

TERMS OF TRANSFORMATION

regarding the transformation involving the change of legal form

of Scout24 AG, Munich,

into the

legal form of a *Societas Europaea* (SE)

Background

Scout24 AG (**S24 AG** or the **Company**) is a stock corporation under German law (*Aktiengesellschaft*) with its registered office and head office in Munich, Germany. It is registered in the commercial register of the Local Court (*Amtsgericht*) of Munich under HRB 220696. Its business address is Bothestr. 13 - 15, 81675 Munich, Germany. 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 and internet services, as well as the performance of all measures which relate to the activities of a holding company with group-management functions, especially rendering management and advisory services against consideration *vis-à-vis* affiliated companies, as well as activities in the field of online and internet services in Germany and abroad.

The share capital of S24 AG as of today amounts to EUR 92,100,000 (in words: ninety-two million one hundred thousand euro) and is divided into the same number of no-par value shares. The *pro rata* amount per share in the share capital of S24 AG amounts to EUR 1.00. Pursuant to article 4 (2) sentence 1 of the articles of association of the Company, the shares are registered shares.

S24 AG is to be transformed into a European company (*Societas Europaea*, **SE**) pursuant to Article 2 (4) in conjunction with Article 37 of Council Regulation (EC) No 2157/2001 of 8 October 2001 on the Statute for a European company (SE) (**SE Regulation**). In connection with this transformation, moreover, in particular the German Act on the Implementation of Council Regulation (EC) No 2157/2001 of 8 October 2001 on the Statute for a European company (SE) (*Gesetz zur Ausführung der Verordnung (EG) Nr. 2157/2001 des Rates vom 8. Oktober 2001 über das Statut der Europäischen Gesellschaft (SE)*) of 22 December 2004 (as amended on 12 December 2019) (**SEAG**) as well as the German Act on the Involvement of Employees in a European Company (*Gesetz über die Beteiligung der Arbeitnehmer in einer Europäischen Gesellschaft*) of 22 December 2004 (as amended on 20 May 2020) (**SEBG**) will apply.

It is intended that the Company continue to maintain its registered office and its head office in Germany.

The Scout24 group regards itself as a leading European digital corporate group. The majority of its clients, service providers and licensees are located in Europe. Diversity is already an integral part of the group's open corporate culture, which is practiced by its employees from more than 50 countries. The Company's legal form should also reflect this.

As a supranational legal form, the SE stands for a modern company with an international reach, and simultaneously promotes in particular an international corporate culture. It promotes the perception of the Scout24 group as an open and growing business. The change of legal form will also support the formation of a sustainable corporate identity and further strengthen staff identification with the Scout24 group, including for those domiciled abroad. Moreover, by choosing the legal form of the SE the Company will be able to ensure that its employee participation structures continue to be tailored so as to fit its corporate structure. Lastly, the legal form of the SE is attractive for both international customers and qualified employees.

Positioning S24 AG as a future-oriented European technology group and the broadly positive perception of this modern legal form in capital markets are arguments in favor of the transformation.

The management board of S24 AG therefore draws up the following Terms of Transformation:

§ 1

Transformation of Scout24 AG into Scout24 SE

- 1.1 S24 AG will be transformed into the legal form of an SE pursuant to Article 2 (4) in conjunction with Article 37 of the SE Regulation.
- 1.2 S24 AG has had at least one subsidiary that is subject to the laws of another member state of the European Union (EU) for several years so that the requirements for a transformation of S24 AG into Scout24 SE (**S24 SE**) pursuant to Article 2 (4) of the SE Regulation are fulfilled. Immobilien Scout Österreich GmbH with its registered office in Vienna, Austria, registered in the company register under number FN 416454h, has been an indirect wholly-owned subsidiary of S24 AG since 2014.
- 1.3 The transformation of S24 AG into an SE will lead neither to the dissolution of S24 AG nor to the formation of a new legal entity. Since the identity of the legal entity itself will be preserved, no transfer of assets will take place. The Company will continue to exist in the legal form of S24 SE. Moreover, since the identity of the legal entity itself will be preserved, the shareholders' interests in the Company will continue to exist without change.
- 1.4 S24 SE – just as S24 AG – will have a two-tier administrative structure consisting of a management board (management organ within the meaning of Article 38 (b) 1st alternative of the SE Regulation) and a supervisory board (supervisory organ within the meaning of Article 38 (b) 1st alternative of the SE Regulation).

