Annual report and annual financial report 2023

with Growing impact

Scout24

Highlights 2023

EUR **303.9** million
ordinary operating EBITDA

59.7%
ordinary operating EBITDA margin

EUR **509.1** million
Group revenue

25 years
ImmoScout24

EUR **2.43**
earnings per share

50.5%
of new hires are women or non-binary people

Preliminary remarks

General note on our financial performance indicators: acquisition and consolidation of the Sprengnetter Group

The Scout24 Group acquired 75% of the equity in Sprengnetter GmbH on 1 July 2023. Upon obtaining control as of 1 July 2023, the Group began consolidating the Sprengnetter Group's business in the Professional segment. Unless explicitly stated otherwise, the financial performance indicators presented thus include the contributions of the Sprengnetter Group as of that date. The organic growth and earnings figures mentioned in isolated passages do not include any contributions from the Sprengnetter Group. For details of the acquisition of the Sprengnetter Group and consolidation, see the **Significant events in the financial year** section and note **2.1 Entities acquired in the reporting period.**

Note on rounding differences

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'.

First annual report with a consolidated non-financial statement

The consolidated non-financial statement of Scout24 SE has been prepared on an integrated basis as part of the management report contained in this annual report for the first time. The companies under review are congruent with the scope of consolidation of the annual report. Deviations from this scope of consolidation for individual disclosures are marked separately. The reporting period covers the 2023 financial year.

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To our shareholders

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Interview with our CEO – review of the year and future prospects

Tobias Hartmann

> We want to interconnect our target groups even more closely in future.

If you were looking for an apartment 25 years ago, you opened the newspaper, circled the interesting adverts – and then had to call up each advertiser individually. Until 1998, when ImmoScout24 began to digitise real estate listings: with this step, we revolutionised the search for real estate. And this at a time when the internet was still in its infancy. Since then, we have consistently developed our platform step by step, adding new services every year. Always with the aim of offering our target groups the best user and customer experience. With our platforms and service offers, we are now the leading ecosystem for real estate in Germany. This year, we celebrated the 25th anniversary of our Company's founding. In the following interview, Tobias Hartmann, CEO of Scout24, explains the topics on the agenda as we look ahead to the future, the direction Scout24 is going and the progress the Company has made in the area of sustainability.

Mr Hartmann, how would you sum up the 2023 financial year?

For us at Scout24, 2023 was a special year. The real estate market was characterised by a number of challenges, such as the steep rise in construction and energy costs, the high inflation rate and the new interest rate level. These macroeconomic factors made financing real estate much more difficult for prospective buyers than in the previous period of low interest rates. The brokerage effort needed to sell real estate has therefore increased considerably. As a result, our marketing solutions are all the more relevant. We have set new records in terms of the number of professional and private customers.

Despite all the challenges, our business has been growing continuously for 25 years, actually reaching double-digit growth in the last three years. That said, our focus this year was on further increasing profitability. To achieve this, we have raised our operational efficiency to a new level. We have further diversified our revenue streams and made important progress with our product strategy. This is also reflected in our earnings figures.

In 2023, our revenue increased by 13.8%. At the same time, we increased our ordinary operating EBITDA by 21.0%. We have thus fully met our financial guidance.

With ImmoScout24, you have increasingly developed from a classifieds portal to a digital ecosystem for real estate in recent years. What was your product strategy in 2023?

Our aim is to simplify real estate processes – for home seekers, owners and professional customers. With TenantPlus+ (MieterPlus+), we help searchers find their dream property faster, and with our buyer services, we help them to calculate the right financing for a real estate purchase. Homeowners interested in selling can find verified real estate agents and also book private selling or rental listings. Professional real estate agents are supported by us with suitable membership models to help them assess the market situation and market their properties. With this in mind, we have continued to invest heavily in our CRM systems FLOWFACT and Propstack. We refer enquiries for mortgage financing to financial advisors and banks. We also provide them with the data expertise and real estate valuations of our new subsidiary Sprengnetter.

We want to interconnect the individual target groups even more closely in future. A key pillar here is our Homeowner Hub, which serves as a central point of contact for all owner needs. We expanded this range of services even further in 2023. Owners can find an overview of their properties in the 'My Property' section, including a presentation of the value development and a return on investment calculation. They can also manage their properties in our landlord platform, check incoming invoices and create service charge statements. If they need support with the sale, we bring them together with suitable real estate agents in the Homeowner World – consistent with the interconnectivity goal.

What added value does the strategy have for Scout24?

In recent years, we have proven that our business model is resilient and works in any market situation. Finding their dream home to live in is something that is preoccupying people more than ever. Our aim is to build long-term customer relationships. This means that our customers don't just come to our platform once to list a property or search for a new home. They keep coming back because they have realised that we can do much more for them. Last year, for example, we were able to attract a substantial share of agents, who had individual listings – a service we refer to as 'professional Pay-per-ad' – to our long-term membership model.

This increases the share of our recurring revenue. Another advantage is that, in the past, the addressable market of online listings portals was primarily based on the marketing spend of real estate agents, who list real estate and want to advertise their services. In addition to our services for professional customers, we have built up a rapidly growing range of services for property seekers and owners in recent years. These three pillars form the basis for our future growth.

Scout24 acquired a majority stake in Sprengnetter in July 2023. What role does that company play in your growth strategy?

Sprengnetter is one of the market leaders in the field of professional data services for real estate valuation. And a property's valuation is of paramount importance for owners and buyers alike. It is the basis and starting point for every transaction. Through Sprengnetter, we serve financial institutions and the real estate industry with software solutions, an automated valuation model, financing appraisals and digital training and education software for real estate experts. Sprengnetter therefore fits perfectly into our strategy of simplifying real estate processes. It is important to us to create more and more transparency for everyone involved. This way, we empower people to make better decisions.

This year, the non-financial statement is part of the Scout24 annual report for the first time. What progress did you make in the area of sustainability in 2023?

Our aim is to manage all our business activities in a sustainable manner. The motto of our annual report 2023 is 'Growing with impact'. We feel it is important that we are aware of our impact on the environment and society and that we take responsibility. As a member of the UN Global Compact, we are committed to its Ten Principles of ethical conduct and incorporate them into our daily activities. In 2023, we consistently pursued our environmental, social and governance (ESG) strategy. I am particularly pleased that we were able to substantially improve our carbon footprint. Relative to our 2018 baseline, we have now reduced it by roughly 76%. In the next step, we will integrate further subsidiaries into our emissions tracking system. However, despite expanding the assessment basis, our aim is to maintain our low level of emissions until 2025.

I am also pleased about our social commitment because many of our colleagues put their heart and soul into it. In 2023, we mainly focused on providing housing for homeless people. As market leader, we have, for many years now, been committed to helping those who struggle most in putting a roof over their head. For every new Plus membership taken out between September and December 2023, we donated one euro to our Home Street Home project in aid of homeless people. At the end of the year, we rounded up the donations to 200,000 euros.

