



Adler – KPMG Investigation Review

Viceroy doesn't believe there is any amount of qualified opinion or additional language to cover Adler's slimy business practices, "unauditable" books, and complete lack of internal controls.

PLEASE READ IMPORTANT DISCLAIMER – PAGE 4

April 29, 2022 – On 22 April 2022, Adler released KPMG's special investigation report into the Adler Group and its subsidiaries. KPMG's findings (or lack thereof, given **Adler's apparent unwillingness to cooperate**) are hilariously damning. In a moment of pure lunacy: Adler management claims KPMG's report absolves them of Viceroy's allegations, which is consistent with **management's legacy of swindling shareholders**.

Adler's publication of the KPMG report has (poorly) anonymized identities of those involved. **Viceroy have attempted to deanonymize the identities of most concerned parties**, including most of the Caner Cabal. **This codebreaker glossary can be found in [Annexure 1 of this report \(page 24\)](#).**

Since the release of our report, Viceroy Research has also been in contact with various aggrieved suppliers and contractors of Adler. This report provides an update from us on Adler's development portfolio, including a summary list of **outstanding invoices to suppliers of Adler development properties amounting to €78m** as at Q2 2021. This does not appear to be reflected in Adler's Q2 2021 interim accounts.

KPMG Limitations

- **Adler withheld ~800k documents** from KPMG, claiming legal privilege. KPMG notes that these documents are likely significant to its investigations.
 - Documents earmarked as legally privileged include emails from Caner to Adler's management team. We fail to see how these emails were made for the dominant purpose of providing legal advice or entering in litigation.
- Throughout KPMG's report, it is noted that **Adler ignored requests for explanations and supplement documents from KPMG** to account for significant deviations in their review.
- Bank documents were not made available to KPMG, including all transactions relating to Adler Real Estate AG which **"the Company [Adler] cannot access electronically"**¹ Many Adler Group accounts that could be accessed electronically were not made available to KPMG as original copies.
- KPMG did not address an "Untersuchungshemmnis" (or simply put, obstacles for the investigation). We presume this is an oversight, given that KPMG itself state the vast extend of withheld data by Adler and that this withheld data is significant to the investigation.
- The timeline of the report shows **KPMG were rushed by management**, with the company ceasing to provide more data on March 25 and issuing a press statement on the same date stating the report would be released on April 22. Viceroy believes this was to cut off KPMG from forming more conclusive opinions.
- The KPMG report scope boundaries were set to only investigate the depths of Viceroy's report. KPMG did not extend the investigation into media reports of malfeasance and corruption at Adler², nor the context of investigations of various regulatory investigations previously undisclosed to the market.

Cevdet Caner – Adler Shadow Director

KPMG's investigation appears to confirm that Adler's management and board took their **orders** directly from Cevdet Caner. **Caner operated through Meridien Capital Management's structure to organize meetings with the board, dictate acquisitions, approve senior management remuneration, and timetable market-sensitive announcements.**

- Caner and his inner circle coordinated the timing, content, and release of market-sensitive information with Adler personnel. We expect regulatory consequences for all involved.

¹ Empahsis added

² Notably, this includes ties to the Azerbaijan's Azeri family as reported by the FT.



- Cevdet Caner held various formal and informal consulting agreements with Adler and its subsidiaries.
 - Cevdet Caner and his Cabal were paid fees for these transactions, despite some consulting contracts being signed post-acquisition and providing no performance records relating to work conducted.
- Given the outsized role Caner's Cabal plays in Adler, **we believe Caner's involvement is ongoing.**
- Exoneration statements made by management and Cevdet Caner on April 21, 2022, were outright lies. We expect the company and its principals to face legal action from investors, bondholders, and regulators.

Financial Controls, Looting, & Disposals

KPMG highlight that little or no due diligence was completed in respect to various acquisitions, including that of ADO and Consus. KPMG's investigations show these acquisitions were driven by Cevdet Caner and his Cabal of kleptocrats. These transactions are results of demonstrably inexistent internal controls.

Without such controls, **Viceroy do not believe it is possible that auditors can make reasonable assurances that Adler's accounts are free from misstatements.**

- Adler paid tens of millions of euros in commission and monthly payments to Caner, Meridien Capital, and Mezzanine over the time reviewed by KPMG. There was effectively **no recorded proof of performance for these payments**, but there was significant evidence that **these third parties ran the show.**
- Several payments to Caner were made without proper invoicing controls including incorrect dates and currencies. More concerningly there was no proof of service provided to KPMG for any of the transactions.
 - Payments for Caner's services were obscurely paid out in partial payments to various uninvolved intermediaries, including his wife Gerda Caner and other hidden third parties. This was after an attempted **payment made directly to Caner was blocked by a Turkish bank's compliance office. KYC checks were not conducted on any of the recipients. This largely constitutes money laundering.**
- KPMG confirms **Aggregate is a related party of Adler, and notes that Adler holds an unnamed amount of Aggregate bonds which were acquired without informing the market.**
 - Management note that "there is no reason to doubt the repayment of the bond by Aggregate Holdings". This is despite bonds trading at 43.75 cents to the Euro at the time of writing.
 - Aggregate have defaulted on their loan to Vonovia, transferring Adler shares as collateral.
- **Transactions with related parties, including Gerresheim, consisted of limited or no due diligence.**
 - Adler did not conduct creditworthy assessments on Mr Schratlbauer, nor on companies associated with Natig Ganiyev or Christoph Groner. These undisclosed related parties still owe Adler hundreds of millions of euros for properties *already transferred, and with new active liens.*
 - KPMG also state that no information for any buyer to conduct due diligence were provided to transactional counterparties.
 - In some instances, KPMG could not identify the transactional counterparties.
- Due diligence was also not carried out in larger transactions, including ADO and Consus.
- Adler Chairman Stefan Kirsten previously worked for the Dayan family at Vivion Investment S.a.r.l. **The Dayan family appears to be complicit in the ADO Coup D'état transaction.** KPMG note **it was not possible to identify the beneficial owner of an investment fund who benefitted from the transaction**, suggesting no KYC checks were conducted. Viceroy reiterate our belief this is an undisclosed related party transaction.
- KPMG analysis of outstanding receivables and questionable creditworthiness suggest **a write-down is imminent.** Adler allowed properties "sold" to Schratlbauer- and Natig Ganiyev-associated companies to be pledged as security for loans and shows they have effectively lost all leverage to demand payments.
- **Adler's live LTV calculations have not been represented in line with calculation methods in bond contracts.**



Development Portfolio

Further to KPMG's damning findings, Viceroy have provided a detailed status update on all of Adler's ongoing development projects, showing that most projects are shut off, and have failed to maintain basic administrative activities. Many have not lodged financial reports since 2019. This data can be found annexed to this report.

- KPMG have confirmed that **most of Adler's projects were in a construction stop as of 30 June 2021.**
- KPMG's revised valuation does not consider the fact that these projects will never be finished, and that a residual value will never be achieved, however **KPMG** cannot refute **Viceroy's** opinion that **Adler's financial resources are not sufficient to complete these development projects.**
- **"Actual construction costs differ significantly between the documents provided to KPMG and cannot be reconciled".** KPMG also infers some construction costs are non-recoverable.
- **Adler misrepresented their own valuation as that of NAI Apollo.**
 - Management appears to have consciously applied higher developer profit rates in valuation calculations of "almost all" projects than those determined in NAI Apollos' appraisal and have thus represented their own valuation as a third-party appraisal.
- It should also be noted that many of these development projects have been forward sold and are subject to **possible claw-backs to the tune of hundreds of millions of Euros.**
- Whistleblowers and aggrieved suppliers have provided a list of **outstanding invoices to Adler developments dating back to 2019. These exceed €77m.**

Residential Portfolio

We believe that KPMG has avoided making any realistic assumptions and has assessed the portfolio independent of the rampant dirty dealing at Adler. KPMG's breakdown of Viceroy's findings – together with the apparent basis of their response – was simplified to a point where they are neither useful nor provide meaningful analysis. This was expected, and Viceroy stands behind its original research.

- **Adler states that it holds the properties for the purposes of generating income.**
 - This is demonstrably false. Adler has accelerated the disposal of properties, including substantial sales since the appointment of KPMG.
- **Presumed market purchasers of Adler's properties would also use this valuation method, thus arriving at the same fair value.**
 - This is a strawman argument. Adler records enormous revaluations on properties it acquires on the market and from purported "arms-length" transactions with undisclosed related parties, then validate these valuations through disposals of properties with undisclosed related parties.
- **KPMG compares historical rental growth rates of peers and Adler, not future rates, and claim they're above the rent group.**
 - Historical growth rates obviously do not affect DCF. Adler future DCF are significantly above peers.
- **KPMG suggests that our depicted cap rates were inconclusive and "uniform".**
 - "Uniformity" is subjective. A 0.25 percentage-point increase to Adler's residential portfolio cap rate would result in a ~€740m fall in value. Uniformity is undefined in KPMG's parameters.
- Notwithstanding the above, KPMG's sample assessment still derives a -4.4% delta against Adler's recorded market values.

Read the KPMG report

Viceroy have summarized the key issues as best we can, but we could have written dozens more pages on KPMG's findings.

We don't see how KPMG can obtain reasonable assurance that Adler's accounts are free of misstatement, and thus do not believe audits will be complete in Adler's brief deadline.

If KPMG show a determination to ignore the principles of an Audit and approve with a qualified opinion, then Viceroy predict KPMG will be a defendant in any such investor class actions.



Attention: Whistleblowers

Viceroy encourage any parties with information pertaining to misconduct within Adler Group, its affiliates, or any other entity to file a report with the appropriate regulatory body.

We also understand first-hand the retaliation whistleblowers sometimes face for championing these issues. Where possible, Viceroy is happy act as intermediaries in providing information to regulators and reporting information in the public interest in order to protect the identities of whistleblowers.

You can contact the Viceroy team via email on viceroy@viceroyresearch.com.

About Viceroy

Viceroy Research are an investigative financial research group. As global markets become increasingly opaque and complex – and traditional gatekeepers and safeguards often compromised – investors and shareholders are at greater risk than ever of being misled or uninformed by public companies and their promoters and sponsors. Our mission is to sift fact from fiction and encourage greater management accountability through transparency in reporting and disclosure by public companies and overall improve the quality of global capital markets.