§ 2

Effective date of the transformation

The transformation will become effective upon its entry in the commercial register of S24 SE (**Transformation Date**).

§ 3

Company name, registered office, capital and articles of association of Scout24 SE

- 3.1 The name of the SE will be "Scout24 SE".
- 3.2 The registered office of S24 SE will be in Munich, Germany; its head office will also be there.
- 3.3 The entire share capital of S24 AG in the amount existing as of the Transformation Date (current amount EUR 92,100,000 (in words: ninety-two million one hundred thousand euro)) and in the division into no-par value registered shares existing as of such time (current number of shares 92,100,000) will become the share capital of S24 SE. The persons and companies that are shareholders of S24 AG as of the Transformation Date will become shareholders of S24 SE to the same extent and with the same number of no-par value shares in the share capital of S24 SE as participating in the share capital of S24 AG immediately prior to the Transformation Date. The notional portion of share capital represented by each no-par value share (currently EUR 1.00) will remain the same as immediately prior to the Transformation Date.
- 3.4 S24 SE will adopt the articles of association attached hereto as an **Annex**, which form an integral part of these Terms of Transformation.

In the articles of association of S24 SE, the share capital figure with the division into no-par value shares of S24 SE (article 4 (1) of the articles of association of S24 SE) will correspond to the share capital figure with the division into no-par value shares of S24 AG (article 4 (1) of the articles of association of S24 AG) as of the Transformation Date, with the status immediately prior to the Transformation Date being decisive.

- 3.5 The authorizations of the management board to increase the share capital of the Company up until 17 June 2025 with the approval of the supervisory board by issuing new no-par value registered shares against contributions in cash and/or in kind once or several times by up to EUR 32,280,000.00 in total (Authorized Capital 2020, article 4 (6) of the articles of association of S24 AG) will continue to exist. Likewise, the conditional capital pursuant to article 4 (7) of the articles of association of S24 AG (Conditional Capital 2018) will continue to exist.
- 3.6 The authorization to use treasury shares as resolved by the general meeting of S24 AG under agenda item 8 on 18 June 2020, the authorization to use treasury shares as resolved by the general meeting of S24 AG under agenda item 6 on 8 June 2017 as well as the authorization of the management board to issue bonds with warrants and convertible bonds, profit participation rights and/or participating bonds and to exclude subscription rights as resolved by the general meeting of S24 AG under agenda item 10 on 21 June 2018 and valid until 20 June 2023 will continue to exist in the event of transformation of S24 AG into an SE also for the management board of S24 SE.

Under agenda item 9, a proposal is made to the general meeting of S24 AG on 8 July 2021, which is to pass a resolution on whether or not to approve the transformation of S24 AG into an SE under agenda item 8, to revoke the authorization granted by the general meeting of S24 AG under agenda item 8 on 18 June 2020 to purchase treasury shares and to grant a new authorization to the management board to purchase and use treasury shares pursuant to Section 71 (1) no. 8 of the German Stock Corporation Act (*Aktiengesetz, AktG*), with the possible exclusion of subscription rights and any rights to tender. If the general meeting of S24 AG should validly grant this authorization to the management board on 8 July 2021, it will continue to apply for the management board of S24 SE after the transformation of S24 AG into an SE enters into effect. If, however, the general meeting of S24 AG should not validly grant this proposed authorization to the management board on 8 July 2021, the existing authorization to purchase treasury shares up until 17 June 2025 as granted by the general meeting of S24 AG on 18 June 2020 will continue to apply and thus also for the management board of S24 SE, provided that the transformation of S24 AG into an SE has been completed by this date.

- 3.7 Shareholders who object to the transformation will not be offered any compensation in cash, as this is not provided for by law.

§ 4

Management board

Without prejudice to the decision-making competence under German stock corporation law of the supervisory board of S24 SE, it is to be expected that the current members of the management board of S24 AG will be appointed members of the management board of S24 SE. The current members of the management board of S24 AG are Tobias Hartmann (chairman of the management board), Dr Dirk Schmelzer, Dr Thomas Schroeter and Ralf Weitz.

§ 5

Supervisory board

- 5.1 Pursuant to article 9 (1) sentence 1 of the articles of association of S24 SE, a supervisory board consisting of six members who are all elected by the general meeting, just as the former supervisory board of S24 AG, will be established at S24 SE.

5.2 The terms of office of the members of the supervisory board of S24 AG will end upon the entry into effect of the transformation, *i.e.*, upon the registration of the transformation in the commercial register of S24 SE.

