Annual General Meeting by proxies appointed by the Company. The proxies may be authorised in text form, including by electronic message (e-mail) using the form available to shareholders for issuing instructions before the Annual General Meeting. They are also available for appointment as proxies during the Annual General Meeting. The proxies exercise the voting right exclusively on the basis of the instructions given by the shareholder. In the absence of instructions, the Company's proxies will abstain from voting. Authorisation and instructions to the Company's proxies must be received by the Company's proxies at the following address by the end of 4 March 2020 at the latest:

Deutsche Konsum REIT-AG
c/o Link Market Services GmbH
Landshuter Allee 10
80637 Munich

or by e-mail: inhaberaktien@linkmarketservices.de

Alternatively, the power of attorney and instructions can be handed over to the Company's proxy during the Annual General Meeting.

Motions for additions to the agenda in accordance with § 122 (2) AktG

Shareholders whose shares together amount to five percent of the share capital or the proportionate amount of EUR 500,000 may request that items be placed on the agenda and published. The request shall be addressed to the Management Board of the Company in writing or in electronic form pursuant to § 126a of the German Civil Code (i.e. with a qualified electronic signature in accordance with the German Signature Act) and must be received by the Company no later than the end of 3 February 2020, 24:00 hours (CET). Such requests should be sent exclusively to the following address:

Deutsche Konsum REIT-AG
-Management Board-
z. Investor Relations (AGM)
August-Bebel-Strasse 68
14482 Potsdam

**or in electronic form according to § 126a BGB by e-mail:
info@deutsche-konsum.de**

Motions for additions to the agenda that are addressed otherwise will not be considered.

Each new item on the agenda must be accompanied by a statement of reasons or a draft resolution. The applicant(s) must also prove that they have held the shares for at least 90 days prior to the date of receipt of the request and that they will hold the shares until the decision of the Management Board on the request, whereby § 70 of the AktG applies when calculating the period of share ownership. The day of receipt of the request shall not be counted. A postponement from a Sunday, Saturday or public holiday to a preceding or following working day shall not be considered. §§ 187 to 193 BGB are not to be applied accordingly. The application must be signed by all shareholders who together constitute a quorum of five percent of the share capital or the proportionate amount of EUR 500,000, or their duly appointed representatives. Requests for supplements shall be published and forwarded in the same manner as when the meeting is convened.

Motions and nominations by shareholders pursuant to §§ 126 (1), 127 AktG

Motions by shareholders against a proposal for a specific agenda item in accordance with § 126 (1) AktG and election proposals by shareholders in accordance with § 127 AktG must be sent to the following address or e-mail address, stating the name of the shareholder and any reasons for the motion

**Deutsche Konsum REIT-AG
c/o Link Market Services GmbH
Landshuter Allee 10
80637 Munich**

or by e-mail: antraege@linkmarketservices.de

Motions and election proposals of shareholders regarding items on the agenda that are received at this address by the end of 19 February 2020, 24:00 hours (CET) at the latest, as well as any comments by the management, will be made available to other shareholders on the Internet at <https://www.deutsche-konsum.de/investor-relations/hauptversammlung/>. Applications sent to other addresses will not be considered.

The Company may refrain from making a counter-motion and any reasons for it accessible if one of the reasons for exclusion pursuant to § 126 (2) AktG applies, for example because the counter-motion would lead to a resolution of the Annual General Meeting that is contrary to law or the Articles of Association. A statement of grounds for a countermotion need not be made available if it exceeds 5,000 characters in total. Shareholders are requested to provide evidence of their status as shareholders at the time of submission of the countermotion. It is pointed out that countermotions, even if they have been sent to the Company in advance and in due time, will only be considered at the Annual General Meeting if they are made verbally at the meeting. The right of every

shareholder to submit countermotions to the various items on the agenda during the Annual General Meeting even without prior notification to the Company remains unaffected.

The Company may refrain from publishing an election proposal if one of the exclusion criteria pursuant to § 127 sentence 1 AktG in conjunction with § 126 (2) AktG applies, for example because the election proposal would lead to a resolution of the Annual General Meeting that is contrary to law or the Articles of Association. The Management Board is also not required to make the nomination accessible if the nomination does not include the name, profession and place of residence of the nominated person and, in the case of nominations for Supervisory Board members, information on their membership in other statutory Supervisory Boards. Shareholders are requested to provide evidence of their status as shareholders at the time of submission of the election proposal. It is pointed out that even if election proposals have been sent to the Company in advance and in due time, they will only be considered at the Annual General Meeting if they are submitted orally at the meeting. The right of every shareholder to make election proposals for the relevant agenda item during the Annual General Meeting even without prior notification to the Company remains unaffected.