What are your plans for the future?

Our passion for innovation will continue to drive us, without losing sight of the issue of sustainability. The real estate sector is responsible for around one-third of carbon emissions. Some 260,000 residential buildings need to be modernised every year in order to meet climate change mitigation targets. This is a huge task for society as a whole. We will support owners and prospective buyers with digital tools for the modernisation work needed. We already offer a renovation calculator in our new Homeowner World. Based on the key data of their property, owners can use it to calculate the costs they can expect to incur for insulating the facades, refurbishing the windows or renewing the heating technology, as well as the increase in value they can achieve as a result. We intend to focus in particular on ESG and financing products in cooperation with our new subsidiary Sprengnetter. Artificial intelligence is also high on our agenda when it comes to real estate searches.

We are proud of our long successful history. Our teams have always been the foundation of our success, and I would like to express my sincere thanks to them. Together, we have taken on challenges, overcome obstacles and constantly developed our business model over the years. On this basis, I'm convinced that we'll continue on our sustainable growth path in the future.

Report of the Supervisory Board

Dear shareholders,

We can look back on a very successful 2023 financial year for Scout24. That said, these are still volatile times. Major changes from 2022 as a result of Russia's war of aggression against Ukraine continue. The ongoing high level of inflation and interest rates had an even greater impact last year on the real estate market, which has remained tense as a result.

At the same time, digital penetration is continuing apace with the help of artificial intelligence. Attention is generally turning to the opportunities and challenges of artificial intelligence. Customer acceptance for related products is growing. Our products remain highly relevant, especially in the current market.

Rightly so, the question of sustainability in everything we do has become essential. We clearly need to do more across society as a whole to mitigate climate change. I'm therefore particularly pleased that we will be offering our customers even more products and services that address this important topic in future. Your Scout24, dear shareholders, is excellently positioned in these growth areas: in the tight real estate market, with greater use of products based on artificial intelligence, and to increase sustainability.

Sustainable growth is driven by sustainable business practices. In this context, diversity at management levels in the Company was further expanded again in 2023. The 2023 Annual General Meeting increased the degree of diversity on the Supervisory Board further with the appointment of Maya Miteva and Sohaila Ouffata, thereby establishing gender parity. Now, at the beginning of 2024, we have also expanded and strengthened the Management Board team with Dr Gesa Crockford as of 1 April 2024.

The Supervisory Board continuously monitored, advised and supported the Management Board in its activities.

Cooperation between the Supervisory Board and the Management Board

In the 2023 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 of 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, sustainability, 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 – where appropriate also often 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.

Also, 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 in regular contact both with each other and with the Management Board. The matters deliberated mainly related to Scout24's strategy, planning, business development, sustainability, 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 following full meeting of the Supervisory Board or the committee meetings.

In the 2023 financial year, the Supervisory Board held a total of six meetings: four ordinary meetings, one extraordinary meeting and the constituent meeting following the election of the two new members of the Supervisory Board at the 2023 Annual General Meeting. Of the six meetings of the Supervisory Board, five meetings were held as face-to-face meetings, and one meeting was held as a video and audio conference call. In addition, various resolutions were adopted using other customary means of communication. One member of the Supervisory Board was unable to attend one of the meetings. Accordingly, no member of the Supervisory Board failed to attend more than half of the meetings of the Supervisory Board of relevance to the member in question. A detailed list of meeting attendance for the Supervisory Board and for its committees is included below as a table in this report.

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

Main focus of work in the Supervisory Board plenum

The current development of the market and competitive environment as well as the business development of the segments were topics of regular reporting and discussion for the Supervisory Board at every ordinary meeting. The Supervisory Board's work also focused on the topics described below.

The relevant committees responsible continuously prepared and reported on the pertinent topics. The Supervisory Board also met regularly without the Management Board. In particular where topics concerned the Management Board 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.

A key topic at the meeting in the first quarter of 2023 was preparing for the acquisition of the Sprengnetter Group. The focus on the real estate market and the continuous development of the product range through in-house developments and further acquisitions constitutes a consistent continuation of the multi-year strategy. Planning the correct integration of the acquisition is pivotal for a successful outcome. At a further extraordinary meeting in the spring, the review of the acquisition and the negotiation of the conditions had then progressed to such an extent that the Supervisory Board was able to grant the necessary approval for the measure, having addressed the matter on several occasions. At the subsequent meetings in the third and fourth quarters, the Supervisory Board was informed about the development of the acquired group, its products and its integration.

Another important topic at the meeting in the first quarter was the organisational restructuring resulting from the merger of the product and technology areas. Their aim was to make the Company's organisational structure more agile and efficient. Another point of fundamental importance was the process of increasing the level of diversity within the Supervisory Board, a process that had already begun in 2022. The preceding process within the Supervisory Board was completed with the resolution on the election proposals for Maya Miteva and Sohaila Ouffata for the Annual General Meeting, which you, dear shareholders, later approved with a broad majority at the 2023 Annual General Meeting. Other important topics at this meeting in the first quarter were the audit of the annual financial statements, the decision on reporting, the proposal for the appropriation of profits to the Annual General Meeting and further preparations for the Annual General Meeting, as well as the calculation and determination of the variable compensation for the Management Board for the preceding year ended 2022. Following this meeting, the Supervisory Board approved the acquisition of treasury shares involving the repayment of capital to shareholders after appropriate preparation by the Management Board and as in previous years.

The ordinary meeting in the second quarter, immediately before the Annual General Meeting, focused, on the one hand, at the Company's product strategy and, on the other hand, at the Company's HR and corporate culture as well as, above all, its sustainability strategy – topics that go hand in hand at Scout24. The product strategy has been reflecting sustainability issues for a number of years now, an aspect that is being continuously refined. At the same time, Scout24 is focusing its attention on having the right people and the right corporate culture to lay the foundations for future product development. The Supervisory Board also regularly places its attention on these topics, by regularly examining them in greater depth in the second quarter. In addition, the meeting dealt with the further M&A outlook, the preparation of the annual two-day strategy off-site meeting with the entire Supervisory Board, the Management Board and the Executive Leadership Team as well as with the update on the appropriation of profits for the Annual General Meeting due to the share buy-back transactions. In view of the criticism voiced by shareholders regarding the Company's compensation report, this was also a salient topic on the meeting's agenda. The measures taken by the Company to increase transparency and to address shareholders in the run-up to the Annual General Meeting were discussed, as were the justified expectations of shareholders who seek greater transparency in decisions on Management Board compensation than is required by law. The topic was then discussed further in subsequent meetings in order to promote exchange with shareholders and expand transparency in this matter.

The first meeting of the Supervisory Board in its new composition took place immediately after the Annual General Meeting. The meeting focused on discussing and deciding on the future organisation of the new team so that the committees of the Supervisory Board could set to work without delay. Following their appointment by the Annual General Meeting, the new members of the Supervisory Board were given a direct and comprehensive introduction to the organisation and an in-depth introduction to the business model and strategy.

