

Changes in the Board of Directors following the issue of a disclaimer of opinion by KPMG on Adler Group's Consolidated Financial Statements

- Audited Financial Statements published within all relevant deadlines – bond covenants intact
- The whole 2021 Board offered collectively its resignation with immediate effect – four resignations accepted by the Chairman
- The Board of Directors now consists of Thierry Beaudemoulin, Stefan Kirsten, Thilo Schmid and Thomas Zinnöcker to ensure the continuity of business
- Chairman of the Board of Directors Stefan Kirsten:
" We want to remove the reasons for disclaimer of opinion as quickly as possible. We are aspiring an unqualified audit opinion for 2022."

Luxemburg, 30 April 2022: The consolidated financial statements of Adler Group S. A. ("Adler Group; Adler") for 2021 have been issued with a disclaimer of opinion by KPMG Luxembourg citing as a reason: "the denial of access to certain related party information". However, the audited financial statements were published within all relevant deadlines on 30 April 2022. Therefore, Adler Group complies with the statutory publication deadline as a S-Dax listed company vis-à-vis the capital market. This further means that the bond covenants of the existing bond portfolio stay intact.

According to KPMG Luxembourg, the denial by the company is considered as "exceptional circumstances which prevent us from obtaining sufficient appropriate evidence about the identification and disclosure of related parties and significant related party transactions and account balances. This also precludes us from evaluating whether the accounting treatments for at least some of these transactions are appropriate and consistent with their substance, as well as evaluating whether management's assessment about the valuation of certain account balances is adequate." In summary, this leads KPMG Luxembourg to a disclaimer of opinion.

Due to the disclaimer of opinion, all members of the Board of Directors who held a mandate in 2021 collectively offered their resignation with immediate effect. Chairman of the Board of Directors Prof. Dr. A. Stefan Kirsten states: "As I pointed out, governance and compliance issues have been identified during the special investigation. The auditors – in its severity also surprisingly for me – expressed this strongly in their opinion today."

The Chairman has asked the Board members Thilo Schmid and Thomas Zinnöcker to retain their mandates for the continuity of business until the Annual General Meeting on 29 June 2022 and then stand for re-election. The second CEO Thierry Beaudemoulin will also remain in office as CEO and on

the Board of Directors and stand for re-election at the Annual General Meeting. A new CFO is being sought externally with immediate effect.

Outgoing Deputy and former Chairman Dr. Peter Maser said: "The Board has worked intensively in 2021 with external advice, while under severe pressure from the outside. We exercised our duty in the best interest of the company; now we want to give Adler Group a fresh start with our collective resignation."

Kirsten: "I respect the Board offering its collective resignation. With Mr Schmid and Mr Zinnöcker, we have two experienced managers in the team who will support us in the repositioning of the Adler Group. Mr Schmid heads the Audit Committee and Mr Zinnöcker the Investment and Finance Committee. The senior management around Thierry Beaudemoulin, Sven-Christian Frank and Dr. Bernd Schade will also be extended. We will expand the compliance function under Mr Frank with external help and are looking for a new CFO on short notice."

On the issue of the alleged denial of access of certain information, Kirsten adds: "The 30 April 2022 as closing date for the 2021 audited financial statements was far more important to us than longer lasting auditing procedures." According to Kirsten, Adler Group will seek a dialogue with KPMG Luxembourg, in order to clarify, how these information deficits could be cured without legal detriment.

Kirsten also announced that the Board of Directors has decided on a reservation clause for so-called related party transactions. The position of the Aggregate bonds at nominal value of €34.2m and market value of €22.9m at year-end 2021 reached market value of €14.6m as of 29 April 2022. "Regardless of the economic success or lack thereof, this transaction with a former related party, even if legal, does not correspond to my understanding of good governance. The Board of Directors takes control of this position. For now, the bonds are held until maturity. Of course, we will report on this position to the capital market on an ongoing basis."

Kirsten concludes: "It goes without saying that such a disclaimer of opinion is no good news. Such a note reflects a high level of distrust between the company and the auditors; but once again: we are about to make a new start, because in my opinion Adler has sufficient substance. Our existing portfolio is rock solid. The disclaimer is the confirmation of an audit that was carried out without an opinion. We have to accept that, but we will try to eliminate the reasons for the disclaimer as soon as possible. We are and remain, as I said to the special investigation, ailing but vital."

Adler will present the 2021 consolidated financial statements on Tuesday, 3 May 2022, during an investor and analyst conference call with Stefan Kirsten and Thierry Beaudemoulin.

The audited Consolidated Financial Statements for 2021 were published on the corporate website on 30 April 2022.

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