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1. Cevdet Caner – They seek him everywhere

It is apparent from the KPMG report that Cevdet Caner and his Cabal run Adler. Our summary tries to summarize KPMG's findings, but frankly, it is hard to condense the enormous amount of data KPMG presented relating to Caner's meddling in Adler. We direct readers to the KPMG report (**supplemented with our glossary codex annexed to this report on page 24**).

Control of Adler

Caner³ operates Adler like a feudal lord, summoning personnel to meetings on his yacht and ordering their schedules cleared for important calls. Caner meets regularly with Adler senior management and directors on his yacht or Walcher's estate (Aggregate Holdings). These meetings, organized through Meridien Capital (Richard Bunning) personnel, are categorized by Caner's unquestionable authority and concern key Adler acquisitions and just about every major (and many minor) strategic decisions.

Email excerpts from the report show, in no particular order, Caner:

- Coordinating the content, timing and release of market sensitive information;
- Coordinating and influencing M&A strategy, including Consus and ADO transactions;
- Calling several "all-hands" meetings and conference calls at which attendance by several key Adler personnel is compulsory. The tone and responses to these meetings make it clear that they take priority over any other commitments that the participants might have;
- Making key decisions at Consus, CG Gruppe and Adler Real Estate;
- Instructing payment of invoices on his behalf with no contractual basis as well as payment of Consus investor event expenses;
- Communicating the position of an unnamed bank on "the bonds" and asking for secrecy in the matter. When asked about more details on this statement KPMG was not provided with any information;
- Coordinating the timing of Consus financial figures in January 2020;
- Allowing use of his personal plane to fly himself and Adler personnel on a regular basis;
- Attending Consus board meetings ;
- Acting as a lender of first resort for Adler group companies;
- Coordinating activities between Aggregate, Consus and Adler;
- Making key decisions on the hiring, firing, and remuneration of key Adler personnel;
- Key business decisions at CG Gruppe:
 - The hiring of a new auditor in May 2019 presenting Christoph Groner with either KPMG or "Consultant1".
 - Influencing the board of CG Gruppe to hand over documents previously refused.
 - Caner is referred to as if he were a major Consus shareholder in Groner's negotiations for the sale of CG Gruppe, with Groner considering him as important as Walcher. Caner coordinates the meeting and who will be in attendance.
 - Coordinating the exit of Groner from the Adler Group, amusingly nicknamed Grexit within the organization.

The takeaway is clear: Caner runs Adler and its subsidiaries.

³ For brevity we refer to Cevdet Caner by his last name, any other Caner's involved are named in full.



These communications were sent both by Caner personally as well as Extern12 who is officially named as Richard Bunning's executive assistant but appears to mostly work for Caner. In fact, the entire Meridien Capital organization appears to be little more than a front through which Caner operates Adler.

Market sensitive information

There is much to elaborate on every point and doing so would make this report as long as KPMG's. The below excerpts demonstrate the nature of Caner's relationship with Adler. He dictates the content, timing, and release of market sensitive information for both Adler and Aggregate. On several occasions Caner reviews and approves the content of information in market announcements, and on one occasion blasts the Consus CFO Benjamin Lee and board member Andreas Steyer in the mistiming of a market sensitive announcement.

On April 3, 2018, Extern7 wrote to Adler25 and Adler19, members of the Management Board of Consus Real Estate AG, regarding the planned publication of a press release by Consus Real Estate AG:

"Guys, it was agreed to announce this pre market opening. Can we for once agree and execute on timetables?! After taking 4 months to put Adler19 in as cfo, this should not be such a big ask!!! I am fed up with how things run in this company."

- The email review identified evidence indicating an active role by Extern7 in the transaction. Extern3 sent an email dated August 23, 2017 to, among others, Extern7 requesting comments on a corporate news release that was to be published in a timely manner:

"here is what we hope is the final version of the corporate news release that we want to release as soon as possible this morning so that we have immediately supplemented our Aad Hoc release and made it understandable. Comment?"

Extern7 replied to this email:

"From my point of view, the Pebble would have to be completely out by name, otherwise ok."

Figures 1 & 2 KPMG Investigation Report – Pages 58 & 92/129

Caner also effectively composed the announcement of the SSN Group acquisition.

- KPMG would like to point out here that Extern7 was also involved in the announcement of the acquisition of SSN Group AG. He was asked by Adler1 for comments on the draft version of the announcement on December 10, 2018. Extern7 commented on the draft as follows:

"Too much detail for which parts how much was paid etc.... I would just say closed ... 1.1 bin value... parts cash (don't mention loan from Bank !!!) and part equity through shares..."

Figure 3 KPMG Investigation Report – Page 92/129

Payment received

During the period under investigation Caner and related entities directly invoiced Adler for services provided although in many cases there was no evidence of what services they were.

KPMG highlight 2 arrangements made directly with Caner, resulting in €12.62m in payments.

- Payment 1 dated March 23, 2018, for €2m for "advisory services" regarding the Brack acquisition by Adler. Note that the **payment was disguised as "interest collection account"**, likely to avoid scrutiny. The services provided could not be traced. Payment was signed by Tomas Machuca and Max Rienecker.
- Payment 2 dated September 23, 2019, for €10.62m regarding the acquisition of ADO Group. This payment took the form of ten partial payments. The services provided could not be traced.

These payments were not subject to any AML or KYC procedures and almost all payments were signed off by Max Rienecker.



Further Adler has consultancy agreements with Meridien Capital Management who have a profit-sharing agreement with SAM Bassan, a company held by Caner's associates⁴.

- Agreement 1 signed July 1, 2015, for an indefinite period by an unknown Adler employee and Richard Bunning for €22k per month plus performance related fees.
- Agreement 2 signed July 1, 2017, for an indefinite period by Adler17 and Adler8, who we suspect to be Arndt Krienen and Sven Christian Frank, Adler's CEO and CFO at the time respectively for €10,000 per month plus performance related fees.

In total in the period under review Adler paid Meridien €6.4m in monthly and performance fees.

Payments to Meridien Capital Management		€k
Lump Sum Payments		
March 19, 2018		450
April 20, 2018		450
February 27, 2020		2,500
Payments from Consus		2,200
	Subtotal	5,600
Monthly payments		
Agreement 1		528
Agreement 2		300
	Subtotal	828
	Total	6,428

Figure 4 Viceroy Analysis

In total KPMG discovered almost €18m paid to Caner's inner circle with no real proof of service, all signed off by Adler's current management. We

⁴ Pg 30/129



Lasting impressions

Below is a list of current Adler management and directors who took their orders directly from Caner or were appointed by him. We find it hard to believe that these individuals remain in place at their current positions considering their past behavior and affiliations. Shareholders should demand their immediate termination on these grounds.

- Benjamin Lee (Adler19),
- Theirry Beaudemoulin (Adler9)
- Jens Japel (Adler14)
- Carl Magnus Brorson⁵ (Adler3)
- Adler2
- Max Rienecker (Adler22)
- Adler8, who we believe to be Sven Christian Frank
- Adler 16, a senior figure in Consus
- Adler24, who we believe to be Florian Sitta, who was signatory to several contracts between Caner and Adler Real Estate⁶.
- Adler 25, who we believe to be Andreas Steyer due to his presence at several key meetings while acting as chairman of Consus' management board.
- Adler32

It is absurd that Mr Caner sees himself exonerated by KPMG's investigation. We expect regulators will come knocking soon.

⁵ We are unsure whether Brorson (Adler 3) works for Adler but assume so based on his alias. He is named in the document as the MD of Neue Design GmbH.

⁶ We believe Adler24 to be Sitta based on his involvement with BaFin correspondence and drafting legal documents.



2. Financial Controls, Looting and disposals

Viceroy's thesis on Adler was that its undisclosed related party disposals served 2 purposes: to "prove" the value of its balance sheet and to enrich Caner's inner circle of associates and family. It appears we were right, with almost every transaction hiding something from investors.

Aggregate bond holdings

KPMG confirm that Adler Group holds a significant position in the bonds of Aggregate, its former largest shareholder and an Adler related party, and that it significantly increased its position on September 20, 2021.

Aggregate Holdings S. A. was a related party of Adler Group S.A. from July 2020 to February 2022. Adler Group S. A. has traded in several transactions via banks in bonds issued by Aggregate Holdings S.A. Adler Group S.A. holds a bond of Aggregate Holdings S. A. (security identification number DE000A28ZT71). On September 20, 2021, Adler Group S.A. significantly increased the shares in this bond. According to Adler Group S.A., no further bonds of Aggregate Holdings S.A. were acquired after September 20, 2021. Adler Group S.A. has given various reasons for the increase that took place. On September 20, 2021, in particular, the price for a purchase had been considered advantageous by the management. The assets of Aggregate Holdings S.A., which includes Adler Group S.A., were also "well known" to the management of Adler Group S.A. and the interest rate was "very attractive". Furthermore, there is no reason to doubt the repayment of the bond by Aggregate Holdings S.A.

Figure 5 KPMG Investigation Report – Page 67/129

Management, and apparently KPMG, believe "there is no reason to doubt the repayment of the bond by Aggregate". **This is demonstrably false:** these bonds are currently trading at ~43 cents to the Euro. Further, Aggregate have recently defaulted on a loan repayment to Vonovia, resulting in ~20% of the shares of Adler being transferred to Vonovia. We expect a huge write-down on these loans.

Accentro sale

Viceroy's first report highlighted concerns regarding Adler's sale of 80% of Accentro AG to Brookline Capital LP in October 2017. The crux of our concerns was that the amounts owed by Brookline would never be paid...

The allegation that the purchase price was not paid in full is correct according to the documents submitted and the supplementary information provided in this regard.

The allegation that the receivable recognized in the balance sheet is not fully recoverable - even taking into account the collateral provided - cannot be refuted on the basis of the documents submitted and the additional information provided.

Figure 6 KPMG Investigation Report – Page 89/129

...and it looks like they never will! Apart from the €95m paid in July 2019 the remainder of the purchase price (€60m) is still outstanding with the new deadline of May 31, 2022⁷. This makes it almost half a decade since the initial transaction.