The ordinary meeting in the third quarter was associated with the two-day annual strategy off-site meeting. There, the market and competition in an in-depth form were the starting point for further strategic considerations on product development, customer development and the underlying organisational development. The overarching long-term vision was deepened in the Supervisory Board and Management Board team. At this meeting, the Supervisory Board also discussed the continuous HR development of the Company in general, forward-looking succession planning and diversity. Finally, the implementation of the general strategy in the multi-year plan and communication with the capital market were also addressed as key elements. This served as a basis for the planning and development of the Management Board compensation targets for the following year, particularly with regard to the non-financial targets in the area of sustainability and strategy.

The Supervisory Board regularly assesses its efficiency. As a rule, this is done with the Supervisory Board's own funds. This is carried out at regular intervals with external independent support in order to support a critical view and permit a comparison with peer companies. The preparation of this comprehensive self-assessment was also an element of the strategy meeting. The purpose was to quickly gain a perspective on the joint work in the Supervisory Board and the development of the Supervisory Board in the new composition. In addition to the perspective of each member of the Supervisory Board in preparatory questionnaires and in-depth interviews, the perspective of the Management Board was compiled by its Chairman and, on the organisational side, by the General Counsel.

This efficiency audit was then brought to a conclusion at the ordinary meeting in the last quarter of the year when the findings were presented to the Supervisory Board and discussed in detail. In addition to the very positive results, the measures for further continuous development and increasing efficiency were discussed. The targets for gender diversity on the Supervisory Board and the Management Board were also developed further. In the past, we were somewhat reluctant to formulate high targets, as their achievement was not yet assured. We have learned from this and have now set higher targets with shorter deadlines, for implementation following intensive consideration of the issue and the expectations of our shareholders. At the same time, a key component was the further succession planning for the Management Board. The development of Dr Gesa Crockford as member of the Management Board as Chief Commercial Officer was further specified, and the necessary process for implementation in 2024 was initiated. Furthermore, following the preliminary reviews, the assessment of compliance with the German Corporate Governance Code was dealt with, and the related declaration was approved by the Supervisory Board. Other agenda items included budget planning with the fully consolidated Sprengnetter Group as part of the 2024 plan and the corresponding targets for the Management Board's compensation. In the course of this, it was particularly important to look to the development of the market and competition including their considerable challenges. Finally, the Supervisory Board also discussed the outlook for the Capital Markets Day and an initial presentation of the content by the Management Board at this meeting.

Committees

To perform its tasks efficiently, the Supervisory Board has three committees: an Executive Committee, an Audit Committee and a Remuneration Committee.

These committees prepare the resolutions for the Supervisory Board as well as agenda items that are to be dealt with in the full meeting of the Supervisory Board. Furthermore, the Supervisory Board has delegated decision-making powers to its committees, where legally permissible. The Chairs of the various committees 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 deals with 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. This also includes advice on the sustainability strategy and on material sustainability 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, the other members of the Committee in the 2023 financial year were the Supervisory Board members Peter Schwarzenbauer (up to the end of the 2023 Annual General Meeting) and Frank H. Lutz. André Schwämmlein has been a member of the Executive Committee since 22 June 2023, following the Annual General Meeting.

In 2023, the Executive Committee met four times. Three of the meetings were held as video conferences.

All members of the committee were present at all meetings.

The main topics of discussion were the preparation of the plenary meetings, the long-term and sustainable increase in diversity – in other words, the preparation of the election proposals for Maya Miteva and Sohaila Ouffata in particular – corporate governance and the Company's M&A plans. In the latter case, the acquisition of the Sprengnetter Group was prepared in depth.

Audit Committee

The Audit Committee addresses in particular the monitoring of financial reporting and the financial reporting process, the audit of the financial statements, sustainability reporting and its audit and assurance, the appropriateness and effectiveness of the internal control system (including sustainability-related aspects), the risk management system, the internal audit system and 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.

In addition to the Chairman Frank H. Lutz, the following Supervisory Board members, Dr. Hans-Holger Albrecht and André Schwämmlein until the end of the 2023 Annual General Meeting, were members of the Audit Committee. Following the Annual General Meeting, Maya Miteva was elected as a new member of the Audit Committee.

Under the German Stock Corporation Act (Articles 107 (4) and 100 (5) 'Aktiengesetz', AktG'), when new appointments are made to the Audit Committee after 1 July 2021, it 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 financial statements.

These requirements have been met, as Frank H. Lutz and Dr. Hans-Holger Albrecht, the Chairman and another member of the Audit Committee, in particular, have proven specialist knowledge in the areas of accounting and auditing, including sustainability reporting and its audit. Frank H. Lutz was one of the leading CFOs in Germany with more than 20 years of international experience. Starting in investment banking at Goldman Sachs and Deutsche Bank, through positions as CFO at MAN, Aldi Süd and Covestro, and since 2018 as Chairman of the Audit Committee of Bilfinger SE and Chairman of the Audit Committee of Scout24, he has acquired extensive knowledge and experience in the application of accounting principles and internal control and risk management systems as well as in the auditing of financial statements. In particular, as Chairman of the Audit Committee of Bilfinger SE and in addition to his work as Chariman of the Audit Committee of Scout24 SE, Frank H. Lutz has also acquired special knowledge and experience in sustainability reporting and its auditing. Dr. Hans-Holger Albrecht has special knowledge and experience in auditing, in particular through his previous 17 years as CEO of the listed companies Modern Times Group AB (Sweden), Millicom S.A. (Luxembourg) and Deezer S.A. (France) and, in addition to his work at Scout24, as a member of the supervisory committees of various companies. Frank H. Lutz and Dr. Hans-Holger Albrecht continuously monitor and support current developments in the areas of accounting and auditing, in particular sustainability reporting and its audit, and contribute their expertise to their work on Scout24's Audit Committee.

In 2023, the Audit Committee held a total of four meetings, three of which were held as virtual meetings in the form of video conference calls and one meeting face to face. All committee members were present at all meetings.

One major focus of the work within and outside the scope of the meetings was the audit of the financial and sustainability reporting, in particular the annual financial statements, followed by the proposal for the appropriation of profits, the half-year financial report, the quarterly statements, the work of the internal audit function, risk management and the compliance report as well as data protection in the Scout24 Group. Cooperation with the new audit firm PwC following the change from KPMG was a key point in this respect.

Remuneration Committee

The Chair of the Remuneration Committee is Dr Elke Frank. Other members until the end of the 2023 Annual General Meeting were Peter Schwarzenbauer and Christoph Brand. Dr Hans-Holger Albrecht and Sohaila Ouffata have been members of the Remuneration Committee since 22 June 2023. In addition to the preparatory work outside the meetings, the Remuneration Committee held four formal meetings in the 2023 financial year. All meetings were held as virtual meetings in the form of video conference calls. All committee members were present at all meetings.

