

Report of the

Supervisory Board

extract from the Annual Report 2019 of
Scout24 AG

Report of the Supervisory Board

Dear Shareholders,

In the 2019 financial year, the Scout24 Group once again fully met its revenue and earnings targets. The two central platforms – ImmobilienScout24 and AutoScout24 – were successfully further developed into integrated marketplaces in the online sector. The Supervisory Board supported the Management Board and consulted with it throughout as regards the targeted expansion and growth of the business.

The Supervisory Board supports the Scout24 Group's strategic focus on the market-leading platform ImmobilienScout24 and the sale of the AutoScout24 operating segment. In the summer of 2019, Scout24 AG began a review of strategic alternatives for the AutoScout24 operating segment. The Supervisory Board was continuously involved in the process and was comprehensively informed about its progress. After a careful and thorough review, Scout24 reached an agreement with a subsidiary of Hellman & Friedman LLC in December 2019 on the sale of the digital marketplaces AutoScout24, FinanceScout24 and FINANZCHECK. Each platform is in a position to reach its full potential and shape its future in the interest of the company and all stakeholders, especially shareholders, users, customers and employees.

The Supervisory Board performed all of its duties and met all of the obligations incumbent on it by law, the company's Articles of Association and the rules of procedure for the Supervisory Board. In total, the Supervisory Board held eight ordinary meetings during the 2019 financial year. No member of the Supervisory Board was absent in more than half of the meetings of relevance for the member in question. A detailed list of meeting attendance is included as a table subsequently in this report.

The Supervisory Board monitored the Management Board in its management of the business on an ongoing basis and advised it on all matters of importance to the company. The Supervisory Board was at all times satisfied with the lawfulness, correctness, expediency and economic efficiency of the management of the company.

Cooperation between the Supervisory Board and the Management Board

The Management Board provided the Supervisory Board with regular, timely and comprehensive information in detailed oral and written reports on all issues of relevance to the company and the Group regarding strategy, planning, business development, risk position, risk management and compliance. In this context, the Management Board also explained deviations between actual figures and previously reported targets to the extent necessary. Consequently, the Management Board fulfilled all its reporting obligations to the Supervisory Board in the financial year. In this context, the Supervisory Board and its committees were involved in all important business transactions and decisions of fundamental significance for the company.

Ahead of the meetings, the Supervisory Board members always had sufficient time to critically review the information and documents presented by the Management Board. In the course of the meetings, the information was discussed and examined in detail with the Management Board; each member of the Supervisory Board was able to contribute and did indeed contribute their opinions. The Supervisory Board granted its approval for individual transactions wherever required by law, the company's Articles of Association or the rules of procedure for the Supervisory Board or the Management Board. Collaboration with the Management Board was characterised by responsible and purposeful action in all respects.

Beyond the scope of the meetings, the members of the Supervisory Board, and especially the Chairman of the Supervisory Board and the Chairs of the Executive Committee, the Audit Committee and, since September 2019, the Remuneration Committee, were also in regular contact both with each other and with the Management Board. The matters deliberated mainly related to the company's strategy, planning, business development, risk position, risk management, corporate governance and compliance. In addition, the Chair of the Supervisory Board was immediately informed of any important events of material significance for an assessment of the situation and development as well as the management of the company. The remaining members of the Supervisory Board were informed at the latest at the next full meeting of the Supervisory Board or the committee meetings.

No conflicts of interests arose within the Supervisory Board in the reporting period.

Main focus of work in the Supervisory Board plenum

In addition to the regular reporting and discussion of the current business development of the operating segments, the Supervisory Board's work focused on the following topics:

At the beginning of the year, the Supervisory Board's work focused on the public takeover bid and the related conclusion of the investor agreement dated 15 February 2019 with the bidding company (held by funds advised by Hellman & Friedman LLC and group entities of Blackstone Group L.P.).

At the meeting of 19 March 2019 to discuss the financial statements, the Supervisory Board discussed the separate financial statements of Scout24 AG for 2018 and the consolidated financial statements for 2018, approved them and decided on the appropriation of profits. The Supervisory Board also concerned itself with the agenda and individual resolution proposals for the 2019 Annual General Meeting as well as the table of duties of the members of the Management Board. The declaration of conformity to the German Corporate Governance Code (GCGC) as well as any deviations from it were also discussed.

