Annual report and
annual financial report 2021

Moving to the next level

Scout24

Contents

Dear shareholders,

Innovation and growth are integral parts of Scout24's DNA. For more than two decades, Scout24 has been one of the pioneers in the digitisation of real estate brokerage. We have always been quick to identify and drive new trends in a bid to generate added value for our customers and growth for our company. We successfully continued along this path in the 2021 financial year. Our aim: moving to the next level. That is why we will align our growth focus even more closely with the end-to-end real estate transaction in the coming years.

ImmoScout24 is thus increasingly developing from a pure classifieds platform into a transaction platform. We want to offer our customers the right products for every phase of a property's life cycle – from buying, selling and renting to finance or management. In this way, we want to build long-term relationships with these customers and serve as the central point of contact for all processes related to a real estate transaction.

This goes hand in hand with an even clearer focus on customers – both professional and private customers – which will likewise be reflected in product development and our financial reporting. It will open up additional revenue streams aside from the pure listings business, and we can increase our addressable market many times over. In this way, we aim to generate sustainable double-digit sales growth in the coming years.

We explain this in detail in the **REPORT ON ECONOMIC POSITION/BUSINESS PERFORMANCE OF THE SEGMENTS** section of our management report.

We have already made a lot of progress on this course – progress we can build on. The share of revenue from private customer subscriptions (our Plus products) and the sale of leads has already reached around 28% in the 2021 financial year, compared with 22% in the previous year. For our partner agents, we have long been more than just a classifieds platform. We have established ourselves as a fully fledged business partner. This is reflected both in the rising number of partner agents and in their greater willingness to pay, as measured by our rising average revenue per user.

The basis for all this is our targeted investment in technology, product development and employees. As a result, we already have a comprehensive and tried-and-tested product portfolio for full transaction support, and it all runs on state-of-the-art cloud technology. In addition to our internally developed products, this approach also includes complementary acquisitions such as immoverkauf24, Vermietet.de and Propstack, through which we have expanded the range of services for our private and professional customers. We will also continue to advance down this avenue and stay on the lookout for interesting additions to our product portfolio.

For more than 20 years, Scout24 has been an agile, dynamic and diverse company where our employees make a difference. In 2021, we continued to raise awareness about an inclusive work environment and increased the diversity of our teams. We have succeeded in increasing the percentage of women in management positions from 30% to 37%. It is particularly pleasing that we have found the right people to complete our management team with Rowena Patrao as Chief Technology Officer and Dr Claudia Viehweger as Chief Human Resources Officer. The seven-member management team is introduced briefly on the following pages.

I would like to take this opportunity to express my sincere thanks to all our employees, whose great dedication and flexibility contributed to the renewed success of our company in the second year of the pandemic. Together with them, we will also succeed in taking Scout24 to the next level.

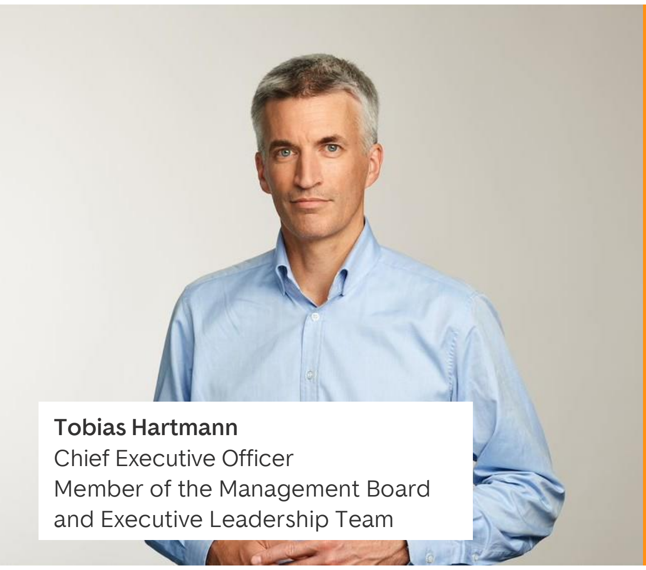
Of course, the topic of sustainability also remains at the top of our agenda. In 2020, we developed a sustainability strategy that encompasses aspects relating to society, ecology and corporate governance and reflects our overall understanding of sustainability. In the 2021 financial year, we continued to move forward with the implementation of this strategy and formulated a sustainability programme defining our key sustainability topics for the next two years. Not only that, since July 2021 we have been a member of the UN Global Compact, the world's largest and most important initiative for sustainable and responsible corporate governance. We present these and other activities in brief in the **Sustainability** section of this annual report. Detailed information on sustainability at Scout24 can be found in the separate sustainability report for the 2021 financial year.

Finally, I would like to thank you, dear shareholders, for the trust you have placed in us. I hope that you will join us on the journey to the next level of the Scout24 Group.

Yours sincerely,

Tobias Hartmann
CEO of Scout24 SE

Executive Leadership Team



Tobias Hartmann
Chief Executive Officer
Member of the Management Board
and Executive Leadership Team

'For more than two decades, Scout24 has been one of the pioneers in the digitisation of real estate brokerage. Time and again, we have been quick to identify and drive forward new trends. This is also true of our product innovations as we advance to a transaction-supporting platform. In this way, we are tapping into new market potential that will sustainably drive our future growth.'

'In 2021, we also further sharpened awareness about a work environment that celebrates diversity, promoted the diversity of our teams and increased the share of women throughout the Company as well as in management positions. We see this as a key determinant of our Company's success.'

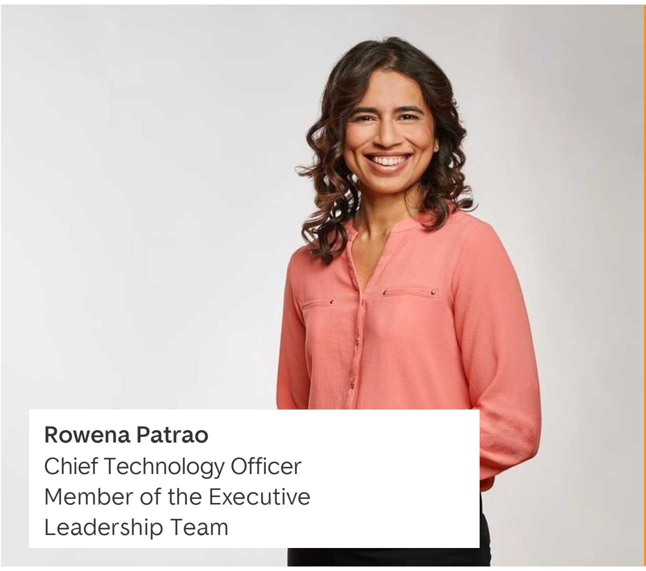
Dr Claudia Viehweger
Chief Human Resources Officer
Member of the Executive
Leadership Team

Dr Christian Ronge
General Counsel
Member of the Executive
Leadership Team

'With the successful conversion of Scout24 into a European Stock Corporation in 2021, we have underlined Scout24's positioning as a future-oriented European technology company.'

‘We have achieved what we set out to do. Our high-growth products and acquisitions have added momentum to our core business. The strategy we presented at Capital Markets Day will deliver attractive double-digit growth in the coming years.’

Dr Dirk Schmelzer
Chief Financial Officer
Member of the Management Board
and Executive Leadership Team

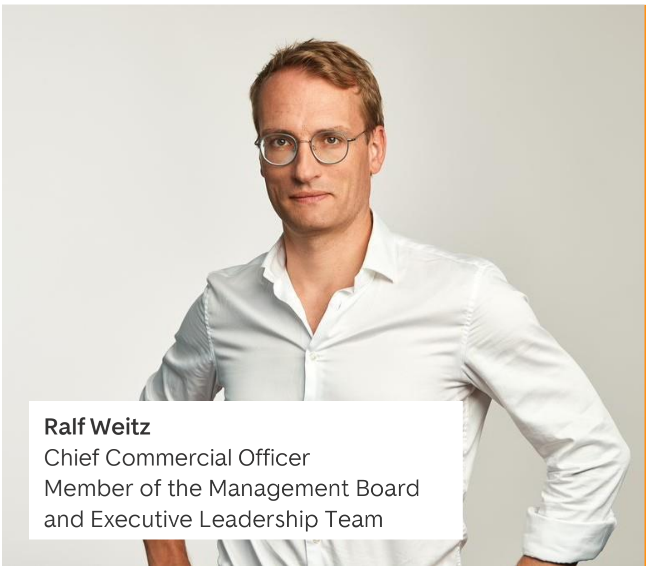


Rowena Patrao
Chief Technology Officer
Member of the Executive
Leadership Team

‘As a digital company, we are committed to continuous technological advancement and innovation. By investing in our technologies, we came closer to our goal of creating a data-driven real estate ecosystem in 2021.’

‘In addition to listings for the marketing of real estate, we also offer an increasing number of products that make real estate transactions – such as selling, renting or managing properties – more digital and efficient.’

Dr Thomas Schroeter
Chief Product Officer
Member of the Management Board
and Executive Leadership Team



Ralf Weitz
Chief Commercial Officer
Member of the Management Board
and Executive Leadership Team

‘We help our partner agents digitise their processes, increase their visibility and win new business. In 2021, we passed on over 140,000 homeowner leads to our agents. This makes ImmoScout24 a partner our agents can rely on.’

Report of the Supervisory Board

Dear shareholders,

In the 2021 financial year, Scout24 successfully led the business focused on real estate to new growth.

This was achieved thanks to the company's continued innovation capacity and the strategic expansion of its business, and despite the stresses placed on the organisation by intense competition and the Covid-19 pandemic. Measures taken in the recent past, such as the focus on the real estate business and the acquisition of immoverkauf24, as well as investments in product development and marketing, were already paying off in the 2021 financial year. In 2021, further measures were also examined and taken. For example, selected investments, such as the acquisition of Zenhomes GmbH and the product of Vermietet.de (a leading landlord SaaS provider) and with the acquisition of Propstack GmbH (a fast-growing provider of agent CRM software), were made in order to sustainably strengthen the company's position and enable new growth in the coming years.

With an increase in consolidated revenue from 2020 to 2021 of just under 10%, the company, dear shareholders of Scout24, succeeded in growing significantly from a high level despite partly adverse conditions.

In addition, the change of legal form to Societas Europae (SE) was completed in 2021. As already announced in 2020, a public share buy-back programme with a volume of almost EUR 1 billion was completed with great success. Based on the new compensation system, the contracts of the existing four members of the Management Board were each extended for a further four years. In this respect, your company, Scout24, is ideally positioned in every way for further growth in the coming years.

The Supervisory Board of Scout24 AG – and from the date of the transformation of legal form of Societas Europaea – has continuously monitored, advised and supported the Management Board of Scout24 AG -and, from the date of the transformation of legal form, of Scout24 SE - in its activities (in the interest of readability, reference is simply made to the Supervisory Board and the Management Board respectively, and both AG and SE are referred to in their respective temporal context).

Cooperation between the Supervisory Board and the Management Board

In the 2021 reporting year, the Supervisory Board again performed all its duties and obligations in accordance with the law, the Articles of Association and the rules of procedure. The Supervisory Board accompanied and monitored the Management Board in its management of the business 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.
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 developments 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. Where the approval of the Supervisory Board was required for management decisions or measures by law, the Articles of Association or the rules of procedure, the members of the Supervisory Board granted their approval after intensive examination and deliberation.

Ahead of the meetings, the Supervisory Board members always had sufficient time to extensively review the information and documents presented. In the course of the meetings, the information was discussed and examined in detail with the Management Board – and if appropriate also solely within the Supervisory Board without involving the Management Board – and each member of the Supervisory Board was able to contribute, and indeed contributed, their opinions. 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 Chair of the Supervisory Board and the Chairs of the Executive Committee, the Audit Committee and 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. In the 2021 financial year, a total of eleven meetings of the Supervisory Board took place, namely four ordinary regular meetings and seven extraordinary meetings; one of the extraordinary meetings was the constitutive meeting of the members of the Supervisory Board of Scout24 SE following the resolution of the Annual General Meeting on the transformation of legal form. Only at one meeting of the Supervisory Board was one member unable to attend. In terms of the member in question, no member of the Supervisory Board failed to attend more than half of the relevant meetings of the Supervisory Board. A detailed list of meeting attendance is included as a table below in this report.

Again throughout the year, the Covid-19 pandemic was a constant presence in the Supervisory Board's work. The Supervisory Board continuously discussed with the Management Board the effects on the business and the measures taken by the company to protect its employees. Given the circumstances, the majority of meetings did take place remotely as video and telephone conferences.

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 market trends as well as the development of the competitive environment and of business in the operating segments, the Supervisory Board's work focused on the topics presented in the following.

In the process, the relevant committees continuously prepared and reported on issues. The Supervisory Board also met regularly without the Management Board. In particular insofar as topics concerned the Management Board itself, the appointment of Management Board members and the extension of contracts, or the Supervisory Board itself, the Supervisory Board consulted without the Management Board. In some cases, items were prepared at the meetings and later decided by circular resolution when the relevant resolutions were ready.

In the meeting on 22 February 2021, the proposal to transform Scout24 AG with change of form into a Societas Europaea was discussed and a resolution was passed to submit the proposal for decision by the Annual General Meeting. Likewise, following the preparatory work in the previous financial year and on the recommendation of the Remuneration Committee, a resolution was passed concerning the compensation system for the Management Board. In this context, the Supervisory Board worked with the support of independent consultants specialising in management board compensation. In addition, the Supervisory Board examined the individual and collective performance of the Management Board's members and determined the further process for deciding on future appointments. The declaration of conformity with the German Corporate Governance Code of February 2021 was also presented and adopted at this meeting.

At the meeting on 22 March 2021, the Supervisory Board discussed the annual financial statements of Scout24 AG for 2020 and the consolidated financial statements for 2020, approved them and decided on the proposal to be submitted to the Annual General Meeting on the appropriation of profits for the 2020 financial year. In addition, the Supervisory Board dealt with further preparations for the 2021 Annual General Meeting. At the meeting, the Supervisory Board also looked in depth at the public share buy-back offer and approved the specific implementation of the public buy-back offer. In addition, the Supervisory Board dealt with the planned acquisition of Zenhomes GmbH (Vermietet.de), on the basis of which the Supervisory Board later approved the specific form of the acquisition by means of a circular procedure. The March 22 meeting also included an in-depth discussion of the impact of the Covid-19 pandemic on business in the preceding 2020 financial year and the current 2021 financial year. The impact on the company's objectives and the Management Board's compensation was likewise addressed.

At the extraordinary meetings on 9 June 2021 and 28 June 2021, it was decided by resolution to extend Tobias Hartmann's contract and reappoint him for a second term of office until the end of 2025. In addition, the other future appointments and pending contract negotiations were discussed, on the basis of which the Supervisory Board then passed resolutions on the appointments of Thomas Schroeter, Ralf Weitz and Dirk Schmelzer in the further course of the year, in each case by circular resolution following prior preliminary voting.

At the meeting on 7 July 2021, the dividend proposal for resolution by the Annual General Meeting was adjusted following the company's share buy-backs. In addition, the company's IT security architecture was presented and discussed in detail with Scout24's Chief Information Security Officer. The people strategy and succession planning for key positions below Management Board level were also addressed. Finally, the strategy meeting of the Supervisory Board and the Management Board in September was planned and prepared.

In the constituent meeting of the Supervisory Board of the SE on 8 July 2021, following the Annual General Meeting, the Supervisory Board of the SE, which was appointed by the Annual General Meeting with the same members, met for the first time. At the meeting, the Chair of the Supervisory Board, his deputy and the committees for the change of legal form to an SE were elected. There were no deviations from the appointments to the AG. A resolution was passed appointing the members of the Management Board of the SE (same individuals as the AG). Finally, resolutions were passed on the rules of procedure for the Supervisory Board, the Audit Committee and the Management Board.

On 7 and 8 September 2021, the Management Board and the Supervisory Board met to develop the company's business strategy. To this end, the Supervisory Board dealt intensively with the competitive environment and its changes and future trends and developments, the further development of the marketplace into a digital ecosystem, including product developments, and the associated multi-year planning by taking into account various scenarios, mergers and acquisitions (M&A) projects, projects, the human resources strategy and the development of young talent. This meeting also dealt with succession planning for the members of the Management Board. Furthermore, following the completion of the current share buy-backs, the capital structure and net financial debt of the company were discussed along with the future course of action.

The main subject of the meetings on 27 October 2021 and 3 November 2021 – following the strategy discussion in September – was the sources and structures of future growth as well as potential M&A projects. In addition, the company's capital structure, including the cancellation of treasury shares and the capital reduction as well as the current and planned net financial debt, was further addressed. A resolution for a further share buy-back was subsequently passed on 3 November 2021.

The ordinary meeting of 30 November 2021 dealt with changes in the management below Management Board level and a change in the distribution of responsibilities of the Management Board. In addition, the budget planning for 2022 was presented in detail before the Supervisory Board against the background of the multi-year planning, and the forecast for the coming financial year and preparations for the Capital Markets Day were dealt with. At this meeting, the selection process was also concluded as regards the proposal to the Annual General Meeting for the appointment of the auditor from the 2023 financial year onwards. It was decided to propose the appointment of PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft. In addition, the declaration of conformity with the German Corporate Governance Code of December 2021 was explained and a corresponding resolution passed.

At the extraordinary meeting of 20 December 2021, Capital Markets Day 2021 was discussed. In addition, at the recommendation of the Remuneration Committee, the short-term and long-term targets for Executive Board compensation for the upcoming 2022 financial year were set.

Committees

To perform its tasks efficiently, the Supervisory Board has currently formed three committees: an Executive Committee, an Audit Committee and a Remuneration Committee. This committee structure was retained when the legal form was changed to an SE. In this respect, the statements here relate both to the committees of Scout24 AG and Scout24 SE, depending in each case on the timing of the activity.

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 to its committees certain defined powers, where legally permissible. 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 the strategic M&A activities of the Scout24 Group. The Executive Committee is responsible in particular for preparing the decisions of the Supervisory Board with respect to corporate governance and advising the Management Board on strategy and M&A issues. The Executive Committee also performs the tasks of the Nomination Committee and nominates suitable candidates for the Supervisory Board for its proposals to the Annual General Meeting when electing members of the Supervisory Board.

The Executive Committee is chaired by Dr Hans-Holger Albrecht. Aside from the Chair of the Executive Committee, the other members of the Executive Committee in the 2021 financial year were the Supervisory Board members Peter Schwarzenbauer and Frank H. Lutz.

In 2021, the Executive Committee met six times. All committee members were present throughout. The main discussion topics were the preparation of the plenary meetings, corporate governance including the preparation of the Supervisory Board elections in connection with the change of form and the company's M&A projects.

Audit Committee

The Audit Committee addresses in particular the monitoring of the financial reporting and the financial reporting process, the effectiveness of the internal control system, the risk management system, the internal audit system, the audit as well as compliance. The Audit Committee submits to the Supervisory Board a reasoned recommendation for the appointment of the independent auditor. 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.

Under the German Stock Corporation Act (Articles 107 (4) and 100 (5) 'Aktiengesetz', AktG), the Audit Committee for new appointments from 1 July 2021 must comprise at least two financial experts. At least one member must have expertise in the field of accounting and at least one other member must have expertise in the field of auditing.

The Chair of the Audit Committee, Frank H. Lutz, meets these legal requirements and has additional expertise in the fields of financial planning and controlling. Frank H. Lutz also fulfils the further criteria of Section D.4 of the German Corporate Governance Code, according to which a Chair of the Audit Committee should be independent. In addition to the Chair of the Audit Committee, the Audit Committee consisted of the other Supervisory Board members Dr Hans-Holger Albrecht and André Schwämmlein. Dr Hans-Holger Albrecht also has the necessary expertise in the field of auditing through his many years of service on the Supervisory Board and the Audit Committee of various companies.

The Audit Committee held a total of six meetings in 2021. A major focus of the work in and outside of the meetings was the request for proposals process for the audit of the financial statements for the 2023 financial year. Other main topics of discussion in the Audit Committee were the annual financial statements, the proposal for the appropriation of profits, the half-year financial report and 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.

The Audit Committee also assessed the quality of the audit of the financial statements in 2021 in a procedure established for this purpose by the Chair of the Audit Committee with the involvement of all committee members. The Committee also looked at the results at its summer meeting. In addition, the key results and developments were discussed and analysed in additional conference calls prior to the publication of the respective quarterly and half-year figures.

Remuneration Committee

The Chair of the Remuneration Committee is Dr Elke Frank. The other members are Peter Schwarzenbauer and Christoph Brand. In addition to the preparatory work outside the meetings, the Remuneration Committee held two formal meetings in the 2021 financial year. All committee members were present.

Key topics included issues relating to compensation of the Management Board, particularly with regard to amendments to the law and amended legal provisions and recommendations, and the development of the new Management Board compensation system to be approved by the Annual General Meeting in July 2021. Other matters of material importance were succession planning and negotiations with the four members of the Management Board for the extension of contracts. Finally, the impact of the Covid-19 pandemic on the compensation of the Management Board and appropriate incentivisation was addressed in depth.

Corporate governance and declaration of conformity

By resolution of the end of November 2021, the Supervisory Board adopted the current declaration of conformity in accordance with Article 161 AktG. The full text is presented below in the **Corporate Governance Report** and has been published on the corporate website at **www.scout24.com/en/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 German Corporate Governance Code. The Supervisory Board attaches great importance 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, it 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 has already been implemented.

On 19 March 2019, the Supervisory Board also set a target of 0% for the percentage of women on the Management Board of Scout24 SE, which is to be implemented by 1 March 2024. Given the target of 0%, this was achieved in the reporting year. The Supervisory Board appreciates the objectives pursued with the introduction of a quota for women and attaches importance to equal treatment and equal opportunities for men and women as well as wider diversity. Appointments to the Management Board and Supervisory Board should be based on the best interests of the company. Against this background, the target figure reflects that fact that the successful work and well-functioning composition of the Management Board, which has only existed since the summer of 2019, should not be affected by exclusively diversity-driven changes. In good time before the deadline, the Supervisory Board will again critically review the target figure and decide on a possible adjustment in the interests of the company.

For the first management level below the Management Board, the Management Board of Scout24 SE has set a target of 30% for the percentage of women, with an implementation deadline by 30 June 2025. The evaluation of the proportion of women is based on the company's actual hierarchy and the reporting lines of Scout24 SE's Management Board. As of 31 December 2021, the percentage of women at the first management level below the Management Board stood at 29%, thus falling slightly short of the target. For the second management level below the Management Board, the Management Board of Scout24 SE has set a target of

30% for the percentage of women, with an implementation deadline by 30 June 2025. As of 31 December 2021, the percentage of women stood at 41%, thus comfortably reaching the target.

Composition of the Management Board and the Supervisory Board

Management 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. Effective 18 June 2019, Dr Dirk Schmelzer was appointed to the Management Board.

By resolution dated 9 June 2021, Tobias Hartmann's appointment was extended for a second term and Tobias Hartmann was appointed as a member and Chief Executive Officer for the period from 19 November 2021 to 31 December 2025.

By resolution dated 20 July 2021, Ralf Weitz's appointment was extended for a second term and Ralf Weitz was appointed member of the Management Board for the period from 7 December 2021 to 31 December 2025.

By resolution dated 28 July 2021, Dr Thomas Schroeter's appointment was extended for a second term and Dr Thomas Schroeter was appointed member of the Management Board for the period from 7 December 2021 to 31 December 2025.

By resolution dated 1 October 2021, Dr Dirk Schmelzer's appointment was extended for a second term and Dr Dirk Schmelzer was appointed member of the Management Board for the period from 1 July 2022 to 30 June 2026.

All existing members of the Management Board of Scout24 AG were appointed as members of the Management Board of Scout24 SE in their current functions at Scout24 SE's constituent meeting of the Supervisory Board on 8 July 2021.

Supervisory Board

On 18 June 2020, the Annual General Meeting had elected Dr Hans-Holger Albrecht, Christoph Brand, Frank H. Lutz, Peter Schwarzenbauer and André Schwämmlein for a further term of office and Dr Elke Frank for a first term of office for the period until the end of the Annual General Meeting that passes a resolution on exoneration for the 2023 financial year.

At the Annual General Meeting on 8 July 2021, upon the Executive Committee's recommendation, all existing members of the Supervisory Board of Scout24 AG were appointed as members of the first Supervisory Board of Scout24. The term of appointment was chosen identically to the term of office in Scout24 AG for the period until the end of the Annual General Meeting that passes a resolution on exoneration for the 2023 financial year. In the constituent meeting of the Supervisory Board of Scout24 SE on 8 July 2021, the positions of the Chair of the Supervisory Board, the Deputy Chair of the Supervisory Board, the committees and their composition were all determined in accordance with the positions at Scout24 AG.

With the entry in the commercial register of SCOUT24 SE on 15 October 2021, the transformation of Scout24 AG with change of form into a European stock corporation (Societas Europaea, SE) became effective. The offices of the Supervisory Board members of Scout24 AG ended upon the transformation becoming effective and the Supervisory Board took up its activities as the Supervisory Board of Scout24 SE with the appointed members.

MEMBERS OF THE SUPERVISORY BOARD IN THE 2021 FINANCIAL YEAR

Name Function	Profession exercised	Member AG before change of legal form since	Member SE after change of legal form since	Appointed until	Other board positions in 2021 (during term of office)
Dr Hans-Holger Albrecht Chair	Member of the Board of Directors of Deezer S.A., Paris, France, and London, UK	21 June 2018	15 October 2021[1] last elected on: 8 July 2021	AGM 2024	• ICE GROUP ASA, Oslo, Norway (Chairman of the Board of Directors) • VEON Ltd., Hamilton, Bermuda (Non-Executive Member of the Board of Directors)
Frank H. Lutz	CEO of CRX Markets AG, Munich, Germany	30 August 2019	15 October 2021, last elected on: 8 July 2021	AGM 2024	• Bilfinger SE, Mannheim, Germany (member of the Supervisory Board)
Christoph Brand	CEO of Axpo Holding AG, Baden, Switzerland	30 August 2019	15 October 2021, last elected on: 8 July 2021	AGM 2024	• Centralschweizerische Kraftwerke AG, Lucerne, Switzerland (member of the Board of Directors) • GfM Schweizerische Gesellschaft für Marketing, Zurich, Switzerland (member of the Management Board)
André Schwämmlein	CEO of FlixMobility GmbH, Munich, Germany	30 August 2019	15 October 2021, last elected on: 8 July 2021	AGM 2024	• ABOUT YOU Holding SE & Co. KG, Hamburg, Germany (member of the Supervisory Board) • ABOUT YOU Verwaltungs AG, Hamburg, Germany (member of the Supervisory Board)
Peter Schwarzenbauer	Former member of the Board of Management of BMW AG, Munich, Germany	8 June 2017	15 October 2021, last elected on: 8 July 2021	AGM 2024	• UnternehmerTUM GmbH, Munich, Germany (member of the Supervisory Board) • Lunewave, Inc., Tucson (Arizona), United States (member of the Advisory Board) • Mobility Impact Partners LLC, New York (NY), United States (member of the Advisory Board)
Dr Elke Frank	Member of the Management Board of Software AG, Darmstadt, Germany	18 June 2020	15 October 2021, last elected on: 8 July 2021	AGM 2024	• Fraunhofer-Institut für Arbeitswirtschaft und Organisation IAO, Stuttgart, Deutschland, eine Einrichtung der Fraunhofer-Gesellschaft zur Förderung der angewandten Forschung e. V., Munich, Germany (member of the Board of Trustees)

[1] The offices of the members of the Supervisory Board of Scout24 AG end upon the conversion taking effect, i.e. upon registration of the conversion in the commercial register of Scout24 SE on 15 October 2021. All previous members were appointed as members of the first Supervisory Board of Scout24 SE pursuant to Article 9 (2) of the SE's Articles of Association.

Supervisory Board Committees in the 2021 financial year and meeting attendance

COMPLETE SUPERVISORY BOARD

Name	Meeting attendance
Dr Hans-Holger Albrecht	11/11
Christoph Brand	10/11
Dr Elke Frank	11/11
Frank H. Lutz	11/11
Peter Schwarzenbauer	11/11
André Schwämmlein	11/11

EXECUTIVE COMMITTEE

Name	Position	Meeting attendance
Dr Hans-Holger Albrecht	Chair	6/6
Peter Schwarzenbauer	Member	6/6
Frank H. Lutz	Member	6/6

AUDIT COMMITTEE

Name	Position	Meeting attendance
Frank H. Lutz	Chair	6/6
Dr Hans-Holger Albrecht	Member	6/6
André Schwämmlein	Member	6/6

REMUNERATION COMMITTEE

Name	Position	Meeting attendance
Dr Elke Frank	Chair	2/2
Christoph Brand	Member	2/2
Peter Schwarzenbauer	Member	2/2

Audit of the separate and consolidated financial statements

Against the background of the change of form to SE and pursuant to the resolution of the Annual General Meeting on 8 July 2021, the Supervisory Board engaged KPMG AG Wirtschaftsprüfungsgesellschaft (KPMG), Berlin, to audit the separate and consolidated financial statements of Scout24 SE for the financial year ended 31 December 2021.

The key auditor responsible for the audit is Haiko Schmidt (since 2016). Auditor Sina Marschner is also responsible for the audit.

The first financial year of Scout24 SE is the calendar year in which the conversion of Scout24 AG into Scout24 SE is entered in the commercial register of Scout24 SE. In addition, KPMG AG Wirtschaftsprüfungsgesellschaft, Berlin, was appointed to review the condensed financial statements and the interim management report (Articles 115 (5) and 117 No. 2 of the German Securities Trading Act ('Wertpapierhandelsgesetz', WpHG), if any, as well as the financial information during the year (Article 115 (7) WpHG), if any, in the first and, if applicable, the second financial year of Scout24 SE and only until the next Annual General Meeting.

KPMG audited the separate financial statements for the financial year from 1 January 2021 to 31 December 2021 and the management report of Scout24 SE, which is combined with the group management report, prepared by the Management Board in accordance with the requirements of the German Commercial Code ('Handelsbuchgesetz', HGB). KPMG issued an unqualified audit opinion. The consolidated financial statements of Scout24 SE for the financial year from 1 January 2021 to 31 December 2021 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 separate 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 Chair 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 with the German Corporate Governance Code 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 audit reports, 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 on 14 March 2022 and the Supervisory Board on 17 March 2022. The auditor reported on the key findings of its audit. Furthermore, the auditor informed the Supervisory Board of its 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 Chair of the Audit Committee reported extensively on the review of the separate and consolidated financial statements and the combined management report 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 auditor. By resolution dated 17 March 2022, the Supervisory Board thus approved the separate and consolidated financial statements of Scout24 SE for the 2021 financial year. The separate financial statements of Scout24 SE are ratified as a consequence. It additionally reviewed 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 statements 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.

In April 2021, Scout24 AG issued a request for proposals for the engagement to audit the separate and consolidated financial statements of Scout24 AG and the financial statements of its (material) subsidiaries included in the consolidated financial statements for the 2023 financial year. The scope of the request for proposals also includes the review of the half-year financial report for the 2023 financial year.

Following the established procedure in various selection stages and according to a previously defined evaluation system as well as a thorough examination of the candidates, the Audit Committee recommended to the Supervisory Board in the meeting on 15 October 2021, subject to the appointment by the respective competent bodies, to preferably engage the audit firm PricewaterhouseCoopers GmbH, or alternatively the audit firm Deloitte GmbH, to audit the separate and consolidated financial statements of Scout24 SE as well as selected financial statements of its subsidiaries included in the consolidated financial statements, including the review of the half-year financial report for the 2023 financial year.

Both audit firms were able to make a compelling case in the course of the selection process that they are suitable and qualified as future auditors of Scout24 SE. At its meeting on 30 November 2021, the Supervisory Board – based on the recommendation of the Audit Committee – concluded the tender process published in the German Federal Gazette ('Bundesanzeiger') on 1 April 2021, with a decision in favour of PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft.

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 2021 financial year, which proved a tough yet successful year for the Scout24 Group and its employees alike.

Munich, 17 March 2022

Scout24 SE
The Supervisory Board

Dr Hans-Holger Albrecht
Chair of the Supervisory Board

Corporate governance

Corporate governance declaration

The actions taken by Scout24 SE's management and oversight bodies are determined by the principles of responsible and good corporate governance. The corporate governance declaration comprises the declaration of conformity, relevant information on corporate governance practice, a description of the Management Board's and the Supervisory Board's operating procedures as well as the composition of their committees.

Declaration of conformity with the German Corporate Governance Code issued by the Management Board and the Supervisory Board of Scout24

The following declaration of conformity was issued in December 2021:

Pursuant to Article 161 (1) Sentence 1 of the AktG, the Management Board and the Supervisory Board of Scout24 SE shall annually declare that the recommendations of the German Government Commission for the German Corporate Governance Code ('Regierungskommission Deutscher Corporate Governance Kodex', GCGC), published by the Federal Ministry of Justice in the official section of the German Federal Gazette ("Bundesanzeiger"), have been and are being complied with or which recommendations are not being applied and why. That last annual declaration was issued in February 2021.

Pursuant to Article 161 AktG, the Management Board and the Supervisory Board of Scout24 SE hereby declare as follows:

1. Since the last declaration of conformity from February 2021 until the publication of the declaration of conformity in December 2021, Scout24 SE has fully complied with all recommendations of the GCGC in the version dated 16 December 2019 (GCGC 2019).

2. Scout24 SE will continue to fully comply with all recommendations of the GCGC 2019.

Munich, December 2021

Scout24 SE

The Management Board The Supervisory Board

Relevant information on corporate governance practice

The purpose of the company is to acquire, hold, manage and sell interests in entities – in Germany and other countries – of any legal form which are active in the area of online and internet services and/or render services online and/or offline in the real estate sector, in particular for the brokerage or management of real estate or connected or related business purposes 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 for a consideration for affiliated companies, and to operate activities for the aforementioned purposes in Germany and other countries.

The company complies with all legal corporate governance requirements as well as with the recommendations of the GCGC. A special Code of Conduct provides employees with a reliable framework for acting responsibly that satisfies legal requirements and reflects the Company's own ethical and social values. The goal is to avoid any claims against Scout24 or individual employees arising from misconduct. The Code of Conduct can be downloaded at any time from the company's website at **www.scout24.com/en/investor-relations/corporate-governance/code-of-conduct**.

The protection of privacy and the security of data processing and, consequently, the trust of users, customers and employees are issues that are important to the Scout24 Group. A Data Protection Code of Conduct sets out the guiding principles of entrepreneurial action in terms of data protection, transparency, necessity of the processed data and data minimisation.

Description of operating procedures of the Management Board and the Supervisory Board as well as composition and operating procedures of Supervisory Board committees

Scout24 SE is a European Company (Societas Europaea, SE), a legal form for stock corporations in the European Union and in the European Economic Area, and is therefore subject, among other things, to the provisions on the Statute for a European Company (SE) of 8 October 2001 (SE Regulation), the Act on the Implementation of the EC Regulation on the Statute for a European Company ('Gesetz zur Ausführung der EG Verordnung über das Statut der Europäischen Gesellschaft', SEAG) and the Act on the Involvement of Employees in a European Company ('SE-Beteiligungsgesetz', SEBG) as well as the provisions of AktG. The company retains the dual management and control structure consisting of the Management Board and the Supervisory Board following the change of legal form. The Management Board and the Supervisory Board work closely together for the benefit of the company.

The Supervisory Board regularly advises the Management Board regarding the management of Scout24 SE and accompanies and monitors its activities. The Management Board involves the Supervisory Board in good time in all decisions of fundamental importance for the company. In particular, the Management Board liaises with the Supervisory Board on corporate strategy and discusses the current state of strategy implementation with it at regular intervals. The common goal of the Management Board and the Supervisory Board is to ensure the company's continued growth.

The Annual General Meeting of Scout24 AG of 8 July 2021 had approved under agenda item 8 the Transformation Plan of 17 May 2021 on the transformation of Scout24 AG into an SE and approved the Articles of Association of Scout24 SE. The Articles of Association of Scout24 SE are available on the website under **Articles of Association - Scout24**.

In accordance with Article 9 No. 2 of the company's Articles of Association, the members of the first Supervisory Board were appointed until the Annual General Meeting that passes a resolution on exoneration for the 2023 financial year. The members of the first Supervisory Board of the company thus appointed convened for their first meeting on 8 July 2021, at 1 p.m.

At this meeting, the Supervisory Board unanimously adopted a resolution to appoint all existing members of the Management Board of Scout24 AG as members of the Management Board of the SE.

The appointment was made in each case for the remaining term of office of the respective previous appointment by the Supervisory Board of SCOUT24 AG, i.e. for Mr Tobias Hartmann until 31 December 2025, for Dr Dirk Schmelzer until 30 June 2022, for Dr Thomas Schroeter until 6 December 2021 and for Mr Ralf Weitz until 6 December 2021. The members of the Management Board each represent the company jointly with another member of the Management Board or an authorised signatory. Tobias Hartmann has been exempted from the restrictions of Sec. 181 option 2 of the German Civil Code ('Bürgerliches Gesetzbuch', BGB).

Management Board operating procedures

The Management Board conducts the company's business affairs in accordance with the law, the Articles of Association and the rules of procedure for the Management Board and the Supervisory Board. It must observe in particular the restrictions of management authority imposed by the Articles of Association or the rules of procedure for the Management Board and the Supervisory Board. It provides regular, timely and comprehensive information in detailed oral and written reports to the Supervisory Board on all issues of relevance to the company regarding strategy, planning, profitability and liquidity, business development, risk position, risk management and compliance. The Management Board prepares the separate financial statements and the consolidated financial statements. The Management Board has established an internal control system and risk management system that is appropriate and effective in view of the scope of the company's business activities and its risk situation.

Pursuant to Article 6 (1) of the Articles of Association, the Management Board has at least two members. Otherwise, the number of members of the Management Board is determined by the Supervisory Board. Members of the Management Board are appointed for a period not exceeding five years. Reappointments are permitted. The Supervisory Board appoints and dismisses members of the Management Board and determines the allocation of their responsibilities. It can also appoint a Chair (Chief Executive Officer) and a Deputy Chair of the Management Board and also appoint deputy members of the Management Board.

COMPOSITION OF THE MANAGEMENT BOARD

Name	Function	Member of the Management Board of the AG since and previous appointment in AG	Member of the Management Board of the SE after change of legal form since	End of term of office
Tobias Hartmann	Chief Executive Officer	19 November 2018, last appointed 9 June 2021	15 October 2021, last appointed on 8 July 2021	31 December 2025
Dr Dirk Schmelzer	Chief Financial Officer	18 June 2019	15 October 2021, last appointed on 1 October 2021	30 June 2026
Dr Thomas Schroeter	Chief Product Officer	6 December 2018	15 October 2021, last appointed on 28 July 2021	31 December 2025
Ralf Weitz	Chief Commercial Officer	6 December 2018	15 October 2021, last appointed on 20 July 2021	31 December 2025

Members of the Management Board each manage the portfolio allocated to them under their own responsibility, always considering the company's overall benefit and interests. The allocation of responsibilities to individual members of the Management Board is based on the table of duties prepared with the approval of the Supervisory Board and that may be amended at any time with its approval.

The table of duties currently provides for the following allocation of responsibilities:

Tobias Hartmann, Chief Executive Officer (CEO)

- Strategy and business development
- Mergers and acquisitions (M&A)
- Data and technology, IT, security
- Corporate communications
- Human resources, culture and development
- Legal and compliance; internal audit

Dr Dirk Schmelzer, Chief Financial Officer (CFO)

- Finance and accounting
- Controlling
- Risk Management
- Investor relations; treasury
- Tax
- Procurement; facilities

Dr Thomas Schroeter, Chief Product Officer (CPO)

- MD IS24, IS24 pricing strategy
- Product strategy
- Performance marketing
- Brand management
- Consumer research + CSAT
- CRM, including FLOWFACT / Propstack

Ralf Weitz, Chief Commercial Officer (CCO)

- MD IS24
- Commercial strategy
- Transaction product strategy and sales strategy
- Business development transaction business

The Articles of Association contain provisions on the power of representation of the Management Board, the management team and the passing of resolutions. The Management Board has rules of procedure. These rules of procedure were adopted by the Supervisory Board in the context of the change of legal form to an SE at the constituent meeting on 8 July 2021 and were amended in the 2021 financial year. Specifically, they govern the operating procedures of the Management Board and the allocation of responsibilities between members of the Management Board as well as their cooperation with the Supervisory Board. They also include a catalogue of those measures and transactions that require approval by the Supervisory Board.

Disclosures on Management Board meetings

Management Board meetings are held when required, and as a general rule at least once every two weeks. Meetings must be held when so required by the interests of the company. Unless a different majority is required by law, Management Board resolutions are adopted with a simple majority of the votes cast. If the Management Board comprises more than two members, the vote cast by the Chair of the Management Board counts twice in the event of a tied vote.

The Management Board of Scout24 SE has not formed any committees.

Supervisory Board operating procedures

The Supervisory Board has all duties and rights assigned or allocated to it by law, the Articles of Association or otherwise. In particular, these include monitoring the management, appointing and dismissing members of the Management Board and amending, rescinding and terminating employment contracts with members of the Management Board. The Supervisory Board regularly advises the Management Board on the management of the company. The Supervisory Board is involved in good time in all decisions of fundamental importance for the company. The Supervisory Board has issued its own rules of procedure. They govern, among other things, the operating procedures and the way resolutions are adopted by the Supervisory Board and also lay down the duties of the committees established by the Supervisory Board: the Audit Committee, the Executive Committee and the Remuneration Committee. The Supervisory Board has made provisions for the committees' rules of procedure in accordance with Article 10 of the new rules of procedure for the Supervisory Board adopted by resolution of the Supervisory Board on 8 July 2021. The rules of procedure of the Supervisory Board were adjusted during the 2021 financial year. Also by resolution of 8 July 2021, the Audit Committee was prescribed new rules of procedure by the Supervisory Board. The rules of procedure of the Supervisory Board are publicly available on the company's website at **www.scout24.com/en/investor-relations/corporate-governance**. The Executive Committee also performs the tasks of a Nomination Committee and, in this capacity, nominates suitable candidates for the Supervisory Board for its proposals to the Annual General Meeting when electing members of the Supervisory Board. In doing so, it must consider statutory requirements, the Articles of Association, the GCGC, the competence profile of the Supervisory Board and said rules of procedure.

The Supervisory Board convened for eleven meetings in the 2021 financial year and passed further written resolutions by circularisation. The Executive Committee met six times in the 2021 financial year. The Audit Committee held six meetings. The Remuneration Committee met twice in 2021. It is planned that the Supervisory Board hold two ordinary meetings in each half of a calendar year. The rules of procedure for the Audit Committee, which came into force in July 2021, provide for the Audit Committee to regularly hold one meeting each quarter of a calendar year.

At the request of the Chair of the Supervisory Board, the Management Board attends all scheduled meetings of the Supervisory Board, submits written and oral reports on individual agenda items and draft resolutions, and answers questions raised by individual members of the Supervisory Board. Unless the Supervisory Board or committee requests the attendance of the Management Board, the Management Board does not attend meetings of the Supervisory Board if the auditor is summoned as an expert. Between such meetings, the Management Board provides all members of the Supervisory Board in particular with detailed quarterly reports on the company's situation. Furthermore, the Chair of the Supervisory Board and the committee chairs are also kept informed by the Management Board in telephone calls and meetings about key developments and forthcoming major decisions.

As a general rule, Supervisory Board resolutions are adopted at meetings attended by its members in person. Members of the Supervisory Board attending by video or telephone conference are deemed present and may also cast their votes this way. In addition to face-to-face meetings, resolutions may be adopted in text form, by telephone or in comparable ways of adopting resolutions, provided that the Chair of the Supervisory Board or – in his or her absence – the Deputy Chair of the Supervisory Board stipulates this procedure for the individual case in question. In particular, resolutions may also be adopted by way of video or telephone conference or by way of a combination of the aforementioned possibilities (combined resolutions). The Supervisory Board has a quorum when all of its members have been invited at the addresses most recently known for them and at least half of its total number of required members, but no fewer than three members, participate in the adoption of any resolution. In this respect, a member of the Supervisory Board is also deemed to have attended the Supervisory Board meeting when he or she abstains from voting. Unless a different majority is required by law, Supervisory Board resolutions are adopted with a simple majority of the votes cast. This also applies to elections. Abstentions are not counted when determining the results of voting.

Each member of the Supervisory Board must disclose to the Supervisory Board any conflicts of interest, in particular those that may arise as a result of a consultancy or directorship function with customers, suppliers, lenders or other third parties. In the event of conflicts of interest that are material and not merely temporary, the respective member of the Supervisory Board must resign from his or her position. In its report to the Annual General Meeting, the Supervisory Board provides information about any conflicts of interest and how they were dealt with. No such conflicts of interest arose in the reporting period.

The Supervisory Board – together with its committees – regularly reviews how effectively the Supervisory Board as a whole and its committees perform their duties. This review is conducted internally and also, in individual cases, with the involvement of external advisors. The Supervisory Board last conducted a comprehensive efficiency review in the 2020 financial year. The findings of the review confirm that cooperation within the Supervisory Board and with the Management Board is professional, constructive and trust-based, and that meetings are efficiently organised and conducted based on an appropriate level of information. No fundamental need for change was identified. Individual suggestions will be taken up and implemented during the year.

Composition of the Supervisory Board

According to Article 9 (1) of the Articles of Association, the Supervisory Board of Scout24 SE has six members, all of whom are to be elected exclusively by the Annual General Meeting. Where the Annual General Meeting does not stipulate shorter terms in office upon the election of individual members or of the Supervisory Board as a whole, members of the Supervisory Board are appointed for a term lasting until the end of the Annual

General Meeting that decides on their exoneration for the fourth financial year after the beginning of the term of office but for no longer than six years. The year in which the term of office begins is not counted. Reappointments are permitted.

As regards the composition of the Supervisory Board in the 2021 financial year and the composition of its committees we refer to the disclosures in the **Report of the Supervisory Board**.

Scout24 SE pursues a Group-wide strategy of promoting diversity. One woman is currently appointed to the Supervisory Board. In addition, the experience, background and profiles of the Supervisory Board members are characterised by a diversity that brings different perspectives to the Supervisory Board.

Pursuant to Recommendation C.6 Subsection 1 Half-sentence 1 of the GCGC, the Supervisory Board of Scout24 SE should include what it considers to be an appropriate number of independent members. In the opinion of the Supervisory Board, all members of the Supervisory Board are independent within the meaning of the GCGC.

Supervisory Board committees

To perform its tasks efficiently, the Supervisory Board has currently formed three committees: an Executive Committee, an Audit Committee and a Remuneration Committee. The committee chairs report regularly to the Supervisory Board on the work of the committees.

Executive Committee

The Executive Committee comprises one chair and two further members. The Executive Committee prepares the meetings of the Supervisory Board and handles current matters arising between the meetings. In particular, it is tasked with preparing the decisions of the Supervisory Board in the area of corporate governance, especially on adjustments to the company's declaration of conformity pursuant to Article 161 AktG. In this respect, the Executive Committee also continuously monitors the extent to which the Management Board and the Supervisory Board comply with the recommendations of the GCGC in accordance with the declaration of conformity. In addition, it advises the Management Board on matters of strategic importance to the company and its affiliated companies and supports the Supervisory Board in performing its supervisory duties with regard to the company's strategy and important corporate decisions, in particular M&A transactions. The Executive Committee prepares documents for the Supervisory Board concerning decisions on the approval of transactions and contracts requiring the approval of the Supervisory Board.

Audit Committee

For new appointments from 1 July 2021, the Audit Committee must comprise at least two financial experts pursuant to Articles 107 (4) and 100 (5) AktG. It is required that one member has expertise in the field of accounting and the other member expertise in the field of auditing; the members as a whole must be familiar with the sector in which the company operates.

The Chair of the Audit Committee, Frank H. Lutz, meets these legal requirements and has additional expertise in the fields of financial planning and controlling. Frank H. Lutz also fulfils the further criteria of Section D.4 of the , according to which a Chair of the Audit Committee should be independent. In addition to the Chair of the Audit Committee, the Audit Committee consists of the other Supervisory Board members Dr Hans-Holger Albrecht and André Schwämmlein. Dr Hans-Holger Albrecht also has relevant experience in the field of auditing, including many years of service on the audit committees of various companies.

Furthermore, Frank H. Lutz satisfies the further criteria of Recommendation C.11 of the G according to which the Chair of the Audit Committee should be independent and not a former member of the Management Board whose term of office ended less than two years ago.

The Audit Committee addresses in particular the monitoring of the financial reporting, the financial reporting process, the effectiveness of the internal control system, the risk management system, the internal audit system, compliance as well as the audit of the financial statements. 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. Each member of the Audit Committee may obtain information directly from the heads of those corporate departments of the company who are responsible within the company for tasks relating to the Audit Committee via the Chair of the Audit Committee. The Chair of the Audit Committee must communicate the information obtained to all members of the Audit Committee. If such information is obtained, the Management Board must be informed thereof without delay.

Remuneration Committee
The Remuneration Committee deals, among other things, with the compensation of members of the Management Board and the appointment and dismissal of members of the Management Board as well as with the intended appointment and revocation of the appointment of a Chair of the Management Board, the preparation of submissions on the conclusion, amendment and termination of employment, pension and severance agreements with members of the Management Board and also resolutions on consulting agreements and other agreements with members of the Management Board. It comprises the Chair of the Remuneration Committee and two further members.

Information about the operating procedures of the Management Board and the Supervisory Board and its committees in the financial year can also be found in the **Report of the Supervisory Board**, which is included in the annual report of Scout24 SE.

Information about fostering participation by women in management positions pursuant to Article 76 (4) and Article 111 (5) AktG; diversity concept and succession planning

In compliance with the age limit set by the Supervisory Board in its rules of procedure, only persons who are not older than 65 years of age should as a rule be put forward for election as members of the Supervisory Board.

Diversity concept of the Supervisory Board (Article 289 et seq. HGB)
Sufficient diversity is to be ensured in the Supervisory Board's composition. The diversity concept is implemented in the election of members of the Supervisory Board and in the reappointment of candidates to the Supervisory Board.

In addition to an appropriate consideration of women, the concept also entails diversity with regard to cultural backgrounds as well as differences in education and professional backgrounds, experience and ways of thinking. Furthermore, the composition of the Supervisory Board takes into account the particular international experience of members. When considering potential candidates for re-election or for a new appointment to Supervisory Board positions that become vacant, the aspect of diversity should be given appropriate consideration at an early stage in the selection process.

The Supervisory Board has set itself the target of including an appropriate number of women among its members. On 19 March 2019, it 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 has already been implemented. On 19 March 2019, the Supervisory Board also set a target of 0% for the percentage of women on the Management Board of Scout24 SE, which is to be implemented by 1 March 2024.

Given the target of 0%, this was achieved in the reporting year. The Supervisory Board appreciates the objectives pursued with the introduction of a quota for women and attaches importance to equal treatment and equal opportunities for men and women as well as wider diversity. Appointments to the Management Board and the Supervisory Board should be based on the best interests of the company. Against this background, the target figure reflects that the successful work and well-functioning composition of the Management Board, which has only existed since the summer of 2019, should not be affected by exclusively diversity-driven changes. In good time before the deadline, the Supervisory Board will again critically review the target figure and decide on a possible adjustment in the interests of the company.

Based on the actual corporate hierarchy and the reporting lines of Scout24 SE's Management Board, for the first management level below the Management Board, the Management Board of Scout24 SE has set a target of 30% for the percentage of women, with an implementation deadline by 30 June 2025. As of 31 December 2021, the proportion of women at the first management level below the Management Board stood at 29%, thus falling slightly short of the target. For the second management level below the Management Board, the Management Board of Scout24 SE has set a target of 30% for the percentage of women, with an implementation deadline by 30 June 2025. As of 31 December 2021, the percentage of women stood at 41%, thus comfortably reaching the target.

Diversity concept for the Management Board (Recommendation B.1 GCGC) and long-term succession planning

When selecting members of the Management Board, the Supervisory Board considers their personal suitability, integrity, persuasive leadership qualities, international experience, professional qualifications for the position, track record, knowledge of the company and ability to adapt to changing processes. Diversity is an important selection criterion when filling Management Board positions, also with regard to aspects such as age, gender as well as education and professional background. Diversity criteria are weighted depending on the Management Board position in question as well as the corresponding tasks.

In the composition of the Management Board, attention should be paid to internationality in the sense of international experience as well as to at least experience in other European countries/the DACH (Germany, Austria and Switzerland) region, such as prolonged professional experience abroad of relevance for Scout24 or supervision of business activities abroad.

The Management Board as a whole should have experience in the business areas of relevance for Scout24 SE.

The diversity concept for the Management Board is implemented in connection with the procedure for appointing members to the Management Board and is also reflected in succession planning.

The members of the Management Board encompass a broad spectrum of knowledge and experience as well as education and professional backgrounds and have international experience. As a whole, the Management Board possesses all the knowledge and experience deemed material in view of the company's activities.

When filling management positions in the company, the Management Board pays attention to diversity and strives in particular for an appropriate consideration of women and internationality. To this end, the Management Board is supported by the People, Organisation & Culture department and by Principal Diversity & Inclusion Management. Measures are being taken to support women more systematically. Managers bear a special responsibility for the topic of diversity and inclusion in the company. The aim is to train managers so that they can contribute to this goal. Good progress was made in this regard in the past financial year.

Long-term succession planning for the Management Board

Together with the Management Board, the Supervisory Board is responsible for long-term succession planning for the Management Board. Long-term succession planning takes into account the requirements of the AktG and the GCGC, the competence required for the board remit in question as well as diversity criteria.

Age limit for members of the Management Board

In general, the standard age limit for members of the Management Board is 67 years.

Corporate governance at Scout24 SE

The Management Board and the Supervisory Board of Scout24 SE see good corporate governance as involving responsible corporate management aimed at ensuring sustainable value creation. In particular, the trust placed in the company by its investors, business partners and employees as well as by the general public should be maintained. Furthermore, Scout24 attaches great importance to the Management Board and the Supervisory Board working efficiently, as well as to good cooperation both between these two boards and also with the company's employees. In this respect, open and transparent corporate communication also plays an important role.

The corporate structure is designed to promote responsible, transparent and efficient management and oversight of the company. The company therefore also identifies with the principles set out in the GCGC. The Management Board and Supervisory Board as well as the other management levels and employees have an obligation to comply with these principles of responsible corporate governance. The Management Board is responsible for ensuring compliance with corporate governance principles at the company.

The company has central risk management and compliance functions that are responsible for ensuring and continuously refining the Group-wide compliance management system (CMS) as well as the risk management system (RMS), among other matters.

Risk and opportunities management

Dealing responsibly with opportunities and risks is a central task of the Management Board, executives and all employees, and is also an expression of good corporate governance. The aim is to identify risks at an early stage, limit them and, if necessary, take advantage of any opportunities that may arise.

Compliance

To implement the values, principles and rules of responsible corporate governance in its daily activities, Scout24 SE has established conduct rules that specify and supplement the legal provisions and apply to all employees of the Scout24 Group. The relevant regulations include the Code of Conduct, the Data Protection Code of Conduct and other processes relevant for compliance purposes (for example e-learning, training, assessment of compliance risk, compliance talks, a whistle-blower hotline and compliance reports). In addition, there are Group-wide employee guidelines that explain in detail how employees can be sure that they are conducting themselves in an appropriate manner. The CMS mainly comprises the following areas: compliance culture, compliance objectives and tasks, compliance organisation, compliance risks, compliance programmes, monitoring and refinement of compliance. All employees of the Scout24 Group are regularly trained on and informed about individual topics, both centrally and as needed. Their respective participation is followed up centrally.

The risk management and compliance functions serve as the central point of contact for all stakeholders, especially for employees and members of corporate bodies as well as customers and third parties.

The compliance function offers support and advice in all compliance-related matters, including any form of harassment or discrimination (in cooperation with the HR department) and anti-fraud and anti-corruption measures, and also acts as an unbiased point of contact for complaints and recommendations as well as for any reports of infringements of laws or internal company policies. In addition, the Group's Legal department addresses compliance-related topics and issues and can offer assistance with compliance-related matters where necessary.

Executives at Group entities are additionally required to forward compliance-related information to all employees within their areas of responsibility and to ensure that compliance rules are observed. In addition to regular training sessions, this process is supported by information material and ad hoc training sessions in response to current topics and requirements.

A whole series of measures intended to ensure employee conduct in compliance with the law at all times has been implemented in CMS. These include the establishment of a whistle-blower system (hotline), also accessible to third parties, which also offers the possibility of providing anonymous tip-offs concerning potential compliance-related infringements. With regard to employees using the whistle-blower system, the company has adopted a clear non-retaliation policy for those who come forward as whistle-blowers. This means that employees who have reported information need not fear any negative consequences, even in cases where no sufficient evidence can be found to support the concerns voiced. This applies to all reports concerning potential infringements of laws and/or rules, and not only for those received via the hotline. However, the compliance hotline may also be used for questions and comments concerning compliance topics, and especially for those relating to the Code of Conduct.

The Group-wide compliance management system (CMS) is subject is subject to a continuous improvement process involving regular reviews of the compliance system (including established processes, procedures and documentation) and the Group's business practices. Where necessary, corresponding improvements are adopted following a review.

Declaration of conformity

The most recent declaration of conformity with the GCGC pursuant to Article 161 AktG was issued by the Management Board and the Supervisory Board in December 2021.

Objectives for the Supervisory Board's composition

The Supervisory Board of Scout24 SE should be composed in such a way that, overall, its members possess the knowledge, skills and specialist experience necessary for the due performance of its duties. The Supervisory Board should state specific targets for its composition, taking into account the company's specific situation, its international activities, potential conflicts of interest, the number of independent members of the Supervisory Board within the meaning of Recommendation C.6 Subsection 1 Half-sentence 1 of the GCGC and diversity. An age limit for members of the Supervisory Board is specified in Article 2 of the rules of procedure for the Supervisory Board. As a general rule, only persons who have not yet reached the age of 65 at the time of their appointment may become members of the Supervisory Board.

Furthermore, Article 2 of the rules of procedure stipulates that a member shall, as a general rule, not be a member of the Supervisory Board of Scout24 SE for longer than twelve years in total. The Supervisory Board sets a target for the percentage of women on the Supervisory Board. At its meeting on 19 March 2019, the Supervisory Board decided that the board should include at least one female member.

Profile of skills and expertise

The Supervisory Board has decided that the board as a whole should have the following competences:

- Expertise in the digital economy, digitisation and technology
- Expertise in the field of real estate
- Knowledge/experience in the areas of accounting, auditing, internal control procedures
- Knowledge in the field of compliance
- Expertise in the field of mergers and acquisitions
- International experience/expertise
- Expertise in the field of sustainability
- Marketing expertise
- Expertise in the field of human resources
- Experience in corporate governance

The Supervisory Board in its present composition fulfils this profile of skills and expertise.

Basic features of the compensation system

Compensation of the Management Board

The compensation of the Management Board is determined by the Supervisory Board at an appropriate amount based on a performance assessment taking any Group emoluments into account and is reviewed regularly. In the determination and review of the Management Board's compensation, the Supervisory Board takes account of the fact that, pursuant to the standardised requirements set forth in Article 87 (1) AktG, the total compensation of each individual member of the Management Board must be appropriate in relation to the tasks and performance of the member of the Management Board and to the company's situation and may not exceed the customary level of compensation unless particular reasons so require. As a listed company, the company must gear its compensation structure towards its sustainable and long-term development. Variable compensation components should have a multi-year assessment basis; the Supervisory Board is to agree on options for limits in response to extraordinary developments.