Key topics included issues relating to the compensation of the Management Board and, in particular, the preparation of targets, especially non-financial targets, and the determination of targets. Another key point was the discussion of shareholders' expectations regarding the transparency of the compensation of the Management Board in the compensation report and its corresponding development by the Company. In the second half of the year, succession planning and personnel development for the Executive Board were also key issues, which led to the addition of Dr Gesa Crockford to the Executive Board in 2024.

Corporate governance and declaration of compliance

By resolution of the end of November 2023, the Supervisory Board made a decision on the current declaration of compliance 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**.

The Supervisory Board complies with the principles of diversity prescribed by the German Corporate Governance Code as amended in April 2022. The Supervisory Board attaches great importance to its suitably qualified advice and monitoring of the Management Board.

By resolution dated 28 November 2023, the Supervisory Board set itself the goal of giving appropriate consideration to women and men in its composition, so that at least two members of both genders should be represented on the Board. The implementation deadline runs until 31 December 2024, and this goal has already been implemented. Also, by resolution dated 28 November 2023, the Supervisory Board set itself the goal, with respect to the percentage of women on the Management Board of Scout24 SE, of achieving a target of at least 25% representation for each gender, to be implemented by 31 December 2024. This target had not yet been reached as at 31 December 2023.

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 of 30 June 2025. The evaluation of the proportion of women is based on the Company's actual hierarchy and the reporting lines to the Management Board of Scout24 SE. As of 31 December 2023, the percentage of women at the first management level below the Management Board stood at 21%, thus falling short of the target value. 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 of 30 June 2025. As of 31 December 2023, the percentage of women stood at 45%, thus very 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 of the Management Board 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 mutual agreement, Dr Thomas Schroeter resigned as a member of the Management Board with effect from the end of 27 January 2023. 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 bis to 30 June 2026.

Supervisory Board

On 18 June 2020, the Annual General Meeting 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. Christoph Brand and Peter Schwarzenbauer stepped down by mutual agreement from the Supervisory Board upon the end of the Annual General Meeting of 22 June 2023. The same Annual General Meeting elected Maya Miteva and Sohaila Ouffata for an initial term of office spanning 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 members of the Supervisory Board of Scout24 AG at the time were appointed as members of the first Supervisory Board of Scout24 SE. The same term of appointment was chosen as the term of office in Scout24 AG, namely 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 and the Deputy Chair of the Supervisory Board were determined. The members of the committees were last elected at the constituent meeting of the Supervisory Board of Scout24 SE on 22 June 2023.

Name Function	Profession exercised	Member of SE after change of legal form since	Appointed until	Other board positions in 2023 (during the term of office)
Dr Hans-Holger Albrecht Chair	Member of supervisory bodies	15 October 2021, last elected on: 8 July 2021 (before change of legal form, member of AG since 21 June 2018)	AGM 2024	• Member of the Board of Directors of Deezer S.A., Paris, France, and London, UK • Storytel AB, Stockholm, Sweden (Chair of the Board of Directors) • Chair of the Board of Directors of Superbet Holding SA, Luxembourg
Frank H. Lutz	CEO of CRX Markets AG, Munich, Germany	15 October 2021, last elected on: 8 July 2021 (before change of legal form, member of AG since 30 August 2019)	AGM 2024	• Bilfinger SE, Mannheim, Germany (member of the Supervisory Board)
Dr Elke Frank	CHRO Schwarz Digits KG, Neckarsulm, Germany (since 1 January 2024)	15 October 2021, last elected on: 8 July 2021 (before change of legal form, member of AG, since 18 June 2020)	AGM 2024	• Fraunhofer Institute for Industrial Engineering IAO, Stuttgart, Germany, an institute of Fraunhofer-Gesellschaft zur Förderung der angewandten Forschung e. V., Munich, Germany (Head of the Board of Trustees) • CleverConnect SAS, Paris, France (member of the Advisory Board since 1 January 2024).
Maya Miteva	CEO, Deutsche Real Estate AG, Berlin, Germany	22 June 2023	AGM 2024	• High Rise Ventures GmbH, Berlin, Germany (member of the Advisory Board)
Sohaila Ouffata	Director of platform, BMW i Ventures GmbH, Munich, Germany	22 June 2023	AGM 2024	• MyCollective GmbH, Munich, Germany (member of the Advisory Board)
André Schwämmlein	CEO of Flix SE, Munich, Germany	15 October 2021, last elected on: 8 July 2021 (before change of legal form, member of AG since 30 August 2019)	AGM 2024	• ABOUT YOU Holding SE, Hamburg, Germany (member of the Supervisory Board) • ABOUT YOU Verwaltungs SE, Hamburg, Germany (member of the Supervisory Board)
Christoph Brand	CEO of Axpo Holding AG, Baden, Switzerland	15 October 2021, last elected on: 8 July 2021 (before change of legal form, member of AG since 30 August 2019)	Resigned by mutual agreement on 22 June 2023 (originally appointed until AGM 2024)	• Centralschweizerische Kraftwerke AG, Lucerne, Switzerland (President of the Board of Directors) • AMAG Group AG, Cham, Switzerland (member of the Board of Directors, since August 2022)
Peter Schwarzenbauer	Former member of the Board of Management of BMW AG, Munich, Germany	15 October 2021, last elected on: 8 July 2021 (before change of legal form, member of AG since 8 June 2017)	Resigned by mutual agreement on 22 June 2023 (originally appointed until 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) • Company bike solutions GmbH, Munich, Germany (Chair of the Advisory Board)

Supervisory Board committees in the 2023 financial year and meeting attendance

COMPLETE SUPERVISORY BOARD

Name	Meeting attendance
Dr Hans-Holger Albrecht	6/6
Dr Elke Frank	6/6
Frank H. Lutz	6/6
Maya Miteva (since AGM 2023)	3/3
Sohaila Ouffata (since AGM 2023)	3/3
André Schwämmlein	6/6
Christoph Brand (until closing of AGM 2023)	2/3
Peter Schwarzenbauer (until closing of AGM 2023)	3/3

EXECUTIVE COMMITTEE

Name	Position	Meeting attendance
Dr Hans-Holger Albrecht	Chair	4/4
Frank H. Lutz	Member	4/4
André Schwämmlein	Member since 22 June 2023	2/2
Peter Schwarzenbauer	Member until 22 June 2023	2/2

AUDIT COMMITTEE

Name	Position	Meeting attendance
Frank H. Lutz	Chair	4/4
Dr Hans-Holger Albrecht	Member	4/4
Maya Miteva	Member since 22 June 2023	2/2
André Schwämmlein	Member until 22 June 2023	2/2

REMUNERATION COMMITTEE

Name	Position	Meeting attendance
Dr Elke Frank	Chair	4/4
Dr Hans-Holger Albrecht	Member since 22 June 2023	2/2
Sohaila Ouffata	Member since 22 June 2023	2/2
Christoph Brand	Member until 22 June 2023	2/2
Peter Schwarzenbauer	Member until 22 June 2023	2/2

Audit of annual and consolidated financial statements

In accordance with the resolution of the Annual General Meeting on 22 June 2023, the Supervisory Board engaged PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft (PwC), Munich, to audit the separate and consolidated financial statements of Scout24 SE for the financial year ended 31 December 2023.