Right to information pursuant to § 131 (1) AktG

At the Annual General Meeting, each shareholder may request information from the Management Board on the Company's affairs, insofar as the information is necessary for a proper assessment of the agenda (cf. § 131 (1) AktG). The obligation to provide information also extends to the Company's legal and business relationships with affiliated companies. Requests for information must be made verbally at the Annual General Meeting. The Management Board may refrain from answering individual questions for the reasons set out in § 131 (3) of the AktG, for example if, according to sound business judgment, providing the information is likely to cause material damage to the Company or an affiliated company. In addition to the right to speak, the chairman of the meeting is entitled to set reasonable time limits on the right of shareholders and shareholder representatives to ask questions, in particular at the beginning of the Annual General Meeting or during the Annual General Meeting to set a reasonable timeframe for the course of the Annual General Meeting, for the discussion of the individual agenda items or for the individual questions and speeches (cf. § 22 (3) of the Articles of Association).

Reference to the Company's website

The information pursuant to § 124a AktG on this year's Annual General Meeting can be found on the Company's website at <https://www.deutsche-konsum.de/investor-relations/hauptversammlung/>.

Information on data protection for shareholders

The Company processes personal data (in particular name, address, e-mail address, shareholdings, class of shares, type of ownership of shares, number of the admission ticket and granting of any proxies) on the basis of the applicable data protection laws in order to enable shareholders and shareholder representatives to participate in the Annual General Meeting and to exercise their rights before and during the Annual General Meeting.

The processing of your personal data is mandatory for the participation of shareholders and shareholder representatives in the Annual General Meeting. The company is the responsible body for the processing. The legal basis for the processing is Article 6(1)(1)(c) of the basic data protection regulation.

The Company's service providers and consultants who are commissioned for the purpose of organising the Annual General Meeting will receive from the Company only such personal data as are necessary for the performance of the commissioned service and will process these data exclusively in accordance with the instructions of the Company. Otherwise, personal data is made available to shareholders and shareholder representatives within the framework of the statutory provisions, namely via the directory of participants.

Personal data is stored as long as this is legally required or the company has a legitimate interest in storing it; the latter, for example, in the event of legal or extrajudicial disputes arising from the Annual General Meeting. Afterwards the personal data will be deleted.

Under certain legal conditions, you have a right of information, correction, restriction, objection and deletion of your personal data or their processing, as well as a right to data transmission according to Chapter III of the Data Protection Basic Regulation. These rights can be exercised free of charge by contacting the Company at the e-mail address info@deutsche-kosum.de or via the following contact details:

Deutsche Konsum REIT-AG

Business address:

August-Bebel-Str. 68

14482 Potsdam

Phone: +49 (0) 331 74 00 76 -50

Fax: +49 (0) 331 74 00 76 -520

You also have the right of appeal to the data protection supervisory authorities in accordance with Art. 77 of the Basic Data Protection Regulation.

You can reach our data protection officer at:

data protection company
Jägerallee 37 i
14469 Potsdam
Contact person: Alexandra Flieger

Further information on data protection can be found on the company's website <https://www.deutsche-konsum.de/datenschutzerklaerung/>.

Total number of shares and voting rights

At the time the Annual General Meeting is convened, the Company's share capital is divided into 31,959,944 no-par-value shares, each of which grants one vote. The total number of voting rights thus amounts to 31,959,944 voting rights. The company does not hold any treasury shares. There are no non-voting preference shares.

Potsdam, January 2020

Deutsche Konsum REIT-AG

The Management Board

Additional information on agenda item 8

Curriculum vitae of the candidate Mr Achim Betz for the Supervisory Board

German CPA and Tax Consultant, Nürtingen, Germany

Year of birth: 1974

Nationality: German

Residence: Neuffen, Germany

Professional Career:

Since 2018 Managing Partner, ba audit gmbh Wirtschaftsprüfungsgesellschaft, Berlin, Germany

Since 2011 Managing Partner, BSF Treuhand GmbH Wirtschaftsprüfungsgesellschaft, Stuttgart, Germany

Since 2010 Independent CPA and Tax Consultant, Nürtingen, Germany

2015 – 2019 Managing Partner, BEST AUDIT GmbH Wirtschaftsprüfungsgesellschaft, Hanover, Germany

2006 – 2009 Employed Auditor and Tax Advisor, Nürtingen, Germany

2005 – 2006 Wirtschaftsprüfungsgesellschaft Ernst & Young, Stuttgart, Germany

2003 – 2005 Wirtschaftsprüfungsgesellschaft Ernst & Young, São Paulo, Brazil

1999 – 2003 Wirtschaftsprüfungsgesellschaft Ernst & Young, Stuttgart, Germany

Training/Academic career:

2009 Exam for German certified public accountant (CPA)

2003 Exam for Tax Consultant

1994 – 1999 Business Administration at Mannheim University, Germany

Degree: MBA in Business Administration (Diplom-Kaufmann)

Member of the Supervisory Board of Deutsche Konsum REIT-AG:

Member and Deputy Chairman since November 2014.

