

Articles of Association of PATRIZIA AG

(Version of 25 June 2019)

(Convenience Translation)

I. General Provisions

§ 1

Company name, registered office and financial year

- (1) The Company operates under the name “PATRIZIA AG”.
- (2) It has its registered office in Augsburg.
- (3) The financial year is the calendar year.

§ 2

Object of the Company

- (1) The object of the Company is the management of its own assets, in particular the establishment of partnerships and corporations, the acquisition and holding of interests in companies of any legal form, also in companies that operate in the real estate sector, and the management of these companies and participating interests.
- (2) The Company shall be authorised to enter into all transactions and take all measures deemed necessary or useful in order to achieve the purpose of the Company.
- (3) The Company is entitled to set up branch offices in Germany and abroad. It can establish, purchase, sell or invest in other companies of all kinds. The Company can manage companies and conclude enterprise agreements with them, or restrict its activities to the management of the participating interest. It can also achieve the object of the Company indirectly, either in full or in part.
- (4) No activities subject to an authorisation requirement are performed.

§ 3 Notices

The notices issued by the Company shall be made exclusively in the German Federal Gazette (*Bundesanzeiger*) in the absence of any provisions to the contrary. As far as the law states that declarations or information have/has to be made available to the shareholders, without setting out provisions on a specific form, then it shall suffice for these declarations or this information to be made available on the Company's website.

II. Share Capital and Shares

§ 4

Amount and composition of the share capital

- (1) The Company's share capital totals EUR 92,351,476.00 (in words: ninety-two million three hundred and fifty-one thousand four hundred and seventy-six euros). In the amount of EUR 5,000,000.00, the share capital was contributed by way of a change in legal form of PATRIZIA Firmenverbund AG & Co. KG, which has its registered office in Augsburg.
- (2) The share capital is split into 92,351,476 (in words: ninety-two million three hundred and fifty-one thousand four hundred and seventy-six) no-par value shares (shares without par value).
- (3) The Management Board is authorised, with the consent of the Supervisory Board, to increase the Company's share capital once or several times on or before 15 June 2021 by up to a total of EUR 37,000,000.00 by issuing up to 37,000,000 new registered no-par value shares against contribution in cash and/or in kind (Authorised Capital 2016/I). This authorisation may be exercised in partial amounts. Shareholders shall generally have the statutory subscription right to the new shares. The Management Board is authorised, with the consent of the Supervisory Board, to exclude the statutory subscription rights of shareholders in the following cases:
 - aa) in order to exclude fractional amounts from the shareholder subscription right;
 - bb) if and to the extent that this is necessary to grant subscription rights to the holders of conversion or option rights and/or the holders of bonds carrying conversion or option obligations issued by the Company or a company that is majority-owned, either directly or indirectly, by the Company to such an extent as such holders would be entitled to after having exercised their conversion or option rights/fulfilling a conversion or option obligation;
 - cc) in cases involving a capital increase in return for cash contributions in accordance with section 186 (3) sentence 4 AktG, if the issue price of the new shares is not significantly below the stock market price of those shares that are already listed within the meaning of sections 203 (1) and (2), 186 (3) sentence 4 AktG and the new shares issued subject to the exclusion of subscription rights do not correspond to a notional share of more than 10% of the share capital in total, neither on the date on which this authorisation takes effect nor on the date of the exercise of this authorisation. The pro rata amount of the share capital attributable to shares that were sold during the term of this authorisation, on the basis of an authorisation to sell treasury shares pursuant to sections 71 (1) no. 8 sentence 5, 186 (3) sentence 4 AktG, subject to the exclusion of a subscription right, shall count towards this limit of 10% of the share capital. The pro rata amount of the share capital attributable to shares that were issued/can still be issued in the future to service conversion or option rights and bonds carrying conversion or option rights/a conversion or option obligation shall also count towards this limit, insofar as such financing instruments were issued on or after 16 June 2016 in corresponding application of section 186 (3) sentence 4 AktG subject to the exclusion of the subscription right.
 - dd) in cases involving capital increases in return for contributions in kind to grant shares in particular for the purposes of the acquisition (including the indirect acquisition) of companies, parts of companies, participating interests in companies and other assets in connection with an acquisition project

(including receivables), real estate and real estate portfolios, or to service bonds carrying conversion rights and/or bonds carrying option rights or a combination of these instruments issued in return for contributions in kind.