The key auditor responsible for the audit is Alexander Fiedler. He had not served in this capacity for Scout24 SE previously. Carolin Thiele is the other responsible audit partner.

In addition, PwC was appointed to review the condensed financial statements and the interim management report (Articles 115 (5), 117 No. 2 of the German Securities Trading Act ('Wertpapierhandelsgesetz', WpHG')), if any, as well as Scout24 SE's financial information during the year (Article 115 (7) WpHG), if any, in the 2023 and 2024 financial years, and in each case only, until the next Annual General Meeting.

PwC audited the separate financial statements for the financial year from 1 January 2023 to 31 December 2023 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 ('Handelsgesetzbuch', HGB). PwC issued an unqualified audit opinion. The consolidated financial statements of Scout24 SE for the financial year from 1 January 2023 to 31 December 2023 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 PwC to perform a voluntary review of the substance of the non-financial statement in accordance with Article 111 (2) Sentence 4 AktG.

Before the Supervisory Board proposed PwC to the Annual General Meeting as auditors, the audit firm 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. PwC 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 Audit Committee discussed the assessment of audit risk, the audit strategy, audit planning and the audit findings with the auditor. The Supervisory Board has agreed with PwC 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 compliance 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 PwC that there were doubts about PwC's independence and about the services provided by PwC outside of the audit. 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 non-financial statement and the audit reports as well as the proposal of the Management Board for the appropriation of accumulated profits. The members of the Supervisory Board also received in good time PwC's statement on the voluntary external review of the substance of the non-financial statement. The separate remuneration report in accordance with Article 162 AktG was also submitted in good time for joint preparation by the Management Board and the Supervisory Board.

The financial statements documents and the audit reports were discussed in detail at the meetings of the Audit Committee on 19 March 2023 and the Supervisory Board on 21 March 2023. 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 system 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 21 March 2024, the Supervisory Board thus approved the separate and consolidated financial statements of Scout24 SE for the 2023 financial year. The separate financial statements of Scout24 SE are ratified as a consequence. The Supervisory Board also reviewed the combined management report (including the non-financial statement and corporate governance declaration for the Group and the Company pursuant to Articles 289f and 315d HGB) in accordance with section 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.

Acknowledgements

The Supervisory Board would like to thank the members of the Management Board and all employees of the Group for their achievements and the many different contributions to the continued success of Scout24 SE in the 2023 financial year.

Munich, 21 March 2024

Scout24 SE
The Supervisory Board

Dr Hans-Holger Albrecht
Chair of the Supervisory Board

Corporate governance

Corporate governance declaration

Listed stock corporations must submit and publish an annual corporate governance declaration; Group parent companies must also do so for the Group. The corporate governance declaration combines the Corporate Governance Statement of Scout24 SE pursuant to Section 289f HGB and the Group Corporate Governance Statement pursuant to Section 315d HGB. The actions taken by Scout24 SE's Management Board and Supervisory Board are determined by the principles of responsible and good corporate governance. The corporate governance declaration comprises the declaration of compliance, relevant information on corporate governance practice, a description of the Management Board's and Supervisory Board's operating procedures as well as the composition of their committees.

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

The following **declaration of compliance** was issued in December 2023:

Pursuant to Section 161 Paragraph 1 Sentence 1 German Stock Corporation Act (AktG), the Management Board and the Supervisory Board of Scout24 SE have to issue annually a declaration that Scout24 SE has been, and is, in compliance with the recommendations of the 'Government Commission on the German Corporate Governance Code' (hereinafter 'GCGC') as published by the German Federal Ministry of Justice in the official section of the German Federal Gazette ('Bundesanzeiger'), or to advise of any recommendations that have not been, or are not being, applied and the reasons for this.

The annual declaration was last issued in December 2022.

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

1. Since the issuance of the last Declaration of Conformity in December 2022 until the publication of the Declaration of Conformity in December 2023, Scout24 SE has fully complied with all recommendations of the GCGC as of 28 April 2022 ('GCGC 2022'), with the exception of the following deviation:
   Clause C.4: maximum number of supervisory board mandates
   According to C.4, a supervisory board member, who is not a member of the management board of a listed company, shall not hold more than five supervisory board mandates at non-Group listed companies or comparable functions, whereby one supervisory board chairmanship counts double.
   The Chairman of the Supervisory Board, Dr Hans-Holger Albrecht, held a total of four such non-Group positions at listed companies following the initial public offering (IPO) of Deezer S.A. Two of these positions count double as chairmanship, so that mathematically six mandates were given. The mandate at Veon Ltd. ended on 5 July 2023, so that only a transitional period was affected. Also for this transitional period, the Supervisory Board was convinced that the additional mandate of Dr Hans-Holger Albrecht would not affect the proper fulfilment of his duties as Chairman of the Supervisory Board. In particular, the Supervisory Board had assured itself that Dr Hans-Holger Albrecht had sufficient time to fulfil his duties.
   Since the resignation of the supervisory board mandate at Veon Ltd., there has been no deviation from the maximum number of supervisory board mandates in accordance with Clause C.4
2. In the future, Scout24 SE will fully comply with all recommendations of the GCGC 2022 as of 28 April 2022 ('GCGC 2022').

Munich, December 2023

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 field of online/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 to take all measures related to the activities of a holding company with group management functions, especially rendering management and other advisory services for consideration for affiliated entities, and to operate activities in the aforementioned regions in Germany and other countries.

The Company complies with all legal corporate governance requirements as well as with the recommendations of the German Corporate Governance Code, with the exception indicated and explained in the declaration. A dedicated 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 damage or loss as a result of misconduct on the part of Scout24 or individual employees. The Code of Conduct can be downloaded at any time from the Company's website at **www.scout24.com/en/investor-relations/corporate-governance**.

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 the German Stock Corporation Act. The Company has a dual management and control structure consisting of a separate Management Board and Supervisory Board. The Management Board and the Supervisory Board work closely together for the benefit of the Company. The Articles of Association of Scout24 SE are available on the website at **www.scout24.com/en/investor-relations/corporate-governance/articles-of-association**.

The Supervisory Board regularly advises the Management Board 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 successful and sustainable growth.

Management Board's 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, sustainability, and compliance. The Management Board prepares the separate financial statements and the consolidated financial statements. In the 2023 financial year, the Company continued to focus more intensely on environmental and social sustainability. 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, and that additionally covers sustainability-related aspects. The Management Board also ensures the systematic identification and assessment of the Company's risks and opportunities associated with social and environmental factors as well as the environmental and social impacts of the Company's activities. Environmental and social objectives are given appropriate consideration in the corporate strategy. Aside from the financial objectives, corporate planning likewise also includes sustainability-related goals.

