



## EXPLANATION OF SHAREHOLDER RIGHTS

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**Ordinary Annual General Meeting of DEAG Deutsche Entertainment Aktiengesellschaft, Berlin, on Tuesday, July 4, 2023 at 11:00 hrs (MESZ), in the premises of Meistersaal, Köthener Straße 38, 10963 Berlin.**

**Detailed explanation of the rights of shareholders according to Section 122 para. (2), Section 126 para. (1), Section 127, and Section 131 para. (1) of the German Stock Corporation Act (*Aktiengesetz – “AktG”*) (meeting with physical presence)**

The convocation notice already contains information on shareholders' rights pursuant to Section 122 para. (2), Section 126 para. (1) and (4), Section 127, and Section 131 para. (1).

### **1. Additions to the agenda pursuant to Section 122 para. (2) AktG**

Pursuant to Section 122 (2) of the German Stock Corporation Act (AktG), shareholders whose shares together amount to one-twentieth of the share capital or the pro rata amount of EUR 500,000.00, corresponding to 500,000 shares, may request that items be placed on the agenda and published. The request must be received by the Company in writing at the following address no later than 24 days before the meeting (the day of receipt is not to be counted) and thus on **June 9, 2023, 24:00 hrs.**

**DEAG German Entertainment AG  
- Management Board -  
Potsdamer Straße 58, 10785 Berlin**

or in electronic form in accordance with Section 126a BGB by e-mail to:

**[hauptversammlung@deag.ag](mailto:hauptversammlung@deag.ag)**

enter.

Each new item on the agenda must be accompanied by a justification or a draft resolution.

The applicant(s) must prove that he/she/they has/have been the holder of the shares for at least 90 days prior to the date of receipt of the request by the Company and that he/she/they holds/hold the shares until the decision of the Management Board on the request. Sections 70 and 121 (7) AktG shall be observed in calculating this period.

Additions to the agenda that are to be announced - insofar as they have not already been announced with the convening notice - will be published in the Federal Gazette without delay after receipt of the request and forwarded for publication to such media as can be expected to disseminate the information throughout the European Union. They will also be published on the Company's website at

<https://www.deag.de/en/investor-relations/annual-general-meeting/>

published.

The provisions of the AktG on which these shareholder rights are based read as follows:

### **Section 122 AktG Convening a meeting at the request of a minority (excerpt)**

- (1) <sup>1</sup>The general meeting is to be convened wherever stockholders, whose shares of stock, in the aggregate, are at least equivalent to one twentieth of the share capital, demand that it be so convened, doing so in writing and citing the purpose and the reasons therefor; the demand is to be addressed to the management board. <sup>2</sup>The by-laws may tie the right to demand that the general meeting be convened to a different form and to possession of a lesser portion of the share capital. <sup>3</sup>The petitioners are to submit proof that they have been holders of the shares of stock since at least 90 days prior to the date on which their demand is received, and that they will continue to so hold the shares until the management board takes a decision regarding their petition. Section 121 (7) applies accordingly.
- (2) <sup>1</sup>In like manner, stockholders whose shares of stock, in the aggregate, are at least equivalent to one twentieth of the share capital or to a stake of 500,000 euros, may demand that items of business be set out in the agenda and that notice be given by publication. <sup>2</sup>Each item of business to be newly added to the agenda must include the reasons therefor or a proposal for a resolution. <sup>3</sup>The demand within the meaning of sentence 1 must be received by the company at the latest 24 days prior to the general meeting, in the case of listed companies at the latest 30 days prior to the general meeting; the date on which the demand is received is not to be included in calculating the period.

[...]

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

- (1) <sup>1</sup>Where the minority pursuant to section 122 (2) has demanded that items of business be set out in the agenda, notice of said items of business is to be given by publication either together with the invitation convening the general meeting or, if that is not the case, without undue delay after the demand has been received. <sup>2</sup>Section 121 (4) applies accordingly; moreover, in the case of listed companies, section 121 (4a) applies accordingly. <sup>3</sup>The notice is to be published and forwarded in the same way as the invitation convening the general meeting.

[...]

### **Section 70 AktG Calculation of the share ownership period**

If the exercise of rights attaching to the share is conditional upon the shareholder having been the holder of the share for a certain period, a claim for transfer of title against a credit institution, financial services institution or an enterprise operating in accordance with section 53 para. 1 sentence 1 or section 53b para. 1 sentence 1 or para. 7 of the German Banking Act shall be deemed equivalent to ownership. The period of ownership of a predecessor in title shall be attributed to the shareholder if he acquired the share free of charge, from his trustee, as universal successor, in the event of the dissolution of a community or in the event of a portfolio transfer pursuant to Section 13 of the German Insurance Supervision Act or Section 14 of the German Building Societies Act.