The Annual General Meeting approved the Management Board's compensation system on 8 July 2021.

The principal criteria for determining appropriate compensation of the Management Board are the tasks of the members of the Management Board, individual performance, the performance of the Management Board as a whole, the Company's economic and financial situation, profits and the company's prospects as well as the amount and structure of management board compensation at comparable companies. The aim of the compensation system is to make a significant contribution to the sustainable and long-term continued development of Scout24 AG's success story. This is mainly premised on an appropriate performance- and success-based compensation structure. Compensation is calculated in such a way as to ensure that it is competitive on a national and international scale, thus offering an incentive for dedicated and successful work.

Scout24 AG's Supervisory Board has established the following principles for the compensation system of the members of the Management Board:

Strategy orientation
In its entirety, the compensation system for the members of the Management Board makes a significant contribution to promoting and implementing the corporate strategy by setting ambitious growth targets for Scout24's revenue and earnings from operating activities. In addition to growth targets, targets explicitly related to the implementation of the corporate strategy are also taken into account.

Long-term view and sustainability
The compensation system is designed to foster the company's sustainable and long-term development. To link compensation to the company's long-term development, long-term variable compensation makes up a significant proportion of total compensation, exceeding short-term variable compensation. Furthermore, the compensation system includes a sustainability component that takes into account social and ecological aspects and promotes sustainable action by the company.

Capital market orientation
To align the actions of the members of the Management Board with the company's long-term development and the interests of the shareholders, the variable performance-related compensation components are granted share-based for the most part. This requirement is met by structuring the long-term variable compensation component as performance share units. The share ownership guideline also supports the convergence of interests between shareholders and members of the Management Board.

Clarity and comprehensibility
The compensation system for the members of the Management Board is clear and comprehensible. The compensation system complies with the requirements of the AktG as amended by the act implementing the Shareholders' Rights Directive II (SRD II) of 12 December 2019 and takes into account the recommendations of the Government Commission for the GCGC as amended on 16 December 2019.

The compensation of the members of the Management Board of Scout24 AG consists of fixed and variable components. The fixed components are independent of the performance of the members of the Management Board and consist of fixed compensation, ancillary benefits and retirement benefits. The variable components are performance-related and consist of the one-year variable compensation (short-term incentive, STI) and the multi-year, share-based variable compensation (long-term incentive, LTI). The target total compensation comprises the sum of the fixed and variable compensation components. The target compensation is based on the STI and LTI at their target amounts, that is 100% target achievement. The variable compensation as a result of reaching long-term targets should exceed the share resulting from reaching short-term targets (consistent with Recommendation G.6 of the GCGC in the version of 16 December 2019).

The fixed components of the compensation of Scout24's Management Board consist of fixed compensation, ancillary benefits and retirement benefits, such as contributions to insurance, retirement pensions and housing and travel expenses. The variable compensation consists of one-year variable compensation and multi-year share-based variable compensation. It sets incentives for the implementation of the company's strategy and, in turn, for its long-term and sustainable development.

An upper limit is set for variable compensation components. The targets for the one-year variable compensation component are each set by the Supervisory Board before each financial year. The key performance criteria for assessing performance with regard to the one-year variable compensation are Group revenue (35%), ordinary operating Group earnings before interest, taxes, depreciation and amortisation (Group ooEBITDA) (35%), and a non-financial sustainability target (environmental, social and governance target, ESG) that applies to all members of the Management Board (30%).

The share-based LTI in the form of performance share units (PSUs) is granted annually as a tranche. The relevant, equally weighted performance criteria are revenue growth, ooEBITDA growth, and a non-financial strategy target that applies to all members of the Management Board members and is set by the Supervisory Board for each tranche.

Compensation of the Supervisory Board

The compensation of the members of the Supervisory Board is defined in Article 13 of the Articles of Association as purely fixed compensation depending on the tasks of the respective member on the Supervisory Board or its committees. Purely fixed compensation provides an appropriate counterbalance to the largely variable compensation of the Management Board. Pursuant to Article 13 (1) of the Articles of Association, each member of the Supervisory Board is reimbursed for their outlays and additionally receives fixed annual compensation of EUR 60,000. The Chair of the Supervisory Board and his or her deputy receive fixed annual compensation of EUR 140,000 and EUR 120,000 respectively. Members of a committee additionally receive fixed annual compensation of EUR 20,000 and committee chairs EUR 40,000 respectively.

Members of the Supervisory Board who were not members during a full financial year receive the aforementioned compensation pro rata temporis in the amount of one twelfth for each commenced month of their term of office.

Detailed information regarding the compensation structure and compensation paid to individual members of the Management Board and on the compensation of members of the Supervisory Board pursuant to Article 162 AktG can be found in the **compensation report**.

D&O insurance

The company has concluded an insurance policy covering the members of the Management Board and Supervisory Board against financial loss ("directors and officers liability insurance") with an appropriate deductible pursuant to Article 93 (2) Sentence 3 AktG for the Management Board that complies with the legal requirements. The insurance premiums are paid by the company.

Shareholders and the Annual General Meeting

Shareholders exercise their co-determination and oversight rights at the Annual General Meeting, which according to the Articles of Association is chaired by the Chair of the Supervisory Board. Each share in Scout24 SE entitles the holder to one vote. The shareholders have the opportunity to exercise their voting rights at the Annual General Meeting in person or by a proxy of their choice or by a proxy appointed by the company. The Management Board is authorised to determine that shareholders may also attend the Annual General Meeting without being present at the venue where it is held and may exercise their rights in full or in part by means of electronic communication (online attendance) or may cast their votes, without being present at the meeting, in writing or by means of electronic communication (absentee voting). The Management Board is also authorised to determine details regarding the extent and procedure of online attendance or absentee voting. Such details shall be announced in the notice convening the Annual General Meeting. Each shareholder is entitled to attend the Annual General Meeting, to address the Annual General Meeting in respect of the individual agenda items and to request information about the affairs of the company to the extent necessary to properly assess an item on the agenda.

The Annual General Meeting of Scout24 SE took place in Munich on 8 July 2021. Pursuant to Article 1 (1), (2) of the Act Concerning Measures Under the Law on Companies, Cooperative Societies, Associations, Foundations and Commonhold Property to Combat the Effects of the COVID-19 Pandemic (GesRuaCOVBekG) of 27 March 2020 as amended by Article 11 of the Act on the Further Shortening of the Residual Debt Relief Procedure and on the Adjustment of Pandemic-Related Provisions in the Law on Companies, Cooperatives, Associations, Foundations and Condominiums of 22 December 2020 in conjunction with Article 1 of the Ordinance on the Extension of the Act Concerning Measures Under the Law on Companies, Cooperative Societies, Associations, Foundations and Commonhold Property to Combat the Effects of the COVID-19 Pandemic of 20 October 2020 (Covid-19 Act), the Management Board had decided, with the consent of the Supervisory Board, that the Annual General Meeting would be held as a virtual Annual General Meeting without the physical presence of shareholders or their proxies (with the exception of the company's proxies) and that shareholders would cast their votes at the Annual General Meeting additionally by means of electronic communication in particular. The Annual General Meeting was held at the Haus der Bayerischen Wirtschaft, Conference Center, Max-Joseph-Str. 5, 80333 Munich, Germany, with the physical presence of the chair of the meeting, members of the Management Board, the proxies of the company and Mr Frank Lutz as a further member of the Supervisory Board, and the notary Prof. Dr Hartmut Wicke, Munich, who was engaged to record the minutes of the Annual General Meeting. The other members of the Supervisory Board who were not physically present attended the Annual General Meeting via video and audio link.

Shareholders exercised their voting rights exclusively by postal vote or by granting power of attorney to the proxy appointed by the company. The invitation was published in the German Federal Gazette in due time in accordance with legal requirements and set forth, among other things, the agenda and resolutions proposed by the company as well as the terms and conditions for attending the meeting and exercising voting rights. All documents required by law were available on the website of Scout24 AG from the date when the Annual General Meeting was convened. After the Annual General Meeting, Scout24 AG also published the voting results on its website.

Shareholders representing 76.19% of Scout24 AG's share capital were present at the Annual General Meeting.

Notifiable securities transactions (directors' dealings)

The members of the Management Board and the Supervisory Board, other persons discharging managerial duties who regularly have access to insider information about the company and who are authorised to make significant business decisions, as well as certain persons who are in a close relationship with the aforementioned, are legally required by Article 19 of the Market Abuse Regulation to disclose to Scout24 SE the purchase and sale of Scout24 shares and related financial instruments, in particular derivatives, if the amount of the transaction exceeds 20,000 Euro in a calendar year. Among other media locations, we have published corresponding transactions on the Internet at **www.scout24.com/en/investor-relations/financial-news/directors-dealings**.

For the 2021 financial year, the company (including the time prior to the AG's change of form) was notified by members of the Supervisory Board, the Management Board and other persons discharging managerial duties of a total of six such directors' dealings.

Transparency

The shares of Scout24 SE are listed in the Prime Standard of the Frankfurt Stock Exchange. The company is therefore subject to strict transparency requirements under statutory and stock exchange law. In particular, Scout24 SE reports on the situation and development of the company and the Group in both German and English in the form of:

- Annual and interim financial reports
- Quarterly statements
- Quarterly conference calls for analysts and the press including webcasts and webcast replays
- Corporate presentations
- Ad hoc, corporate and IR releases
- Marketing releases

Financial reporting and annual audit

The half-year financial report as of 30 June 2021 and the consolidated financial statements as of 31 December 2021 as well as the two quarterly statements as of 31 March 2021 and 30 September 2021 were prepared in accordance with IFRS. The separate financial statements of Scout24 SE for the 2021 financial year were prepared in accordance with the requirements of the HGB and AktG.

The consolidated financial statements and the separate financial statements of Scout24 SE were audited by the independent auditor and approved by the Supervisory Board.

Investor relations

Scout24 SE maintains a constant, open and transparent dialogue with the capital market. Having already held this dialogue largely virtually in 2020 due to the Covid-19 pandemic, we again adjusted our investor relations activities to the changed framework conditions in the 2021 financial year. In the meantime, this has become standard practice – also for investors – and the cost and efficiency as well as advantages in terms of environmental impact should not be overlooked. Accordingly, we expect that a large portion of investor meetings will take place online even once the pandemic is behind us.

Communication with investors

In the 2021 financial year, we held various virtual investor meetings – individually and in groups. Some of these took place in the context of broker-organised roadshows and investor conferences, and most of them were virtual. In total, around 200 meetings (2020: ~270) were held with over 300 investors (2020: ~500) from more than 200 institutions (2020: ~300). Our investor relations activities in 2021 have thus returned to a normal level, as compared with the previous year, which saw a very high need for communication, particularly in connection with the emerging Covid-19 pandemic and the implementation of the AutoScout24 transaction. The talks with investors focused on the following themes:

- Real estate market in Germany (development and regulation)
- Implementation of Scout24's corporate strategy
- Our product portfolio
- Acquisition of Vermietet.de
- Financial development
- Structure of the statement of financial position under continuation of capital repayments

On 2 December 2021, we also held a virtual Capital Markets Day to provide analysts and institutional investors with comprehensive information on the Scout24 Group's strategy, business development and future prospects. Under the theme 'Moving to the next level', the the CEO and other members of the Management Board explained how ImmoScout24 will continue to develop from a pure classifieds platform to a transaction platform in the coming years. The CFO explained what this development means for Scout24's financials and provided an outlook for the development of revenue and earnings in the period 2022 to 2026.

Our Annual General Meeting was also held as a fully virtual event on 8 July 2021. The speeches by the Supervisory Board and the Management Board were broadcast live on the internet, and registered shareholders were able to follow the entire Annual General Meeting via a secure internet service. In total, a good 76% of the voting share capital was represented. All proposed resolutions were approved by a large majority. These included in particular the dividend of EUR 0.82 per share, the new system for Management Board compensation, the change of the company's legal form to a Societas Europaea (SE), and the authorisation to further acquire treasury shares. In addition, the Annual General Meeting exonerated the Management Board and the Supervisory Board of Scout24 AG for the 2020 financial year by a clear majority. More information on our 2021 Annual General Meeting is available on our investor relations website at **www.scout24.com/en/investor-relations/annual-general-meeting.**

In addition to this direct exchange with investors, we regularly explain our strategy, our business performance and the corresponding financial information as part of our quarterly financial reporting. Since the third quarter of 2021, we have published our quarterly statement (Q1 and Q3) in an abbreviated format, i.e. without detailed financial tables.

After all, investors can get a comprehensive picture of Scout24 at any time with the help of our investor relations website. In addition to our financial reports, the website posts financial notifications, important dates and events, a wealth of information on the Scout24 share and our sustainability strategy and corporate governance at Scout24.

Communication with analysts

In addition to the company's investor relations activities, investors can access estimates and recommendations by independent analysts. As of 31 December 2021, Scout24 SE was included in the coverage of 16 analysts or brokerage firms. Throughout the 2021 financial year, we also maintained an intensive exchange in one-on-one discussions with this target group, which serves as a multiplier for us.

In addition, in connection with the publication of our financial results, we held one analyst conference call for each quarter in which the CEO and CFO reported on the past quarter and were available to answer questions. The aforementioned virtual Capital Markets Day was also aimed specifically at research analysts who are actively involved with Scout24, as well as investors.

EVENTS FOR ANALYSTS

25 March 2021	Analyst conference call on the publication of the 2020 Q4 and full-year financial results
12 May 2021	Analyst conference call on the publication of the Q1 2021 financial results
12 August 2021	Analyst conference call on the publication of the Q2 / H1 2021 financial results
11 November 2021	Analyst conference call on the publication of the Q3 / 9M 2021 financial results
2 December 2021	Virtual Capital Markets Day

The Scout24 share

The shares of Scout24 AG have been listed on the Prime Standard of the Frankfurt Stock Exchange since 1 October 2015. Scout24 has been a constituent of Germany's MDAX equity selection index since 18 June 2018. In addition, Scout24 is a founding member of the DAX 50 ESG, which was launched on 4 March 2020, and was included in the highly regarded MSCI Germany Index on 29 May 2020.

Key figures for stock exchange trading

Type of shares	Registered shares (no-par value)
Stock exchanges with the highest turnover	Xetra, LSE, BATS Trading Europe, Tradegate
Other regional stock exchanges	Frankfurt Stock Exchange, regional stock exchanges in Stuttgart, Düsseldorf, Berlin, Munich, Hamburg, Hanover
Frankfurt Stock Exchange transparency level	Prime Standard
ISIN/WKN	DE000A12DM80/A12DM8
Ticker symbol	G24
Specialist	Oddo Seydler
Designated sponsor	Baader Bank
Total number of shares as of 31 December 2021	83,600,000 (of which 1,205,293 treasury shares)
Market capitalisation as of 30 December 2021	EUR 5,060.7 million (excluding treasury shares)
Average daily share turnover in units[1]	227,113.4
Average daily share turnover in euro[1]	14,915,848.75

[1] Based on electronic trading on Xetra and floor trading on regional exchanges; average over 52 weeks as of 30 December 2021.

Share buy-backs

In the course of the AutoScout24 transaction in March 2020, we established a capital repayment plan. Accordingly, we intended to distribute capital of up to EUR 1.69 billion to our shareholders by way of share buy-backs. The most important element of this plan was the public repurchase offer issued on 30 March 2021, followed by a capital reduction, through which we repurchased 11,400,875 Scout24 shares at an offer price of EUR 69.66 per share, corresponding to a volume of EUR 794.2 million. On 23 April 2021, the share purchase price was paid and the transaction settled. The cancellation of the shares from the public repurchase offer and the cancellation of a further 2,199,125 treasury shares resulted in a capital reduction by a total of 13,600,000 shares to 92,100,000 shares, effective 28/29 April 2021.

On 23 April 2021, we then announced a buy-back programme with a volume of up to EUR 200 million. Implementation was limited to the period 26 April through 30 June 2021. Under this tranche, 2,921,878 Scout24 shares with a value of EUR 200.0 million had been repurchased at an average price of EUR 68.45 by the 30 June reporting date. As of that date, the number of treasury shares amounted to 8,586,462, which corresponded to 9.3% of the share capital.

Of these, we cancelled 8,500,000 shares on 3 November 2021 as part of a further capital reduction. Since then, the share capital of Scout24 SE has amounted to EUR 83.6 million, divided into the same number of no-par value shares. Additionally, we launched a further buy-back programme with a volume of up to EUR 200 million on 12 November 2021. By 31 December 2021, we had already acquired 1,118,831 shares worth EUR 67,212,810 under this program.

Together with the share buy-backs from the previous year, we thus returned capital of around EUR 1.70 billion to our shareholders in total.

SHARE BUY-BACKS (INCLUDING PUBLIC BUY-BACK OFFER)

Period	Aggregated volume (number of shares)	Total volume (EUR)
2 September 2019–31 January 2020	2,793,873	149,999,973
6 April 2020–19 November 2020	6,969,836	489,999,944
1 April 2021–16 April 2021	11,400,875	794,184,952
26 April 2021–30 June 2021	2,921,878	199,999,958
12 November 2021–31 December 2021	1,118,831	67,212,810
Total	**25,205,293**	**1,701,397,637**

Shareholder structure

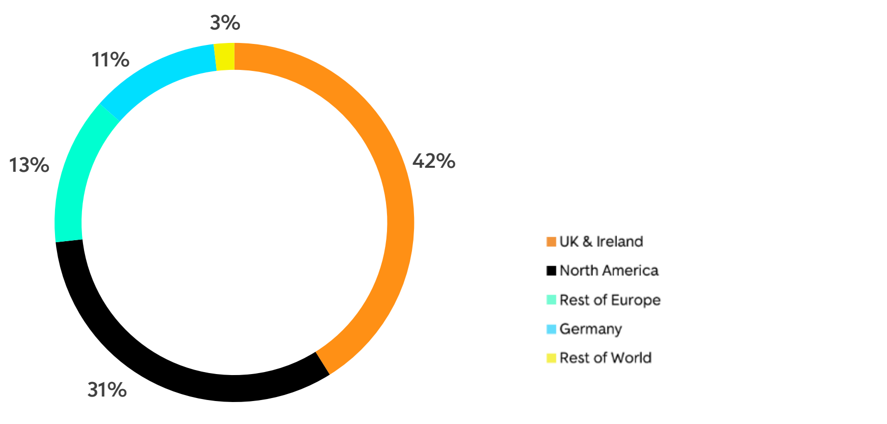
Against the background of the aforementioned share buy-backs and capital reductions, the shareholder structure of Scout24 SE as of 31 December 2021 was as follows:

SHAREHOLDER STRUCTURE

Shareholder	Number of shares	%
Treasury shares	1,205,293	1.44
Free float	82,394,707	98.56
Total	**83,600,000**	**100.00**

The free float of 98.56% is mainly held by institutional shareholders. The information from the shareholder survey available to us as of the reporting date of 31 December 2021 covers the distribution of this free float by around 95%. At 42%, institutional shareholders from the United Kingdom and Ireland account for the largest share, followed by institutional shareholders from North America (31%), Germany (13%) and the rest of continental Europe (11%). Private investors account for merely 0.61% of the free float.

SHARES BY REGION

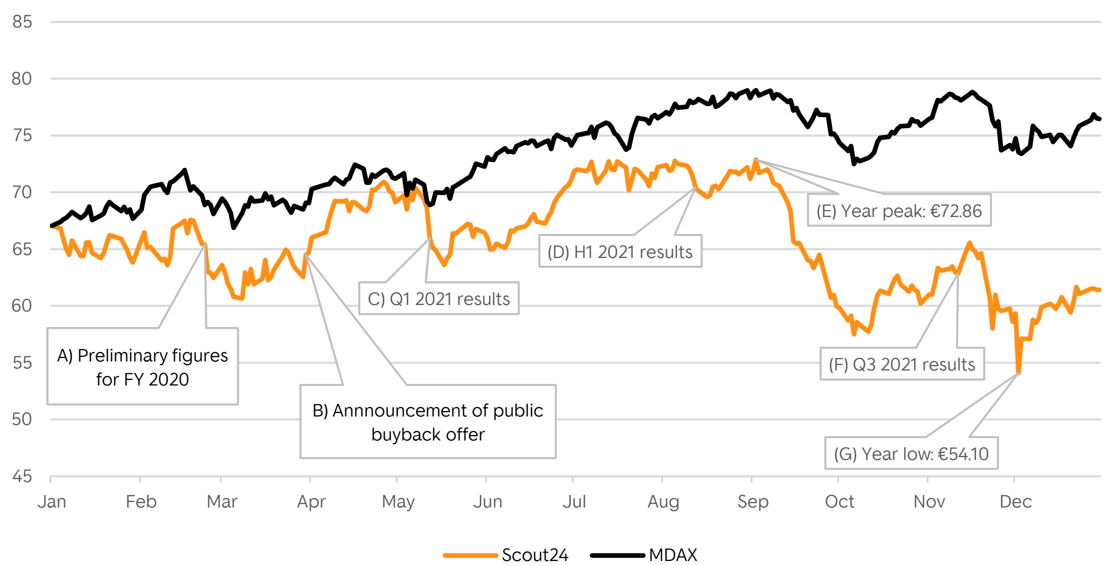


Source: Shareholder identification IHS Markit as of 31 December 2021 corresponds to approximately 95% of total shares excluding treasury shares

Share price development

Global stock market activity in 2021 continued to be impacted by the Covid-19 pandemic. Initially, the markets were buoyed by the progress made with vaccination programmes and the expected economic recovery. As the year progressed, however, it became evident that the pandemic had left a deeper dent in global supply chains than previously thought. Overall, this resulted in an increasing shortage of materials, which on the one hand slowed economic growth and on the other fuelled inflation and related interest rate fears. These fears led to a prolonged setback for share prices, particularly in September. A positive reporting season, increasing clarity around the start of monetary tightening by the US Federal Reserve and hopes that the economic recovery had merely been postponed until next year fuelled a significant rally in stock markets in October, even setting new records. The start of the new Covid-19 wave in the autumn, on the other hand, was ignored for a long time on stock markets. It was only the emergence of the new Omicron variant that led to renewed sharp price falls in November. Accumulating reports of weaker disease progression due to the new variant soon caused these worries to disappear and the stock markets to make another strong gain at the end of the year.

DEVELOPMENT OF SCOUT24 SHARE PRICE IN 2021 (EUR, INDEXED)



The Scout24 share started 2021 at a price of EUR 66.95 and moved sideways around the EUR 65.00 mark in the first weeks. With the publication of the preliminary figures (A), the company was able to reach the targets it had set itself for the year and meet analysts' expectations. However, the share subsequently lost ground, as some analysts were critical of the development of margins. Positive impetus was provided at the end of March by the announcement of the public buy-back offer (B) with a volume of up to EUR 1.0 billion. The share price then moved relatively quickly towards the offer price of EUR 69.66, although this was only valid for one seventh of all shares. The completion of the public buy-back offer in mid-April was followed by the announcement of a further share buy-back programme, which continued to provide stability to the share price. Following publication of the results for the first quarter of 2021 at the beginning of May (C), the share price fell back into the EUR 65.00 range despite an increase in the revenue forecast for the full year, but then rallied above the EUR 70.00 mark at the end of June in the run-up to the Annual General Meeting. The share maintained this level and reached its peak for the year at EUR 72.86 (E) on 2 September. In the period that followed, concerns about inflation, interest rates and the economy led to sharp declines in the share prices of highly valued technology stocks in particular, which also affected Scout24. After the subsequent recovery phase and the short-term Omicron shock, the share came under additional pressure on Capital Markets Day, which was held on 2 December, and lost 8.8%. Although the share recovered by the end of the year, it closed the year with an overall loss of 8.4%, trading at EUR 61.42. Consequently, it significantly underperformed relative to its relevant benchmark indices, DAX and MDAX, which grew by 15.8% and 14.1% respectively in the same period. The 52-week high was EUR 72.86. The 52-week low for the financial year was EUR 54.10.

Combined management report

of the Scout24 Group and Scout24 SE

Contents

Key financials

EUR million unless otherwise indicated	Q4 2021 (unaudited)	Q4 2020 (unaudited)	Change (unaudited)	FY 2021	FY 2020	Change
Group revenue	101.9	91.2	+11.7%	389.0	353.8	+10.0%
of which Residential Real Estate segment	76.0	65.2	+16.6%	288.4	253.4	+13.8%
of which with residential real estate partners	51.7	46.3	+11.6%	199.8	176.2	+13.4%
of which consumers	24.3	18.9	+28.8%	88.5	77.2	+14.7%
of which Business Real Estate segment	17.5	17.5	-0.1%	68.9	69.1	-0.3%
of which Media & Other segment	8.2	8.3	-1.4%	31.3	31.0	+1.1%
of which holding company revenue	0.1	0.1	-2.5%	0.4	0.3	+38.6%
Group ordinary operating EBITDA[1]	58.1	54.7	+6.3%	222.8	212.3	+5.0%
of which Residential Real Estate segment	45.2	40.8	+10.8%	171.5	160.1	+7.1%
of which Business Real Estate segment	12.3	12.4	-1.5%	49.6	49.2	+0.8%
of which Media & Other segment	2.6	3.0	-10.9%	10.6	12.0	-11.5%
Group ordinary operating EBITDA margin[2] in %	57.1%	*60.0%*	*-2.9pp*	*57.3%*	*60.0%*	-2.7pp
of which Residential Real Estate segment	*59.5%*	*62.6%*	*-3.1pp*	*59.5%*	*63.2%*	*-3.7pp*
of which Business Real Estate segment	*69.9%*	*71.0%*	*-1.0pp*	*72.0%*	*71.2%*	*+0.8pp*
of which Media & Other segment	*32.0%*	*35.5%*	*-3.4pp*	*33.9%*	*38.7%*	*-4.8pp*
Group EBITDA[3]	47.5	57.8	-17.9%	200.8	198.3	+1.3%
Earnings after tax (continuing operations)	21.6	33.7	-35.8%	90.6	102.4	-11.5%
Earnings per share (basic, continuing operations), in EUR	*0.24*	*0.33*	*-21.2%*	*1.03*	*1.00*	*+3.0%*
Average number of shares in millions	83.1	101.5	-18.1%	88.1	102.2	-13.8%
Capital expenditure	8.0	62.8	-87.2%	31.4	87.8	-64.3%
of which own work capitalised	7.0	5.8	+21.4%	26.6	21.9	+21.1%
Own work capitalised as % of *revenue*	6.9%	*6.4%*	*+0.6pp*	*6.8%*	*6.2%*	*+0.6pp*

1 Ordinary operating EBITDA refers to Group EBITDA adjusted for non-operating effects, which mainly include expenses for share-based payments, M&A activities (realised and unrealised), reorganisation and other non-operating effects.
2 A segment's ordinary operating EBITDA margin is defined as ordinary operating EBITDA as a percentage of external segment revenue.
3 Group EBITDA (unadjusted) is defined by analogy with the presentation in the consolidated statement of profit or loss as earnings before the financial result, income taxes, depreciation, amortisation and impairment losses as well as any reversals of impairment losses.

Fundamentals of the Group

Business model

Customers and products

Scout24 operates the leading digital marketplace ImmoScout24 in terms of listings and traffic. Large numbers of consumers can find a wide range of digital advertisements or listings here. The more diverse and extensive the offer, the more frequent and longer the visits to the digital marketplace (traffic).

The following three customer groups are active in our digital marketplace:

- **Real estate agents** (including property managers, finance partners, real estate developers and new home builders) -> professional customers
- **Home sellers** -> professional and private customers
- **Consumers** -> private customers

Our listing products, i.e. advertisements for the sale and rental of real estate, are booked with ImmoScout24 under master agreements (membership programmes) or as individual orders (pay per ad). Our customers here are both professional and private listers.

Beyond the marketing of real estate, our professional customers can avail themselves of additional products, in particular:

- **Realtor Lead Engine (RLE)**: product for obtaining leads for mandates to sell real estate -> agents pay us a price per lead
- **Immoverkauf24:** product for obtaining leads for mandates to sell real estate -> agents pay us part (around 40%) of the brokerage commission after a successful sales transaction
- **Mortgage Lead Engine (MLE):** product for obtaining leads to finance real estate -> finance partners pay us a price per lead
- **FLOWFACT and Propstack:** CRM software solutions for real estate agents -> fees are charged partly under the membership contract, partly under a licencing model and partly under a software-as-a-service payment model

The real estate listings made available on ImmoScout24 are generally aimed at private customers who are looking for real estate either to buy or to rent and thus generate corresponding traffic on ImmoScout24. To facilitate the search, we offer the following products:

- **TenantPlus+ ('MieterPlus+'):** Exclusive listings with early contact, additional information and opportunity determination, digital applicant folder for users looking for a rental property including credit report -> two months' minimum subscription period
- **BuyerPlus+ ('KäuferPlus+'):** Exclusive listings with early contact, opportunity analysis for each property for sale, free real estate valuation, digital document folder for users looking for a property to buy, including credit report and buyer's certificate -> three months' minimum subscription period

Finally, since the acquisition of Zenhomes GmbH in May 2021, we have offered the following additional product for private landlords (homeowners):

- **Vermietet.de:** cloud-based software solution that supports private landlords in rental and property management

Segment structure

The business operations of the Scout24 Group (hereinafter also 'Scout24') are structured into the following three segments, which are primarily based on the **type of real estate (residential or business)**. The respective segment revenue and the related ordinary operating EBITDA stem from different customer groups that purchase different products from us for different target markets.

SEGMENT OVERVIEW

Segments up to 2021	Customer groups	Products / monetisation
Residential Real Estate	• Residential real estate partners: real estate agents specialising in residential properties, property managers, finance partners • Moving companies • Homeowners: sellers, landlords • Consumers: buyers, tenants	• Subscriptions: Memberships • Pay-per-ad listings • Leads: RLE, immoverkauf24, MLE, relocation leads (price per lead/commission split) • Subscriptions: TenantPlus+, BuyerPlus+, Vermietet.de • Credit check
Business Real Estate	• Business real estate partners: real estate agents specialising in commercial real estate, new home builders and real estate developers	• Subscriptions: Memberships • Pay-per-ad listings • Leads (RLE)
Media & Other	• Advertisers (third parties) that place advertisements on ImmoScout24 • Users of ImmoScout24 Austria • FLOWFACT customers	• Advertisements • ImmoScout24 Austria products • FLOWFACT CRM software

As communicated at Capital Markets Day in December 2021, we are adjusting our segment structure in the 2022 financial year. This is in line with the medium-term growth strategy presented there, which is geared even more closely to the needs of our **private and professional customers**.

Segments from 2022 onwards	Customer groups	Products / monetisation
Professional	• Residential real estate partners • Business real estate partners	• Subscriptions: Memberships with/without seller leads (RLE, immoverkauf24) • Pay-per-ad listings • Other: Mortgage leads
Private	• Consumers hunting for real estate • Homeowners:	• Subscriptions: TenantPlus+, BuyerPlus+, Vermietet.de • Pay-per-ad listings • Other: Relocation leads, credit check
Media & Other	• Advertisers (third parties) that place advertisements on ImmoScout24 • Users of ImmoScout24 Austria • FLOWFACT customers	• Advertisements • ImmoScout24 Austria products • FLOWFACT CRM software

Strategy

Our goal is to offer a comprehensive ecosystem for real estate transactions in Germany and Austria. Originally launched as a digital classifieds platform, we have developed ImmoScout24 into an integrated marketplace over the past few years. Beyond listing and searching, we offer our customers a number of additional products in connection with real estate transactions. In the medium term, we thus want to make the entire process around buying and selling, renting (for both tenants and landlords) as well as managing real estate more digital and more efficient for the benefit of our customers.

This ecosystem strategy offers us significant market potential (also see the **German real estate market trends** section) and thus the opportunity to grow sustainably with our existing product range, new product developments and – if the opportunity arises – acquisitions. Moreover, we are committed to integrating sustainability and social responsibility more closely in our daily activities, also with a view to further increasing our company's value.

Organisation and corporate structure

Management and control

Scout24 SE, with registered office in Munich, Germany, manages the Scout24 Group. Scout24 SE is a holding company tasked with managing a corporate group and operates an online business according to its Articles of Association. It renders services for its subsidiaries in the fields of finance, accounting, controlling, internal audit, risk management and compliance, corporate development and strategy, communications, investor relations, human resources and legal services.

The Management Board of Scout24 SE is responsible for corporate strategy and management.

In the 2021 financial year, it comprised the following members:

MANAGEMENT BOARD OF SCOUT24 SE IN THE 2021 FINANCIAL YEAR

Name	Function	Member of the Management Board since	End of term of office
Tobias Hartmann	Chief Executive Officer	19 November 2018	31 December 2025
Dr Dirk Schmelzer	Chief Financial Officer	18 June 2019	30 June 2026
Dr Thomas Schroeter	Chief Product Officer	6 December 2018	31 December 2025
Ralf Weitz	Chief Commercial Officer	6 December 2018	31 December 2025

The work procedures, composition and members of the Supervisory Board are explained in the **Report of the Supervisory Board** section of the annual report 2021.

The compensation of the Management Board and the Supervisory Board as well as the incentive and bonus systems are described in the **compensation report**, which is part of the management report.

The Management Board and the Supervisory Board of Scout24 SE attach importance to responsible corporate governance geared to long-term success and refer to the recommendations of the German Corporate Governance Code. This is explained in more detail in the corporate governance declaration pursuant to Articles 289f, 315d HGB, which is both included in this annual report and available on our website at **www.scout24.com/en/investor-relations/corporate-governance**.

The Management Board is supported in its strategic management tasks by three additional managers.

Name	Function	Member of the ELT since
Rowena Patrao	Chief Technology Officer	1 July 2021
Dr Christian Ronge	General Counsel	1 July 2021
Dr Claudia Viehweger	Chief Human Resources Officer	1 June 2021

Together, these seven individuals form the Executive Leadership Team (ELT).

Group structure

The following changes were made to the Group's organisational structure in the reporting period:

On 1 April 2021, Immobilien Scout GmbH, Berlin, acquired 100% of the shares in equity of **PWIB Wohnungs-Infobörse GmbH, with registered office in Planegg** (hereinafter 'Wohnungsbörse'). PWIB Wohnungs-Infobörse GmbH was merged into ImmoScout24 as of 21 October 2021.

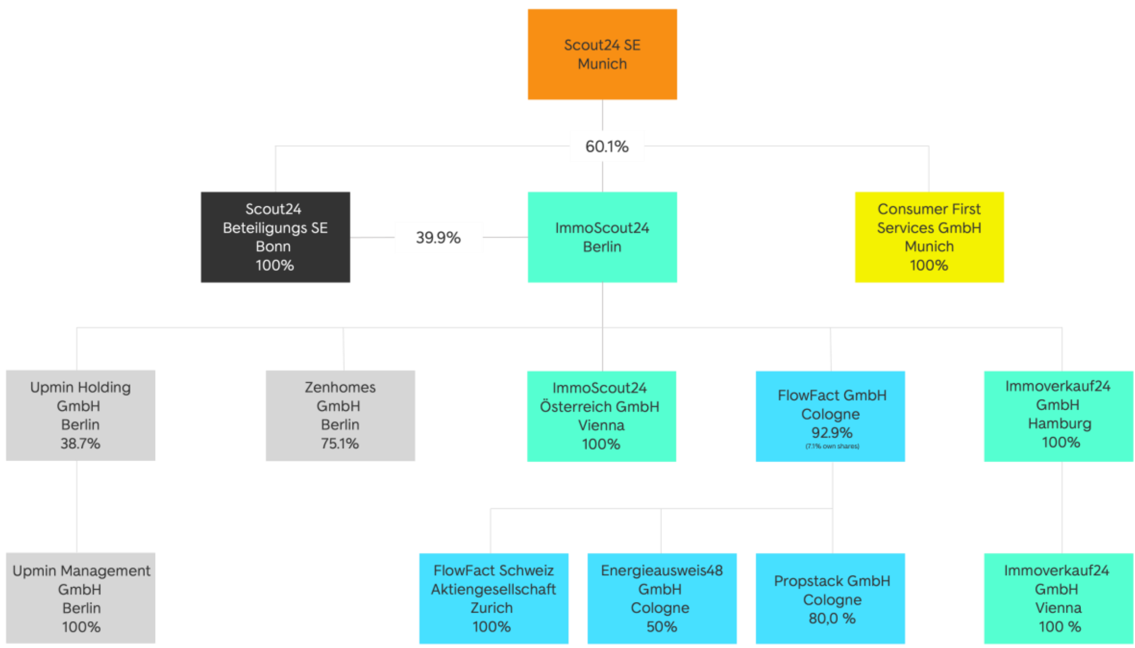
On 11 May 2021, 75% of the shares in equity of **Zenhomes GmbH, with registered office in Berlin,** were then also acquired via Immobilien Scout GmbH, Berlin. Among other things, Zenhomes GmbH operates the internet platform Vermietet.de, a cloud-based software solution that supports private landlords in digital rental and property management. In the course of the transaction, put and call options were agreed to subsequently acquire the remaining 25% of the shares in equity from the minority shareholder. As Scout24 has an unconditional obligation to acquire the shares from the options, the application of the anticipated acquisition method as of 11 May 2021 results in the recognition of a notional full acquisition of all shares in the company.

By way of a purchase agreement dated 11 June 2021, Immobilien Scout GmbH, Berlin, entered into an agreement to acquire the further 75% of the shares in equity of **eleven55 GmbH, with registered office in Berlin**. As a result, Scout24 has increased its share in equity of eleven55 GmbH to 100% and obtained control of the entity. **eleven55 GmbH** operates the online portal ‘wg-suche.de’. The transaction was formally and legally closed as of 1 July 2021. eleven55 GmbH was merged into ImmoScout24 as of 4 November 2021.

On 29 July 2021, the consolidation scope of the Scout24 Group was expanded to include **Propstack GmbH**, with registered office in Berlin. The acquisition served to expand FlowFact’s CRM software solution for agents. Therefore, 80 % of the shares in the company were acquired via FlowFact GmbH, Cologne. In the course of the operation, put and call options were agreed to subsequently acquire the remaining 20% of the shares in equity from the minority shareholder. As Scout24 has an unconditional obligation to acquire the shares from the options, the application of the anticipated acquisition method results in a complete acquisition of all shares of the company as of 29 July 2021.

The following chart provides a (simplified) overview of the direct and indirect shareholdings of Scout24 SE as of 31 December 2021:

ORGANISATIONAL CHART (SIMPLIFIED)



A complete list of shareholdings of Scout24 SE is provided in the notes to the consolidated financial statements (as part of note 5.10. List of shareholdings held by Scout24 SE pursuant to Article 313 (2) No. 1 to 4 HGB).

Steering system and performance indicators

For the purpose of steering the company, Scout24 has defined various financial and non-financial performance indicators for measuring the extent to which the strategy is implemented successfully.

Financial performance indicators

Given the focus on sustainable and profitable growth as well as on sustainably growing the company value, we consider the following earnings indicators as the most important financial performance indicators:

- **Revenue** (at Group and segment level),
- **Ordinary operating EBITDA** (at Group level),
- **Ordinary operating EBITDA margin** -> profitability indicator combining the two aforementioned figures.

Non-financial performance indicators

As a further control parameter, we regularly monitor the number of our professional customers, namely those with whom a current framework agreement exists at the end of the period under review. In accordance with our segment structure, we look separately at:

- **Number of residential real estate partners** and
- **Number of business real estate partners.**

For this purpose, we analyse the average monthly revenue per user (ARPU) we generate with these customers:

- **ARPU from residential real estate partners** and
- **ARPU from business real estate partners.**

ARPU is calculated as the sum of revenue from the respective customers in a given period divided by the average number of customers in that period and further divided by the number of months in the period.

Finally, we measure certain marketplace activities on ImmoScout24 and use them as key non-financial performance indicators. These include:

- **Number of listings** (average for the period or reporting date) -> current number of real estate listings (from private and professional customers) on the ImmoScout24 website;
- **Monthly users** -> refers to the unique monthly visitors to www.immobilienscout24.de via desktop and app, irrespective of how often they visit the portal during the month in question and irrespective of how many platforms they use;
- **Sessions** -> average monthly number of sessions by users on ImmoScout24 via desktop and app.

Steering system

The Group is steered based on an annual budget process, a system-controlled target achievement process (objectives and key results (OKR) process) and regular strategy meetings at Management Board and ELT level. Accordingly, the implementation of the Group's strategy is assessed by reference to individual targets, and financial and non-financial performance indicators are planned and monitored.

BUDGETING PROCESS

The budget for the following year is planned in the autumn of each year, agreed upon by the Management Board and ELT in various planning rounds and formally approved by the Supervisory Board at the end of the year. In spring, the annual plan is adjusted to the extent necessary and appropriate based on the actual figures for the first quarter. In the budgeting process, we place a special focus on the above-mentioned performance indicators. Costs are budgeted at cost centre level. We then derive the corresponding margin indicators from this plan.

OKRs are set for one year at a time at Group level. Within the organisation, we work in four-month cycles. The OKR process defines strategic priorities (specific objectives) and monitors their execution. It ensures that central Group functions and teams have a shared strategic direction.

In monthly business updates with the Management Board, the individual performance indicators are presented and the current development of business is explained (e.g. by segment, customer, journey or product owners). Based on these business updates, budgeted figures are compared against actual figures and, in the event of variances, further analyses are conducted or appropriate corrective measures taken. If appropriate, individual goals and related initiatives from the OKR process are discussed.

Both the current results of operations and the budget planning are submitted to the Supervisory Board at quarterly meetings for review and monitoring.

Research and development

Innovations and the further development of our digital products are a fundamental part of our strategy. In this way, we are advancing digitisation of the processes around buying and selling, renting (for both tenants and landlords) as well as managing real estate in Germany and Austria.

We develop our products in close cooperation with our customers, initially in a test environment. After we make them available on our digital marketplace, they are continuously refined and optimised. This iterative process makes it possible to make the developed products available quickly but at low risk.

We were again able to drive forward various product initiatives this year:

- **Integrated seller-lead platform** from which, depending on lead quality, both immoverkauf24 leads and RLE leads are provided or directly sold;
- **Financing leads with commission sharing** as a payment model -> new product that complements the existing MLE product;
- **Extended terms for Plus products** -> Minimum term for TenantPlus+ and BuyerPlus+ subscriptions increased to two and three months, respectively, and pricing model adjusted;

- **Interface between ImmoScout24 and Vermietet.de** -> Users can log in to Vermietet.de with their ImmoScout24 account and seamlessly transfer relevant property data; rental agreements and service charge statements of ImmoScout24 customers can be created via Vermietet.de;
- **Home Street Home** (cooperation of ImmoScout24 and One Warm Winter) -> advertisements for apartments provided by landlords for homeless people. By labelling them accordingly, it is easier for welfare organisations and associations to find them and offer them to the homeless people they support as an opportunity for a fresh start.

The Scout24 Group's total research and development (R&D) expenses came to EUR 43.9 million in the 2021 financial year, up 15.5% year on year (EUR 38.0 million). This includes both internal personnel expenses and costs for external development service providers. Since the 2021 reporting year, we have also taken into account research and development activities related to product development in addition to IT development. For comparability, the figures for the previous year were adjusted accordingly.

A total of EUR 27.2 million or 62.0% (2020: EUR 21.9 million or 57.6%) of the development costs were recognised as an asset in accordance with IAS 38. Own work capitalised as a percentage of revenue came to 6.2% in the 2021 financial year (capitalisation rate in 2020: 6.2%). The year-on-year increase is primarily due to the further development of Vermietet.de and the corresponding capitalisation rate. For the coming years, we are again aiming for a capitalisation rate around the 6% mark.

Sustainability[1]

For us, success is not just a question of performance, but it is also based on a strong sense of values. That is why sustainability is just as integral to our corporate culture as innovation, responsibility and integrity. It is our aim to consider societal and social conditions as well as the environment in all our business operations.

In 2021, we further defined and expanded our sustainability agenda. A new, comprehensive materiality analysis served as the starting point. On this basis, we have developed a cross-divisional **sustainability programme** together with the Sustainability Committee. Our aim here is to make sustainability in the company transparent, measurable and manageable by setting binding and ambitious targets. We also updated our values and expanded our **Code of Conduct** in the reporting year to include conduct principles for our business partners, suppliers and service providers. We have been a member of the **United Nations Global Compact** since 2021 and are thus officially committed to the ten universal principles in the areas of human rights, labour standards, the environment and anti-corruption.

Primary responsibility for sustainability lies with the Chief Executive Officer (CEO) of the Scout24 Group. The dedicated sustainability team of the Corporate Communications department is responsible for all operational and strategic sustainability measures and initiatives and reports regularly to the CEO on these. Its main task is to ingrain the complex topic of sustainability deeper in the organisation. This includes regular dialogue on sustainability issues with the relevant departments, among them human resources, purchasing, marketing, products, IT or legal.

In addition to the substantive work on sustainability issues, we feel it is important that we regularly report on our progress, measures and goals in this regard. We do this primarily in our sustainability report.

The sustainability report for the 2021 financial year will be published simultaneously with the annual report on 24 March 2022. It is available on our website at **www.scout24.com/en/sustainability/sustainability-reports**. The separate non-financial statement prepared by Scout24 in accordance with Articles 315b and 315c in conjunction with Articles 289c to 289e HGB is integrated in the sustainability report.

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[1] This section contains unaudited figures and data.

Materiality analysis

As part of the materiality analysis, we surveyed both internal and external stakeholders on sustainability issues in 2021. With this systematic approach, we have identified ten topics on which we intend to focus in the future – both operationally and in our reporting.

Eight of these topics are deemed material for compliance with the legal requirements under the German Commercial Code, namely: working conditions, diversity and equal opportunities, climate and emissions, responsible corporate governance, ethics and integrity, compliance, product responsibility as well as data protection and security. In accordance with the definition of the Global Reporting Initiative (GRI) standards, two further topics are also material: social commitment and energy.

Sustainability programme

Building on this materiality analysis, we developed and established a sustainability programme for the first time together with our Sustainability Committee. At least one target has been defined for each key topic and backed up with key performance indicators (KPIs) that are to be validated regularly and across teams. Targets were set on the basis of a gap analysis between internal expectations and external requirements, including from capital markets, under official frameworks and due to regulations.

The sustainability programme further strengthens our own commitment to sustainable action. By means of effective management, we are able to increase our sustainability performance, achieve improvements in selected sustainability-related ratings, and meet the expectations of our stakeholders. We will continuously review our sustainability programme, develop appropriate measures and readjust where necessary. In 2023, we want to report on our initial progress.

Key activities in the area of sustainability

Climate action

Our cross-site climate strategy applies to the German companies Scout24 SE, Immobilien Scout GmbH and FlowFact GmbH and follows a clear action plan: we want our operating activities to be climate neutral by 2025. To reach this goal, we pursue the approach: avoid, reduce, offset. By 2025, our goal is to reduce our carbon emissions by around 60% compared with the 2018 baseline.

For instance, we have been sourcing 100% green electricity since 2018 at our Munich and Cologne sites, and since the beginning of 2020 in Berlin. We also endeavour to use climate-neutral print products and to ensure resources are used sparingly in our offices. In July 2021, we introduced a new travel policy. In it, rail is prioritised as a means of transport, and domestic flights in Germany are only allowed without further approval if the route cannot be covered by train within 4.5 hours. The plan also aims to opt more frequently for digital appointments. In addition, 89% of our vehicle fleet was converted to e-mobility in 2021. Starting in 2025, we plan to offset unavoidable CO_2 emissions by supporting climate-action projects.

The following comparative data relates to 2019 and 2020. They are collected with a time lag of one year, as the energy consumption statements are not available until almost eleven months after the billing period and thus after this annual report goes to print.

In 2020, we emitted around 42.5% less CO_2 emissions with the aforementioned German entities than in 2019. We achieved this primarily by reducing energy consumption and switching to electricity from renewable sources. In addition, a change in the mobility behaviour of our employees has contributed to a reduction in our CO_2 emissions. For instance, they made fewer business trips by air. Employees have also lowered their CO_2 emissions on their journeys to and from work. We determined this with the help of a survey conducted by our sustainability department.

GREENHOUSE GAS EMISSIONS (METRIC TONS OF CO_2)[1]

	FY 2020	FY 2019	Change
Total emissions[2]	2,423	4,211	-42.5%
Emissions intensity per employee[3]	3.23	5.09	-36.5%

1 The data relate to the following entities of the Scout24 Group in Germany: Immobilien Scout GmbH, Scout24 SE and FlowFact GmbH.
2 Where possible, the conversion factors applied to the volumes of electricity and heat sourced were made available by the respective providers. In cases in which such specific conversion factors were not available, the CO_2 factors of VDA thinkstep AG and ecoinvent were used.
3 To calculate the emissions intensity, the greenhouse gas emissions were determined in relation to the average number of employees (2019: 826 employees, 2020: 751 employees) of the aforementioned German entities.

Diversity

Scout24 endeavours to support and promote our employees as best it can – irrespective of their ethnicity, skin colour, gender, sexual orientation, age, religion, ideology, disability, marital status, nationality or other characteristics. In this way, we want to further strengthen diversity in our company because we see this as an important key to our success.

While in 2020 we focused on gender diversity, in 2021 we focused on all diversity characteristics. This is reflected in our targets. We aim for 50% of our new hires to be women or non-binary. In addition, our goal is for 25% of new hires to cover another diversity characteristic (e.g. nationality or disability). We also set ourselves the goal of increasing the proportion of women in management positions in 2021. We have achieved this goal, having improved the share from 34% to 37%. In the long term, we would like to increase the share to 43% by the end of 2026.

KEY DIVERSITY INDICATORS

	FY 2021	FY 2020	Change
Women in management positions[1] (% of all management positions)	37%	34%	+3pp
Fathers on parental leave (% of all employees on parental leave[2])	44%	47%	-3pp
Level of internationality of the workforce3 (% of all employees)	25%	25%	-

1 All management levels from team leader to vice president; excluding the Management Board
2 Including FlowFact and ImmoScout24 Austria
3 Active employees and employees with dormant contracts including students: ratio of non-German to German nationals.

Code of Conduct

Our performance and our values are pivotal to our success. We have framed these values in our Code of Conduct.

In addition to our Code of Conduct, we published a company-wide 'DNA Culture Code' in 2020. This contains concrete recommendations for our daily interactions. As our employee survey shows (2021: 86%; 2020: 84%; by way of comparison 2019: 77%), we have succeeded in contributing to a better understanding of the 'DNA Culture Code' through various communication measures and initiatives.

In October 2021, we took the next important step and expanded our Code of Conduct to include conduct principles for our business partners, suppliers and service providers. This is based on the conviction that, although we are a non-manufacturing company, we still assume responsibility in our supply chain. Among other things, we encourage business partners, suppliers and service providers to conduct themselves responsibly and sustainably in their communities, to take action against discrimination, harassment and abuse in their company and to allow their employees rights such as freedom of association.

We have set ourselves the goal that as many suppliers as possible accept the Scout24 Code of Conduct or that we reach an agreement with them that at least fulfils the requirements contained therein. We want to start with this in 2022. Specifically, we plan for 80% of our expenditure with existing suppliers and 95% of our expenditure with new suppliers to be covered by the Code of Conduct or a comparable agreement by 2025. With this measure, we also contribute to compliance with the ten universal principles of the United Nations

Global Compact with the following fields of action: human rights, labour standards, environment and corruption prevention.

ESG targets in refinancing

The topic of sustainability is also to play a role in our upcoming refinancing in 2022. For example, we plan to measure ourselves against the above-mentioned goal of carbon neutrality, the goal of increasing the proportion of women in management positions and the goal of acceptance of our Code of Conduct for suppliers.

Employees[2]

As of 31 December 2021, we had 852 employees (31 December 2020: 788), most of whom (57%) work at ImmoScout24, Germany, while 21% were employed by Scout24 SE. Across the entire workforce, the percentage of women amounted to 41% in 2021 (2020: 39%).

KEY EMPLOYEE INDICATORS

	FY 2021	FY 2020	Change
Scout24 Group employees[1]	**852**	**788**	**+64**
of which ImmoScout24	**483**	**479**	**+4**
of which women	209	199	+10
of which men	274	280	-6
of which full-time	422	411	+11
of which part-time	61	68	-7
of which Scout24 SE	**182**	**185**	**-3**
of which women	79	71	+8
of which men	103	114	-11
of which full-time	170	172	-2
of which part-time	12	13	0
of which other companies[2]	**186**	**125**	**+62**
of which women	65	36	+28
of which men	122	88	+33
of which full-time	163	109	+54
of which part-time	23	16	+8

1 In FTE; figures may not add up exactly to the totals indicated due to rounding differences.
2 FlowFact and ImmoScout24 Austria; without immoverkauf24.

2 This section contains unaudited figures and data.

Report on economic position

Effects of Covid-19

Covid-19 continued to impact our business both directly and indirectly in the second year of the pandemic. We were directly affected, for example, by employee absences due to illness or childcare needs or by measures to protect employees. However, this impact was less pronounced than in the previous year due to generally less stringent measures and established routines. Protective measures and remote working arrangements had already been established, making it possible to compensate for staff absences for the most part.

Our business was indirectly affected by the impact of the pandemic on the real estate market and thus on our customers and users, although the commercial real estate market was more severely affected than the residential real estate market. For more details, please refer to the **Macroeconomic and sector-specific environment** section. With a supply shortage, the residential real estate market in Germany is marked by still rising prices. The pandemic has further increased the appeal of houses with gardens in particular. Here, Scout24 offers digital products that facilitate a successful transaction for both homeowners and people looking for properties.

Although contact restrictions were less stringent in the 2021 financial year, and a return to physical viewings was possible in some cases, Covid-19 further highlighted the need for digitising the handling of real estate transactions. The Scout24 Group offers a growing range of products for this purpose (see also the **Customers and products** section) and can thus benefit from this development in future.

Aside from the opportunities that arise from the Covid-19 pandemic for Scout24's business development, the risk of new virus variants that may have significant economic repercussions should not be ruled out or underestimated. Nevertheless, we have lowered the Covid-19 risk in our risk assessment and raised the opportunities of accelerated digitisation of processes around real estate transactions. This is explained in more detail in the **Risks and opportunities report**.

Macroeconomic and sector-specific environment

Economic conditions

In the 2021 financial year, we generated the vast majority of our group revenue (96.8%) in Germany via our digital marketplace ImmoScout24. Consequently, the following macroeconomic and sector-specific analysis relates primarily to Germany.

The recovery of the German economy in the 2021 financial year was not as strong as originally hoped. In particular, rising energy prices, continuing supply bottlenecks for intermediate products and the still unresolved Covid-19 pandemic – especially the emergence of the new Omicron variant in the second half of the year – burdened economic development. The ifo Business Climate Index, for example, has been in decline since July 2021, with a significantly worse assessment of expected business conditions than current business conditions since August 2021, indicating a weakening of the economy.[3] According to calculations by the Federal Statistical Office (Destatis), price-, season- and calendar-adjusted gross domestic product (GDP) in 2021 therefore rose by only 2.8% year on year.[4] Accordingly, the original growth forecasts (ifo Institute: 3.3%[5], German federal government: 3.5%[6]) were clearly missed.

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[3] ifo Institute, ifo Business Climate Germany – Results of the ifo Business Surveys in December 2021, 17 December 2021.
[4] Federal Statistical Office, 'Gross domestic product in the 4th quarter of 2021 down 0.7% on the previous quarter', 28 January 2022.
[5] ifo Institute, 'ifo Economic Forecast Autumn 2021: Supply Bottlenecks in Manufacturing Slow Overall Economic Recovery', 22 September 2021.
[6] Tagesschau.de, 'Federal government wants to lower forecast', 26 October 2021.

Today, the (mobile) internet is widely used as an information and communication medium in Germany and the rest of Europe. In the real estate listings business the transition from offline ads (print media) to online listings has also largely been completed. The Covid-19 pandemic has once again highlighted the advantages and extensive potential uses of this digitisation and opened up further, previously hesitant customer and user groups to the medium. The positive effects from this aspect of digitisation are now almost exhausted. As described in the **Business model** and **strategy** section, the main focus is now on digitising further steps along real estate transactions.

German real estate market trends

As an addressable market, we therefore do not only focus on the marketing budget of our customers. Rather, we look at the total commission pool of real estate agents, namely approximately EUR 8.9 billion (approx. EUR 6.5 billion[7] for the purchase/sale of residential properties, approximately EUR 1.3 billion[8] for the rental of residential properties, approximately EUR 1.1 billion[9] for commercial properties). This is supplemented by the commission pool of financing intermediaries amounting to EUR 2.8 billion.[10] After all, private customers are willing to pay for products that make it easier for them to find the property of their dreams.

The commission pool is in relation to the entire German real estate transaction market. According to GEWOS, some EUR 290 billion worth of transactions were effected in the buy/sell segment in 2021.[11] Of that amount, some EUR 217.3 billion (2020: EUR 201.8 billion) or 638,900 transactions (2020: 630,900) were attributable to residential real estate and EUR 58.5 billion (2020: EUR 57.1 billion) or 53,300 transactions (2020: 53,000) to commercial real estate (excluding development land in each case). The corresponding real estate financing market comes to roughly EUR 305 billion.[12] The rental market, which is very important in Germany, can be quantified as follows: of the roughly 42.8 million residential units in Germany,[13] some 23 million units are rented out, with a comparatively low home ownership rate of roughly 47%[14]. Around 60% or roughly 14 million of the rented residential units are owned by private landlords. We estimate that around 3.2 million[15] rental transactions take place in Germany each year.

Residential real estate market

The German residential real estate market is characterised by high demand for housing coupled with low supply. For example, Germany currently has a shortage of about 630,000 residential units.[16] At the same time, about 8.5 million people live in overcrowded apartments,[17] a phenomenon that is, on the one hand, relevant in urban areas and that, on the other hand, primarily affects single people as well as single parents and their children. The difficulty thus lies not so much in the number of housing units that need to be built but in their regional distribution, since housing is needed most in cities. In its coalition agreement, the new German government has given high priority to the issue of construction and housing. For example, an 'affordable housing alliance' is to be launched with the aim of increasing new housing construction to 400,000 units a year, including 100,000 publicly subsidised apartments.[18] However, the sharp rise in construction prices due to materials shortages could put this target at risk.

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[7] Derived from Destatis press release No. 370, 23 September 2019 (value for 2017), Destatis press release No. 281, 29 July 2020 (value for 2019), and GEWOS Institut für Stadt-, Regional- und Wohnforschung GmbH – IMA info 2020.

[8] Derived from Destatis press release No. 370 of 23 September 2019 (value for 2017) and BBSR online publication No. 02/2015.

[9] Colliers Germany Office Leasing and Investment Market Report 2019/20 and Scout24's own analyses.

[10] Deutsche Bundesbank 3 February 2022, real estate loans for private households (value for 2021) and Scout24's own analyses.

[11] GEWOS Institut für Stadt-, Regional- und Wohnforschung GmbH – IMA info 2021 | Immobilienmarkt Deutschland; total figure comprises: residential real estate including residential development land, commercial real estate including commercial and industrial land; figure for residential real estate includes: single- and two-family houses, multi-family houses, condominiums; figure for commercial real estate comprises developed properties.

[12] Deutsche Bundesbank, new business (volumes) of banks / housing loans to households, as of 5 January 2022 (11/2020 to 11/ 2021)

[13] German Federal Statistical Office, press release no. 326, 8 July 2021.

[14] German Federal Statistical Office, ownership rate by federal state, as of 26 May 2020.

[15] According to the German mail service's relocation study (Deutsche Post, 'Die Umzugsstudie 2021', page 3), more than 8 million people move home every year. Assuming that moving households comprise 2.5 people, that would equate to roughly 3.2 million rental transactions each year.