Pursuant to Article 6 (1) of the Articles of Association, the Management Board has at least two members. In all other respects, 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 (CEO) 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 SE after change of legal form since	End of term of office
Tobias Hartmann	Chief Executive Officer	15 October 2021, last appointed on 8 July 2021 (member of AG's Management Board since 19 November 2018)	31 December 2025
Dr Dirk Schmelzer	Chief Financial Officer	15 October 2021, last appointed on 1 October 2021 (member of AG's Management Board since 18 June 2019)	30 June 2026
Ralf Weitz	Chief Product & Technology Officer	15 October 2021, last appointed on 20 July 2021 (member of AG's Management Board since 6 December 2018)	31 December 2025
Dr Thomas Schroeter	Chief Product Officer	15 October 2021, last appointed on 28 July 2021 (member of AG's Management Board since 6 December 2018)	At the end of 27 January 2023, following resignation by mutual agreement (originally appointed until 31 December 2025)

Members of the Management Board are each responsible for managing the portfolio allocated to them, 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 from time to time with its approval.

Dr Thomas Schroeter resigned from his position as member of the Management Board of Scout SE by mutual agreement with effect from the end of 27 January 2023. In his new role as Chief Product & Technology Officer, Ralf Weitz took over Dr Thomas Schroeter's remit on the Management Board of Scout24 SE upon the latter's departure.

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

Tobias Hartmann Chief Executive Officer (CEO)	Dr Dirk Schmelzer Chief Financial Officer (CFO)	Ralf Weitz Chief Product & Technology Officer (CPTO)
• Strategy and business development • Mergers and acquisitions • Pricing strategy and sales • Corporate communications • Human resources, culture and sustainability • Legal and compliance; internal audit	• Finance and accounting • Controlling • Risk management • Investor relations, treasury • Tax • Procurement	• Product strategy • Data, technology, security • Brand management, performance marketing • Consumer research, customer satisfaction (CSAT) • Transaction strategy • Business development of the 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 2022 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. Management Board resolutions are adopted with a simple majority of the votes cast, unless a different majority is required by law. If the Management Board comprises more than two members, the vote cast by the Chair counts twice in the event of a tied vote.

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

Supervisory Board's 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 8 of the new rules of procedure for the Supervisory Board adopted by resolution of the Supervisory Board on 8 July 2021, and last amended in November 2022. Also, by resolution of 8 July 2021, the Audit Committee was prescribed by the Supervisory Board new rules of procedure, which were last amended in March 2022. 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 German Corporate Governance Code, the profile of skills and expertise of the Supervisory Board and said rules of procedure.

The Supervisory Board must hold two ordinary meetings in each half of a calendar year. The rules of procedure for the Audit Committee that came into force in July 2021, as last amended in March 2022, provide for the Audit Committee to regularly hold one meeting each quarter of a calendar year. The Supervisory Board convened for six meetings in the 2023 financial year and passed further written resolutions by circularisation. The Executive Committee met four times in the 2023 financial year. The Audit Committee likewise held four meetings. The Remuneration Committee also met four times in 2023.

At the request of the Chair of the Supervisory Board, the Management Board attends all scheduled meetings of the Supervisory Board with respect to specific agenda items, 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 a committee requests its attendance, the Management Board does not attend meetings of the Supervisory Board, particularly 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 Chairs of the various committees are 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 link 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 their absence – the Deputy Chair 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 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 their position. In its report to the Annual General Meeting, the Supervisory Board provides information about any conflicts of interest and the way they were dealt with. No such conflicts of interest arose in the reporting period.

The Supervisory Board (and its committees) regularly review 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 with the assistance of an external service provider in the 2023 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 other than increasing diversity in the medium term. 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 2023 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. Three women are 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 German Corporate Governance Code, 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 German Corporate Governance Code.

Supervisory Board committees

To perform its tasks efficiently, the Supervisory Board currently has a total of three committees: an Executive Committee, an Audit Committee and a Remuneration Committee.

These committees prepare the resolutions for the Supervisory Board as well as agenda items that are to be dealt with in the full meeting of the Supervisory Board. Furthermore, the Supervisory Board has delegated decision-making powers to its committees, where legally permissible. The Chairs of the various committees report to the Supervisory Board on the respective committee's work at the subsequent Supervisory Board meeting.

For details of the operating procedure and composition of the Supervisory Board and its committees, also see the Report of the Supervisory Board.

Executive Committee

The Executive Committee prepares the meetings of the Supervisory Board and deals with 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. This also includes advice on the sustainability strategy and on material sustainability 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 Board, the other members of the Executive Committee in the 2023 financial year were the Supervisory Board members Peter Schwarzenbauer (up to the end of the 2023 Annual General Meeting) and Frank H. Lutz. André Schwämmlein has been a member of the Executive Committee since 22 June 2023, following the Annual General Meeting.

Audit Committee

The Audit Committee addresses in particular the monitoring of financial reporting and the financial reporting process, the audit of the financial statements, sustainability reporting and its audit and assurance, the appropriateness and effectiveness of the internal control system (including sustainability-related aspects), the risk management system, the internal audit system and 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.

In addition to the Chairman Frank H. Lutz, the following Supervisory Board members, Dr. Hans-Holger Albrecht and André Schwämmlein until the end of the 2023 Annual General Meeting, were members of the Audit Committee. Following the Annual General Meeting, Maya Miteva was elected as a new member of the Audit Committee.

Under the German Stock Corporation Act (Articles 107 (4) and 100 (5) 'Aktiengesetz', AktG), when new appointments are made to the Audit Committee after 1 July 2021, it 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 financial statements.

These requirements have been met, as Frank H. Lutz and Dr. Hans-Holger Albrecht, the Chairman and another member of the Audit Committee, in particular, have proven specialist knowledge in the areas of accounting and auditing, including sustainability reporting and its audit. Frank H. Lutz was one of the leading CFOs in Germany with more than 20 years of international experience. Starting in investment banking at Goldman Sachs and Deutsche Bank, through positions as CFO at MAN, Aldi Süd and Covestro, and since 2018 as Chairman of the Audit Committee of Bilfinger SE and Chairman of the Audit Committee of Scout24, he has acquired extensive knowledge and experience in the application of accounting principles and internal control and risk management systems as well as in the auditing of financial statements. In particular, as Chairman of the Audit Committee of Bilfinger SE and in addition to his work as Chariman of the Audit Committee of Scout24 SE, Frank H. Lutz has also acquired special knowledge and experience in sustainability reporting and its auditing. Dr. Hans-Holger Albrecht has special knowledge and experience in auditing, in particular through his previous 17 years as CEO of the listed companies Modern Times Group AB (Sweden), Millicom S.A. (Luxembourg) and Deezer S.A. (France) and, in addition to his work at Scout24, as a member of the supervisory committees of various companies. Frank H. Lutz and Dr. Hans-Holger Albrecht continuously monitor and support current developments in the areas of accounting and auditing, in particular sustainability reporting and its audit, and contribute their expertise to their work on Scout24's Audit Committee.