The meeting of 10 April 2019 and its preparation dealt extensively with the evaluation of the takeover bid and the reasoned statement of the Supervisory Board on the takeover bid. The Supervisory Board decided to support it. As the takeover bid did not reach the minimum acceptance threshold set by the bidder, the Supervisory Board concerned itself intensively with the consequences and the future orientation of the company at its meeting on 27 May 2019.

In the early part of the year, the Supervisory Board also concerned itself with the replacement of the chief financial officer, until the decision was made at the beginning of June to appoint Dr Dirk Schmelzer as the new chief financial officer of the Scout24 Group. At its 12 June 2019 meeting, the Supervisory Board concerned itself with the general development of business within the Scout24 Group. Due to the change

on the Management Board with the appointment of Dr Dirk Schmelzer, a resolution was passed to adjust the table of duties of the Management Board. The agenda and individual resolution proposals for the 2019 Annual General Meeting were also discussed further.

At the meeting on 26 September 2019, the new members of the Supervisory Board were welcomed and the members of the committees, including their respective chairs, were elected. Frank Lutz was elected Deputy Chairman of the Supervisory Board. An in-depth discussion was also held on the individual operating segments of the Scout24 Group. The financial outlook for the current and next financial year, M&A activities, opportunities and the development of the individual operating segments were also presented and discussed.

The meeting of 11 November 2019 focused on the review of strategic alternatives for AutoScout24, how the process was progressing and the various options available in this context. In addition, the market development and the regulatory environment as well as the competitive situation were examined in more detail. At the meeting on 5 December 2019, the Supervisory Board held extensive discussions with the Management Board regarding the financial position of both Scout24 AG and the Group, discussing in-depth with management the business trends. Furthermore, the Supervisory Board passed a resolution on the budget for the 2020 financial year. The progress made in the process of evaluating strategic alternatives for the AutoScout24 operating segment was also again discussed in detail. At the extraordinary meeting on 16 December 2019, the sale of the digital marketplaces AutoScout24, FinanceScout24 and FINANZCHECK was approved after intensive preparation and consultation.

Committees

To perform its tasks efficiently, the Supervisory Board has currently formed three committees, namely an Executive Committee, an Audit Committee and, since September 2019, a Remuneration Committee. These committees prepare the resolutions for the Supervisory Board as well as agenda items that are to be dealt with in the full meeting of the Supervisory Board. Furthermore, the Supervisory Board has delegated certain defined powers, where legally permissible, to its committees. The committee chairs report to the Supervisory Board on the respective committee's work at the subsequent Supervisory Board meeting.

EXECUTIVE COMMITTEE

The Executive Committee prepares the meetings of the Supervisory Board and in particular the strategic M&A activities of the Scout24 Group. In particular, the Executive Committee is responsible for preparing the decisions of the Supervisory Board related to corporate governance and, prior to the establishment of the Remuneration Committee in September 2019, related to proposals for intended appointments or dismissals as well as the compensation of members of the Management Board.

The Executive Committee's Chairman is Dr Hans-Holger Albrecht. In the 2019 financial year, the committee consisted of the Chairman and the other Supervisory Board members Peter Schwarzenbauer, Frank H. Lutz (since September 2019), André Schwämmlein (since September 2019), Ciara Smyth (until September 2019) and David Roche (until August 2019).

In 2019, the Executive Committee met three times. All committee members required to pass resolutions were present. The main topics of discussion were the preparation of the meetings, corporate governance, as well as the replacement of members who had left the Supervisory Board. Prior to the establishment of the Remuneration Committee, the Executive Committee also dealt with issues relating to the compensation of the Management Board.

AUDIT COMMITTEE

The Audit Committee addresses in particular the monitoring of the financial reporting, the financial reporting process, the effectiveness of the internal control system (ICS), the risk management system, the internal audit system, the audit as well as compliance. The Audit Committee submits a reasoned recommendation for the appointment of the independent auditor to the Supervisory Board. It monitors the auditor's independence and concerns itself with the additional services rendered by the auditor, the issuance of the audit engagement, the determination of the key audit areas and the agreement of fees.