[16] IG Bau, Defizit von 630.000 Wohnungen sitzt neuer Bundesregierung im Nacken, 27 May 2021.

[17] German Federal Statistical Office, press release no. 506, 4 November 2021.

[18] SPD, 'Olaf Scholz plant Bündnis für bezahlbaren Wohnraum, ' 10 June 2021.

According to the aforementioned GEWOS data, transaction sales in this housing market – with only a slightly higher number of transactions (up 1.3% from 2020 to 2021) – have again increased significantly, by 7.7%. ImmoScout24's Housing Barometer (WohnBarometer) likewise confirms this sustained price momentum. According to the barometer, both purchase and rental prices for both new and existing housing continued their upward trend in 2021, with purchase prices significantly outpacing rental prices over the past five years.

The underlying determinants of the continued high demand have not changed significantly despite Covid-19. On the contrary, the importance attached to housing has increased further as a result of the pandemic. In addition to demographic causes, these factors also include a shortage of development land and properties as well as the low interest rate level, coupled with a lack of investment alternatives in uncertain times.

Commercial real estate market

The commercial real estate market continues to show a mixed picture against the background of the Covid-19 pandemic.[19] While office properties showed signs of stabilisation in the second half of 2021, retail properties continued to suffer from the accelerated structural change in favour of online retail. This in turn benefitted logistics properties, which are necessary for handling trade flows. In the case of office properties, there was an increasing conviction that the office – despite the possibility of working for home – will continue to be the centre of working life in the future.

According to the aforementioned GEWOS data, transaction numbers (+0.6%) and transaction sales (+2.5%) in this commercial real estate market environment increased only slightly in 2021.

Competitive situation

As explained in the Business model section, we occupy a leading market position in Germany with our digital marketplace ImmoScout24, measured by the number of listings and user engagement. At the same time, we face various competitors in our business with our three customer groups, as explained below.

However, the Management Board is confident that ImmoScout24 will be able to maintain and even further develop its strong market position in the competitive environment described. Indeed, our ambition is to serve as the central point of contact for our customers for all matters around buying and selling, renting (for both tenants and landlords) as well as managing real estate. To this end, we intend to further optimise and roll out our superior product offering and continuously invest in our strong brand. In this way, we will continue to drive forward the digitisation of the real estate market in Germany and Austria.

Real estate agents

The next-largest German competitors serving this customer group are the Immowelt Group and eBay Kleinanzeigen. The **Immowelt Group** is part of the Axel Springer Group, which is in turn financed by the financial investor KKR, among others. Similar to us, Immowelt is a vertically organised marketplace. Consequently, the focus is on real estate listings. **eBay Classifieds** has belonged to the listed Adevinta ASA, based in Oslo, Norway, since the acquisition was completed in June 2021. Adevinta operates for the most part horizontally operating digital classifieds platforms and could use its financial strength to accelerate the development of eBay Classifieds in Germany. eBay Classifieds operates as a horizontally organised marketplace, i.e. it digitally markets various other products and services besides real estate. The real estate services competing with ours have so far been used more by private customers than by real estate agents. **Willhaben.at**, also part of Adevinta ASA, is our next largest competitor in the business with real estate agents in Austria.

The **German real estate industry association** IVD (Immobilienverband Deutschland – Bundesverband der Immobilienberater, Makler, Verwalter und Sachverständigen e. V.) also competes with us to some extent. The IVD is working on improved framework conditions for market participants and consumers. To this end, the association launched its own real estate portal (ivd24) in 2015, where only qualified and association-approved IVD members are permitted to post advertisements. The platform is free of advertising and focused on the

[19] vdp Property Price Index Q3 2021.

presentation of real estate. In doing so, it offers services competing with ours, such as a comparison function, expert search, real estate valuation, etc.

Similarly, the **Hypoport Group**, with its marketplaces such as Dr Klein Wowi Finanz AG, Hypoport B.V., FIO SYSTEMS AG or Value AG, offers various competing services relating to the digitisation of marketing, valuation, financing and management of real estate.

In times of tight real estate supply, referral marketing plays a crucial role in acquiring brokerage business. A professional digital footprint is essential for this purpose, which means that real estate agents have to digitise their activities to an ever greater extent. In this context, a kind of growing '**grey market**' has emerged, in which large agencies in particular are increasingly using their own websites and their own CRM systems and attempting to handle mandates directly through their own contacts and opting out of ImmoScout24's listing offering.

With our subsidiaries FlowFact and Propstack, we offer agents cloud-based software that enables them to organise their business processes more efficiently. The next largest competitor here is the company **onOffice GmbH**, which also offers a CRM software solution for real estate agents.

Homeowners

When it comes to directly approaching property owners who are willing to sell, our competitors include what are referred to as **hybrid agents** such as McMakler and Homeday. At the same time, they are also among our customers when they acquire seller leads from us and when they use ImmoScout24 for marketing purposes. Hybrid agents combine their own software solutions with the expertise of traditional agents. The same applies to the aforementioned **traditional agencies**, which can directly solicit homeowners due to their size and national prominence.

With Vermietet.de, we offer services for homeowners to help them professionally manage their rented properties. Here we are in competition with **self-management**, for example using self-created Excel files, as well as with **commercial property management** companies.

Consumers looking for real estate

In addition to the aforementioned marketplace offerings of the Immowelt Group, Hypoport Group, eBay Kleinanzeigen and Willhaben.at, we also view the real estate offerings of, and on, **social networks** such as Facebook as relevant in terms of competition.

In addition, numerous **proptech and fintech start-ups** are also trying to gain a foothold in the market, offering products and services along the real estate transaction. They compete with us as well as with real estate agents and other service providers involved. However, none of these start-ups have as yet succeeded in capturing significant market share in Germany.

Business development in the Group

While our 2021 financial year continued to be impacted by the Covid-19 pandemic, the focus was on our growth strategy. This was also supported by the acquisitions of immoverkauf24 (July 2020), Vermietet.de (May 2021), Wohnungsbörse and Propstack (August 2021). For instance, we were able to increase the Group's revenue by 10.0% year on year to EUR 389.0 million (2020: EUR 353.8 million). With this development, we have in fact slightly exceeded the forecast revenue growth of around 9% (including acquisitions) specified in November 2021 as part of the Q3 reporting. The original forecast for the year had anticipated revenue growth in the mid-single-digit percentage range. Adjusted for the acquisitions,[20] organic sales growth in 2021 amounted to 8.3%.

The Residential Real Estate segment's revenue (including acquisitions) increased by 13.8% to EUR 288.4 million (2020: EUR 253.4 million). The segment thus fully met the forecast, which had been raised in May 2021 as part

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[20] immoverkauf24 for H1 2021; all other companies fully adjusted for revenue after the acquisition date in 2021.

of the Q1 reporting ("low double-digit percentage growth rate", originally "growth in the mid to high single-digit percentage range"). The Business Real Estate segment reported a slight decline in revenue of 0.3% to EUR 68.9 million in the 2021 financial year (2020: EUR 69.1 million), slightly below the budgeted "low single-digit percentage revenue growth." In contrast, the Media & Other segment's revenue increased by 1.0% from EUR 31.0 million in the 2020 financial year to EUR 31.3 million in the 2021 financial year, slightly above the forecast for the year ("declining to stagnating development of revenue").

The Group's ordinary operating EBITDA came to EUR 222.8 million, a year-on-year increase of 5.0% (2020: EUR 212.3 million). The less pronounced increase compared with revenue is primarily attributable to the acquisitions. The Group's ordinary operating EBITDA margin was thus down 2.7 percentage points on the previous year's level (2020: 60.0%), reaching 57.3%. This is exactly within the range of 57% to 58% specified in November 2021. The original forecast for the year had been for "around the 60% mark," and was revised to "up to 60.0%" in May 2021.

Important events influencing financial performance indicators

The following events had a particular impact on the course of business; the respective influence on the results of operations, net assets or financial position is explained below.

Share buy-backs and dividend

In the 2021 financial year, we executed share buy-backs with a volume of more than EUR 1 billion, cancelled a total of 22,100,000 Scout24 shares and reduced the share capital accordingly. As of 31 December 2021, the share capital therefore amounted to EUR 83,600,000 divided into the same number of no-par value shares (as of 31 December 2020: EUR 105,700,000). As of that date, the number of treasury shares amounted to 1,205,293 which corresponded to 1.44% of the share capital.

The most important element of this capital repayment was the public buy-back offer issued on 30 March 2021, followed by a capital reduction, through which we repurchased 11,400,875 Scout24 shares in April 2021 at an offer price of EUR 69.66 per share, corresponding to a volume of EUR 794.2 million. In the period from 26 April to 30 June 2021, we then repurchased 2,921,878 Scout24 shares with an equivalent value of EUR 200.0 million at an average price of EUR 68.45 in a non-public buy-back programme. Finally, on 12 November 2021, we launched a further buy-back programme with a volume of up to EUR 200 million. By 31 December 2021, we had already acquired 1,118,831 shares worth EUR 67,212,810 under this program. For more detailed information on our share buy-backs, see the **Investor relations** section of this annual report.

We also distributed capital to our shareholders with our dividend payment of EUR 68.5 million on 13 July 2021. Owing to the previous share buy-backs, it was possible to increase the original dividend proposal of March 2021 from EUR 0.70 to EUR 0.82 per share.

Acquisition and start of integration of Vermietet.de

On 11 May 2021, we announced the acquisition of the majority of shares in Zenhomes GmbH, the company behind the Vermietet.de brand. Measured by number of customers, Vermietet.de is a market-leading digital platform for private landlords for the management of all processes related to real estate. In the further course of the financial year, we took our first successful steps towards integration with ImmoScout24. Initially, Vermietet.de's growth priority was on expanding the customer base and not yet so much on generating revenue. While the contribution to revenue amounted to EUR 0.6 million in 2021, Vermietet.de incurred operating costs totalling EUR 3.8 million.

Integration of immoverkauf24 completed

The integration of immoverkauf24, which was acquired in July 2020, was successfully completed in the 2021 financial year. Thus, real estate sales mandates with commission sharing are handled through this brand. immoverkauf24's revenue is recognised with a time lag, not when the lead is provided, but rather when the corresponding sales transaction is completed. Other sales mandates are sold at a fixed lead price depending on quality via the ImmoScout24 brand (RLE product). In this case, revenue is recognised immediately. The owner contacts on which this mandate business is based are generated in a platform and distributed from here. As immoverkauf24 was part of the Scout24 Group for the full financial year, as opposed to six months in

2020, and as customer demand for sales mandates was high, we achieved a significant increase in revenue through this deal in the Residential Real Estate segment.

Development of listings and traffic[21]

ImmoScout24 measures the activity on its digital marketplace based on the number of listings and user/visitor numbers (traffic), among other metrics.

NON-FINANCIAL INDICATORS – MARKETPLACE ACTIVITIES[1]

	FY 2021	FY 2020 (unaudited)	Change (unaudited)
ImmoScout24.de (IS24) listings[2]	366,077	416,973	-12.2%
IS24 monthly desktop users (million)[3]	15.6	18.5	-15.6%
IS24 monthly app users (million)[3]	4.5	3.6	+26.6%
IS24 monthly sessions (million)[4]	101.8	101.4	+0.4%

[1] The data and corresponding changes for monthly users and sessions are unaudited for the year 2020. The data and corresponding changes in listings are unaudited for 2020 and 2021.
[2] Source: ImmoScout24.de; listings in Germany (average as of the end of the year).
[3] Unique monthly visitors on ImmoScout24.de (average of the individual months), irrespective of how often they visit the marketplace during the month. Since the first half of 2021, the data are no longer obtained from AGOF e.V. but rather from Google Analytics; the previous year's figures were adjusted accordingly.
[4] Number of all monthly visits (average of the individual months) in which individual users interact with the website or app via a device; a visit is considered completed if the user is inactive for 30 minutes or more; source: internal measurement using Google Analytics.

The 12.2% decline in ImmoScout24 listings to 366,077 in 2021 has primarily to do with the market situation in Germany, with an excessively tight supply of housing coupled with further increases in real estate prices (see **German real estate market trends** section). In the **Competitive situation** section, we explain how in this environment certain agencies are increasingly using their own websites and their own CRM systems to market mandates, circumventing ImmoScout24 in the 'grey market'. It is also possible that the new 50/50 sharing of agent commission (contracting-party-pays principle) introduced in five German states at the end of 2020 has led to a lower volume of sale offers and, in turn, less listings in 2021.

The number of users decreased by 2.0 million year on year to 20.1 million unique monthly visitors (average of individual months), while the number of sessions rose slightly by 0.4% to 101.8 million monthly visits. This is a sign that demand for real estate remained intact despite Covid-19.

In terms of the number of users, we are seeing an increasing trend in app use, which partially compensates for a declining trend in desktop use. In the 2021 financial year, for example, we recorded 15.6 million monthly desktop users and 4.5 million monthly app users. That said, we switched providers in the first half of 2021. If the same data basis was used for 2020, app users would show an upward movement of 26.6% and website users a downward trend of 15.6%. The latter development mainly reflects changes to the cookie consent policy (general obligation to consent within the framework of data protection for all cookies that are not necessary for technical reasons) and the resulting reduced measurability of traffic. Additionally, a major initiative to defend against bot traffic in the autumn of 2020 resulted in a negative adjustment to measurable traffic.

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[21] The data and corresponding changes for monthly users and sessions are unaudited for the year 2020. The data and corresponding changes in listings are unaudited for 2020 and 2021.

Results of operations

Revenue and total operating performance

Our Group revenue increased by 10.0% from EUR 353.8 million in the 2020 financial year to EUR 389.0 million in the 2021 financial year. This includes the revenue of the acquired companies immoverkauf24 (since July 2020), Vermietet.de (since May 2021), Wohnungsbörse and Propstack (since August 2021). Adjusted for the acquisitions,[22] organic sales growth amounted to 8.3%.

In the 2021 financial year, own work capitalised increased year on year by 21.1% from EUR 21.9 million to EUR 26.6 million, outpacing revenue. This increase is due to development work on IT and products to obtain innovations and optimisations that support our future growth strategy. Specific examples are provided in the **Research and development** section. In the 2021 financial year, own work capitalised reached 6.8% of revenue (capitalisation rate), compared with 6.2% the previous year.

Together with other operating income of EUR 2.5 million (2020: EUR 2.2 million), total operating performance increased by 10.6% from EUR 377.9 million in 2020 to EUR 418.1 million in 2021.

Development of costs

Operating expenses (excluding depreciation, amortisation and impairment losses) totalled EUR 217.3 million in the 2021 financial year, up 20.9% on the previous year's level of EUR 179.7 million. In summary, the increase in operating expenses, which outpaced revenue, is attributable to the following:

- The cost structure also increased in 2021 on account of the increased focus on and investment in high-growth products such as seller leads and Plus products and a corresponding change in the revenue mix (see the **Customers and products** section). This also includes the additional costs of the immoverkauf24 and Vermietet.de acquisitions.
- In the 2021 financial year, we invested more heavily in marketing. Activities in the Residential Real Estate segment served to revive activity in the marketplace and generate new seller leads.
- Higher M&A costs and a newly launched long-term incentive programme (LTIP) also led to a rise in non-operating costs on the previous year.
- The previous year against which the growth in costs is measured was marked by pandemic-related cost reduction measures.

Within operating expenses, our **personnel expenses** rose by 21.8% from EUR 80.2 million in 2020 to EUR 97.7 million in 2021, primarily due to the integration of immoverkauf24 employees since July 2020 and, since May 2021, also of the Vermietet.de workforce. Additional costs were also incurred due to an increase in personnel at ImmoScout24 and due to compensation in connection with the transfer of employees following the sale of AutoScout24. EUR 10.7 million of the personnel expense was attributable to share-based payments in 2021. This is 52.9% more than in the previous year, primarily as a result of adjustments to the measurement bases for the 2018 long-term incentive programme (LTIP) and the new issue of an LTIP in 2021 (also see note **5.3 Share-based payments** in the notes to the financial statements).

Our **marketing expenses** increased by 32.8% to EUR 36.4 million in the 2021 financial year (2020: EUR 27.4 million). This was due to us stepping up our marketing activities in a bid to increase ImmoScout24 marketplace activity on the one hand and to generate further new homeowner leads on the other. Activities included a multi-channel campaign for tenants and landlords, and a TV and online campaign aimed at homeowners to promote our property valuation tool. This was accompanied by increased search engine marketing activities (SEO and SEA) to further stimulate the leads business (RLE and immoverkauf24). Since May 2021, the marketing activities of Vermietet.de have also contributed to the Group's marketing expenses.

[22] immoverkauf24 for H1 2021; all other companies fully adjusted for revenue after the acquisition date in 2021.

IT expenses increased only slightly by 1.6% in the 2021 financial year, totalling EUR 18.3 million (2020: EUR 18.0 million). This development shows that the migration to cloud-based platform and software solutions is now largely complete. Accordingly, structural IT costs are only increasing at a lower rate than the business volume.

Other operating expenses increased by 29.1% year on year, from EUR 50.3 million in 2020 to EUR 64.9 million in 2021. Of that amount, EUR 24.2 million was attributable to **purchasing costs**, which actually increased by 63.6%, due to the following main effects: 1) rising cost of our Plus products (such as the integrated Schufa credit report), sales of which saw strong growth; 2) increasing costs for acquiring leads (via cooperation partners) for our seller lead products, which are in high demand; 3) the costs mentioned under 2) have additionally increased due to a technical effect, resulting from the reclassification from marketing to purchasing costs. In addition to purchasing costs, rising **external personnel costs** also impacted the development of other operating expenses. These arose primarily as a result of additional product development activities (see the Research and development section). Finally, higher **service and consulting costs** (primarily M&A costs) also contributed to the increase in operating expenses.

Development of earnings

Considering the development of costs described above, the **Group's (unadjusted) EBITDA**[23] increased by 1.3% to EUR 200.8 million (2020: EUR 198.3 million).

Depreciation, amortisation and impairment losses increased by 22.5% from EUR 51.5 million in 2020 to EUR 63.1 million in 2021. Of that amount, EUR 33.3 million (2020: EUR 31.6 million) related to amortisation of intangible assets recognised as part of purchase price allocations (PPA amortisation). At EUR 30.3 million, the largest share of this figure was the final amortisation instalment for the ImmoScout24 customer base, which was thus fully amortised. A further EUR 24.2 million was attributable to other depreciation, amortisation and impairment losses (2020: EUR 19.9 million). The EUR 4.3 million increase was driven by: 1) higher depreciation of right-of-use assets from leases in connection with the move to the new Berlin office at the end of 2020 and 2) higher amortisation of previously capitalised own work (product development). A further contributing factor to the increase was the impairment loss of EUR 5.6 million on the FLOWFACT brand (also see note 4.5. Goodwill and intangible assets).

As a result of the increase in depreciation, amortisation and impairment losses described above, **Group EBIT** decreased by 6.1%, from EUR 146.8 million in 2020 to EUR 137.7 million in 2021. With the **financial result** down slightly by 2.0% year on year to minus EUR 5.0 million and **income tax expenses** up 6.6% to EUR 42.1 million (2020: EUR 39.5 million), **earnings after tax** decreased by 11.5% to EUR 90.6 million (2020: EUR 102.4 million). In the reporting year, the tax rate increased to 31.7% year on year (2020: 27.8%), primarily due to the fact that no deferred tax income was recognised on the current losses of Zenhomes GmbH, which was acquired in 2021.

Measured in terms of the reduced volume-weighted average number of shares of 88,059,505 for the 2021 financial year, (basic) **earnings after tax** increased by 3.0% to EUR 1.03 (2020: EUR 1.00; number of shares: 102,144,808).

[23] Group (unadjusted) EBITDA is defined by analogy with the presentation in the consolidated statement of profit or loss as earnings before the financial result, income taxes, depreciation, amortisation and impairment losses as well as any reversals of impairment losses.

Ordinary operating EBITDA

The performance indicator ordinary operating EBITDA is adjusted for non-operating effects.

RECONCILIATION OF (UNADJUSTED) EBITDA TO ORDINARY OPERATING EBITDA

EUR million	FY 2021	FY 2020	Change
(Unadjusted) Group EBITDA[1]	**200.8**	**198.3**	**+1.3%**
Non-operating effects[1]	22.0	14.0	+57.1%
of which share-based payments	10.7	7.0	+52.9%
of which M&A transactions	6.9	1.5	+360.0%
of which reorganisation	2.5	4.5	-44.4%
of which other non-operating effects	1.9	1.0	+90.0%
Ordinary operating EBITDA	**222.8**	**212.3**	**+5.0%**

[1] Group (unadjusted) EBITDA is defined by analogy with the presentation in the consolidated statement of profit or loss as earnings before the financial result, income taxes, depreciation, amortisation and impairment losses as well as any reversals of impairment losses.

In the 2021 financial year, these **non-operating effects** amounted to EUR 22.0 million, up 57.1% year on year (2020: EUR 14.0 million). Non-operating effects comprise, in particular, costs attributable to M&A transactions including post-merger integration, as well as personnel expenses from share-based payments and costs in connection with changes in the organisational structure. The steep year-on-year increase was primarily due to higher M&A costs. The most important example of an acquisition completed in the 2021 financial year is the acquisition of Vermietet.de (also see **2.1. Entities acquired in the reporting period** in the notes to the financial statements). The development of expenses from share-based payments is explained above under **Personnel expenses** and number of employees.

After adjusting for non-operating effects, the Group's ordinary operating EBITDA for the 2021 financial year amounted to EUR 222.8 million, up 5.0% year on year (2020: EUR 212.3 million).

The remaining ordinary **operating effects** – a material part of the overall cost development explained above – are shown once again in the table below. They increased by 17.9% from EUR 163.5 million in 2020 to EUR 192.8 million in 2021.

DEVELOPMENT OF OPERATING COSTS AND IMPACT ON ORDINARY OPERATING EBITDA

EUR million	FY 2021	FY 2020	Change
Revenue	389.0	353.8	+10.0%
Own work capitalised	26.6	21.9	+21.5%
Ordinary operating effects[1]	**-192.8**	**-163.5**	**+17.9%**
of which personnel expenses	-82.6	-71.4	+15.7%
of which advertising expenses	-36.3	-31.1	+16.8%
of which IT expenses	-18.1	-17.1	+5.9%
of which other operating expenses	-55.8	-43.9	+27.0%
Ordinary operating EBITDA	**222.8**	**212.3**	**+5.0%**

[1] The costs presented are not solely expenses as some offsetting was performed to a very limited extent. That is why the term 'effects' is used here.

Accordingly, our ordinary operating EBITDA margin came to 57.3% in the 2021 financial year, down 2.7 percentage points year on year (2020: 60.0%). Adjusting for the cost effects of the acquisitions immoverkauf24 (only for H1 2021), Vermietet.de, Wohnungsbörse and Propstack results in a higher organic ordinary operating EBITDA margin of 59.0% for 2021 (absolute value of organic ordinary operating EBITDA for 2021: EUR 226.0 million).

Net assets

STATEMENT OF FINANCIAL POSITION – ASSETS (CONDENSED)

EUR million	2021	2020	Change
Current assets	619.5	1,769.4	-65.0%
of which cash and cash equivalents	120.0	177.7	-32.5%
of which trade receivables	23.2	20.9	+11.0%
of which financial assets	468.1	1,564.8	-70.1%
Non-current assets	1,801.9	1,751.0	+2.9%
of which goodwill	782.3	712.6	+9.8%
of which trademarks	872.8	877.4	-0.5%
of which other intangible assets	67.6	75.2	-10.0%
of which right-of-use assets from leases	51.0	55.6	-8.4%
of which property, plant and equipment	15.6	16.3	-4.3%
of which financial assets	10.9	13.0	-16.2%
Total assets	2,421.4	3,520.4	-31.2%

Our consolidated statement of financial position continues to be influenced by the proceeds from the AutoScout24 transaction. As of the 31 December 2021 reporting date, the sale proceeds remaining after the aforementioned share buy-backs were primarily invested in special funds, which was reported under cash and cash equivalents and under current financial assets of the Scout24 Group. Cash and cash equivalents amounted to EUR 120.0 million as of 31 December 2021 (31 December 2020: EUR 177.7 million). Current financial assets decreased by EUR 1,096.7 million to EUR 468.1 million (31 December 2020: EUR 1,564.8 million), largely due to the liquidation of money market and special funds to finance share buy-backs.

Current assets of the Scout24 Group totalled EUR 619.5 million as of the reporting date of 31 December 2021, a decrease of 65.0% or EUR 1,149.9 million on the balance of EUR 1,769.4 million as of 31 December 2020.

Non-current assets totalled EUR 1,801.9 million as of 31 December 2021, an increase of 2.9% or EUR 50.9 million on the previous year's balance of EUR 1,751.0 million.

The increase was mainly due to the acquisition of Vermietet.de with goodwill of EUR 59.8 million and Propstack with goodwill of EUR 6.4 million. Including further smaller acquisitions, the "goodwill" item increased by a total of EUR 69.7 million from EUR 712.6 million as of 31 December 2020 to EUR 782.3 million as of 31 December 2021 (also see **2.1. Entities acquired in the reporting period** in the notes to the financial statements). Offsetting effects were as follows: 1) the EUR 4.6 million decrease in brands, primarily driven by the FLOWFACT impairment – which was compensated for by smaller additions; 2) the EUR 7.6 million decrease in other intangible assets due to an excess of amortisation over additions; 3) the EUR 4.6 million decrease in the value of right-of-use assets from leases. In accordance with IFRS 16, the future lease payments for the Berlin office's lease of at least ten years in total are recognised as an asset.

Total assets decreased overall by EUR 1,099.0 million to EUR 2,421.4 million year on year (31 December 2020 EUR 3,520.4 million).

Financial position

Development of the capital structure

STATEMENT OF FINANCIAL POSITION – EQUITY AND LIABILITIES (CONDENSED)

EUR million	2021	2020	Change
Current liabilities	**141.1**	**142.6**	**-1.1%**
of which trade payables	17.2	13.3	+29.3%
of which financial liabilities	65.2	69.9	-6.7%
of which lease liabilities	9.0	8.3	+8.4%
of which other provisions	22.8	23.1	-1.3%
Non-current liabilities	**506.8**	**564.0**	**-10.1%**
of which financial liabilities	164.9	193.9	-15.0%
of which lease liabilities	54.2	60.2	-10.0%
of which other provisions	6.3	21.1	-70.1%
of which deferred tax liabilities	280.5	287.7	-2.5%
Equity	**1,773.5**	**2,813.8**	**-37.0%**
of which subscribed share capital	83.6	105.7	-20.9%
of which capital reserve	195.1	173.0	+12.8%
of which retained earnings	1,566.1	3,049.7	-48.6%
of which treasury shares	-72.1	-515.5	-86.0%
Total equity and liabilities	**2,421.4**	**3,520.4**	**-31.2%**

Current liabilities decreased only slightly overall by EUR 1.5 million to EUR 141.1 million as of 31 December 2021 (31 December 2020: EUR 142.6 million).

The decrease is essentially attributable to the reduction in current financial liabilities and provisions presented in the table above, which was not fully offset by the increase in trade payables and lease liabilities. The reduction in current financial liabilities of EUR 4.7 million arose as follows: 1) from the derecognition of funds that had been recognised as a liability at year-end 2020 to be invested in special funds at the beginning of 2021 and 2) from the repayment of earn-out liabilities in connection with the immoverkauf24 transaction. This was offset by 3) new liabilities from put/call options in connection with the acquisitions of Vermietet.de and Propstack (also see note **2.1. Entities acquired in the reporting period**) in the notes to the financial statements). The EUR 0.3 million decrease in current provisions is primarily related to LTIP payouts.

Non-current liabilities decreased by EUR 57.2 million from EUR 564.0 million as of 31 December 2020 to EUR 506.8 million as of 31 December 2021.

This development is primarily related to the reduction in non-current financial liabilities by EUR 29.0 million and in provisions by EUR 14.9 million. On the credit side, promissory note loans ('Schuldscheindarlehen') in the amount of EUR 57.0 million were reclassified to current financial liabilities, while a total of EUR 57.5 million in promissory note loans was repaid in the reporting period. This was likewise offset by new liabilities from put/call options in connection with the acquisitions of Vermietet.de and Propstack. The decrease in provisions is primarily due to the reclassification of LTIP balances to current liabilities. In addition, lease liabilities decreased by EUR 6.0 million and deferred tax liabilities by EUR 7.2 million.

Adjusted for the item 'cash and cash equivalents', net debt[24] amounted to EUR 173.3 million as of 31 December 2021 (31 December 2020: EUR 154.6 million). This results in a leverage ratio of 0.78 : 1 as of 31 December 2021 (31 December 2020: 0.73 : 1)[25]. If the investments in money market and special securities funds – which were

[24] Total current and non-current financial liabilities (including lease liabilities), less cash.
[25] Ratio of net debt to ordinary operating EBITDA for the last twelve months; as set forth in the loan agreements, the leverage disclosure as of 31 December 2019 relates to continuing and discontinued operations.

heavily reduced year on year in connection with the share buy-backs – reported under other financial assets are also taken into account, a net financial asset position[26] (as opposed to net debt) of EUR 305.6 million results as at 31 December 2021 (2020: EUR 1,423.2 million). The leverage ratio would be negative in this analysis and is therefore not meaningful.

Equity decreased by EUR 1,040.3 million to EUR 1,773.5 million as of 31 December 2021 (31 December 2020: EUR 2,813.8 million) as a result of the share buy-backs and capital reductions carried out during the reporting period. As a result, the equity ratio came to 73.2% (31 December 2020: 79.9%).

Financial liabilities and credit facilities

As of 31 December 2021 and a year earlier, liabilities under the term and revolving facilities agreement (RFA) amounted to EUR 100.0 million. The promissory note loan amounted to EUR 94.5 million (31 December 2020: EUR 152.0 million). Other financial liabilities of EUR 35.5 million are mainly attributable to the aforementioned put/call options.

Under the RFA, we also have at our disposal a revolving credit facility of EUR 200.0 million (maturing 16 July 2023) and a dedicated revolving acquisition credit facility of EUR 397.5 million (maturing 16 July 2022). Neither line had been drawn as of 31 December 2021, nor one year earlier. The interest rate charged on the facilities drawn under the RFA is based on the EURIBOR plus an interest margin linked to the leverage ratio. A floor of 0.0% is set for the EURIBOR. The RFA includes a covenant based on the leverage ratio (see footnote 25) for the last twelve months, which is 3.50 : 1. Compliance with this covenant was ensured in both the 2020 and 2021 financial years due to the high inflow of liquidity from the AutoScout24 transaction.

The promissory note issued in the 2018 financial year comprises tranches with terms ranging between three and six years and both fixed and variable interest rates; the variable tranches have already been repaid. The promissory note is not subject to any covenants, although the investors are entitled to an interest rate increase if a leverage ratio of 3.25 : 1 is exceeded.

Unrecognised commitments

As of the reporting date, there were unrecognised commitments (also see **5.6. Other financial obligations** in the notes to the financial statements) totalling EUR 61.5 million (31 December 2020: EUR 15.0 million). These consist in particular of obligations from maintenance and service agreements amounting to EUR 16.5 million (previous year: EUR 14.8 million) and cloud services used amounting to EUR 36.2 million (2020: EUR 5.0 million).

Share buy-backs

In the 2021 financial year, we executed share buy-backs with a volume of more than EUR 1 billion, cancelled a total of 22,100,000 Scout24 shares and reduced the share capital accordingly. As of 31 December 2021, the share capital therefore amounted to EUR 83,600,000 divided into the same number of no-par value shares (as of 31 December 2020: EUR 105,700,000). As of that date, the number of treasury shares amounted to 1,205,293, which corresponded to 1.44% of the share capital. More detailed information on our share buy-backs can be found under **Important events influencing financial performance indicators** earlier in the **Report on economic position** section and in the **Investor relations** section of this annual report.

[26] Cash and cash equivalents (including current and non-current financial assets) less total current and non-current financial liabilities (including lease liabilities).

Financial management

The treasury function plans and manages requirements, provision and investment of cash within the Scout24 Group. Based on annual financial planning and rolling liquidity planning, the Group's financial flexibility and solvency is ensured at all times. The cash pooling procedure is additionally used for all material Group companies.

As in the previous year, Scout24 had enough cash at its disposal at all times over the course of the 2021 financial year to meet all financial obligations that fell due.

Dividends

Our dividend policy is to distribute between 30% and 50% of the adjusted net profit[27] to our shareholders each year. This policy is intended to allow them to participate appropriately in the success of the company. On 13 July 2021, Scout24 SE distributed a dividend of EUR 0.82 per ordinary share to its shareholders for the 2020 financial year (2020 for 2019: EUR 0.91). This corresponded to 50.0% (previous year: 49.4%) of adjusted net income from continuing and discontinued operations and a total distribution of EUR 68.5 million (previous year: EUR 93.7 million). The decrease in the absolute dividend amount relates to the sale of AutoScout24, which was part of the Scout24 Group for only three months in the 2020 financial year.

For the financial year 2021, the Management Board has proposed to the Supervisory Board a dividend of EUR 0.84 per ordinary share (based on 79,920,015 dividend-bearing shares excluding treasury shares as of 31 December 2021). This corresponds to 50.3% of adjusted net income and a total distribution of EUR 67.1 million. The dividend will be paid after the Annual General Meeting in 2022, with the exact amount per share depending on further share buy-backs carried out until then.

Cash flows

EUR million	2021	2020	Change
Cash flow from operating activities of continuing operations	142.6	130.9	+8.9%
Cash flow from operating activities of discontinued operations	-7.3	-47.8	-84.8%
Cash flow from operating activities	135.3	83.1	+62.7%
Cash flow from investing activities of continuing operations	1,021.1	-1,592.2	+ 163.6%
Cash flow from investing activities of discontinued operations	-	2,827.7	-
Cash flow from investing activities	1,021.1	1,235.5	-18.1%
Cash flow from financing activities of continuing operations	-1,205.1	-1,210.8	-0.5%
Cash flow from financing activities of discontinued operations	-	-0.5	-
Cash flow from financing activities	-1,205.1	-1,211.4	-0.5%
Change in cash and cash equivalents	-57.7	107.3	-153.7%
Cash and cash equivalents at beginning of period	177.7	70.4	+152.4%
Cash and cash equivalents at end of period	120.0	177.7	-32.5%

Cash flow from operating activities of continuing operations rose by 8.9% or EUR 11.7 million to EUR 142.6 million year on year (2020: EUR 130.9 million). This is attributable in particular to the EUR 12.0 million lower income taxes paid compared with the previous year, which included back payments for the 2018 and 2019 financial years. The higher EBITDA had a positive effect. **Cash flow from operating activities of discontinued operations** came to minus EUR 7.3 million in the 2021 financial year, largely due to LTIP payouts (minus EUR 6.9 million). The previous year's figure of EUR -47.8 million mainly reflects the LTIP/bonus payments as well as operating burdens caused by the outbreak of the Covid-19 pandemic.

[27] Adjusted for regular adjustments (PPA amortisation, financial result effects, taxes), non-operating effects (expenses for share-based payment, M&A activities, reorganisation) and special effects from the AutoScout24 transaction (disposal proceeds and special fund effects).

The high positive **cash flow from investing activities of continuing operations** primarily results from the liquidation of financial assets (special securities funds), which was mainly used for implementing the public repurchase offer and further share buy-backs. In the previous year, cash and cash equivalents had been invested in the special securities funds, resulting in a negative cash flow from investing activities. Discontinued operations in the 2020 financial year were characterised by cash inflows from the AutoScout24 transaction.

The negative **cash flow from financing activities of continuing operations** amounted to EUR minus 1,205.1 million in the reporting period (2020: EUR -1,210.8 million). This is mainly attributable to the payments made under the public buy-back offer and other share buy-backs and debt repayments totalling EUR 1,062 million, as well as the dividend payment of EUR 68.5 million.

In total, cash and cash equivalents available in the 2021 financial year decreased by EUR 57.7 million from EUR 177.7 million as of 31 December 2020 to EUR 120.0 million as of 30 December 2021.

Business performance of the segments

Residential Real Estate

RESIDENTIAL REAL ESTATE KPIS

EUR million	Q4 2021 (Unaudited)	Q4 2020 (Unaudited)	Change (unaudited)	FY 2021	FY 2020	Change
Revenue from Residential Real Estate segment	76.0	65.2	+16.6%	288.4	253.4	+13.8%
of which residential real estate partners	51.7	46.3	+11.6%	199.8	176.2	+13.4%
of which consumers	24.3	18.9	+28.8%	88.5	77.2	+14.7%
Ordinary operating EBITDA of Residential Real Estate segment	45.4	40.8	+10.8%	171.5	160.1	+7.1%
Ordinary operating EBITDA margin of Residential Real Estate segment	*59.5%*	*62.6%*	*-3.1pp*	*59.5%*	*63.2%*	*-3.7pp*
Residential real estate partners (number of core customers[1] at the end of the period)	17,922	17,213	+4.1%	17,922	17,213	+4.1%
ARPU[2] with residential real estate partners (EUR, monthly)	777	717	+8.4%	757	716	+5.8%

[1] Customers with a fee-based contract extending beyond the reporting period that entitles them to market more than one property. The values and changes for 2020 are unaudited.

[2] Average revenue per user per month, calculated by dividing the revenue generated with the respective core customers in the reported period by the average number of core customers in the same period (calculated based on opening and closing balance) further divided by the number of months in the corresponding period. The values and changes for 2020 are unaudited.

In the 2021 financial year, the Residential Real Estate segment contributed 74.2% (2020: 71.7%) of total segment revenue. Indeed, backed by a particularly strong fourth quarter, Residential Real Estate revenue increased by 13.8% to EUR 288.4 million (2020: EUR 253.4 million). Adjusted for acquisitions (mainly immoverkauf24 revenue in H1 2021 of EUR 5.2 million), organic revenue growth in the 2021 financial year was still in the double-digit percentage range at 11.7%.

Revenue from residential real estate partners (professional customers) included under segment revenue increased by 13.4% to EUR 199.8 million. In this context, ARPU of residential real estate partners increased by 5.8%, while the number of (smaller) customers rose by 709 to 17,922. Revenue from seller leads (RLE and immoverkauf24) with residential real estate partners increased by around 87% year on year to EUR 31.5 million (of which EUR 10.8 million was immoverkauf24 revenue).

Revenue from consumers (private customers), which is included in the Residential Real Estate segment, rose by 14.7% year on year, with a particularly strong momentum in the fourth quarter. With the introduction of the 'free-to-list' initiative at the end of the first quarter of 2020, lost pay-per-ad listing revenue was offset by the dynamic growth of our Plus product revenue (including SCHUFA credit reports). These increased by 32.6% to EUR 54.2 million in the full year 2021. At the same time, private pay-per-ad revenue declined by 10.4% year on year to EUR 28.4 million. Revenue from Vermietet.de, a product for private landlords and part of the Scout24 Group since May 2021, was negligible at EUR 0.6 million in the 2021 financial year.

The ordinary operating EBITDA margin in the Residential Real Estate segment came to 59.5% in the 2021 financial year, down 3.7 percentage points year on year. On the one hand, this development reflects the increased operating costs discussed above. On the other hand, the margin development reflects the changed sales mix associated with our ecosystem strategy: revenue from one-off listings is increasingly being replaced by Plus product and lead sales, which are growing significantly faster than the core brokerage business. Adjusted for acquisitions (primarily immoverkauf24 costs in H1 2021 and Vermietet.de costs since May 2021), the ordinary operating EBITDA margin for the Residential Real Estate segment would have been 61.7% in 2021, down 1.5 percentage points year on year.

Business Real Estate

BUSINESS REAL ESTATE KPIS

EUR million	Q4 2021 (Unaudited)	Q4 2020 (Unaudited)	Change (unaudited)	FY 2021	FY 2020	Change
Revenue of Business Real Estate segment	17.5	17.5	-0.1%	68.9	69.1	-0.3%
of which commercial real estate agents	8.0	8.1	-1.9%	31.1	32.6	-4.6%
of which project developers, new home builders	9.6	9.4	+1.4%	37.8	36.5	+3.6%
Ordinary operating EBITDA of Business Real Estate segment	12.2	12.4	-1.5%	49.6	49.2	+0.8%
Ordinary operating EBITDA margin of Business Real Estate segment (in %)	*69.9%*	*71.0%*	*-1.1pp*	*72.0%*	*71.2%*	*+0.8pp*
Business real estate partners[1] (number of core customers[1] at the end of the period)	2,789	2,800	-0.4%	2,789	2,800	-0.4%
ARPU[2] with business real estate partners (EUR, monthly)	1,786	1,801	-0.8%	1,757	1,754	+0.2%

1 Customers with a fee-based contract extending beyond the reporting period that entitles them to market more than one property. The values and changes for 2020 are unaudited.

2 Average revenue per user per month, calculated by dividing the revenue generated with the respective core customers in the reported period by the average number of core customers in the same period (calculated based on opening and closing balances) further divided by the number of months in the corresponding period. The values and changes for 2020 are unaudited.

The Business Real Estate segment contributed 17.7% to the total segment revenue of the Scout24 Group in the 2021 financial year (2020: 19.6%). Segment sales remained relatively stable year on year and amounted to EUR 68.9 million in 2021. In particular, the impact of the Covid-19 pandemic was still clearly felt in the commercial real estate brokerage business, with annual revenue down 4.6%. This decrease is primarily based on a decline in pay-per-ad business in the commercial real estate sector. However, with a 3.6% increase in sales in the developer business (with project developers and new home builders), we were able to compensate for this decline overall in the segment. ARPU with business real estate partners (unaudited) increased slightly by EUR 3 to EUR 1,757 year on year. The number of our business real estate partners remained stable year on year, standing at 2,789 at year-end 2021.

The Business Real Estate segment's ordinary operating EBITDA margin increased by 0.8 percentage points year on year to 72.0%.

Media & Other

MEDIA & OTHER KPIS

EUR million	Q4 2021 (Unaudited)	Q4 2020 (Unaudited)	Change (unaudited)	FY 2021	FY 2020	Change
Revenue of Media & Other segment	8.2	8.3	-1.4%	31.3	31.0	+1.1%
Ordinary operating EBITDA of Media & Other segment	2.6	3.0	-10.9%	10.6	12.0	-11.7%
Ordinary operating EBITDA margin of Media & Other segment	32.0%	35.5%	-3.4 pp	33.9%	38.7%	-4.8pp

The smallest segment, Media & Other, accounted for 8.1% of total segment revenue in the 2021 financial year (2020: 8.8%). Segment revenue increased by 1.1% year on year to EUR 31.3 million. While the ImmoScout24 Austria business grew strongly, with revenue up 22.2%, the advertising business with third parties contracted due to market and pandemic-related factors. The FLOWFACT CRM software business also recorded declining revenue due to the ongoing conversion of the payment model from licenses to software-as-a-service. Since August 2021, the newly acquired Propstack, with its cloud-based CRM product for smaller brokers, has also been contributing to the revenue performance of the Media & Other segment.

The ordinary operating EBITDA margin in the Media & Other segment decreased on the back of this development of revenue by 4.8 percentage points to 33.9% in 2021.

Overall assessment

In the 2021 financial year, we made good progress with the implementation of our ecosystem strategy. This is most clearly reflected in the performance of our Residential Real Estate segment, where revenue increased by 13.8% year on year. In this context, business with residential real estate partners received a strong tailwind from sales of seller leads, which increased by roughly 87%. Business with consumers was driven by strong growth of around 33% in Plus product sales. As a result, the revenue structure is more broadly diversified. In addition to our listing products for marketing real estate, we are now increasingly offering our customers products that make the entire process around a real estate transaction more digital and efficient. Although the real estate business and the media business were still burdened by the Covid-19 pandemic in the 2021 financial year, total Scout24 consolidated revenue increased by 10.0%. The new revenue mix – including the acquisitions of immoverkauf24 and Vermietet.de – is initially accompanied by higher cost structures, as a result of which Group ordinary operating EBITDA increased at a slower pace (5.0%) than revenue in 2021. In the medium term, as the high-growth products mature, corresponding economies of scale will arise. As a result, the ordinary operating EBITDA margin will also improve.

Our statement of financial position now also clearly shows our focus on ImmoScout24 and thus on our ecosystem strategy in the German and Austrian real estate markets. The proceeds from the sale of AutoScout24 had largely been returned to our shareholders by the end of the 2021 financial year. Primarily as a result of the share buy-backs with a volume of over EUR 1 billion, our total assets decreased from EUR 3.5 billion to EUR 2.4 billion. The lower number of shares outstanding has a positive effect on our earnings per share.

Overall, the ecosystem strategy therefore offers significant, sustainable value creation potential, which is additionally supported by our focus on the environment, social issues, a good corporate culture and strong governance.

Risks and opportunities report

Scout24 regularly faces risks and opportunities that can have both negative and positive effects on the net assets, financial position and results of operations as well as on the reputation and public perception of Scout24. To prevent or minimise possible negative effects with respect to risks in the event of occurrence, financial, operational, strategic, external and compliance-related risks are identified, analysed, evaluated and managed as part of risk management. At the same time, our opportunity management ensures that we identify and capture opportunities in good time. The aim is to strike a balance, on the one hand, between growth and returns and, on the other, the associated risks. Risk and opportunity management thus supports the implementation of the corporate strategy.

To identify risks and opportunities at an early stage and to deal with them proactively and consciously, we operate a documentation, management and control system. In the following, we present those risks and opportunities that are rated as critical and substantial in the risk matrix and of relevance for Scout24 and as very good and solid in the opportunity matrix. Both risks and opportunities are explained in descending order of relevance for Scout24.

Overall statement on the risk and opportunity position

Risk position

Overall, Scout24's risk position improved in the 2021 financial year. Measured in terms of aggregate net expected loss for all risks, the overall risk situation is down on the previous year and the prevailing risks are still manageable. The potential exposure is covered several times over by the available equity and is manageable overall. No risks have been identified that could jeopardise the continued existence of Scout24 as a going concern.

Operating an online marketplace brings with it in particular risks from the use of IT and in relation to the security of our IT infrastructure. We consider these risks critical in the context of our risk management system and invest in a wide range of activities to protect our online platform and IT infrastructure. The aim is to be reliably accessible for our users at all times and to provide permanently reliable information. Investing in the security and protection of our data, systems and our IT infrastructure leads to their continuous improvement and the closing of potential security vulnerabilities.

As a digital company, data protection and data security are an essential aspect of our daily work. In particular, data privacy risks exist in the technical protection and collection of personal data and in data security risks in that the confidentiality, integrity, and availability of our data are no longer guaranteed. We consider these risks as substantial and implement appropriate measures to counteract them

Scout24 is in close competition with its competitors, which can lead to risks under competition law. Through internal process optimizations, measures have been created to mitigate these risks, which are classified as substantial.

Changes in the market and competitive environment are likewise relevant when considering the overall risk situation. We continue to operate in an intensely competitive environment. ImmoScout24 continues to face greater competitive pressure from the listed company Adevinta ASA, which is internationally regarded as one of the largest providers of online advertising portals. ImmoScout24 competes not only with direct competitors such as other digital real estate marketplaces, but also increasingly with hybrid agents, social networks or horizontally organised classifieds portals (see the **Competitive situation** section). This may lead to fiercer competition on prices and terms in the future and entails the risk of losing market share for ImmoScout24, Germany's leading marketplace for digital real estate listings.

Opportunity position

Scout24's opportunity position has also developed positively. In this context, external influences such as increasing digitisation and the positive development of the real estate market support our business model's further development. We leverage additional revenue and earnings potential through complementary products and services related to the digital listings business. Our goal is to further digitise the end-to-end process around the sale and rental of real estate.

Further opportunities lie in the high awareness of the ImmoScout24 brand and the high website traffic. These provide a solid basis for continued strong positioning and the establishment of additional products and services.

Risk and opportunities management system

Objective and anchoring of the risks and opportunities management system

At its core, Scout24's risk and opportunity management seeks to create the requisite transparency with regard to existing risks and opportunities and, in doing so, to build a shared awareness of risks within the company as well as to establish their significance and implications for the achievement of the company's objectives. The risks and opportunities management system is used to ensure the identification, assessment, analysis and long-term management as well as the reporting and monitoring of significant risks and opportunities.

Overall responsibility for the risks and opportunities management system of the Scout24 Group lies with the Management Board. To this end, the Management Board has set up the Risk Management & Compliance department, which integrates and controls the risk management systems and the internal control system throughout the Group. This takes place in close cooperation with the individual risk officers in the (market) segments, central Group functions and equity investments, who bear responsibility for implementing risk and opportunity management in the operating units.

The guiding principle of risk and opportunity management is a holistic and integrated approach that combines the governance components of risk management and the internal control system, supplemented by supporting internal audit activities. The effectiveness is controlled by the Risk Management department and on a sample basis through audits by the internal audit function.

Framework

The basic design of Scout24's risk management system reflects the internationally recognised COSO Enterprise Risk Management Framework of the Committee of Sponsoring Organisations (COSO) of the Treadway Commission. This framework links the Group-wide risk management system to the internal control system (ICS), which is also based on the COSO framework. This integrated approach helps the company to direct management and monitoring activities towards the corporate objectives and their inherent risks. The ICS is especially intended to ensure the security and efficiency of business processes as well as the reliability of the financial reporting.

In its risk management system, Scout24 also takes into account the interrelated basic elements of risk culture, objectives and organisation of the measures, risk identification, assessment, control and communication as well as monitoring and improvement of the risk management system, in accordance with Auditing Standard 981 of the Institute of Public Auditors in Germany (IDW AuS 981).

Identifying and assessing risks and opportunities

Scout24 comprehensively evaluates the risks and opportunities that are significant for the Group's corporate development as part of the annual budgeting and steering process (also see the Steering system section). In this context, market and competitive analyses are conducted to support financial planning, and the internal and external risks and opportunities relevant to the Group are assessed. The current assessment of the risks and opportunities at the time of budgeting is re-verified during the year in additional revisions of the risks and opportunities inventory, resulting in a quarterly assessment of Scout24's opportunities and risks. This is used as a basis for regular reporting to the Management Board and the Supervisory Board.

Above and beyond this, current risks and opportunities as well as their impact on the company are discussed at fortnightly meetings of the Executive Leadership Team (ELT), in quarterly meetings with the Supervisory Board and in regular budget, strategy and profit/loss meetings.

In the reporting period, risk management focused primarily on those activities that have a significant impact on future earnings (ordinary operating EBITDA) as well as the future financial position (cash flow) and are of importance for the company's future prospects in that they could prevent the company from achieving its objectives. Tax risks and risks from changes in interest rates are likewise taken into account.

Scout24 classifies its risks according to external, financial, operational, strategic and compliance risks – referred to as risk areas. Risks are assessed based on quantitative parameters, probability of occurrence and potential financial impact.

Opportunity management is primarily focused on identifying business potential within the ecosystem for real estate in Germany and Austria and around the digitisation of real estate transactions. Opportunities are assessed by reference to qualitative parameters in terms of their probability of occurrence and their potentially positive impact.

The accounting-related risk management system as well as the ICS are a significant component of the company's internal control system. The application of the aforementioned COSO framework and the effective interaction of the risk management system and the ICS are intended to ensure the effectiveness and efficiency of business operations as well as the completeness and reliability of the financial reporting. In this context, the accounting-related risk management and the ICS include organisational rules and measures for the identification and management of risks relating to financial reporting.

We view the following elements of the risk management system and the ICS as significant:

- Processes for the identification, assessment and documentation of all significant accounting-relevant business processes and risk areas, including associated key controls; these include financial and accounting processes as well as operational business processes that provide significant information for the preparation of the separate and consolidated financial statements, including the management report;
- Process-integrated controls (IT-supported controls and access limitations, authorisation concept, especially in regard to accounting-related IT systems, dual control system and segregation of duties);
- Standardised and documented financial bookkeeping processes;
- Group-wide accounting requirements in the form of accounting guidelines and reporting processes;
- Regular information to all consolidated entities regarding current developments relating to accounting and financial reporting and the financial statements close process as well as reporting deadlines.

Risk prevention and ensuring compliance

Risk prevention is a significant element of the risk management system and an integral component of ordinary business activities. Uniform standards throughout the Group to systematically manage risks and opportunities form the basis for successful risk prevention and compliance in this context. These standards are set out in Scout24's Governance, Risk & Compliance Handbook (GRC Handbook). The core GRC process defined there – for which the Risk Management & Compliance department is responsible – ensures standardised processes for evaluating, analysing and reporting risk as well as implementing risk management measures. The GRC core process offers consistent, comparable and transparent information, thereby supporting important decision-making processes.

Detailed analysis of the risk position

The risk management process begins with the identification of significant risks. Risks that exceed a certain materiality threshold or that are subjectively deemed urgent are reported to the Management Board via urgent notification by the risk owner or through the Risk Management department. Interim reporting is oriented towards specific characteristics and is based on presented risk assessments and respective regular updates by the departments. Quarterly changes to the risk inventory are utilised as early warning indicators.

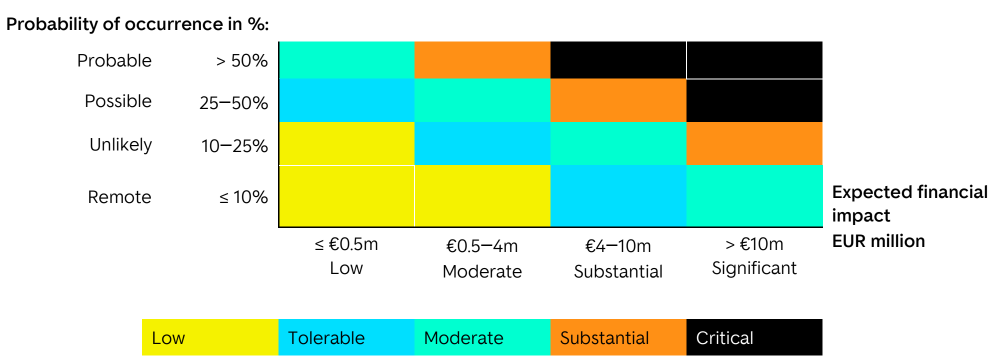
Risks are subsequently assessed as ‘low’, ‘tolerable’, ‘moderate’, ‘substantial’ or ‘critical’, considering the potential impact on results of operations, financial position and net assets as well as estimated probabilities of occurrence. Risks are assessed based on quantitative parameters, i.e. the probability of occurrence in percent and the potential financial impact in euros, measured in ooEBITDA and cash flow. Quantification in this respect is primarily intended as an indication of the respective risk’s relevance. The assessment of the monetary impact is the responsibility of the respective business units. The time frame for estimating risks is 12 months, and the subsequent 24 and 36 months in each case for the probability of occurrence and the potential financial impact.

The identified risks are assessed applying the inherent/residual method. In a first step, the potential financial impact and probability of occurrence are initially assessed within the framework of the inherent risk assessment without taking into account the measures and/or controls implemented to reduce the financial impact or probability of occurrence. The aim of the inherent risk assessment is to reflect the entire potential exposure, to thereby prevent an erroneous assessment that can arise from overestimating the effect of existing risk management measures and/or controls.

In a second step, the residual risk analysis takes into account the risk mitigation measures and/or controls implemented. The objective of the inherent/residual assessment is to enable monitoring of the effectiveness of the preventive measures deployed.

In the following, risks are presented at their net expected loss, which is determined from the intercept of the two metrics: the potential financial impact (x-axis) and the probability of occurrence (y-axis), in each case based on the residual method. The scales are presented in the risk matrix below.

RISK MATRIX



Opportunities are not factored into the assessment. They are covered separately through opportunity management and as part of budgeting.

The next step concerns risk management. In order to mitigate risks in the long term, i.e. to reduce their possible implications in terms of their potential financial impact or their probability of occurrence, appropriate measures and/or controls are developed and implemented.

The defined measures and controls are updated, together with the risks, in the course of risk reporting to management during the year. In addition, risks that are identified between two reporting periods and whose potential impact could have a significant influence on the Group's earnings are reported ad hoc to the Management Board and, if necessary, to the Supervisory Board.

To analyse Scout24's overall risk situation and be able to initiate suitable countermeasures, all recorded and assessed risks are aggregated into a risk portfolio. Statistically robust methods are used in the risk management software for this purpose. The consolidation scope for risk management purposes corresponds to the consolidation scope for the consolidated financial statements. In this context, the overall risk position determined in relation to the risk-bearing capacity of Scout24 for the reporting period is considered on the basis of suitable key indicators, namely the value at risk and the aggregate net expected loss for all risks, and it is regularly monitored by the Management Board with regard to the coverage of the net assets, financial position and results of operations. The analysis of the risk-bearing capacity did not lead to any adjustment or identify any gap in risk-bearing capacity.

Appropriately trained, decentralised risk assessors in the individual business units are responsible for identifying, recording, reporting and regularly updating risks. The risk assessors categorise risks according to a standard catalogue applicable in the Group and document their results regularly in the risk management software. The risks are reviewed and approved by the likewise decentralised risk approvers for their areas. This approach ensures observance of the dual control principle for each risk.

Overall risk situation, risk areas and risk clusters

The following table shows the external, financial, operational, strategic and compliance risk areas and the respective risk clusters. These are evaluated based on an analysis of individual risks using the residual method. The year-on-year changes in the risk situation are as follows:

EVALUATION OF RISK AREAS

		Weighted probability of occurrence	Expected financial impact	Net expected loss	Year-on-year change
1	**External risks**				
1.1	Economic risks	Remote	Low	Low	↓
1.2	Regional and specific country risks	Remote	Low	Low	=
1.3	Legal environment	Remote	Significant	Moderate	=
1.4	Competition and market	Remote	Significant	Moderate	↓
1.5	Suppliers	Remote	Low	Low	=
1.6	Labour market	Remote	Low	Low	=
1.7	General public	Unlikely	Low	Low	=
1.8	Nature and environment	Remote	Substantial	Tolerable	=
2	**Financial risks**				
2.1	Financial reporting, organisation and quality	Remote	Significant	Moderate	=
2.2	Financial management	Remote	Low	Low	=
2.3	Financial indicators	Remote	Substantial	Tolerable	=
2.4	Financial reporting	Remote	Significant	Moderate	=
3	**Operational risks**				
3.1	Human resources	Possible	Moderate	Moderate	=
3.2	Advertising and brand	Unlikely	Substantial	Moderate	↑
3.3	Service providers, other business partners	Unlikely	Moderate	Tolerable	↑
3.4	Customers	Remote	Substantial	Tolerable	=
3.5	Management and administration	Remote	Significant	Moderate	=
3.6	Purchasing	Remote	Moderate	Low	=
3.7	IT risks	Possible	Significant	**Critical**	=
3.8	Project management	Possible	Low	Tolerable	↑
3.9	Product management and processes	Unlikely	Substantial	Moderate	=

		Weighted probability of occurrence	Expected financial impact	Net expected loss	Year-on-year change
3.10	Communication	Remote	Moderate	Low	=
4	**Strategic risks**				
4.1	Strategic orientation	Unlikely	Moderate	Tolerable	=
4.2	Sales, marketing and brand	Unlikely	Moderate	Tolerable	↓
5	**Compliance risks**				
5.1	Code of Conduct	Remote	Low	Low	=
5.2	Data protection and data security	Unlikely	Significant	**Substantial**	↑
5.3	Corruption and fraud	Unlikely	Substantial	Moderate	↑
5.4	(Corporate) criminal law	Remote	Low	Low	↓
5.5	Competition law	Possible	Substantial	**Substantial**	↑
5.6	Intellectual property law	Unlikely	Moderate	Tolerable	=
5.7	Labour and social security law	Remote	Moderate	Low	=
5.8	Money laundering	Unlikely	Low	Low	=
5.9	Know-how drain	Unlikely	Moderate	Tolerable	=
5.10	Environmental law	Remote	Low	Low	=
5.11	Documentation obligations	Remote	Low	Low	=
5.12	Capital market law	Remote	Moderate	Low	=
6	**Special risks**				
6.1	Covid-19	Remote	Significant	Moderate	↓

↓ Decrease; ↑ Increase; = Unchanged

In this fiscal year, as in the last, we noted an existing uncertainty due to the Covid-19 pandemic and its impact. Covid-19 has not only changed the real estate market events as well as the political and economic framework conditions also in the financial year 2021. However, compared to fiscal year 2020, Scout24 has adapted to the new circumstances, which means that our work, planning and forecasts take the Covid-19 pandemic into account. As a result, Covid-19 risks have reduced and the risk cluster '6.1 Covid-19' in the net expected loss value has decreased from 'critical' to 'moderate'.