Remuneration Committee

The Remuneration Committee deals, among other matters, with the compensation of members of the Management Board, 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, and the preparation of proposals on the conclusion, amendment and termination of employment, pension and severance agreements with members of the Management Board.

The Chair of the Remuneration Committee is Dr Elke Frank. Other members until the end of the 2023 Annual General Meeting were Peter Schwarzenbauer and Christoph Brand. Dr Hans-Holger Albrecht and Sohaila Ouffata have been members of the Remuneration Committee since 22 June 2023.

For information about the operating procedures of the Management Board and the Supervisory Board and its committees in the financial year, also see the **Report of the Supervisory Board** in Scout24 SE's annual report.

Information about fostering participation by women in management positions pursuant to Articles 76 (4) and 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 proposed for election as members of the Supervisory Board.

Diversity concept of the Supervisory Board (Article 289f HGB)

Sufficient diversity is to be ensured in the Supervisory Board's composition. The diversity concept is implemented when electing members of the Supervisory Board and subsequently appointing candidates to the Supervisory Board.

In addition to an appropriate consideration of women, the concept refers to diversity with regard to cultural backgrounds as well as differences in educational 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 subsequent 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 goal of giving appropriate consideration to women in the composition of the Supervisory Board and the Management Board. By resolution dated 28 November 2023, the Supervisory Board set itself the goal of giving appropriate consideration to women and men in its composition. The Supervisory Board should include at least two members of each gender, with an implementation deadline of 31 December 2024. This target has already been implemented.

Also, by resolution dated 28 November 2023, the Supervisory Board set itself the goal, with respect to the percentage of women on the Management Board of Scout24 SE, of achieving a target of at least 25% representation for each gender, to be implemented by 31 December 2024. This percentage has not yet been reached.

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 of 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 2023, the percentage of women at the first management level below the Management Board stood at 21%, thus falling short of the target value. 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 of 30 June 2025. As of 31 December 2023, the percentage of women stood at 45%, thus very 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 educational and professional background. Diversity criteria are weighted depending on the Management Board remit in question as well as the corresponding tasks. In the composition of the Management Board, attention should be paid to an appropriate level of internationality, in the sense of international experience.

The Management Board as a whole should have experience in the business areas of relevance to 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 cover 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. Measures are being taken to support women more systematically. Managers bear a special responsibility for the topic of diversity, equity and inclusion (DEI) in the Company. The aim is to train managers so that they can contribute to this aspect.

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 German Stock Corporation Act and the GCGC, the skills and expertise 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.

Corporate governance at Scout24 SE

The Management Board and the Supervisory Board of Scout24 SE see good corporate governance as involving responsible business 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 German Corporate Governance Code. The Management Board and the 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 risks and opportunities 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 take advantage of any opportunities that may arise. The internal control system includes processes and systems for processing sustainability-related data.

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 (e.g. 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. Scout24's compliance management system (CMS) mainly comprises the following areas: compliance culture, compliance objectives and tasks, compliance organisation, compliance risks, compliance programmes as well as monitoring and refinement of compliance. All employees of the Scout24 Group receive regular training and information about individual topics, both centrally and as needed. Their respective attendance is monitored centrally.

The Compliance function serves 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 (where appropriate, in cooperation with the HR department and the Sustainability & DEI team), and in 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.

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 in particular 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. In the reporting year, the whistle-blower system was adapted to the new requirements of the relevant national whistle-blower protection laws (transposing EU Directive 2019/1937). With this in mind, Scout24 SE has set up a central reporting office for whistle-blowers, including those of the subsidiaries, in the Compliance department. With regard to employees using the whistle-blower system, Scout24 has additionally adopted a clear non-retaliation policy for those who come forward as whistle-blowers. This means that employees who report information need not fear any negative consequences, including in cases in which it is not possible to find sufficient evidence 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 can additionally be used for posing questions and obtaining guidance concerning compliance topics, and especially for those relating to the Code of Conduct.

The Group-wide CMS 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 compliance

The most recent **declaration of compliance** with the German Corporate Governance Code pursuant to Article 161 AktG was issued by the Management Board and the Supervisory Board in December 2023.

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. Taking into account the Company's specific situation, the Supervisory Board should state specific targets for its composition that consider the Company's 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 German Corporate Governance Code and diversity. The profile of skills and expertise in particular renders this information. 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 should not, as a general rule, 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. By resolution dated 28 November 2023, the Supervisory Board set itself the goal of giving appropriate consideration to women and men in its composition. The Supervisory Board should include at least two members of each gender, with an implementation deadline of 31 December 2024. This goal has already been achieved.

Profile of skills and expertise and qualification matrix

In addition to the personal suitability of each individual member of the Supervisory Board through reliability, availability and appropriate independence, the Supervisory Board has formulated the following profile of skills and expertise for the entire board, which is reviewed and adjusted from time to time. The last review and update took place in September 2023.

The Supervisory Board has decided that the board as a whole should have the following skills and expertise:

- Expertise in the digital economy, digitisation and technology; expertise in the real estate industry and/or marketplaces/classifieds
- Experience in leading a company as a board member or managing director or in other senior management roles and in setting up businesses, developing new business and markets, and in growth and performance marketing
- Expertise in the field of mergers and acquisitions
- International experience/expertise
- Expertise in the field of human resources
- Expertise in the field of sustainability, especially in the areas of social responsibility, good corporate governance and data security
- Expertise/experience in the areas of accounting, auditing, internal control procedures
- Knowledge in the field of compliance, law and regulation

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

Skills and expertise / member	Dr Hans-Holger Albrecht	Frank H. Lutz	Dr Elke Frank	André Schwämm-lein	Maya Miteva from 22 Jun. 2023	Sohaila Ouffata from 22 Jun. 2023	Peter Schwarzen-bauer until 22 Jun. 2023	Christoph Brand until 22 Jun. 2023
Digital/tech/real estate/media	✓	✓	✓	✓	✓	✓	-	✓
Leadership/business set-up/markets	✓	✓	✓	✓	✓	✓	✓	✓
M&A	✓	✓	✓	✓	✓	✓	✓	✓
International	✓	✓	✓	✓	✓	✓	✓	✓
HR	✓	✓	✓	-	-	-	-	-
Sustainability	✓	✓	✓	✓	-	✓	✓	-
Accounting/auditing	✓	✓	-	✓	✓	-	-	-
Compliance	✓	✓	✓	✓	✓	-	✓	✓
Diversity: gender	m	m	w	m	w	w	m	m
Diversity: nationality	D	D	D	D	BGR	D	D	CH
Diversity: age	*1963	*1968	*1971	*1981	*1976	*1983	*1959	*1969
Member since – term of office	2018	2019	2020	2019	2023	2023	2018	2019
Independence	✓	✓	✓	✓	✓	✓	✓	✓

Legend: ✓ applicable - not applicable m male w female D Germany CH Switzerland BGR Bulgaria

Reporting governance and material impacts, risks and opportunities (IROs)

The roles of the Management Board and the Supervisory Board with regard to the monitoring, management and supervision of sustainability issues are described below. The description covers the duties and responsibilities of the Management Board and the Supervisory Board with regard to overseeing the process for dealing with material impacts, risks and opportunities (IROs) (for details, also see the **Materiality assessment process 2023** section), as well as the expertise and skills of the Management Board and the Supervisory Board with regard to sustainability aspects and access to such expertise and skills.