KPMG were able to confirm that apart from the partial payment of €95m, the remaining owed by Brookline remained unpaid. Further the shares in Accentro, which are Adler's collateral, have already been pledged for financing purposes with uncertainty over priority.

⁷ Pg 89/129



There are considerable doubts about the economic sense of the contractual adjustments made in 2019, particularly with regard to the actual collateralization of the outstanding receivable. Although the remaining partial purchase price amount has not yet been paid and shares in Accentro Real Estate AG are the basis for the collateralization of the corresponding receivable as agreed, shares were also pledged by the purchaser for financing purposes according to a document submitted to

KPMG. According to a legal opinion obtained by the Company and submitted to KPMG in this regard, receivables secured by the pledge may have to be satisfied with priority over the receivable of Adler Real Estate AG.

Figures 7 & 8 KPMG Investigation Report – Pages 89-90/129

KPMG states that the outstanding €60m should be impaired in line with IFRS 9, given the habitual non-payment by Brookline.

In KPMG's opinion, the accounting valuation of the remaining receivable of EUR 60.4 million (including interest) at nominal value is questionable. In view of the non-payment despite contractual maturity in the past and the resulting overdue status, as well as the considerable uncertainties surrounding the cash flows expected from the liquidation of the collateral, KPMG is of the opinion that a lower valuation is appropriate, taking into account the requirements of IFRS 9.

Figure 9 KPMG Investigation Report – Page 90/129

CG Gruppe

The looting of Consus through the 50% purchase of CG Gruppe at a ridiculous premium was also confirmed, with no due diligence for the over 60% premium paid.

- Consus Real Estate AG thus acquired the 50% stake in CG Gruppe AG for a consideration that implied a premium of more than 60% over the finalized valuation of Berater1. No explanation or documentation for this premium was provided to KPMG in the special investigation.

Figure 10 KPMG Investigation Report – Page 92/129

As previously highlighted, Caner was substantially involved with Consus to push through this transaction, and also approved press releases on the side of Adler:

- Documents provided to KPMG in the special investigation show that Aggregate Group companies subscribed to bonds totaling EUR 150 million in November 2018. The bond was part of the consideration for the acquisition of shares in Pebble Investment GmbH.
- The email review identified evidence indicating an active role by Extern7 in the transaction. Extern3 sent an email dated August 23, 2017 to, among others, Extern7 requesting comments on a corporate news release that was to be published in a timely manner:

"here is what we hope is the final version of the corporate news release that we want to release as soon as possible this morning so that we have immediately supplemented our Aad Hoc release and made it understandable. Comment?"

Extern7 replied to this email:

"From my point of view, the Pebble would have to be completely out by name, otherwise ok."

Figure 11 KPMG Investigation Report – Page 92/129



Groner Group

Throughout the report there is significant tension between Groner and Caner, with Caner keeping tabs on him through hires like Jens Japel⁸. Groner's exit, nicknamed "Grexit", is discussed from late 2019 with the clear implication that the properties sold to Groner were something of a buyout.

In light of this KPMG's reconstruction of Groner's exit makes more sense:

- Groner resigned, receiving €27.5m in cash and 24.75m Consus shares at a 70% premium. Groner also acquired 17 development projects from CG Gruppe for €350m.
- Sometime in the amendment to the contract, an unnamed BVI fund was introduced to Groner who paid €126m of the payments in exchange for Groner's Consus stake at a rate of €5.52/share.
- A few weeks later, the BVI fund exchanged 23m Consus shares for 6.2m Adler shares, recording a gain of €45m from the exchange.
- A total of €45m remains unpaid by Groner. Whether this is a coincidence with the profit made by the BVI fund is unknown.
- According to Rienecker and Groner the beneficial owner of the fund is unknown to them. Once again, Adler have failed in basic KYC requirements, and don't even know who paid them for an acquisition!

Following Groner's departure from Consus the relationship appears to deteriorate, with Groner repeatedly contacting Bunning, Caner, Beaudemoulin, and Steyer regarding payment for unspecified reasons⁹. We are unsure how Groner continues to fund his payments to Adler but doubt the unnamed BVI fund is involved.

Caner also appears to have acted as debt collector for Consus. In the below exchange, Caner blasts Christoph Groner's non-attendance at a "compulsory" meeting. Caner then suggests that Groner is in breach of several oral and written agreements, presumable related to his non-payment for several purchases made from Consus which remain outstanding to this day.

In March 2019, a "management meeting" was planned, to which Adler25, Extern31, Adler10 and Extern7, among others, were invited. In this case, Extern12 was also involved in finding a date. After Adler10 informed by email on February 25, 2019 that a meeting on the advised day was not possible for him, Extern7 responded:

"If you can't attend these meetings we will still have them and let you know about the outcome. It is unacceptable for you to think that everybody has to accept your timetables. What is the reason that you can't attend on the 6th? What is more important than such a strategic meeting?!!! We need to come together very urgently as you are acting like an uncontrolled missile and in various and ongoing breaches of several orally and written agreements, which is not acceptable."

Extern12 clarified in an email to Adler19 dated April 2, 2019, that Extern7 required both Adler19

Figure 12 KPMG Investigation Report – Page 106/129

We note that Adler management have neglected to disclose that these receivables were subject to breaches by counterparties. We are dubious as to how KPMG can sign off on unimpaired receivables in this regard.

⁸ Pg 50/129

⁹ Pg 87/129



Partners Immobilien

The hits just keep coming: KPMG also confirmed that the projects sold to Partners Immobilien was done on unfavorable terms, and that the full purchase price was not yet paid as of June 30, 2021.

4.1.2.6.2 Investigation findings

The allegation that the real estate portfolio was sold on unfavorable payment terms cannot be refuted on the basis of the documents submitted and the supplementary information provided in this regard, as in particular the transfer of ownership of the project companies sold took place irrespective of the purchase prices not yet paid in full and without collateral for the purchase price payments.

The allegation that the purchase price has not yet been paid in full is correct as of June 30, 2021, based on the documents submitted and the supplementary information provided in this regard.

Figure 13 KPMG Investigation Report – Page 93/129

Josef Schratlbauer and Gunther Walcher are also associated with the company, with Schratlbauer holding an interest in Partners Immobilien¹⁰. This was not evident in Adler's materials but was found from an email from Vestigo Capital to Consus¹¹. Of the €220m original purchase price, only €122.8m has been paid, financed through loans from unnamed parties.

Consus reacquired one of the properties in 2021, strangely resulting in Adler paying €43m to Corestate to settle existing debts as well as assuming shareholder loans. It is therefore evident that **Adler transferred full titles of properties to Partners Immobilien without collecting payment or taking any collateral.**

The transfer of ownership of the project companies sold took place notwithstanding the fact that the purchase prices had not yet been paid in full, and no collateral was agreed for the purchase price payments.

In June 2021, one of the project companies sold was reacquired by Consus Real Estate AG, according to Adler²², in order to facilitate the marketing of an overall site. In this connection, Adler Group S.A. paid according to Adler⁹ as member of the Management Board of Consus Real Estate AG without his knowledge, paid an amount of approximately EUR 43 million to [REDACTED], a subsidiary of Corestate Capital Holding S.A., Luxembourg, in order to release the repurchased properties from encumbrances. This amount increased the out-

Figures 14 & 15 KPMG Investigation Report – Pages 95/129

Partners Immobilien mortgaged properties purchased from Adler, despite never having paid Adler for the properties.

Documentation was a mess: no due diligence was conducted on the transaction, and KPMG could not identify who the buyer was, identifying numerous companies around the world called "Partners Immobilien" with no explanation from Adler.

KPMG note that, during the course of its investigation, the project sales were to be reversed per an agreement on March 31, 2022. This has still not been completed. We view this as complete confirmation of our concerns regarding the Partners Immobilien sale and that its main function was to "prove" Adler's book values and enrich Caner's inner circle.

¹⁰ Pg 64/129

¹¹ Pg 94/129



Gerresheim

The sale of Gerresheim to Schrattbauer was confirmed through the company Spree Dritte Holding GmbH and included that Schrattbauer held an indirect interest in Adler Real Estate at the time through Mezzanine Investors IX. The impetus for the sale was, as we suggested, to drag Adler over the line to acquire ADO Group.

- A successful sale at a valuation of at least EUR 350 million was a condition of the Supervisory Board of Adler Real Estate AG for the closing of the transaction to acquire ADO Group Ltd. and thus the indirect interest in ADO Properties S.A. On September 23, 2019, and thus one day after the signing of the transaction "Gerresheim", the acquisition of ADO Group Ltd was publicly announced by Adler Real Estate AG.

Figure 16 KPMG Investigation Report – Page 75/129

Strangely a member of the supervisory board we believe to be Dirk Hoffmann agreed on the sale on the specific condition that Gerresheim not be sold to Spree implying that they were aware of both Caner's influence and his connection to Schrattbauer. Clearly, he was lied to.

No sufficient and adequate evidence was provided that negotiations were held with Spree Dritte Holding GmbH regarding the purchase of the project in Gerresheim. The minutes of the Supervisory

Board of Adler Real Estate AG dated December 12, 2019 indicate that approval by the Supervisory Board member of Adler Real Estate AG Adler12 was only given on the condition that "the ultimate owner of Gerresheim is not Spree".

Figures 17 & 18 KPMG Investigation Report – Pages 74-75/129

Typically, KPMG state the transaction was not comprehensible with insufficient due diligence conducted by either party. KPMG note no documentation was provide to the purchaser in order to conduct proper due diligence. Schrattbauer purchased the Gerresheim property having conducted no negotiations or due diligence with Adler.

In addition, the course of the sales process is not comprehensible and - measured against general, customary commercial principles - exhibits considerable ambiguities from the initiation to the completion of the transaction. Examples include the lack of documents on coordination and negotiations with the buyer, the lack of a structured creditworthiness analysis of the buyer, the intention to sell to another buyer, which was changed at short notice, and the lack of a clear resolution by the board of Brack Capital Properties N.V. regarding a sale to Spree Dritte Holding GmbH. In addition, KPMG was not provided with any correspondence with the buyer that would have enabled the buyer to conduct a proper due diligence.

Figure 19 KPMG Investigation Report – Page 75/129

The valuation of the property at €375m was also a complete fabrication. KPMG's ballpark valuation puts the property's value in June 2019 at €180m at most.