Risk clusters that from today's perspective could significantly affect the Scout24 Group's results of operation, financial position and net assets are discussed in more detail in the following. This concerns the risk clusters assessed to have a 'critical' or 'substantial' net expected loss as well as financial risks. We make an exception in the case of financial risks and also list other risk clusters that are assessed as 'moderate' and 'tolerable', for example. We are currently not aware of any further risks that could affect our operations or have appraised such risks as not substantial.

Operational risks

3.7 IT risks

Scout24's business operations involve risks from the use of IT and in relation to the security of the IT infrastructure of all segments. We consider these risks critical and invest in a wide range of activities to protect our platform and IT infrastructure.

ImmoScout24's online platform has to be reliably accessible for our users and provide permanently reliable information. In this context, we are constantly exposed to the risk of systems failing and our products and services being unavailable to our users. On the one hand, this could be caused by the failure of individual systems or IT services if, for example, necessary updates are not carried out or systems are not regularly updated. This risk is countered by regular system reviews, which monitor adherence to security measures and ensure systems are regularly updated. To prevent a possible failure or error in the cloud environment, we use high-availability cloud service providers and run what are referred to as multiregional storage backups. Accordingly, additional backups in different regions reduce the vulnerability while ensuring the security and stability of our cloud environment.

The systems, programmes, tools and software used internally must also be reliably available to Scout24 employees. To ensure this, corresponding contractual agreements are defined with IT service providers via service line agreements and redundancy measures are agreed with the individual vendors. To minimise the access risk to business-critical systems and services, what are known as asset management control systems are also used and security measures are implemented.

There is a risk of unauthorised access by third parties to Scout24 services, for example, in the form of a targeted cyberattack. To counteract this, regular security audits are carried out and appropriate security measures are taken. The platform's operation is subject to permanent monitoring so as to quickly initiate appropriate countermeasures in case of failure. Our systems have comprehensive, multi-stage safeguards, and personalised, role-based access controls are in place as protection against unauthorised access and external attacks. In addition, there are approval processes in place for accessing the cloud environment. We also offer Scout24's customers the option of securing their data with multi-stage access protection. Furthermore, IT security experts perform regular intensive penetration testing. We also continue to draw on the expertise of security analysts through what is referred to as a bug bounty programme, in which we award prizes to registered 'white hat' hackers for identifying and reporting potential attack vectors. This is used as a basis for rigorously deriving new risk-mitigating measures for securing both ImmoScout24's online platform and our business data against unauthorised internal and external access.

We assess the existing IT risks overall as manageable. Investing in the security and protection of our data and systems as well as our online platform and IT infrastructure leads to their continuous improvement and closure of potential security vulnerabilities. Scout24 is constantly working to further reduce the IT risks that have been assessed as critical.

Compliance risks

5.2 Data protection and data security

The reliability and security of information technology are of paramount importance. That said, threats to information security have increased globally. In particular, we are sensitive to data manipulation or data theft. We see a particular threat in phishing mails or malware that attempt to access employee login data to compromise employee accounts and access systems that are essential for Scout24. There is a risk that attackers can gain access to internal company data, including through the theft or loss of company devices, and that a compromised account may remain undetected for an extended period of time or indefinitely. Role-based access controls with a variety of authentication mechanisms are used to manage and control access to files and services. Furthermore, workshops on information security are held and an information security policy compiled. The same applies to unpatched security vulnerabilities on our platforms. Special software and vulnerability management allow us to identify and close security gaps, while special configurations of our IT systems enable us to protect ourselves against possible external attacks.

There is a risk that employees may not be granted access rights correctly or that access rights may not be revoked in a timely manner, thereby granting unauthorised access to internal company data by (former) employees or (former) external third parties. To counter this risk, an information security management and change management system and corresponding guidelines have been implemented. An authorisation management system manages, documents and controls the (de)activation of users.

In the area of data privacy and data security, there is also a risk of declining revenue from programmatic advertising channels. This is partly due to privacy concerns, which is why advertisers want to minimise their expenditure, and partly due to a possible lack of consent signals for offers in real-time advertising. To comply with data protection laws, we use a consent management platform to control the consent of our users regarding the collection and handling of personal information. In addition, we involve our data protection officer with respect to personal data and train our staff on data security.

In the 2021 financial year, we further expanded our data protection management system to comply with the applicable requirements under the relevant data protection laws, including the European General Data Protection Regulation (GDPR) in order to counteract any potential risk of compliance violations. As a leading digital company, Scout24 is committed to ensuring the availability of services and corresponding infrastructure. If there were any interruptions to these services or infrastructure, it would have an impact on the company's productivity. To ensure the availability of business-critical services, an information security management system with defined roles and responsibilities has been implemented. The system also ensures that data are classified into different materiality levels to create backups of business-critical data. These backups allow us to ensure the quickest possible return to regular operations in the event of system failures.

5.5 Competition law

Scout24 is in close competition with its competitors, which can lead to risks under competition law. Through internal process optimizations, measures have been created to mitigate these risks, which are classified as substantial.

Having implemented all the above measures, the compliance risks are classified as manageable.

External risks

1.4 Competition and market

Scout24 operates in a highly competitive environment that is constantly evolving. In the 2021 financial year, this environment was again characterised by changes that may have an influence on the participants in the real estate market and also on the market and competitive environment in which Scout24 operates.

With the acquisition in mid-2021 of the classifieds portal eBay Kleinanzeigen by Adevinta ASA, a publicly listed company based in Norway that is internationally regarded as one of the largest providers of online classifieds portals, Scout24 continues to face the risk of even fiercer competition in the future, primarily in the Residential Real Estate segment.

On the one hand, we compete with horizontally organised classifieds portals such as eBay Kleinanzeigen, which use their large user base and data to establish a strong customer base at comparatively low cost. On the other hand, other competing market players are engaging in more intense competition based on prices and conditions.

Scout24 faces this risk mainly from its next largest competitor, the Immowelt Group. Aggressive competitive strategies to deliberately capture market share at the expense of profitability entail the risk for Scout24 of losing or not being able to increase its listing and market share and/or revenue. There is a moderate risk in particular of declining listings for property sales on ImmoScout24 and of a loss of market leadership to the Immowelt Group. ImmoScout24 is in intense competition with the Immowelt Group and has already recorded a decline in listings in the past, as a result of which the gap to the Immowelt Group has narrowed. ImmoScout24 is trying to counter this risk with new product developments and special offers for our customers.

In addition, we are also increasingly competing with hybrid agents and social networks (also see the Competitive situation section). For Scout24, this entails the risk of greater competitive pressure, especially in the Private segment, and also the risk of losing partner agents, for example. Scout24 counters these risks by continuously working on the further development and diversification of its products and services as well as on the functionality of its online marketplace.

Our success crucially hinges on maintaining ImmoScout24's position as Germany's leading marketplace for digital real estate advertising. There is a risk of losing this market penetration, which could jeopardise the marketplace's appeal for our user groups, and, in turn, our ability to monetise our services. As a result, our business could be adversely affected and our revenue and earnings could decline.

Internet browsers had already started to block third-party cookies in the past. In the future, more internet browsers will follow and providers will publish their own data privacy modes. The discontinuation of cookies and unique identifiers will impact our programmatic business as well as direct marketing, which is why we are evaluating alternative identifiers and monitoring programmatic revenue on a segment-by-segment basis.

Overall, the external risks in the 'competition and market' risk area represent a significant risk component for Scout24, as also illustrated by the importance of the measures described and implemented in this regard. We continue to keep a close eye on market developments.

However, having analysed the risks at individual risk level, we gauge them as manageable.

Financial risks

2.1 Financial reporting, organisation and quality

In this area, the general investment risk that Scout24 assumes at Group level through the investment of surplus liquidity, for example in the event of a downturn in financial markets, or with investments in risky assets, is assessed as moderate. The risk is contained by the investment policy, which sets clear guidelines for Scout24's investments. Future cash outflows for dividend payments, share buy-back programmes and capital reductions will further reduce potential impacts in the medium term.

Possible currency, interest rate or exchange rate risks are considered to be low, as all investments are made exclusively in euros. In addition, measures have been implemented in the context of financial reporting and debt analysis, together with a regular review of interest rates.

The risk inherent in the capitalisation of development expenses (own work capitalised and bought-in services) in product development is deemed moderate. Here, development hours by Scout24 employees and development partners are capitalised and amortised over three years. The risk consists of incorrect capitalisation in terms of substance or amount, which may lead to misstatement in the statement of financial position and the statement of profit or loss. This can stem from insufficient documentation as well as failure to calculate the viability of capitalised projects or failure to do so accurately. All capitalised amounts are therefore carefully evaluated and reviewed. A clear process description is in place, along with rules for submitting projects for capitalisation by the department.

2.3 Financial indicators

There is a general risk that Scout24's intangible assets may be measured inaccurately as of the reporting date if impairment losses are not recognised in a timely manner. Considering a high quantitative impact but very low probability of occurrence, this risk is not classified as critical for Scout24 at the individual risk level.

As of the reporting date, Scout24 has recognised intangible assets of approximately EUR 1.7 billion. These assets are tested for impairment on an ongoing basis to identify any indication that their carrying amount may not be recoverable and necessitate the recognition of impairment losses. This is countered by means of financial planning and assessments, a quarterly analysis of financial reports, testing for possible impairment of goodwill as well as monitoring and analysing possible trigger events with regard to the impairment of intangible assets.

The existing tax risks are also not significant and are considered low.

2.4 Financial reporting

There is a risk of a loss of confidence in the event that financial data are published incorrectly or inaccurately, or if they are unavailable due to technical problems, such as a system failure, non-functioning financial systems or interfaces between financial systems, or if management reports are unavailable. In order to counteract such a risk of a loss of confidence in Scout24's financial reporting, measures have been implemented such as controls and the maintenance of control processes, precise checks of the information provided, authorisation concepts and the monitoring of the closing process at the end of the month, as well as the automation of interfaces.

The existing financial risks are all manageable through the measures and controls mentioned.

Conclusion on the overall risk situation

At the time of writing this management report, the risks are assessed as limited overall and the overall risk position as manageable. Compared with the reporting period ended 31 December 2020, the overall risk position has not deteriorated on aggregate, measured in terms of aggregate net expected loss for all risks. There are no identifiable risks that could lead to a prolonged deterioration in Scout24's net assets, financial position and results of operations or could jeopardise its ability to continue as a going concern.

Detailed analysis of the opportunity situation

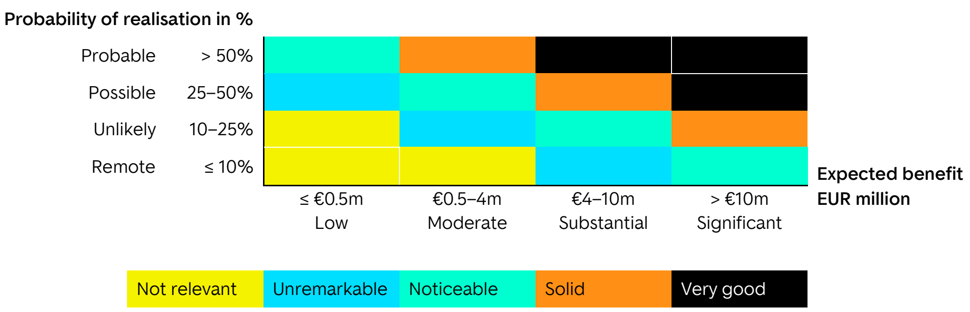
Our management of opportunities is organised on a decentralised basis in the segments of Scout24 and is supported by the Strategy & Business Development department. The department is in close contact with the individual operating units and therefore retains a detailed overview of the business situation and the resulting development potential. Moreover, market and competitive analyses as well as knowledge sharing with external experts serve as important sources to identify growth opportunities for Scout24.

Strategic opportunities of paramount importance – such as strategy adjustments or potential acquisitions and partnerships – are handled at Management Board level. This is part of the annual budgeting process and, in the case of current topics, part of the regularly scheduled meetings of the Management Board. For such topics, separate opportunity/risk analyses are generally developed and submitted for decision-making.

Opportunities are assessed by taking the expected benefit as well as an estimated probability of occurrence into consideration. The time horizon for estimating opportunities is 12 months, and the subsequent 24 and 36 months in each case for the probability of occurrence and the potential financial impact. In contrast with risk assessment, opportunities are evaluated based on qualitative characteristics. The following bandwidths have been determined for this purpose:

- Very good: Very beneficial opportunities support the successful further development of the Scout24 Group or its individual participating interests.
- Solid: Good opportunities have a significant effect on reputation, the business model, liquidity, assets and profits.
- Noticeable: Good opportunities have a noticeable effect on reputation, the business model, liquidity, assets and profits.
- Unremarkable: Minor opportunities have little effect on reputation, the business model, liquidity, assets and profits.
- Not relevant: Very minor opportunities have almost no effect on reputation, the business model, liquidity, assets and profits.

OPPORTUNITIES MATRIX



Opportunities are not assessed according to the inherent/residual method used in risk management. Measures to support the realisation of opportunities are not inventoried or reported upon separately.

Overall opportunity situation, opportunity areas and opportunity clusters

The overall opportunity situation is deemed promising. We see various opportunities to successfully develop the company in the coming years. In this context, all opportunities that are included in the 'very good' and 'solid' fields in the underlying classification matrix are considered relevant. However, these are not the only opportunities we pursue in terms of operations.

The year-on-year changes in the opportunity situation are as follows:

EVALUATION OF OPPORTUNITY AREAS

		Probability of occurrence	Quantitative impact	Evaluation of opportunities	Year-on-year change
1	**External opportunities**				
1.1	Higher share of wallet from ongoing shift to online	Possible	Moderate	Noticeable	↓
2	**Operational opportunities**				
2.1	Value added from performance improvement and addition of products and services	Probable	Significant	**Very good**	=
3	**Strategic opportunities**				
3.1	Business-promoting partnerships	Possible	Low	Unremarkable	=
3.2	Value added from successful M&A transactions	Probable	Substantial	**Very good**	=

↓ Decrease; ↑ Increase; = Unchanged

Operational opportunities

2.1 Value added from performance improvement and addition of products and services

ImmoScout24 is developing more and more from a pure classifieds platform into a transaction platform. We want to offer our customers the right products for every phase of a property's life cycle – from buying, selling and renting to finance or management. The focus is on the digitisation of processes in the context of real estate brokerage. The faster the acceptance of digitisation in real estate market progresses, the more opportunities will arise for us for new digital products and services along the value chain of a real estate transaction. This applies both to agents, who are exposed to increasing digitisation and competitive pressure and thus need support in lead generation and marketing, and to private users, who expect a personalised, simple and smooth user experience. To meet these demands, we are continuously expanding our premium profiles and improving our algorithms and products to connect agents even better with suitable customers.

The refinement of our products and services offers excellent opportunities to tap further market potential and generate added value for our customers.

Strategic opportunities

3.2 Value added from successful M&A transactions

In addition to the goal of creating a comprehensive ecosystem for real estate, our strategy is to increasingly participate in the transactions on our platform. To this end, Scout24 has made various investments in recent years and steadily expanded its product portfolio through acquisitions. Strategic acquisitions such as immoverkauf24 (lead generation for real estate agents) and Vermietet.de (end-to-end rental portal) are examples of the innovative refinement of the product portfolio and the transformation into a transaction platform. Looking ahead, we see further opportunities to create added value through relevant acquisitions to improve or expand the product portfolio – predominantly in the GAS region (Germany, Austria, Switzerland). This would enable us to drive forward the expansion of the real estate ecosystem in Germany and Austria and the digitisation of real estate transactions more quickly.

Through strategic and successful M&A transactions, there are very good opportunities to accelerate the development of a comprehensive real estate ecosystem.

Conclusion on the overall opportunity situation

The opportunity situation is assessed positively and is practically unchanged on the previous year. Scout24's resilient business model shows that we were able to implement our strategic goals in the second year of the pandemic and are very well positioned for a future growth course.

Outlook

The following section provides an overview of our expectations for the 2022 financial year as we implement the strategy we presented on our Capital Markets Day on 2 December 2021 and in light of the current Covid-19 situation as well as market and industry conditions.

Market and sector expectations

The strong economic recovery originally expected in 2021 has been delayed to 2022, if not later. In fact, the ongoing supply bottlenecks for various intermediate products and components and the fourth wave of the Covid-19 pandemic are placing a considerable burden on the economy. Against this background, construction costs are also continuing to rise sharply and could slow down the urgently needed housing construction in Germany. Depending on how the Covid-19 situation pans out and assuming supply chains return to normality, the German economy should nevertheless achieve significant growth in 2022. For example, in its annual economic report,[28] the German government assumed GDP growth of 3.6%. In its winter 2021 economic forecast,[29] the ifo Institute expected GDP to rise by 3.7%.

The fundamental situation on the German real estate market is not expected to change significantly in 2022. As described in the **German real estate market trends** section, the Residential Real Estate segment has a large supply gap that cannot be remedied in the short term. The high excess demand with all its consequences for the parties involved in a real estate transaction once again presents them with challenges. Our medium-term strategy aims to precisely address these challenges even more strongly. In the commercial real estate market, the highly mixed development in the hotel, office, retail and logistics sectors is also likely to continue as long as there is no genuinely foreseeable end to the situation and the ultimate consequences for the diverse segments. Thus, the industry environment for Scout24 in the 2022 financial year is not expected to differ significantly from the general conditions in 2021.

As outlined in the **Economic conditions** section, online marketing has meanwhile established itself as a standard tool in the real estate sector as well. The Covid-19 pandemic has further highlighted the benefits of digitisation. This ongoing digitisation of real estate transactions offers us not only short-term but also considerable medium- to long-term growth potential. Our plan is to further digitise and monetise the entire process around buying and selling, renting (for both tenants and landlords) as well as managing real estate (also see the **Strategy** section). Thanks to the high level of innovation, its leading market position, the high brand awareness and the remarkable user reach that it has demonstrated for years, the digital marketplace ImmoScout24 is very well positioned to take advantage of this tailwind in the German market.

Company expectations

Business performance of the Group

Since residential real estate is much more heavily weighted in our marketplace, the market situation described above, Covid-19 notwithstanding, provides a good basis for our business activities in principle. Indeed, our product portfolio is precisely tailored to this market situation and the resulting trends. The development of our business in the 2021 financial year is testament to our ability to grow our revenue in the double-digit percentage range with an additional boost from our high-growth products such as seller leads and Plus products.

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[28] Federal Ministry for Economic Affairs and Climate Action, Annual Economic Report, January 2022.
[29] ifo Institute, ifo Economic Forecast Winter 2021, December 2021.

At our Capital Markets Day on 2 December 2021, we presented a total of five growth drivers – including the high-growth products just mentioned – that will boost our growth in 2022:

- Pricing policy and membership upgrades with professional customers
- More seller leads (RLE and immoverkauf24 products)
- Expanded mortgage business
- Increase in Plus product subscribers
- Increase in Vermietet.de units/landlords

Drawing on these growth drivers, we aim to achieve Group revenue growth of between **11% and 12%** in 2022.

As this revenue growth is expected to be temporarily driven by additional investments, we anticipate less growth momentum in Group ordinary operating EBITDA from ordinary operating activities. Here, we expect growth of between **6% and 8%** in 2022.

Business performance of the segments

At our Capital Markets Day, we also communicated that we are adjusting our segment structure in the 2022 financial year. This is in line with the 'next-level' growth strategy presented there, which is geared even more closely to the needs of our private and professional customers. The previous segmentation was primarily based on the type of real estate (residential or commercial).

The following table compares Group revenue in 2021 and 2020 in the two segment structures:

PREVIOUS SEGMENT STRUCTURE				FUTURE SEGMENT STRUCTURE (UNAUDITED)			
EUR million	**2021**	**2020**	**Change**	**EUR million**	**2021**	**2020**	**Change**
Group revenue	389.0	353.8	+10.0%	Group revenue	389.0	353.8	+10.0%
of which Residential Real Estate	288.4	253.4	+13.8%	of which Professional	262.7	238.2	+10.3%
of which Business Real Estate	68.9	69.1	-0.3%	of which Private	94.6	84.3	+12.2%
of which Media & Other	31.3	31.0	+1.1%	of which Media & Other	31.7	31.3	+1.4%
of which holding revenue	0.4	0.3	+38.6%	of which holding revenue	-	-	-
Ordinary operating EBITDA	222.8	212.3	+5.0 %	Ordinary operating EBITDA	222.8	212.3	+5.0 %
Ordinary operating EBITDA margin	57.3%	60.0%	-2.7pp	Ordinary operating EBITDA margin	57.3%	60.0%	-2.7pp

Professional segment

Business with professional customers will benefit from value drivers 1–3 in 2022 (and in subsequent years). We expect value driver 1 to generate between 4% and 6% growth in revenue from memberships with our professional customers in 2022. From value driver 2, we expect between 30% and 40% revenue growth from seller leads. To achieve this, we will invest specifically in the expansion of the immoverkauf24 agent network and the generation of homeowner leads. Finally, we are planning for revenue growth from mortgage leads through value driver 3 of between 18% and 20%. Here, too, we will continue to invest in the acquisition of leads.

On aggregate, that is including revenue from individual commercial listings, we thus expect revenue growth of between **10% and 12%** for the Professional segment in 2022.

Private segment

Growth drivers 4 and 5 contribute to business with private customers. Growth driver 4 is about increasing the number and duration of Plus product subscriptions. To this end, we will continue to invest more in marketing to generate additional traffic and further develop the payment models for the products. Growth driver 5 aims to attract as many registered users as possible and properties to the Vermietet.de platform. However, the focus here is not yet on generating revenue. From both value drivers taken together, we anticipate revenue growth of between 26% and 28%.

On aggregate, that is including the somewhat declining individual private listings as well as other revenue, we expect revenue growth of between **12% and 14%** for the Private segment in 2022.

Media & Other

The Media & Other segment will be maintained unchanged in the new segment structure. We expect the advertising business with third parties to recover from the low level in 2021. We also expect FLOWFACT's revenue to increase in the 2022 financial year now that the transition to the new product world and new pricing model has largely been completed. The newly acquired Propstack will additionally contribute to CRM revenue growth. At the same time, we expect the ImmoScout24 Austria business to continue to show high revenue momentum.

Overall, we therefore also expect the Media & Other segment to generate revenue growth of between **12% and 14%** in 2022.

Medium-term outlook

Our growth strategy is premised on sustainable growth in the years beyond 2022. From 2023 onwards, earnings growth should also accelerate further as the level of capital expenditure is scaled back and initial economies of scale are realised. In this way, we create value not only for our shareholders but also for our customers, who benefit from an expanded product range geared to the real estate transaction. Finally, we also ensure that the real estate market itself becomes more digital and efficient, to the benefit of all parties involved in a real estate transaction.

Compensation report

The compensation report describes the basic features and components of the compensation of the Management Board and the Supervisory Board of Scout24 SE as well as the personalised compensation, broken down by components, granted to or owed to the members of the corporate bodies in the 2021 financial year.

The compensation report complies with the applicable statutory provisions and, as provided for by the legislator, takes into account for the first time the new provisions under stock corporation law resulting from the act implementing the Shareholders' Rights Directive II (SRD II) of 12 December 2019.

The compensation report also complies with the principles of the German Corporate Governance Code (GCGC) as amended on 16 December 2019; the latter stipulates that the Management Board and the Supervisory Board shall prepare an annual compensation report in accordance with the statutory provisions. The GCGC committees do not make any further recommendations on the implementation of the compensation report.

Compensation of the members of the Management Board

The compensation system describes the basic features and components of the compensation of the Management Board of Scout24 SE. It complies with the applicable statutory provisions of the German Stock Corporation Act and the recommendations of the German Corporate Governance Code (GCGC).

The aim of the compensation system is to make a significant contribution to the sustainable and long-term continued development of Scout24 SE's success story. This is mainly premised on an appropriate performance- and success-based compensation structure.

Scout24 SE's compensation system was refined to comply with the amended requirements under SRD II and GCGC in the version dated 16 December 2019. It was approved by Scout24 AG's Annual General Meeting on 8 July 2021 and will apply to all new Management Board service contracts concluded in the 2021 financial year from the time they take effect. The **compensation system for members of the Management Board** has been published on the company's website in accordance with Article 120a (2) AktG.

Due to the contractual terms of the service contracts of individual members of the Management Board, both the preceding system of Management Board compensation approved by the 2016 Annual General Meeting and the compensation system approved by Scout24 AG's Annual General Meeting in the 2021 financial year are relevant for the 2021 financial year.

The following presentation of the main features and components of the compensation system refers to that approved by Scout24 AG's Annual General Meeting in the 2021 financial year. In the interest of transparency and to make the compensation for the 2021 financial year easier to understand, this is followed by an overview of the compensation system approved by the 2016 Annual General Meeting.

Overview of the compensation system for members of the Management Board

Scout24 SE's Supervisory Board has established four principles for the compensation system of the members of the Management Board, on the basis of which the compensation system can make a significant contribution to Scout24's sustainable and long-term success.

BASIC FEATURES OF THE COMPENSATION SYSTEM

Alignment with corporate strategy	Long-term success and sustainability	Capital market orientation	Clarity and understandability
• Ambitious growth targets for revenue and operating result • In addition, targets related to the implementation of the corporate strategy in the LTI	• Long-term variable remuneration accounts for material share of the total remuneration • LTI exceeds STI • Sustainability component considering social and ecological aspects	• Variable remuneration components mainly share-based through performance share units • Share ownership guideline (100% of net annual fixed remuneration are to be invested in shares, CEO 150%)	• Complies with the requirements of the German Stock Corporation Act / Second Directive of 12 December 2019 • Complies with the recommendations of the GCGC in its version of 16 December 2019

The underlined features are new features of the enhanced compensation system for Executive Board members

Components of the compensation system

The compensation of the members of the Management Board of Scout24 SE consists of fixed and variable components. The fixed components consist of fixed compensation, ancillary benefits and retirement benefits. The variable components are performance-related and consist of the one-year variable compensation (short-term incentive, STI) and the multi-year, share-based variable compensation (long-term incentive, LTI).

The target total compensation comprises the sum of the fixed and variable compensation components. The target compensation is based on the STI and LTI at their target amounts, i.e. 100% target achievement. The share of variable components in the target total compensation exceeds the share of fixed components. Among the variable components, the LTI with a term of several years predominates in order to create incentives for sustainable and long-term corporate development.

TARGET TOTAL COMPENSATION

Fixed components			Variable components	
Fixed remuneration ~ 25% - 35%	**Fringe benefits** ~ 1%	**Pension benefits** ~ 1% - 2%	**Short-Term Incentive (STI)** ~ 15% - 25%	**Long-Term Incentive (LTI)** ~ 45% - 55%
Fixed base salary paid in monthly instalments	Essentially, provision of a company car and insurance allowances	Defined contribution plan (direct insurance)	• Bonus performance criteria: • 35% revenue • 35% ooEBITDA[1] • 30% non-financial sustainability target • Cap: 200% of target amount	• Performance criteria Performance Share Units: • 1/3 revenue growth • 1/3 ooEBITDA[1] growth • 1/3 strategic target • Cap: 300% of target amount
One-year term				Multi-year (4 years) & share based

[1] Ordinary operating EBITDA (ooEBITDA) refers to EBITDA adjusted for non-operating effects, which mainly include expenses for share-based payments, M&A activities (realised and unrealised), reorganisation and other non-operating effects.

OTHER PROVISIONS RELATING TO THE COMPENSATION SYSTEM

Provision	Arrangement
Share Ownership Guideline (SOG)	The members of the Management Board are obliged to acquire shares of Scout24 SE in the amount of 150% (CEO of the Management Board) or 100% (ordinary members of the Management Board) of their net fixed annual compensation and to hold them for the duration of their appointment as members of the Management Board. This further aligns the interests of shareholders and the members of the Management Board. The share portfolio can be built up in stages; the first stage amounting to 25% of the net annual fixed compensation must be reached by 31 December 2022. The Management Board member must hold the full portfolio at the end of the fourth full financial year after the start of their new term of appointment and permanently from that date onwards. Credit is given for shares in Scout24 SE already held. The value of the shares held is determined by the purchase price at the time of acquisition

Provision	Arrangement
Penalty/clawback	Option to proportionately or fully reduce or reclaim variable compensation in the event of a serious breach of the duty of care (including breaches of the company's internal Code of Conduct) within the meaning of Article 93 AktG or as defined in the provisions of the service contracts.
Maximum compensation	Cap on total compensation granted for a financial year pursuant to Article 87a (1) Sentence 2 no. 1 AktG: • CEO: EUR 6,500,000 • Ordinary members of the Management Board: EUR 4,000,000
Severance payment cap	Severance payments up to a maximum of twice the sum of basic compensation and STI (target amount), but no more than the compensation that would have been payable until the end of the contract term.

Management Board compensation system approved by the 2016 annual general meeting ('2016 system')

The Supervisory Board sets the compensation for the members of the Management Board. In doing so, the Supervisory Board checks – with due regard to the prescribed requirements set out in Article 87 (1) AktG – the appropriateness of the compensation in terms of the tasks of the individual members of the Management Board, personal performance, the economic and business situation, the company's performance and future prospects as well as the market-conformity of compensation taking into account the comparable environment and the compensation structure otherwise applicable within the company. The compensation scheme for the Management Board is oriented towards creating an incentive for performance-based governance. It comprises fixed and performance-based components. The compensation is capped both overall and for the variable components.

Under the 2016 system, the Management Board's compensation comprises the following components:

FIXED COMPONENTS

Components	Arrangement
Fixed compensation	Fixed basic salary that is paid monthly and based on the areas of activity and responsibility of the respective member of the Management Board.
Ancillary benefits	Ancillary benefits vary for the individual members of the Management Board, but mainly include company cars or compensation for waiving the use of a company car.
Pension cost	Scout24 SE pays the members of its Management Board fixed pension fund contributions for the duration of their employment contracts. Otherwise, the company itself has not entered into any pension contracts for members of the Management Board or granted pension commitments.

VARIABLE COMPONENTS

Components	Arrangement

One-year variable compensation (STI)	• Performance criteria for target bonus::
	  • 33.3-50% revenue
	  • 33.3-50% ooEBITDA
	  • 0-33.3% non-financial sustainability target
	• Cap: 200% of the target amount

Special payment	At the Supervisory Board's discretion, it is possible to grant a special payment for extraordinary performance. The amount of the special payment is limited to three times the one-year variable compensation (CEO) or two times the annual fixed compensation (ordinary members of the Management Board).

Multi-year variable compensation (LTI)	• Performance criteria for performance share units:
	  • 33.3% revenue growth
	  • 33.3% ooEBITDA growth
	  • 33.3% relative capital market condition
	• Cap on performance factor: 200%
	• Cap on payment per share unit: 3.5 times the share unit price on the grant date

OTHER PROVISIONS RELATING TO THE COMPENSATION SYSTEM

Components	Arrangement
Maximum compensation	Cap on total compensation granted for a financial year pursuant to Article 87a (1) Sentence 2 no. 1 AktG: EUR 10,715.9 thousand (CEO) and EUR 6,300.0 thousand or EUR 7,000.0 thousand (ordinary member of the Management Board).
Severance payment cap	In the event that a service agreement is terminated by the company without due cause, the service agreements for the members of the Management Board include a severance payment commitment equivalent to a maximum of two times the sum of the annual fixed compensation and the STI (target amount), albeit to a maximum of the compensation that would be payable until the end of the contract.

In total, a target achievement of 100% results in the following target total compensation for the 2021 financial year:

EUR '000	Tobias Hartmann[1] CEO since 11/2018		Dr Dirk Schmelzer CFO since 06/2019		Dr Thomas Schroeter[1] CPO since 12/2018		Ralf Weitz[1] CCO since 12/2018	
	100%	Share[2]	100%	Share	100%	Share[2]	100%	Share[2]
Fixed components								
Fixed compensation	718.7	22.4%	420.0	21.0%	419.3	18.4%	419.3	18.4%
Ancillary benefits	15.9	0.5%	14.0	0.7%	6.4	0.3%	4.9	0.2%
Total	**734.6**	**22.9%**	**434.0**	**21.7%**	**425.7**	**18.7%**	**424.2**	**18.7%**
Variable components								
One-year variable compensation (STI)	382.6	11.9%	210.0	10.5%	217.1	9.5%	217.1	9.5%
Multi-year variable compensation (LTI)3	2,046.6	63.7%	1,333.3	66.6%	1,607.7	70.7%	1,607.7	70.7%
of which: LTIP 2018	1,833.3	57.0%	1,333.3	66.6%	1,527.8	67.1%	1,527.8	67.2%
of which: LTIP 2021	213.2	6.6%	n/a	n/a	79.9	3.5%	79.9	3.5%
Total	**2,429.2**	**75.6%**	**1,543.3**	**77.1%**	**1,824.8**	**80.2%**	**1,824.8**	**80.2%**
Pension cost	**50.0**	**1.6%**	**25.0**	**1.2%**	**25.0**	**1.1%**	**25.0**	**1.1%**
Total compensation	**3,213.8**	**100.0%**	**2,002.4**	**100.0%**	**2,275.5**	**100.0%**	**2,274.0**	**100.0%**

[1] For Mr Hartmann, Dr Schroeter and Mr Weitz, both compensation systems applicable in the 2021 financial year are taken into account pro rata temporis.

[2] As both compensation systems were valid in the 2021 financial year, the shares of total compensation reported for the 2021 financial year do not match the proportionate target total compensation in accordance with the compensation system approved by the 2021 Annual General Meeting.

[3] The tranches granted under the LTIP 2018 were committed for the three-year contractual term of the Management Board service contracts; to this extent, the tranches were distributed evenly over the financial years of the contractual term for the purpose of determining the target compensation; the respective start of service on the Management Board during the year was taken into account; the proportionate amount attributable to 2021 financial year is used for the 2021 target compensation.

The structure of the (target) compensation takes into account the long-term development of the company.

Under the LTIP 2021, members of the Management Board receive a tranche of virtual performance share units in Scout24 each year in which the related Management Board service contract is in effect, in each case annually on 1 January. The entitlement pro rata temporis for the 2021 financial year was taken into account in determining the target compensation.

Compensation of the members of the Management Board in the 2021 financial year

The following table shows the total compensation granted to or owed to the members of the Management Board in the 2021 reporting year and the previous year. This mainly relates to compensation granted in previous financial years under the compensation system in place at the time. The compensation components correspond to the respective applicable compensation systems.

With regard to the fixed components and the one-year variable compensation, reference is made to the fact that the compensation deemed to be "granted" in accordance with Section 162 (1) AktG is that which the members of the Executive Board have earned in the financial year 2021. Compensation is considered 'owed' if it is due but not yet fulfilled. For multi-year variable compensation, in deviation from this, inclusion in the total compensation only takes place at the end of the respective waiting period or performance period when a payable amount is given and this has also been paid out. This approach is considered to be more transparent and therefore more appropriate, as it is less subject to assumption-related uncertainties.

For further information on the compensation components, please refer to the explanations following table.

Former members of the Management Board received no compensation in the reporting year.

in '000 EUR	Tobias Hartmann CEO since 11/2018		Dr Dirk Schmelzer CFO since 06/2019		Dr Thomas Schroeter CPO since 12/2018		Ralf Weitz CCO since 12/2018		Total	
	2021	**2020**	**2021**	**2020**	**2021**	**2020**	**2021**	**2020**	**2021**	**2020**
Fixed components										
Fixed compensation	718.7	680.0	420.0	420.0	419.3	400.0	419.3	400.0	1,977.2	1,900.0
Ancillary benefits	15.9	14.0	14.0	14.0	6.4	5.4	4.9	5.0	41.3	38.5
Total	**734.6**	**694.0**	**434.0**	**434.0**	**425.7**	**405.4**	**424.2**	**405.0**	**2,018.6**	**1,938.5**
Variable components										
One-year variable compensation (STI)[1]	565.1	792.2	311.3	489.3	321.0	466.0	321.0	466.0	1,518.3	2,213.5
Multi-year variable compensation (LTI)	2,341.6	0.0	1,219.0	0.0	1,847.0	894.8	1,847.0	0.0	7,254.5	894.8
Total	**2,906.7**	**792.2**	**1,530.3**	**483.3**	**2,167.9**	**1,360.8**	**2,167.9**	**466.0**	**8,772.8**	**3,108.3**
Pension cost[2]	**50.0**	**50.0**	**25.0**	**25.0**	**25.0**	**25.0**	**25.0**	**25.0**	**125.0**	**125.0**
Total compensation	**3,691.3**	**1,536.2**	**1,989.3**	**948.3**	**2,618.6**	**1,791.2**	**2,617.2**	**896.0**	**10,916.4**	**5,171.8**
Relative share of fixed components	21.3%	48.4%	23.1%	48.4%	17.2%	24.0%	17.2%	48.0%	19.6%	39.9%
Relative share of variable components	78.7%	51.6%	76.9%	51.6%	82.8%	76.0%	82.8%	52.0%	80.4%	60.1%
Maximum compensation[3]	**10,715.9**	**10,715.9**	**6,300.0**	**6,300.0**	**7,000.0**	**7,000.0**	**7,000.0**	**7,000.0**	**n/a**	**n/a**

[1] The one-year variable compensation contains the special bonus vested for the 2020 financial year of Mr Hartmann (EUR 340.0 thousand), Dr Schmelzer (EUR 210.0 thousand), Dr Schroeter (EUR 200.0 thousand) and Mr Weitz (EUR 200.0 thousand).

[2] The pension costs relate to defined contribution obligations.

[3] In each case, the amounts indicated are the amounts applicable for a full year (12 months) in accordance with the contracts concluded in 2018 and 2019. For further information, see the "Cap on total annual compensation" section.

Compliance with the maximum compensation can only be verified retrospectively after all payments under the LTIP 2018 tranches have been made, as the contractual provisions for determining the compensation relevant for the maximum compensation require all payments made under the LTIP 2018 to be spread over five years. Subject to this, the maximum compensation was complied with in fiscal year 2021. The compensation relevant for the maximum compensation for the 2021 financial year amounted to EUR 1,818.0 thousand for Mr Hartmann, EUR 1,014.1 thousand for Dr Schmelzer, EUR 1,141.1 thousand for Dr Schroeter and EUR 1,139.6 thousand for Mr Weitz.

The following table presents the relative shares of total compensation in 2021:

in '000 EUR	Tobias Hartmann CEO since 11/2018		Dr Dirk Schmelzer CFO since 06/2019		Dr Thomas Schroeter CPO since 12/2018		Ralf Weitz CCO since 12/2018		Total	
	2021	**Share**	**2021**	**Share**	**2021**	**Share**	**2021**	**Share**	**2021**	**Share**
Fixed components										
Fixed compensation	718.7	19.5%	420.0	21.1%	419.3	16.0%	419.3	16.0%	1,977.2	18.1%
Ancillary benefits	15.9	0.4%	14.0	0.7%	6.4	0.2%	4.9	0.2%	41.3	0.4%
Total	**734.6**	**19.9%**	**434.0**	**21.8%**	**425.7**	**16.3%**	**424.2**	**16.2%**	**2,018.6**	**18.5%**
Variable components										
One-year variable compensation (STI)[1]	565.1	15.3%	311.3	15.6%	321.0	12.3%	321.0	12.3%	1,518.3	13.9%
Multi-year variable compensation (LTI)	2,341.6	63.4%	1,219.0	61.3%	1,847.0	70.5%	1,847.0	70.6%	7,254.5	66.5%
Total	**2,906.7**	**78.7%**	**1,530.3**	**76.9%**	**2,167.9**	**82.8%**	**2,167.9**	**82.8%**	**8,772.8**	**80.4%**
Pension cost[2]	**50.0**	**1.4%**	**25.0**	**1.3%**	**25.0**	**1.0%**	**25.0**	**1.0%**	**125.0**	**1.1%**
Total compensation	**3,691.3**	**100.0**	**1,989.3**	**100.0 %**	**2,618.6**	**100.0 %**	**2,617.2**	**100.0%**	**10,916.4**	**100.0%**
Relative share of fixed components	21.3%		23.1%		17.2%		17.2%		19.6%	
Relative share of variable components	78.7%		76.9%		82.8%		82.8%		80.4%	

[1] The one-year variable compensation contains the special bonus vested for the 2020 financial year of Mr Hartmann (EUR 340.0 thousand), Dr Schmelzer (EUR 210.0 thousand), Dr Schroeter (EUR 200.0 thousand) and Mr Weitz (EUR 200.0 thousand).

[2] The pension costs relate to defined contribution obligations.

Components of the compensation system in detail

Scout24 SE's compensation system was refined to comply with the amended requirements under SRD II and GCGC in the version dated 16 December 2019. The compensation system was approved by Scout24 AG's Annual General Meeting on 8 July 2021 and will apply proportionately to all new Management Board service contracts concluded in the 2021 financial year from the time they take effect. This applies to Mr Hartmann (starting 19 November 2021) and to Dr Schroeter and Mr Weitz (starting 7 December 2021). The existing Management Board service contract with Dr Schmelzer was concluded with a term until 30 June 2022 and will continue to apply unchanged until then; the new Management Board service contract will take effect from 1 July 2022.

Both compensation systems relevant for the 2021 financial year have in common that they are designed to create an incentive for performance-oriented corporate management. They comprise fixed and performance-based components. The compensation is capped both overall and for the variable components. Differences between the two compensation systems relate in particular to the regulations on the share ownership guideline, penalty and clawback conditions, and the level of maximum compensation.

Fixed components

Fixed compensation

Based on their respective areas of activity and responsibility, the members of the Management Board received a fixed basic salary that is paid monthly.

Ancillary benefits

The ancillary benefits vary for each member of the Management Board, but they mainly include the provision of a company car, also for private purposes, or compensatory payments for waiving the use of a company car, a proportionate reimbursement of the costs of health and long-term care insurance[30] and permission for the

[30] Reimbursement for health and long-term care insurance is not included in the determination of total compensation.

private use of mobile phones, laptops and comparable equipment provided. In individual cases, rent or housing allowances, relocation allowances, and reimbursement of costs for trips home may be granted.

In addition, directors and officers ("D&O") liability insurance has been concluded for the members of the Management Board. The insurance policy complies with the statutory requirements, in particular with regard to the deductible. Furthermore, the members of the Management Board are included in the company's group accident insurance.

Pension costs and other post-employment benefits
The pension plan for the members of the Management Board is structured as a defined contribution plan, i.e. Scout24 SE pays a fixed amount into a direct insurance policy for the duration of the service contract. The pension benefit is rendered as one-time pension capital; under the compensation system approved by the 2021 Annual General Meeting, Scout24 SE may alternatively grant fixed allowances for retirement benefits to the members of the Management Board for the duration of the service contract (pension allowance). In this case, there is no entitlement to a defined contribution plan.

Otherwise, the company itself has not entered into any further pension contracts for members of the Management Board or granted pension commitments.

Variable components

One-year variable compensation (STI)

STI – granted in the 2021 financial year
The compensation granted and owed in the 2021 financial year in accordance with Article 162 (1) AktG comprises the STI earned by the members of the Management Board in the 2021 financial year.

The Supervisory Board determines the targets and their weighting for the one-year variable compensation of the members of the Management Board at the end of each calendar year for the next calendar year and informs the Management Board in writing. The targets for the 2021 financial year are both financial (revenue and ordinary operating EBITDA) and non-financial (reduction in CO_2 emissions); each target is weighted at 33.3%. For the one-year variable compensation to be granted pro rata temporis for the 2021 financial year in accordance with the newly concluded Management Board service contracts of Mr Hartmann, Dr Schroeter and Mr Weitz, the targets set under the previous contracts for the 2021 financial year continue to apply, albeit taking into account the weighting in accordance with the compensation system approved by the Annual General Meeting of Scout24 AG in the 2021 financial year (35% revenue, 35% ordinary operating EBITDA, 30% non-financial sustainability target).

In detail, the targets for the 2021 financial year are as follows:

		Financial targets	
Target achievement	Multiplier	2021 revenue in EUR million (33.3% / 35.0%)	2021 ooEBITDA in EUR million (33.3% / 35.0%)
< 95.0%	0%	< 355.6	< 213.0
95.0%	50%	355.6	213.0
100.0%	100%	374.3	224.2
110.0%	200%	411.7	246.6

If target achievement is greater than 100%, each additional percentage point in target achievement leads to an increase in the multiplier by ten percentage points until the cap is reached at 200% of the target amount. If target achievement is less than 100%, each shortfall of half a percentage point leads to a reduction in the multiplier by five percentage points until the STI component is eliminated if target achievement falls short by more than five percentage points.

The **target of a non-financial nature**, also weighted at 33.3% (30.0%), has as its object the reduction of Scout24's carbon footprint through the reduction of CO_2 emissions. The lower limit for the multiplier, i.e. a target achievement of 0%, is given if the CO_2 emissions forecast for the previous year are maintained. A reduction of 6.00% corresponds to a target achievement of 100%; for each further reduction in CO_2 emissions of 0.23 percentage points, an additional percentage point of target achievement is credited in each case. Target achievement is capped at 200% (8.275% reduction in CO_2 emissions). The collection and evaluation of the relevant data is carried out by an external partner.

Target achievement for the non-financial target is furthermore subject to the condition that no significant compliance violation has occurred in the Scout24 Group in financial year 2021.

In detail, the one-year variable target compensation for the 2021 financial year is as follows:

EUR '000	Tobias Hartmann CEO since 11/2018			Dr Dirk Schmelzer CFO since 06/2019			Dr Thomas Schroeter CPO since 12/2018			Ralf Weitz CCO since 12/2018		
	Target 100%	Max. 200%	Min. 0%	Target 100%	Max. 200%	Min. 0%	Target 100%	Max. 200%	Min. 0%	Target 100%	Max. 200%	Min. 0%
Contract concluded 2018/2019	300.9	601.7	-	210.0	420.0	-	186.2	372.5	-	186.2	372.5	-
Contract concluded 2021	81.8	163.5	-	-	-	-	30.8	61.6	-	30.8	61.6	-
Total	**382.6**	**765.3**	**-**	**210.0**	**420.0**	**-**	**217.1**	**434.1**	**-**	**217.1**	**434.1**	**-**

i. Period of validity of the contracts concluded in 2018 and 2019[31]

If the targets set by the Supervisory Board are fully achieved (100%), the one-year variable gross compensation for the full 2021 (2020) financial year is EUR 300.9 thousand (previous year: EUR 340.0 thousand) for Mr Hartmann, EUR 210.0 thousand (previous year: EUR 210.0 thousand) for Dr Schmelzer, EUR 186.2 thousand (previous year: EUR 200.0 thousand) for Dr Schroeter and EUR 186.2 thousand (previous year: EUR 200.0 thousand) for Mr Weitz. The Supervisory Board determines the exact amount at its discretion, taking into account the achievement of the targets and recommendations of the Supervisory Board's Remuneration Committee. The Supervisory Board also determines whether and to what extent the entitlement increases in line with the targets if the targets are achieved by more than 100%; if the targets set by the Supervisory Board in each case are exceeded, the one-year variable compensation may increase up to a maximum of 200%. Payment of such compensation may also be dispensed with in full if targets are missed.

Taking into account the key figures achieved for the financial targets (revenue of EUR 387.9 million, ooEBITDA of EUR 226.0 million; both figures are the amounts adjusted for acquisitions in fiscal year 2021) and the target of a non-financial nature (CO_2 emissions reduced by more than 8.275% compared to the previous year, thus target achievement of 200%), the Supervisory Board determined and resolved the target achievement for the fiscal year for the one-year variable compensation as follows:

[31] As the contracts were concluded during the year, pro rata values are presented for the 2021 financial year, with the exception of Dr Schmelzer.

EUR '000				Tobias Hartmann CEO since 11/2018	Dr Dirk Schmelzer CFO since 06/2019	Dr Thomas Schroeter CPO since 12/2018	Ralf Weitz CCO since 12/2018
Target amount			**100%**	**300.9**	**210.0**	**186.2**	**186.2**
Targets	Weighting	Target achievement Multiplier	Overall target-achievement				
Revenue	33.3%	103.6% 136.3%		136.7	95.4	84.6	84.6
ooEBITDA	33.3%	100.8% 108.4%		108.7	75.9	67.3	67.3
Non-financial targets	33.3%	> 8.275% 200.0%		200.6	140.0	124.2	124.2
Net amount paid out			**148.2%**	**446.0**	**311.3**	**276.1**	**276.1**

The one-year variable compensation is paid annually in the following financial year after the annual financial statements for the calendar year in question have been ratified by the Supervisory Board.

The one-year variable compensation is paid proportionately if the service contract begins and/or ends during the calendar year.

In addition to being limited to a maximum of 200%, the one-year variable compensation is also subject to the regulations regarding maximum compensation.

ii. Period of validity of the contracts concluded in 2021[32]

If the targets set by the Supervisory Board are 100% achieved, the pro rata one-year variable gross compensation for the 2021 financial year amounts to EUR 81.8 thousand for Mr Hartmann, EUR 30.8 thousand for Dr Schroeter and EUR 30.8 thousand for Mr Weitz. If the targets set by the Supervisory Board are exceeded, the one-year variable compensation may increase up to a maximum of 200%. If a set target is missed to such an extent that the value falls below a certain threshold, the one-year variable compensation component no longer applies. In other words, the one-year variable compensation can also be completely removed if the threshold values are missed for all performance criteria.

The Supervisory Board determines the amount of the one-year variable compensation after the end of the financial year on the basis of the weighted overall target achievement of each member of the Management Board. This entails the measurement of the achievement of quantitative targets or the Supervisory Board's assessment of qualitative targets based on professional standards.

Taking into account the key figures achieved for the financial targets (revenue of EUR 387.9 million, ooEBITDA of EUR 226.0 million; both figures are the amounts adjusted for acquisitions in fiscal year 2021) and the target of a non-financial nature (CO_2 emissions reduced by more than 8.275% compared to the previous year, thus target achievement of 200%), the Supervisory Board determined and resolved the target achievement for the fiscal year for the one-year variable compensation as follows:

[32] As the contracts were concluded during the year, pro rata values are presented for the 2021 financial year.

EUR '000				Tobias Hartmann CEO since 11/2018	Dr Dirk Schmelzer CFO since 06/2019	Dr Thomas Schroeter CPO since 12/2018	Ralf Weitz CCO since 12/2018
Target amount			**100%**	**81.8**	**n/a**	**30.8**	**30.8**
Targets	Weighting	Target achievement Multiplier	Overall target-achievement				
Revenue	35.0%	103.6% 136.3%		39.0	n/a	14.7	14.7
ooEBITDA	35.0%	100.8% 108.4%		31.0	n/a	11.7	11.7
Non-financial targets	30.0%	> 8.275% 200.0%		49.1	n/a	18.5	18.5
Net amount paid out			**145.6%**	**119.1**	**n/a**	**44.9**	**44.9**

The one-year variable compensation is paid annually in the following financial year after the annual financial statements for the calendar year in question have been ratified by the Supervisory Board.

The one-year variable compensation is paid proportionately if the service contract begins and/or ends during the calendar year.

In addition to the cap of 200% and the provisions regarding maximum compensation, the new service agreements for the Management Board concluded in the 2021 financial year contain the option of proportionately or fully reducing or reclaiming variable compensation in the event of a serious breach of the duty of care (including breaches of the company's internal Code of Conduct) within the meaning of Article 93 AktG or as defined in the provisions of the service contracts. No use was made of this option in the 2021 financial year.

STI – granted in the 2020 financial year

The compensation granted and owed in the 2020 financial year in accordance with Article 162 (1) AktG comprises the STI earned by the members of the Management Board in the 2020 financial year.

In accordance with the contractual provisions, the one-year variable compensation for the 2020 financial year became due for payment in the 2021 financial year, following ratification of the 2020 annual financial statements by the Supervisory Board. The targets for the 2020 financial year are both financial (revenue and ooEBITDA) and non-financial (successful completion of the carve-out and limitation of dis-synergies in this context); each target is weighted at 33.3%.

In detail, the targets for the 2020 financial year were as follows[33]

		Financial targets	
Target achievement	**Multiplier**	**2020 revenue in EUR million (33.3%)**	**2020 ooEBITDA in EUR million (33.3%)**
100.0%	100%	349.7	209.8

The **non-financial target**, which is also weighted at 33.3%, is aimed at the successful completion of the carve-out following the sale of 100% of the shares in AutoScout24 GmbH and FINANZCHECK Finanzportale GmbH as well as the business activities of FinanceScout24 to the financial investor Hellman & Friedman in the 2020 financial year, as well as the limitation of dis-synergies in this context. The target achievement with regard to "carve-out" is measured on the basis of the time of the formal and legal conclusion of the transaction ("closing"), the target achievement with regard to "dissynergies" is measured on the basis of defined euro amounts.

[33] In the 2020 financial year, a partial adjustment of the financial targets for the short-term variable compensation of the members of the Management Board for the 2020 financial year was made by resolution of the Supervisory Board against the background of the effects of the Covid-19 pandemic. For further information, please refer to the update of the declaration of conformity pursuant to Article 161 AktG on the **Company's website**. The figures presented are adjusted target values.

The overall target achievement for the 2020 financial year was 133% for Mr Hartmann, Dr Schmelzer, Dr Schroeter and Mr Weitz. In detail, this means that for the financial targets, a multiplier of 100% was applied on the basis of the sales and ooEBITDA thresholds relevant for target achievement. For the non-financial target, target achievement was based on a multiplier of 200% (the closing date was 1 April 2020; with regard to the dissynergies, the correspondingly defined amount was met/fallen short of).

The one-year variable compensation of the members of the Executive Board for the 2020 financial year is shown in the following table:

EUR '000				Tobias Hartmann CEO since 11/2018	Dr Dirk Schmelzer CFO since 06/2019	Dr Thomas Schroeter CPO since 12/2018	Ralf Weitz CCO since 12/2018
Target amount			**100%**	**340.0**	**210.0**	**200.0**	**200.0**
Targets	Weighting	Multiplier	Overall target achievement				
Revenue	33.3%	100%		113.3	70.0	66.7	66.7
ooEBITDA	33.3%	100%		113.3	70.0	66.7	66.7
Non-financial targets	33.3%	200%		225.5	139.3	132.7	132.7
Net amount paid out			**133.0%**	**452.2**	**279.3**	**266.0**	**266.0**

STI – granted in the 2022 financial year

The targets and their weighting for the one-year variable remuneration for the members of the management board for the 2022 financial year were set by the Supervisory Board in December 2021 and communicated to the Executive Board in writing. The targets for the 2022 financial year are both financial (revenue and EBITDA from ordinary activities, each weighted at 35%) and non-financial. The non-financial target is weighted at 30% and consists of two equally weighted targets: Gender diversity and international diversity.

In detail, the targets for the 2022 financial year were as follows:

		Financial targets	
Target achievement	**Multiplier**	**2022 revenue in EUR million (35%)**	**2022 ooEBITDA in EUR million (35%)**
100.0%	100%	432.3	241.7

The lower limit of target achievement (multiplier = 0%) is target achievement < 90%. In a corridor of 90% to 120% target achievement (multiplier 50% to 200%), a linear increase of target achievement or multiplier is foreseen. The cap is reached at a target achievement of 120% or a multiplier of 200%.

The **non-financial target**, weighted at 30%, is concerned with the achievement of a defined quota with regard to Group-wide gender diversity (target achievement of 100% with a share of 42.5% women and people with a non-binary gender identity among the employees of the Scout24 Group by the end of 2022; the target achievement corridor ranges between 42.0% = 0% target achievement and 43.5% = 200% target achievement) as well as the achievement of a defined quota with regard to international diversity (target achievement of 100% with a share of 21% of people with non-German and/or Austrian citizenship among the employees of the Scout24 Group at the end of the year 2022; the target achievement corridor ranges between 20% = 0% target achievement and 22% = 200% target achievement).

Special payments

i. Period of validity of the contracts concluded in 2018 and 2019

At the Supervisory Board's discretion, members of the Management Board can be granted special payments for extraordinary services during the financial year. For Mr Hartmann, special payments are limited to three times the sum of one-year variable compensation. For Dr Schmelzer and Dr Schroeter, special payments cannot exceed two times the sum of their annual fixed compensation. No special payments were made for the 2021 financial year.

ii. Period of validity of the contracts concluded in 2021

The contracts concluded in the 2021 financial year do not contain any provisions on special compensation.

Multi-year variable compensation (LTI)

LTI – long-term incentive programme 2018

Mr Hartmann, Dr Schmelzer, Dr Schroeter and Mr Weitz were granted share-based compensation in accordance with the long-term incentive programme 2018 (LTIP 2018), which Scout24 introduced in July 2018 for members of the Management Board and selected employees of the Scout24 Group.

Under the programme, members of the Management Board receive virtual Scout24 shares (share units). The programme is exclusively cash-settled and is therefore classifiable as a cash-settled transaction in accordance with IFRS 2.

Of the share units granted, 35% are retention share units (RSUs) subject to an employment condition and 65% are performance share units (PSUs) subject to both an employment condition and performance conditions. The performance conditions consist of growth targets related to revenue and ordinary operating EBITDA (one-third each) and a target related to a relative capital market condition (total shareholder return compared with a defined peer group). To calculate the amount of the cash settlement, the number of PSUs is multiplied by the performance factor, which is determined by the degree of achievement of the three performance conditions described; the performance factor is capped at 200%. In addition, the amount paid out per share unit is capped at three and a half times the share unit price on the grant date.

In the first half of 2020, LTIP 2018 was modified due to the sale of AutoScout24, FINANZCHECK and FinanceScout24. For Scout24 Group participants, the valuation of the shares was split into two periods: for the period between the start of the programme and 31 March 2020 (pre-closing period), revenue and ordinary operating EBITDA were used as performance factors applicable for said period in the valuation. The amount for the pre-closing period is paid out at the end of the programme on the basis of the share price prevailing at that time. For the period between 1 April 2020 and the end of the programme (post-closing period), the performance factors 'revenue' and 'ordinary operating EBITDA' were adjusted for growth in continuing operations. In future, share price performance will be measured relative to the MDAX; for the pre-closing period, performance was still measured against the performance of a peer group.

Furthermore, certain implications of the Covid-19 pandemic were factored into LTIP 2018 in accordance with the plan terms. For the members of the Management Board, the modification of the target achievement was only taken into account to the extent that the payout amount resulting in total from the post-closing RSUs and PSUs of the tranche due for payment is limited to 100% of the corresponding grant amounts.