The term of office ends at the end of the AGM 2020.

Membership of other statutory boards (Germany):

Hevella Capital GmbH & Co. KGaA, Potsdam, Germany (Chairman of the Supervisory Board)

Deutsche Leibrenten Grundbesitz AG, Frankfurt am Main, Germany (Deputy Chairman of the Supervisory Board)

Deutsche Industrie REIT-AG, Rostock, Germany (Member of the Supervisory Board), listed company

Membership of comparable domestic and foreign supervisory bodies:

NEXR Technologies SE (former Staramba SE), Berlin, Germany (Deputy Chairman of the Board of Directors), listed company

Curriculum vitae of the candidate Mr Johannes C. G. (Hank) Boot for the Supervisory Board
Fund manager, London, United Kingdom

Year of birth: 1968

Nationality: Dutch

Residence: London, United Kingdom

Professional Career:

Since 2016 Chief Investment Officer, Lotus Aktiengesellschaft, Grünwald near Munich, Germany

2011 – 2015 Portfolio Manager, Palm Global LLP, London, United Kingdom

2007 – 2011 Portfolio Manager, Lincoln Vale LLP, London, United Kingdom

2001 – 2006 Investment Manager, Allianz Capital Partners, Munich, Germany

1994 – 1999 Senior Associate, ABN AMRO Bank N.V., Amsterdam, The Netherlands

Training/Academic career:

1999 Studied Business and Economics, INSEAD, Fontainebleau, France

Degree: Master of Business Administration

1987 – 1993 Read Law at the University of Leiden, Leiden, The Netherlands

Degree: Master of Law

Member of the Supervisory Board of Deutsche Konsum REIT-AG:

Member since April 2016.

The term of office ends at the end of the AGM 2020.

Membership of other statutory boards (Germany):

None

Membership of comparable domestic and foreign supervisory bodies:

Gerlin NV, Maarsbergen, The Netherlands (Member of the Supervisory Board)

Curriculum vitae of the candidate Mr Nicholas Cournoyer for the Supervisory Board

Investment advisor, Monaco, Monaco

Year of birth: 1958

Nationality: USA

Residence: Monaco, Monaco

Employment:

Since 2008 Managing Partner, Montpelier Investment Management LLP, London, United Kingdom

1992 – 2008 Managing Director, Montpelier Asset Management Limited, London, United Kingdom

1991 – 1992 Director, Intermex (Subsidiary of Banamex), London, United Kingdom

1986 – 1991 Director, Chase Investment Bank, London, United Kingdom

1982 – 1986 Vice President, The Chase Manhattan Bank NA, New York, USA

Professional Directorships and Partnerships:

Since 2019 Director, Norwich Capital Growth Investments Ltd, BVI

Since 2015 Director, Puragro SAC, Peru

Since 2015 Director, The Ukraine Opportunity Trust Limited, United Kingdom

Since 2014 Director, Vice-President and Secretary, Kiel Properties LLC, USA

Since 2014 Director, Bluegrass Capital Limited, Cayman Islands

Since 2014 Manager, Cheyne LLC, USA

Since 2014 Manager, Eastbourne Capital LLC, USA

Since 2010 Managing Director and Partner, Montpelier Capital Advisors (Monaco) SAM, Monaco

Since 2010 Director, Montpelier Foundation Limited, United Kingdom

Seit 2009 Director, Tamweel Leasing Finance Co, Egypt

Seit 2008 Director, Tamweel Mortgage Finance Co, Egypt

Since 2008 Managing Partner, Montpelier Investment Management LLP, United Kingdom

Since 2000 Director, Hampshire Foundation, USA

Since 1992 Director, Montpelier Asset Management Limited, United Kingdom

Training/Academic career:

1976 – 1980 Study of History, Connecticut College, New London, Connecticut, USA

Degree: Bachelor of Arts magna cum laude

Member of the Supervisory Board of Deutsche Konsum REIT-AG:

Member since April 2016.

The term of office ends at the end of the AGM 2020.