A rough plausibility check carried out by KPMG with the help of comparable standard land values in the vicinity of the development area resulted in a land value for land ready for construction in the region of a maximum of EUR 180 million as of the reporting date of June 30, 2019, before deduction of the development costs expected as part of the preparation for construction.

Figure 20 KPMG Investigation Report – Page 75/129



In total all that was paid by Schrattbauer was €36m from a bank loan taken out by Glasmacherviertel GmbH & Co KG.

According to KPMG the €132 was redeemed by the issuance of bonds on May 29, 2020, although we are skeptical who purchased these and on what terms. **Again, it is unfathomable that a bank loan was able to be taken out against the Gerresheim property by the purchaser without consideration having been paid to Adler.**

Of the agreed purchase price, only the first installment of EUR 36 million was paid by Glasmacherviertel GmbH & Co. KG until the purchase was reversed. A receivable from Spree Dritte Holding GmbH in the same amount was capitalized at Glasmacherviertel GmbH & Co. KG. The first purchase price installment was financed by a bank loan of EUR 132 million taken out by Glasmacherviertel GmbH & Co. KG. This bank loan was used to repay an existing bank loan of EUR 90 million and to pay the first purchase price installment of EUR 36 million. The purchaser had therefore not used any equity to settle the purchase price.

Figure 21 KPMG Investigation Report – Page 75/129

Post transaction, Adler continued to PAY SPREE an €2m (recorded as "capex") directed by Max Rienecker, with whom Schrattbauer spoke to on the phone¹². The €2m was repaid only after inquiry by Adler's auditor at the time. KPMG note that an inspection of Gerresheim books show no need for capex liquidity requirements (outside of the obvious requirement to pay Adler, presumably).

On September 23, 2019, and thus one day after the signing, a payment of EUR 2 million was instructed by Adler22 to Spree Zweite Holding GmbH with the reference "Gerresheim Capex". A corresponding internal confirmation e-mail to Adler22 with the transfer order, in copy- Adler32, is available to KPMG. According to information provided by Adler22, Adler Real Estate AG had given Spree Zweite Holding GmbH bridge financing for capital expenditures (CapEx), as Extern29 was still negotiating with the bank4 according to Adler22. According to the analysis of the accounting data of Glasmacherviertel GmbH & Co. KG submitted to KPMG, there are no indications that the company had a liquidity requirement in this amount. No contribution by Spree

Figure 22 KPMG Investigation Report – Page 76/129

Lastly, we note that the Gerresheim transaction saved Adler from an LTV breach. We reiterate our opinion that this traction was purely optical, engineered for the sole purpose of creative accounting and theft.

Based on the information obtained in the special investigation, it is doubtful in the overall assessment of the transaction process whether the valuation of EUR 375 million underlying the transaction represents a fair value according to IFRS 13 in the same amount. Instead, in KPMG's view, there is no sufficient evidence that the fair value significantly exceeds the value of EUR 205.1 million recognized as of June 30, 2019. The income resulting from the transaction and the balance sheet reclassification to "Investments held for sale" in accordance with IFRS 5 thus also led to a significant, and in KPMG's view inappropriate, relief of the LtV as of September 30, 2019. (see section 4.2.3). Accordingly, the LtV threshold of 60% stipulated in the bond terms and conditions would have been exceeded as of September 30, 2019 if the LtV calculation scheme derived by KPMG had been used and the balance sheet assets of Adler Real Estate AG had been (simultaneously) reduced by the assets attributable to the Gerresheim transaction.

Figures 23 & 24 KPMG Investigation Report – Pages 76-77/129

¹² Pg 76/129



Caesar transaction

A letter included in Viceroy's second report detailed connections between the Caesar JV and Schrottbauer. KPMG goes one step further showing that 75% owner of the JV, Repetite Deutschland GmbH is 100% held by Schrottbauer¹³.

In the "Caesar" transaction, Adler Real Estate AG sold "non-core" units to the joint venture company Caesar JV Immobilienbesitz und Verwaltungs GmbH, which was newly established by Adler Real Estate AG or its subsidiary Münchener Baugesellschaft GmbH (25%) and Repetite Deutschland GmbH (75%) in the course of this transaction. As of January 2, 2022, Repetite Deutschland GmbH is held by Repetite S.A. (100%). Repetite S.A. is a subsidiary (100 %) of Paros S.A., whose managing director and shareholder (100 %) is Extern29.

In the email review, an email dated December 2, 2020 was identified in which Adler22 is requested to release a payment in the amount of EUR 6 million to Spree Dritte Holding GmbH. In this regard, Adler Real Estate AG informed us that the payment was made so that Spree Dritte Holding GmbH could participate in a structuring of the refinancing following the sale of Caesar JV Immobilienbesitz und Verwaltungs GmbH, if necessary. However, this refinancing did not materialize, so that, according to Adler Real Estate AG, Spree Dritte Holding GmbH "immediately repaid the funds received. The balance with SPREE was accordingly balanced as of December 31, 2020."

Figures 25 & 26 KPMG Investigation Report – Pages 76-77/129

The Caesar transaction was closed in December 2018 but over a year later the company still owed Adler €42m, with €16m to be paid by December 1, 2020. This coincides with a December 2 2020 €6m payment released by Max Rienecker to Spree Dritte Holding on the pretense of refinancing, explaining why Spree "immediately repaid the funds it received".

This repayment, if it ever happened, would have reduced the receivables balance to €26m but in their 2020 annual report, **Repetite still owed €45m to Adler**¹⁴. The last time Adler mentioned Caesar was in Q2 2021 when it still owed €33m¹⁵.

Viceroy doubts the collection of these outstanding receivables.

¹³ Pg 62/129

¹⁴ 2020 annual report pg 123

¹⁵ Q2 2021 earnings presentation pg 33



3. Development Portfolio

Viceroy believe KPMG's assessment of Adler's development portfolio was broadly in line with our report, however we still believe KPMG's assessment to be generous.

Of concern: KPMG have confirmed that most Adler's projects were in a construction stop as of 30 June 2021.

nagement of Consus) as well as KPMG's impressions from the site visits (selected projects). For the majority of projects, a construction stop was in place as of June 30, 2021. In principle, this results in an extension of the construction period compared with the original Consus planning.

Figure 27 KPMG Investigation Report – Page 107/129

KPMG's revised valuation does not consider the fact that these projects will never be finished, and that a residual value will never be achieved, however **KPMG' cannot refute Viceroy's opinion that Adler's financial resources are not sufficient to complete these development projects.**

The allegation that Adler does not have the financial resources to implement the project developments cannot be refuted on the basis of the documents available to us in the special investigation.

Figure 28 KPMG Investigation Report – Page 108/129

Viceroy have provided a detailed status update on all of Adler's ongoing development projects, showing that most projects are shut off, and have failed to maintain basic administrative activities. Many have not lodged financial reports since 2019. This data can be found annexed to this report. We are dubious as to how KPMG can sign off on Adler's 2021 annual report in this condition. We believe this view is entirely consistent with the KPMG report.

Viceroy reiterate our belief that these developments are worth half of reported book value. It could be much less. We supplement our opinion with an Annexed update on development projects, which continue to show developments have been paused, are behind schedule, and payments are being withheld from contractors and suppliers.

Whistleblowers and aggrieved suppliers have provided a list of outstanding invoices from Adler developments dating back to 2019. These exceed €77m.



Fair Values & Financial Resources

KPMG's assessment of Viceroy's allegation that development portfolio valuations derived by the valuer are overstated **could not be refuted per Figure 29 below**. KPMG's own analysis determined that development portfolio valuations were overstated by ~18%. **Viceroy believes that KPMG is being extraordinarily generous.**

KPMG then states that the residual value method calculations by External Valuer1 (NAI Apollo) "cannot be understood". **This valuation assumes Adler has the financial resources to complete the projects, which KPMG could not confirm.**

The allegation that the fair values derived by Externer Bewerter1 using the residual value method are not appropriate cannot be refuted on the basis of the documents submitted, the additional information provided in this regard and the indicative valuation carried out by KPMG.

- Viceroy Research alleges that the market value of the Adler portfolio for the project developments determined by the external valuer1 using the residual value method in the base case scenario (according to Viceroy Research) is too high by EUR 1.77 billion (hereinafter "Impairment").
- The approach of Externer Bewerter1 in implementing the residual value method cannot be understood on the basis of the documents provided. Against this background, KPMG has carried out its own indicative market value calculations for a sample on the basis of the residual value method and compared its valuation results with the market values of Externer Bewerter1 as of the reporting date June 30, 2021.
- For the valuation sample, which represents around 66% of Adler's portfolio value for project developments, the market value determined by KPMG (EUR 1,934.0 million) is around EUR 411.8 million or around 17.6% below the market value determined by Externer Bewerter1 (EUR 2,345.8 million).

Figure 29 KPMG Investigation Report – Page 106/129

KPMG notes various reasons for the vast valuation differences against NAI Apollo. We believe these are the most interesting:

1. **A construction stop was in place for the majority of contracts**, suggesting that the valuer had NOT considered these construction halts in their valuation.

Construction period: In the context of the indicative valuation carried out by KPMG, KPMG relied on information provided by Adler Group (e.g. quarterly report Q3 2021 and discussions with the management of Consus) as well as KPMG's impressions from the site visits (selected projects). **For the majority of projects, a construction stop was in place as of June 30, 2021.** In principle, this results in an extension of the construction period compared with the original Consus planning.

Figure 30 KPMG Investigation Report – Page 107/129

2. **"Actual construction costs differ significantly between the documents provided to KPMG and cannot be reconciled". KPMG also infers some construction costs are non-recoverable.**

Upon request by KPMG, Adler withheld clarifying differences. Investors are left with two scenarios. We believe the most likely scenario is that Adler has consciously misrepresented these developments in order to forward-sell and borrow against properties. Given management's penchant for self-enrichment and lying: it is plausible differences have simply been stolen.