If the subscription right is not excluded pursuant to the provisions set out above, then the shareholder subscription right can also be granted, insofar as this is stipulated by the Management Board with the consent of the Supervisory Board, by way of an indirect subscription right pursuant to section 186 (5) AktG or also in part by way of a direct subscription right (for example to shareholders with subscription rights who have submitted a confirmed acquisition declaration (*Festbezugserklärung*) in advance) and otherwise by way of an indirect subscription right pursuant to section 186 (5) AktG. The Management Board is also authorised, with the consent of the Supervisory Board, to determine the further details of the capital increase and its execution, in particular the content of the share rights and the terms and conditions of the share issue. In this respect, the profit participation rights of the new shares can also be set by way of derogation from section 60 (2) AktG.

- (3a) The Management Board is authorised, with the consent of the Supervisory Board, to increase the Company's share capital on or before 15 June 2021 by up to EUR 1,000,000.00 in total by issuing up to 1,000,000 new registered no-par value shares against contribution in cash for the purposes of issuing shares to employees of the Company and its affiliated companies (Authorised Capital 2016/II). This authorisation may be exercised in partial amounts once or several times. Shareholder subscription rights are excluded. Within this context, the new shares can also be issued to a credit institution or a company that operates in accordance with section 53 (1) sentence 1 or section 53b (1) sentence 1 or (7) of the German Banking Act (KWG) that assumes the shares with the obligation to offer them exclusively to employees of the Company and its affiliated companies. The new shares can also - to the extent that is legally permissible - be issued to other third parties if it is possible to legally ensure that the shares will be offered and transferred to employees of the Company or its affiliated companies. Shares that were offered to employees can also be transferred after the end of black-out periods or subject to the agreement of lock-up periods. Shareholder subscription rights are excluded in this respect, too. To the extent that is legally permissible, the employee shares can also be issued in such a way that the contribution to be made for them is covered, in full or in part, using the portion of net income for the year that the Management Board and Supervisory Board could allocate to other revenue reserves pursuant to section 58 (2) AktG. The Management Board is authorised, with the consent of the Supervisory Board, to determine the further details of the capital increase and its execution, in particular the content of the share rights and the terms and conditions of the share issue. In this respect, the profit participation rights of the new shares can also be set by way of derogation from section 60 (2) AktG.
- (4) The Company's share capital shall be conditionally increased by an amount of up to EUR 41,800,000.00 by issuing up to 41,800,000 new registered no-par value shares accounting for a pro rata amount of EUR 1.00 of the share capital (Conditional Capital 2016). The conditional capital increase shall serve to grant rights to holders of bonds carrying conversion rights and bonds carrying option rights and/or profit participation rights carrying conversion or option rights or a conversion obligation that are issued, on the basis of the authorisation resolution passed by the Annual General Meeting held on 16 June 2016 under agenda item 10, on or before 15 June 2021 by the Company or companies that are majority-owned, either directly or indirectly, by the Company. The issue of the new shares shall be made on the basis of the conversion and option price to be determined in each case pursuant to the authorisation referred to above. The conditional capital increase is only to be implemented to the extent that the conversion or option rights are used, or conversion obligations are satisfied, insofar as no cash settlement is granted or treasury shares used. The new shares shall participate

in the Company's profit from the start of the financial year in which they arise due to the exercise of conversion or option rights or the satisfaction of conversion obligations. The Management Board is authorised, with the consent of the Supervisory Board, to determine the further details of the execution of the conditional capital increase.