In accordance with the contractual provisions and the length of service with the company, the virtual shares vested up to 30 June 2021 were paid out in the third quarter of 2021; the payout amounts are shown in the table below:

	Tobias Hartmann CEO since 11/2018		Dr Dirk Schmelzer CFO since 06/2019		Dr Thomas Schroeter CPO since 12/2018		Ralf Weitz CCO since 12/2018	
	Thousand shares	EUR '000	Thousand shares	EUR '000	Thousand shares	EUR '000	Thousand shares	EUR '000
RSU – pre-closing	7.3	496.9	3.8	258.7	5.7	392.0	5.7	392.0
PSU – pre-closing	13.5	1,184.3	7.0	616.5	10.6	934.2	10.6	934.2
RSU – post-closing	5.2	231.1	2.7	120.3	4.1	182.3	4.1	182.3
PSU – post-closing	9.6	429.2	5.0	223.4	7.6	338.5	7.6	338.5
Total	**35.5**	**2,341.6**	**18.5**	**1,219.0**	**28.0**	**1,847.0**	**28.0**	**1,847.0**

The share price used at the time of the commitment of the virtual shares is EUR 44.58, while the share price taken into account for the payout is EUR 68.47. The target achievement for the pre-closing PSU tranche was 128.33%. In connection with the valuation of the post-closing tranche, the capping described above came into effect.

Inclusion in (future) target and total compensation:
To determine the target compensation, the tranches were distributed evenly over the fiscal years of the term of the Executive Board service contracts, taking into account the start of Executive Board service in each case during the year; the pro rata amount attributable to the 2021 fiscal year is used for the 2021 target compensation. To determine the total compensation, LTIP 2018 is only included at the end of the respective waiting period or performance period if there is a payable amount.

LTI – long-term incentive programme 2021
Mr Hartmann, Dr Schroeter and Mr Weitz also participate in the long-term incentive programme 2021 (LTIP 2021). Dr Schmelzer will likewise participate in this programme when the new Management Board service contract takes effect.

Under the programme, members of the Management Board receive a tranche of virtual performance share units (PSU) in each year in which the related Management Board service contract is in effect, in each case annually on 1 January. Provided employment is uninterrupted, the PSUs granted vest at the end of the financial year for which they were granted. After a four-year performance period, the programme is settled exclusively in cash and is therefore classifiable as a cash-settled transaction in accordance with IFRS 2.

The number of PSUs granted is determined by the respective grant amount and the relevant PSU price on the grant date. The relevant PSU price on the allocation date results from the 30-day average closing price of the Scout24 SE share in the Xetra trading system, rounded to three decimal places.

A third of the performance conditions in each case relate to revenue growth targets, growth targets relating to ordinary operating EBITDA, and one non-financial strategy target. To calculate the amount of the cash settlement, the number of performance share units is multiplied by the performance factor, which is determined by the degree of achievement of the three performance conditions described; the performance factor is capped at 200%. The number of PSUs thus determined is converted into a cash amount, taking into account the respective PSU price at the end of the performance period, and paid out along with the dividends of the Scout24 share distributed during the performance period, within one month after ratification of the annual financial statements by the Supervisory Board.

In addition to the cap on the payout for each tranche of 300% of the respective amount granted and the provisions regarding maximum compensation, the new service contracts for the Management Board concluded in the 2021 financial year contain the option of proportionately or fully reducing or reclaiming variable compensation in the event of a serious breach of the duty of care (including breaches of the company's internal Code of Conduct) as defined in Article 93 AktG or contractual employment provisions. No use was made of this option in the 2021 financial year.

Furthermore, payment may be deferred as long as a member of the Management Board fails to comply with the provisions of the share ownership guideline.

Inclusion in (future) target and total compensation:
The target compensation is determined on the basis of the annual instalments or, for the 2021 financial year, the corresponding amount pro rata temporis. To determine the total compensation, LTIP 2021 is only included at the end of the respective performance period if there is a payable amount.

Cap on total annual compensation[34]

i. Period of validity of the contracts concluded in 2018 and 2019
Total annual compensation consisting of all kinds of compensation components including pensions, special payments and ancillary benefits is limited in the case of Mr Hartmann to a maximum amount of EUR 10,715.9 thousand (previous year: EUR 10,715.9 thousand) gross, in the case of Dr Schmelzer to a maximum amount of EUR 6,300.0 thousand (previous year: EUR 6,300.0 thousand) gross, in the case of Dr Schroeter to a maximum amount of EUR 7,000.0 thousand (previous year: EUR 7,000.0 thousand) gross and in the case of Mr Weitz to a maximum amount of EUR 7,000.0 thousand (previous year: EUR 7,000.0 thousand) gross.

Compliance with the maximum compensation can only be verified retrospectively, after all payments under the LTIP 2018 tranches have been made, as the contractual provisions for determining the compensation relevant for the maximum compensation require all payments made under the LTIP 2018 to be spread over five years. Subject to this, the maximum compensation was complied with in fiscal year 2021. The relevant compensation[35] for the maximum compensation for the 2021 financial year was EUR 1,818.0 thousand for Mr Hartmann, EUR 1,014.1 thousand for Dr Schmelzer, EUR 1,141.1 thousand for Dr Schroeter and EUR 1,139.6 thousand for Mr Weitz. To determine the relevant compensation, the payments made under the LTIP 2018 were spread over five years in accordance with the contractual provisions, as described above.

ii. Period of validity of the contracts concluded in 2021
Total annual compensation consisting of all kinds of compensation components including pensions, special payments and ancillary benefits is limited in the case of Mr Hartmann to a maximum amount of EUR 6,500.0 thousand gross, in the case of Dr Schroeter to a maximum amount of EUR 4,000.0 thousand gross and in the case of Mr Weitz to a maximum amount of EUR 4,000.0 thousand gross. If the cap is exceeded, the LTI amount paid out is reduced accordingly.

Compliance with this maximum compensation can always only be verified retrospectively once the payout from LTIP 2021 issued for the respective financial year has been made at the end of the four-year performance period – provided the relevant criteria have been met. No disbursement was made for the 2021 LTIP in the 2021 financial year.

This does not include compensation payments under contracts concluded in 2018 and 2019.

In addition, reference is made to the information in the preceding paragraph.

Management Board termination benefits

In the event that the service contract is terminated early by the company for a reason that does not constitute good cause for the company to terminate the contract in accordance with Article 626 of the German Civil Code ("Bürgerliches Gesetzbuch", BGB), the service contracts for members of the Management Board include a severance payment commitment amounting to two times the sum of the annual fixed compensation and the target amount of the one-year variable compensation, up to a maximum of the compensation that would be payable until the end of the contract term (severance payment cap). Under the compensation system approved by the 2021 Annual General Meeting, any claims for a compensation payment under the post-contract non-compete clause will be offset against the severance payment.

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[34] In each case, the amounts indicated are the amounts applicable for a full year (12 months).
[35] The compensation relevant for the maximum compensation includes the fixed compensation, fringe benefits, pension contributions, the one-year variable compensation 2021 and 1/5 of the LTIP 2018 paid in fiscal year 2021.

If the termination of the employment relationship is based on a reason that constitutes good cause under Article 626 BGB for termination without notice by the company, no severance payment shall be granted.

Post-contract non-compete clauses have been agreed for the members of the Management Board, which provide for compensation to be paid by the company for the duration of the post-contract non-compete period of two years. To the extent that this clause is applied, the members of the Management Board in each case receive monthly compensation for the duration of the post-contract non-compete period equivalent to half of the last fixed compensation paid. Other income is taken into account in the compensation payments to be paid to Mr Hartmann, Dr Schmelzer, Dr Schroeter and Mr Weitz.

The company has the right to waive the post-contract non-compete clause such that it ends with immediate effect and that no further compensation is payable after six months.

Change of control

Should a change of control occur before the end of the respective vesting periods under LTIP 2018 by means of control, direct or indirect, being obtained over 50% or more of the voting rights in Scout24 SE, and should Scout24 terminate the employment contract with the participating members of the Management Board within twelve months of the change of control but not effectively for good cause without notice period, or should the plan participants terminate their employment contract effectively for good cause within twelve months of the change of control, then the vesting periods end immediately and all RSUs vest immediately. The performance factor for the PSUs is calculated for the shortened vesting period, and the expiration date of the shortened vesting period corresponds to the date of the change of control.

Other provisions relating to the compensation system

Share ownership guideline

The share portfolio can be built up in stages; the first stage amounting to 25% of the net annual fixed compensation must be reached by 31 December 2022. In this respect, the figure as of 31 December 2021 is not relevant.

Penalty / clawback rule

In the 2021 financial year, no use was made of the option to proportionately or fully reduce or reclaim variable compensation in the event of a serious breach of the duty of care (including breaches of the company's internal Code of Conduct) within the meaning of Article 93 AktG or as defined in the provisions of the service contracts.

Additional presentation of the scope of compensation in accordance with GCGC 2017

In addition to the preceding disclosures of the scope of compensation, which comply with the requirements of Article 162 AktG as amended by ARUG II and the GCGC of 16 December 2019, the scope of compensation in accordance with the requirements of the GCGC of 7 February 2017 is additionally presented below to ensure comparability with the previous year's disclosures.

BENEFITS GRANTED PURSUANT TO GCGC

EUR '000	Tobias Hartmann CEO since 11/2018				Dr Dirk Schmelzer CFO since 06/2019				Dr Thomas Schroeter CPO since 12/2018				Ralf Weitz CCO since 12/2018			
	2021	**2021 min.**	**2021 max.**	**2020**	**2021**	**2021 min.**	**2021 max.**	**2020**	**2021**	**2021 min.**	**2021 max.**	**2020**	**2021**	**2021 min.**	**2021 max.**	**2020**
Fixed compensation	718.7	718.7	718.7	680.0	420.0	420.0	420.0	420.0	419.3	419.3	419.3	400.0	419.3	419.3	419.3	400.0
Ancillary benefits	15.9	15.9	15.9	14.0	14.0	14.0	14.0	14.0	6.4	6.4	6.4	5.4	4.9	4.9	4.9	5.0
Total	**734.6**	**734.6**	**734.6**	**694.0**	**434.0**	**434.0**	**434.0**	**434.0**	**425.7**	**425.7**	**425.7**	**405.4**	**424.2**	**424.2**	**424.2**	**405.0**
One-year variable compensation[1]	382.6	–	765.3	340.0	210.0	–	420.0	210.0	217.1	–	434.1	200.0	217.1	–	434.1	200.0
Multi-year variable compensation	213.2	–	–	–	–	–	–	–	79.9	–	–	–	79.9	–	–	–
Total	**1,330.5**	**734.6**	**1,499.9**	**1,034.0**	**644.0**	**434.0**	**854.0**	**644.0**	**722.7**	**425.7**	**859.8**	**605.4**	**721.2**	**424.2**	**858.3**	**605.0**
Pension cost	50.0	50.0	50.0	50.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0	25.0
Total compensation	**1,380.5**	**784.6**	**1,549.9**	**1,084.0**	**669.0**	**459.0**	**879.0**	**669.0**	**747.7**	**450.7**	**884.8**	**630.4**	**746.2**	**449.2**	**883.3**	**630.0**

1 The variable compensation components are limited by annual total compensation. As regards the maximum compensation amount for members of the Management Board, see the "Cap on total annual compensation" section.

BENEFITS RECEIVED PURSUANT TO GCGC

EUR '000	Tobias Hartmann CEO since 11/2018		Dr Dirk Schmelzer CFO since 06/2019		Dr Thomas Schroeter CPO since 12/2018		Ralf Weitz CCO since 12/2018	
	2021	**2020**	**2021**	**2020**	**2021**	**2020**	**2021**	**2020**
Fixed compensation	718.7	680.0	420.0	420.0	419.3	400.0	419.3	400.0
Ancillary benefits	15.9	14.0	14.0	14.0	6.4	5.4	4.9	5.0
Total	**734.6**	**694.0**	**434.0**	**434.0**	**425.7**	**405.4**	**424.2**	**405.0**
One-year variable compensation[1,2]	452.2	595.9	279.3	294.9	266.0	350.5	266.0	350.5
Multi-year variable compensation	2,341.6	–	1,219.0	–	1,847.0	894.8	1,847.0	–
Total	**3,528.4**	**1,289.9**	**1,932.3**	**728.9**	**2,538.7**	**1,650.7**	**2,537.2**	**755.5**
Pension cost	50.0	50.0	25.0	25.0	25.0	25.0	25.0	25.0
Total compensation	**3,578.4**	**1,339.9**	**1,957.3**	**753.9**	**2,563.7**	**1,675.7**	**2,562.2**	**780.5**

1 The variable compensation components are limited by annual total compensation. For the maximum compensation amount for members of the Management Board, please refer to the section "Cap on total annual compensation".

2 The one-year variable compensation contains the special bonus for the 2020 financial year of Mr Hartmann (EUR 340.0 thousand), Dr Schmelzer (EUR 210.0 thousand), Dr Schroeter (EUR 200.0 thousand) and Mr Weitz (EUR 200.0 thousand).

Compensation of the members of the Supervisory Board

On 8 July 2021, the Annual General Meeting of Scout24 AG confirmed under agenda item 7 “Resolution on the remuneration of the Supervisory Board members” the compensation of the Supervisory Board members pursuant to Article 12 of the Articles of Association, including the compensation system on which this is based, as described below.

The compensation system for members of the Supervisory Board has been published on the company’s website in accordance with Article 113 (3) Sentence 6 AktG in conjunction with Article 120a (2) AktG.

Basic features of the compensation of the members of the Supervisory Board

The task of the Supervisory Board is to independently advise and monitor the Management Board, which is responsible for managing the company and conducting its business. The members of the Supervisory Board are entitled to compensation that adequately reflects both the requirements of the office and the time invested as well as the responsibility of the members of the Supervisory Board.

The compensation of the members of the Supervisory Board is defined in Article 12 of the Articles of Association as purely fixed compensation depending on the tasks of the respective member on the Supervisory Board or its committees.

Moreover, pure fixed compensation also meets the predominant expectations of today’s investors for good corporate governance. This also follows from recommendation G.18 GCGC in the version dated 16 December 2019 (GCGC).

The Supervisory Board reviews its compensation at regular intervals. The compensation of other, comparable companies is also taken into account. Based on this review, the Supervisory Board decides whether a change in compensation is necessary and appropriate. In such a case, the Management Board and the Supervisory Board submit a proposal to the Annual General Meeting to adjust the compensation. The Management Board and the Supervisory Board will in any event submit the compensation of the members of the Supervisory Board for resolution by the Annual General Meeting no later than every four years.

Rules in detail

The compensation paid to the Supervisory Board is based on the corresponding provisions contained in the company’s Articles of Association. Accordingly, each member of the company’s Supervisory Board receives fixed annual compensation of EUR 60.0 thousand in addition to reimbursement of their outlays. The Chair of the Supervisory Board and his or her deputy receive fixed annual compensation of EUR 140.0 thousand and EUR 120.0 thousand respectively. Members of a committee additionally receive fixed annual compensation of EUR 20.0 thousand and committee chairs EUR 40.0 thousand respectively.

Members of the Supervisory Board who were not members during a full financial year receive the compensation pursuant to the previous paragraph pro rata temporis in the amount of one twelfth for each commenced month of their term of office.

The compensation is payable at the end of each financial year.

The company reimburses each member of the Supervisory Board for the potential value-added tax payable on their compensation.

The members of the Supervisory Board are covered by adequate D&O insurance taken out in the interest of the company. The insurance premiums are paid by the company.

Compensation of the members of the Supervisory Board in the 2021 financial year

The members of the Supervisory Board received the following compensation in the 2021 financial year[36]:

EUR '000		Fixed basic compensation	Compensation Executive Committee	Compensation Audit Committee	Compensation Remuneration Committee	Total
Dr Hans-Holger Albrecht	2021	140.0	40.0	20.0	0.0	**200.0**
	2020	140.0	40.0	20.0	0.0	**200.0**
Frank H. Lutz	2021	120.0	20.0	40.0	0.0	**180.0**
	2020	120.0	20.0	40.0	0.0	**180.0**
Christoph Brand	2021	60.0	0.0	0.0	20.0	**80.0**
	2020	60.0	0.0	10.0	11.7	**81.7**
Dr Elke Frank	2021	60.0	0.0	0.0	40.0	**100.0**
	2020	35.0	0.0	0.0	23.3	**58.3**
André Schwämmlein	2021	60.0	0.0	20.0	0.0	**80.0**
	2020	60.0	10.0	11.7	10.0	**91.7**
Peter Schwarzenbauer	2021	60.0	20.0	0,0	20.0	**100.0**
	2020	60.0	20.0	0,0	20.0	**100.0**
Total	**2021**	**500.0**	**80.0**	**80.0**	**80.0**	**740.0**
	2020	**475.0**	**90.0**	**81.7**	**65.0**	**711.7**

Members of the Supervisory Board are reimbursed for necessary outlays; reimbursed outlays (excluding VAT reimbursed) paid to members of the Supervisory Board amounted to EUR 3.0 thousand in the financial year (previous year: EUR 0.9 thousand).

Information on the change in compensation compared with the company's performance

A comparative presentation of the annual change in the compensation of the members of the Management Board and the Supervisory Board[37], the development of the company's earnings and the average compensation of employees is presented in the following table:

[36] Without reimbursed outlays and VAT.
[37] Former members of the Executive Board and Supervisory Board did not receive any compensation in the reporting year.

Annual change in %	2021 to 2020	2020 to 2019	2019 to 2018	2018 to 2017	2017 to 2016
Total compensation of members of the Management Board [1, 2, 3, 4]					
Current members of the Management Board					
Tobias Hartmann (CEO since 11/2018)	140.3%	17.0%	n/a	n/a	n/a
Dr Dirk Schmelzer (CFO since 06/2019)	109.8%	61.0%	n/a	n/a	n/a
Dr Thomas Schroeter (CPO since 12/2018)[5]	46.2%	159.2%	n/a	n/a	n/a
Ralf Weitz (CCO since 12/2018)[6]	192.1%	-56.6%	n/a	n/a	n/a
Total compensation of the members of the Supervisory Board[7]					
Current members of the Supervisory Board					
Dr Hans-Holger Albrecht (since 06/2018)	0.0%	0.0%	71.4%	n/a	n/a
Frank H. Lutz (since 08/2019)	0.0%	157.1%	n/a	n/a	n/a
Christoph Brand (since 08/2019)	-2.0%	157.9%	n/a	n/a	n/a
Dr Elke Frank (since 06/2020)	71.4%	n/a	n/a	n/a	n/a
André Schwämmlein (since 08/2019)	-12.7%	139.1%	n/a	n/a	n/a
Peter Schwarzenbauer (since 06/2017)	0.0%	15.4%	8.3%	71.3%	n/a
Company's development of earnings					
Net profit of Scout24 SE (HGB)	-95.9%	2,250.1%	-44.2%	78.1%	30.1%
Group revenue[8]	10.0%	1.2%	9.9%	12.5%	8.5%
Group ooEBITDA[9]	5.0%	1.4%	10.9%	15.3%	12.6%
Average compensation of employees[10, 11, 12]					
Employee comparison group 1	37.3 %	2.8%	n/a	n/a	n/a
Employee comparison group 2	1.6%	11.1%	n/a	n/a	n/a

1 For Mr Hartmann, Dr Schroeter and Mr Weiz, the presentation of the annual change in total compensation in % 2019 to 2018 is omitted as it lacks informative value (start of contract in November and December 2018, respectively).

2 For Dr Schmelzer, the information on the annual change in total compensation in % 2020 to 2019 is only of limited informative value given that he began his activities as a member of the Management Board in the course of the year (June) and given the associated proportionate values for 2019.

3 In the 2021 financial year, the total compensation of the members of the Management Board includes payment of the virtual shares vested up to 30 June 2021; the change compared with the previous year is of only very limited informative value in this respect, as – with the exception of Dr Schroeter – no multi-year variable compensation was part of the total compensation in the 2020 financial year.

4 The determination of the annual change 2020 to 2019 is based on the total compensation reported in the respective years as "benefits received within the meaning of GCGC".

5 In addition to the LTIP programmes, Dr Schroeter participated in another share-based payment (SOP) program, which resulted in benefits received in the 2020 financial year. For details of this programme, see note 5.3. "Share-based payments" in the consolidated financial statements for the 2019 financial year.

6 In addition to the LTIP programmes, Mr Weitz participated in another share-based payment (SOP) program, which resulted in benefits received in the 2019 financial year. For details of this programme, see note 5.3. "Share-based payments" in the consolidated financial statements for the 2019 financial year.

7 The annual change in % is only of limited informative value given that the Supervisory Board generally commences its activities during the course of the year and the associated proportionate values for the years in question.

8 In connection with the sale of an entity agreed in the 2019 financial year and completed in the 2020 financial year, the expenses and income attributable to these business operations were classified in accordance with IFRS 5 for the years 2018 to 2020. In the interest of comparability, the key figures presented in the comparison between 2018 and 2017 have been retained as originally reported; in contrast, the comparison between 2019 and 2018 presents the key figures classified in accordance with IFRS 5.

9 See note on Group revenue.

10 The disclosure of the average compensation of employees is generally based on the statutory simplification to disclose the data since the ARUG II came into force (1 January 2020); the disclosure is voluntarily supplemented by a comparative period in order to show the annual change analogous to the presented change in the total compensation of the members of the Board of Management.

11 The average compensation of the employees in both comparison groups includes payments from different share-based payment programs in all years relevant for the presentation and is therefore only of very limited informative value or comparable.

12 The employee comparison group 1 comprises the Executive Leadership Team within Scout24 SE. In this context, Executive Leadership Team is defined as the first management level below the Management Board (senior management). The employee comparison group 2 comprises Scout24 SE's workforce. The workforce consists of all employees below senior management level. Both groups are defined within the framework of the 'Procedures for determining, implementing and reviewing the compensation system'.

Other disclosures

Takeover-relevant information pursuant to Articles 289a (1) and 315a (1) HGB

Information in accordance with Articles 289a (1) and 315a (1) HGB as of 31 December 2021 is presented in the following.

Composition of subscribed share capital

The subscribed share capital of Scout24 SE amounts to EUR 83.6 million. It is divided into 83,600,000 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 relating to the voting rights or transferability of shares

Scout24 SE held approximately 1,184,616.00 treasury shares at the end of the reporting year, from which it has no rights within the meaning of Article 71b AktG.

Equity investments exceeding 10% of the voting rights

We were not aware of any direct or indirect equity investments representing more than 10% of voting rights in the subscribed share capital as of 31 December 2021.

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 (3) of Scout24 SE's Articles of Association, the members of the Management Board are appointed and dismissed by the Supervisory Board. Further provisions in this regard are set out in Articles 9 (1), 39 (2) and (46) of the SE Regulation as well as Articles 84 and 85 AktG.

Amendments to the Articles of Association are passed by resolution of the Annual General Meeting. Unless mandatory statutory provisions or the Articles of Association stipulate a different majority, amendments to the Articles of Association require a majority of two-thirds of the valid votes cast or, if at least half of the share capital is represented, a simple majority of the valid votes cast. Article 59 (1) of the SE Regulation and 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. 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 2020 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 2020. 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 17 June 2025 by issuing new no-par-value registered shares in return for cash or non-cash capital contributions by an amount of up to EUR 32.28 million in total (authorised capital 2020). The shareholders must generally be granted subscription rights. Pursuant to Article 9 (1) c iii) of the SE Regulation and 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, "Gesetz über das Kreditwesen"), 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 the shareholders' subscription rights in full or in part in the following cases (references to the AktG are made in each case via Article 9 (1) c iii) SE Regulation):

- 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 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. With regard to this limit, those shares must be taken into account 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 2020 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.

The share capital may be increased conditionally by up to EUR 10,760,000 by issuing up to 10,760,000 no-par-value registered 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 SE 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 SE 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 SE exercising its repayment option upon maturity to grant shares in Scout24 SE 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.

By resolution of the Annual General Meeting on 8 July 2021 and in accordance with Article 71 (1) No. 8 AktG, the Management Board 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 92,100,000. This authorisation can be exercised in full or in part, once or on several occasions, and is valid until 7 July 2026.

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).

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

The term and revolving facilities agreement ("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 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.

Additional disclosures relating to the separate financial statements of Scout24 SE

The management report of Scout24 SE and the Group management report of the Scout24 Group have been combined. The following statements refer exclusively to the separate financial statements of Scout24 SE prepared in accordance with the accounting provisions of Article 242 et seq. and Article 264 et seq. HGB and the supplementary provisions of Article 150 et seq. AktG.

Business activity of Scout24 SE

Scout24 SE as the parent entity and its direct and indirect subsidiaries together form the Scout24 Group, which operates the leading digital marketplace ImmoScout24.

Pursuant to Article 2 of the Articles of Association, the purpose of the company is to acquire, hold, manage and sell interests in entities – in Germany and other countries – of any legal form which are active in the area of online/internet services, to take all measures relating to the activities of a holding company with group management functions, including but not limited to rendering management and advisory services to affiliated entities in return for consideration, and to operate in the field of online/internet business in Germany and other countries.

Scout24 SE renders intragroup services for its subsidiaries in the fields of finance, accounting, controlling, internal audit, risk management and compliance, corporate development and strategy, communication, investor relations, human resources and legal services, thus generating revenue from management services and cost allocations.

In addition, Scout24 SE generates external revenue from the marketing of advertisements to third parties.

The Management Board is responsible for Scout24 SE's operational management. However, there is no dedicated management system. To this extent, the Group-wide steering metrics are not applied at the level of Scout24 SE. The main focus is on managing the Group and the subsidiaries.

Situation of Scout24 SE

Results of operations

Scout24 SE's results of operations in the 2021 financial year and compared with the previous year are presented in the condensed statement of profit or loss below:

STATEMENT OF PROFIT OR LOSS (CONDENSED)

EUR millions	FY 2021	FY 2020	+/- in %
Revenue	53.4	56.1	-4.8%
Other operating income	4.2	12.8	-67.2%
Cost of materials	-8.9	-14.0	-36.4%
Personnel expenses	-34.3	-40.8	-15.9%
Amortisation, depreciation and impairment losses	-2.0	-0.9	+122.2%
Other operating expenses	-39.0	-46.8	-16.7%
Income from profit transfer agreements	186.0	2,695.8	-93.1%
Income from long-term loans	0.0	0.7	-100%
Other interest and similar income	5.0	1.2	n/a
Expenses from loss absorption	-4.2	0.0	n/a
Interest and similar expenses	-3.5	-8.0	-56.3%
Income taxes	-49.5	-89.8	-44.9%
Deferred taxes	-3.0	-1.9	+57.9%
Earnings after tax	104.1	2,564.5	-95.9%
Net profit for the year	**104.1**	**2,564.5**	**-95.9%**

In the 2021 financial year, revenue decreased year on year by EUR 2.7 million to EUR 53.4 million. This is mainly due to the AutoScout24 transaction carried out in the previous year, as the spin-off took place as of the second quarter of 2020.

Other operating income decreased by EUR 8.6 million compared with the previous year to EUR 4.2 million. In contrast to the previous year, no software rights were sold in 2021 (previous year: EUR 6.0 million). Income from the reversal of provisions amounts to EUR 2.8 million (previous year: EUR 4.0 million).

In line with the lower revenue, the cost of materials decreased by EUR 5.1 million compared with the previous year.

Personnel expenses decreased by EUR 6.5 million to EUR 34.3 million in 2021. In 2020, this figure mainly included special effects from the AutoScout24 transaction. Scout24 SE had an annual average headcount of 196 employees in the 2021 financial year (previous year: 187), excluding members of the Executive Leadership Team.

Other operating expenses decreased by EUR 7.8 million year on year to EUR 39.0 million. Of this amount, EUR 5.9 million is attributable to legal and consulting costs, which decreased by EUR 4.2 million. In 2020, these were increased due to the strategic review of the AutoScout24 transaction. Furthermore, online marketing costs decreased by EUR 1.7 million, in line with the lower revenue. Furthermore, IT services decreased by EUR 2.7 million, as the previous year still included a proportionate amount of AutoScout24 expenses.

Income from profit transfers amounted to EUR 186.0 million in the financial year (previous year: EUR 2,695.8 million). The income for the past financial year includes the transfer of Immobilien Scout GmbH. In contrast to the previous year, expenses of EUR 4.2 million (previous year: income of EUR 2,468.3 million) stemmed from the profit and loss transfer agreements with Consumer First Services GmbH and Scout24 Beteiligungs SE. The previous year's profits resulted from the sale of investments in the AutoScout24 transaction.

Interest and similar expenses decreased by EUR 4.5 million year on year to EUR 3.5 million as no amounts were drawn from the credit facilities or debt repaid in 2021.

Income taxes rose by EUR 40.3 million year on year to EUR 49.5 million. The higher figure for the previous year was buoyed in particular by the gain on disposal of the AutoScout24 transaction, which had the effect of increasing taxes.

In the 2021 financial year, deferred taxes of EUR 3.0 million were expensed through profit or loss (previous year: EUR 1.9 million). The change in temporary differences mainly stems from the LTIP provisions.

The net profit for the 2021 financial year amounts to EUR 104.1 million and has decreased by EUR 2,460.4 million in line with the developments described above. The previous year's figure of EUR 2,564.5 million results in particular from income from profit transfers.

Financial position and net assets

Scout24 SE's financial position and net assets in the 2021 financial year and compared with the previous year are presented in the condensed statement of financial position below:

STATEMENT OF FINANCIAL POSITION – ASSETS (CONDENSED)

EUR millions	31 Dec. 2021	31 Dec. 2020	+/- in %
Intangible assets	0.2	0.3	-33.3%
Property, plant and equipment	13.3	13.6	-2.2%
Financial assets	1,778.0	1,777.7	0%
Non-current assets	**1,791.5**	**1,791.6**	**0%**
Trade receivables	1.4	1.4	0%
Receivables from affiliated entities	201.7	2,678.7	-92.5%
Other assets	2.4	2.0	+20.0%
Cash on hand and bank balances	88.7	137.3	-35.4%
Other securities	482.3	1,577.9	-69.4%
Cash on hand and bank balances	88.7	137.3	-35.4%
Current assets	**776.4**	**4,397.3**	**-82.3%**
Prepaid expenses	**4.9**	**4.4**	**+11.4%**
Total assets	**2,572.8**	**6,193.3**	**-58.5%**

Financial assets include the equity investments in Immobilien Scout GmbH, Scout24 Beteiligungs SE and Consumer First Services GmbH.

Receivables from affiliated entities mainly comprise receivables from the profit and loss transfer agreements with Immobilien Scout GmbH, Consumer First Services GmbH and Scout24 Beteiligungs SE. Receivables from the previous year were settled in the current financial year.

Securities comprise short-term investments in a special securities fund of EUR 482.3 million (previous year: EUR 1,500 million). For the purpose of investing cash received from the sale of entities, Scout24 SE has had an investment fund set up that is largely invested in fixed-yield bonds. The investment fund was set up as a special fund. In the past financial year, shares in the amount of EUR 1,017.7 million (previous year: EUR 0 million) were sold.

Cash and cash equivalents decreased from EUR 137.3 million to EUR 88.7 million, primarily as a result of the entities acquired in 2021.

STATEMENT OF FINANCIAL POSITION – EQUITY AND LIABILITIES (CONDENSED)

EUR millions	31 Dec. 2021	31 Dec. 2020	+/- in %
Issued capital	82.4	97.8	-15.7%
Subscribed share capital	83.6	105.7	-20.9%
Nominal value of treasury shares	-1.2	-7.9	-84.8%
Capital reserve	194.3	172.2	+12.8%
Other retained earnings	215.2	1,282.9	-83.2%
Accumulated profits	1,602.7	1,567.1	+2.3%
Equity	**2,094.6**	**3,120.0**	**-32.9%**
Provisions	**36.1**	**53.2**	**-32.1%**
Liabilities to banks	197.0	253.1	-22.2%
Trade payables	2.4	1.8	+33.3%
Liabilities to affiliated entities	226.6	2,753.7	-91.8%
Other liabilities	5.0	3.1	+61.3%
Liabilities	**431.0**	**3,011.7**	**-85.7%**
Deferred income	**1.8**	**2.1**	**-14.3%**
Deferred tax liabilities	**9.3**	**6.3**	**+47.6%**
Total equity and liabilities	**2,572.8**	**6,193.3**	**-58.5%**

Equity decreased by EUR 1,025.4 million to EUR 2,094.6 million. A dividend payment of EUR 68.5 million (previous year: EUR 93.7 million) paid out in 2021 as well as the share buy-back (4,040,709 shares in 2021; 7,863,709 shares in 2020) likewise led to a decrease in equity.

Provisions decreased to EUR 36.1 million in 2021 (previous year: EUR 53.2 million). The decrease in other provisions was due to amounts paid out from the LTIP (EUR 18.4 million).

The main items under liabilities are liabilities to affiliated entities of EUR 226.6 million (previous year: EUR 2,753.7 million) and liabilities to banks of EUR 197.0 million (previous year: EUR 253.1 million).

The decrease in liabilities to affiliated entities is attributable to the settlement of the purchase price liabilities from the AutoScout24 transaction.

The reduction in liabilities to banks results from the redemption of promissory notes in the amount of EUR 57.5 million (previous year: EUR 45.0 million). Liabilities from the share buy-back programme in the amount of EUR 1.3 million (previous year: EUR 0 million) had an increasing effect.

Deferred taxes resulted from temporary differences between the carrying amounts of assets, liabilities, deferred income and prepaid expenses in the financial statements pursuant to commercial law and in the tax accounts. Offsetting deferred tax assets of EUR 4.0 million (previous year: EUR 7.3 million) against the deferred tax liabilities of EUR 13.6 million (previous year: EUR 13.6 million) results in a net deferred tax liability of EUR 9.6 million (previous year: EUR 6.3 million). This was reported under deferred tax liabilities.

Risks and opportunities of Scout24 SE

The business development of Scout24 SE is shaped by the economic performance of the individual subsidiaries. For this reason, the risks and opportunities relating to the subsidiaries are also pertinent to Scout24 SE. The statements concerning the future development and the risks and opportunities of the Scout24 Group may therefore be deemed a summary of the future development including risks and opportunities of Scout24 SE.

Munich, 14 March 2022
Scout24 SE

The Management Board

Tobias Hartmann

Dr Dirk Schmelzer

Dr Thomas Schroeter

Ralf Weitz

Consolidated financial statements

Consolidated statement of profit or loss

EUR '000	Note	2021	2020[38]
Revenue	3.1.	389,042	353,822
Own work capitalised	3.2.	26,572	21,950
Other operating income	3.3.	2,508	2,154
Total operating performance		**418,121**	**377,926**
Personnel expenses	3.4.	-97,650	-80,187
Marketing expenses	3.5.	-36,373	-27,411
IT expenses	3.6.	-18,320	-18,033
Other operating expenses	3.7.	-64,937	-54,033
Earnings before interest, tax, depreciation, amortisation and impairment losses – EBITDA[39]		**200,842**	**198,261**
Depreciation, amortisation and impairment losses	4.5.; 4.6.; 4.7.	-63,105	–51,506
Earnings before interest and tax – EBIT		**137,737**	**146,755**
Profit/loss from investments accounted for using the equity method	3.8.	-248	112
Finance income	3.9.	19,403	19,317
Finance expenses	3.10.	-24,169	–24,304
Financial result		**-5,014**	**-4,875**
Earnings before tax		**132,723**	**141,880**
Income taxes	3.11.	-42,130	–39,454
Earnings from continuing operations after tax		**90,593**	**102,426**
Earnings from discontinued operations after tax		-96	2,264,650
Earnings after tax		**90,497**	**2,367,076**
Of which attributable to:			
Shareholders of the parent company		**90,497**	**2,367,076**
of which: continuing operations, after tax		90,593	102,426
of which: discontinued operations, after tax		-96	2,264,650

Accompanying notes form an integral part of the consolidated financial statements.

[38] For further information, please refer to Notes "3.5 Marketing expenses" and "3.7 Other operating expenses".
[39] EBITDA is defined as earnings from continuing operations before the financial result, income taxes, depreciation, amortisation and impairment losses and any reversals of impairment losses.

EARNINGS PER SHARE

EUR	Note	2021	2020
Basic earnings per share	3.12.		
Earnings per share after tax		1.03	23.17
Diluted earnings per share	3.12.		
Earnings per share after tax		1.03	23.17

EARNINGS PER SHARE FROM CONTINUING OPERATIONS

EUR	Note	2021	2020
Basic earnings per share	3.12.		
Earnings per share after tax		1.03	1.00
Diluted earnings per share	3.12.		
Earnings per share after tax		1.03	1.00

EARNINGS PER SHARE FROM DISCONTINUED OPERATIONS

EUR	Note	2021	2020
Basic earnings per share	3.12.		
Earnings per share after tax		-0.00	22.17
Diluted earnings per share	3.12.		
Earnings per share after tax		-0.00	22.17

Accompanying notes form an integral part of the consolidated financial statements.

Consolidated statement of comprehensive income

EUR '000	Note	2021	2020
Earnings after tax		**90,497**	**2,367,076**
Items that will not be reclassified to profit or loss:			
Measurement of pension obligations associated with assets held for sale, after tax	.	-	–
Measurement of financial assets designated at fair value through other comprehensive income (FAFVOCI), before tax		-	–
Deferred taxes on measurement of FAFVOCI		-	–
Sum of the items that will not be reclassified to profit or loss		**-**	–
Items that may be reclassified subsequently to profit or loss:			
Currency translation differences		10	3
Sum of the items that may be reclassified subsequently to profit or loss		**10**	**3**
Other comprehensive income, after tax		**10**	**3**
Total comprehensive income		**90,507**	**2,367,079**
Of which attributable to:			
Shareholders of the parent company		90,507	2,367,079
Total comprehensive income		**90,507**	**2,367,079**
Total comprehensive income attributable to shareholders of the parent company from:			
Continuing operations		90,603	102,429
Discontinued operations		-96	2,264,650
		90,057	**2,367,079**

Accompanying notes form an integral part of the consolidated financial statements.

Consolidated statement of financial position

ASSETS

EUR '000	Note	2021	2020
Current assets		**619,488**	**1,769,432**
Cash and cash equivalents	4.1.	120,009	177,663
Trade receivables	4.2.	23,175	20,911
Financial assets	4.3.	468,129	1,564,788
Income tax assets	3.11.	7	87
Other assets	4.4.	8,168	5,984
Non-current assets		**1,801,949**	**1,750,959**
Goodwill	4.5.	782,346	712,610
Trademarks	4.5.	872,839	877,352
Other intangible assets	4.5.	67,621	75,152
Right-of-use assets from leases	4.6.	50,953	55,596
Property, plant and equipment	4.7.	15,625	16,330
Investments accounted for using the equity method	4.8.	1,704	360
Financial assets	4.3.	10,851	12,983
Deferred tax assets	3.11.	4	568
Other assets	4.4.	6	10
Total assets		**2,421,437**	**3,520,391**

Accompanying notes form an integral part of the consolidated financial statements.

EQUITY AND LIABILITIES

EUR '000	Note	2021	2020
Current liabilities		**141,068**	**142,568**
Trade payables	4.9.	17,211	13,250
Financial liabilities	4.10.	65,245	69,931
Lease liabilities	4.6.	9,034	8,263
Other provisions	4.11.	22,832	23,094
Income tax liabilities	3.11.	1,532	2,710
Contract liabilities	4.12.	10,209	8,950
Other liabilities	4.13.	15.004	16,371
Non-current liabilities		**506,840**	**564,007**
Financial liabilities	4.10.	164,861	193,858
Lease liabilities	4.6.	54,202	60,187
Other provisions	4.11.	6,263	21,123
Deferred tax liabilities	3.11.	280,527	287,712
Other liabilities	4.13.	988	1,126
Equity	**4.15.**	**1,773,530**	**2,813,815**
Subscribed share capital		83,600	105,700
Capital reserve		195,133	173,033
Retained earnings		1,566,051	3,049,733
Other reserves		893	883
Treasury shares (1,205,293 shares; previous year: 7,863,709 shares)		-72,147	–515,534
Equity attributable to shareholders of parent company		**1,773,530**	**2,813,815**
Total equity and liabilities		**2,421,437**	**3,520,391**

Accompanying notes form an integral part of the consolidated financial statements.

Consolidated statement of changes in equity

EUR ’000	Note	Subscribed share capital	Capital reserve	Retained earnings	Measurement of pension obligations	Measurement of pension obligations associated with assets held for sale	Other reserves	Treasury shares	Equity attributable to shareholders	Total equity
Balance at 1 Jan. 2020		**107,600**	**171,133**	**904,083**	**–**	**-206**	**879**	**-129,571**	**1,053,919**	**1,053,919**
Reclassification of the remeasurement gains/losses on pension obligations associated with assets held for sale, after tax	.	–	–	−206	–	206	–	–	-	-
Currency translation differences		–	–	–	–	–	3	–	3	3
Earnings after tax		–	–	2,367,076	–	–	–	–	2,367,076	2,367,076
Total comprehensive income		**–**	**–**	**2,366,870**	**–**	**206**	**3**	**–**	**2,367,079**	**2,367,079**
Dividends		–	–	−93,663	–	–	–	–	−93,663	−93,663
Capital reduction		-1,900	1,900	-127,556	–	–	–	127,556	-	-
Purchase of treasury shares		–	–	–	–	–	–	-513,519	-513,519	-513,519
Balance at 31 Dec. 2020 / 1 Jan. 2021		**105,700**	**173,033**	**3,049,733**	**–**	**–**	**883**	**-515,534**	**2,813,815**	**2,813,815**
Currency translation differences		-	-	-	-	-	10	-	10	10
Earnings after tax		-	-	90,497	-	-	-	-	90,497	90,497
Total comprehensive income		**-**	**-**	**90,497**	**-**	**-**	**10**	**-**	**90,507**	**90,507**
Dividends	4.15.	-	-	-68,481	-	-	-	-	-68,481	-68,481
Capital reduction	4.15.	-22,100	22,100	-1,505,698	-	-	-	1,505,698	-	-
Purchase of treasury shares	4.15.	-	-	-	-	-	-	-1,062,311	-1,062,311	-1,062,311
Balance at 31 Dec. 2021		**83,600**	**195,133**	**1,566,051**	**-**	**-**	**893**	**-72,147**	**1,773,530**	**1,773,530**

Accompanying notes form an integral part of the consolidated financial statements.

Consolidated statement of cash flows

EUR '000	Note	2021	2020
Earnings from continuing operations after tax		**90,593**	**102,426**
Depreciation, amortisation and impairment losses	4.5.; 4.6.; 4.7.	63,105	51,506
Income tax expense	3.11.	42,130	39,454
Finance income	3.9.	-19,403	-19,317
Finance expenses	3.10.	24,169	24,304
Profit/loss from investments accounted for using the equity method	3.8.	248	-112
Gain/loss on disposal of intangible assets and property, plant and equipment		33	-527
Other non-cash transactions		-62	-902
Change in trade receivables and other assets not attributable to investing or financing activities		-4,362	11,360
Change in trade payables and other liabilities not attributable to investing or financing activities		7,301	-8,737
Change in provisions		-11,189	6,535
Income taxes paid		-49,995	–61,977
Cash flow from operating activities of continuing operations		*142,567*	*130,943*
Cash flow from operating activities of discontinued operations		*-7,288*	*-47,798*
Cash flow from operating activities		**135,279**	**83,145**
Investments in intangible assets, including internally generated intangible assets and intangible assets under development		-26,643	–22,393
Investments in property, plant and equipment		-2,541	–13,661
Proceeds from disposal of intangible assets and property, plant and equipment		26	8
Investments in financial assets		-961,607	–2,144,377
Proceeds from disposal of financial assets		2,044,262	607,649
Consideration transferred for investments accounted for using the equity method		-1,593	–
Dividends from investments accounted for using the equity method		–	–
Consideration transferred for a subsidiary, net of cash and cash equivalents acquired		-47,029	–25,710
Interest received		8,551	5,782
Consideration transferred for subsidiaries acquired in previous years		-1,297	–
Proceeds from subsidiaries sold in previous years		–	504
Cash flow from investing activities of continuing operations		*1,012,126*	*-1,592,198*
Cash flow from investing activities of discontinued operations		–	*2,827,693*
Of which net proceeds from disposal of discontinued operations		–	*2,792,850*
Cash flow from investing activities		**1,012,126**	**1,235,495**

EUR '000	Note	2021	2020
Raising of short-term financial liabilities	4.10.	130,000	100,000
Repayment of short-term financial liabilities	4.10.	-187,500	–120,000
Raising of medium- and long-term financial liabilities	4.10.	–	–
Repayment of medium- and long-term financial liabilities	4.10.	–	–560,000
Repayment of lease liabilities	4.6.	-7,772	–5,487
Proceeds from lease receivables from subleases	4.6.	1,337	976
Interest paid		-10,614	–16,759
Dividends paid	4.15.	-68,481	–93,663
Purchase of treasury shares	4.15.	-1,062,039	–515,885
Cash flow from financing activities of continuing operations		*-1,205,071*	*-1,210,818*
Cash flow from financing activities of discontinued operations		*–*	*-541*
Cash flow from financing activities	**5.1.**	**-1,205,071**	**-1,211,359**
Net foreign exchange difference, continuing operations		10	–3
Change in cash and cash equivalents		**-57,654**	**107,278**
Cash and cash equivalents at beginning of period		**177,663**	**70,385**
Cash and cash equivalents at end of period		**120,009**	**177,663**
Less cash and cash equivalents at end of period held for sale		–	–
Cash and cash equivalents at end of period from continuing operations		**120,009**	**177,663**

Accompanying notes form an integral part of the consolidated financial statements.

Notes to the consolidated financial statements

Contents

Notes to the consolidated financial statements

1. Company information and basis of preparation

1.1. Company information

Scout24 SE (hereinafter also referred to as the 'company') is a listed public stock corporation with registered office in Munich, Germany. The business address is: Bothestrasse 13–15, 81675 Munich, Germany. Scout24 SE is registered at Munich District Court (HRB 270 215).

With the company's entry in the commercial register on 15 October 2021, the transformation of Scout24 AG into a European stock corporation (SE) became effective. The proposal of the Management Board and Supervisory Board to change the legal form was approved at the Annual General Meeting on 8 July 2021.

The shares of Scout24 SE have been listed on the Prime Standard of the Frankfurt Stock Exchange since 1 October 2015.

Scout24 SE as the parent entity and its direct and indirect subsidiaries together form the Scout24 Group (hereinafter also referred to as 'Scout24' or the 'Group').

Scout24 operates the leading digital marketplace ImmoScout24. With this digital marketplace for residential and commercial properties, Scout24 has been successfully bringing together home sellers, agents, tenants and buyers for over 20 years. ImmoScout24 has also been active on the Austrian residential and commercial real estate market since 2012. To ensure that real estate transactions can be carried out digitally for the most part in the future, ImmoScout24 is continually developing new products and establishing an ecosystem for property rental and purchase as well as for commercial properties in Germany and Austria.

1.2. Basis of preparation

Scout24 SE prepares its consolidated financial statements in accordance with the rules of the International Accounting Standards Board (IASB), London, applicable on the reporting date. It complies with the International Financial Reporting Standards (IFRSs) and the interpretations of the International Financial Reporting Standards Interpretations Committee (IFRS IC) as adopted by the European Union as well as with the supplementary requirements of German commercial law pursuant to Article 315e (1) of the German Commercial Code (HGB, "Handelsgesetzbuch").

Scout24 applied all accounting standards that were effective as of 31 December 2021. For information about the application of new or amended standards and interpretations, see note 1.4. New accounting regulations.

The financial statements of the entities included in the Group are based on uniform accounting policies in accordance with IFRSs, as adopted by the EU.

The financial year for all entities included in the Group corresponds to the calendar year. All entities including associates and joint ventures (accounted for using the equity method) are included on the basis of their financial statements prepared as of 31 December 2021 for the period from 1 January to 31 December 2021. In accordance with IFRS 10, entities acquired during the financial year are included in the consolidated financial statements from the date on which control is obtained.

The consolidated financial statements are prepared based on historical cost, except for financial assets and financial liabilities (including derivative financial instruments), which are measured at fair value either through profit or loss or through other comprehensive income. The presentation in the statement of financial position distinguishes between current and non-current assets and liabilities. The consolidated statement of profit or loss is classified using the nature of expense method. The consolidated financial statements are prepared in euro, which is the reporting currency. Unless otherwise indicated, figures are generally presented in thousands of euros (EUR ’000). The tables and information presented may contain rounding differences.

1.3. Effects of Covid-19

The Covid-19 pandemic still had a significant impact on the overall economic development in Germany in 2021. Particularly the Business Real Estate segment was still adversely affected by the Covid-19 pandemic in 2021. Due to the nevertheless stable overall business development of the segment (revenue at the previous year’s level, slight increase in ordinary operating EBITDA), there was no objective indication that assets might be impaired within the meaning of IAS 36.

Expected credit losses must be taken into account in the measurement of trade receivables. Estimates of future credit losses draw on future information in addition to historical default rates. In the previous year, we had assumed a rise in default rates due to the Covid-19 pandemic and made additions to loss allowances accordingly. Actual credit losses incurred in the 2021 financial year have remained below these expectations. We continue to expect higher default rates due to the ongoing Covid-19 pandemic, albeit at a lower level than in the previous year. This resulted in a net remeasurement of loss allowances of EUR 1,577 thousand in the financial year.

In addition, the potential effects of the Covid-19 pandemic were taken into account in the budgeting process for the 2022 financial year and the multi-year planning for subsequent financial years and were factored into impairment testing accordingly.

1.4. New accounting regulations

i. Standards, interpretations and amendments that became effective in the past financial year

In addition to the previous standards applied, all accounting standards adopted by the EU that became effective for Scout24 as of 1 January 2021 were applied. The effects arising from first-time application are described below. The standards applicable beginning as of 1 January 2021 are presented in the following table:

Standard/Interpretation	Effect
Amendments to IFRS 16: Covid-19-Related Rent Concessions (issued on 31 March 2021)	No relevance at present
Amendments to IFRS 4: Insurance Contracts (issued on 25 June 2020)	Not relevant
Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16: IBOR Reform and its Effects on Financial Reporting (Phase 2) (issued on 27 August 2020)	No significant effects

ii. Standards, interpretations and amendments that will become effective in future reporting periods (standards published but not yet effective)

The following new or amended accounting standards already issued by the IASB were not applied in the consolidated financial statements for the 2021 financial year, as application was not yet mandatory.

Standard/Interpretation		Following endorsement by the EU effective for financial years beginning on or after[1]:	Effect
IFRS 17	Insurance Contracts (issued on 18 May 2017)	1 January 2023	Not relevant
IFRS 17	Amendments to IFRS 17 (issued on 25 June 2020)	1 January 2023	Not relevant
IFRS 3	Amendments to IFRS 3: Reference to the Conceptual Framework (issued on 14 May 2020)	1 January 2022	No significant effects expected.
IFRS 17, IFRS 9	Amendment to IFRS 17: Permit application of a classification overlay approach (issued on 9 December 2021)	EU endorsement pending	Not relevant
IAS 1	Amendments to IAS 1: Classification of Liabilities as Current or Non-current (issued on 23 January 2020)	EU endorsement pending	No significant effects expected.
IAS 1, Practice Statement 2	Amendments to IAS 1 Presentation of Financial Statements including amendments to Practice Statement 2 Making Materiality Judgements (issued on 12 February 2021)	1 January 2023	No significant effects expected
IAS 8	Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (issued on 12 February 2021)	1 January 2023	No significant effects expected
IAS 12	Amendments to IAS 12: Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction (issued on 7 May 2021)	EU endorsement pending	No significant effects expected.
IAS 16	Amendments to IAS 16: Proceeds before Intended Use (issued on 14 May 2020)	1 January 2022	No significant effects expected
IAS 37	Amendments to IAS 37: Onerous Contracts (issued on 14 May 2020)	1 January 2022	No significant effects expected
Annual Improvements to IFRSs (2018 - 2020 Cycle) (issued on 14 May 2020)		EU endorsement pending	No significant effects expected

1 Status as of 3. March 2022 according to the EFRAG EU Endorsement Status Report.

1.5. Basis of consolidation

Consolidation scope

Subsidiaries are entities that Scout24 SE controls either directly or indirectly. Control exists if, and only if, Scout24 SE has the power to control the financial and operating policy, directly or indirectly, in such a way that Group entities obtain benefits from the activities of such entities.

The existence or effect of substantial potential voting rights that can be exercised or converted at present are taken into account when assessing whether an entity is controlled. All German and foreign subsidiaries over which Scout24 has direct or indirect control, and which are not immaterial, are included in the consolidated financial statements of Scout24 in accordance with the principles of full consolidation.

Joint arrangements where two or more parties exercise joint control of an activity are classified either as joint operations or as joint ventures.

In a joint operation, the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement.

In a joint venture, in contrast, the parties that have joint control (venturers) have rights to the entity's net assets.

Associates are entities over which Scout24 SE exercises significant influence, and which are neither subsidiaries nor joint ventures. Associates and joint ventures are accounted for in the consolidated financial statements using the equity method. The share of profit/loss is reported in the financial result.

Number	2021	2020
Scout24 SE and its fully consolidated subsidiaries		
Germany	9	7
Other countries	3	3
Entities accounted for using the equity method		
Germany	2	2
Other countries	–	–
Non-consolidated subsidiaries		
Germany	–	–
Other countries	–	–
Total	**14**	**12**

Two mergers were transacted during the 2021 financial year:

Transferring entity	Acquiring entity
PWIB Wohnungs-Infobörse GmbH (Planegg, Germany)	Immobilien Scout GmbH (Berlin, Germany)
eleven55 GmbH (Berlin, Germany)	Immobilien Scout GmbH (Berlin, Germany)

A complete list of shareholdings of Scout24 is provided in note 5.10.

Consolidation methods

Subsidiaries are fully consolidated applying the acquisition method as of the date on which the Group obtains control and are deconsolidated as of the date when control is lost.

Capital consolidation is performed by offsetting the carrying amount of the investments against the proportionate equity of the subsidiaries. In accordance with IFRS 3, first-time consolidation is based on the acquisition method by offsetting cost against the acquisition-date fair value of identifiable assets acquired and liabilities and contingent liabilities assumed. Any excess of the cost of the investment over the share in remeasured equity acquired gives rise to goodwill (for subsequent measurement, see note 1.7. Accounting policies).

Intercompany transactions are eliminated. Receivables and liabilities between consolidated entities are offset. Intercompany profits are eliminated, and intragroup revenue is offset against the corresponding expenses.

When a subsidiary is sold, the assets and liabilities included until that date as well as any goodwill allocable to the subsidiary are offset against the disposal proceeds.

Investments in associates and interests in joint ventures are accounted for using the equity method in the consolidated financial statements in accordance with IAS 28, and initially recognised at cost. After the acquisition date, the cost is increased or decreased annually by the share in total comprehensive income. Changes in other comprehensive income of the investee are recognised in the Group's other comprehensive income. Furthermore, the Group recognises its share of any changes recognised directly in the equity of the associate or joint venture and, where required, presents these in the consolidated statement of changes in equity. Dividends paid by the associate reduce the cost accordingly at the date of distribution. At each reporting date, the Group examines whether there are any indications that any investments in associates or interests in joint ventures may be impaired. In such a case, the difference between the carrying amount and the recoverable amount is recognised as an impairment loss in the statement of profit or loss. The share in profit or loss from investments in entities accounted for using the equity method is recognised in profit or loss.

Foreign currency translation

The financial statements of subsidiaries outside the eurozone are translated in accordance with the functional currency concept. The functional currency of the subsidiaries depends on the primary economic environment in which the entity operates. The functional currency of all Scout24 Group entities is the respective local currency. The reporting currency of the consolidated financial statements is the euro (EUR).

Transactions in foreign currencies are translated at the relevant exchange rate at the date of the transaction. In subsequent periods, monetary assets and liabilities are measured at the closing rate, and currency translation differences are recognised through profit or loss. Non-monetary items measured at historical cost in a foreign currency are translated at the rate on the transaction date. In addition, non-monetary items measured at fair value in a foreign currency are translated at the rate effective as of the date of the fair value measurement.

Financial statements of foreign subsidiaries whose functional currency is not the euro are translated into euros as the Group's reporting currency applying the modified closing rate method. In this connection, items in the statement of profit or loss are translated at the annual average exchange rate. Equity is translated at historical rates, and asset and liability items are translated at the closing rate as of the reporting date. All exchange rate differences resulting from the translation of financial statements prepared in foreign currencies are recognised in other reserves within equity. These currency translation differences are only recognised in the statement of profit or loss upon the sale of the relevant subsidiary.

The underlying exchange rates for currency translation are presented below:

One euro in foreign currency unit	2021	2020
Switzerland		
CHF closing rate	1.0331	1.0802
CHF average rate	1.0813	1.0705

1.6. Judgements and estimation uncertainty

Judgements are relevant in two respects when preparing consolidated financial statements: firstly, undefined terms and rules have to be interpreted. Secondly, management is required to make (forward-looking) assumptions and estimates that can affect the net assets, financial position and results of operations.

Judgements concerning the interpretation of rules were made especially in connection with the recognition of internally generated intangible assets and the classification of financial instruments. In addition, judgement was involved in the classification of current financial assets or cash equivalents and in determining whether the company qualifies as the principal or agent for revenue recognition purposes.

Significant (forward-looking) assumptions and estimates were made in the measurement of variable purchase price components and purchase price allocations in the context of business combinations as well as for asset impairment testing, determining fair value for the purpose of reallocating goodwill, measuring investments in associates, the collectability of receivables, the recognition and measurement of provisions, especially provisions for share-based payments and the allocation of income and expenses in connection with operations held for sale. Actual results may later differ from these estimates.

The assumptions and estimates that give rise to a significant risk that a material adjustment of the carrying amounts of assets and liabilities may be necessary in future reporting periods are described below.

Business combinations

In the context of business combinations, the recognition and measurement of option agreements involve estimates by the company to a considerable extent. Estimation uncertainties that have a risk of causing a material adjustment to the carrying amounts of purchase price liabilities in subsequent financial years relate to the extent to which the respective agreed targets will be achieved and the assumptions made regarding the probability of occurrence of leaver events. The valuation of option agreements is based to a significant extent on expected future cash flows and discount rates. More detailed disclosures are presented in note 5.2 Disclosures on financial instruments.

In addition, purchase price allocations entail assumptions regarding the recognition and measurement of assets and liabilities. The determination of the acquisition-date fair value of the acquired assets and assumed liabilities as well as the useful lives of the acquired intangible assets and property, plant and equipment involves making assumptions. The measurement of intangible assets is based to a large extent on forecast cash flows and discount rates. Actual cash flows may differ significantly from the cash flows underlying the determination of fair value, which can lead to other values and impairment losses. In the past financial year, goodwill of EUR 69,595 thousand (previous year: EUR 19,920 thousand) and identifiable other intangible assets of EUR 15,451 thousand (previous year: EUR 10,422 thousand) were recognised as part of the purchase price allocation in connection with initial consolidation. Detailed information is provided in note 2.1 Entities acquired in the reporting period.

Goodwill impairment

In the financial year, Scout24's consolidated statement of financial position reports goodwill of EUR 782,346 thousand (previous year: EUR 712,610 thousand), which is described in more detail in note 4.5 Goodwill and intangible assets.

In accordance with the accounting policy presented below, goodwill is tested for impairment at least once a year and additionally when there is any indication of potential impairment. This involves first assigning goodwill to a cash-generating unit or a group of cash-generating units and testing it for impairment based on forward-looking assumptions. For details, see note 4.5 Goodwill and intangible assets.

Determining the fair value involves estimating the expected future cash flows of the cash-generating units and an appropriate discount rate. The forecast of future cash flows depends to a large extent on assumptions made regarding expected revenue and profit developments for the operating segments over the next five years and long-term growth rates. Future changes in the expected cash flows and discount rates can lead to impairment losses in the future.

Impairment of trademarks

Scout24's consolidated statement of financial position as of 31 December 2021 reports a trademark of EUR 872,839 thousand (previous year: EUR 877,352 thousand). More detailed disclosures are presented in note 4.5 Goodwill and intangible assets.

