

**Joint Report**  
**of the Executive Board of Scout24 AG**  
**and**  
**the management of Autoscout24 GmbH**

pursuant to Section 293a of the German Stock Corporation Act (*Aktiengesetz*; **AktG**)  
on **Amending** the Profit and Loss Transfer Agreement  
between Scout24 AG and AutoScout24 GmbH dated 20 October 2008

**I. General**

Between Scout24 AG (hereinafter **Scout24**) and AutoScout24 GmbH (hereinafter the **Subsidiary**), a profit and loss transfer agreement dated 20 October 2008 is in place (hereinafter the **Profit and Loss Transfer Agreement**). The agreement was originally concluded between the Subsidiary and Scout24 Holding GmbH, Scout24 AG being its legal successor. The Executive Board of Scout24 and the management of the Subsidiary jointly issue the following report on amending the Profit and Loss Transfer Agreement pursuant to section 293a AktG.

**II. Conclusion of the Profit and Loss Transfer Agreement and the amendment agreement**

The Profit and Loss Transfer Agreement was entered in the commercial register for the Subsidiary (HRB 128701) at the Munich commercial registry on 24 October 2008.

Scout24, represented by members of the Executive Board Mr Ralf Weitz and Dr Thomas Schroeter, concluded an amendment agreement to the Profit and Loss Transfer Agreement with the Subsidiary, represented by its managing directors Mr Tobias Hartmann and Dr Dirk Schmelzer, on 10 July 2019 (hereinafter the **Agreement**).

At its meeting on 10 July 2019, the Executive Board of Scout24 resolved to conclude the Agreement.

The management of the Subsidiary resolved on 10 July 2019 to conclude the Agreement.

The shareholders' meeting of the Subsidiary approved of the conclusion of the Agreement on 10 July 2019.

The Agreement will only be valid with the approval of the Annual General Meeting of Scout24. The Executive Board and the Supervisory Board will therefore propose to the Annual General Meeting to be convened on 30 August 2019 that the Agreement be approved.

In accordance with Sections 295 (1) and 294 (2) AktG, the Agreement will only take effect once it has been registered with the commercial register held at the place where the Subsidiary has its registered office.

**III. Parties to the Agreement**

## 1. Scout24 AG

Scout24 AG, with its registered office in Munich, registered in the commercial register of the Local Court (*Amtsgericht*) of Munich under HRB 220696, is a listed stock corporation under German law (*Aktiengesellschaft*) and the ultimate holding company of the Scout24 Group. As of 31 December 2018, the Scout24 Group had 1,519 FTEs worldwide and generated a turnover of approximately € 531.7 million in the financial year 2018.

According to its articles of association, the purpose of the company is the acquisition, holding, managing and selling of interests in enterprises – in Germany and abroad – of any legal form which are active in the field of online/internet services, as well as all measures which relate to the activities of a holding company with group-management functions, especially rendering management and other advisory services against consideration *vis-à-vis* affiliated companies, as well as activities in the field of online/internet business in Germany and abroad. The company may directly and indirectly engage in all activities which are suitable for serving the purpose of the company. Further, the company may, in particular, establish branches and other enterprises in Germany and abroad. Furthermore, the company may limit its activities to a part of the fields of activity mentioned above.

## 2. AutoScout24 GmbH

AutoScout24 GmbH, with its registered office in Munich, registered in the commercial register of the Local Court of Munich under HRB 128701, is a company with the legal form of a limited liability company (*Gesellschaft mit beschränkter Haftung*), the sole shareholder of which, Scout24 HCH Alpen AG, is a wholly owned subsidiary of Scout24 AG.

The Subsidiary's financial year corresponds to the calendar year. Its share capital (*Stammkapital*) amounts to € 1,269,950.00. According to its articles of association, the purpose of the Subsidiary is the establishment and operation of a data network to consolidate supply and demand in the automobile market including related fields (such as the rendering of information services on the automobile market or automobile financing and insurance) and all related activities (in particular vehicle trading), investing in companies, in particular in the computer, software, internet and online service industry, in Germany and abroad, the rendering of services in the field of management and the brokering of such services and auxiliary business of all kinds. The company may enter into all transactions and take all measures which are suitable for directly or indirectly serving the above business purpose. Further, the company may establish, acquire or participate in similar or other companies as well as establish representative and branch offices and participate in fiscal units for tax purposes in Germany and abroad.