Actual construction costs: For the determination of the already realized construction costs, KPMG relied on information provided by the Adler Group (summary files as of June 30, 2021, actual construction cost overviews as of June 30, 2021 as well as quarterly report on Q3 2021, overviews of concluded contracts) as well as impressions of KPMG from the site visits (selected projects). The actual construction costs differ significantly between the documents provided to KPMG and cannot be reconciled. Despite repeated requests, Adler did not clarify the differences. In the context of the indicative valuation carried out by KPMG, KPMG used the most conservative approach of the actual costs provided to KPMG. If the actual construction costs do not appear to be recoverable in view of the progress of construction, KPMG has taken this into account by reducing the actual construction costs as estimated by KPMG.

Figure 31 KPMG Investigation Report – Page 108/129

3. Adler misrepresented their own valuation as that of NAI Apollo.

Management appears to have consciously applied higher developer profit rates on "almost all" projects than that of NAI Apollos' appraisal and have thus represented their own valuation as a third-party appraisal.

Developer's profit: KPMG has calculated the developer's profit in relation to the expected revenues (gross capital value) depending on the degree of concretization of the project developments (decision on development plan, legally valid development plan, building permit available) as well as the pre-utilization rate and the degree of completion. As a result, higher developer profit rates were applied to almost all project developments compared with the external appraisers'1 valuations.

Figure 32 KPMG Investigation Report – Page 108/129

4. Revenues did not appear plausible. KPMG "reduced rates at its own discretion" in sample cases.

Revenues: In order to determine rental and sales revenues, KPMG has checked the plausibility of the estimates for the main types of use taken into account by the external valuer1 on the basis of customary market ranges researched by KPMG. If the rental rates and sales revenues do not appear

plausible with regard to the planned quality of the space and the location, KPMG reduced the rates at its own discretion. If the project was marketed as a forward deal, KPMG used what it considered to be the most probable purchase price, taking into account the purchase price adjustment clauses.

Figures 33& 34 KPMG Investigation Report – Pages 107-108/129



Limitations to Development Portfolio Valuation & Going Concern

KPMG disclaims its valuation of Adler's development portfolio, stating the following:

The indicative value estimate made by KPMG is subject in particular to the following uncertainties and limitations:

- Due to the unauditable documentation of actual costs as of June 30, 2021, a final assessment of outstanding project costs is not possible.
- For project developments whose implementation is carried out by the general contractor from the Adler Group, no detailed planning of the construction and ancillary construction costs is available. A detailed plausibility check of the construction and ancillary construction costs was therefore not possible for KPMG.
- On the basis of the evidence presented in the special investigation, it is not possible to conclusively assess the financial performance of the Adler Group and possible influences of the liquidity situation on, among other things, the realization periods of the project developments under consideration.

The allegation that Adler does not have the financial resources to implement the project developments cannot be refuted on the basis of the documents available to us in the special investigation.

Figure 35 KPMG Investigation Report – Page 108/129

It is astounding that Consus and Adler were able to grow and leverage this portfolio to such an enormous size without basic due diligence, planning, and "unauditable documentation of actual costs".

KPMG assert that the residual value method is not suitable for Adler. We disagree with KPMG's assessment: it does not consider the fact that these projects will not be completed, but only Adler's intention to complete them¹⁶.

Viceroy reiterate our belief that these developments are worth, at most, half of reported book value. It could be much less. **It should also be noted that many of these development projects have been forward sold and are subject to possible claw-backs** to the tune of hundreds of millions of Euro.

A Viceroy Update

We supplement our opinion with an Annexed update on development projects, which continue to show developments have been paused, are behind schedule, and payments are being withheld from contractors and suppliers.

Whistleblowers and aggrieved suppliers have provided a list of outstanding invoices from Adler developments dating back to 2019. These exceed €77m.

This outstanding balance of Consus payables does not appear to be reflected in Adler's financial accounts. The total trade payable balance of the consolidated Adler group is only €75m as at Q2 2021, which includes ~€25m from Adler Real Estate.

Of this €77m outstanding balance, €70m has been outstanding since 2020. This is consistent with public complaints of various contractors due to nonpayment by Consus.

While we cannot reveal the source documents, we will make them available to regulators on request.

¹⁶ KPMG Investigation Report – Page 105/129



4. The Residential Portfolio

Viceroy have disagreements with KPMG's analysis in relation with Adler's "Residential Portfolio". We believe that KPMG has avoided making any realistic assumptions and has assessed the portfolio in silo of the rampant dirty dealing at Adler. KPMG's summary of Viceroy's findings was simplified to a point where they are neither useful nor provide meaningful context to investigate.

This was not overly surprising, as we found the same tone was present in Wirecard's investigation report and many other investigation reports in the past. We make the following notes in relation to KPMG's findings.

Use of DCF

KPMG believes DCF is appropriate method to value Adler's properties. We note the following reasonings accompanying KPMG's assessment:

1. **Adler states that it holds the properties for the purposes of generating income¹⁷.**
This is demonstrably false. Adler has accelerated the disposal of properties, including substantial sales since the appointment of KPMG.
2. **Presumed market purchasers of Adler's properties would also use this valuation method, thus arriving at the same fair value¹⁸.**
This is a strawman argument. Adler records enormous revaluations on properties it acquires on the market and from purported "arms-length" transactions with undisclosed related parties, then validate these valuations through disposals of properties with undisclosed related parties.

Rental Growth

KPMG rejects our assessment that rental growth rates are 3-5 times higher than peers based on the following:

1. **KPMG compares historical rental growth rates of peers and Adler, not future rates, and claim they're above the comparative rent group¹⁹.** Historical growth rates obviously do not affect DCF. Adler future DCF are significantly above peers.
2. **KPMG do not understand where Viceroy obtained growth forecasts as they were not in the annual report²⁰.** Correct, as referenced in our report, they are sourced directly from Thierry Jean-Francois Beaudemoulin, Co-CEO of Adler, in the Q2 2021 earnings call.
3. **KPMG affirm large historical rent increases in 2020. Despite this, KPMG echoes that Adler's valuer suggests there is still more room for growth.** KPMG then highlight that growth forecasts over 10 years are discounted by 2%, weighed primarily in short-term increases. Simply, we disagree that this is a realistic assessment.
4. **KPMG cannot determine what Viceroy mean by "B & C class" properties²¹.** This definition is pulled directly out of Adler annual reports and marketing data. It is not a Viceroy definition. The meaning is intuitive, and indicates property is not "top tier".

¹⁷ KPMG Investigation Report – Page 98/129

¹⁸ KPMG Investigation Report – Page 98/129

¹⁹ KPMG Investigation Report – Page 99/129

²⁰ KPMG Investigation Report – Page 101/129

²¹ KPMG Investigation Report – Page 99/129



Cap Rates

KPMG also rejects Viceroy's assessment on cap rates applied to properties being too low based on the following:

1. **KPMG suggests that our depicted cap rates were inconclusive and "uniform".** Viceroy suggest that "uniformity" is subjective in this instance. Adler's cap rates were within 1% of competitors, however a 0.25% point increase to Adler's residential portfolio cap rate as at Q2 2021 would result in a ~€740m fall in recorded value, all other parameters being equal. We do not accept that cap rates are uniform with competitors.
2. **KPMG ignores suggestions that Grand City is the most appropriate comp for Adler.** Viceroy stand behind this opinion, which underpins the residential portfolio valuation Base Case in our original report.

Valuer Inspections

KPMG refutes Adler IR's statements to Viceroy analysts that valuers do not inspect properties, noting that only 35% of properties have never been inspected. We would love to see this broken out between Adler Group, Adler Real Estate, and Consus.

KPMG Sample assessment

KPMG's sample assessment based on the above views still derives a -4.4% delta against Adler's recorded market values:

Location	Number VU	Rental space (m ²)	Market value (indicative) KPMG		Market value External valuer2		Delta (KPMG/. External evaluator2)	
			TEUR	EUR/m ²	TEUR	EUR/m ²	TEUR	%
Berlin	424	1.338.048	4.287.229	3.204	4.608.960	3.445	-321.731	-7,0
Leipzig	127	254.690	526.328	2.067	498.300	1.956	28.028	5,6
Wilhelmshaven	211	406.473	457.645	1.126	422.657	1.040	34.988	8,3
Duisburg	91	284.114	321.652	1.132	347.540	1.223	-25.888	-7,4
Wolfsburg	4	87.624	167.100	1.907	173.360	1.978	-6.260	-3,6
Göttingen	16	85.238	152.194	1.786	158.180	1.856	-5.986	-3,8
Dortmund	90	102.251	164.340	1.607	156.890	1.534	7.450	4,7
Hanover	26	61.433	135.410	2.204	133.550	2.174	1.860	1,4
Kiel	27	66.768	120.020	1.798	131.070	1.963	-11.050	-8,4
Düsseldorf	28	36.899	120.971	3.278	127.710	3.461	-6.739	-5,3
Halle (Saale)	35	105.917	106.810	1.008	100.850	952	5.960	5,9
Food	29	66.850	94.543	1.414	99.680	1.491	-5.137	-5,2
Sample KPMG	1.108	2.896.305	6.654.242	2.297	6.958.747	2.403	-304.505	-4,4
Total Stock eagle	2.169	4.451.561	-	-	8.871.263,1	1.993	-	-

Figure 36 KPMG Investigation Report – page 102/129

There is little key takeaway here. It is unfortunate that Adler, after all its slimy dealings, leads investors to believe KPMG has given them to all clear in relation to these valuations. This is not the case.



5. Limitations of the investigation

Cover fire

A key consideration in reading the report is that the investigation was conducted by KPMG's Frankfurt branch, while Adler's KPMG auditors are based in Luxembourg. While this does in theory mean the two are independent, we believe the report and its tying to the regular audit are intended to provide KPMG with an "out". As E&Y found out with Wirecard in 2019 it would be difficult or impossible to resign mid-audit²².

KPMG suggests that the scope of this investigation differs from that of an audit. We would expect that Adler's auditors take into consideration findings of this investigation. **We don't see how KPMG can obtain reasonable assurance that Adler's accounts are free of misstatement, and thus do not believe audits will be complete in Adler's brief deadline.**

The nature, scope and level of detail of the special audit we conducted differs significantly from that of an audit of annual financial statements. This implies, among other things, that in some cases higher

Figure 37 KPMG Investigation Report – page 8/129

Report scope

KPMG's state that their mandate was to investigate the concerns raised in Viceroy's reports on Adler and no further. The investigation therefore excluded numerous other examples of fraud and corruption brought to the attention of shareholders via various excellent pieces of journalism from across Europe.