Indefinite useful lives were set for the main trademarks ImmoScout24 and FLOWFACT in the 2021 financial year. Accordingly, the trademarks were not amortised in the 2021 financial year. Trademarks with an indefinite useful life are tested for impairment at least once a year and additionally, like all trademarks, when there is any indication of potential impairment. As it constitutes a corporate asset, the carrying amount of the ImmoScout24 trademark is allocated to the cash-generating units Residential Real Estate, Business Real Estate and Media & Other, and tested for impairment together with goodwill at the level of the cash-generating units. The impairment test for the trademark was performed for the cash-generating unit FLOWFACT, which is part of the cash-generating unit Media & Other. For details, see note 4.5 Goodwill and intangible assets

Measurement of the provisions for share-based payments

The recognition and measurement of provisions for share-based payments partly requires estimates to be made by the company to a significant extent. Estimation uncertainties involving the risk of material adjustments of the provision's carrying amount in the next financial year continue to relate to the share price, the degree of achievement of revenue targets and growth targets relating to ordinary operating EBITDA as well as assumptions with respect to employee turnover. For more detailed disclosures, see note 5.3. Share-based payments.

1.7. Accounting policies

The main accounting policies are presented below.

Business combinations

Business combinations are accounted for applying the acquisition method. The assets, liabilities and contingent liabilities of the acquired entity identified in accordance with the requirements of IFRS 3 are measured at their acquisition-date fair value and compared with the cost of the business combination. Goodwill is determined as the excess of the cost of the business combination over the fair value of the recognisable assets and liabilities.

Option agreements concluded in the context of the business combination to acquire minority interests and which create an unconditional obligation for Scout24 to acquire these shares are accounted for using the anticipated acquisition method. At the date of the business combination, these shares are deemed to be acquired and are included in the cost of the acquisition at fair value; a corresponding financial liability is recognised. Subsequent changes in the value of the financial liability are recognised in profit or loss in accordance with IFRS 9.

Any difference arising from the remeasurement of Scout24's previously held equity interests is recognised through profit or loss.

If the sum of the cost of the business combination, the non-controlling interests and the fair value of Scout24's previously held equity interests (step acquisition) is less than the fair value of the recognisable assets and liabilities in the event of a bargain purchase, the difference is recognised in profit or loss following a further review of the carrying amounts of the assets and liabilities.

Goodwill is tested for impairment at least once annually and additionally if there is any indication of potential impairment. Any impairment loss is recognised through profit or loss. The impairment test is performed in accordance with IAS 36.

Acquisition-related costs are recognised through profit or loss.

Contingent consideration is measured at acquisition-date fair value. Subsequent changes in value are recognised in accordance with IFRS 9 either through profit or loss or directly in equity. If contingent consideration is classified as equity, it is not remeasured. Subsequent settlement is accounted for within equity.

Financial instruments

Classification

IFRS 9 comprises a classification and measurement approach for financial assets and financial liabilities based on the business model within which they are held and their contractual cash flow characteristics. The following categories of financial instruments are possible under IFRS 9:

a. Assets

- Financial assets measured at amortised cost (FAAC);
- Financial assets measured at fair value through other comprehensive income (FVOCI), with cumulative gains and losses reclassified to profit or loss upon derecognition of the financial asset (reclassification adjustment);
- Financial assets, derivatives and equity instruments measured at fair value through profit or loss (FVTPL),
- Equity instruments measured at fair value through other comprehensive income (FVOCI), with gains and losses remaining in other comprehensive income (no reclassification adjustment).

b. Liabilities

- Financial liabilities measured at amortised cost (FLAC);
- Financial liabilities measured at fair value through profit or loss (FVTPL) if they are classified as held for trading, constitute derivatives or the liabilities are designated at initial recognition as at (FVTPL).

Initial recognition

A regular way purchase or sale of financial assets is recognised and derecognised, as applicable, using trade date accounting or settlement date accounting. The method used must be applied consistently to all purchases and sales of financial assets that belong to the same category under IFRS 9. Scout24 applies the trade date accounting method.

In accordance with IFRS 9, financial assets and financial liabilities are generally initially measured at fair value irrespective of the measurement category to which a financial instrument is allocated. Transaction costs are included in the carrying amount for financial instruments that are subsequently measured at amortised cost.

Trade receivables are recognised at the amount of the transaction price. For non-current receivables and other non-current financial assets, the fair value is calculated as the present value of the future cash flows, discounted using the market interest rate at initial recognition. Subsequent measurement depends on their classification. Receivables and other financial assets are usually classified as at amortised cost and measured accordingly using the effective interest method.

Subsequent measurement

The subsequent measurement of financial instruments still depends on their classification. They are measured either at i) amortised cost, ii) fair value through profit or loss, or iii) fair value through other comprehensive income. The effective interest method is used for instruments measured at amortised cost.

i) Amortised cost
   - Financial assets and financial liabilities measured at amortised cost

ii) At fair value through profit or loss
   - Financial instruments measured at fair value through profit or loss

iii) At fair value through other comprehensive income
   - Financial instruments measured at fair value through other comprehensive income

Details of the individual categories used at Scout24 are provided in the following:

Categories

Category: Financial assets/liabilities measured at amortised cost

Financial instruments that satisfy the following criteria are allocated to this category:

i) Financial instruments are held within a business model whose objective is to hold these in order to collect contractual cash flows.

ii) The contractual terms of financial instruments give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Category: Financial instruments measured at fair value through profit or loss

If one of the above criteria is not satisfied or if the fair value option is exercised, the instruments are measured at fair value through profit or loss.

The securities of the special fund are allocated to this category (for details, see note 2.3. Consolidation of a special securities fund set up for Scout24 in the 2020 annual report). Securities for which quoted market prices in active markets for identical instruments are available at the measurement date are assigned to level 1 of the fair value hierarchy, as the fair value was determined by reference to parameters for which inputs were directly observable.

Securities for which no quoted market prices are available at the measurement date are assigned to level 2 of the fair value hierarchy. If no observable comparative values are available, the fair value is determined using current price quotes for identical instruments for which there is no active market as well as using complex valuation methods and actuarial models. Of relevance in this context in particular is the discounted cash flow method, which takes into account current market conditions for credit, interest, liquidity and other risks. The net present value of such securities is determined by taking into account discount rates from quoted yields on securities traded in active markets with similar maturities and credit ratings, adjusted for any risk factors.

Category: Financial instruments measured at fair value through other comprehensive income
If one of the above criteria is not satisfied or if the fair value option is exercised, the instruments are measured at fair value. In addition, there is a policy choice relating to equity instruments that are not held for trading. These can be recognised either through other comprehensive income or through profit or loss. Scout24 has selected the policy to classify investments in other entities' equity instruments that are not accounted for using the equity method as at fair value through other comprehensive income.

Impairment
In accordance with IFRS 9, loss allowances are calculated based on expected credit losses. The basic principle of impairment in IFRS 9 permits a distinction between three levels that differ in terms of period considered, loss allowances and recognition of interest revenue. In addition, impairment losses are recognised in profit or loss. Financial instruments are generally allocated to level 1 with the explicit exception of financial assets that are already credit-impaired at initial recognition.

- Level 1: Impairment losses on financial instruments whose credit risk at the reporting date has not increased significantly since initial recognition are recognised through profit or loss at the amount of the 12-month expected credit loss (ECL). Interest revenue is recognised based on gross carrying amount.
- Level 2: If the credit risk has increased significantly as of the reporting date, a loss allowance is recognised at the amount of the lifetime ECL. The lifetime ECL is a probability-weighted estimate of credit losses. Interest revenue is recognised in the same way as in level 1.
- Level 3: If there is objective evidence that a financial instrument is credit-impaired, it is allocated to level 3. The loss allowance is also recognised at the amount of the lifetime ECL. However, interest revenue is adjusted in subsequent periods such that the amount of interest is based on net carrying amount in future.

Cash and cash equivalents are generally deposited with banks and financial institutions that have a rating in the investment grade range. For this reason, the Group assumes that there is only a very low risk of default for cash and cash equivalents. An impairment loss on cash and cash equivalents for the expected 12-month credit loss is therefore not recognised on materiality grounds.

Loss allowances for trade receivables are generally calculated and recognised based on the lifetime ECL.

The standard provides for expected losses over the entire remaining term to maturity to be considered as of the date on which the receivables are recognised. Such lifetime ECLs are expected credit losses arising from all kinds of potential default events during the expected term of a financial instrument. This requires considerable judgement about the extent to which expected credit losses are affected by changes in economic factors. This estimate is calculated on the basis of weighted probabilities. Assumptions about future developments are taken into account in the valuation.

IFRS 9 permits a simplified impairment approach involving loss allowances equal to the amount of lifetime expected credit losses for all financial assets irrespective of their credit quality. For current receivables, the 12-month expected credit loss corresponds to the lifetime expected credit loss. For non-current receivables with a term of more than one year, the Group also applies the simplified approach. Based on records of default events over the past three years, default rates are determined for different maturity bands and then applied to the respective outstanding balance of receivables in the maturity bands.

A financial asset or a group of financial assets is impaired and an impairment loss is recognised if there is any objective evidence of impairment as the result of one or more events after initial recognition of the financial asset. This estimate continues to be made as of each reporting date.

Dividend income

Dividend income from financial assets is recognised through profit or loss under finance income when the Group's legal right to the income arises.

Offsetting and derecognition

Financial assets and liabilities are only offset and presented on a net basis in the statement of financial position if the Group has a legal right to offset and intends to either settle on a net basis or to realise the asset and settle the related liability simultaneously.

Financial assets are derecognised when the rights to payments from the financial assets have expired or have been transferred, and the Group has substantially transferred all the risks and rewards incidental to ownership.

As of the reporting date, Scout24 has no continuing involvement in financial assets that were transferred but not fully derecognised.

Cash and cash equivalents

Cash and cash equivalents comprise bank balances, cheques, cash on hand and short-term deposits with residual terms of not more than three months calculated from the acquisition date. They are measured at nominal values, which approximate their fair values due to their short term to maturity.

Investments accounted for using the equity method

Associates and joint ventures are generally accounted for using the equity method, with the exception of associates and joint ventures previously classified as held for sale.

When applying the equity method, the cost of the investment is adjusted by Scout24's share of the change in net assets. Shares in losses that exceed the carrying amount of the Group's equity interest in an entity accounted for using the equity method, taking into account any attributable long-term loans, are not recognised. Recognised goodwill is presented in the carrying amount of the investment accounted for using the equity method. Unrealised intercompany profits and losses from transactions with investments accounted for using the equity method are eliminated proportionately during consolidation if the underlying transactions are material.

In impairment testing, the carrying amount of an investment accounted for using the equity method is compared with its recoverable amount. If the carrying amount exceeds the recoverable amount, the difference is recognised as an impairment loss. If the reasons for a previously recognised impairment loss no longer exist, a corresponding reversal of the impairment loss is recognised through profit or loss.

The financial statements of investments accounted for using the equity method are generally prepared based on uniform accounting policies in the Group.

Intangible assets (excluding goodwill)

Intangible assets (excluding goodwill) are recognised at cost less accumulated straight-line amortisation (except assets with indefinite economic useful lives) and impairment losses.

Internally generated intangible assets are recognised if all of the requirements of IAS 38 are satisfied. The following criteria are relevant in this respect:

A It is technically feasible that the intangible asset can be completed so that it will be available for use or sale.

B The Group intends to complete the intangible asset and use or sell it.

C The Group is able to use or sell the intangible asset.

D The manner in which the intangible asset will generate probable future economic benefits can be demonstrated; the Group can, among other things, demonstrate the existence of a market for the output of the intangible asset or the intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset.

E The Group has adequate technical, financial and other resources to complete the development and to use or sell the intangible asset.

F The Group is able to reliably measure the expenditure attributable to the intangible asset during its development.

The useful lives and amortisation methods of intangible assets are reviewed at least at each period-end reporting date.

If current expectations deviate from the previous estimates, the corresponding adjustments are recognised as changes in accounting estimates pursuant to IAS 8.

Intangible assets with indefinite useful lives are not amortised. Instead, they are tested for impairment at least annually as well as when there is any indication of impairment at the level of the smallest cash-generating unit. The approach corresponds to that for goodwill. If the reason for an impairment loss previously recognised on intangible assets with an indefinite useful life no longer applies, the impairment loss is reversed (see table below).

The expected economic useful lives are as follows:

Trademarks	Indefinite[1]
Customer base	8–20 years
Internally generated intangible assets	3 years
Other concessions, rights and licences	3–10 years

1 The value of trademarks with a finite useful life is immaterial and is therefore amortised over a period of four to 15 years.

Scout24 distinguishes between two categories of trademarks: (1) trademarks with an indefinite useful life that are not amortised and (2) trademarks with a finite useful life that are amortised. Scout24 determines the useful life of trademarks based on specific factors and circumstances. In determining the useful life, Scout24 considers the contractual agreement underlying the asset, the historical development of the asset, the long-term corporate strategy for this asset, all statutory or other local regulations which could have an effect on the useful life of the asset as well as the competitive situation and specific market conditions.

If trademarks with an indefinite useful life totalling EUR 862 million had instead been amortised since acquisition applying a finite useful life of ten years, amortisation would have amounted to EUR 86.2 million per year.

The customer base includes existing customer relationships, in particular with professional customers such as real estate agents that were purchased. These customer relationships have an assumed useful life of 8 to 20 years.

Purchased software, other concessions, rights and licences are presented as technology-based intangible assets in the purchase price allocation.

Gains and losses on the disposal of intangible assets are determined as the difference between the disposal proceeds and the carrying amounts of the intangible assets and are recognised in the statement of profit or loss in 'other operating income' in the case of a gain and in 'other operating expenses' in the case of a loss.

Goodwill

Goodwill arises from the acquisition of subsidiaries and represents the difference between the purchase price and the fair value of the identifiable assets acquired and liabilities and contingent liabilities assumed.

For impairment testing purposes, goodwill is assigned to the cash-generating unit or group of cash-generating units which is expected to benefit from synergies arising from the acquisition. The cash-generating units represent the lowest level within the company at which goodwill is monitored for internal management purposes. Within the Scout24 Group, this is the segment level.

Goodwill is not amortised but is tested for impairment on an annual basis and additionally if there is any indication of potential impairment. Goodwill is tested for impairment by comparing the carrying amount of the cash-generating unit or units with its/their recoverable amount. The recoverable amount corresponds to the higher of fair value less costs of disposal and value in use. The Group generally calculates fair value less costs of disposal for this purpose.

If the carrying amount exceeds the recoverable amount, goodwill is impaired and its carrying amount is written down to the recoverable amount. If fair value less costs of disposal is greater than the carrying amount, it is not necessary to calculate value in use; the asset is not impaired. An appropriate valuation technique is used to determine the fair value less costs of disposal. This technique is based on discounted cash flow valuation models or other available indicators of fair value. It is not permitted to subsequently reverse an impairment loss recognised on goodwill in a previous financial year or interim reporting period because the reasons for the impairment no longer apply. Goodwill is recognised in the currency of the acquired entity.

Property, plant and equipment

Property, plant and equipment is measured at cost less straight-line depreciation and any impairment losses. Cost includes the cost directly allocable to the acquisition as well as borrowing costs if the recognition criteria are satisfied.

Uniform depreciation periods are applied throughout the Group based on the expected economic useful life as follows:

Leasehold improvements	10 years
Other equipment, furniture and fixtures	3–15 years

Repair and maintenance expenses are expensed when incurred.

The residual carrying amounts and economic useful lives are reviewed at each reporting date and adjusted if necessary. Property, plant and equipment is tested for impairment if events or changed circumstances indicate that an impairment may have occurred. In such cases, the asset is tested for impairment pursuant to IAS 36. An impairment loss is recognised for the amount by which the asset's residual carrying amount exceeds its recoverable amount. The remaining useful life is adjusted accordingly, if necessary.

If the reasons for a previously recognised impairment loss no longer exist, the impairment loss is reversed through profit or loss; the increased carrying amount attributable to such a reversal of an impairment loss may not exceed the carrying amount that would have resulted had no impairment loss been recognised in previous periods.

Gains and losses on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amounts of the property, plant and equipment and are recognised in the statement of profit or loss in ‘other operating income’ in the case of a gain and in ‘other operating expenses’ in the case of a loss.

Provisions

Provisions are recognised if the Group has a current obligation from a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be reliably estimated. Provisions are measured at the amount that reflects the best estimate of the expenditure required to settle the present obligation as at the reporting date, with expected reimbursements from third parties not netted but instead recognised as a separate asset if it is virtually certain that they will be realised. If the time value of money is material, the provision is discounted using the market interest rate adequate for the risk.

Pension provisions and similar obligations

A defined contribution plan is a pension scheme under which the Group pays fixed contributions to a non-Group company (fund). The Group has no legal or constructive obligation to make additional contributions if the fund does not have sufficient assets to settle the pension entitlements of all employees from the current and previous financial years. In contrast, defined benefit plans typically specify an amount of pension benefits that an employee will receive upon retirement, which as a rule is dependent on one or more factors such as age, length of service and salary. There are no defined benefit obligations in the Scout24 Group at present.

Contingent liabilities and unrecognised contractual commitments

Contingent liabilities and unrecognised contractual commitments are not recognised as liabilities in the consolidated financial statements until utilisation is more likely than not.

In the context of a business combination, however, contingent liabilities are accounted for in accordance with IFRS 3 if their fair value can be determined reliably.

Contingent assets

Contingent assets arise from unplanned or unexpected events that give rise to the possibility of an inflow of economic benefits to the entity. Contingent assets are disclosed in the notes to the financial statements if the inflow of economic benefits is more likely than not. If the inflow of economic benefits is virtually certain, they are recognised in the statement of financial position.

Equity

Transaction costs associated with issuing equity instruments are accounted for as a deduction from equity, net of tax. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and the capital reserve.

Treasury shares

When the Company repurchases ordinary shares, these are reported in the statement of financial position under ‘treasury shares’ and openly deducted from equity; when treasury shares are cancelled, the ‘subscribed capital’ and ‘retained earnings’ line items are reduced by the corresponding amount. Any transaction costs directly attributable to the purchase of treasury shares, net of any associated tax benefits, are likewise reported in the ‘treasury shares’ line item.

Income taxes

Income taxes comprise current as well as deferred taxes.

Current taxes on income are calculated on the basis of the tax regulations enacted or substantively enacted as of the reporting date in those countries in which the respective entity operates and generates taxable income.

Deferred taxes are recognised for temporary differences between the amounts recognised in the IFRS statements of financial position of the Group entities and the tax accounts as well as for unused tax losses. No deferred taxes are recognised if these result from the first-time recognition of an asset or liability in connection with a transaction that is not a business combination and affects neither the earnings (before income taxes) under IFRS nor the taxable profit or loss. Additionally, deferred taxes are not recognised on the first-time recognition of goodwill under IFRS. Deferred taxes are calculated using the tax regulations enacted or substantively enacted at the end of the reporting period and which are expected to apply when the temporary difference is reversed or realised.

Deferred tax assets are recognised only if it is probable that a taxable profit will be available against which the deductible temporary differences can be utilised.

Deferred tax liabilities are also recognised for temporary differences from investments in subsidiaries and investments accounted for using the equity method unless the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

Income taxes are recognised in profit or loss with the exception of those that relate to matters which are recognised in other comprehensive income or directly in equity. Income taxes that relate to such matters are also recognised in other comprehensive income or directly in equity.

Current and deferred taxes are allocated to continuing operations or discontinued operations depending on where they originated.

Deferred tax assets and liabilities are offset if a legally enforceable right exists to offset deferred taxes.

Tax uncertainties are identified through an ongoing analysis of the tax environment. If there are uncertainties over the income tax treatment – e.g. in determining the taxable profit or unused tax losses – these are recognised at their best estimate as a liability in accordance with IFRIC 23. For the current financial year, as in the previous year, there are no material effects on the consolidated financial statements of the Scout24 Group.

Share-based payments

The company currently has two participation programmes for management and employees. These programmes are accounted for as a cash-settled share-based payment transaction in accordance with IFRS 2 'Share-based Payment'. Accordingly, the fair value of the work rendered by employees as consideration for the cash settlement thereby granted is recognised both as an expense through profit or loss and as a provision. However, as the fair value of the work performed by employees cannot be determined reliably, if equity instruments are granted reference is made for measurement purposes to the fair value of the equity instruments at the time at which they are granted.

The value of a provision to be recognised for a cash settlement is reassessed at each reporting date.

Short-term employee benefits

Obligations from short-term employee benefits (wages and salaries, including variable components) are recognised as an expense when an employee has rendered the related service. A liability is recognised to account for the amount expected to be paid to the extent that the entity has a present legal or constructive obligation to make such payments in exchange for a service rendered by an employee and a reliable estimate of the obligation can be made.

Leases

A lessee is required to recognise the rights and obligations from all leases in the statement of financial position as right-of-use assets and lease liabilities. Lease liabilities are measured at the present value of the future lease payments at the commencement date. Right-of-use assets comprise the amount of the initial measurement of the lease liability plus any lease payments made at or before the commencement date, plus initial direct costs and any restoration obligations and less any lease incentives received.

The Group exercises the policy choice not to apply the recognition and measurement principles of IFRS 16 to leases of low-value assets. In addition, with the exception of the right-of-use asset for vehicles, the Group applies the practical expedient to account for leases with a lease term of less than twelve months as short-term leases and recognise the associated lease payments as an expense. Scout24 does not apply the practical expedient allowed by IFRS 16.15 to account for lease and non-lease components as a single lease component under IFRS 16, with the exception of the right-of-use assets for vehicles.

In subsequent measurement, the carrying amount of the lease liability is increased using the applied interest rate and reduced to reflect the lease payments made. Right-of-use assets are subsequently amortised over the term of the lease.

The expected economic useful lives are as follows:

Right-of-use asset for buildings	3–10 years
Right-of-use asset for vehicles	2–4 years
Right-of-use asset for IT equipment	3–4 years
Right-of-use asset for office equipment	3–4 years

The expenses relating to leases constitute amortisation of right-of-use assets and interest expenses on lease liabilities.

In 2020, the Scout24 Group entered has a sublease agreement in 2020 in which it acts as sublessor. The lessor determines for each lease whether it is a finance lease or an operating lease. The Group classified the sublease by reference to the right-of-use asset rather than by reference to the underlying asset and has concluded that it is a finance lease within the meaning of IFRS 16. At the commencement date of the lease, the Group recognises a lease receivable equal to the amount of the net investment in the lease. During the term of the lease agreement, finance income is recognised as a constant rate of interest on the net investment in the lease.

Principles of revenue recognition
The Scout24 Group generates its revenue from rendering services, in particular from offering online listings, generating leads and providing advertising space for professional customers (partners) and private customers (consumers).

Revenue is recognised under IFRS 15 when the Group satisfies the performance obligation or transfers control. Revenue is reported net of VAT, sales deductions and credit notes. The underlying estimates of the Group are based on historical amounts taking into consideration the type of customer, the transaction and particular features of the agreement.

Revenue from online listings chiefly relates to performance obligations satisfied over time that are accounted for pro rata temporis, as the customer's benefits are distributed equally. The Scout24 Group also offers services in a bundle (e.g. online classifieds, combined with other components such as placement of corporate logo and provision of market information), but these relate exclusively to services invoiced over the same period (usually monthly). This means that, even if there are separable performance obligations, there is no effect on the amount and timing of revenue recognition as a result of allocating consideration on the basis of the relative stand-alone selling prices. Commission from establishing and referring business contacts (lead generation) is recognised in accordance with the transactions brokered. Depending on the nature of the advertising contract, revenue from advertising space is recognised in the period in which the advertising is placed or shown. In cases where invoicing occurs in advance, revenue, including discounts, is initially recognised under contract liabilities; the revenue is subsequently recognised through profit or loss as the contractual performance obligation is satisfied.

Revenue from granting temporary rights to use software licences is recognised on a pro rata basis over the period for which the temporary rights are granted. If the features are predominantly those of a sale, revenue is recognised immediately. Revenue from service delivery is recognised on a pro rata basis over the period in which the services are rendered. Revenue from service contracts invoiced based on hours worked is recognised when the services are performed.

Payment terms of the business models are mainly short term. There are no significant financing components within the meaning of IFRS 15.

Finance income and finance expenses
Finance income and finance expenses comprise interest income and expenses as well as foreign currency gains and losses. Finance income and expenses are recognised using the effective interest method. This item also includes changes in value from financial instruments measured at fair value and gains on deconsolidation.

Earnings per share
Basic earnings per share are calculated as the Group's net profit for the year attributable to the shareholders of the parent company, divided by the weighted average number of ordinary shares outstanding. Treasury shares reduce the number of ordinary shares outstanding. To calculate diluted earnings per share, the average number of shares issued is adjusted to reflect the maximum number of all potentially dilutive shares. This dilution effect is based solely on potential shares arising from share-based payment programmes.

Due to the classification up until the sale on 1 April 2020 of the operations of AutoScout24, FinanceScout24 and FINANZCHECK as discontinued operations within the meaning of IFRS 5, earnings per share is likewise reported separately for continuing operations and discontinued operations.

Assets held for sale and discontinued operations
Non-current assets are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. This criterion is considered satisfied only if the non-current asset is available for immediate sale in its present condition and its sale is highly probable. Management must be committed to a plan to sell the asset. It must be possible to assume that a sale will be completed within one year of classifying the asset as held for sale. Assets held for sale and liabilities associated with assets held for sale are measured separately and presented separately in the statement of financial position as of the date on which all the above conditions are satisfied. Acquired subsidiaries with the assumption to be sold are also reported under this item.

Non-current assets classified as held for sale are measured at the lower of their original carrying amount and their fair value less costs of disposal.

Businesses operations that are acquired as part of a business combination, but for which a sale within one year is already considered highly probable at the time of acquisition, are recognised at fair value less costs to sell at the acquisition date.

In the event that the Group has committed to a sale involving a loss of control over a subsidiary, all of that subsidiary's assets and liabilities are classified as held for sale provided the criteria given above are satisfied.

The comparative information relating to assets held for sale and liabilities associated with assets held for sale is not restated. If there are any changes to the plan to sell, the disposal group is no longer presented in a separate item in the statement of financial position. Assets and liabilities in the disposal group are reclassified back to their respective items in the statement of financial position; their carrying amount is adjusted subsequently for any amortisation and depreciation.

Discontinued operations are a component of an entity that can be clearly distinguished from the rest of the entity and that either have been disposed of or are held for sale. The assets and liabilities of operations held for sale represent disposal groups that are required to be measured and presented in accordance with the same principles as for non-current assets held for sale. Income and expenses of discontinued operations are presented in the statement of profit or loss – after the earnings from continuing operations – in an item entitled 'earnings from discontinued operations'. Related gains or losses on sale are included in earnings from discontinued operations. The previous-year figures in the statement of profit or loss and the statement of cash flows are restated accordingly.

2. Changes in the consolidation scope

2.1. Entities acquired in the reporting period

Acquisition of Vermietet.de

On 11 May 2021, Immobilien Scout GmbH, Berlin, acquired 75% of the shares in equity of Zenhomes GmbH, with registered office in Berlin. The purchase price for acquiring 75% of the shares amounted to EUR 44,025 thousand. Of that amount, EUR 42,059 thousand was paid in cash upon the transaction's formal and legal closing. A purchase price adjustment for net financial debt and net working capital amounts was offset against the agreed amount withheld. This amounts to EUR 1,966 thousand and will be released for payment 18 months after closing. The resulting liability of EUR 1,966 thousand is reported under current financial liabilities as of 31 December 2021.

Furthermore, put and call options were agreed to acquire the remaining 25% of the shares in equity of Zenhomes GmbH from the minority shareholder. Given that Scout24 has an unconditional obligation to acquire the shares under the options, the application of the anticipated acquisition method as of 11 May 2021 results in the recognition of a notional full acquisition of all shares in the entity. According to the valuation, the fair value of the obligation to acquire the additional 25% of the equity shares came to EUR 26,456 thousand as of the acquisition date and is part of the consideration. As of 31 December 2021, the fair value of the purchase price liability amounts to EUR 27,555 thousand, of which EUR 3,108 thousand is recognised under current financial liabilities and in EUR 24,447 thousand under non-current financial liabilities.

Further payments were contractually agreed with the minority shareholders in connection with the acquisition of the remaining 25% of the equity shares, which constitute compensation for future work performed by the minority shareholders. Accordingly, this amount is recognised as a provision proportionately for each tranche over the term of the contract. An amount of EUR 1,788 thousand was recognised in this regard in the 2021 financial year.

Zenhomes GmbH operates the real estate portal 'Vermietet.de'. Vermietet.de is a digital platform for private landlords for the management of all processes relating to real estate. Vermietet.de offers private landlords and property managers an extensive digital toolkit for managing interactions with tenants, preparing statements of ancillary costs, recording data for tax returns or analysing the market value of a property. The services of Vermietet.de will be combined with the product range of ImmoScout24, significantly expanding the latter's offering. With ImmoScout24, homeowners find the right tenants. With Vermietet.de they can also manage their entire rental relationship. Accordingly, the business operations of Vermietet.de will be integrated into Scout24's Residential Real Estate segment.

In the second half of 2021, the identification and measurement of the acquired assets and liabilities was completed. The goodwill from the transaction of EUR 59,801 thousand represents the future earnings potential resulting from the strengthening of the market position and from synergies expected from the entity's integration into ImmoScout24's existing business operations. The goodwill was allocated to the Residential Real Estate cash-generating unit and is not deductible for tax purposes.

The table below provides an overview of the consideration for Zenhomes GmbH as well as the identified assets and liabilities:

KEY DATA: ACQUISITION OF ZENHOMES GMBH

EUR '000	11 May 2021
Cash and cash equivalents	42,059
Amount withheld	1,966
Fair value of shares in put options	26,456
Consideration	**70,481**
Identified assets and liabilities as of the acquisition date	
Intangible assets, property, plant and equipment and other non-current assets	10,915
Deferred tax assets	2,799
Trade receivables and other current assets	111
Assets held for sale	1,556
Cash and cash equivalents	3,490
Deferred tax liabilities	-3,274
Lease liabilities and other non-current liabilities	-919
Trade payables and other current liabilities	-3,999
Identified net assets	**10,680**
Goodwill	59,801
Total net assets acquired	**70,481**

The gross amounts of contractual receivables correspond to the fair value of trade receivables and other receivables. Their acquisition-date fair value amounts to EUR 62 thousand and is regarded in its entirety as collectable. Acquisition-related costs of EUR 839 thousand were reported in other operating expenses.

Since initial consolidation, Vermietet.de has contributed revenue of EUR 579 thousand and earnings after tax of EUR -6,294 thousand to the statement of profit or loss. Had Vermietet.de already been consolidated as of 1 January 2021, the Group would have generated revenue of EUR 389,158 thousand and earnings after tax of EUR 85,286 thousand.

With the acquisition of Zenhomes GmbH, it was decided to spin off the 'mein-hausio.de' sub-business under the new name 'Upmin'. For this reason, the assets and liabilities associated with the sub-business were identified as assets and liabilities held for sale in the purchase price allocation. The disposal took place on 24 September 2021 through the issue of new shares in the previously newly established Upmin Holding GmbH. As a result of the issue, the shareholding of Immobilien Scout GmbH's shareholding in Upmin Holding GmbH was diluted to a share of 38.7 % and the possibility to control the company was relinquished. control of the company was relinquished. The fair value of the shares amounted to 1,593 thousand euros at the date of deconsolidation. In the valuation and subsequent accounting, due to an existing and subsequent accounting due to an existing obligation to the company to transfer shares. 31.9 % was used as a basis for the valuation and subsequent accounting. The investment held in Upmin Holding GmbH is classified as an associate.

Acquisition of wohnungsbörse.net

On 1 April 2021, Immobilien Scout GmbH, Berlin, acquired 100% of the shares in equity of PWIB Wohnungs-Infobörse GmbH, with registered office in Planegg (hereinafter 'Wohnungsbörse'). The purchase price amounted to EUR 3,178 thousand payable in two instalments. The first purchase price instalment of EUR 2,300 thousand was paid in cash upon the transaction's formal and legal closing. The second purchase price instalment of EUR 878 thousand was settled in the second half of 2021.

Wohnungsbörse operates the real estate portal portal 'wohnungsbörse.net', which brings together buyers and tenants seeking residential property with owners and landlords. The business operations of Wohnungsbörse will be integrated into Scout24's Residential Real Estate segment.

In the second half of 2021, the identification and measurement of the acquired assets and liabilities was completed. The goodwill from the transaction of EUR 2,660 thousand represents the future earnings potential resulting from the strengthening of the market position and from synergies expected from the entity's integration into ImmoScout24's existing business operations. The goodwill was allocated to the Residential Real Estate cash-generating unit and is not deductible for tax purposes.

The table below provides an overview of the consideration for Wohnungsbörse as well as the identified assets and liabilities:

KEY DATA: ACQUISITION OF PWIB WOHNUNGS-INFOBÖRSE GMBH

EUR '000	1 April 2021
Cash and cash equivalents	2,300
Second purchase price instalment	878
Consideration	**3,178**
Identified assets and liabilities as of the acquisition date	
Intangible assets, property, plant and equipment and other non-current assets	273
Trade receivables and other current assets	59
Cash and cash equivalents	304
Deferred tax liabilities and other non-current liabilities	-90
Trade payables and other current liabilities	-29
Identified net assets	**517**
Goodwill	2,660
Total net assets acquired	**3,178**

The gross amounts of contractual receivables correspond to the fair value of trade receivables and other receivables. Their acquisition-date fair value amounts to EUR 57 thousand and is regarded in its entirety as collectable. Acquisition-related costs of EUR 59 thousand were reported in other operating expenses.

The contribution of Wohnungsbörse to the Group's revenue and earnings after tax is immaterial compared with the Group's revenue and earnings after tax and is therefore not disclosed separately.

Following its acquisition, PWIB Wohnungs-Infobörse GmbH was merged into Immobilien Scout GmbH with retroactive effect as of 1 January 2021.

Acquisition of Propstack

On 29 July 2021, FlowFact GmbH, Cologne, acquired 80% of the shares in equity of Propstack GmbH, with registered office in Berlin (hereinafter 'Propstack'). The purchase price to acquire 80% of shares amounted to EUR 6,592 thousand and was paid in cash upon the transaction's formal and legal closing.

Furthermore, put and call options were agreed to acquire the remaining 20% of the shares in equity of Propstack GmbH from the minority shareholders. Given that Scout24 has an unconditional obligation to acquire the shares under the options, the application of the anticipated acquisition method as of 29 July 2021 results in full acquisition of all shares in the entity. The fair value of the obligation to acquire the additional 20% of the equity shares came to EUR 2,978 thousand as of the acquisition date and is part of the consideration. As of 31 December 2021, the fair value of the purchase price liability amounts to EUR 3,463 thousand and is reported under non-current financial liabilities.

Further payments were contractually agreed with the minority shareholders in connection with the acquisition of the remaining 20% of the equity shares, which constitute compensation for future work performed by the minority shareholders. This amount is therefore recognised as a provision pro rata temporis over the vesting period. An amount of EUR 165 thousand was recognised in this regard in the 2021 financial year.

Propstack offers a cloud-based CRM product for independent and smaller agents. Propstack's activities will be integrated into the Media & Other segment.

The goodwill from the transaction of EUR 6,399 thousand represents the future earnings potential resulting from the strengthening of the market position and from synergies expected from the entity's integration into FlowFact's existing business operations. The goodwill was allocated to the Media & Other cash-generating unit and is not deductible for tax purposes.

The table below provides an overview of the consideration for Propstack as well as the identified assets and liabilities:

KEY DATA: ACQUISITION OF PROPSTACK GMBH

EUR '000	29 July 2021
Cash and cash equivalents	6,592
Fair value of shares in put options	2,978
Consideration	**9,570**
Identified assets and liabilities as of the acquisition date	
Intangible assets, property, plant and equipment and other non-current assets	4,343
Trade receivables and other current assets	50
Cash and cash equivalents	191
Deferred tax liabilities and other non-current liabilities	-1,308
Trade payables and other current liabilities	-106
Identified net assets	**3,170**
Goodwill	6,399
Total net assets acquired	**9,570**

The gross amounts of contractual receivables correspond to the fair value of trade receivables and other receivables. Their acquisition-date fair value amounts to EUR 46 thousand and is regarded in its entirety as collectable. Acquisition-related costs of EUR 125 thousand were reported in other operating expenses.

Since initial consolidation, Propstack has contributed revenue of EUR 571 thousand and earnings after tax of EUR -289 thousand to the statement of profit or loss. Had Propstack already been consolidated as of 1 January 2021, the Group would have generated revenue of EUR 389,575 thousand and earnings after tax of EUR 90,581 thousand.

Acquisition of wg-suche.de
By way of a purchase agreement dated 11 June 2021, Immobilien Scout GmbH, Berlin, entered into an agreement to acquire the further 75% of the shares in equity of eleven55 GmbH, Berlin. As a result, Scout24 has increased its share in the equity of eleven55 GmbH from 25% to 100% and obtained control of the entity. eleven55 GmbH operates the online portal "wg-suche.de". The transaction was formally and legally closed as of 1 July 2021. The purchase price amounted to EUR 750 thousand. Following its acquisition, eleven55 GmbH was merged into Immobilien Scout GmbH with retroactive effect as of 1 January 2021.

The contribution of wg-suche.de to the Group's revenue and earnings after tax is immaterial compared with the Group's revenue and earnings after tax and is therefore not disclosed separately.

2.2. Business combinations in previous periods

On 31 October 2014, Immobilien Scout GmbH acquired 100% of the shares in FlowFact GmbH (formerly "FlowFact AG") including its subsidiaries and investments. The contractual provisions on the purchase price include an agreement on a contingent purchase price component, the occurrence of which was not considered probable upon initial recognition of the business combination and was therefore not included in its cost. However, the conditions have been satisfied in the meantime. Accordingly, the acquisition costs of FlowFact GmbH increased subsequently, leading to a EUR 140 thousand increase in the goodwill recognised in Scout24's consolidated financial statements.

3. Notes to the consolidated statement of profit or loss

3.1. Revenue

Following the completion of the sales transaction for the shares in AutoScout24, FinanceScout24 and FINANZCHECK Finanzportale GmbH on the cut-off date 1 April 2020, the Scout24 Group is focusing on rendering services in the real estate sector (for further explanations see note **5.5. Segment reporting**). Revenue is generated primarily through the placement of online listings, the generation of leads and the provision of advertising space for professional customers (partners) and private customers (consumers).

Breakdown of revenue

The table below shows revenue by category:

EXTERNAL REVENUE

EUR '000	2021	2020
Residential Real Estate	**288,359**	**253,397**
of which residential real estate partners	199,841	176,238
of which consumers	88,518	77,159
Business Real Estate	**68,944**	**69,137**
Media & Other	**31,326**	**30,988**
Total, reportable segments	**388,629**	**353,523**
Central Group functions/consolidation/other	**413**	300
Total, consolidated	**389,042**	**353,822**

Contract balances

The table below shows the balances reported in accordance with IFRS 15:

EUR '000	31 Dec. 2021	31 Dec. 2020
Trade receivables	**23,175**	20,911
Contract liabilities	**10,209**	8,950

Income from the reversal of loss allowances of EUR 1,261 thousand (previous year: loss allowances of EUR 2,631 thousand) was recognised in the past financial year in connection with trade receivables.

Contract liabilities primarily result from advance invoicing and developed as follows:

EUR '000	2021	2020
Balance at 1 January	**8,950**	**8,339**
Recognised in the reporting period	**102,493**	97,906
Amortised through profit or loss in the reporting period	**101,234**	97,295
Balance at 31 December	**10,209**	**8,950**

There have been no significant changes in the balances recognised.

Remaining performance obligations

Remaining performance obligations relate to contracts with an expected original term of no more than one year or performance obligations that will be invoiced at a fixed hourly rate. Therefore, as permitted by IFRS 15, no disclosures are made relating to the remaining performance obligations as of 31 December 2021.

Contract costs

No additional costs are incurred in fulfilling the contracts that would need to be recognised as an asset.

3.2. Own work capitalised

This item reports internally generated software that is recognised as an asset. Of the total amount of EUR 26,572 thousand (previous year: EUR 21,950 thousand), an amount of EUR 15,440 thousand (previous year: EUR 14,531 thousand) is attributable to the Residential Real Estate segment, EUR 3,669 thousand (previous year: EUR 2,812 thousand) to the Business Real Estate segment and EUR 7,463 thousand (previous year: EUR 4,607 thousand) to the Media & Other segment. The total amount of research and development costs expensed in the financial year for continuing operations stands at EUR 17,295 thousand (previous year: EUR 16,024 thousand).

To increase transparency and to better manage the overall research and development activities of the Scout24 Group, the classification of research and development costs was adjusted as of 1 January 2021. Due to increased research and development activities for products, relevant costs will be included in research and development expenses in addition to technology costs from 1 January 2021. To ensure comparability, the previous year's figures for non-capitalised research and development costs have likewise been adjusted.

3.3. Other operating income

Other operating income comprises the following:

EUR '000	2021	2020
Income from the reversal of bad debt allowances	1,931	5
Income from derecognised receivables	134	152
Income from the disposal of intangible assets and property, plant and equipment	21	663
Other	422	1,334
Total	**2,508**	**2,154**

The income from the disposal of intangible assets and property, plant and equipment in the 2020 financial year is mainly attributable to the partial disposal of the right-of-use asset for the Munich office building. For details, see note 4.6. Right-of-use assets from leases and lease liabilities.

3.4. Personnel expenses and number of employees

Personnel expenses of continuing operations break down as follows:

EUR '000	2021	2020
Wages and salaries	-73,827	-62,824
Social security costs	-11,704	-9,759
Pension costs and other post-employment benefits	-1,460	-650
Share-based payments	-10,658	-6,954
Total	**-97,650**	**-80,187**

The average number of employees in continuing and discontinued operations during the financial year breaks down as follows:

Number of employees	2021	2020
Senior executives	3	–
Other employees	992	1,093
Total	**995**	**1,093**

3.5. Marketing expenses

Marketing expenses of continuing operations comprise the following:

EUR ’000	2021	2020
Advertising costs – online	-31,472	-21,610
Advertising costs – offline	-4,902	-5,801
Total	**-36,373**	**-27,411**

To increase transparency, a reclassification was made as of 1 January 2021 between the items ‘purchased services’ in other operating expenses and “advertising costs – online” in marketing expenses. The aforementioned reclassification constitutes a voluntary change in accounting policies within the meaning of IAS 8.14b. To ensure comparability with the previous year, the corresponding figures were restated retrospectively.

3.6. IT expenses

IT expenses of continuing operations comprise the following:

EUR ’000	2021	2020
IT services	-9,066	-8,881
IT licences	-8,695	-8,302
Other IT costs	-558	-850
Total	**-18,320**	**-18,033**

3.7. Other operating expenses

Other operating expenses of continuing operations comprise the following:

EUR ’000	2021	2020
Purchased services	-24,224	-16,298
Third-party services	-20,811	-17,132
Legal and consulting costs	-6,179	-4,898
Other staff-related expenses	-2,480	-1,917
Other rent incidentals	-2,004	-2,276
Communication	-1,527	-1,454
Bad debt allowance	-804	-2,787
Travel expenses	-464	-566
Motor vehicle costs	-342	-441
Other	-6,103	-6,263
Total	**-64,937**	**-54,033**

To increase transparency, a reclassification was made as of 1 January 2021 between the items “purchased services” in other operating expenses and “advertising costs – online” in marketing expenses. The aforementioned reclassification constitutes a voluntary change in accounting policies within the meaning of IAS 8.14b. To ensure comparability with the previous year, the corresponding figures were restated retrospectively.

3.8. Profit/loss from investments accounted for using the equity method

The table below shows a breakdown of the profit/loss from investments accounted for using the equity method.

EUR '000	2021	2020
Energieausweis48 GmbH, Cologne	-24	112
Upmin Holding GmbH, Berlin	-225	–
Total	**-248**	**112**

3.9. Finance income

Finance income comprises the following:

EUR '000	2021	2020
Price gains on investments	12,549	11,525
Interest income from third parties	5,553	6,472
Income from derivative financial instruments	720	844
Interest income on leases	303	254
Dividend income from investments	245	79
Price gains from financing	33	142
Total	**19,403**	**19,317**

Price gains on investments, interest income from third parties and dividend income from investments mainly stem from the special fund's investments in securities. For details, see note 5.2. Disclosures on financial instruments. Income from derivative financial instruments chiefly stems from the embedded interest rate floor in connection with the term loan under the facility agreement. For details, see note 4.10 Financial liabilities. The interest income on leases is attributable to the subletting of rented office space at the Munich location to AutoScout24 GmbH. For details, see note 4.6. Right-of-use assets from leases and lease liabilities.

3.10. Finance expenses

Finance expenses of continuing operations comprise the following:

EUR '000	2021	2020
Interest expenses to third parties	-12,071	–22,908
Price losses from investments	-7,758	–120
Other finance expenses	-1,766	–504
Expenses from derivative financial instruments	-1,740	–64
Interest expense from leases	-739	–630
Price losses from financing	-94	–78
Total	**-24,169**	**-24,304**

Interest expenses to third parties relate to the liabilities entered into under the promissory note loan and the term and revolving facilities agreement (RFA) as well as the amortisation through profit or loss of the incidental costs of obtaining these liabilities using the effective interest method. For details, see note 4.10 Financial liabilities. In addition, the item includes interest expenses from amortisation resulting from the special fund's investments in securities as well as negative interest on credit balances. Price losses from investments stem from the special fund's investments in securities. Other financial expenses are attributable to the administrative cost of the special securities fund. For details on the special securities fund, see note 5.2. Disclosures on financial instruments. Expenses from derivative financial instruments mainly relate to the measurement of purchase price liabilities. For further information, see note 2.1 Entities acquired in the reporting period and note 5.2 Disclosures on financial instruments.

3.11. Income taxes

Since the 2014 assessment period, Scout24 SE has been the parent company in a tax group for income tax purposes with Immobilien Scout GmbH, FlowFact GmbH and Consumer First Services GmbH as the subsidiaries. Scout24 Beteiligungs SE has been a subsidiary since the 2020 assessment period.

As the parent, Scout24 SE is liable for the income taxes of the whole tax group. Tax allocations were not made to the subsidiaries in the tax group. The current taxes paid or owed in the individual countries as well as deferred taxes are reported as income taxes.

EUR '000	2021	2020
Current tax charge on profits for the period	-50,976	-49,869
Current tax income from previous years	359	32
Total current tax expense	**-50,617**	**-49,837**
Deferred tax income from tax rate changes	584	5,905
Deferred tax income from timing differences and unused tax losses	7,903	4,478
Total deferred tax income	**8,487**	**10,383**
Total income taxes of continuing operations	**-42,130**	**-39,454**
Current tax expense from discontinued operations	-	-42,468
Deferred tax income from discontinued operations	-	7,216
Total income taxes of discontinued operations	**0**	**-35,252**
Total income taxes	**-42,130**	**-74,706**

Income taxes comprise trade tax, corporate income tax and the solidarity surcharge as well as corresponding foreign taxes on income. As in the previous year, the corporate income tax rate in Germany amounted to 15.0% for the 2021 assessment period, with a solidarity surcharge of 5.5% thereof. The trade tax rate changed to 14.765% due to changes to trade tax breakdown amounts (previous year: 14.828%). This results in a Group tax rate of 30.59% for 2021 (previous year: 30.653%).

A loss of EUR 554 thousand (previous year: EUR 3,013 thousand) incurred by a foreign subsidiary was used. It reduced the current income tax expense by EUR 139 thousand (previous year: EUR 753 thousand).

The reasons for the difference between the expected and the reported tax expense within the Group are as follows:

EUR '000	2021	2020
Earnings before tax from continuing operations	**132,723**	**141,880**
Expected tax expense 2021: 30.59% (2019: 30.653%)	-40,600	-43,490
Tax effects from tax rate changes	584	5,905
Taxes relating to other periods	543	50
Tax-free income	107	279
Non-deductible expenses	-1,458	–148
Permanent differences	507	-2,946
Tax effects from special investment funds	275	0
Tax effects from unused tax losses	-1,998	825
Tax effects from add-backs and reductions for local taxes	-341	-447
Adjustments of the tax amount to differing national tax rates	127	331
Other	124	187
Effective tax expense	-42,130	-39,454
Effective tax rate of continuing operations	**31.7%**	**27.8%**

The tax income from the change in tax rates amounting to EUR 584 thousand results from the revaluation of deferred tax liabilities due to the reduction in the domestic trade tax rate.

The tax income relating to other periods mainly results from the true-up effects based on the provisionally prepared tax returns for 2020 for current taxes in the amount of EUR 491 thousand.

The non-deductible expenses mainly consist of the off-balance-sheet neutralisation of the change in the permanent difference with respect to the recognition in the tax accounts of an investment in a domestic subsidiary.

The change in permanent differences is mainly due to the differences in the carrying amounts of financial assets pursuant to IFRS and the tax accounts.

The tax effects from unused tax losses of EUR 1,998 thousand mainly reflect non-recognition due to impairment of deferred tax assets on current losses at a domestic subsidiary.

The effects relating to local taxes are due to the trade tax add-back of finance fees of Scout24 SE.

The tax assets and tax liabilities as of the reporting date are as follows:

EUR '000	31 Dec. 2021	31 Dec. 2020
Income tax assets	7	87
Income tax liabilities	1,532	2,710

A current tax asset of EUR 536 thousand was recognised directly in equity in connection with the transaction costs for the purchase of treasury shares.

Deferred tax assets developed as follows:

EUR '000	31 Dec. 2021	31 Dec. 2020
Opening balance for the period	**568**	**277**
Changes in the consolidation scope	0	307
Recognised through profit or loss	-564	-16
Recognised in other comprehensive income	0	0
Closing balance for the period	**4**	**568**

Deferred tax liabilities developed as follows:

EUR '000	31 Dec. 2021	31 Dec. 2020
Opening balance for the period	**287,712**	**296,060**
Changes in the consolidation scope	1,866	3,310
Reclassification to liabilities associated with assets held for sale	0	-1,258
Recognised through profit or loss	-9,051	-10,400
Recognised in other comprehensive income	0	0
Closing balance for the period	**280,527**	**287,712**

The deferred tax liabilities arise mainly from the purchase price allocations. Taking depreciation and amortisation into account, deferred tax liabilities of EUR 272,815 thousand were recognised as of 31 December 2021 (previous year: EUR 281,094 thousand) in this context, of which EUR 263,682 thousand (previous year: EUR 273,503 thousand) was attributable to Immobilien Scout GmbH including its Austrian subsidiary.

Deferred tax assets and liabilities on timing differences and unused tax losses can be allocated to the following items:

EUR '000	31 Dec. 2021		31 Dec. 2020	
	Deferred tax assets	**Deferred tax liabilities**	**Deferred tax assets**	**Deferred tax liabilities**
Current assets	**0**	**1,970**	**0**	**4,593**
Trademarks	0	266,982	0	269,007
Other intangible assets and right-of-use assets from leases	275	35,924	0	39,562
Property, plant and equipment	0	15	0	19
Financial assets	0	2,626	0	2,833
Non-current assets	**275**	**305,547**	**0**	**311,421**
Other provisions	3,979	0	120	0
Other liabilities including lease liabilities	3,182	176	2,713	1
Current liabilities	**7,161**	**176**	**2,833**	**1**
Other provisions	303	0	7,350	0
Other liabilities including lease liabilities	16,416	0	18,251	0
Non-current liabilities	**16,719**	**0**	**25,601**	**0**
Unused tax losses/interest carried forward	**3,015**	**0**	**437**	**0**
Total	**27,170**	**307,693**	**28,871**	**316,015**
Offsetting	-27,166	-27,166	-28,303	-28,303
Recognised in the statement of financial position	**4**	**280,527**	**568**	**287,712**

The deferred tax assets of tax losses/interest carried forward result from tax losses carried forward of domestic and foreign subsidiaries amounting to EUR 9,865 thousand (previous year: EUR 1,477 thousand), which are expected to generate sufficient taxable income.

However, no deferred tax assets were recognized for tax losses carried forward of domestic and foreign subsidiaries amounting to EUR 16,367 thousand (previous year: EUR 272 thousand), as no sufficient taxable income is expected for their use. Thereof unrecognized tax losses carried forward of EUR 15,590 thousand are not subject to any time limit for their use. The remaining tax losses of EUR 777 thousand expire after seven

No deferred tax liabilities were recognized on temporary differences relating to shares in subsidiaries amounting to EUR 11,878 thousand (previous year: EUR 11,830 thousand). Although the parent company is able to determine the timing of the reversal of the temporary difference. However, it is not probable that these temporary differences will reverse in the foreseeable future. The temporary differences arise due to the difference between the carrying amount of the parent's investment for tax purposes and the proportionate IFRS equity of the subsidiaries. Upon distribution or sale of the investment, 95% of the income would be tax-free.

3.12. Earnings per share

The table below shows the calculation of basic and diluted earnings per share attributable to the shareholders of the parent company:

		2021	2020
Earnings attributable to shareholders of the parent company	**EUR '000**	**90,497**	**2,367,076**
of which from continuing operations		90,593	102,426
of which from discontinued operations		-96	2,264,650
Weighted average number of shares for earnings per share			
Basic	Number	88,059,505	102,144,808
Diluted	Number	88,059,505	102,157,296
Earnings per share			
Basic	EUR	1.03	23.17
of which from continuing operations		1.03	1.00
of which from discontinued operations		-0.00	22.17
Diluted	EUR	1.03	23.17
of which from continuing operations		1.03	1.00
of which from discontinued operations		-0.00	22.17

The average number of shares was determined taking into account the treasury shares purchased in the 2019 to 2021 financial years (see note 4.15. Equity).

4. Notes to the consolidated statement of financial position

4.1. Cash and cash equivalents

Cash and cash equivalents include bank balances and cash on hand of EUR 120,009 thousand (previous year: EUR 177,663 thousand).

4.2. Trade receivables

Trade receivables consist of the items presented below.

EUR '000	31 Dec. 2021	31 Dec. 2020
Receivables from third parties	22,954	20,908
Receivables from associates and joint ventures	221	3
Total	**23,175**	**20,911**

The table below presents information on the estimated credit risk and the expected credit losses for trade receivables from third parties. As regards the calculation of the credit loss rates, see note 1.7. Accounting policies and note 1.3. Effects of Covid-19.

As of 31 December 2021 EUR '000	Gross carrying amount	Loss allowance	Credit-impaired	Credit loss rate (weighted average)
Not past due	6,135	-49	No	0.79%
1 to 30 days past due	11,238	-77	No	0.81%
31 to 90 days past due	3,486	-122	No	4.12%
More than 90 days past due	2,846	-505	Yes	20.91%
Total	**23,706**	**-752**	-	-

As of 31 December 2020 EUR '000	Gross carrying amount	Loss allowance	Credit-impaired	Credit loss rate (weighted average)
Not past due	7,294	-78	No	1.11%
1 to 30 days past due	9,849	-103	No	1.22%
31 to 90 days past due	3,079	-251	No	9.42%
More than 90 days past due	3,354	-2,236	Yes	62.36%
Total	**23,576**	**-2,669**	–	–

The credit loss rates are applied to net trade receivables from third parties, i.e. excluding VAT. In addition, the credit loss rates are not applied to receivables from barter transactions of EUR 60 thousand (previous year: EUR 68 thousand), as no default events are expected with reference to the barter transactions.

The loss allowances on trade receivables developed as follows:

EUR '000	
Balance at 1 Jan. 2020	**-799**
Additions to the consolidation scope	–36
Disposals from consolidation scope	56
Utilisation	264
Net remeasurement of loss allowances	–2,154
Currency translation differences	0
Balance at 31 Dec. 2020/1 Jan. 2021	**-2,669**
Additions to the consolidation scope	-15
Disposals from the consolidation scope	-
Utilisation	355
Net remeasurement of loss allowances	1,577
Currency translation differences	0
Balance at 31 Dec. 2021	**-752**

Loss allowances for trade receivables are revalued based on the credit loss rates in accordance with the expected credit loss model. Increases and reversals of loss allowances determined in this way are reported under other operating expenses and other operating income. The coronavirus-related expectations underlying the recognition of loss allowances in the 2020 financial year did not materialise, such that the net remeasurement of loss allowances was released. The 'utilisation' item comprises the derecognition of risk provisioning for bad debts.

4.3. Financial assets

The financial assets break down as follows as of the respective reporting dates:

EUR '000	31 Dec. 2021	31 Dec. 2020
Current		
Securities	465,124	1,558,248
Receivables from lease agreements	1,378	1,337
Rent deposits	827	829
Receivables from share buy-back programme	303	0
Loan transaction costs	269	0
Creditors with debit balances	227	268
Other receivables	0	4,106
Total	**468,129**	**1,564,788**
Non-current		
Receivables from lease agreements	7,967	9,345
Rent deposits	2,258	1,837
Loan transaction costs	622	1,796
Other	5	5
Total	**10,851**	**12,983**

The securities relate to investments within the Scout24 special fund. For details, see note 5.2. Disclosures on *financial instruments*.

The receivables from lease agreements are due from AutoScout24 GmbH, to which rented office space at the Munich location is sublet. For details, see note 4.6. Right-of-use assets from leases and lease liabilities.

The “loan transaction costs” item relates to the term and revolving facilities agreement (RFA) concluded in the 2018 financial year. For details, see note 4.10 Financial liabilities.

4.4. Other assets

Other assets break down as follows as of the respective reporting dates.

EUR ’000	31 Dec. 2021	31 Dec. 2020
Current		
Prepaid expenses	7,414	5,383
Advance payments made	31	0
Taxes other than income taxes	11	8
Other	711	593
Total	**8,168**	**5,984**
Non-current		
Other	6	10
Total	**6**	**10**

In the financial year and the previous year, the prepaid expenses reported under current assets relate to advance payments made by Scout24 SE on time-limited licence fees.

In the reporting period and in the previous year, taxes other than income taxes relate to value-added tax refund claims and prepayments.

4.5. Goodwill and intangible assets

EUR '000	Goodwill	Trademarks	Internally developed software	Concessions, rights and licences	Customer base[1]	Intangible assets under development	Subtotal other intangible assets	Total
Cost								
Balance at 1 Jan. 2020	**692,972**	**873,254**	**40,946**	**59,581**	**229,380**	**10,276**	**340,184**	**1,906,410**
Additions to the consolidation scope	19,920	4,690	–	1,881	3,855	–	5,736	30,346
Disposals from the consolidation scope	–	–	–752	–151	–	-1,179	–2,081	–2,081
Additions	–	–	274	519	–	23,606	24,399	24,399
Disposals	–	–	–	–23	–	–	–23	–23
Reclassifications	–	–	11,230	12	–	–11,243	–	–
Balance at 31 Dec. 2020 / 1 Jan. 2021	**712,892**	**877,944**	**51,699**	**61,819**	**233,236**	**21,461**	**368,215**	**1,959,051**
Additions to the consolidation scope	69,736	1,635	0	11,466	803	0	12,269	83,640
Disposals from the consolidation scope	0	0	0	0	0	0	0	0
Additions	0	0	919	71	0	25,652	26,643	26,643
Disposals	0	0	0	-36	0	0	-36	-36
Reclassifications	0	0	19,311	31	0	-19,342	0	0
Balance at 31 Dec. 2021	**782,628**	**879,579**	**71,929**	**73,352**	**234,038**	**27,772**	**407,091**	**2,069,299**
Accumulated amortisation and impairment								
Balance at 1 Jan. 2020	**-282**	**-435**	**-26,514**	**-57,245**	**-164,987**	–	**-248,747**	**-249,465**
Additions to the consolidation scope	–	–	–	–	–	–	–	–
Disposals from the consolidation scope	–	–	–	–	–	–	–	–
Additions (amortisation)	–	–156	–12,034	–1,368	–30,915	–	–44,316	–44,472
Additions (impairment)	–	–	–	–	–	–	–	–
Disposals	–	–	–	–	–	–	–	–
Balance at 31 Dec. 2020 / 1 Jan. 2021	**-282**	**-592**	**-38,548**	**-58,613**	**-195,902**	**–**	**-293,063**	**-293,937**
Additions to the consolidation scope	-	-	-	-	-	-	-	-
Disposals from the consolidation scope	-	-	-	-	-	-	-	-
Amortisation	-	-519	-12,887	-2,475	-31,044	-	-46,407	-46,926
Impairment losses	-	-5,630	-	-	-	-	-	-5,630
Disposals	-	-	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-	-
Balance at 31 Dec. 2021	**-282**	**-6,741**	**-51,435**	**-61,089**	**-226,946**	**-**	**-339,470**	**-346,493**
Carrying amounts								
Balance at 31 Dec. 2020	**712,610**	**877,352**	**13,151**	**3,206**	**37,334**	**21,461**	**75,152**	**1,665,114**
Balance at 31 Dec. 2021	**782,346**	**872,839**	**20,494**	**12,263**	**7,092**	**27,772**	**67,621**	**1,722,806**

[1] The customer base has a residual useful life of one to 19 years.

