Explanatory Report by the Management Board

regarding the information pursuant to §§ 289a, 315a of the German Commercial Code (HGB) for fiscal year 2019

Translation for Convenience Purposes

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 the 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 with a nominal value of EUR 1.00 per share. The shares are deposited in the form of a global share certificate. The right to demand issuance of individual share certificates is excluded. Each share grants the same rights and carries one vote at the Annual General Meeting. All registered shares are fully paid in.

Restrictions on voting rights or the transfer of shares

We were not aware of any such restrictions as of 31 December 2019.

Direct or indirect equity investments exceeding 10 % of voting rights

We were not aware of any equity investments representing more than 10 % of voting rights in the subscribed share capital as of 31 December 2019.

Shares endowed with special rights

All shares grant the same rights; there are no shares endowed with any special rights granting control.

Control of voting rights for equity investments of employees

No provisions exist to control voting rights if employees hold equity interests in the share capital without directly exercising their voting rights.

Appointment and dismissal of members of the Management Board, amendments to the Articles of Association

Pursuant to Article 6 (2) of Scout24 AG's Articles of Association, the members of the Management Board are appointed and dismissed by the Supervisory Board. Further provisions are set out in Articles 84 and 85 of the German Stock Corporation Act (AktG).

Any amendment to the Articles of Association generally requires a majority of at least three quarters of the share capital represented at the Annual General Meeting. The requirements of Article 179 et seq. AktG apply. Pursuant to Article 10 (4) of the Articles of Association, the Supervisory Board is entitled to make amendments to the Articles of Association provided they relate solely to the wording (Article 179 (1) sentence 2 AktG). In particular, the Supervisory Board is authorised to amend the wording of the Articles of Association after performance, in full or in part, of the capital increase out of Authorised Capital 2015 governed by Article 4 (6) of the Articles of Association or after expiry of the authorised period in accordance with the amount of the capital increase out of Authorised Capital 2015. The same applies in the event of utilisation, in full or in part, of conditional capital governed by Article 4 (7) of the Articles of Association.

Authorisation of the Management Board to issue new shares or repurchase 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 in return for cash or non-cash capital contributions by an amount of up to EUR 50.0 million in total (Authorised Capital 2015, Article 4 (6) of the Articles of Association). Shareholders are to be granted subscription rights in this context. Pursuant to Article 186 (5) AktG, the new shares can also be transferred to a bank or enterprise operating pursuant to Article 53 (1) Sentence 1 or Article 53b (1) Sentence 1 or (7) of the German Banking Act (KWG), with the obligation to offer them to the shareholders for subscription (indirect subscription right). The Management Board is authorised, with the approval of the Supervisory Board, to exclude shareholders' subscription rights in full or in part in the following cases:

- in the event of new shares issued in accordance with Article 186 (3) Sentence 4 AktG in return for contributions in cash at an issue price not significantly lower than the stock exchange price of shares already listed and providing that the proportion of shares issued excluding subscription rights in accordance with Article 186 (3) Sentence 4 AktG does not exceed ten percent (10 %) of the share capital, either at the date on which this authorisation is entered in the commercial register or at the date on which this authorisation is exercised. Those shares must be taken into account with regard to this limit that have been issued or sold subject to exclusion of shareholder subscription rights during the time when this authorisation is in effect up to the time of exercise of the respective authorisation applying Article 186 (3) Sentence 4 AktG directly or by analogy. Further, those shares must 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 date of the respective exercise of the authorisation if the convertible bonds/bonds with warrants were issued by the Company or group entities subject to exclusion of shareholders' subscription rights applying Article 186 (3) Sentence 4 AktG directly or by analogy after this authorisation takes effect;
- in the event of capital increases in return for non-cash capital contributions, in particular for the purpose of offering the new shares to third parties in acquiring companies, parts of companies or interests in companies;
- 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 Article 204 (3) AktG;
- for the purpose of granting subscription rights to holders of conversion rights or warrants related to bonds issued by the Company or any subordinated group entities.