§ 5 Registered shares

- (1) The Company's shares are registered shares.
- (2) The shareholders have no right to have share certificates issued for their shares. The Company is authorised to issue certificates for individual shares (individual certificates) or for several shares (global certificates). The shareholders shall also have no right to the issue of dividend and renewal coupons.
- (3) The Management Board shall determine the form of share certificates, dividend and renewal coupons, bonds and interest and renewal coupons.

III. The Management Board

§ 6 Composition and rules of procedure of the Management Board

- (1) The Management Board consists of at least two people. Deputy members of the Management Board can be appointed.
- (2) The Supervisory Board shall appoint the members of the Management Board and determine the number of members pursuant to sub-section 1. The Supervisory Board can appoint a Chairman of the Management Board and a Deputy Chairman of the Management Board.
- (3) The resolutions of the Management Board shall be passed with a simple majority of the votes cast by the members of the Management Board participating in the passing of the resolution, unless the law states that a unanimous vote is mandatory. In the event of a tie, the Chairman shall have the casting vote.
- (4) The Supervisory Board can set out rules of procedure for the Management Board. The schedule of responsibilities of the Management Board shall require the consent of the Supervisory Board.
- (5) Written contracts of employment are to be concluded with the members of the Management Board. The Supervisory Board is entitled to assign responsibility for concluding, amending and terminating contracts of employment to a Supervisory Board committee.

§ 7

Management and representation of the Company

- (1) The members of the Management Board shall manage the Company's business in line with the laws, the Articles of Association, the rules of procedure for the Management Board and the schedule of responsibilities.
- (2) The Company shall be legally represented by two members of the Management Board or by one member of the Management Board together with a senior executive with signing authority (*Prokurist*). The Supervisory Board can grant sole power of representation to members of the Management Board.
- (3) The Supervisory Board can exempt all or individual members of the Management Board and senior executives with signing authority who have joint power of legal representation together with a member of the Management Board from the ban on multiple representation within the meaning of section 181, 2nd alternative, of the German Civil Code (BGB); section 112 AktG shall remain unaffected.
- (4) The Supervisory Board shall stipulate that certain types of transactions, in particular
 - a) transactions that result in a fundamental change in the Company's net assets, financial position or results of operation or in the Company's risk exposure, and
 - b) the establishment, liquidation, acquisition or disposal of participating interests in companies as of a threshold to be set by the Supervisory Board in the rules of procedure

shall require its consent. The Supervisory Board can grant consent, which may be revoked, to a certain group of transactions in general, or to cover cases in which the individual transaction meets certain conditions, in advance.

§ 8

Advisory Board

- (1) The Company can appoint an Advisory Board for the purpose of closer contact and business-related consultation with the business world. The number of members of the Advisory Board shall be determined by the Management Board.
- (2) The members of the Advisory Board shall be appointed and dismissed by the Management Board. They may be reappointed. The Advisory Board shall select a Chairman and a Deputy Chairman from among its members.
- (3) The Management Board shall determine the area of responsibility of, and rules of procedure for, the Advisory Board. The Advisory Board shall provide advice to the Management Board at the latter's request.