Pursuant to the German Stock Corporation Act (Articles 107 (4), 100 (5) AktG, Aktiengesetz), the Audit Committee must include at least one member of the Supervisory Board who has expertise in the fields of financial reporting or auditing. The Audit Committee Chairman, Frank H. Lutz, meets these legal requirements and has additional expertise in the fields of financial planning and controlling. Furthermore, Frank H. Lutz satisfies the additional criteria of Section 5.3.2 (3) GCGC according to which the audit committee chairperson should be independent and not a former member of the Management Board whose term of office ended less than two years ago. In addition to the Chairman, the Audit Committee consisted of the other Supervisory Board members Dr Hans-Holger Albrecht, Christoph Brand (since September 2019), Dr Liliana Solomon (until August 2019) and Michael Zahn (until June 2019).

The Audit Committee held a total of three face-to-face meetings and three conference calls in 2019. The main topics of discussion in the Audit Committee were the annual financial statements, the proposal for the appropriation of profits, the half-year report, the quarterly statements, the work of the internal audit function, risk management and the compliance report as well as IT security and data protection in the Scout24 Group.

REMUNERATION COMMITTEE

Ciara Smyth has chaired the Remuneration Committee since its establishment in September 2019. The other members are Peter Schwarzenbauer and André Schwämmlein. In addition to the preparatory work outside the meetings, the Remuneration Committee held one formal meeting in the 2019 financial year. All committee members were present. Key topics included issues relating to the compensation of the Management Board, particularly in view of the expected changes in legislation or amended legal provisions and recommendations.

Corporate governance and declaration of conformity

By resolution of February 2020, the Supervisory Board adopted the current declaration of conformity in accordance with Article 161 AktG. The full text of this declaration can be found subsequently in the [CORPORATE GOVERNANCE REPORT](#) and has been published on the corporate website at WWW.Scout24.COM/INVESTOR-RELATIONS/CORPORATE-GOVERNANCE.

With respect to the future composition of the Management Board and the Supervisory Board, the Supervisory Board also complies with the principles of diversity in the GCGC. The Supervisory Board attaches great value to its suitably qualified advice and monitoring of the Management Board.

The Supervisory Board has set itself the target of including an appropriate number of women among its members. On 19 March 2019, the Supervisory Board confirmed its goal of having at least one woman as a member, with a deadline for implementation by the end of 1 March 2024. This target requirement has already been implemented.

Also on 19 March 2019, the Supervisory Board agreed on a target of 0 % for the proportion of women on the Management Board of Scout24 AG, with a deadline for implementation by 1 March 2024. For the first management level below the Management Board, the Management Board of Scout24 AG has resolved to set a target for the proportion of women of 25 %, with an implementation deadline up to the end of 30 June 2024. As of 31 December 2019, the proportion of women at the first management level below the Management Board stood at 0 %, thereby falling short of the target of 25 %. This is mainly due to the fact that the first level below the Management Board only consisted of one man as of 31 December 2019. For the second level below the Management Board, the Management Board of Scout24 AG has resolved to set a target for the proportion of women of 30 %, with an implementation deadline up to 1 March 2024. As of 31 December 2019, the proportion of women amounted to 27 %, slightly below the target level.

The Supervisory Board concerned itself with corporate governance within the Scout24 Group most recently on 19 March 2020.

Composition of the Management Board and Supervisory Board

Tobias Hartmann has been chief executive officer since 19 November 2018.

Effective 6 December 2018, Dr Thomas Schroeter and Ralf Weitz were appointed to the Management Board. The contract of Management Board member Christian Gisy was terminated by mutual agreement with effect as of 30 June 2019. His successor, Dr Dirk Schmelzer, took office on 18 June 2019.

Michael Zahn resigned from the Supervisory Board with effect as of 30 June 2019, and Dr Liliana Solomon and David Roche stepped down with effect as of the end of the Annual General Meeting on 30 August 2019. To replace the members who stepped down from the Supervisory Board, the Annual General Meeting of Scout24 AG elected on 30 August 2019 Christoph Brand, Frank H. Lutz and André Schwämmlein as new members of the Supervisory Board.