Borrowing costs for intangible assets under development were not capitalised because the Group's borrowing costs are not directly attributable to the development of the intangible assets.

The additions to the consolidation scope relate to the acquisition of Vermietet.de and Wohnungsbörse, both of which were allocated to the Residential Real Estate cash-generating unit, and the acquisition of Propstack GmbH, which was allocated to the Media & Other cash-generating unit. For details, see note 2.1. Entities acquired in the reporting period.

Three trademarks of the Residential Real Estate cash-generating unit and one brand of the Media & Other cash-generating unit are amortised over their respective specific useful lives, for which positive cash inflows are expected. As of 31 December 2021, these trademarks had a carrying amount of EUR 5,650 thousand (previous year: EUR 4,534 thousand).

The ImmoScout24 trademark has an indefinite useful life as it is expected to give rise to positive cash inflows over an indefinite period. The FLOWFACT trademark has also been designated an indefinite useful life until 31 December 2021. After impairment testing (see the Impairment testing section for details) and the associated reassessment of future utilisation, the FLOWFACT trademark will be amortised over a period of five years starting 1 January 2022.

EUR '000	Trademarks as of 31 Dec. 2021	Trademarks as of 31 Dec. 2020
ImmoScout24 trademark	861,700	861,700
FLOWFACT trademark	5,489	11,118
Total	**867,189**	**872,818**

Impairment testing

Trademarks with indefinite useful lives are generally tested for impairment in accordance with IAS 36 at least annually on the basis of the respective cash-generating unit's fair value less costs of disposal, by analogy to the approach described in note 1.7. Accounting policies. Fair value less costs of disposal was calculated as the recoverable amount (level 3). Based on this impairment test in accordance with IAS 36, an impairment loss of EUR 5,630 thousand (previous year: EUR 0 thousand) was recognised for the FLOWFACT trademark as of the reporting date 31 December 2021. The FLOWFACT trademark is assigned to the Media & Other segment. Impairment testing is performed on the cash-generating unit FLOWFACT, which is one level below. For the FlowFact cash-generating unit, business planning indicated a decline in the trademark's economic performance, leading to the recognition of an impairment loss.

The ImmoScout24 trademark does not generate any cash inflows that are largely independent of those of other assets. It is therefore tested for impairment at the level of the cash-generating unit. Since the ImmoScout24 trademark contributes to the future cash flows of all three cash-generating units, it was allocated to the cash-generating units as a corporate asset on the basis of the planned ordinary operating EBITDA for impairment testing.

As of 31 December 2021 EUR '000	Goodwill	Trademarks with indefinite useful life
Residential Real Estate cash-generating unit	600,116	600,032
Business Real Estate cash-generating unit	145,053	201,425
Media & Other cash-generating unit	37,177	60,243
Total	**782,346**	**861,700**

As of 31 December 2020 EUR '000	Goodwill	Trademarks with indefinite useful lives
Residential Real Estate cash-generating unit	536,920	600,032
Business Real Estate cash-generating unit	145,053	201,425
Media & Other cash-generating unit	30,637	71,361
Total	**712,610**	**872,818**

Goodwill and trademarks were tested for impairment as of 31 December 2021 using an after-tax capitalisation rate (weighted average cost of capital, WACC) of 7.11% (previous year: 8.21%) for the respective cash-generating units Residential Real Estate, Business Real Estate and Media & Other. The capitalisation rate decreased compared with the previous year due to a lower beta factor. The discount rate is based on a base interest rate of 0.10% (previous year: -0.10%) and a market risk premium of 7.50% (previous year: 7.50%). A beta factor derived from the peer group, a debt capital spread and a typified capital structure were also taken into consideration.

Furthermore, management expects revenue to increase and, based on the operating leverage, EBITDA margins to rise. The detailed planning period is five years, and for 2022 is subject to corporate planning approved by management and the Supervisory Board; the detailed planning for 2023 to 2026 is based on the multi-year plans presented to the Management Board.

For the Residential Real Estate cash-generating units, revenue growth in the planning year 2022 and for the following years of the detailed planning period is in the low double-digit range. Growth is expected to be driven primarily by the increased lead business (Realtor Lead Engine and Mortgage Lead Engine), the increase in ARPU of partner agents in the Residential Real Estate segment backed by low customer churn coupled with high customer regain and new customer acquisition rates and the increase in consumer revenue from TenantPlus+ and BuyerPlus+. For the Business Real Estate cash-generating units, revenue growth in the planning year 2022 and for the following years of the detailed planning period is in the mid single-digit range. Revenue growth is to be achieved primarily through ImmoScout's entry into full project marketing and the associated commission share. For the Media & Other cash-generating unit, revenue development in the low two-digit range is assumed for the planning year 2022. For the subsequent years of the detailed planning period, similar growth rates are assumed, which decline over the period. Revenue growth will be mainly driven by the growth of the business in Austria and Propstack.

The assumptions relating to EBITDA margins are based on past experience of profitability of services increasing in line with revenue growth. At the level of the Group as a whole, the underlying assumptions lead to a recoverable amount that is consistent with external market assessments as of the valuation date.

For reconciliation with the terminal cash inflows, the detailed planning period is followed by a two-year transition phase in which declining revenue growth rates and stable EBITDA margins are assumed. For the revenue growth after the transition phase, a long-term growth rate of 1.00% (previous year: 1.00%) was used.

As in the previous year, no impairment losses were identified for the Residential Real Estate, Business Real Estate and Media & Other cash-generating units as of 31 December 2021. A change in key assumptions regarded as possible does not result in impairment losses for the Residential Real Estate, Business Real Estate and Media & Other cash-generating units.

For the impairment test of the cash-generating unit FLOWFACT as of 31 December 2021, an after-tax capitalisation rate (WACC) of 7.11% was used. The discount rate is based on a base interest rate of 0.10% and a market risk premium of 7.50%. A beta factor derived from the peer group, a debt capital spread and a typified capital structure were also taken into consideration.

Starting in planning year 2023, management expects revenue to increase slightly and, based on the operating leverage, EBITDA margins to rise. The detailed planning period is five years, and for 2022 is subject to corporate planning approved by the management and the Supervisory Board; the detailed planning for 2023 to 2026 is based on the multi-year plans presented to the Management Board.

For the FLOWFACT cash-generating unit, the decline in revenue in the planning year 2022 is in the mid single-digit range. For the subsequent years of the detailed planning period, revenue growth is in the mid single-digit range. Revenue growth from 2023 onwards is expected to be driven primarily by the monetisation of newly developed products. The assumptions relating to EBITDA margins are based on past experience of profitability of services increasing in line with revenue growth. At the level of the Group as a whole, the underlying assumptions lead to a recoverable amount that is consistent with external market assessments as of the valuation date.

For reconciliation with the terminal cash inflows, the detailed planning period is followed by a two-year transition phase in which declining revenue growth rates and stable EBITDA margins are assumed. For the revenue growth after the transition phase, a long-term growth rate of 1.00% was used.

As of 31 December 2021, the unit FLOWFACT cash-generating was impaired by EUR 5,630 thousand, which was all assigned to the FLOWFACT brand.

Taking into account a 0.75pp higher capitalisation rate and a roughly 0.75pp lower growth rate, an impairment of EUR 5,630 thousand would have resulted instead of an impairment of EUR 9,522 thousand. On the other hand, no impairment would be required – with otherwise unchanged assumptions – for a WACC of less than 5.72% or for a growth rate in the perpetual annuity of 2.41% or more.

4.6. Assets and liabilities from leases

Lease agreements as lessee

As Scout24 is a group of entities with digital marketplaces, physical assets from leases play only a supporting role for business operations. Existing leases mainly relate to office space, IT equipment, other office equipment, furniture and fixtures and vehicles for selected employees. For the policy choice disclosures, see note 1.7. Accounting policies. The accounting development of the right-of-use assets by category is presented in the table below for the financial year and the previous year:

EUR '000	Right-of-use asset for buildings	Right-of-use asset for vehicles	Right-of-use asset for IT equipment	Right-of-use asset for office equipment	Total
Cost					
Balance at 1 Jan. 2020	**28,919**	**1,655**	**727**	**101**	**31,403**
Additions to the consolidation scope	661	29	–	–	691
Disposals from the consolidation scope	–1	–55	–	–	–56
Additions	50,793	614	94	306	51,807
Disposals	–20,417	–821	–609	–102	–21,949
Balance at 31 Dec. 2020 / 1 Jan. 2021	**59,956**	**1,423**	**212**	**305**	**61,896**
Additions to the consolidation scope	1,272	-	-	-	1,272
Additions	756	1,423	-	6	2,185
Disposals	-881	-1,160	-33	-	-2,074
Balance at 31 Dec. 2021	**61,103**	**1,686**	**179**	**311**	**63,279**
Accumulated depreciation and impairment					
Balance at 1 Jan. 2020	**-7,945**	**-930**	**-439**	**-38**	**-9,351**
Additions (depreciation)	–5,217	–596	–145	–20	–5,978
Disposals	7,973	471	537	47	9,029
Balance at 31 Dec. 2020 / 1 Jan. 2021	**-5,188**	**-1,055**	**-46**	**-11**	**-6,300**
Additions (depreciation)	-6,462	-604	-56	-78	-7,200
Disposals	-	1,143	33	-	1,176
Balance at 31 Dec. 2021	**-11,650**	**-516**	**-70**	**-89**	**-12,326**
Carrying amounts					
Balance at 31 Dec. 2020	**54,767**	**368**	**165**	**295**	**55,596**
Balance at 31 Dec. 2021	**49,453**	**1,170**	**109**	**222**	**50,953**

The additions to right-of-use assets for buildings in the previous year are mainly attributable to a new lease for an office building in Berlin.

The amounts in the consolidated statement of profit or loss for continuing operations that are attributable to leases are presented in the table below:

EUR ’000	2021	2020
Amortisation and impairment losses	-7,200	-5,978
Interest expense from leases	-739	-630
Expense relating to short-term leases	-151	-128
Expense relating to leases of low-value assets	-43	-40

The amounts in the consolidated statement of cash flows for continuing operations that are attributable to leases are presented in the table below:

EUR ’000	2021	2020
Payments for short-term leases and for leases of low-value assets	**-194**	-168
Interest paid from leases	-739	-630
Repayment of lease liabilities	-7,772	-5,487
Total	**-8,705**	**-6,285**

In accordance with IFRS 16, lease liabilities were measured at the present value of the future lease payments at the date of first-time application or the commencement date. As of the reporting date, lease liabilities comprise the following items.

EUR ’000	31 Dec. 2021	31 Dec. 2020
Lease liabilities, current	9,034	8,263
Lease liabilities, non-current	54,202	60,187
Total	**63,236**	**68,450**

Lease liabilities break down as follows:

EUR ’000	31 Dec. 2021	31 Dec. 2020
Gross lease liabilities – minimum lease payments		
Up to 1 year	9,682	8,986
1–3 years	17,937	16,824
3–5 years	16,244	16,099
More than 5 years	21,811	29,637
Gross lease liabilities	65,674	71,547
Present value of the lease	**63,236**	**68,450**

The terms to maturity of the lease liabilities break down as follows:

EUR ’000	31 Dec. 2021	31 Dec. 2020
Up to 1 year	9,034	8,263
1–3 years	16,952	15,670
3–5 years	15,676	15,342
More than 5 years	21,574	29,176
Total	**63,236**	**68,450**

Options to extend the lease are taken into consideration in measuring the lease liabilities if it is reasonably certain that the option will be exercised. To provide for flexibility, there are options to extend the lease under office rental agreements. As it is not reasonably certain that the respective options will be exercised, these were not taken into account in measuring the lease liability. The following future lease-related payments due to not reasonably certain options to extend the lease were not included in the measurement of lease liabilities:

	As of 31 December 2021 EUR ’000		As of 31 December 2020 EUR ’000
Distribution by term to maturity	**Future payments from not reasonably certain options to extend the lease**	**Distribution by term to maturity**	**Future payments from not reasonably certain options to extend the lease**
Up to 1 year	39	Up to 1 year	–
1–3 years	542	1–3 years	227
3–5 years	711	3–5 years	707
More than 5 years	81,809	More than 5 years	81,032
Total	**83,100**	**Total**	**81,966**

Lease agreements as lessor

In 2020, Scout24 entered a lease arrangement governing the subletting of rented office space at the Munich location to AutoScout24 GmbH. From the lessor’s perspective, the sublease is classified as a finance lease. The disposal of the right-of-use asset for the office building, which is largely sublet under the agreement, resulted in income of EUR 661 thousand, which is reported under other operating income.

The amounts attributable to the sublease are shown in the following table:

EUR ’000	2021	2020
Income from disposal of right-of-use assets	-	661
Interest income on leases	303	254

The amounts attributable to the sublease are shown in the following table:

EUR ’000	2021	2020
Interest received from leases	303	254
Proceeds from lease receivables from subleases	1,337	976
Total	**1,640**	**1,230**

The following table presents a maturity analysis of lease receivables and shows the undiscounted lease payments to be received after the reporting date.

EUR ’000	31 Dec. 2021	31 Dec. 2020
Up to 1 year	1,640	1,640
1–3 years	3,280	3,280
3–5 years	3,280	3,280
More than 5 years	2,050	3,690
Gross value of lease receivables	**10,250**	**11,890**
Unrealised finance income	905	1,208
Present value of lease receivables	**9,345**	**10,682**
Lease receivables, current	1,378	1,337
Lease receivables, non-current	7,967	9,345
Total	**9,345**	**10,682**

The Scout24 Group has additional leases with group entities acting as lessor, but these are considered not material from the perspective of the Scout24 Group.

4.7. Property, plant and equipment

EUR ’000	Leasehold improvements	Other equipment, furniture and fixtures	Total
Cost			
Balance at 1 Jan. 2020	**2,680**	**24,493**	**27,173**
Additions to the consolidation scope	26	100	126
Disposals from the consolidation scope	-2,001	-3,077	-5,078
Additions	–	14,958	14,958
Disposals	–	-667	-667
Balance at 31 Dec. 2020 / 1 Jan. 2021	**705**	**35,807**	**36,512**
Additions to the consolidation scope	54	72	126
Additions	-	2,541	2,541
Disposals	-	-368	-368
Reclassifications	7,233	-7,233	-
Balance at 31 Dec. 2021	**7,992**	**30,820**	**38,812**
Accumulated depreciation and impairment			
Balance at 1 Jan. 2020	**-384**	**-18,042**	**-18,426**
Disposals from the consolidation scope	–	–11	–11
Additions (depreciation)	–94	–962	–1,056
Disposals	–	498	498
Reclassifications	–	–1,188	–1,188
Balance at 31 Dec. 2020 / 1 Jan. 2021	**-478**	**-19,704**	**-20,183**
Additions (depreciation)	-37	-3,311	-3,348
Disposals	-	344	344
Reclassifications	-767	767	-
Balance at 31 Dec. 2021	**-1,283**	**-21,904**	**-23,187**
Carrying amounts			
Balance at 31 Dec. 2020	**227**	**16,103**	**16,330**
Balance at 31 Dec. 2021	**6,709**	**8,916**	**15,625**

There are customary retentions of title relating to purchase transactions.

4.8. Investments accounted for using the equity method

The associates and joint ventures included in the consolidated financial statements are accounted for using the equity method at the Group’s share in equity.

The table below presents an overview of associates as of 31 December 2021 and 31 December 2020:

Name of entity	Registered office	Interest	Nature of investment	31 Dec. 2021 Measurement method	31 Dec. 2020 Measurement method
Energieausweis48 GmbH	Cologne, Germany	50.00%	Joint venture	Equity	Equity
Upmin Holding GmbH	Berlin, Germany	31.88%	Associate	Equity	–

The condensed financial information for the immaterial joint venture, adjusted according to the interest held by Scout24, is provided in the tables below:

EUR ’000	31 Dec. 2021	31 Dec. 2020
Carrying amount of Energieausweis48 GmbH	336	360

EUR ’000	2021	2020
Earnings from continuing operations	-24	112
Other comprehensive income	-	–
Total comprehensive income	**-24**	**112**
Dividends received	**-**	**–**

The cumulative share in profits from the immaterial joint venture accounted for using the equity method amounted to EUR 460 thousand (previous year: EUR 484 thousand). Energieausweis48 GmbH can adopt resolutions only by both venturers acting jointly.

Since 24 September 2021, the investment in Upmin Holding GmbH amounting to 31.9% has been included in the consolidated financial statements of Scout24. For details, see note 2.1. Entities acquired in the reporting period. The investment concerns an associate accounted for using the equity method. The condensed financial information for the associate, according to the interest held by Scout24, is provided in the tables below:

EUR ’000	31 Dec. 2021
Carrying amount of Upmin Holding GmbH	1,369

EUR ’000	2021
Earnings from continuing operations	-225
Other comprehensive income	-
Total comprehensive income	**-225**
Dividends received	**-**

The investments accounted for using the equity method had a headcount of 36 as of 31 December 2021 (previous year: 8).

There are no contingent liabilities with respect to the indirect shares held by Scout24 in associates.

For the investment in the associate eleven55 GmbH, Berlin, recognised as of 31 December 2020, Immobilien Scout GmbH entered into an agreement on 11 June 2021, to acquire the additional 75% equity interest in eleven55 GmbH. As a result, Scout24 has increased its share in the equity of eleven55 GmbH from 25% to 100% and obtained control of the entity. For details, see note 2.1. “Entities acquired in the reporting period”.

4.9. Trade payables

The trade payables of EUR 17,211 thousand (previous year: EUR 13,250 thousand) include trade payables to third parties of EUR 17,210 thousand (previous year: EUR 13,250 thousand) and trade payables due to associates of EUR 1 thousand (previous year: EUR 0 thousand).

4.10. Financial liabilities

As of the reporting date, financial liabilities comprise the following items.

EUR '000	31 Dec. 2021	31 Dec. 2020
Current		
Promissory note loan	56,984	57,479
Fair value of shares in put options	5,075	1,297
Other liabilities to banks	1,404	9,640
Liabilities from loans	1,223	1,051
Debtors with credit balances	559	465
Total	**65,245**	**69,931**
Non-current		
Liabilities from loans	98,889	98,179
Promissory note loan	37,467	94,366
Fair value of shares in put options	27,910	-
Derivative financial instruments	594	1,314
Total	**164,861**	**193,858**

On 19 December 2016, Scout24 signed a loan agreement with a syndicate of eleven European banks (term and revolving facilities agreement, "FA") with a term until December 2021. The FA comprised a term loan of EUR 600,000 thousand and a revolving credit line of EUR 200,000 thousand. The interest rate for the facilities drawn was based on the EURIBOR plus an interest margin tied to the ratio of ordinary operating EBITDA to net debt. A floor of 0.0% was set for the EURIBOR in the FA.

Incidental costs of obtaining the FA were deducted from the original fair value of the loans and amortised through profit or loss over the term of the loans applying the effective interest method. Furthermore, the embedded interest rate floor in connection with the term loan was deducted from its original fair value and amortised through profit or loss over the term of the loan. No collateral was provided for the FA.

On 16 July 2018, Scout24 signed the EUR 1,000,000,000 term and revolving facilities agreement (RFA). The RFA comprises a term loan facility (facility A) of EUR 300,000 thousand, revolving credit facility I (revolving facility I) of EUR 200,000 thousand and revolving credit facility II (revolving facility II) of EUR 500,000 thousand. The term to maturity of facility A and of revolving facility I is five years. Revolving facility II has a term of three years, including two extension options of one year each. No collateral was provided for under the EUR 1,000,000,000 term and revolving facilities agreement. Facility A was paid out on 19 July 2018. For accounting purposes, this constitutes a non-substantial modification as defined by IFRS 9 of the existing term loan under the FA. The incidental costs deducted from the original loan at the date of the non-substantial modification were reduced in proportion to the nominal value. In addition, these costs were increased by the anticipated positive interest effect arising from the modification as a result of the improved interest conditions. The costs of obtaining facility A are amortised using the effective interest method. The costs of obtaining revolving facility I and revolving facility II are expensed on a straight-line basis in line with utilisation.

With respect to the embedded interest rate floor in connection with the term loan under the FA, the non-substantial modification did not result in any significant changes. The fair value of the embedded interest rate floor in connection with revolving facility A was deducted from facility A and is amortised through profit or loss over the term of the loan. This is reported under non-current derivative financial instruments.

In the 2020 financial year, the option was exercised for revolving facility II to extend the term by one year. The option for the second extension must be exercised by the beginning of June 2022. At the end of the original term on 16 July 2021, the credit facility was reduced to EUR 397,500 thousand. The transaction costs arising from exercising the extension option were deferred in line with the drawings from the credit facility and will be realised on a straight-line basis over the term.

The interest rate for the facilities drawn is based on the EURIBOR plus an interest margin tied to the ratio of ordinary operating EBITDA to net debt. A floor of 0.0% was set for the EURIBOR in the RFA. The interest margin for facility A was 0.65% as of 31 December 2021 (previous year: 0.65%). The interest margins for revolving facility I and revolving facility II are 0.35% and 0.40% respectively (previous year: 0.35% and 0.30% respectively).

Revolving facility I was initially drawn in 2018 in the amount of EUR 70,000 thousand and repaid later in the year in the amount of EUR 50,000 thousand. An amount of EUR 250,000 thousand was drawn from revolving facility II in 2018. In the first half of 2019, an amount of EUR 35,000 thousand was repaid on revolving facility II initially; later, in the second half of 2019, a further amount of EUR 100,000 thousand was drawn to finance the share buy-back programme. In connection with the sale of AutoScout24, FinanceScout24 and FINANZCHECK, EUR 100,000 thousand of revolving facility I was initially drawn in 2020, and revolving facility I and revolving facility II were repaid in full (EUR 435,000 thousand) upon receipt of the proceeds from the sale. In addition, an early repayment of EUR 200,000 thousand was made on the term loan. As of 31 December 2021, the term loan under the RFA amounted to a nominal EUR 100,000 thousand (previous year: EUR 100,000 thousand).

In addition, Scout24 issued a promissory note loan of EUR 215,000 thousand on 16 March 2018. The loan comprises seven tranches (coupons) with terms ranging between three and six years. Depending on the tranche, fixed or floating rates of interest were agreed. The fixed interest rate is based on the midswap rate (ICAP). The floating rate of interest is based on the EURIBOR. An interest margin is added to both interest rates. The floating rate includes a floor of 0.0% for the EURIBOR. The interest margin for the fixed rate ranges between 0.75% and 1.05%. The range for the floating rate is between 0.75% and 0.95%. If the ratio of net debt to ordinary operating EBITDA were to exceed 3.25, the interest margins of the promissory note tranches would increase by 0.50% in each case.

The promissory note loan was paid out in full on 28 March 2018. On the basis of the agreed-upon interest rates and taking into account the incidental costs of obtaining the promissory note loan, an effective interest rate was determined for each tranche that is used to amortise the transaction costs attributable to the tranches over the term to maturity. No collateral was provided for the promissory note loan. An early repayment of fixed-interest promissory notes totalling EUR 18,000 thousand was made in 2019. The variable-interest promissory notes were repaid in full (EUR 45,000 thousand) prematurely in the first half of 2020. In addition, promissory notes in the amount of EUR 57,500 thousand were repaid in the first half of 2021. As of 31 December 2021, the promissory note loan amounted to a nominal EUR 94,500 thousand (previous year: EUR 152,000 thousand).

For the short-term financing of the public repurchase offer 2021 (see note 4.15 Equity), Scout24 entered into a loan facility agreement for money market transactions in the amount of up to EUR 200 million. The corresponding interest margin was 0.20%. It was possible to draw down the loan facility for the first time starting on 10 April 2021 and the credit relationship ended no later than 31 May 2021. Scout24 has drawn a total amount of EUR 130 million from loan facility. The full amount was repaid on 21 May 2021.

The liabilities from business combinations relate to the acquisition of Vermietet.de and Propstack. For details, see note 2.1 Entities acquired in the reporting period and note 5.2 Disclosures on financial instruments.

Other liabilities to banks are mainly attributable to the share buy-back programme (see note 4.15. Equity). Other liabilities to banks of EUR 9,640 thousand recognised as of 31 December 2020 resulted mainly from securities transactions under the Scout24 special fund between the years and were settled in January 2021.

4.11. Other provisions

EUR '000	Provisions for litigation risks	Reorganisation provisions	Provisions for share-based payments	Other provisions	Total
Balance at 31 Dec. 2020	**50**	**1,465**	**41,685**	**1,016**	**44,217**
of which current	*50*	*1,465*	*21,522*	*57*	*23,094*
Changes in the consolidation scope	-	-	-	3,258	3,258
Increase	-	1,525	11,237	2,051	14,813
Utilisation	-	-799	-27,591	-3,048	-31,439
Reversal	-	-570	-1,051	-134	-1,754
Balance at 31 Dec. 2021	**50**	**1,621**	**24,280**	**3,143**	**29,094**
of which current	*50*	*1,621*	*19,060*	*2,100*	*22,832*

Provisions for litigation risks comprise the cost of potential court proceedings in one dispute. The various uncertainties in relation to the level of this provision were measured sufficiently.

The reorganisation provisions in the reporting period and the previous year relate to reorganisation measures. The respective employees received offers to for the dissolution of their employment relationship, most of which will come to bear in the subsequent year.

The increase in the provisions for share-based payments is attributable to the long-term incentive programmes (LTIP 2018 and LTIP 2021). The utilisation of provisions for share-based payments relates to the LTIP 2018 and mainly pertains to the programme's settlement. For details see note 5.3. Share-based payment.

The increase in other provisions mainly relates to the acquisition of Vermietet.de. For details, see note 2.1. Entities acquired in the reporting period. In addition, the utilisation of other provisions relates to the settlement of a compensation programme in the course of the acquisition of Vermietet.de.

Provisions that are not yet expected to lead to an outflow of resources in the subsequent year are carried at the settlement amount discounted to the reporting date. The discount on provisions that were already discounted in the previous year was unwound in the reporting period in accordance with their term. The discount factor is based on market interest rates.

The outflow of resources is mainly expected within the next financial year – at the amount shown as current above. For the amount shown as non-current, an outflow of resources of EUR 5,443 thousand (previous year: EUR 20,299 thousand) is expected within the next two to five years and of EUR 820 thousand (previous year: EUR 824 thousand) for the period of more than five years.

4.12. Contract liabilities

Contract liabilities of EUR 10,209 thousand (previous year: EUR 8,950 thousand) reflect the Group's obligation to transfer services to its customers for which it has received consideration. For further details see note 3.1 Revenue.

4.13. Other liabilities

Other liabilities comprised the following as of the respective reporting dates.

EUR '000	31 Dec. 2021	31 Dec. 2020
Current		
Liabilities to employees	9,120	8,120
Taxes other than income taxes	5,360	3,743
Other	524	4,508
Total	**15,004**	**16,371**
Non-current		
Other deferred income	528	668
Liabilities to employees	411	409
Other	50	49
Total	**988**	**1,126**

The liabilities to employees essentially comprise liabilities arising from bonus agreements.

Current other liabilities recognised as of 31 December 2020 include share-based payment commitments in connection with the sale of AutoScout24, FinanceScout24 and FINANZCHECK. These were settled in January 2021. For details, see note 5.3. Share-based payments in the annual report for 2020.

4.14. Pensions and similar obligations

The Group has post-employment benefit obligations in the form of defined contribution plans; it also had defined benefit plans in the past.

Defined contribution plans are in the form of retirement, disability and survivor benefits, the amount of which is based on length of employment and salary. The employer's contributions to be paid for the statutory pension insurance system in Germany are deemed defined contribution plans. The Group's payments to defined contribution pension plans are primarily contributions for the statutory pension insurance systems in Germany. In the reporting period, expenses relating to defined contribution pension plans of continuing operations amounted to EUR 6,204 thousand (previous year: EUR 5,472 thousand).

There are no defined benefit obligations in the Scout24 Group at present.

4.15. Equity

Subscribed share capital

The subscribed share capital amounts to EUR 83,600 thousand as of 31 December 2021 (previous year: EUR 105,700 thousand) and is divided into 83,600 thousand registered shares, each with a notional interest in the share capital of EUR 1 per share. All registered shares are fully paid in. The subscribed share capital is not available for distribution.

On 18 June 2020, the Annual General Meeting of Scout24 AG passed a resolution to reduce the share capital by cancelling shares in a simplified procedure after their purchase by Scout24 AG (see note 4.15 Equity in the consolidated financial statements for 2020). In execution of this resolution, the Management Board of Scout24 AG decided on 30 March, after approval by the Supervisory Board, to submit a public repurchase offer to the shareholders of Scout24 AG for up to 13,976,613 Scout24 shares for a purchase price per share (excluding incidental acquisition costs) of EUR 69.66 (the "offer price"). As a result, the total volume of the public repurchase offer came to EUR 973.6 million. During the acceptance period from 1 April 2021 to 16 April 2021, 11,400,875 shares with the corresponding number of tender rights were tendered to the company at the offer price of EUR 69.66 per share. This corresponds to a buy-back volume of EUR 794.2 million and an acceptance rate of 81.6% in relation to the offer volume of up to EUR 974 million. After completion of the public repurchase offer, the Management Board of Scout24 AG passed a resolution to execute the capital reduction by immediately cancelling the acquired shares in Scout24 AG. This corresponds to approximately 10.79% of the share capital before the capital reduction.

In addition, 2,199,125 shares in Scout24 AG were cancelled with a reduction in share capital. This corresponds to approximately 2.33% of the share capital before the cancellation of these shares and the corresponding capital reduction. The cancelled shares were acquired on the basis of the authorisation to acquire and use treasury shares and to exclude subscription rights resolved by the Annual General Meeting of Scout24 AG on 8 June 2017. In accordance with the more detailed provisions of the resolution proposal of the Management Board and the Supervisory Board published in the German Federal Gazette on 27 April 2017 under item 6 (Resolution on the authorisation to purchase treasury shares and to use these, if required excluding subscription rights) of the agenda of the Annual General Meeting of Scout24 AG, the cancellation of the shares purchased did not require any further resolution of the Annual General Meeting. Implementation of the cancellation likewise did not require any further resolution of the Annual General Meeting.

In addition, 8,500,000 shares in Scout24 SE were cancelled with a reduction in share capital. This corresponds to approximately 9.3% of the share capital before the cancellation of these shares and the corresponding capital reduction. The cancelled shares were acquired on the basis of the authorisation to acquire and use treasury shares and to exclude subscription rights resolved by the Annual General Meeting of Scout24 AG on 8 June 2017 and 18 June 2020. In accordance with the more detailed provisions of the resolution proposal of the Management Board and the Supervisory Board published in the German Federal Gazette on 27 April 2017 and 6 May 2020 under item 6 and 8 (Resolution on the authorisation to purchase treasury shares and to use these, if required excluding subscription rights) of the agenda of the Annual General Meeting of Scout24 AG, the cancellation of the shares purchased did not require any further resolution of the Annual General Meeting. Implementation of the cancellation likewise did not require any further resolution of the Annual General Meeting.

A total of 82,394,707 shares are outstanding as of the reporting date (previous year: 97,836,291).

Shares outstanding	Number
Balance at 1 Jan. 2020	**105,162,959**
Purchase of treasury shares	-7,326,668
Issue of treasury shares	–
Balance at 31 Dec. 2020	**97,836,291**
Purchase of treasury shares	-15,441,584
Issue of treasury shares	-
Balance at 31 Dec. 2021	**82,394,707**

Authorised capital

Authorised capital 2015

Pursuant to the company’s Articles of Association, the Management Board of Scout24 AG, Munich, was authorised to increase the Company's share capital, with the Supervisory Board’s approval, in one or several tranches up until (and including) 3 September 2020, by issuing new registered no-par-value shares in return for contributions in cash and/or in kind, by an amount of up to EUR 50,000 thousand in total (authorised capital 2015). The shareholders generally had to be granted subscription rights in this context. However, the Management Board was authorised, with the approval of the Supervisory Board, to exclude such subscription rights in certain cases.

Authorised capital 2020

At the Annual General Meeting on 18 June 2020, new authorised capital 2020 was created in return for cash and/or non-cash contributions with the option to exclude subscription rights. This replaces the previous authorised capital 2015 under the Articles of Association, which would have expired on 3 September 2020 and is cancelled upon registration of authorised capital 2020.

For authorised capital 2020, the Management Board was authorised, with the approval of the Supervisory Board, to increase the company's share capital by up to EUR 32,280 thousand in one or more tranches up to (and including) 17 June 2025 by issuing new registered no-par value shares in return for cash and/or non-cash contributions. The shareholders must generally be granted subscription rights.

Conditional capital

The company's share capital was increased conditionally by resolution of the Annual General Meeting on 21 June 2018. The conditional capital amounts to EUR 10,760 thousand and is divided into 10,760,000 no-par-value shares (conditional capital 2018).

The conditional capital increase is intended to grant shares to holders or creditors of the bonds with warrants, convertible bonds, profit participation rights and/or participating bonds (or any combination of such instruments) issued on the basis of the authorisation by the Annual General Meeting of 21 June 2018 when they exercise the warrants or conversion rights or fulfil their warrants or conversion duties.

The conditional capital increase will only be carried out to the extent that

a) 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 SE 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

b) 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 SE 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 SE exercising its repayment option upon maturity to grant shares in Scout24 SE instead of cash payment for all or some of the amount due) and no other forms of settlement are used.

The new shares are fully entitled to participate in the profit from the beginning of the financial year in which the warrant or conversion obligation arises.

The Supervisory Board is authorised to amend Article 4 of the Articles of Association with reference to the respective utilisation of conditional capital and upon expiry of all warrant and conversion periods.

Treasury shares

The company's Management Board was authorised by the Annual General Meeting of 18 June 2020 and 8 July 2021 to purchase treasury shares pursuant to Article 71 (1) No. 8 AktG; the Management Board is thus authorised to purchase treasury shares for any permissible purpose within the context of statutory restrictions and under certain terms.

Exercising the aforementioned authorisations, Scout24 SE announced the continuation of its share buy-backs on 23 April 2021 and 11 November 2021 respectively. The third and fourth tranches of up to EUR 200 million each, following the two programmes implemented in the 2019 and 2020 financial years, started on 26 April 2021 and 12 November 2021 respectively and ended on 30 June 2021 and 15 February 2022 respectively.

The Supervisory Board approved the share buy-back programme. The treasury shares are repurchased for legally permitted purposes.

Together with other shares that the company has already purchased and still holds, the shares purchased as part of the share buy-back programme will at no time account for more than 10% of the share capital.

As part of the share buy-back programme launched in April 2021, 2,921,878 of the company's shares were acquired in the period indicated. The transaction costs incurred amounted to EUR 198 thousand and were deducted from equity, taking into account the attributable tax effect (EUR 61 thousand).

As part of the share buy-back programme launched in November 2021, 1,118,831 of the company's shares were acquired until 31 December 2021. The transaction costs incurred amounted to EUR 22 thousand and were deducted from equity, taking into account the attributable tax effect (EUR 7 thousand).

Furthermore, exercising the authorisation by the Annual General Meeting of 8 June 2017, the Management Board of Scout24 AG passed a resolution to cancel 2,199,125 shares in Scout24 SE, which were also purchased by the company exercising the authorisation under the resolution of 8 June 2017 by the Annual General Meeting of Scout24 SE, thereby reducing the share capital. This corresponds to approximately 2.33% of the share capital before redemption and capital reduction; for further information, also see the Subscribed share capital section.

The treasury shares were valued at a weighted average price of approximately EUR 67.14 per share withdrawn upon their cancellation.

Furthermore, exercising the authorisation by the Annual General Meeting of 8 June 2017 and 18 June 2020, the Management Board of Scout24 AG passed a resolution to cancel 8,500,000 shares in Scout24 SE, which were also purchased by the company exercising the authorisation under the resolution of 8 June 2017 and 18 June 2020 by the Annual General Meeting of Scout24 SE, thereby reducing the share capital. This corresponds to approximately 9.3% of the share capital before redemption and capital reduction; for further information, also see the Subscribed share capital section.

The treasury shares were valued at a weighted average price of approximately EUR 66.18 per share withdrawn upon their cancellation.

Treasury shares developed as follows:

Treasury shares	Number	Tranche (EUR '000)	Transaction costs[1] (EUR '000)	Total amount (EUR '000)
Balance at 1 Jan. 2021	**7,863,709**	**515,380**	**153**	**515,534**
Purchase of treasury shares	15,441,584	1,061,095	1,216	1,062,311
Issue of treasury shares	–	–	–	–
Cancellation of treasury shares	-22,100,000	-1,504,346	-1,352	-1,505,698
Balance at 31 Dec. 2021	**1,205,293**	**72,129**	**18**	**72,147**

[1] Taking into account the tax effect.

The authorisation to purchase treasury shares of 18 June 2020 was renewed by Scout24 AG's Annual General Meeting of 8 July 2021 to the effect that the company's Management Board was authorised until 7 July 2026 to purchase Scout24 AG treasury shares up to a total of 10% of the share capital at the time of the resolution or – if lower – at the time the authorisation is exercised. Together with other treasury shares held by Scout24 AG or attributable to Scout24 AG in accordance with Article 71a et seq. AktG, the shares acquired under this authorisation may not at any time exceed 10% of share capital.

The authorisation granted by Scout24 AG's Annual General Meeting of 18 June 2020 to purchase treasury shares pursuant to Article 71 (1) No. 8 AktG was revoked and replaced in full when this authorisation took effect. This does not affect the authorisation by the Annual General Meeting of 18 June 2020 relating to the use of treasury shares of Scout24 AG.

Capital reserve

As of 31 December 2021, the capital reserve amounted to EUR 195,133 thousand (previous year: EUR 173,033 thousand) and stems primarily from capital increases in the 2014 financial year and the initial public offering (IPO) on 1 October 2015.. As a result of the IPO, proceeds of EUR 228,000 thousand accrued to the company, of which EUR 220,400 thousand was allocated to the capital reserve as a premium. Transaction costs related to the IPO reduce the capital reserve by EUR 5,953 thousand (after deducting tax).

In the course of a capital increase from the company's own funds in the 2015 financial year, an amount of EUR 98,000 thousand of the capital reserve was converted to subscribed share capital.

In the separate financial statements pursuant to HGB of Scout24 AG for the year ended 31 December 2018, an amount of EUR 252,632 thousand was withdrawn from the capital reserve and transferred to retained earnings. The same reclassification was made in the IFRS consolidated financial statements in the first half of 2019.

In addition, as in the previous year, the capital reserve includes EUR 5,827 thousand in connection with share-based payment programmes implemented in previous years and the settlement in treasury shares.

As of 31 December 2021, an allocation was made to the capital reserve in the amount of the nominal value of the redeemed treasury shares in accordance with Article 237 (5) AktG as part of the capital reduction described above (repurchase offer; EUR 11,401 thousand). In addition, an allocation was made to the capital reserve in the amount of the nominal value of the redemption of treasury shares pursuant to Article 71 (1) No. 8 Sentence 6 AktG (EUR 10,699 thousand).

Of the capital reserve, an amount of EUR 194,324 thousand (as of 31 December 2020: EUR 172,224 thousand) is frozen for any distribution.

Retained earnings

The retained earnings as of the reporting date contain undistributed profits from previous financial years as well as the profit or loss for the reporting period (31 December 2021: EUR 1,566,051 thousand; previous year: EUR 3,049,733 thousand).

In the 2021 financial year, Scout24 AG transferred an amount of EUR 4 thousand to other retained earnings on the basis of a corresponding resolution by the Annual General Meeting.

The Management Board of the company has resolved, with the approval of the Supervisory Board, to transfer 50% of the net profit for 2020 of Scout24 AG, which corresponds to EUR 1,282,253 thousand, to other retained earnings in accordance with Article 58 (2) Sentence 1 AktG.

Other reserves

Other reserves contain currency translation differences (31 December 2021: EUR 1,073 thousand; 31 December 2020: EUR 1,063 thousand).

Furthermore, other reserves were reduced by EUR 180 thousand as of 31 December 2019 as a result of the full write-down due to impairment of a financial asset measured at fair value through other comprehensive income (Salz & Brot Internet GmbH).

Dividends

Based on a corresponding resolution of the Annual General Meeting, in the 2021 financial year the company paid a dividend of EUR 68,481 thousand (previous year: EUR 93,663 thousand) to its dividend-entitled shareholders, equivalent to EUR 0.82 (previous year: EUR 0.91) per dividend-entitled share.

The share capital entitled to dividends and thus the number of no-par-value dividend-entitled shares is based on Scout24 SE's share capital of EUR 83,600,000 divided into 83,600,000 no-par-value shares, less the no-par-value shares held by the company that are not entitled to dividends (31 December 2021: 1,205,293 shares).

5. Other notes

5.1. Notes to the consolidated statement of cash flows

The statement of cash flows presents how cash and cash equivalents changed during the financial year. In accordance with IAS 7 Statement of Cash Flows, a distinction is made between changes in cash from operating, investing and financing activities.

The cash and cash equivalents presented in the statement of cash flows comprise all cash reported in the statement of financial position.

The indirect method is used for cash flow from operating activities and the direct method for cash flow from financing and investing activities. Effects from currency translation and changes in the consolidation scope were eliminated in the calculation.

Total liabilities from financing activities changed as follows in the past financial year:

EUR '000	31 Dec. 2020	Cash			Non-cash	31 Dec. 2021
			Fair value changes	Other changes	Additions to the consolidation scope	
Liabilities from loans	251,075	-60,393	–	3,881	–	194,563
Other liabilities to banks from share buy-back programmes	–	–	–	1,279	–	1,279
Derivative financial instruments	1,314	–	-719	–	–	594
Lease liabilities	68,450	-7,772	–	1,286	1,272	63,236
Total	**320,838**	**-68,165**	**-719**	**6,446**	**1,272**	**259,673**

Furthermore, current financial liabilities from operating and investing activities amounting to EUR 33,668 thousand (previous year: EUR 11,401 thousand) were recognised as of 31 December 2021. The purchase price liabilities resulting from the acquisition of Zenhomes GmbH and Propstack GmbH are a significant component of these financial liabilities.

EUR '000	31 Dec. 2019	Cash			Non-cash	31 Dec. 2020
			Fair value changes	Other changes	Additions to the consolidation scope	
Liabilities from loans	825,739	-586,198	–	11,533	–	251,075
Other liabilities to banks from share buy-back programmes	2,327	-2,327	–	–	–	–
Derivative financial instruments	2,094	–	-780	–	–	1,314
Lease liabilities	22,908	–5,487	–	50,338	691	68,450
Total	**853,068**	**-594,013**	**-780**	**61,872**	**691**	**320,838**

5.2. Disclosures on financial instruments

Carrying amounts and fair values

The following table presents the reconciliation of the statement of financial position items and the categories pursuant to IFRS 9, analysed by category and with respect to fair value by class.

In accordance with IFRS 13, financial assets and liabilities measured at fair value must be allocated to the three levels of the fair value hierarchy. The individual levels of the fair value hierarchy are defined as follows:

- Level 1: Inputs are unadjusted quoted prices in an active market for identical assets or liabilities that the company can access at the measurement date
- Level 2: Significant inputs other than those included in level 1 that are observable, either directly or indirectly
- Level 3: Inputs including at least one unobservable significant input

It is assumed that reclassifications between the individual levels of the fair value hierarchy are performed at the end of the period. In both reporting periods, there were no reclassifications between levels 1 and 2.

AMOUNT RECOGNISED IN ACCORDANCE WITH IFRS 9

EUR '000	Measurement category under IFRS 9	Carrying amount as of 31 Dec. 2021	Amortised cost	Fair value through OCI	Fair value through profit or loss	Fair value as of 31 Dec. 2021	Level of fair value hierarchy
Assets							
Cash and cash equivalents	FAAC	120,009	120,009	-	-	n/a	
Trade receivables	FAAC	23,175	23,175	-	-	n/a	
Current financial assets		**468,129**	**3,005**	**-**	**465,124**		
Securities at FVTPL (level 1)	FAFVTPL	199,230	-	-	199,230	199,230	1
Securities at FVTPL (level 2)	FAFVTPL	265,894	-	-	265,894	265,894	2
Receivables from lease agreements	n/a	1,378	1,378	-	-	n/a	
Receivables from share buy-back programme	FAAC	303	303	-	-	303	2
Other current financial assets	FAAC	1,324	1,324			1,324	2
Non-current financial assets		**10,851**	**10,851**	**-**	**-**		
Receivables from lease agreements	n/a	7,967	7,967	-	-	n/a	
Other non-current financial assets	FAAC	2,884	2,884	-	-	2,538	2
Equity and liabilities							
Trade payables	FLAC	17,211	17,211	-	-	n/a	
Current financial liabilities		**74,279**	**69,204**	**-**	**5,075**		
Lease liabilities	n/a	9,034	9,034	-	-	n/a	
Fair value of shares in put options	FLFVTPL	5,075	-	-	5,075	5,075	3
Other current financial liabilities	FLAC	60,170	60,170	-	-	60,909	2
Non-current financial liabilities		**219,062**	**190,558**		**28,384**		
Derivative financial instruments	FLFVTPL	594	-	-	594	594	2
Lease liabilities	n/a	54,202	54,202	-	-	n/a	
Fair value of shares in put options	FLFVTPL	27,910	-	-	27,910	27,910	3
Other non-current financial liabilities	FLAC	136,356	136,356	-	-	135,478	2

EUR '000	Measurement category under IFRS 9	Carrying amount as of 31 Dec. 2021
Of which aggregated by IFRS 9 category		
Financial assets measured at amortised cost	FAAC	147,695
Financial liabilities measured at amortised cost	FLAC	213,737
Financial assets measured at fair value through profit or loss	FAFVTPL	465,124
Financial liabilities measured at fair value through profit or loss	FLFVTPL	33,580

Cash, trade receivables as well as other current financial assets and liabilities essentially have a short residual term. Therefore, their carrying amounts as of the end of the reporting period approximate their fair value.

For the purpose of investing cash received from the sale of entities, Scout24 had an investment fund set up in 2020. The investment fund was set up as a special fund and observes the Scout24 Group's investment strategy, objectives and guidelines. The special fund was fully consolidated in the consolidated financial statements.

To finance the 2021 public repurchase offer and the share buy-back programme launched in April 2021 (see note 4.15. Equity), investments of the special fund amounting to approximately EUR 950,010 thousand and the investment in money market funds (previous year: EUR 77,909 thousand) were liquidated in full. As of 31 December 2021, the special fund includes cash amounting to EUR 26,815 thousand (previous year: EUR 38,697 thousand) that has not been invested in securities and is therefore reported under cash and cash equivalents.

The special fund's investments in securities are reported under current financial assets and allocated to the measurement category 'Financial assets measured at fair value through profit or loss' (FAFVTPL). These are interest-bearing securities amounting to EUR 265,894 thousand (previous year: EUR 1,344,426 thousand) and assigned to level 2 of the fair value hierarchy. The special fund also has investments in securities amounting to EUR 199,230 thousand (previous year: EUR 135,913 thousand) that are assigned to level 1 of the fair value hierarchy.

In addition, current financial assets as of 31 December 2021 include receivables from lease agreements, short-term rent deposits and creditors with debit balances. In addition, there was a receivable from the share buy-back programme in the amount of EUR 303 thousand as of 31 December 2021, which results from the difference between the agreed purchase price and the purchase price actually paid for the shares of the Scout24 Group. Due to the short-term maturity of these items, the carrying amount represents an appropriate approximation of their fair value. The other receivable recognised as of 31 December 2020 for reimbursement claims for bonus payments in connection with the sale of AutoScout24, FinanceScout24 and FINANZCHECK in the amount of EUR 4,106 thousand was settled in January 2021.

The item non-current financial assets mainly comprises the deferred transaction costs of EUR 622 thousand (previous year: EUR 1,796 thousand) attributable to the revolving credit facility as well as long-term rent deposits of EUR 2,258 thousand (previous year: EUR 1,837 thousand) and non-current receivables from lease agreements of EUR 7,967 thousand (previous year: EUR 9,345 thousand). As all inputs are directly or indirectly observable, the instruments are assigned to level 2. The fair values of the short-term and long-term rent deposits were calculated using a discounted cash flow model based on risk-free market interest rates in the form of German government bonds as well as a credit risk premium derived from corporate bonds with a corresponding rating.

Current financial liabilities comprise liabilities of EUR 57,000 thousand from the promissory note loans ('Schuldscheindarlehen') issued in March 2018 (previous year: EUR 57,500 thousand). The fair value of the liabilities from promissory note loans is calculated using a discounted cash flow model based on a discount rate derived from the risk-free market rate adjusted to reflect an appropriate credit risk premium. In the first half of 2021, promissory notes in the amount of EUR 57,500 thousand were repaid.

Furthermore, current financial liabilities include a liability from company acquisitions amounting to EUR 5,074 thousand in connection with the acquisition of Zenhomes GmbH (for details, see note 2.1. Entities acquired in the reporting period). This liability is allocated to fair value level 3. A description of the matter is presented in the Liabilities from business combinations section. The purchase price liability of EUR 1,297 thousand reported as of 31 December 2020 in connection with the acquisition of immoverkauf24 GmbH was settled in January 2021.

The effective interest method is used to measure non-current FLAC. There were no changes in valuation techniques in the reporting period. Non-current financial liabilities mostly consist of the liabilities relating to the loan concluded in July 2018 (term and revolving facilities agreement) and the non-current portion of the liabilities from the promissory note loans. The liabilities' fair value is calculated using a discounted cash flow model based on a discount rate derived from the risk-free market rate adjusted to reflect an appropriate credit risk premium. Premiums on corporate bonds with the same rating as Scout24 were utilised for the credit risk premium. There were no repayments or amounts drawn under the term and revolving facilities agreement in the 2021 financial year. As a result, the loan amount as of 31 December 2021 still comes to EUR 100,000 thousand. The non-current part of the promissory note loan has a nominal value of EUR 37,500 thousand as of 31 December 2021.

Furthermore, non-current financial liabilities include liabilities from business combinations amounting to EUR 27,910 thousand in connection with the acquisition of Zenhomes GmbH and Propstack GmbH (for details, see note 2.1. “Entities acquired in the reporting period”). These liabilities are allocated to fair value level 3. A description of the business combinations is presented in the “Liabilities from business combinations” section.

In addition, there were non-current liabilities from derivative financial instruments in the amount of EUR 594 thousand as of 31 December 2021 (31 December 2020: EUR 1,314 thousand). These stem from the embedded interest rate floor of the term loan. The fair value of the interest rate floor, which is allocated to level 2 of the fair value hierarchy, is measured on a risk-free basis using a shifted Black-Scholes model and subsequently adjusted for credit risk using the add-on approach. Key inputs for the valuation are the yield curve of German government bonds, the three-month EURIBOR forward interest rates, the volatility and maturity-dependent credit risk premiums.

The table below presents the reconciliation as of 31 December 2020 of the statement of financial position items and the categories pursuant to IFRS 9, analysed by category and with respect to fair value by class.

AMOUNT RECOGNISED IN ACCORDANCE WITH IFRS 9

EUR '000	Measurement category under IFRS 9	Carrying amount as of 31 Dec. 2020	Amortised cost	Fair value through other comprehensive income	Fair value through profit or loss	Fair value as of 31 Dec. 2020	Level of the fair value hierarchy
Assets							
Cash and cash equivalents	FAAC	177,663	177,663	–	–	n/a	
Trade receivables	FAAC	20,911	20,911	–	–	n/a	
Current financial assets		**1,564,788**	**6,540**	–	**1,558,248**		
Securities at FVTPL (level 1)	FAFVTPL	135,913	–	–	135,913	135,913	1
Securities at FVTPL (level 2)	FAFVTPL	1,344,426	–	–	1,344,426	1,344,426	2
Receivables from lease agreements	n/a	1,337	1,337	–	–	n/a	
Other receivables	FAAC	4,106	4,106	–	–	n/a	
Other securities	FAFVTPL	77,909	–	–	77,909	77,909	1
Other current financial assets	FAAC	1,097	1,097	–	–	1,092	2
Non-current financial assets		**12,983**	**12,983**	–	–		
Receivables from lease agreements	n/a	9,345	9,345	–	–	n/a	
Other non-current financial assets	FAAC	3,638	3,638	–	–	3,243	2
Equity and liabilities							
Trade payables	FLAC	13,250	13,250	–	–	n/a	
Current financial liabilities		**78,194**	**76,897**	–	**1,297**		
Lease liabilities	n/a	8,263	8,263	–	–	n/a	
Liability for contingent consideration	FLFVTPL	1,297	–	–	1,297	1,297	3
Other current financial liabilities	FLAC	68,635	68,635	–	–	69,889	2
Non-current financial liabilities		**254,046**	**252,732**	–	**1,314**		
Derivative financial instruments	FLFVTPL	1,314	–	–	1,314	1,314	2
Lease liabilities	n/a	60,187	60,187	–	–	n/a	
Other non-current financial liabilities	FLAC	192,545	192,545	–	–	190,116	2

EUR '000	Measurement category under IFRS 9	Carrying amount as of 31 Dec. 2020
Of which aggregated by IFRS 9 category		
Financial assets measured at amortised cost	FAAC	207,414
Financial liabilities measured at amortised cost	FLAC	274,429
Financial assets measured at fair value through profit or loss	FAFVTPL	1,558,248
Financial liabilities measured at fair value through profit or loss	FLFVTPL	2,611

Liabilities from business combinations

As of 31 December 2021, non-current liabilities from business combinations include a purchase price liability in connection with the acquisition of a 75% share in the equity of Zenhomes GmbH (for details, see note 2.1. Entities acquired in the reporting period). Due to the existing put and call options on the remaining 25% of the equity shares, Scout24 has an obligation to acquire the outstanding shares. The obligation arising from the acquisition is to be divided into a current and a non-current portion on the basis of individual tranches. The fair value of the current liability as of 31 December 2021 amounts to EUR 3,108 thousand and is reported under current liabilities from business combinations. Non-current liabilities from business combinations include the fair value of the non-current obligation of EUR 24,447 thousand, of which EUR 1,100 thousand was recognised in profit or loss through a fair value adjustment.

In addition, the current liabilities from business combinations included a retained purchase price component of EUR 1,966 thousand that will be released for payment 18 months after the acquisition, which was effected in May 2021. For detailed information on the acquisition of Zenhomes GmbH, see note 2.1 Entities acquired in the reporting period.

Furthermore, non-current liabilities from business combinations include a purchase price liability in connection with the acquisition of an 80% share in the equity of Propstack GmbH. Due to the existing put and call options on the remaining 20% of the equity shares, Scout24 has an obligation to acquire the outstanding shares. The fair value of the obligation as of 31 December 2021 amounts to EUR 3,463 thousand and is reported under non-current liabilities from business acquisitions, of which EUR 485 thousand was recognised in profit or loss through a fair value adjustment.

In connection with the acquisition of wohnungsbörse.net, a purchase price liability of EUR 878 thousand arose post-acquisition in the first half of 2021, which was paid in full in the second half of 2021.

The table below shows an overview of changes in level 3 instruments for the respective reporting period:

EUR '000	2021	2020
Balance at the beginning of the period	1,297	–
New current purchase price liabilities	5,952	3,000
New non-current purchase price liabilities	26,326	
Settled contingent consideration liabilities	-2,175	-1,703
Total for the period reported under other operating expenses/income	1,585	–
Balance at the end of the period	**32,985**	**1,297**
Changes in unrealised losses for the period included in gains/losses from liabilities held at the end of the period	1,585	–

The figures for the previous year presented in the table result from the acquisition of immoverkauf24 GmbH in 2020. The purchase price liability was settled in 2021; accordingly, the values have no relation to the liabilities from business combinations as of 31 December 2021.

The following sensitivities of the unobservable input parameters were analysed for the non-current liabilities from business combinations measured at fair value level 3.

The calculation of the fair value of the purchase price liability resulting from the call and put options in connection with the acquisition of Zenhomes GmbH is based on a Monte Carlo simulation to determine the expected future payments. This entailed a simulation of the parameters revenue, EBIT and the non-financial parameter 'units'. In addition, rollover options of the minority shareholder and risk costs were taken into account. The risk costs were calculated using the Sharpe ratio for the TecDax.

Further payments were contractually agreed with the minority shareholders in connection with the acquisition of the remaining 25% of the equity shares, which constitutes compensation for future work performed by the minority shareholders. Accordingly, this amount is recognised as a provision proportionately for each tranche over the term of the contract (see note 2.1 Entities acquired in the reporting period)

If the input factors underlying the calculations had been based on other values, a different fair value would have been calculated. These hypothetical deviations are presented in the table below:

EUR '000	Sensitivities as of 31 Dec. 2021 Increase	Sensitivities as of 31 Dec. 2021 Decrease
Units – 10% change	-81	-121
Revenue – 10% change	-47	-21
EBIT – 10% change	-60	-7
Correlation between units and revenue – 10% change	-94	-441
Correlation between revenue and EBIT – 10% change	-98	-16
Discounting factor – 10% change	-470	206

The fair value of the purchase price liability in connection with the acquisition of Propstack GmbH is determined based on discounted future cash flows depending on the amount of revenue and EBITDA for the years 2022 to 2025. In addition, the calculation is based on weighted probabilities of occurrence of the contractually agreed bad leaver clauses.

If the input factors underlying the calculations had been based on other values, a different fair value would have been calculated. These hypothetical deviations are presented in the table below:

EUR '000	Sensitivities as of 31 Dec. 2021 Increase	Sensitivities as of 31 Dec. 2021 Decrease
Revenue – 10% change	127	-127
EBITDA – 10% change	174	-174
Discounting factor – 10% change	-4	4
Probabilities of bad leaver events – 10% change	-867	1,160

Net gains/losses

Net gains and losses were allocated as follows to the IFRS 9 categories in the financial year:

EUR '000	Measurement category under IFRS 9	2021	2020
Financial assets measured at amortised cost	FAAC	633	-4,467
Financial liabilities measured at amortised cost	FLAC	-5,012	-11,969
Financial assets and liabilities measured at fair value through profit or loss	FAFVTPL/FLFVTPL	3,077	9,698
Recognised in profit or loss with respect to continuing operations	**Total**	**-1,302**	**-6,738**

The net gains and losses in the FAAC measurement category primarily include negative interest on credit balances, loss allowances for receivables and gains/losses on the derecognition of receivables as well as income from the reversal of specific loss allowances and derecognised receivables. The net gain and losses in the FLAC measurement category include primarily the current interest expenses from applying the effective interest method to loan liabilities as well as the recognition through profit or loss of the accrued loan transaction costs. Expenses and income from financial derivatives as well as expenses and income from the securities of the special fund are reported in the net gains and losses of the FAFVTPL/FLFVTPL measurement category.