IV. The Supervisory Board

§ 9

Composition and period of office

- (1) The Supervisory Board shall consist of three members who shall be elected by the Annual General Meeting.
- (2) A former member of the Company's Management Board cannot become a member of the Supervisory Board if two Supervisory Board members are already former members of the Management Board. Individuals who are members of the management board of a listed company and already have five supervisory board mandates within listed companies from outside of the group, or who hold positions on executive bodies of, or perform advisory functions at, major competitors of the Company cannot become Supervisory Board members.
- (3) The members of the Supervisory Board are to be elected by the Annual General Meeting on an individual basis. The members of the Supervisory Board are elected for the period leading up to the end of the Annual General Meeting that passes the resolution on the approval of the actions of the Supervisory Board for the fourth financial year following the start of their term of office. The financial year in which the term of office commences shall not be included in this period. The Annual General Meeting can stipulate a shorter term of office for Supervisory Board members representing the shareholders. Re-election is possible.
- (4) At the same time as the appointment of the Supervisory Board members, substitute members can be appointed for one or several specific Supervisory Board members representing the shareholders. Based on the order set at the time of election, they shall become members of the Supervisory Board if Supervisory Board members representing the shareholders for whom they were appointed substitute members leave the Supervisory Board before the end of their term of office without a successor being appointed. If a substitute member replaces a member who has left, then his term of office shall lapse if a new election for the member who has left is held at the next Annual General Meeting or the next Annual General Meeting but one, at the end of this Annual General Meeting, or otherwise at the end of the remaining term of office of the member who has left. If the term of office of the substitute member who replaced the member who left lapses as a result of the by-election, then such new election shall require a majority of three-quarters of the votes cast. If the substitute member who left the Supervisory Board due to the by-election had been appointed for several specific Supervisory Board members, then his status as substitute member shall be reinstated.
- (5) If a Supervisory Board member is elected to replace a member who left the Supervisory Board early, then he shall remain in office for the remaining term of office of the member who left.
- (6) Each Supervisory Board member and each substitute member can resign from his position, even in the absence of due cause, adhering to a notice period of four weeks. Notice of resignation must be submitted by way of a declaration in text form submitted to the Management Board, subject to the notification of the Chairman of the Supervisory Board. This shall not affect the right of resignation for cause.
- (7) The Company can take out liability insurance (D&O insurance) in favour of the Supervisory Board members based on reasonable, standard market conditions to cover the statutory liability of the Supervisory Board members.

§ 10 Chairman and Deputy

- (1) The Supervisory Board shall elect a Chairman and a Deputy Chairman from among its members at the first meeting held following its election. The election shall be for the term of office of the individual elected or a shorter period determined by the Supervisory Board. The Deputy shall have the rights and obligations of the Chairman of the Supervisory Board in the latter's absence.
- (2) If the Chairman or one of his Deputies resigns from his position early, then the Supervisory Board shall conduct a new election for the remaining term of office of the member who has left without delay. The resignation of the Chairman shall not affect the position of the Deputy; the same applies vice versa.

§ 11 Meeting/convocation

- (1) As a general rule, the Supervisory Board is to meet once per calendar quarter and must meet twice per calendar half-year. The Supervisory Board shall come together (meeting requiring the members to be physically present) for the meeting of the Supervisory Board that makes a decision on the approval of the annual financial statements.
- (2) The meetings of the Supervisory Board shall be convened in writing by the Chairman of the Supervisory Board giving fourteen days' notice and stipulating the form of the meeting. The day on which the invitation is sent and the day of the meeting shall not count towards this notice period. In urgent cases, the Chairman can shorten this period to an extent that is deemed appropriate and convene meetings verbally, by telephone, fax, e-mail or using other common means of telecommunications.
- (3) The items on the agenda are to be set out in the convocation notice. If an item on the agenda has not been duly announced, then resolutions can only be passed on this item provided that no Supervisory Board member objects. In such cases, absent members of the Supervisory Board are to be given the opportunity, within an appropriate period to be set by the Chairman, to object to the passing of the resolution or to cast their vote in writing, by fax, by e-mail or using other common means of telecommunications. The resolution shall only become effective if the absent Supervisory Board members fail to object within the period in question or if they have issued their consent.

§ 12 Passing of resolutions

- (1) The resolutions of the Supervisory Board shall generally be passed at meetings. Upon the instruction of the Chairman of the Supervisory Board, resolutions can also be passed verbally, by telephone, in writing, by fax, e-mail or using other common means of telecommunications, in particular using video conferencing, provided that no member objects to this procedure within an appropriate period set by the Chairman; there shall be no right of objection if the resolution is passed in such a way that the participating members of the Supervisory

Board are connected with each other and can discuss the subject matter of the resolution using telecommunications media that allow them all to hear each other and see each other simultaneously.