The detection and investigation of possible improper actions outside the subjects of investigation described in more detail above was **not the** subject of KPMG's engagement.

A legal (and tax) assessment of the matters investigated was not the subject of the engagement. All comments on legal issues contained in this report are to be understood as references for legal follow-up, but do not constitute legal assessments. In addition, such references are always limited to individ-

Figure 38 KPMG Investigation Report – page 7/129

KPMG suggest our definition of "related party" is broader than defined in IAS 24. We disagree.

Viceroy Research has raised allegations in particular with regard to transactions with related parties not designated as such by Adler Group S.A.. In this context, the term "related party" refers to the natural persons and legal entities listed in the Viceroy Report ("related-party transactions"), which is defined much more broadly in the Viceroy Report than according to the criteria defined in IAS 24. The

Figure 39 KPMG Investigation Report – page 2/129

A related party is a person or an entity that is related to the reporting entity:

- A person or a close member of that person's family is related to a reporting entity if that person has control, joint control, or significant influence over the entity or is a member of its key management personnel.
- An entity is related to a reporting entity if, among other circumstances, it is a parent, subsidiary, fellow subsidiary, associate, or joint venture of the reporting entity, or it is controlled, jointly controlled, or significantly influenced or managed by a person who is a related party.

Figure 40 Outline of IAS 24²³

We don't think it could be any clearer. Given Caner effectively decides who works at Adler and what they do we consider him to have "significant influence" over the group of companies.

²² <https://www.irishtimes.com/business/financial-services/wirecard-and-ey-germany-the-anatomy-of-a-flawed-audit-1.4710898>

²³ <https://www.ifrs.org/issued-standards/list-of-standards/ias-24-related-party-disclosures/>



Stonewalling & Internal Control Limitations

There are several red flags about how Adler dealt with KPMG during the investigation which we summarize below:

- After starting its investigation, KPMG met with management in November because it hadn't received documents requested.
- On January 12, 2022²⁴, Adler's counsel informed KPMG that it would withhold certain documents due to attorney client privilege.
- On January 23, 2022, a *new* legal counsel informed KPMG that the reason had changed to prevent disclosure in legal proceedings.
- KPMG received its first batch of 3 million emails on February 16, 2022, leaving them 2 months to complete their review.
- At Adler's counsel's request, KPMG narrowed their search to 3 individuals' emails, the contents of which would be reviewed for privileged information.
- Of the 922k emails from those individuals, 421k were not reviewed by March 25, 2022. Of the 501k reviewed in the time, 51k were deemed privileged as part of a "Privilege log".
- The privilege log contained an unknown number of emails sent and addressed to Caner.
- KPMG was requested to delete and cease reviewing a total of 981 document that were handed over.
- Bank account statements for an unnamed number of accounts was not available, including the original statements for the accounts used to pay Caner and the Gerresheim transaction.
- Adler states that the bank accounts of Adler Real Estate do not have electronic access. This suggests that Adler must manually reconcile its account like in the Stone Age.
- Adler did not appear to have a legal hold implemented on its document management system. Adler was subsequently informed by Adler in investigation meetings that documents requested were only present in email accounts of individual persons.

Beyond their recalcitrance in the investigation there are serious signs that Adler have attempted to cover their tracks.

- Several contracts for key transactions either do not exist or were spurious.
- On several occasions documents are undated or dated long after when they should have been.

Far from Adler's claims that they would cooperate fully with the review it appears as though KPMG were stalled by management and legal teams then rushed with an April deadline that left them just a month to review some information.

Shareholders have a right to refuse to consider the matter closed.

²⁴ The date in the document is January 12, 2021, which we assume is an error.



Annexure 1 – Identity Table

The information was found through clues in the report and publicly available documents as well as by process of deduction. Several aliases do not have enough information to deanonymize or appear only once or twice. Further the identities of several individuals have been withheld.

Several identities which remain uncertain. These have been denoted with a question mark. Where relevant we have included a description of the individual. Please contact us if you find more clues or decipher more names.

We cannot attest to the accuracy of the below, as anonymized data and codex was compiled by KPMG.

Adler/Eagle

Monniker	Name	Description
Adler 1	Thomas Bergander?	Associate director of Consus in at least december 2018
Adler 2		
Adler 3	Carl Brorson	Managing director of Neue Design GmbH
Adler 4	Fiede Clausen	Former Group Strategy Officer at Consus Swiss Finance
Adler 5	Dayan Family	
Adler 6	Tomas de Vargas Machuca	Often acts in tandem with Adler 22, part of pay raise group
Adler 7		Comms with Groner
Adler 8	Sven Christian Frank	Married, male, comms with Meridien, signed for Adler Real Estate AG
Adler 9	Thierry Beaudemoulin	Management board member of Consus at June 2021
Adler10	Christoph Groner	Former CG Group, moved for CEO of Consus
Adler 12	Dirk Hoffmann	Supervisory Board Member of Adler Real Estate AG, didn't want Gerresheim sold to Spree
Adler 13		Payment signatory
Adler 14	Jens Japel	Employee of CG Gruppe, Chief Development officer at Consus,
Adler 15	Claus Jorgensen	Adler Real Estate AG Board member, head of EMEA credit trading at Mizuho, possible part owner of Fairwater Capital Holdco
Adler 16		Very senior in Consus
Adler 17	Arndt Krienen	Went to Yacht1 with Adler8, knows accentro, comms with meridien, signed for Adler Real Estate AG
Adler 18		Represented Consus
Adler 19	Benjamin Lee	CFO at Consus, Meridien alum
Adler20	Thomas Olek	CEO of Pubity
Adler 21		Hired after June 17 2019
Adler 22	Maximillian Rienecker	Co-CEO with Tomas Machuca
Adler 23		Possible legal advisor, advises Neue Design to move their registry location
Adler 24	Florian Sitta	Head of legal
Adler 25	Andreas Steyer	Management board member of Consus, Either Steyer, Kickum,
Adler 26	Michael Tockweiler?	Former exeutive board memembr of SSN Group AG
Adler 27		Comms with Bank1 about Consus shares
Adler 28		Employee of Adler Real Estate
Adler 29	Thomas Katzuba von Urbisch	Former supervisory board of adler real estate ag
Adler 30	Axel Harloff	Member of supervisory board at Consus Real Estate AG at July 2018
Adler 32		Facilitates payments
Adler 33	Thilo Schmidt	Member of supervisory board of Adler Real Estate AG. Claims not to have known about the Caner relation, was there on September 2019
Adler 34	Thomas Steinlet	



Externals

Monniker	Name	Description
Extern 1		Former Adler shareholder, provided loan
Extern2		Works as auditor for Adler
Extern3	Likely Jurgen Buser (deceased)	Member of management board of Consus, employment contract drafted Septmtember 2017
Extern 4	Richard Bunning	Meridien Capital
Extern 5		Option to receive Jun 17 Consus accounts, presumably meridien employee
Extern 6	Joao Cabaca?	Employee of Meridien Capital Management. Also a employee of Aggregate at least in April 2018.
Extern 7	Cevdet Caner	
Extern 8	Gerda Schrattbauer Caner	Owns Neue Design GmbH
Extern 9	Izzet Caner	Caners brother, also authorised signatory of Neue Design
Extrern 10		Meridien Capital Management Employee
Extern 11		Spree Holding employee
Extern12	Kiki Fu	EA to Richard Bunning, also functions as assistant to Caner
Extern 13	Natig Ganiyev	Controls and manages Spree companies, associated with partners immobilien
Extern 14	Possibly YY	Possible part owner of Fairwater Capital Holdco
Extern 15	Julia Vieth?	Former principal of Spree Röbellweg 2-10 Verwaltungs GmbH.
Extern 17	Siddhant Jain	Vice President Corporate Development Aggregate Holdings
Extern 18		managing director of a UK company
Extern 19		Comms with Groner and Steyerm put forward CFO candidate for Consus
Extern 20		Paid EUR1m for ADO merger
Extern 21		managing director of a UK company with the same name, paid 262k for ADO merger
Extern 22		Has an aggregate email, asked for a Consus email
Extern 24		Possibly part of Aggregate, speaks for Caner, requested documents from CG Gruppe
Extern 25		Signatory of Uccelini Limited, beneficial owner is Gerda Caner
Extern 26		Emails on behalf of Caner
Extern 27	Teddy Sagi	
Extern 28		Management Director at Bank 1
Extern 29	Josef Schrattbauer	Signatory of Neue Design, Partners Immobilien shareholder. Director of Spree Generalbauunternehmen w/ Izzet Caner.
Extern 30		Consultant for grain test storage facility, assumed payment from Adler
Extern 31	Gunther Walcher	Aggregate's sole shareholder, associated with Partners Immobilien
Extern 32	Ferry Wecken	Meridien Capital employee
Extern 33	Klaus Wecken	Partner at Wecken & Cie, Father? to Ferry Wecken
Extern 34	Unnamed	Potential hire



Annexure 2 – Development Portfolio Update

Below is a quick update on Consus developments our team was able to source. If you have more information, feel free to shoot us an email at viceroy@viceroyresearch.com.

Wasserstadt Konversuchsspeicher & Building 7

"According to the real estate manager on November 16, 2017, the property was acquired by Adler Real Estate at the time, "the completion of the 50,000 square meter project (was) planned for the end of 2019" According to the architects' website ⁹, the grain test storage facility should be completed by mid-2020. A period up to 2024 is now planned.

<https://rettet-das-rosental.de/index.php/investor-eiermann-campus>

<https://www.immobilienmanager.de/europacity-adler-kauft-wasserstadt-mitte-mit-700-wohnungen-16112017>

<https://www.ligne.de/kornversuchsspeicher-wasserstadt-mitte/>

COL III (Windmühlenquartier)

Cologne-Mülheim district council of February 14, 2022, the "votes on the part of the investor [...] have been suspended for many months, a short-term resale to generate more Speculative gains seem imminent".

Statutory accounts have not been lodged with the regulator since 2019.