MEMBERS OF THE SUPERVISORY BOARD IN THE 2019 FINANCIAL YEAR

Name Function	Profession exercised	Member since	Appointed until	Other board positions in 2019 (during term of office)
Dr Hans-Holger Albrecht Chair	CEO and member of the Board of Directors of Deezer S.A., Paris, France and London, UK	21 June 2018	AGM 2020	• ICE GROUP ASA, Oslo, Norway (Chairman of the Board of Directors)
Frank H. Lutz	CEO of CRX Markets AG, Munich, Germany	30 August 2019	AGM 2020	• Bilfinger SE, Mannheim, Germany (member of the Supervisory Board)

Name	Function	Profession exercised	Member since	Appointed until	Other board positions in 2019 (during term of office)
Ciara Smyth		Strategy consultant, Dublin, Ireland	21 June 2018	AGM 2020	
Christoph Brand		Deputy CEO, Head of Classifieds and Marketplaces at TX Group AG (renamed on 1 January 2020; previously: Tamedia AG), Zurich, Switzerland	30 August 2019	AGM 2020	<p>Various corporate responsibilities in subsidiaries of TX Group AG:</p> <ul style="list-style-type: none"> • Homegate AG, Zurich, Switzerland (President of the Board of Directors); • JobCloud AG, Zurich, Switzerland (Vice President of the Board of Directors); • Tamedia Espace AG, Berne, Switzerland (member of the Board of Directors); • Ricardo AG, Zug, Switzerland (President of the Board of Directors); • CAR FOR YOU AG, Zurich, Switzerland (President of the Board of Directors); • Trendsales ApS, Copenhagen, Denmark (Chairman of the Supervisory Board); • Gfm Schweizerische Gesellschaft für Marketing, Zurich, Switzerland (member of the Management Board)
André Schwämmlein		CEO of FlixMobility GmbH, Munich, Germany	30 August 2019	AGM 2020	
Peter Schwarzenbauer		Former member of the Board of Management of BMW AG, Munich, Germany	8 June 2017	AGM 2020	<ul style="list-style-type: none"> • Rolls-Royce Motor Cars Limited, Chichester, UK (member of the Board of Directors) (until October 2019)
Dr Liliana Solomon		Group CFO of Compass IV Ltd, London, UK	4 September 2015	Stepped down as of 30 August 2019	<ul style="list-style-type: none"> • Metro AG, Düsseldorf, Germany (member of the Supervisory Board)
David Roche		CEO of goHenry Limited, Lymington, UK	4 September 2015	Stepped down as of 30 August 2019	<ul style="list-style-type: none"> • Guestline Ltd., Shrewsbury, UK (member of the Board of Directors)
Michael Zahn		CEO of Deutsche Wohnen AG, Berlin, Germany	8 June 2017	Stepped down as of 30 June 2019	<ul style="list-style-type: none"> • TLG Immobilien AG, Berlin, Germany (Chairman of the Supervisory Board) (until May 2019); • G+D Gesellschaft für Energiemanagement mbH, Magdeburg, Germany (Chairman of the Advisory Board); • Funk Schadensmanagement GmbH, Berlin, Germany (Chairman of the Advisory Board); • DZ Bank AG, Frankfurt, Germany (member of the Advisory Board); • Fuchse Berlin Handball GmbH, Berlin, Germany (member of the Advisory Board); • GETEC Wärme & Effizienz GmbH, Magdeburg, Germany (member of the Real Estate Advisory Board)

Supervisory Board Committees in the 2019 financial year and meeting attendance

ATTENDANCE AT SUPERVISORY BOARD MEETINGS

Name	Attendance at Supervisory Board meetings
Dr Hans-Holger Albrecht	7/8
Peter Schwarzenbauer	7/8
Ciara Smyth	8/8
Christoph Brand (since August 2019)	4/4
Frank H. Lutz (since August 2019)	4/4
André Schwämmlein (since August 2019)	4/4
Dr Liliana Solomon (until August 2019)	4/4
David Roche (until August 2019)	3/4
Michael Zahn (until June 2019)	2/4

EXECUTIVE COMMITTEE

Name	Position	Attendance at committee meetings
Dr Hans-Holger Albrecht	Chair	3/3
Peter Schwarzenbauer	Member	3/3
Frank H. Lutz (since September 2019)	Member	2/2
André Schwämmlein (since September 2019)	Member	2/2
Ciara Smyth (until September 2019)	Member	1/1
David Roche (until August 2019)	Member	1/1

AUDIT COMMITTEE

Name	Position	Attendance at committee meetings
Frank H. Lutz (since September 2019)	Chair	2/2
Dr Hans-Holger Albrecht	Member	6/6
Christoph Brand (since August 2019)	Member	2/2
Dr Liliana Solomon (until August 2019)	Chair	4/4
Michael Zahn (until June 2019)	Member	2/3

REMUNERATION COMMITTEE (SINCE SEPTEMBER 2019)

Name	Position	Attendance at committee meetings
Ciara Smyth	Chair	1/1
Peter Schwarzenbauer	Member	1/1
André Schwämmlein	Member	1/1

Audit of the separate and consolidated financial statements

Pursuant to the resolution of the Annual General Meeting on 30 August 2019, the Supervisory Board engaged KPMG AG Wirtschaftsprüfungsgesellschaft (KPMG), Berlin, to audit the separate and consolidated financial statements of Scout24 AG for the financial year ended 31 December 2019. The key auditor responsible for the audit is Haiko Schmidt (since 2016). Auditor Dorothea Thummert is also responsible for the audit (since 2019).