Membership of other statutory boards (Germany):

None

Membership of comparable domestic and foreign supervisory bodies:

None

Curriculum vitae of the candidate Mr Kristian Schmidt-Garve for the Supervisory Board

Lawyer, LL.M., Munich, Germany

Year of birth: 1971

Nationality: German

Residence: Munich, Germany

Professional Career:

Since 2012 Member of the Management Board/General Partner, MIG Verwaltungs AG, Munich, Germany

2007 – 2012 Investment Manager, MIG Verwaltungs AG, Munich, Germany

2002 – 2007 Legal Adviser (Justiziar), Tele München Gruppe, Munich, Germany

2000 – 2001 Assessor/Attorney, Coudert Brothers LLP, Berlin, Germany

Training/Academic career:

1998 – 2000 Kammergericht Berlin, Berlin, Germany

Legal traineeship (Referendariat), Degree: Second State Examination

1997 – 1998 Kyushu University, Fukuoka, Japan

Degree: Master of Laws (LL.M.) in International Economic & Business Law

1992 – 1997 Studied Law at the Freie Universität Berlin, Berlin, Germany

Degree: First State Examination

Member of the Supervisory Board of Deutsche Konsum REIT-AG:

Member since March 2018.

The term of office ends at the end of the AGM 2020.

Membership of other statutory boards (Germany):

None

Membership of comparable domestic and foreign supervisory bodies:

Member of the Supervisory Board of Biocrates Life Sciences AG, Innsbruck, Austria

Advisory (Beirat) of Cynora GmbH, Munich, Germany (Chairman)

Curriculum vitae of the candidate Mr Hans-Ulrich Sutter for the Supervisory Board

MA in Business Administration, former CFO of TAG Immobilien AG, Hamburg, Germany

Year of birth: 1948

Nationality: German

Residence: Dusseldorf, Germany

Professional Career:

Since 2019 Chairman of the Supervisory Board, Deutsche Industrie REIT-AG, Rostock, Germany

Since 2012 Deputy Chairman of the Supervisory Board, TAG Colonia-Immobilien AG (former: Colonia Real Estate AG), Hamburg, Germany

2011 – 2012 CFO, Colonia Real Estate AG, Hamburg, Germany

2008 – 2012 CFO, Bau-Verein zu Hamburg AG, Hamburg, Germany

2008 – 2012 CFO, TAG Immobilien AG, Hamburg, Germany

2006 – 2007 CFO, Deutsche Real Estate AG, Hamburg, Germany

2004 – 2006 Executive Director Finance/IT/Law, GSW Immobilien Gesellschaft, Berlin, Germany

1999 – 2003 Member of the Management Board for Finance and Business Systems, Coca-Cola Erfrischungsgetränke AG, Berlin, Germany

1997 – 1999 Member of the Management Board for Commercial, Fresenius Medical Care AG, Bad Homburg, Germany

1973 – 1997 Various positions at Procter & Gamble GmbH, Schwalbach, Germany (including its subsidiaries), inter alia as Controller, as Financial Director at Dittmeyer GmbH, Hamburg/Schwalbach, Germany, as Executive Director Finance of the Betrix GmbH & Co. and Eurocos GmbH, Dreieich near Frankfurt, Germany, as well as CFO of the VP Schickedanz AG, Nürnberg/Schwalbach, Germany.

Training/Academic career:

1968 – 1972 Studied Business Administration at the Universität Saarbrücken, Germany

Degree: MA in Business Administration (Diplom-Kaufmann)

Member of the Supervisory Board of Deutsche Konsum REIT-AG:

Member and Chairman since November 2014.

The term of office ends at the end of the AGM 2020.

Membership of other statutory boards (Germany):

Deutsche Industrie REIT-AG, Rostock, Germany (Chairman of the Supervisory Board), listed company

TAG Colonia-Immobilien AG, Hamburg, Germany (Deputy Chairman of the Supervisory Board)

Membership of comparable domestic and foreign supervisory bodies:

None

Curriculum vitae of the candidate Ms Cathy Bell-Walker for the Supervisory Board

Solicitor (England & Wales), London, United Kingdom

Year of birth: 1971

Nationality: British

Residence: Guildford, United Kingdom

Professional Career:

Since 2014 Chair of Global Experts and Markets Committee, Allen & Overy LLP, London, United Kingdom

Since 2009 Partner, Allen & Overy LLP, London, United Kingdom

2010 – 2014 Board Member and Chair of Audit Committee, Allen & Overy LLP

2002 – 2009 Partner, Allen & Overy LLP, Frankfurt am Main, Germany

1999 – 2002 Associate, Allen & Overy LLP, Frankfurt am Main, Germany

1994 – 1999 Trainee solicitor/Associate, Allen & Overy LLP, London, United Kingdom

Training/Academic career:

1996 Qualified as a Solicitor (England & Wales)

1996 Cambridge University, United Kingdom

Degree: Master of Arts

1992 – 1993 College of Law, Guildford, United Kingdom

1989 – 1992 Magdalene College, Cambridge University, United Kingdom

Degree: Bachelor of Arts (Law Tripos)

Member of the Supervisory Board of Deutsche Konsum REIT-AG:

Candidate for the Supervisory Board (AGM 2020)

Membership of other statutory boards (Germany):

None

Membership of comparable domestic and foreign supervisory bodies:

None