Pursuant to Article 40 (2) sentence 2 of the SE Regulation, the members of the first supervisory board of S24 SE may be appointed by the articles of association. Pursuant to article 9 (2) of the articles of association of S24 SE attached to these Terms of Transformation, out of the members of the supervisory board of S24 AG the following members will be appointed members of the first supervisory board of S24 SE upon the recommendation of the Executive Committee:

- a. Dr Hans-Holger Albrecht, resident in Umhausen, Austria, chief executive officer and member of the board of directors of the unlisted company Deezer S.A., Paris, France, and London, United Kingdom;
- b. Mr Christoph Brand, resident in Hedingen, Switzerland, chief executive officer of the unlisted company Axpo Holding AG, Baden, Switzerland;
- c. Dr Elke Frank, resident in Stuttgart, Germany, member of the management board of the listed Software AG, Darmstadt, Germany;
- d. Mr Frank H. Lutz, resident in Munich, Germany, CEO of the unlisted company CRX Markets AG, Munich, Germany;
- e. Mr Peter Schwarzenbauer, resident in Munich, Germany, former member of the management board of BMW AG, Munich, Germany; and
- f. Mr André Schwämmlein, resident in Munich, Germany, managing director of FlixMobility GmbH, Munich, Germany.

§ 6

Information on the procedure for establishing arrangements for employee involvement in S24 SE

- 6.1 In order to secure the acquired rights of the employees of S24 AG to involvement in corporate decisions in connection with the transformation into an SE, a procedure for employee involvement with the objective of concluding a corresponding agreement has to be conducted.

The procedure for employee involvement is based on the principle of securing the rights acquired by the employees. The level of employee involvement in the SE is governed by Section 2 (8) SEBG, which essentially follows Article 2 (h) of Council Directive 2001/86/EC of 8 October 2001 supplementing the Statute for a European company with regard to the involvement of employees.

Pursuant to that provision, involvement of employees means any procedure, in particular information, consultation and participation, through which employee representatives may exercise an influence on decisions to be taken within the Company. Information in this context means the informing of the SE works council or other employee representatives by the management organ of the SE on questions which concern the SE itself or any of its subsidiaries or establishments situated in another member state or which exceed the powers of the competent organs in a single member state. Consultation means, in addition to employee representatives expressing an opinion on matters that are relevant for decision-making, the exchange of views between employee representatives and the management and a dialogue with the objective of reaching agreement, although the management will be free to take the final decision. Participation means the influence of the employees in the affairs of the SE; pursuant to Section 2 (12) SEBG, it refers either to the right to appoint or elect members of the supervisory board or alternatively the right to nominate such members of the supervisory board or to reject members nominated by third parties.

- 6.2 The procedure for employee involvement will be initiated in accordance with the provisions of the SEBG. Accordingly, the management of the company involved will notify the employees and/or their respective employee representative bodies of the planned transformation and request them to form a special negotiating body (**SNB**).

Pursuant to Section 4 (3) SEBG, the notification given to the employees and/or their representative bodies must in particular include (i) the names and respective structures of the company, the subsidiaries and establishments concerned and their distribution among the member states, (ii) the employee representative bodies existing within these companies and establishments, (iii) the number of employees employed in these companies and operations and the total number of employees employed in a given member state determined on the basis thereof and (iv) the number of employees entitled to participation rights in the corporate bodies of these companies.

The management board of S24 AG notified the employee representative bodies in Germany and the employees in Austria of the intended transformation of S24 AG into the legal form of an SE and requested them to form the SNB in writing. By request and notification letter of 1 March 2021, the group works council and the economic committee of S24 AG, the works council of Immobilien Scout GmbH as well as the employees of Immobilien Scout Österreich GmbH and of immoverkauf24 GmbH were notified. The last request and notification letter was received on 2 March 2021. The executive staff of the Scout24 group were notified of the intended transformation by the management board of S24 AG.

- 6.3 The establishment and composition of the SNB are, in principle, governed by German law (Section 4 through Section 7 SEBG).
- (a) The allocation of seats on the SNB to the individual member states of the EU in which the Scout24 group employs employees is governed by Section 5 (1) SEBG also for the formation of an SE by transformation with registered office of the SE in Germany. The seats will be allocated according to the following basic rules:

Any member state of the EU in which any companies of the Scout24 group employ employees will generally receive at least one seat on the SNB. The number of seats allocated to a member state of the EU will be increased by one each to the extent that the number of employees employed in such member state of the EU exceeds the threshold of 10%, 20%, 30%, etc. of all employees of the Scout24 group in the EU in each case. The allocation of seats on the SNB will generally be determined on the basis of the date on which the employees and/or their respective representative bodies were notified (*cf.* Section 4 (4) SEBG).