## **2. Motions and election proposals by shareholders pursuant to Sections 126 para. (1), 127 AktG**

In accordance with Section 126 para. (1) AktG, any shareholder may submit a countermotion to a proposal by the Management Board and Supervisory Board on a specific item on the agenda. A countermotion shall be made available on the Company's website in accordance with the more detailed provisions of Section 126 (1) and (2) AktG if it is received by the Company at the address published below no later than **midnight on June 19, 2023**.



Each shareholder may also submit to the Company a nomination for the election of Supervisory Board members or auditors in accordance with Section 127 AktG. An election proposal shall be made available on the Company's website in accordance with the more detailed provisions of Sections 127, 126 (1) and (2) AktG if it is received by the Company at the address published below no later than **midnight on June 19, 2023**.

**DEAG German Entertainment AG**  
**Potsdamer Straße 58, 10785 Berlin**

or by e-mail to:  
**hauptversammlung@deag.de**

Counter motions or election proposals received in good time will be made available on the internet at <https://www.deag.de/en/investor-relations/annual-general-meeting/>, provided they meet the statutory requirements. Any comments by the administration will also be made available at the above Internet address.

The Company does not need to make available a counter-motion (and any reasons for it) or a nomination for election if one of the grounds for exclusion pursuant to Section 126 para. (2) AktG applies, for example because the nomination for election or counter-motion would lead to a resolution of the Annual General Meeting that would be unlawful or contrary to the Articles of Association, or the reasons contain information that is obviously false or misleading in material respects. In addition, a nomination does not have to be made available if the nomination does not contain the name, occupation and place of residence of the proposed person and his or her membership of other statutory supervisory boards. The statement of grounds for a counter-motion does not need to be made accessible if it exceeds 5,000 characters in total.

Counter motions and nominations by shareholders are to be sent exclusively to the above address.

The provisions on which these shareholder rights are based read as follows:

### **Section 126 AktG Motions by Shareholders**

*(1) <sup>1</sup>Motions by stockholders are to be made accessible to the beneficiaries set out in section*

*125 (1) to (3), subject to the pre-requisites listed therein, including the name of the stockholder, the reasons for which the motions are being made, and a statement, if any has been made, by the management regarding its position, provided that the stockholder has sent, at the latest 14 days prior to the date of the general meeting, a counter-motion opposing a proposal or guidance by the management board and the supervisory board regarding a certain item of business set out in the agenda, specifying the reasons therefor, to the address set out for this purpose in the invitation convening the general meeting. <sup>2</sup>The date on which the counter-motion is received is not to be included in calculating the period.*

*<sup>3</sup>In the case of listed companies, the counter-motion is to be made accessible via the company's website. Section 125 (3) applies accordingly.*

*(2) <sup>1</sup>A counter-motion and the reasons for which it is being made need not be made accessible:*

- 1. In as much as the management board would be liable to punishment under law, were it to make such proposal accessible;*
- 2. if the counter-motion were to result in the general meeting adopting a resolution that is in violation of the law or of the by-laws;*
- 3. if the reasons make manifestly false or misleading statements regarding key aspects or if they*

are insulting;

4. if a countermotion made by the stockholder based on the same facts and circumstances has already been made accessible pursuant to section 125 for a general meeting of the company;
5. if the same countermotion of the stockholder, citing substantially the same reasons, has been made accessible pursuant to section 125 in the past five years to at least two general meetings of the company, and if less than one twentieth of the share capital represented voted for this countermotion at the general meeting;
6. if the stockholder indicates that they will not attend the general meeting and will not have a proxy represent them;
7. if, in the past two years at two general meetings, the stockholder has failed to propose or to have proposed a countermotion regarding which they have informed the company.

<sup>2</sup>The reasons need not be made accessible if they amount to more than 5,000 characters in total.

- (3) Where several stockholders propose countermotions regarding one and the same item of business to be resolved upon, the management board may combine the countermotions and the reasons specified for them.
- (4) <sup>1</sup>In the case of a virtual Annual General Meeting, motions which must be made accessible in accordance with subsections 1 to 3 will be deemed to have been made at the time they are made accessible. <sup>2</sup>The company must ensure that shareholders are able to exercise their voting rights on these motions as soon as they are able to prove that they meet the legal or statutory requirements for exercising their voting rights. <sup>3</sup>If the shareholder who has submitted the motion is not duly authorized and, if registration is required, has not duly registered for the Annual General Meeting, the motion does not have to be addressed at the meeting.

### **Section 127 AktG Nominations by Shareholders (excerpt)**

<sup>1</sup>Section 126 applies accordingly to nominations by stockholders of candidates for the supervisory board or as statutory auditors. <sup>2</sup>No reasons need be specified for the nomination. The management board need not make accessible the nomination also in those cases in which the nomination does not include the information pursuant to section 124 (3) sentence 4 and section 125 (1) sentence 5.