<https://buergerinfo.stadt-koeln.de/getfile.asp?id=863487&type=do>

Cologne Apart VauVau

This project was forward sold: see Viceroy report. Kölnische Rundschau reports on February 1st, 2021: "The conversion of the former Post mail distribution center on Stolkasse into a residential and office building is progressing much more slowly than (planned) - one contractor involved even speaks of a month-long construction freeze and unpaid bills of around two million euros. Consus Real Estate is having the building near the cathedral converted, including around 200 apartments in the "CologneApart" [...]."

<https://www.rundschau-online.de/region/koeln/koelner-grossbauprojekt-arbeiten-in-der-stolkasse-stocken--bauunternehmer-klagt-38000726?cb=1650896440641&cb=1645441667145&>

Benrath Gardens

"Standstill in the construction of the Benrather Gardens" (Jan-2021)

Statutory accounts have not been lodged with the regulator since 2019.

https://www.wz.de/nrw/duesseldorf/duesseldorf-stillstand-beim-bau-des-wohnvietels-benrather-gaerten_aid-55479547

Gerresheim

Handelsblatt article from November 6th, 2021: "The Luxembourg group is behind seven projects with a volume of up to 5000 apartments (in Düsseldorf). This includes, among other things... the glassmaking district in Gerresheim. All (named) construction sites are at a standstill."

<https://www.handelsblatt.com/finanzen/immobilien/immobilien-fast-schon-skandaloes-adler-group-geraet-wegen-stockender-grossbaustellen-unter-druck/27772306.html?ticket=ST-18703422-OJKsxVExbNQDVilqTQz4-ap4>



Grafental II WA 12 & III WA 13 social

2020 statutory filing states the following: "There is an order commitment totaling €13.6 million, and the property must be completed by January 31, 2022. In addition, there are other financial obligations of €142 thousand, of which €72 thousand is due within one year and €45 thousand to affiliated companies. The personally liable partner of Grafental GmbH & Co. KG is Grafental Verwaltungs GmbH, based in Düsseldorf and with share capital of €25,000.00."

12/23/2021: "The Adler Group's projects in Dusseldorf have not made any progress for more than a year. Now that could change. In total, there are 5,000 new apartments that are urgently needed in Dusseldorf - specifically in Gerresheim, in Grafental and at the planned Grand Central."

https://rp-online.de/nrw/staedte/duesseldorf/glasmacherviertel-duesseldorf-gerresheim-was-wird-aus-den-grossen-wohnprojekten_aid-64779137

https://rp-online.de/nrw/staedte/duesseldorf/duesseldorf-baustart-fuer-147-sozialwohnungen-im-grand-central_aid-63756339

Grand Central

11/3/2021: "The Grand Central behind the main train station lay fallow for a good two years. "Build instead of speculate" exclaimed Mayor Stephan Keller (CDU) when the first foundation stone was finally laid on the site on Tuesday. (...) the building permits expire in 2022" AND "October 24, 2021 (right picture): The old buildings were demolished. 1000 apartments should be built and the first tenants should have moved in long ago. But that will probably take a while." "A spokeswoman said that the city recently informed the Adler Group that "pending proceedings must first be completed". Otherwise it would not be possible to "continue to work on building law" elsewhere. At the request of the Handelsblatt, Adler did not comment on the anger in Düsseldorf or the problems in the other cities. there shouldn't be another debacle like the "Grand Central".

<https://www.wiwo.de/technologie/wirtschaft-von-oben/wirtschaft-von-oben-131-adler-group-bau-im-schneckentempo-diese-immobilienprojekte-sind-in-verzug/27792734.html>

Upper North Tower VauVau

Still under construction see Google Satellite. "The construction of the nearby Upper North Tower has started but has been waiting for months." " the "Upper North Tower" [...]. All (named) construction sites are at a standstill (including the Upper North Tower)." The Handelsblatt 11/6/2021

Viceroy understand this project is forward sold.

Statutory accounts have not been lodged with the regulator since 2019.

<https://www.google.com/maps/place/Mercedesstra%C3%9Fe,+40470+D%C3%BCsseldorf,+Germany/@51.2489942,6.7983035,341m/data=!3m1!1e3!4m5!3m4!1s0x47b8c999e037d7d3:0xa08f3d3fe49cd38c!8m2!3d51.2512842!4d6.7960451>

https://rp-online.de/nrw/staedte/duesseldorf/duesseldorf-dem-ando-campus-fehlt-noch-ein-grundstueck_aid-63342627

<https://www.handelsblatt.com/finanzen/immobilien/immobilien-fast-schon-skandaloes-adler-group-geraet-wegen-stockender-grossbaustellen-unter-druck/27772306.html?ticket=ST-18703422-OJKsxVExbNQDVilqTQz4-ap4>



Ostend Quartier

"Those who followed the Frankfurt "Tatort" closely, tweeted the Adler Group on Friday, "may have seen that our future Ostend Quartier building project was used as a filming location". What Adler speaks less openly about: In real life, various construction sites of the real estate company are part of a crime thriller." Google satellite does not show any construction site, which suggests that the project has not started. Consus webpage indicates that the project is at the planning stage.

Statutory accounts have not been lodged with the regulator since 2018.

<https://www.handelsblatt.com/finanzen/immobilien/immobilien-verdacht-auf-mittelabfluesse-ex-staatsanwalt-prueft-projekte-der-adler-tochter-consus/27783690.html>

<https://www.google.com/maps/place/Danziger+Platz+12,+60314+Frankfurt+am+Main,+Germany/@50.1138494,8.7079941,58m/data=!3m1!1e3!4m5!3m4!1s0x47bd0e8559134abf:0x89ce2b08b895e9f0!8m2!3d50.1138494!4d8.7082717>

<https://www.consus.ag/frankfurt-ostendquartier?lang=en>

Holsten quarters

"At the end of 2021, the demolition of the old brewery building has just begun. But in the five and a half years after the first sale, the site changed hands three more times. "

https://www.zeit.de/hamburg/2021-12/elbvertiefung-03-12-2021?utm_referrer=https%3A%2F%2Fwww.google.com%2F

Neues Korallusviertel

"November 7th, 2021 (right picture): To date, not much can be seen. Construction is scheduled to be completed in 2023."

<https://www.wiwo.de/technologie/wirtschaft-von-oben/wirtschaft-von-oben-131-adler-group-bau-im-schneckentempo-diese-immobilienprojekte-sind-in-verzug/27792734.html>

Schwabenlandtower Fellbach

"September 18, 2021 (right picture): In 2018 the CG Group took over. A little has happened on the construction site since then - but not enough to complete the project in 2020, as originally planned." The Handelsblatt writes on November 6th, 2021: "Even in the shell of the Fellbacher Schwabenlandtower, it's quiet. So quiet that peregrine falcons, which are now protected, have settled on the roof of the building. Gröner's CG Group bought the building in September 2018 before it was merged into the Adler Group. The group wants to build 194 apartments in the tower. But the construction site on the border with Stuttgart has been idle for five years now. An Adler representative explained to concerned citizens in June 2021 that the Schwabenlandtower was "not a ruin" and blamed others. "Constraint on the market" would have delayed progress, the pandemic would have led to a "deceleration, also by the authorities". For a long time, the only movement was an exercise by the Stuttgart fire brigade, which simulated the rescue of a person from the 25th floor. Then, at the end of October, Adler reported with a glimmer of hope: In the base of the tower, in which a hotel is to move, a model room would be completed "soon". At the moment everyone is waiting for the big construction crane. Announced for late summer, it still hasn't arrived in November. The first tenants could now move in in 2023 at the earliest." And StN/StZ write on 01/16/22: "Last June, Jürgen Kutz, then Chief Development Officer of the Adler Group, announced at a press conference on the 31st floor that a 126-meter-high crane would be erected in late summer. Again there was nothing to be seen. At the beginning of November there was at least the "little brother" - a much shorter crane that was supposed to create new supports on the so-called level zero. This mini crane has been dismantled again. But now the Adler Group has promised the giant crane, "soon". The next few weeks will show how long the "short time" will be this time."



Statutory accounts have not been lodged with the regulator since 2019.

<https://www.wiwo.de/technologie/wirtschaft-von-oben/wirtschaft-von-oben-131-adler-group-bau-im-schneckentempo-diese-immobilienprojekte-sind-in-verzug/27792734.html>

<https://www.handelsblatt.com/finanzen/immobilien/immobilien-fast-schon-skandaloes-adler-group-geraet-wegen-stockender-grossbaustellen-unter-druck/27772306.html?ticket=ST-18703422-OJKsxVExbNQDVilqTQz4-ap4>

<https://www.stuttgarter-nachrichten.de/inhalt.tower-fellbach-das-lange-warten-auf-den-tower-kran.37189273-baa2-4fdb-b5ae-55f1826256d4.html>

VAI Campus Stuttgart Vaihingen

"Standstill and quarrels with other projects suggest that the investor for the planned residential area in Stuttgart-Vaihingen is short of money. If the city of Stuttgart was initially relaxed, it now sounds different. And an economist also expressed concerns."

<https://www.stuttgarter-nachrichten.de/inhalt.bauprojekt-in-vaihingen-viele-fragen-zum-eiermann-campus.9c9bbd0b-4e62-4337-823e-2a0dc66c3087.html?reduced=true>

Grafenberg

Limited media attention.

Covent Garden

"It doesn't look much different in the Mitte district, where there is a construction pit not far from the Adlon Hotel and the British Embassy. After the demolition of GDR prefabricated buildings, the so-called Wilhelm was to be built here, a block for sophisticated retail and apartments. But here, too, there is no trace of progress apart from a gaping hole in the Brandenburg sand."

<https://www.bloomberg.com/news/articles/2021-11-05/idle-cranes-empty-holes-and-angry-buyers-pile-pressure-on-adler>

Steglitzer traffic circle - Tower

"October 9th, 2021 (right picture): The tower should be converted into a residential building by the end of the year. Up close, however, it currently looks more like a half-finished steel frame." "The real estate giant Adler Group wants to sell the quarter at the foot of the high-rise tower. "A sale is indeed planned for the base of the Steglitzer Kreisel," said a company spokesman when asked by the BZ"

<https://www.wiwo.de/technologie/wirtschaft-von-oben/wirtschaft-von-oben-131-adler-group-bau-im-schneckentempo-diese-immobilienprojekte-sind-in-verzug/27792734.html>

<https://www.bz-berlin.de/berlin/steglitz-zehlendorf/skandal-um-steglitzer-kreisel-geht-in-die-naechste-runde>

The Wilhelm

"That timetable looks increasingly unrealistic. The monolith has stood clad in scaffolding for several years, a single crane periodically changing direction, with no discernible work happening on site." "October 8th, 2021 (right picture): Contrary to plan, it was not finished this year. It also looks like it's going to take a while"

No filings available.