In aggregate, the proportion of share capital that is attributable to shares issued on the basis of the Authorised Capital 2015 with the shareholders' subscription rights being excluded must not exceed 10 % of share capital, either at the date when that authorisation takes effect or at the date when the authorisation is exercised. The shares issued or to be issued to service bonds with conversion rights or warrants or an obligation to convert them count towards the aforementioned 10 % limitation if such bonds were issued excluding the shareholders' subscription rights while this authorisation is in effect.

The Management Board is authorised to determine, with the approval of the Supervisory Board, the further details of capital increases and their performance, including but not limited to the content of the share-related rights and the general terms and conditions of the share issue.

By resolution of the Annual General Meeting on 21 June 2018, the Company increased its share capital conditionally by up to EUR 10,760,000 by issuing up to 10,760,000 new registered no-par-value shares (Article 4 (7) of the Articles of Association). The conditional capital increase will only be carried out to the extent that

- holders or creditors of bonds with warrants, convertible bonds, profit participation rights, and/or participating bonds (or any combination of such instruments) with warrants or conversion rights issued or guaranteed by Scout24 AG or its direct or indirect majority shareholdings until 20 June 2023 on the basis of the authorisation of the Annual General Meeting of 21 June 2018 make use of their warrants or conversion rights, or
- the parties liable to fulfil the obligations from bonds with warrants, convertible bonds, profit participation rights and/or participating bonds (or any combination of such instruments) with warrants or conversion rights issued or guaranteed by Scout24 AG or its direct or indirect majority shareholdings until 20 June 2023 on the basis of the authorisation of the Annual General Meeting of 21 June 2018 fulfil their warrants or conversion obligation (also in the event of Scout24 AG exercising its repayment option upon maturity to grant shares instead of cash payment for all or some of the amount due)

and no other forms of settlement are used. The new shares participate in profit from the beginning of the financial year in which they originate through the exercise of warrants or conversion rights or through the settlement of warrants and conversion obligations. Until 31 December 2019, no new shares have been created from this.

By resolution of Scout24 AG's Annual General Meeting on 8 June 2017 and in accordance with Article 71 (1) No. 8 AktG, the Company is authorised to purchase treasury shares representing up to 10 % of share capital at the date of the Annual General Meeting's resolution or at the date of the respective exercise of the authorisation, whichever amount is lower. The share capital at the date of the resolution 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 treasury 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) by using derivatives (put or call options or a combination of both).

Exercising this authorisation, Scout24 AG's Management Board, with approval from the Supervisory Board, announced on 19 July 2019 its intention to implement a share buyback programme of up to EUR 300 million. Based on the share price at the time, that corresponded to approximately 6 % of the share capital. The shares were to be repurchased in several tranches over a period of no more than twelve months from 2 September 2019 to 1 September 2020 at the latest. The first tranche with a volume of EUR 150 million commenced on 2 September 2019 and ended on 31 January 2020. The treasury shares are repurchased for legally permitted purposes.

In the period from 2 September 2019 to 31 December 2019, the Company repurchased a total of 2,437,041 treasury shares through the stock market in the buyback of the first tranche. Including transaction costs – adjusted for tax effects – a total of EUR 129.6 million was used for this purpose.

By the end of the period for the first tranche on 31 January 2020, the number of purchased treasury shares had increased to 2,793,873 in total.

On 25 March 2020, Scout24 AG announced to continue to repurchase shares. In a second tranche, the company intends to repurchase shares in an amount of up to EUR 490 million.

The tranche started on 6 April 2020 and will end no later than 31 December 2020.

Significant agreements of the Company that take effect in the event of a change of control following a takeover offer

The term loan and RFA signed on 16 July 2018 represents a significant agreement of the Group subject to a change of control. A change of control occurs when a shareholder acquires 30 % of the shares in the Company. In the case of a change of control and under additional preconditions, the RFA entitles each lender to claim their share of the facility within a set period of ten days after the facts have become known.

The promissory note loan (Schuldscheindarlehen) placed on 28 March 2018 represents a further significant agreement of the Group subject to a change of control. A change of control occurs when a shareholder acquires more than 50 % of the shares in the Company. In the case of a change of control, the promissory note loan entitles each lender to terminate prematurely their share of the promissory note loan within a set period of ten days after the facts have become known.

Compensation agreements between the Company and members of the Management Board or employees in the event of a takeover offer

No such agreements exist.

Munich, May 2020
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.