[...].

### **3. Right to information pursuant to Section 131 para. (1) AktG**

Each shareholder must be provided with information on the Company's affairs by the Management Board at the Annual General Meeting upon request, insofar as this is necessary for the proper assessment of an item on the agenda (Section 131 para. (1) AktG). The right to information may be exercised at the Annual General Meeting without prior announcement or other notification being required.

More detailed explanations and information on shareholders' rights pursuant to Sections 122 para. (2), 126 para. (1), 127 and 131 para. (1) of the German Stock Corporation Act (AktG) are available to shareholders on the Company's website at <https://www.deag.de/en/investor-relations/annual-general-meeting/>.

The regulations underlying this right to information read in part as follows:

### **Section 131 AktG Shareholders' right to obtain information (excerpt)**

(1) <sup>1</sup>Each shareholder shall upon request be provided with information at the shareholders' meeting by the managing board regarding the company's affairs, to the extent that such information is necessary to permit a proper evaluation of the relevant item on the agenda. <sup>2</sup>The duty to provide information shall also extend to the company's legal and business relations with any affiliated company. <sup>3</sup>If a company makes use of the provisions on the simplified procedure pursuant to Section 266 (1) sentence 3, Section 276 or Section 288 of the German Commercial Code (HGB), each shareholder may request that the annual financial statements be presented to him / her at the shareholders' meeting on such annual financial statements in the form that would have been used if the provisions on the simplified procedure were not applied. <sup>4</sup>The duty of the managing board of a parent company (Section 290 (1) and (2) of the German Commercial Code (HGB)) to provide information at the shareholders' meeting at which the consolidated financial statements and management report of these statements are presented also extends to the position of the consolidated group and any companies included in the consolidated financial statements.

[...]

(2) <sup>1</sup>The information provided shall comply with the principles of conscientious and accurate accounting. <sup>2</sup>The articles or the bylaws pursuant to Section 129 may authorize the chair of the meeting to reasonably limit a shareholder's time to speak and ask questions and may provide relevant details in this connection.

(3) <sup>1</sup>The managing board may refuse to provide information:

1. to the extent that providing such information is, according to sound business judgment, likely to cause not immaterial damage to the company or an affiliated company;
2. to the extent that such information relates to tax valuations or the amount of certain taxes;
3. with regard to the difference between the value at which items are shown in the annual balance sheet and the higher market value of such items, unless the shareholders' meeting is to approve the annual financial statements;
4. with regard to the methods of accounting and valuation, if disclosure of such methods in the notes is sufficient to provide a true and fair view of the actual condition of the company's assets, liabilities, financial position and profit and loss within the meaning of Section 264 (2) of the German Commercial Code (HGB); the foregoing shall not apply if the shareholders' meeting is to approve the annual financial statements;
5. if the managing board would, by providing such information, become criminally liable;
6. insofar as, in the case of a credit institution, a financial services institution or a securities institution, information need not be given on methods of accounting and valuation applied and setoffs made in the annual financial statements, management report thereof, consolidated financial statements or management report thereof;
7. if the information is continuously available on the website of the company for at least seven days prior to the beginning of and during the shareholders' meeting.

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

(4) <sup>1</sup>If information has been provided to a shareholder outside the shareholders' meeting by reason of his / her status as a shareholder, such information shall upon request be provided to any other shareholder at the shareholders' meeting, even if such information is not necessary to permit a proper evaluation of an item on the agenda. <sup>2</sup>In the case of a virtual shareholders' meeting, it must be ensured that all shareholders connected to the meeting electronically can submit their request in accordance with sentence 1 by means of electronic communication. <sup>3</sup>The managing board may not refuse to provide such information on the grounds of Section 131 (3) sentence 1 no. 1 through 4. <sup>4</sup>Sentences 1 through 3 shall not apply if a subsidiary (Section 290 (1) and (2) of the German Commercial Code (HGB)), a joint venture (Section 310 (1) of the German Commercial Code (HGB)) or an associated company (Section 311 (1) of the German Commercial Code (HGB)) provides information to a parent company (Section 290 (1) and (2) of the German Commercial Code (HGB)) for the purpose of including the company in the consolidated financial statements of the parent company, and the information is needed for that



*purpose.*

*(5) <sup>1</sup>A shareholder who has been denied information may request that his / her query and the reason for which the information was denied be recorded in the minutes of the meeting. <sup>2</sup>In the case of a virtual shareholders' meeting, it must be ensured that all shareholders connected to the meeting electronically can submit their request in accordance with sentence 1 by means of electronic communication.*

**Berlin, May 2023**

**DEAG Deutsche Entertainment Aktiengesellschaft**

***The Management Board***

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