The interest expenses from applying the effective interest method for financial liabilities measured at amortised cost amounted to EUR 4,782 thousand (previous year: EUR 12,033 thousand).

Financial risk management and capital management

The Scout24 Group is exposed to various financial risks, which are explained below as credit risk, liquidity risk, foreign currency risk and interest rate risk. Risk management is performed by corporate finance. Corporate finance identifies, assesses and hedges financial risks in close cooperation with the Group's operating units. Appropriate changes are made to processes in response to changes in the risk situation. The objective of risk management is to reduce the financial risk through planned measures.

Credit risk

Credit risk is managed at Group level. Credit risks arise from cash and cash equivalents, current financial assets, trade receivables and other receivables. Customer risks are systematically recorded, analysed and managed in the respective subsidiary, whereby both internal and external information sources are used. The maximum credit risk was reflected by the carrying amounts of the financial assets recognised in the statement of financial position. No collateral or other credit enhancements existed that would reduce the credit risk from financial assets.

The Group considers a financial asset to be credit-impaired when the probability is remote that the debtor will be able to pay all its credit obligations due to the Group without the Group having to revert to measures such as selling collateral (if provided).

Credit risks arise in particular in connection with the newly set-up and fully consolidated special fund, which is invested in interest-bearing and non-interest-bearing securities, as well as from trade receivables and other receivables. Since the Group's business model is based on a broad customer base, the risk of significant bad debts is deemed to be relatively low. To the extent that credit risks are identifiable, these are countered with active receivables management as well as credit ratings of customers.

At each reporting date, Scout24 assesses whether any financial assets measured at amortised cost are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred.

Indicators that a financial asset is credit-impaired include observable data about the following events:

- Significant financial difficulty of the customer;
- A breach of contract, such as a default or past due event by more than 90 days;
- Restructuring of a loan or credit facility by the Group that it would not otherwise consider;
- The probability that the borrower will enter bankruptcy or other financial reorganisation; or
- The disappearance of an active market for that financial asset because of financial difficulties.

A financial asset's gross carrying amount is reduced when the Group has no reasonable expectation of recovering the financial asset in its entirety or a portion thereof.

In accordance with IFRS 9, Scout24 applies the simplified expected credit losses approach for trade receivables based on lifetime expected losses. The expected losses are calculated on the basis of the customer's historical payment patterns. At each reporting date, the expected loss over the remaining term is calculated as a percentage in relation to the number of days past due. The estimated expected credit losses per maturity band were calculated using historical credit loss experience over the past three years. Scout24 calculated the expected credit losses with respect to the number of days past due. For explanations on the effects of the Covid-19 pandemic, see note 1.3. Effects of Covid-19 and note 4.2. Trade receivables.

The risk of impairment increases significantly for outstanding trade receivables that are more than 90 days past due. Unless the outstanding balance is immaterial, item-by-item measurement is performed to estimate expected credit losses.

For all items other than trade receivables, impairment losses are immaterial to the Group.

Liquidity risk

Liquidity risk describes the risk that Scout24 cannot meet its financial obligations or can only meet them to a limited extent. Cash requirements are covered by the cash flow from operating activities and external financing under the term and revolving facilities agreement and the promissory note loan. Liquidity risks are monitored and managed centrally for the entire Group by the operating cash management of Scout24. The risk of a potential liquidity shortage is monitored by means of periodic liquidity planning and monthly cash flow analyses. The due dates of financial liabilities are continually monitored and managed.

EUR '000 As of 31 December 2021	Up to 1 year	1–3 years	3–5 years	More than 5 years	Total
Non-derivative financial instruments	**82,550**	**163,453**	**2,000**	**0**	**248,003**
Trade payables	17,211	0	0	0	17,211
Financial liabilities	65,339	163,453	2,000	0	230,792
Lease liabilities	**9,034**	**16,952**	**15,676**	**21,574**	**63,236**
Derivative financial instruments	**506**	**121**	**0**	**0**	**626**

EUR '000 As of 31 December 2020	Up to 1 year	1–3 years	3–5 years	More than 5 years	Total
Non-derivative financial instruments	**83,312**	**192,671**	**2,000**	**–**	**277,983**
Trade payables	13,250	–	–	–	13,250
Financial liabilities	70,062	192,671	2,000	–	264,734
Lease liabilities	**8,986**	**16,824**	**16,099**	**29,637**	**71,547**
Derivative financial instruments	**552**	**841**	**–**	**–**	**1,393**

The above table shows the future undiscounted cash outflows (interest and principal) with respect to the existing financial liabilities. The amounts are not reconcilable with the amounts in the statement of financial position; only the amounts for trade payables are reconcilable since these are not discounted due to immateriality. Future cash outflows based on variable interest rates were determined by applying forward interest rates on the basis of the EURIBOR yield curve as of 31 December 2021.

In order to avoid short-term liquidity risks within the Group, a Group-wide cash pool is in place between Scount24 SE and most of its subsidiaries. Short-term fund transfers within the Group lead to lower financing costs at the subsidiaries.

Currency and interest rate risk

The Group is exposed to immaterial currency risks only. Revenue is primarily generated in euro. Translation risks from the translation of assets and liabilities of foreign subsidiaries into the reporting currency are generally not hedged.

Due to the Group-wide cash management, the intragroup receivables and liabilities are denominated in euro. As a result, for those subsidiaries of Scout24 SE whose functional currency is not the euro, effects may arise in the statement of profit or loss from exchange rate fluctuations. In addition, the Group entities' cash and cash equivalents may include foreign currencies.

The Scout24 Group is subject to interest rate risks due to its long-term external financing arrangements. The loans taken out in euro with variable interest rates (three-month EURIBOR) expose the Group to a cash flow interest-rate risk. As of 31 December 2021, the risk comprises EUR 100,000 thousand (previous year: EUR 100,000 thousand).

Based on the simulations carried out, the Group determines the effects on profit or loss of defined interest rate changes. The scenarios are analysed for liabilities, which represent the main portion of the interest-bearing liabilities, and for the securities of the special fund. Given an assumed change in the market interest rate as of the respective reporting date of +100 or -50 base points, the following effects would arise for earnings before tax:

EUR '000	31 Dec. 2021		31 Dec. 2020	
	Change in market interest rate Base points		Change in market interest rate Base points	
Effect on earnings before tax	-50	+100	-50	+100
Non-derivative financial instruments	2,615	-15,820	2,249	-33,295
Derivative financial instruments	-645	594	-1,141	1,314

Scout24 invests in listed and unlisted equity securities through the special fund that was set up. Consequently, Scout24 is exposed to a market price risk stemming from the uncertainty of future developments in the value of these securities. A value-at-risk analysis indicates with a 99% confidence interval a maximum risk of loss of EUR 20,076 thousand for an assumed holding period of one year (previous year: EUR 34,864 thousand).

Liquidity management is centralised at Scout24 as part of the Group-wide treasury management system. When investing cash and cash equivalents, the banks and types of investment are selected carefully and monitored regularly in connection with treasury management reporting. The risk position as well as compliance with risk limits are also regularly monitored. Cash and cash equivalents are only invested with renowned commercial banks with high credit ratings.

Capital management

The objective of Scout24 SE with respect to capital management is generally to secure the Scout24 Group's ability to continue as a going concern and finance its long-term growth. The Scout24 Group's capital structure is optimised continuously and adapted to the respective general economic conditions. Since the inflow of significant cash from the sale of AutoScout24, FinanceScout24 and FINANZCHECK, the medium-term objective is to distribute the surplus liquidity to shareholders via dividend payments and capital measures.

The capital structure is monitored by the CFO based on monthly reporting on net debt. Where required, financing measures are carried out by Scout24 SE in the international financial markets. Net debt comprised the following as of the reporting date:

EUR '000	31 Dec. 2021	31 Dec. 2020
Financial liabilities incl. lease liabilities	-293,341	-332,240
Cash and cash equivalents	120,009	177,663
Net financial liabilities	**-173,331**	**-154,577**

The ratio of net debt in relation to ordinary operating EBITDA for the last twelve months is 0.78 : 1. The company complied with the external minimum capital requirements of a leverage ratio of 3.50 : 1 pursuant to the term and revolving facilities agreement (covenant) in the financial year.

5.3. Share-based payments

Long-term incentive programme 2018

In July 2018, Scout24 introduced the long-term incentive programme (LTIP) 2018 for members of the Management Board and selected employees of the Scout24 Group.

The LTIP 2018 furthers employee retention with respect to members of the Management Board and executives of the Scout24 Group. It is aimed at aligning the structure of compensation towards sustainable development of the company and rewards enhanced profitability and revenue growth as well as the development of the Scout24 share compared with a group of selected peer companies. The selected beneficiaries receive virtual Scout24 share units. These are serviced in accordance with the rules of IFRS 2 as a cash-settled share-based transaction.

A proportion of 50% of the share units granted is subject to a three-year vesting period, with the other 50% subject to a vesting period of four years. They were allocated for the first time as of 1 July 2018 and, accordingly, the vesting periods started on 1 July 2018.

In addition, 35% of the number of share units granted are retention share units (RSUs) subject to the condition of employment.

A proportion of 65% of the number of share units granted are performance share units (PSUs) subject both to the condition of employment and to performance conditions. A third of the performance conditions in each case relate to revenue growth targets, growth targets relating to ordinary operating EBITDA, and one target relating to a relative capital market condition. To calculate the amount of the cash settlement, the number of PSUs is multiplied by the performance factor, which is determined by the degree of achievement of the three performance conditions described; the performance factor is capped at 200%.

The revenue growth condition relates to the annualised growth rate of Scout24's reported revenue between the grant date and the end of the respective vesting period, calculated as compound annual growth rate (CAGR).

The growth targets relating to ordinary operating EBITDA likewise refer to the annualised growth rate of Scout24's last twelve months' ordinary operating EBITDA (LTM ooEBITDA) reported in the respective interim financial statements for the half of the year between the grant date and the end of the respective vesting period, calculated as CAGR.

The share price target as 'relative capital market condition' refers to the relative performance of the Scout24 share's total shareholder return (TSR) compared with the TSR performance of a peer group of competitors within the respective vesting period.

The amount paid out per share unit is capped at three and a half times the share unit price on the grant date.

Programme modifications

AutoScout24 and FINANZCHECK programme participants
The LTIP 2018 was modified in the first half of 2020 due to the sale of AutoScout24, FINANZCHECK and FinanceScout24. For the AutoScout24 and FINANZCHECK programme participants, the share units vested by 31 March 2020 (closing date of the AutoScout24 sale) were paid out in the 2020 financial year under the conditions applicable prior to modification (see note 5.3 Share-based payments in the annual report for 2020). AutoScout24 and FINANZCHECK participants were entitled to the remaining share units provided that they were still held in an employment relationship with these entities as of 31 March 2021. The remaining share units were paid out in the amount of EUR 6,768 thousand in April 2021.

ImmoScout24 and Scout24 AG programme participants
For Scout24 Group participants, the valuation of the shares was split into two periods: for the period between the start of the programme and 31 March 2020 (pre-closing period), revenue and ordinary operating EBITDA were used as performance factors applicable for said period in the valuation. The amount for the pre-closing period will be paid out at the end of the programme on the basis of the share price prevailing at that time. For the period between 1 April 2020 and the end of the programme (post-closing period), the performance factors 'revenue' and 'ordinary operating EBITDA' were adjusted for growth in continuing operations. In future, share price performance will be measured relative to the MDAX; for the pre-closing period, performance was still measured against the performance of a peer group.

Furthermore, LTIP 2018 factored in certain implications of the Covid-19 pandemic in accordance with the plan terms. As a result of the modification, an additional personnel expense of EUR 1,112 thousand was recognised in the first half of 2021.

Under the terms of the programme, the capital reduction carried out in the first half of the year constituted a capital measure that affected the share price. In accordance with the terms of the programme, an adjustment was made to the share price used for valuation purposes. The adjustment resulted in additional personnel expenses of EUR 617 thousand in the first half of 2021.

In accordance with the contractual provisions and the length of service, the virtual shares vested up to 30 June 2021 were paid out in the third quarter of 2021; an amount of EUR 20,270 thousand resulted. The share price used at the grant date for the virtual shares is EUR 44.58, while the share price taken into account for the payout is EUR 69.52. The target achievement for the pre-closing PSU tranche was 128.33%. For deviating regulations concerning the members of the Management Board, please refer to the compensation report. In addition, shares settled as part of reorganization measures were paid out in the 2021 financial year.

The fair value of the instruments granted as of the reporting date was calculated applying a Monte Carlo simulation option pricing model. Depending on the term to maturity, a risk-free interest rate is assumed between -0.65% and -0.51%. For the historical volatility, reference was made to the share price of Scout24 SE; depending on the shares' term to maturity as of the reporting date, applicable volatility rates of 23.7% to 25.75% were calculated. Additional parameters and expected dividends were not included in the fair value measurement. With respect to the revenue growth targets, target achievement of 65.56% to 101.90% was assumed depending on the term to maturity for measurement purposes. With respect to the ordinary operating EBITDA growth targets, target achievement of between 0% and 129.5% was assumed for measurement purposes. When determining the personnel expenses to be recognised in the financial year, an appropriate mark-down was applied for staff turnover.

The total number of shares held in the scope of the long-term incentive programme 2018 is as follows as of 31 December 2021:

Number '000	LTIP 2018
Number of shares on 31 Dec. 2019	**1,332.2**
Issued	6.7
Exercised[1]	33.0
Forfeited	56.3
Amount paid out in connection with the modification for AutoScout24 and FINANZCHECK participants	257.0
Number of shares on 31 Dec. 2020	**992.6**
Issued	-
Exercised	321.9
Forfeited	21.3
Amount paid out in connection with the modification for AutoScout24 and FINANZCHECK participants	118.0
Number of shares on 31 Dec. 2021	**531.4**

[1] Shares settled in the course of reorganisation measures.

Total personnel expenses of EUR 9,539 thousand (previous year: EUR 14,768 thousand) were recognised for LTIP 2018. The total carrying amount of liabilities arising from share-based payments came to EUR 23,449 thousand as of 31 December 2021 (previous year: EUR 41,685 thousand).

Long-term incentive programme 2021

In the 2021 financial year, Scout24 SE introduced the long-term incentive programme 2021 (LTIP 2021) for members of the Management Board and selected employees of the Scout24 Group.

LTIP 2021 furthers retention with respect the Management Board and executives of the Scout24 Group and is aimed at aligning the structure of compensation with sustainable corporate development. Beyond that, however, the programmes for the two groups of participants differ in terms of their individual design and are therefore described separately below.

LTIP 2021 for members of the Management Board

Under the programme, members of the Management Board receive a tranche of virtual performance share units (PSU) in each year in which the related Management Board service contract is in effect, in each case annually on 1 January. Provided employment is uninterrupted, the PSUs granted vest at the end of the financial year for which they were granted. After a four-year performance period, the programme is settled exclusively in cash and is therefore classifiable as a cash-settled transaction in accordance with IFRS 2. A liability must be accrued as an expense over the vesting period. The vesting period begins on the date on which the Management Board's service contracts are signed (*service commencement date*).

The number of PSUs granted is determined by the respective grant amount and the relevant PSU price on the grant date. The relevant PSU price on the allocation date results from the 30-day average closing price of the Scout24 SE share in the Xetra trading system, rounded to three decimal places.

A third of the performance conditions in each case relate to revenue growth targets, growth targets relating to ordinary operating EBITDA, and one non-financial strategy target. To calculate the amount of the cash settlement, the number of performance share units is multiplied by the performance factor, which is determined by the degree of achievement of the three performance conditions described; the performance factor is capped at 200%. The number of PSUs thus determined is converted into a cash amount, taking into account the respective PSU price at the end of the performance period, and paid out along with the dividends of the Scout24 share distributed during the performance period, within one month after ratification of the annual financial statements by the Supervisory Board.

In addition to the cap on the payout for each tranche of 300% of the respective amount granted and the provisions regarding maximum compensation, the new service contracts for the Management Board concluded in the 2021 financial year contain the option of proportionately or fully reducing or reclaiming variable compensation in the event of a serious breach of the duty of care (including breaches of the company's internal Code of Conduct) as defined in Article 93 AktG or contractual employment provisions. No use was made of this option in the 2021 financial year.

Furthermore, payment may be deferred as long as a member of the Management Board fails to comply with the provisions of the share ownership guidelines (see the compensation report for details).

They were allocated for the first time as of 1 January 2022 and, accordingly, the respective vesting periods started on 1 January 2022. Due to the fact that the contract was concluded during the year, a grant amount is taken into account pro rata temporis the 2021 financial year.

The fair value of the instruments granted as of the reporting date was calculated applying a Monte Carlo simulation option pricing model. Depending on the term to maturity, a risk-free interest rate of -0.55% is set. For the historical volatility, reference was made to the share price of Scout24 SE; as of the reporting date, an applicable volatility rate of 24.57% was calculated. Additional parameters were not included in the fair value measurement. With respect to both the revenue and ordinary operating EBITDA growth targets, target achievement of 100% was assumed for measurement purposes. When determining the personnel expenses to be recognised in the financial year, an appropriate mark-down was applied for staff turnover.

The total number of shares held in the scope of the long-term incentive programme 2021 is as follows as of 31 December 2021:

Number '000	LTIP 2021
Number of shares on 31 Dec. 2020	**0**
Issued	14.6
Exercised	-
Forfeited	-
Number of shares on 31 Dec. 2021	**14.6**

Total personnel expenses of EUR 521 thousand (previous year: -) were recognised for LTIP 2021 (members of the Management Board). The total carrying amount of liabilities arising from share-based payments came to EUR 521 thousand as of 31 December 2021 (previous year: -).

LTIP 2021 for selected employees

In the 2021 financial year, Scout24 SE granted a new and payment instrument with a long-term gearing for the retention of employees with the aim of aligning their actions with sustainable corporate development.

The participants receive virtual Scout24 shares (retention share units, RSU) and virtual stock options (VSO). The programme is exclusively cash-settled and is therefore classifiable as a cash-settled transaction in accordance with IFRS 2. A liability must be accrued as an expense over the vesting period. The vesting period begins on the date on which the Management Board first becomes aware of the introduction of the plan (the "service commencement date").

The RSUs granted are subject only to a service condition in the form of a two-year vesting period; the VSOs are subject to both a service condition in the form of a three-year vesting period and performance conditions. The RSUs and VSOs were allocated for the first time as of 1 July 2022 and, accordingly, the vesting periods started on 1 July 2021.

The award amount is allocated to RSUs and VSOs based on the participants' membership in one of two groups: either 25% RSUs / 75% VSOs or 50% RSUs / 50% VSOs; participants in the second group may opt to allocate 25% RSUs / 75% VSOs.

The performance conditions of the VSOs consist in equal parts of revenue growth targets and growth targets linked to ordinary operating EBITDA (ooEBITDA growth target). At the end of the waiting period, the number of VSOs is multiplied by the performance factor resulting from the target achievement of the two aforementioned performance conditions; the performance factor is capped at 200%.

The revenue growth condition relates to the annualised growth rate of Scout24's revenue as reported in the interim financial statements for the respective quarter between the grant date and the end of the respective vesting period, calculated as compound annual growth rate (CAGR).

The growth targets relating to ordinary operating EBITDA likewise refer to the annualised growth rate of Scout24's last twelve months' ordinary operating EBITDA (LTM ooEBITDA) reported in the respective interim financial statements for the quarter between the grant date and the end of the respective vesting period, calculated as CAGR.

To determine the payment entitlement resulting from the RSUs, the total number of RSUs granted to the participants is multiplied by the value per RSU. In this context, the value per RSU corresponds to the RSU price at the exercise date plus the sum of the dividends distributed on a Scout24 share between the grant date and the RSU exercise date. The value per RSU is capped at three and a half times the RSU price on the grant date. Retention share units do not require separate exercise, as they are automatically deemed to have been effectively exercised upon expiry of the RSU waiting period.

To determine the payment entitlement resulting from the VSOs, the number of exercisable VSOs determined taking into account the performance factor is multiplied by the value per VSO. The value per VSO corresponds to the difference between (i) the share price based on the VSO exercise date plus the sum of the dividends distributed on a Scout24 share between the grant date and the VSO exercise date on the one hand, and (ii) the share price based on the grant date less a discount of 20% ('strike price'), on the other hand. The value per VSO is limited to the value of one Scout24 share according to the share price on the grant date. Effective exercise is possible during an exercise period of two years, only at defined exercise dates. In this context, a separate exercise declaration is generally required.

The fair value of the instruments granted was calculated applying a Monte Carlo simulation option pricing model. Depending on the term to maturity, a risk-free interest rate is assumed between –0.64% and –0.46%. For the historical volatility, reference was made to the share price of Scout24 SE; depending on the shares' term to maturity as of the reporting date, applicable volatility rates of 23.70% to 23.87% were calculated. Additional parameters were not included in the fair value measurement. With respect to both the revenue and ordinary operating EBITDA growth targets, target achievement of 100% was assumed for measurement purposes. When determining the personnel expenses to be recognised in the financial year, an appropriate mark-down was applied for staff turnover.

Number '000	LTIP 2021
Number of shares on 31 Dec. 2020	**0**
Issued	115.6
Exercised	-
Forfeited	-
Number of shares on 31 Dec. 2021	**115.6**

Total personnel expenses of EUR 310 thousand (previous year: -) were recognised for LTIP 2021 (selected employees). The total carrying amount of liabilities arising from share-based payments came to EUR 310 thousand as of 31 December 2021 (previous year: -).

5.4. Related party disclosures

Related parties in the meaning of IAS 24 are deemed to be individuals or entities which Scout24 SE can influence, which can influence Scout24 SE or which are influenced by any other related party of Scout24 SE.

Related parties (entities)
As of the reporting date and throughout the past financial year, no party was able to exert control or significant influence over Scout24 SE.

In the course of its ordinary business activities, the Scout24 Group has relationships with some of its associates and joint ventures. The transactions of continuing operations with associates and joint ventures are disclosed below.

EUR '000	Total	Associates	Joint venture
	2021		
Services rendered and other income	**675**	654	22
Services received and other expenses	**-43**	-	-43
	31 Dec. 2021		
Receivables	**221**	220	1
Liabilities	**1**	-	1

The extent of business relationships with related party entities in the 2020 financial year is presented in the table below:

EUR '000	Total for continuing operations	Associate	Joint ventures	Total for discontinued operations	SUMAUTO MOTOR S.L. (associate)
	2020			**2020**	
Services rendered and other income	**1**	–	1	**–**	–
Services received and other expenses	**-175**	–	-175	**-15**	-15
	31 Dec. 2020			**31 Dec. 2020**	
Receivables	3	–	3	–	–

Transactions with related parties were conducted at arm's length, i.e. on the same terms as transactions with independent business partners.

The outstanding balances at the end of the reporting period are unsecured and will be settled by cash payment or by offsetting receivables and liabilities. No guarantees exist for receivables due from, and liabilities due to, related parties. No loss allowances were recognised on receivables due from related party entities.

Related parties (individuals)

Individuals who exercise significant influence on the financial and operating policies of Scout24 (key management personnel), including their close family members, are considered to be related parties. These include members of the Management Board and the Supervisory Board of Scout24 SE.

Management Board

The Management Board of Scout24 SE comprised the following individuals during the past financial year:

- Tobias Hartmann, CEO (Chair of the Management Board), Munich
- Dr Dirk Schmelzer, CFO, Munich
- Ralf Weitz, CCO, Berlin
- Dr Thomas Schroeter, CPO, Berlin

The members of the Management Board held the following offices within the Group:

Tobias Hartmann:

Entity	Office	Length of service
Immobilien Scout GmbH	Supervisory Board	since November 2018
Scout24 Beteiligungs SE	Member of the Management Board	since December 2019

Dr Dirk Schmelzer:

Entity	Office	Length of service
Immobilien Scout GmbH	Supervisory Board	since July 2019
Consumer First Services GmbH	Managing Director	since July 2019
Scout24 Beteiligungs SE	Member of the Management Board	since December 2019

Ralf Weitz:

Entity	Office	Length of service
Immobilien Scout GmbH	Managing Director	since April 2018
Consumer First Services GmbH	Managing Director	since July 2018
Immobilien Scout Österreich GmbH	Managing Director	since July 2019

Dr Thomas Schroeter:

Entity	Office	Length of service
Immobilien Scout GmbH	Managing Director	since May 2017
Consumer First Services GmbH	Managing Director	since July 2018

The following members of the Management Board held further comparable external offices:

Tobias Hartmann: Member of the Supervisory Board of Zur Rose Group AG, Frauenfeld, Switzerland, until April 2021, Member of the Supervisory Board of SGS SA, Geneva, Switzerland, and since November 2021 Member of the Advisory Board of Expondo GmbH, Berlin.

Dr Thomas Schroeter: Managing Director of Heja Ventures GmbH, Berlin, Germany (formerly Andreas und Thomas Schroeter Beteiligungsgesellschaft mbH) and, since June 2021, Member of the Advisory Board of Groupe La Centrale, SAS, Paris, France.

The following table shows the compensation of the Management Board in accordance with IAS 24:

EUR '000	2021	2020
Short-term benefits	3,615	3,633
Post-employment benefits	125	125
Other long-term benefits	-	–
Termination benefits	-	–
Share-based payments	4,875	2,942
Total	**8,615.1**	**6,701**

Additional disclosures on share-based payment programmes in the context of Management Board compensation:

Number '000	LTIP 2018	LTIP 2021
Number of shares on 31 Dec. 2020	**459.9**	**-**
Exercisable shares on 31 Dec. 2020	**-**	**-**
Average remaining vesting period	1.5 years	-
Issued in 2021	-	14.6
Exercised in 2021	110.1	-
Forfeited in 2021	-	-
Number of shares on 31 Dec. 2021	**349.8**	**14.6**
Exercisable shares on 31 Dec. 2021	**-**	**-**
Average remaining vesting period	0.7 years	4 years

The members of the Board of Management accounted for EUR 4,875 thousand of personnel expenses from cash-settled share-based payment transactions in the reporting year (previous year: EUR 2,942 thousand).

For disclosures broken down by individuals, see the compensation report.

Agreements are in place between two subsidiaries of Scout24 SE (Immobilien Scout GmbH and immoverkauf24 GmbH) and Homeday GmbH, Berlin, on the placement of real estate listings and the mediation of customer leads. The wife of a member of Scout24 SE's Management Board was COO of Homeday GmbH until November 2021. In the 2021 financial year, revenue of EUR 2,508 thousand (previous year: EUR 1,738) was recognised under the cooperation arrangement and costs of EUR 440 thousand (previous year: EUR 109) expensed. The agreements were concluded at arm's length conditions. The member of Scout24 SE's Management Board was not involved in the conclusion of the agreement.

Supervisory Board

Individuals who exercise significant influence on the financial and operating policies of Scout24 (key management personnel), including their close family members, are considered to be related parties. These include members of the Management Board and the Supervisory Board of Scout24 SE.

As of 31 December 2021, the Supervisory Board comprised the six individuals listed below who hold the following further offices:

MEMBERS OF THE SUPERVISORY BOARD IN THE 2021 FINANCIAL YEAR

Name Function	Profession exercised	Member AG before change of legal form since	Member SE after change of legal form since	Appointed until	Other board positions in 2021 (during term of office)
Dr Hans-Holger Albrecht Chair	Member of the Board of Directors of Deezer S.A., Paris, France, and London, UK	21 June 2018	15 October 2021, last elected on: 8 July 2021	AGM 2024	• ICE GROUP ASA, Oslo, Norway (Chairman of the Board of Directors) • VEON Ltd., Hamilton, Bermuda (non-executive member of the Board of Directors)
Frank H. Lutz	CEO of CRX Markets AG, Munich, Germany	30 August 2019	15 October 2021, last elected on: 8 July 2021	AGM 2024	• Bilfinger SE, Mannheim, Germany (member of the Supervisory Board)
Christoph Brand	CEO of Axpo Holding AG, Baden, Switzerland	30 August 2019	15 October 2021, last elected on: 8 July 2021	AGM 2024	• Centralschweizerische Kraftwerke AG, Lucerne, Switzerland (member of the Board of Directors) • GfM Schweizerische Gesellschaft für Marketing, Zurich, Switzerland (member of the Management Board)
André Schwämmlein	CEO of FlixMobility GmbH, Munich, Germany	30 August 2019	15 October 2021, last elected on: 8 July 2021	AGM 2024	• ABOUT YOU Holding SE & Co. KG, Hamburg, Germany (member of the Supervisory Board) • ABOUT YOU Verwaltungs AG, Hamburg, Germany (member of the Supervisory Board)
Peter Schwarzenbauer	Former member of the Board of Management of BMW AG, Munich, Germany	8 June 2017	15 October 2021, last elected on: 8 July 2021	AGM 2024	• UnternehmerTUM GmbH, Munich, Germany (member of the Supervisory Board) • Lunewave, Inc., Tucson (Arizona), United States (member of the Advisory Board) • Mobility Impact Partners LLC, New York, United States (member of the Advisory Board)
Dr Elke Frank	Member of the Management Board of Software AG, Darmstadt, Germany	18 June 2020	15 October 2021, last elected on: 8 July 2021	AGM 2024	• Fraunhofer-Institut für Arbeitswirtschaft und Organisation IAO, Stuttgart, Deutschland, eine Einrichtung der Fraunhofer-Gesellschaft zur Förderung der angewandten Forschung e. V., Munich, Germany (member of the Board of Trustees)

As of 31 December 2021, the Supervisory Board of Scout24 SE consisted of six members.

On 8 July 2021, the Annual General Meeting of Scout24 AG confirmed under agenda item 7 'Resolution on the remuneration of the Supervisory Board members' the compensation of the Supervisory Board members pursuant to Article 12 of the Articles of Association, including the compensation system on which this is based, as described below.

Each member of the company's Supervisory Board receives fixed annual compensation of EUR 60 thousand in addition to reimbursement of their outlays. The Chair of the Supervisory Board and his or her deputy receive fixed annual compensation of EUR 140 thousand and EUR 120 thousand respectively. Members of a committee additionally receive fixed annual compensation of EUR 20 thousand and committee chairs EUR 40 thousand respectively.

Compensation of the members of the Supervisory Board totalled EUR 740 thousand in the 2021 financial year (previous year: EUR 712 thousand). For disclosures broken down by individuals, see the compensation report.

Directors' dealings

In accordance with Article 19 (1) of the Market Abuse Regulation (Regulation (EU) No. 596/2014), members of the Management Board and the Supervisory Board as well as certain family members of theirs are required to publish immediately any sale or purchase of Scout24 shares and other related rights if they exceed the threshold of EUR 20,000 within a calendar year.

The table below presents a list of the published transactions in the financial year 2021:

Notifying party	Notification dated	Date of transaction	Nature of transaction	Price in EUR (aggregated)	Volume in EUR (aggregated)
Dr Dirk Schmelzer	15 November 2021	11 November 2021	Purchase	62.58	31,291.88
Dr Thomas Schroeter	23 November 2021	23 November 2021	Purchase	58.97	29,483.48
Ralf Weitz	24 November 2021	23 November 2021	Purchase	58.82	149,531.28
Tobias Hartmann	24 November 2021	22 November 2021	Purchase	63.50	63,500.00
Tobias Hartmann	24 November 2021	23 November 2021	Purchase	59.20	29,600.00
Ralf Weitz	3 December 2021	2 December 2021	Purchase	54.83	54,828.00

5.5. Segment reporting

IFRS 8 requires operating segments to be identified on the basis of an entity's internal management and reporting structure. The organisational and reporting structure of the Scout24 Group is based on management by operating segment. As the chief operating decision-maker, the Management Board assesses the performance of the various segments and the allocation of resources on the basis of a reporting system that it has established.

The business operations of the Scout24 Group are structured into the following segments:

Residential Real Estate

- Business with residential real estate partners, i.e. real estate agents primarily offering residential properties, property management companies and finance partners
- Business with moving companies
- Business with homeowners: sellers, landlords
- Business with consumers: buyers, tenants

Business Real Estate

- Business with business real estate partners: real estate agents specialising in commercial real estate, new home builders and real estate developers

Media & Other

- Business with advertisers (third parties) who place advertisements on ImmoScout24
- Business with users of ImmoScout24 Austria
- Business with FLOWFACT customers

The two companies acquired in the 2021 financial year, Vermietet.de and Wohnungsbörse (since merged with IS GmbH), were both allocated to the Residential Real Estate segment, while Propstack, which was likewise acquired in the 2021 financial year, was allocated to the Media & Other segment. For details, see note 2.1. Entities acquired in the reporting period.

The accounting principles for segment reporting are generally the same as those used for external financial reporting purposes; for details, see note 1.7. Accounting policies. At Group level, the most important financial performance indicators for Scout24 are revenues and EBITDA from ordinary activities. This is supplemented by the EBITDA margin from ordinary activities, a profitability indicator that relates the two mentioned measures. At segment level, the most important financial performance indicator is revenues.

Segment EBITDA is defined as profit (based on total revenue) before the financial result, income taxes, depreciation, amortisation and impairment losses, reversals of impairment losses and the gain or loss on the disposal of subsidiaries. In accordance with the Group's corporate guidelines, ordinary operating EBITDA refers to EBITDA adjusted for non-operating effects, which mainly include effects on profit or loss from share-based payment programmes, costs attributable to M&A transactions (realised and unrealised), reorganisation expenses and other non-operating effects. In the reporting period, non-operating effects within continuing operations amounted to EUR –21,985 thousand (previous year: EUR –14,049 thousand).

The scope of transactions between segments was immaterial.

The key indicators applied by Scout24 to assess the performance of its segments are as follows:

SEGMENT INFORMATION

EUR '000		External revenue	Ordinary operating EBITDA
Residential Real Estate	2021	288,359	171,528
	2020	253,397	160,109
Business Real Estate	2021	68,944	49,620
	2020	69,137	49,222
Media & Other	2021	31,326	10,604
	2020	30,988	11,979
Total, reportable segments	**2021**	**388,629**	**231,752**
	2020	**353,523**	**221,310**
Central group functions/consolidation/other	2021	412	-8,923
	2020	300	-9,000
Total, consolidated	**2021**	**389,041**	**222,829**
	2020	**353,822**	**212,310**

The 'central group functions/consolidation/other' item primarily contains costs incurred in connection with central group functions as well as immaterial transactions not allocated to reportable segments.

The following table shows the reconciliation of the Group's ordinary operating EBITDA and EBITDA to earnings before tax from continuing operations under IFRS:

EUR '000	2021	2020
Ordinary operating EBITDA	**222,827**	**212,310**
Non-operating effects	-21,985	-14,049
of which share-based payments	-10,658	-6,954
of which: M&A transactions	-6,885	-1,538
of which: reorganisation	-2,503	-4,544
of which other non-operating effects	-1,939	-1,013
EBITDA[1]	**200,842**	**198,261**
Depreciation, amortisation and impairment losses	-63,105	-51,506
Profit/loss from investments accounted for using the equity method	-248	112
Other financial result	-4,766	-4,987
Earnings before tax	**132,723**	**141,880**

[1] EBITDA is defined by analogy with the presentation in the consolidated statement of profit or loss as earnings from continuing operations before the financial result, income taxes, depreciation, amortisation and impairment losses as well as any reversals of impairment losses.

For the presentation of information by geographic region, revenue and non-current assets are presented in accordance with the respective Scout24 entity's registered office.

EUR '000	2021 External revenue	2020 External revenue
Germany	376,750	343,746
Other countries	12,292	10,077
Total, consolidated	**389,042**	**353,822**

EUR '000	2021 Non-current assets	2020 Non-current assets
Germany	1,774,842	1,720,797
Other countries	16,252	16,612
Total, consolidated	**1,791,094**	**1,737,409**

As communicated at the Capital Markets Day in December 2021, Scout24 will adjust its segment structure in financial year 2022. For further information in this regard, please refer to note 5.9. Events after the reporting period.

5.6. Other financial obligations

The table below shows other financial obligations as of the reporting dates:

EUR '000				31 Dec. 2021				31 Dec. 2020
	Total	Due within 1 year	Due in 1 to 5 years	Due in more than 5 years	Total	Due within 1 year	Due in 1 to 5 years	Due in more than 5 years
Obligations from maintenance and service agreements	16,509	16,509	–	–	14,849	14,849	–	–
Other obligations	45,021	8,372	33,992	2,657	139	137	2	–
Total	**61,530**	**24,881**	**33,992**	**2,657**	**14,988**	**14,986**	**2**	**–**

The item other obligations mainly includes cloud services used amounting to EUR 36,204 thousand (previous year: EUR 5,040 thousand).

For financial obligations from rental and lease agreements, see note 4.6 Right-of-use assets from leases and lease liabilities.

5.7. Contingent liabilities

In the 2019 financial year, Scout24 SE issued a declaration to the lessor of FFG Finanzcheck Finanzportale GmbH in connection with the conclusion of a new lease agreement to assume responsibility for current and future obligations of the lessee under the lease agreement.

By purchase agreement dated 17 December 2019, Scout24 sold 100% of the shares in AutoScout24 GmbH and FINANZCHECK Finanzportale GmbH as well as the business operations of FinanceScout24 to the financial investor Hellman & Friedman. The transaction was closed on 1 April 2020. For more information, see note 2.2. Entities sold in the reporting period (discontinued operations) in the 2020 annual report.

As part of the purchase agreement, it was agreed that the buyer would assume any obligations arising from the aforementioned declaration. Based on past experience, the company does not expect any claims to arise from this declaration in the future.

5.8. Auditor’s fees and services

The total fees and services of the auditors of the Group are presented as follows in accordance with Article 315e (1) in conjunction with Article 314 (1) No. 9 HGB:

EUR ’000	2021	2020
Audit services	554	504
Other assurance services	68	41
Tax advisory services	23	-
Other services	-	-
Total	**645**	**545**

The fee for the audit services from KPMG AG related mainly to the audit of the consolidated financial statements and the separate financial statements of Scout24 SE as well as various audits of the separate financial statements of its subsidiaries. Moreover, reviews of interim financial statements were also integrated into the audit, along with assurance engagements relating to IT-supported accounting-related systems. Other assurance services comprise the fee for reviewing the non-financial reporting of Scout24 SE.

5.9. Events after the reporting period

Dividend

For the 2021 financial year, the Management Board proposes to the Supervisory Board the payment of a dividend of EUR 0.84 per ordinary share outstanding at the date of preparation of the financial statements (79,920,015 shares). This corresponds to 50% of adjusted net profit and a total dividend payout of EUR 67.1 million. The exact amount of the dividend per share depends on the planned share buy-backs.

Share buy-back

On 28 February 2022, the Executive Board and Supervisory Board resolved to launch a further share buy-back program with a volume of up to EUR 350 million, which is to start at short notice. The new share buy-back program can be carried out in one or more tranches and is to be completed by the Annual General Meeting in 2023 at the latest. In order to be able to utilize the full volume, the authorization to purchase treasury shares is to be renewed by the Annual General Meeting in June 2022.

Capital reduction

On February 28, 2022, the Executive Board and Supervisory Board resolved to retire 3,400,000 of the 3,542,904 treasury shares held at that date. Use is hereby made of the authorizations granted by the Annual General Meeting for the use of treasury shares in the form of a capital reduction by withdrawal of treasury shares of the company. Accordingly, the share capital of Scout24 SE is reduced from 83,600,000 to 80,200,000 shares.

Resegmentation

As communicated at Capital Markets Day in December 2021, Scout24 is adjusting its segment structure in the 2022 financial year. This is in line with the medium-term growth strategy presented at Capital Markets Day, which is geared even more closely to the needs of Scout24’s private and professional customers.

Accordingly, the business operations of the Scout24 Group are structured into the following segments:

Professional

- Business with residential real estate partners
- Business with business real estate partners

Private

- Business with consumers
- Business with homeowners

Media & Other

- Business with advertisers (third parties) who place advertisements on ImmoScout24
- Business with users of ImmoScout24 Austria
- Business with FLOWFACT customers

The following table shows the Group's revenue for the 2021 financial year in the future segment structure:

EUR '000	External revenue 2021
Professional	262,729
Private	94,573
Media & Other	31,740
Total, consolidated	**389,042**

In connection with the adjustment of the key figures for revenue and ordinary operating EBITDA for the 2021 financial year to the new segment structure, goodwill and brands will also be reallocated. This information will be available by the end of Q1 2022 at the latest.

The Group is not aware of any other events or developments after the reporting period that are specific to the Group and which might have led to a significant change in the disclosure or carrying amount of individual assets or liabilities as of 31 December 2021.

5.10. List of shareholdings held by Scout24 SE pursuant to Article 313 (2) Nos. 1 to 4 HGB

		Currency	%	Full consolidation (F) Equity method (E) 31 Dec. 2021
Scout24 Beteiligungs SE [1]	Bonn (Germany)	EUR	100.00%	F
Consumer First Services GmbH[1]	Munich (Germany)	EUR	100.00%	F
Immobilien Scout GmbH[1]	Berlin (Germany)	EUR	100.00%	F
Immobilien Scout Österreich GmbH	Vienna (Austria)	EUR	100.00%	F
FlowFact GmbH[1; 3]	Cologne (Germany)	EUR	100.00%	F
Flow Fact Schweiz AG	Zurich (Switzerland)	CHF	100.00%	F
immoverkauf24 GmbH	Hamburg (Germany)	EUR	100.00%	F
immoverkauf24 GmbH Österreich	Mödling (Austria)	EUR	100.00%	F
Zenhomes GmbH	Berlin (Germany)	EUR	75.10%	F
Propstack GmbH	Berlin (Germany)	EUR	80.00%	F
Energieausweis48 GmbH	Cologne (Germany)	EUR	50.00%	E
Upmin Holding GmbH	Berlin (Germany)	EUR	38.69%	E
Upmin Management GmbH[3]	Berlin (Germany)	EUR	100.00%	n/a
Scout24 special securities fund[4]	n/a	EUR	n/a	n/a

[1] The entity made use of the exemption pursuant to Article 264 (3) HGB and filed the relevant requisite documents with the Bundesanzeiger (German Federal Gazette) for publication.
[2] FlowFact GmbH holds 7.1% of its share capital as treasury shares.
[3] Upmin Holding GmbH holds 100% of the shares in Upmin Management GmbH.
[4] In the case of the consolidated structured entity, Scout24 determines the main relevant activities, even in the absence of an equity investment, and thereby influences its own variable returns.

5.11. German Corporate Governance Code

The Management Board and the Supervisory Board of Scout24 SE have issued a declaration of conformity to the GCGC (Article 161 AktG), which was published on the website of Scout24 SE in December 2021.

5.12. Date of release for publication

The company's Management Board will release the consolidated financial statements on 14 March 2022 for publication and forwarding to the Supervisory Board. The Supervisory Board will adopt a decision on 17 March 2022 concerning the approval of the consolidated financial statements, which will be published on 24 March 2022.

Munich, 14 March 2022

Scout24 SE

The Management Board

Tobias Hartmann

Dr Dirk Schmelzer

Dr Thomas Schroeter

Ralf Weitz

Other statements

Responsibility statement

To the best of our knowledge, we assure that in accordance with the applicable accounting principles the consolidated financial statements give a true and fair view of the Group's net assets, financial position and results of operations, that the group management report, which has been combined with the management report of the company, gives a true and fair view of the Group's business development including the business performance and situation and describes the significant opportunities and risks relating to the Group's expected future development.

Munich, 14 March 2022

Scout24 SE

The Management Board

Tobias Hartmann

Dr Dirk Schmelzer

Dr Thomas Schroeter

Ralf Weitz

Independent auditor's report

Report on the Audit of the Consolidated Financial Statements and of the Combined Management Report

Opinions

We have audited the consolidated financial statements of Scout24 SE, Munich, and its subsidiaries (hereafter 'Scout24' or the 'group'), which comprise the consolidated statement of financial position as at 31 December 2021, the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows and notes to the consolidated financial statements, including a summary of significant accounting policies. In addition, we have audited the report on the situation of the company and the group (hereafter "group management report"), including the remuneration report contained in the section "Remuneration Report" of the group management report, including the related disclosures, and certain non-financial performance indicators, for the financial year from 1 January to 31 December 2021.

In accordance with German legal requirements, we have not audited the content of the components of the group management report mentioned in the section "Other information" of our auditor's report.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying consolidated financial statements comply in all material respects with the IFRS as adopted by the EU and the additional requirements of German law pursuant to section 315e (1) HGB [Handelsgesetzbuch: German Commercial Code] and, in compliance with these requirements, give a true and fair view of the financial position of the Group as at 31 December 2021 and of its financial performance for the financial year from 1 January to 31 December 2021; and
- the accompanying group management report as a whole provides a suitable view of the group's position. In all material respects, this group management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion on the group management report does not cover the content of the components of the group management report mentioned in the section "Other information".

Pursuant to section 322 (3) sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and the group management report.

Basis for the Opinions

We conducted our audit of the consolidated financial statements and the group management report in accordance with section 317 HGB and the EU Regulation on the Audit of Financial Statements (No. 537/2014; hereinafter "EU-APrVO") and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibility according to these regulations and principles is further described in the section "Auditor's responsibility for the audit of the consolidated financial statements and the group management report" of our auditor's report. We are independent of the group entities in accordance with European law and German commercial and professional regulations and have fulfilled our other German professional obligations in accordance with these requirements. In addition, pursuant to Article 10 (2) (f) EU-APrVO, we declare that we have not performed any prohibited non-audit services pursuant to Article 5 (1) EU-APrVO. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the consolidated financial statements and the group management report.

Key Audit Matters in the Audit of the Consolidated Financial Statements

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements for the financial year from 1 January to 31 December 2021. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon; we do not provide a separate opinion on these matters.

Acquisition of Zenhomes GmbH, Berlin

For the accounting and measurement principles applied, please refer to the notes to the consolidated financial statements, section 1.7. Information on the acquisition of Zenhomes GmbH can be found in the notes to the consolidated financial statements, section 2.1.

THE FINANCIAL STATEMENT RISK
On 11 May 2021, Scout24 acquired Zenhomes GmbH, Berlin.

In addition to a fixed purchase price component of EUR 44 million, the consideration transferred for the acquisition of Zenhomes GmbH in the amount of EUR 70 million also includes a contingent consideration for put options granted on minority interests in the amount of EUR 26 million. These interests are considered already acquired in the context of the business combination in accordance with IFRS 3 using the anticipated acquisition method. The contingent consideration is performance-related and linked to the achievement of contractually agreed EBITDA and revenue targets. Further payments were contractually agreed with the minority shareholders, which represent compensation for future work performed by the minority shareholders and have not been accounted for as part of the consideration transferred.

The identifiable assets and liabilities acquired are generally measured at fair value on the date of acquisition in accordance with IFRS 3.

As part of the acquisition of Zenhomes GmbH, the business activities of Upmin Holding GmbH, which comprise the "mein-hausio.de" partial business, were acquired with the intention to sell. In accordance with IFRS 5, the assets and liabilities attributable to these business activities were measured at fair value less costs to sell. The deconsolidation of these business activities took place on 24 September 2021 through the issue of new shares to third parties and the associated transfer of control of the business activities by Scout24.

For the determination of the conditional purchase price liability as well as for the determination and valuation of the identifiable assets acquired and liabilities assumed, Scout24 has consulted an external expert.

Both the determination of the conditional purchase price liability and the identification and measurement of the assets acquired in the amount of EUR 19 million and liabilities assumed in the amount of EUR 8 million, including the business activities acquired with the intention to sell, are complex and are based on assumptions by the ManagementBoard. The key assumptions relate to the revenue planning and margin development of the acquired business operations, the licence rates used and the cost of capital. Furthermore, the assets and liabilities of Upmin Holding GmbH held for sale are measured by assessing the fair value of these business activities at the time of the transfer of control.

There is a risk for the consolidated financial statements that the conditional purchase price liability is not calculated properly and that the assets and liabilities acquired are incorrectly identified or measured. Furthermore, there is a risk that the assets and liabilities held for sale are not valued appropriately. In addition, there is a risk that the information in the notes to the consolidated financial statements is not complete and accurate.

OUR AUDIT APPROACH
With the involvement of our own valuation specialists, we assessed, among other things, the appropriateness of the key assumptions as well as the identification and valuation methods. For this purpose, we first obtained an understanding of the acquisition transaction by interviewing employees of the finance, controlling and legal departments and by assessing the relevant contracts.

We reconciled the consideration paid up to 31 December 2021 with the underlying purchase agreement and the evidence of payment. We have examined the purchase price provisions contained in the contract to determine whether they constitute part of the consideration for the acquisition of the shares or remuneration for the future work performance of the minority shareholders. To this end, we held discussions with the Executive Board and employees of the company's legal department. We assessed the assumptions underlying the determination of the contingent consideration by comparing them to the business plans. Based on our own calculations, we also traced the fair value measurement of the contingent consideration.

The fair value of the business activities acquired with the intention to sell was determined with the help of our own valuation specialists on the basis of a contract analysis and our own calculations.

We assessed the competence, skills and objectivity of the independent expert engaged by Scout24. We also assessed the process of identifying the assets acquired and liabilities assumed against our knowledge of the business model of the Zenhomes GmbH for compliance with the requirements of IFRS 3. We examined the valuation methods used for compliance with the valuation principles.

We discussed the expected development of revenue and margins with the managers responsible for planning in the group. We also performed reconciliations with the budget prepared by the Executive Board and approved by the Supervisory Board and assessed the consistency of the assumptions with external industry-specific market estimates. We compared the licence rates used to value intangible assets with reference values from relevant databases. We compared the assumptions and data underlying the cost of capital, in particular the risk-free interest rate, the market risk premium and the beta factor, with our own assumptions and publicly available data.

In order to assess the methodologically and mathematically correct implementation of the acquisition, we verified the purchase price allocation performed by the company using our own calculations and analysed deviations. Furthermore, in order to assess the mathematical correctness of the contingent purchase price liability from a risk-oriented point of view, we traced selected calculations. Finally, we assessed whether the disclosures in the notes on the acquisition of the Zenhomes GmbH are complete and appropriate.

OUR OBSERVATIONS

The approach used to determine the conditional purchase price liability and to identify and measure the assets acquired and liabilities assumed, including the business activities held for sale, is appropriate and in accordance with the applicable accounting and measurement policies. The material assumptions and data are appropriate and the presentation in the notes to the consolidated financial statements is complete and appropriate.

Other Information

The Executive Board and the Supervisory Board are responsible for the other information. The other information comprises the following components of the group management report, whose content was not audited:

- the separate non-financial group report expected to be provided to us after the date of this audit opinion and referred to in the group management report,
- the Group Corporate Governance Statement, to which reference is made in the group management report,
- the Sustainability section with the sections Materiality Analysis, Sustainability Program and Key Sustainability Activities,
- the section on employees and
- the information contained in the group management report that is unrelated to the management report and marked as unaudited.

The other information also includes the other parts of the annual report.

The other information does not include the consolidated financial statements, the audited group management report disclosures and our audit opinion thereon.

Our audit opinions on the consolidated financial statements and the group management report do not cover the other information and, accordingly, we do not express an audit opinion or any other form of assurance conclusion thereon.

In connection with our audit, we have a responsibility to read the other information referred to above and, in doing so, assess whether the other information

- are materially inconsistent with the consolidated financial statements, the content of the audited group management report or our knowledge obtained in the audit; or
- otherwise appear to be materially misstated.

If, based on the work performed by us on the other information obtained before the date of this auditor's report, we conclude that there has been a material misstatement of that other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of the Executive Board and the Supervisory Board for the Consolidated Financial Statements and the Group Management Report

Management Board is responsible for the preparation of the consolidated financial statements that comply, in all material respects, with IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position, and financial performance of the group. In addition, Management Board is responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, Management Board is responsible for assessing the group's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, Management Board is responsible for the preparation of the group management report that, as a whole, provides an appropriate view of the group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, Management Board is responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a group management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the group management report.

The Supervisory Board is responsible for overseeing the group's financial reporting process for the preparation of the consolidated financial statements and of the group management report.

The Management Board and the Supervisory Board are further responsible for the preparation of the remuneration report, including the related disclosures, which is included in a separate section of the group management report and complies with the requirements of § 162 AktG [Aktiengesetz: German Stock Corporation Act]. They are also responsible for such internal control as they determine is necessary to enable the preparation of a remuneration report, including the related disclosures, that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Group Management Report

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the group management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our opinions on the consolidated financial statements and on the group management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this group management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also

- identify and assess the risks of material misstatement of the consolidated financial statements and of the group management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures (systems) relevant to the audit of the group management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of these systems.
- evaluate the appropriateness of accounting policies used by Management Board and the reasonableness of estimates made by Management Board and related disclosures.
- conclude on the appropriateness of Management Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the group management report or, if such disclosures are inadequate, to modify our respective opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group to cease to be able to continue as a going concern.
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the group in compliance with IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express opinions on the consolidated financial statements and on the group management report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.
- evaluate the consistency of the group management report with the consolidated financial statements, its conformity with [German] law, and the view of the group's position it provides.
- perform audit procedures on the prospective information presented by Management Board in the group management report. On the basis of sufficient appropriate audit evidence, we evaluate, in particular, the significant assumptions used by Management Board as a basis for the prospective information and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Other Legal and Regulatory Requirements

Report on the audit of the electronic rendering of the consolidated financial statements and the group management report prepared for disclosure purposes in accordance with Section 317 (3a) HGB

In accordance with section 317 (3a) HGB, we have performed a reasonable assurance engagement to determine whether the data contained in the file

"2021_ESEF_Konzernbericht_v02. Zip" (SHA256 hash value: 999166e46a215c5761e69e21aabb04780c931ae177d67ed4402f13fc78586722)

and prepared for the purpose of disclosure comply in all material respects with the electronic reporting format ("ESEF format") pursuant to section 328 (1) HGB. In accordance with German statutory provisions, this audit covers only the conversion of the information in the consolidated financial statements and the group management report into the ESEF format and therefore neither the information contained in these reproductions nor any other information contained in the above-mentioned file.

In our opinion, the rendering of the consolidated financial statements and the group management report contained in the electronicfile made available, identified above and prepared for disclosure purposes comply, in all material respects, with the requirements of § 328 (1) HGB regarding the electronic reporting format. Beyond this audit opinion and our audit opinions on the accompanying consolidated financial statements and the accompanying group management report for the fiscal year from January 1 to December 31, 2021 contained in the preceding "Report on the audit of the consolidated financial statements and the group management report", we do not express any audit opinion on the information contained within these renderings or on the other information contained in the file identified above.

We conducted our assurance work on the rendering of the consolidated financial statements and the group management report contained in the file made available and identified above in accordance with Section 317 (3a) HGB and the IDW Assurance Standard: Assurance Work on the Electronic Rendering of Financial Statements and Management Reports Prepared for Publication Purposes in Accordance with Section 317 (3a) HGB (IDW AsS 410 (10.2021)) Our responsibility in accordance therewith is further described below. Our audit firm applies the IDW Standard on Quality Management 1: Requirements for Quality Management in Audit Firms (IDW QS 1).

Management Board is responsible for the preparation of the ESEF documents including the electronic renderings of the consolidated financial statements and the group management report in accordance with section 328 (1) sentence 4 no. 1 HGB and for the tagging of the consolidated financial statements in accordance with section 328 (1) sentence 4 no. 2 HGB.

In addition, the Management Board is responsible for such internal control that they have considered necessary to enable the preparation of ESEF documents that are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB for the electronic reporting format.

The Supervisory Board is responsible for overseeing the preparation of the ESEF documents as part of the financial reporting process.

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB. During the audit, we exercise professional judgment and maintain a critical attitude. We also:

- identify and assess the risks of material non-compliance with the requirements of Section 328 (1) HGB, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- obtain an understanding of internal control relevant to the audit of the ESEF in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of those controls.
- evaluate the technical validity of the ESEF documentation, i.e. whether the file containing the ESEF documentation meets the requirements of Delegated Regulation (EU) 2019/815, as amended at the date of the financial statements, regarding the technical specification for that file.
- assess whether the ESEF documents provide a consistent XHTML representation of the audited consolidated financial statements and the audited group management report.
- assess whether the mark-up of the ESEF documents with inline XBRL technology (iXBRL) in accordance with Articles 4 and 6 of Delegated Regulation (EU) 2019/815, as applicable at the reporting date, provides an adequate and complete machine-readable XBRL copy of the XHTML rendition.

Further Information pursuant to Article 10 of the EU Audit Regulation

We were elected as group auditor by the annual general meeting on 8 July 2021. We were engaged by the Supervisory Board on 1 December 2021. We have been the group auditor of Scout24 SE without interruption since the financial year 2016.

We declare that the opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

Other matter use of the Auditor's Report

Our auditor´s report must always be read together with the audited consolidated financial statements and the audited group management report as well as the examined ESEF documents. The consolidated financial statements and group management report converted to the ESEF format – including the versions to be published in the German Federal Gazette [Bundesanzeiger] – are merely electronic renderings of the audited consolidated financial statements and the audited group management report and do not take their place. In particular, the ESEF report and our assurance opinion contained therein are to be used solely together with the examined ESEF documents made available in electronic form.

German Public Auditor Responsible for the Engagement

The German Public Auditor responsible for the engagement is Haiko Schmidt.

Munich, 16 March 2022

KPMG AG
Wirtschaftsprüfungsgesellschaft

sig. Schmidt	sig. Marschner
Wirtschaftsprüfer	Wirtschaftsprüferin

Disclaimer

This document may contain forward-looking statements regarding the business, results of operations, financial position and earnings outlook of the Scout24 Group. These statements may be identified by words such as “may”, “will”, “expect”, “anticipate”, “contemplate”, “intend”, “plan”, “believe”, “continue” and “estimate” and variations of such words or similar expressions. Such forward-looking statements are based on the current assessments, expectations, assumptions and information of Scout24’s Management Board. They are subject to a large number of known and unknown risks and uncertainties and there is no guarantee that the anticipated results and developments will actually materialise. In fact, actual results and developments may differ materially from those reflected in our forward-looking statements. Differences may be due to changes in the general macroeconomic and competitive environment, capital market risks, exchange rate fluctuations, changes in international and national laws and regulations, including but not limited to tax laws and regulations, relevant for Scout24, and many other factors. Scout24 undertakes no obligation to revise or update any forward-looking statements as a result of new information, future events or otherwise, unless expressly required to do so by law.

Due to rounding, numbers presented throughout this report may not add up precisely to the totals indicated, and percentages may not precisely reflect the absolute figures for the same reason.

Information on quarterly financials has not been subject to an auditor’s review and thus is labelled “unaudited”.

Scout24 also uses alternative performance measures, not defined by IFRS, to describe the Scout24 Group’s results of operations. These should not be viewed in isolation, but treated as supplementary information. Alternative performance measures used by Scout24 are defined at the corresponding place in the report.

The special items used to calculate some alternative performance measures arise from the integration of acquired businesses, reorganisation measures, impairment losses, gains or losses on sale resulting from divestitures and the sale of shareholdings, and other expenses and income that generally do not arise in conjunction with Scout24’s ordinary business activities.

The group management report should be read in conjunction with the consolidated financial statements and the explanatory notes.

This annual report is a non-binding English translation of the original German report. Both reports are available for download on the company’s website under

- www.scout24.com/reporting-2021 and
- www.scout24.com/en/investor-relations/financial-reports-presentations

In case of any divergence between the two reports, the German version shall have precedence over the English translation.

Publication details

Investor Relations
Ursula Querette
Phone +49 89 26202 4939
Email ir@scout24.com

Scout24 SE
Bothestrasse 13-15
81675 Munich
Germany
Phone +49 89 26202492-0
Email info@scout24.com
www.scout24.com

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