- (2) The Supervisory Board is quorate if all members have been invited and half of the members of which the Supervisory Board is to consist, but at least three members, take part in the passing of the resolution. A member shall also be deemed to have taken part in the passing of a resolution if that member abstains from voting.
- (3) In accordance with section 108 (3) AktG, absent Supervisory Board members can participate in the passing of the resolution by submitting written votes or, in the event that they are unable to do so, can issue written authorisation to an individual who is not a member of the Supervisory Board to take part in meetings of the Supervisory Board pursuant to section 109 (3) AktG. In addition, absent Supervisory Board members can cast their vote during the meeting verbally, by telephone, fax, e-mail or using other common means of telecommunications, in particular via video conferencing, provided that none of the Supervisory Board members attending the meeting object; no objections can be raised, however, if the absent member and the physically present members of the Supervisory Board are connected with each other and can discuss the subject matter of the resolution using technology that allows them all to hear each other and see each other simultaneously.
- (4) In the absence of any mandatory statutory provisions to the contrary, resolutions of the Supervisory Board shall be passed with a simple majority of the votes cast. Abstentions shall not count as votes cast. In elections, a proportionate majority shall suffice. In the event of a tie, the Chairman of the Supervisory Board or, if the latter is not taking part in the passing of the resolution, the Deputy Chairman shall have the casting vote; this shall also apply to elections.
- (5) The Chairman of the Supervisory Board is authorised to make the declarations of intent, on behalf of the Supervisory Board, that are required to implement the resolutions passed by the Supervisory Board. Only the Chairman is authorised to accept declarations for the Supervisory Board.
- (6) Minutes are to be prepared regarding the meetings and resolutions of the Supervisory Board. These are to be signed by the Chair of the meeting or, in the event of votes cast outside of meetings, by the person in charge of voting and shall be made available to all members.

§ 13 Rules of procedure

The Supervisory Board shall set its own rules of procedure within the framework of the law and the Articles of Association.

§ 14 Committees

- (1) Within the framework of the statutory provisions, the Supervisory Board can form committees from among its members and transfer duties and powers to them in its rules of procedure or by way of special resolutions. The Supervisory Board is to be informed of the work of the committees on a regular basis.

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- (2) The provisions set out in section 11 (2) and (3), section 12 (1), (3), (4) and (6) and section 13 shall apply mutatis mutandis to Supervisory Board committees; the rules of procedure of the Supervisory Board can set out deviating provisions within the framework of the law. For votes and elections, the Chairman of the committee shall have the casting vote in the event of a tie.
 - (3) The Chairman of the committee is authorised to make the declarations of intent that are required to implement the resolutions passed by the Supervisory Board committee on this committee's behalf.

§ 15 Remuneration

- (1) The members of the Supervisory Board shall receive fixed annual remuneration of EUR 30,000.00 as of, and for the first time for, the 2012 financial year. The Chairman of the Supervisory Board shall receive fixed annual remuneration of EUR 40,000.00. The remuneration shall be paid to the Supervisory Board members in four equal instalments at the end of each quarter.
- (2) If a Supervisory Board member is not a member of the Supervisory Board for an entire financial year, then this member shall only receive the fixed remuneration on a pro rata basis.
- (3) The Supervisory Board members shall also receive a reimbursement for their expenses and a reimbursement for any value added tax to be paid on their remuneration and expenses.

§ 16 Amendments to the wording of the Articles of Association

The Supervisory Board is authorised to make amendments to the Articles of Association that relate to its wording only.