The Subsidiary holds various equity interests. It is in particular the sole shareholder of AutoScout24 Belgium S.A., AutoScout24 France SAS, AutoScout24 Italia S.R.L., AutoScout24 AS GmbH and AutoScout24 Nederland B. V. In addition, AutoScout24 GmbH holds a minority interest in Alpinia Investments 2018 S.L.U. As at the date of this report, the company has 246 employees. In its annual financial statements prepared in accordance with German commercial law, the Subsidiary reported pre-transfer annual net income of € 117,520,991.87 in the financial year 2018. The Subsidiary's balance-sheet as of 31 December 2018 shows total assets of € 224,813,498.62 and equity of € 48,168,716.39. The annual financial statement of the Subsidiary will be included in the consolidated financial statement of Scout24 AG.

## IV. Legal and commercial reasons for concluding the amendment agreement

The Profit and Loss Transfer Agreement contains the following provisions on the absorption of losses in § 2 (1) and (2):

1. In accordance with section 302 (1) AktG, Scout24 Holding GmbH is obliged to absorb any loss for the year that would otherwise accrue during the term of the Agreement, unless such loss is offset by withdrawing amounts from the other retained earnings which were allocated to the other revenue reserves during the term of the Agreement. The claim for absorption of losses will arise at the end of the financial year. It will fall due on this date as the value date.
2. Section 302 AktG, as amended, shall also apply in all other respects.

Currently applicable legislation requires that any absorption of losses under profit and loss transfer agreements must occur in line with the provisions of Section 302 AktG, as amended, in order to comply with the criteria for a fiscal unity. The existing version of the Agreement does not contain such a clear dynamic reference to all provisions contained in section 302 AktG. An amendment for the purposes of clarification is thus to be agreed.

In addition, the Profit and Loss Transfer Agreement in its present form does not provide for the accrual of interest on the claim to the absorption of losses or the obligation to transfer profits. A provision to this effect is now to be included for the first time. It is intended to provide for an interest rate in the context of the cash pool between the parties.

#### **V. Explanation of the amendment agreement**

The key terms of the Profit and Loss Transfer Agreement between Scout24 and the Subsidiary are explained below:

Pursuant to no 1 of the amendment agreement, § 2 of the Profit and Loss Transfer Agreement is amended and will be restated as follows:

- (1) The controlling company agrees to absorb any losses generated by the controlled company in line with the provisions of Section 302 AktG, as amended.
- (2) The claim to the absorption of any losses will fall due at the end of the controlled company's balance-sheet date.

Pursuant to no 2 of the amendment agreement, the following will be added as § 3 of the Profit and Loss Transfer Agreement under the heading "Interest":

The claim to the absorption of any losses and the obligation to transfer profit will accrue interest as of the due date in line with the interest rate agreed in the context of the cash pool.

Pursuant to no 3 of the amendment agreement, the previous § 3 of the Profit and Loss Transfer Agreement will become § 4.

Pursuant to no 4 of the amendment agreement, the previous § 4 of the Profit and Loss Transfer Agreement will become § 5.

No further amendments are made under the amendment agreement. In all other respects, the Profit and Loss Transfer Agreement remains in force and effect.

#### **VI. Determinations pursuant to Sections 304 and 305 AktG / examination of the Profit and Loss Transfer Agreement**

Since Scout24 indirectly holds 100% of shares in the Subsidiary, it is not necessary in the present case to determine any compensation or settlement payments for the Subsidiary's third-party shareholders, since the Subsidiary does not have any third-party shareholders. It is therefore also not necessary to have the companies involved officially valued in order to determine adequate compensation or settlement payments. Since Scout24 indirectly holds all shares in the Subsidiary, it is not necessary in the present case for the Agreement to be audited by a specialist (contract auditor (*Vertragsprüfer*)) pursuant to Section 293b (1) AktG.

Munich, 15 July 2019

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**Scout24 AG**

**Scout24 AG**

**Thomas Schroeter**

**Ralf Weitz**

[signature]

[signature]

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**AutoScout24 GmbH**

**AutoScout24 GmbH**

**Tobias Hartmann**

**Dirk Schmelzer**