<https://www.bloomberg.com/news/articles/2021-11-05/idle-cranes-empty-holes-and-angry-buyers-pile-pressure-on-adler>

<https://www.wiwo.de/technologie/wirtschaft-von-oben/wirtschaft-von-oben-131-adler-group-bau-im-schneckentempo-diese-immobilienprojekte-sind-in-verzug/27792734.html>



Palatium (Palaisplatz Altbau)

Latest media report from 11/5/2019: "The striking building on the corner of Palaisplatz and Hainstrasse is currently completely encased in semi-transparent cladding." Recent Google satellite images still show ongoing construction work.

Statutory accounts have not been lodged with the regulator since 2019.

<https://www.dnn.de/Dresden/Lokales/Richtfest-am-Palaisplatz-fuer-52-Wohnungen>

<https://www.google.com/maps/place/Palaispl.+2A,+01097+Dresden,+Germany/@51.061724,13.7379188,228m/data=!3m1!1e3!4m5!3m4!1s0x4709cf6b66923d9d:0x13bc508c62f34f21!8m2!3d51.061724!4d13.7390132>

Westend Ensemble - Grand Ouest

Offering of €64m bond 3% on 2/3/2022 organised by CORESTATE Bank. Handelsblatt 11/6/2021: "While the announcement in April was that the work would be completed by October 2021, it sounded more cautious in July. One can report brisk construction site activity and good progress, it said in a letter. The current planning provides that "all apartments in the Grand Ouest will be ready this year". Visits to the construction site make buyers doubt it. Less than 20 construction workers can be found there, reports someone who visits regularly. On site, he heard that companies had stopped working because Consus was not paying. The buyer says that he hardly gets any feedback on his inquiries from the company. The employee responsible is often unavailable, only respond to callback requests and e-mails after umpteen attempts. He now wants to take legal action. Adler does not comment on any of this."

No filings available.

<https://www.bundesanzeiger.de/pub/de/suchergebnis?36>

<https://www.handelsblatt.com/finanzen/immobilien/immobilien-fast-schon-skandaloes-adler-group-geraet-wegen-stockender-grossbaustellen-unter-druck/27772306.html?ticket=ST-18703422-OJKsxVExbNQDVilqTQz4-ap4>

Dreizeit - Wohnen and der Villa Berg

No mention in media, but Google Satellite images show truck and ongoing construction work and one image posted in Mar. 2019 shows temporary installation.

<https://www.google.com/maps/@48.7924917,9.208415,3a,62.3y,28.31h,51.27t/data=!3m8!1e1!3m6!1sAF1QipME31W8muUpw6u8hObcAuAB-hU7WKcyXtEbQLRM!2e10!3e11!6shttps:%2F%2Fh5.googleusercontent.com%2Fp%2FAF1QipME31W8muUpw6u8hObcAuAB-hU7WKcyXtEbQLRM%3Dw203-h100-k-no-pi0-ya358.35437-ro0-fo100!7i7000!8i2471>

<https://www.google.com/maps/place/Park+Villa+Berg/@48.7925743,9.2069128,397m/data=!3m1!1e3!4m5!3m4!1s0x0:0x476e8c49cc15c4c0!8m2!3d48.792352!4d9.2055392>

Bundesallee

"It, too, remains years behind schedule and is still shrouded in scaffolding."

No filings available.

<https://www.bloomberg.com/news/articles/2021-11-05/idle-cranes-empty-holes-and-angry-buyers-pile-pressure-on-adler>



Franklinhaus

Google satellite suggests that it's finished, but scaffoldings were still in place as of Apr. 2021

<https://www.google.com/maps/place/Gutenbergstra%C3%9Fe,+10587+Berlin,+Germany/@52.5189845,13.3258322,119m/data=!3m1!1e3!4m5!3m4!1s0x47a851053c9a55ef:0xe7d797d205a6f345!8m2!3d52.5169486!4d13.3287441>

<https://entwicklungsstadt.de/in-der-franklinstrasse-entstehen-grossflaechige-buerogebaeude/>

Residenz am Ernst Reuter-Platz

No media mention, but Google Satellite images show ongoing construction work (truck and crane).

We could not find this project on statutory registry.

<https://www.google.com/maps/place/Ernst-Reuter-Platz/@52.5150596,13.3216706,72m/data=!3m1!1e3!4m5!3m4!1s0x0:0x6443034e663dcf8!8m2!3d52.5127604!4d13.3218446>

Slightly outdated update (1/6/2021): <https://entwicklungsstadt.de/bueros-und-wohnungen-sanierung-und-neubau-am-ernst-reuter-platz/>

Cologne I

"So far little has actually been built" according to articles. Mostly abandoned lots and warehouses based on Google satellite and Street View.

No filings available.

<https://www.ksta.de/koeln/muelheimer-sueden-wie-das-grossprojekt-den-wohnungsbau-in-koeln-voranbringt-39594112?cb=1650639888770&>

<https://www.google.com/maps/place/Deutz-M%C3%BClheimer+Str.,+K%C3%B6ln,+Germany/@50.9505971,6.9861172,685m/data=!3m1!1e3!4m5!3m4!1s0x47bf25e7eb874277:0x50d53dc5e52260b8!8m2!3d50.9505971!4d6.9883059>

MaryAnn Apartments VauVau

No recent mention in media, but Google Satellite shows an empty construction site.

<https://www.google.com/maps/place/Freiberger+Str.+1,+01067+Dresden,+Germany/@51.0508074,13.730251,260m/data=!3m1!1e3!4m13!1m7!3m6!1s0x4709cf7dccc498c1:0x17f478bbe5fbd7a0!2sFreiberger+Str.,+Dresden,+Germany!3b1!8m2!3d51.0485362!4d13.7170968!3m4!1s0x4709cf1a28623acf:0xe5943210b5bf4e81!8m2!3d51.0506143!4d13.7310367>

Quartier Hoym

According to Tag24 on January 21, 2021, the construction site was at least temporarily closed in the late 20s/early 21s: "Actually, everything should be finished by the end of the year. But hardly a crane has been turning since December. [...] In addition, an internal document gives "non-payment of agreed and confirmed partial invoices in the order of magnitude and for months" as a reason. Consus denies this. The companies involved do not comment."

<https://www.tag24.de/dresden/lokales/quartier-hoym-baustopp-am-neumarkt-buergermeister-kuehn-alarmiert-1806923>



Magnolia (Dessauer Str)

7/15/2021: "After the takeover by the Adler Group, evaluations became necessary for some projects, the spokesman asked for understanding for the delays.". Also see photo on page 2 of the LVZ.de article

Not even a proper construction site per Google satellite:

<https://www.google.com/maps/place/Berliner+Str.,+Leipzig,+Germany/@51.3540967,12.3877902,227m/data=!3m1!1e3!4m5!3m4!1s0x47a6f80545caf3c9:0x6dc70b7febf38422!8m2!3d51.3540967!4d12.3884133>

<https://themenwelten.lvz.de/adler-group-leipzig-technisches-rathaus-magnolia-eutritzsche-143452>

Photo on p.2 <https://www.lvz.de/Mehr/Bilder/2021/7/So-sieht-es-jetzt-auf-den-frueheren-Baustellen-der-CG-Gruppe-aus/2>

Ostforum

8/8/2021: excavation work underway. Not sure if the Google satellite location is correct, but if so, there is only an empty construction site there.

No statutory filings available.

<https://www.lvz.de/Mehr/Bilder/2021/7/So-sieht-es-jetzt-auf-den-frueheren-Baustellen-der-CG-Gruppe-aus>

<https://www.google.com/maps/place/Prager+Str.,+Leipzig,+Germany/@51.3316152,12.3928507,908m/data=!3m1!1e3!4m5!3m4!1s0x47a6f9aa067d69e9:0x20439da1a90e9afd!8m2!3d51.3120547!4d12.415912>

Quartier Kreuzstraffe

8/8/2021: "Work is also starting again in the "Kreuzstrasse district" between Lange and Ludwig-Erhard-Strasse." Not much going on, see photo on p.2 and 3 of LVZ.de, empty construction site:

<https://www.lvz.de/Mehr/Bilder/2021/7/So-sieht-es-jetzt-auf-den-frueheren-Baustellen-der-CG-Gruppe-aus/2>

Steglitzer traffic circle

The Berliner Zeitung reported on February 12, 2022: "The real estate giant Adler Group wants to sell the quarter at the foot of the high-rise tower. "A sale is indeed planned for the base of the Steglitzer Kreisel," said a company spokesman when asked by the BZ and confirmed a "Handelsblatt" report." And further: "André Gaufer, Managing Director of PROfinance GmbH and purchaser of a 68 square meter apartments on the 19th floor, is indignant: "Outwardly, the investor made everyone believe that he wanted to upgrade the roundabout, but in the end he only managed to fill his own pocket." The financial expert fears: "Next he will also sell the high-rise tower. The district has been fooled! Gaufer wants to continue fighting for his rights in court. How the project will continue is unclear."

No statutory filings available.

<https://www.handelsblatt.com/finanzen/immobilien/immobilien-adler-tochter-consus-wird-zum-problemfall-80-millionen-euro-bilanzverlust-im-jahr-2020/28047648.html>



FourLiving Vauvau

8/8/2021: "delays in construction, but big ambitions"

<https://www.google.com/maps/place/Berliner+Str.,+Leipzig,+Germany/@51.3540967,12.3877902,227m/data=!3m1!1e3!4m5!3m4!1s0x47a6f80545caf3c9:0x6dc70b7febf38422!8m2!3d51.3540967!4d12.3884133>

No 1 Mannheim

2/12/2021: "Mannheim's major construction site is progressing"

https://www.echo-online.de/lokales/nachrichten-rhein-neckar/mannheims-grossbaustelle-kommt-voran_23136540