V. The Annual General Meeting

§ 17 Location and convocation

- (1) The Annual General Meeting shall take place in the location where the Company has its registered office, in another German city with a population of more than 100,000 or in the location where a German stock exchange on which the shares in the Company are admitted to official trading has its registered office.
- (2) The Annual General Meeting shall be convened by the Management Board or, in those cases set out by law, by the Supervisory Board. The executive body convening the Annual General Meeting shall decide on the location of the Annual General Meeting, pursuant to § 17 section (1), when it is convened.

- (3) The Annual General Meeting that passes the resolution approving the actions of the Management Board and the Supervisory Board, the appropriation of profit and - if necessary - the adoption of the annual financial statements (ordinary Annual General Meeting) shall be held within the first eight months of each financial year.
- (4) The Company is entitled to provide those shareholders who are entered in the share register with information by way of remote data transmission with their consent.

§ 18

Participation in the Annual General Meeting

- (1) The Annual General Meeting must be announced, unless a shorter notice period is permissible by law, at least thirty days before the day by the end of which the shareholders have to register pursuant to § 18 section (2) of these Articles of Association, providing information on the agenda.
- (2) Only those shareholders who are entered in the share register and have registered in text form in German or English shall be entitled to take part in the Annual General Meeting and exercise their voting rights. The Company must have received the registration, which must have been sent to the address specified for this purpose in the convocation notice, at least six days before the Annual General Meeting.
- (3) The Management Board is authorised to allow shareholders to take part in the Annual General Meeting without being physically present at the location of the Annual General Meeting and without a proxy, and to exercise all or some of their rights, with the exception of the right to speak and ask questions, by way of electronic communications, either in full or in part. The Management Board can set out the provisions governing the scope of, procedure for and form of online participation in detail. A corresponding announcement shall be made in the convocation notice for the Annual General Meeting.

§ 19

Voting rights

- (1) Each share grants one vote at the Annual General Meeting.
- (2) The voting right shall begin when the contribution has been made in full.
- (3) The voting right can be exercised by a proxy. The granting of power of attorney, its revocation and evidence of the power of attorney furnished vis-à-vis the Company must be in text form. The Management Board can set out simplified provisions in the convocation notice. Section 135 AktG shall remain unaffected.
- (4) The Management Board is authorised to allow shareholders to cast their votes in writing or using means of electronic communication (absentee vote) even if they do not participate in the Annual General Meeting. It can set out detailed provisions governing the absentee vote procedure. A corresponding announcement shall be made in the convocation notice for the Annual General Meeting.

§ 20

Chair of the Annual General Meeting

- (1) The Annual General Meeting shall be chaired by the Chairman of the Supervisory Board or another Supervisory Board member to be appointed by the Supervisory Board.
- (2) The Chair shall chair the proceedings and determine the order in which the items on the agenda are to be addressed, as well as the form of voting.
- (3) The Chair is entitled to impose appropriate time limits on shareholders' right to ask questions and speak. In particular, the Chair is entitled to set an appropriate time limit for the entire Annual General Meeting, for individual agenda items and/or for individual questions/spoken contributions, either at the beginning of the Annual General Meeting or during the course of the Annual General Meeting.

§ 21

Passing of resolutions

- (1) Resolutions of the Annual General Meeting shall be passed with a simple majority of the votes cast and, insofar as a majority of the capital is required, with a simple majority of the share capital represented, unless mandatory statutory provisions or these Articles of Association provide for a larger majority. Abstentions shall not count as votes cast.
- (2) If a simple majority of the votes cast is not achieved during the first round of an election, then the candidates will be short-listed. If the greatest number of votes can be attributed to two or more individuals, then these individuals shall be short-listed; if, on the other hand, only one person received the greatest number of votes, then the shortlist shall include this individual and the individual(s) who received the second-highest number of votes. If short-listing is used, then the highest number of votes shall be decisive. In the event of a tie, the Chair shall have the casting vote.

