

Translation for Convenience Purposes

Explanatory report by the Management Board regarding the information pursuant to §§ 289a, 315a of the German Commercial Code (HGB) for the Financial Year 2017

The Management Board of Scout24 AG explains the information pursuant to §§ 289a, 315a of the German Commercial Code (HGB) disclosed in the combined management and Group management report of Scout24 AG and Scout24 Group as follows:

Composition of subscribed share capital

The subscribed share capital of Scout24 AG amounts to EUR 107.6 million. It is divided into 107,600,000 registered ordinary no-par value shares (individual share certificates) with a proportional interest in the share capital of EUR 1.00 per share. The shares are deposited by means of a global share certificate; the right to demand issuance of individual share certificates is excluded. Each no-par value share grants the same rights and carries one vote at the Company's annual shareholders' meeting. All registered shares are fully paid in.

Direct or indirect equity investments that exceed 10% of voting rights

As of 31 December 2017, the company is aware of the following equity investments representing more than 10 % of voting rights: Morgan Stanley, Wilmington, Delaware, United States of America, 10.03 %.

Shares endowed with special rights

All shares are granting the same rights, there are no classes of securities endowed with special control rights.

Control of voting rights for equity investments of employees

No provisions exist for control of voting rights if employees participate in the share capital without directly exercising their voting rights.

Appointment and dismissal of members of the Management Board, amendments to the articles

Pursuant to section 6 (2) of the articles of Scout24 AG, the members of the Management Board are to be appointed, and appointment shall be revoked, by the Supervisory Board. Further provisions are set out in the Sections 84 and 85 of the German Stock Corporation Act (AktG). Any amendment to the articles requires a majority of at least three quarters of the attending share capital at the General Meeting of Shareholders. The provisions of Sections 179 et seq. of the German Stock Corporation Act (AktG) are applicable. According to section 10 (4) of the articles, the Supervisory Board shall be entitled to amend the articles relating solely to their wording. In particular, the Supervisory Board is authorized to amend the wording of the articles of association after complete or partial implementation of the increase of the share capital out of the Authorized Capital 2015 stipulated in section 4 (6) of the articles or after the expiry of the authorized period in accordance with the amount of the capital increase out of Authorized Capital 2015.

Authorization of the Management Board to issue new shares or buy back shares

The Management Board is authorised to increase the company's share capital with the approval of the Supervisory Board in one or several tranches until 3 September 2020, by issuing new no-par value registered shares against cash or non-cash capital contributions, by an amount of up to EUR 50.0 million in total (Authorised Capital 2015). Shareholders are to be granted subscription rights in this context. Pursuant to Section 186 (5) of the German Stock Corporation Act (AktG), the new shares can also be transferred to a bank or enterprise operating pursuant to Section 53 (1) Clause 1 or Section 53b (1) Clause 1 or Section 53b (7) of the German Banking Act (KWG), with the obligation to offer them to the shareholders for subscription (indirect subscription right). The Management Board, with Supervisory Board approval, is authorised to exclude shareholders' subscription rights in whole or in part in the following cases:

- in the instance of a capital increase against cash capital contributions if the issue price of the new shares is not substantially (in the meaning of Section 186 (3) Clause 4 AktG) lower than the stock exchange price of shares of the company carrying the same rights, and the shares issued by excluding the subscription right in accordance with Section 186 (3) Clause 4 AktG, in aggregate do not exceed ten percent (10 %) of the share capital, either at the time of this authorisation entering into effect or at the time of exercise of this authorisation. Those shares must be taken into account with regard to this limit that have been issued or sold subject to exclusion of the shareholder subscription rights during the time when this authorisation is in effect up to the time of exercise of the respective authorisation in direct or corresponding application of Section 186 (3) Clause 4 AktG. Those shares must also be taken into account that have been issued or can still be issued by the company on the basis of convertible bonds/bonds with warrants issued as of the time of the respective

exercise of the authorisation if the convertible bonds/bonds with warrants were issued by the company or Group companies subject to exclusion of the subscription right of the shareholders in direct or corresponding application of Section 186 (3) Clause 4 AktG after this authorisation takes effect;

- in the instance of capital increases against non-cash capital contributions, in particular for the purpose of acquiring companies, parts of companies or interests in companies; for the purpose of excluding fractional amounts from the shareholders' subscription rights;
- for fractional amounts;
- to issue shares to employees of the company and employees and board members of subordinated affiliated companies, and, in addition, with regard to employees in accordance with the requirements of Section 204 (3) AktG;
- for the purpose of granting subscription rights to holders of conversion or option rights related to bonds to be issued by the company or an affiliated company.

Altogether, the portion of the share capital that is attributable to shares being issued on the basis of the Authorised Capital 2015 with the shareholders' subscription rights being excluded shall not exceed 10 % of the share capital, either at the time of that authorisation taking effect or at the time when the authorisation is exercised. The shares issued or to be issued to service bonds with conversion or warrant rights or an obligation to convert them shall count towards the aforementioned 10 % limitation if such bonds were issued during the term of this authorisation with the shareholders' subscription rights being excluded.

The Management Board is authorised to determine the further details of the capital increase and its implementation, in particular the content of the share-related rights and the terms and conditions of the share issue, with the approval of the Supervisory Board.

In the course of the initial public offering this authorisation was partly used in an amount of EUR 7.6 million.

By resolution of the AGM of Scout24 AG on 8 June 2017, and in accordance with Section 71 (1) No. 8 of the German Stock Corporation Act (AktG), the Management Board is authorised to purchase its own shares representing an amount of up to 10 % of the lesser of the share capital at the time of the authorisation or the share capital at the time of the respective exercise of the authorisation. The share capital at the time of the authorisation amounted to EUR 107,600,000. This authorisation can be exercised in full, or in part, once, or on several occasions and is valid until 7 June 2022. The Company can purchase its own shares (1)

through the stock market or (2) by means of a public purchase offer or by means of a public invitation to submit such an offer or (3) through the deployment of derivatives (put or call options or combination of both).

Material agreements of the Company that take effect in the event of a change of control following a takeover bid

The Facility Agreement signed on 19 December 2016 represents a significant Group agreement subject to a change of control. A change of control occurs when a shareholder acquires 30% of the stakes in the company. In the case of a change of control and under additional preconditions, the Facility Agreement enables individual lenders to claim their share of the loan within a set timeframe.

Compensation agreements with the members of the Board of Management or with employees in the event of a takeover bid

No such agreements exist.

Munich, May 2018

Scout24 AG

The Management Board



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This document is a convenience translation of the German original. In case of discrepancies between the German and English version, the German version prevails.