The involvement of the Austrian employees of the Scout24 group depends on the provisions of the Austrian Labor Constitution Act (*Arbeitsverfassungsgesetz, ArbVG*). The members of the SNB nominated from Austria may be either employees (works council members) of the domestic companies and operations or representatives of the competent voluntary professional association in Austria (if existing). Pursuant to the applicable statutory provisions of the ArbVG, the SNB member sent from Austria may only be sent from an employee representative body (group representative body, central works council, works committee, works council). As no works council is established in the Austrian operation at present, any sending from Austria into the SNB is not possible at present, so that the seat for Austria will remain vacant.

Based on the employee figures of the Scout24 group in the individual member states of the EU as of 1 March 2021, the following allocation of seats resulted:

Member state	Number of employees	Share in %	Number of seats on the SNB
Germany	919	94.7	10
Austria	51	5.3	0
Total	970	100	10

- (b) In Germany, the election and/or appointment of the members as well as the constitution of the SNB generally lies within the responsibility of the employees and their representative bodies and/or the trade unions responsible for them. The respective national provisions apply. As a result, various procedures apply in principle, such as election by direct vote, appointment by trade unions or, as is the case under German law, election by an election body (*cf.* Section 8 SEBG).

The election body to be formed in Germany will be formed from among the members of the group works council, if existing (Section 8 (2) sentence 1 1st alternative SEBG).

In the present case, the election body consisted of the members of the group works council.

Of the ten members of the SNB from Germany, three members may be determined upon a proposal from a trade union represented in the operation.

As more than six members from Germany belonged to the SNB, one member was an executive employee. As no representative body for executive staff exists in any company of the Scout24 group, the executive staff were able to submit nominations, which had to be signed by one twentieth or 50 of the executive staff, to the election body themselves pursuant to Section 8 (1) sentence 6 SEBG. Women and men will be elected according to their respective proportion.

The election body elected the following members of the SNB by secret and direct election:

Member of SNB
Thomas Lehmann, Scout24 AG
Andreas Böhm, Immobilien Scout GmbH
Ilka Breitsprecher, Immobilien Scout GmbH
Volkmar Grimm, flowfact GmbH
Stefan Harsdorff, Immobilien Scout GmbH
Dorothee Jovanovic, Immobilien Scout GmbH
Andrea Kraus, Scout24 AG
Roman Weber, Scout24 AG
Sylvia Mareck, Immobilien Scout GmbH
Michael Klemund, Scout24 AG (executive); substitute member Jost Paffrath, Immobilien Scout GmbH (executive)

Substitute members, non-executive (moving up in the order given here in the respective case)
Nicole Duic, Immobilien Scout GmbH
Stefanie Luther, Immobilien Scout GmbH
Christian Dietze, Scout24 AG
Mira Ernst, Immobilien Scout GmbH
Christoph Lipka, Scout24 AG
Sa-San Schadkami, flowfact GmbH
Tina Hartwig, Immobilien Scout GmbH
Yvonne Mechsner, Immobilien Scout GmbH

(c) The names of the members of the SNB, their addresses as well as their respective affiliation were notified to the management board of S24 AG immediately and/or were known to it. The management board then notified such data to the local operations and company management as well as the employee representative bodies existing there.

6.4 After all members had been named, the management board of S24 AG invited the elected members of the SNB to constitute the SNB and notified the local operation and company management accordingly on 7 May 2021, *i.e.*, within ten weeks after the notification within the meaning of Section 4 (2) and (3) SEBG (*cf.* Section 12 (1), Section 11 (1) SEBG). The constituent meeting of the SNB will take place on 18 May 2021 virtually in the form of a video conference due to the ongoing hazards posed by the pandemic and with a view to the legal requirements regarding occupational safety and hygiene. Upon the constitution of the SNB, the procedure for the formation of the SNB ended and the negotiations started, for which – subject to any extension of time by common consent – a duration of up to six months is provided for by law.

The aim of the negotiations is to conclude an agreement on employee involvement. The object of the negotiations is the determination of a procedure for informing and hearing the employees. This may take place either by the formation of an SE works council or any other procedure provided for by the negotiating parties which guarantees that employees in S24 SE are informed and heard.