§ 22

Rules of procedure for the Annual General Meeting

The Annual General Meeting can set itself rules of procedure based on the law and these Articles of Association.

§ 23

Sound and video transmissions

- (1) Members of the Supervisory Board are authorised, in consultation with the Chair of the Meeting, to participate in the Annual General Meeting by way of a sound and video transmission in cases in which travel to the location of the Annual General Meeting would be associated with considerable time or expense for them.

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- (2) The Annual General Meeting can be transmitted using sound and video transmissions either in full or in part upon the instruction of the Chair of the Meeting. The Annual General Meeting can also be transmitted in a manner that is accessible to the public subject to no restrictions. The form of transmission is to be announced in the convocation notice.

§ 24

Minutes of the Annual General Meeting

Minutes on the negotiations conducted during the Annual General Meeting shall be taken and certified by a notary. The minutes are to be signed by the notary.

VI. Accounting and appropriation of profit

§ 25

Annual financial statements

- (1) The Management Board shall prepare the annual financial statements (balance sheet including the income statement and the notes to the annual financial statements) and the management report, as well as the consolidated financial statements and the group management report, in the first three months of the financial year for the last financial year and shall submit them to the Supervisory Board and the auditor of the annual financial statements without delay. At the same time, the Management Board shall submit the proposal to the Supervisory Board that it intends to make to the Annual General Meeting regarding the appropriation of net earnings.
- (2) The Supervisory Board shall assess the annual financial statements, the management report and the proposal on the appropriation of net earnings, as well as the consolidated financial statements and the group management report, and shall report on the outcome of its assessment to the Annual General Meeting in writing. It shall send its report to the Management Board within one month of having received the submissions. At the end of the report, the Supervisory Board shall declare whether it approves the annual financial statements and consolidated financial statements prepared by the Management Board. If the Supervisory Board approves the annual financial statements after its assessment, they are deemed adopted.
- (3) The Management Board shall convene the ordinary Annual General Meeting as soon as it has received the report of the Supervisory Board. The annual financial statements, the management report of the Management Board, the consolidated financial statements, the group management report, the report of the Supervisory Board and the proposal made by the Management Board on the appropriation of net earnings shall be made available for the shareholders to consult on the Company's premises from the time of convocation onwards.

§ 26 Reserves

- (1) If the Management Board and the Supervisory Board adopt the annual financial statements, then they can allocate amounts corresponding to up to half of the net income for the year to other revenue reserves; they are also authorised to allocate further amounts corresponding to up to one quarter of the net income for the year to other revenue reserves for as long and insofar as the other revenue reserves do not exceed half of the share capital and would not exceed half of the share capital after the allocations either.
- (2) If the Annual General Meeting adopts the annual financial statements, then one quarter of the net income for the year shall be allocated to other revenue reserves.
- (3) When calculating the part of the net income for the year to be allocated to other revenue reserves pursuant to sub-sections 1 or 2, allocations to the statutory reserve and losses carried forward are to be deducted first.

§ 27 Appropriation of profits

- (1) The Annual General Meeting shall pass a resolution on the appropriation of the net earnings resulting from the adopted annual financial statements. It can also stipulate a different form of appropriation to that set out in section 58 (3) sentence 1 AktG.
- (2) In addition to, or instead of, a cash distribution, the Annual General Meeting can also pass a resolution on the distribution of non-cash assets, provided that the non-cash assets to be distributed are traded on a market within the meaning of section 3 (2) AktG.
- (3) A capital increase resolution may specify the profit distribution for new shares by way of derogation from section 60 (2) sentence 3 AktG.
- (4) After the end of a financial year, the Management Board can, with the consent of the Supervisory Board, distribute an interim dividend to the shareholders within the framework of section 59 AktG.

§ 28 Formation Expenses

The Company shall bear the costs associated with the change in legal form (court fees, notary's fees and publication costs, as well as the costs associated with the legal advice provided by the Company) up to an amount of EUR 35,100.