KPMG audited the separate financial statements for the financial year from 1 January 2019 to 31 December 2019 and the management report of Scout24 AG, which is combined with the group management report, prepared by the Management Board in accordance with the requirements of the German Commercial Code (HGB, Handelsgesetzbuch). KPMG issued an unqualified audit opinion. The consolidated financial statements of Scout24 AG for the financial year from 1 January 2019 to 31 December 2019 and the group management report, which is combined with the company's management report, were prepared pursuant to Article 315e HGB in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union. An unqualified audit opinion was likewise rendered on the consolidated financial statements and the combined management report.

Moreover, the auditor found that the Management Board had established an appropriate information and monitoring system whose design and use were suitable for the early detection of risks to the company's ability to continue as a going concern. The Supervisory Board also engaged KPMG to perform a voluntary external review of the substance of the consolidated non-financial report in accordance with Article 111 (2) Sentence 4 AktG.

Before the Supervisory Board proposed KPMG to the Annual General Meeting as auditors, KPMG had confirmed to the Chairman of the Supervisory Board and the Audit Committee that there were no circumstances that could impair or cast doubt on their independence as auditors. KPMG also explained the extent to which non-audit services were rendered for the company in the previous financial year or were contractually agreed for the following year. The Supervisory Board has agreed with KPMG that the latter will inform it and note in the audit report if any findings are made during the audit that reveal any inaccuracy in the declaration of conformity to the GCGC issued by the Management Board and the Supervisory Board. The Audit Committee reported to the Supervisory Board that it had been informed by KPMG about non-audit services rendered by KPMG and that there were no circumstances that could give cause for concern about its impartiality. The Audit Committee also reported on its monitoring of the independence of the auditor, taking into account non-audit services rendered, and its assessment that the auditor satisfies the requisite independence requirements.

The Management Board submitted in good time to all members of the Supervisory Board the financial statements documents, including the separate consolidated non-financial report, and the proposal of the Management Board for the appropriation of accumulated profits. The members of the Supervisory Board also received in good time KPMG's report on the voluntary external review of the substance of the separate consolidated non-financial report.

The financial statements documents and the audit reports were discussed in detail at the meetings of the Audit Committee and the Supervisory Board on 19 March 2020. The auditor reported on the key findings of his audit. Furthermore, he informed the Supervisory Board of his findings on internal control and risk management in respect of the financial reporting process and was available to answer additional questions

and provide information. At the full meeting of the Supervisory Board, the Audit Committee Chair reported extensively on the review of the separate and consolidated financial statements by the Audit Committee. Following in-depth review and discussion of the separate financial statements, the consolidated financial statements and the combined management report, no objections were raised with respect to the documents submitted. As recommended by the Audit Committee, the Supervisory Board thus concurs with the audit findings by the auditors. By resolution dated 19 March 2020, the Supervisory Board thus approved the separate and consolidated financial statements of Scout24 AG for the 2019 financial year. The separate financial statements of Scout24 AG are ratified as a consequence. It additionally approved the combined management report (including the corporate governance declaration for the Group and the Company pursuant to Articles 289f and 315d HGB) as well as the separate consolidated non-financial report pursuant to Article 315b HGB.

In connection with its review of the financial statement documents, the Supervisory Board also reviewed the proposal for the appropriation of accumulated profits as put forward and explained by the Management Board. Following the Audit Committee's recommendation, the Supervisory Board approved the Management Board's proposal for the appropriation of profit.

Acknowledgements

The Supervisory Board would like to thank the members of the Management Board as well as all employees of the Group for their outstanding commitment and personal contribution in the 2019 financial year, through which they are driving forward the success story of the Scout24 Group.

Munich, March 2020

Scout24 AG
The Supervisory Board



Dr Hans-Holger Albrecht
Chairman of the Supervisory Board