6.5 The conclusion of an agreement on employee involvement between the company management and the SNB requires a resolution of the SNB. The resolution must be adopted by the majority of the members, which majority must also represent the majority of the employees represented. Any resolution on non-commencement as well as the discontinuation of negotiations are excluded (*cf.* Section 16 (3) SEBG).

6.6 The necessary costs incurred due to the formation and activities of the SNB will be borne by S24 AG as well as after the transformation by S24 SE. The obligation to bear the costs also covers the material and personal expenses incurred in connection with the activities of the SNB, including the negotiations. In particular, the necessary premises, material resources (e.g. telephone, fax, required literature), interpreters and clerical staff are to be provided for meetings and the necessary travel and subsistence expenses of the members of the SNB must be paid.

§ 7

Other implications of the transformation for the employees and their representative bodies

7.1 Moreover, the transformation will have the following implications for the employees and their representative bodies:

(a) The rights and obligations of the employees under the existing employment and service contracts remain unaffected. This also applies with regard to the involved company itself; Section 613a of the German Civil Code (*Bürgerliches Gesetzbuch, BGB*) is not applicable to the transformation as no transfer of an undertaking takes place due to the identity of the legal entities.

(b) Any works agreements and other collective labor provisions applicable to the employees of the Scout24 group will continue to apply unchanged in accordance with the respective agreements.

(c) Likewise, the transformation of S24 AG into an SE will have no implications for the existing employee representative bodies in S24 AG and the companies of the Scout24 group for the employees of the Scout24 group with the exception of the procedure for the involvement of employees specified in Section 6 above and the changes specified in this connection under

Section 6. Moreover, the validity of the corporate employee participation laws in group companies with registered office in Germany will remain unaffected by the transformation of S24 AG into S24 SE.

Employee participation will be governed primarily by the S24 Agreement on Employee Involvement, which is currently being negotiated and accordingly still has to be concluded. If no agreement on employee involvement is reached, employee participation will be governed by the statutory fallback provisions of the SEBG. Pursuant to the articles of association of S24 SE, the supervisory board will continue to exclusively consist of shareholder representatives. In this respect, the articles of association of S24 SE provide in article 9 (1) sentence 1 that the supervisory board of S24 SE will consist of six members just as the supervisory board of S24 AG.

- 7.2 Finally, no measures are provided for or planned on the basis of the transformation which would have implications for the situation of the employees.

§ 8 **Auditors**

KPMG AG Wirtschaftsprüfungsgesellschaft, Berlin, will be appointed auditors as well as group auditors for the first financial year of S24 SE. The first financial year of S24 SE will be the calendar year in which the transformation of S24 AG into S24 SE is registered in the commercial register of S24 SE. In addition, KPMG AG Wirtschaftsprüfungsgesellschaft, Berlin, will be appointed for a potential auditor's review of the condensed financial statements and the interim management report (Sections 115 (5), 117 no. 2 of the German Securities Trading Act (*Wertpapierhandelsgesetz*, **WpHG**)) as well as for a potential auditor's review of interim financial information (Section 115 (7) WpHG) in the first and, if appropriate, second financial year of S24 SE in each case and only until the next annual general meeting in each case.

§ 9 **No further rights or special advantages**

- 9.1 Persons within the meaning of Section 194 (1) no.5 of the German Transformation Act (*Umwandlungsgesetz*, **UmwG**) and/or Article 20 (1) sentence 2 (f) of the SE Regulation will not be granted any rights, and no special measures are provided for such persons.
- 9.2 Persons within the meaning of Article 20 (1) sentence 2 (g) of the SE Regulation will not be granted any special advantages within the scope of the transformation.

However, it is pointed out that the former members of the supervisory board of S24 AG, Dr Hans-Holger Albrecht, Mr Christoph Brand, Dr Elke Frank, Mr Frank Lutz, Mr Peter Schwarzenbauer and Mr André Schwämmlein, will be appointed members of the first supervisory board of S24 SE in the articles of association of S24 SE for the term of their current office, *i.e.*, until the end of the general meeting which resolves on their discharge for the financial year 2023.

- 9.3 To the extent that any rights of third parties exist arising from the shares in S24 AG, such rights will continue to exist with respect to the shares in S24 SE.

§ 10 **Transformation costs**

The costs of transformation, up to a maximum of EUR 1,500,000, will be borne by the Company.

Munich, 17 May 2021

Scout24 AG
The Management Board