Monitoring the impacts, risks and opportunities is a key component of central risk management. Social and environmental risks covering, among other areas, aspects such as climate, product security, employee turnover and customer satisfaction are an integral part of risk management. In this context, particularly substantial risks were identified in the risk clusters '1.2 – economic risks', and significant risks in the risk clusters '5.2 – data protection and data security' and '1.4 — competition and market'. We provide more detailed information in the **Detailed analysis of the risk position** section.

In close coordination with risk management, the specialist departments assess the individual financial and non-financial risks defined in the risk management system at least twice a year and additionally when required, on the basis of the quantitative parameters of probability of occurrence and the potential financial impact. The findings are reported to the Management Board and the Executive Leadership Team (ELT) at least every six months. The highest-rated risks are reported on a quarterly basis. Risk management is primarily the responsibility of the Company's CFO from a systemic perspective. Responsibility for mitigation measures and their monitoring lies with the specialist departments. We provide more detailed information in the **Risk and opportunities management system** section.

The Head of Accounting, Tax & Risk Management reports directly to the Company's CFO. Within the Supervisory Board, risk management is assigned to the Supervisory Board's Audit Committee. It receives reports from the Head of Accounting, Tax & Risk Management on the risk management system on a quarterly basis. In addition, the General Counsel reports quarterly to the Management Board and the Audit Committee of the Supervisory Board on compliance, data protection and internal auditing.

Furthermore, material topics of relevance to ESG are also reported to the Supervisory Board throughout the financial year. Depending on the topic in question, the report is submitted either directly to the full Supervisory Board or by the relevant committee of the Supervisory Board.

Responsibilities with regard to non-financial impacts, opportunities and risks as well as reporting

The responsible Chief People & Sustainability Officer (CPSO) reports to the Management Board and the ELT on a quarterly basis on non-financial impacts, risks and opportunities.

In principle, the topic of ESG strategy is assigned to the Executive Committee of the Supervisory Board. The impacts, opportunities and risks are assessed and classified in preparation by the Audit Committee as part of the general regular review of risk management.

Description of the role of the Company's Management and the Supervisory Board

The Management Board bears ultimate responsibility for procedures, controls and processes in the area of governance for monitoring, managing and overseeing material impacts, risks and opportunities. Tobias Hartmann is a member of the Company's internal Sustainability Committee, in which a regular exchange takes place with managers from a wide range of specialist areas and the Sustainability team (see the **Sustainability management** section). In general, the Management Board additionally deals with individual sustainability topics within the scope of its respective responsibilities in accordance with the **allocation of responsibilities**.

Sustainability issues are assigned to the Executive Committee of the Supervisory Board. However, depending on the subject area, the respective committees are also involved in dealing with ESG topics: the Remuneration Committee with the topic of DEI and the Audit Committee, as described above, with monitoring impacts, risks and opportunities (IROs) – as well as the full Supervisory Board.

Skills and expertise in monitoring sustainability aspects

The members of the Management Board have many years of relevant experience in their respective areas of responsibility and in correspondingly relevant ESG topics.

Almost all members of the Supervisory Board also have the relevant ESG expertise and skills thanks to their many years of professional experience. In addition, the Management Board and the Supervisory Board can consult experts or take advantage of training on individual topics as required.

Strategy and targets

The Management Board is responsible for adopting the ESG strategy and the related targets for Scout24 SE.

At the beginning of the year, the Sustainability Committee draws up the strategy for defining the targets relating to material non-financial impacts, risks and opportunities for the current financial year (see the **Sustainability management** section). Under the CEO's guidance, the targets and actions of the **ESG framework** are defined, evaluated and approved (by the Management Board) twice a year as a strategic framework. The ESG framework contains specific targets and key performance indicators (KPIs) for the three pillars of environment, society and governance and serves as the strategic framework for sustainability within the Scout24 Group. Reports on the ESG strategy are also submitted to the Executive Committee; the ESG strategy is additionally discussed in detail at least once a year by the full Supervisory Board.

Since 2021, variable compensation for the Management Board and other members of the ELT has been linked to quantifiable ESG targets. Scout24 SE's Supervisory Board sets the non-financial sustainability target annually. It reflects Scout24 SE's social and environmental responsibility and is directly derived from the sustainability strategy. With a weighting of 30%, the non-financial target for the 2023 financial year concerned the achievement of a defined percentage in terms of gender diversity in leadership positions and in international diversity.

The Management Board and the Supervisory Board monitor **progress in achieving the targets** relating to the material IROs through regular reporting. In addition to the CPSO's reports, this includes regular reporting from risk management.

During the financial year, the Management Board focused on the material impacts, risks and opportunities relating to compliance, diversity and equal opportunities as well as energy and climate change mitigation. Regulatory changes with regard to the European Corporate Sustainability Reporting Directive and the German Act on Corporate Due Diligence Obligations in Supply Chains ('Lieferkettensorgfalts-pflichtengesetz', LkSG) were discussed in this respect in the reporting year. On the topic of climate and emissions, the Management Board was informed about emissions accounting, the climate strategy and the planned implementation measures. Progress reports on the diversity targets are also submitted at regular intervals (see the **Diversity and equal opportunities** section). The Management Board is also informed of developments in the area of data security on a monthly basis (see the **Data protection, data security and product responsibility** section).

In the financial year, the Supervisory Board primarily dealt with significant impacts, risks and opportunities in the areas of diversity and equal opportunities, energy and climate change mitigation as well as working conditions and training. For example, the results of the annual emissions accounting and insights into the Company's climate strategy were presented. In addition, the focus was placed on the development of employee attrition figures, various diversity indicators such as women in leadership and feedback from the engagement surveys. The General Counsel reports directly to the Audit Committee on data protection and compliance matters on a quarterly basis.

In particular, as part of the annual non-financial target (setting the short-term incentive), the IROs were reviewed with regard to selected KPIs, such as gender parity, women in leadership, international diversity or climate strategy targets.

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 determining and reviewing 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 it 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 an option to cap compensation 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, the Company's performance and 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 substantial contribution to the sustainable and long-term continued development of Scout24. This is mainly premised on an appropriate performance-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 SE'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 substantial 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 set.

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 substantial proportion of total compensation, exceeding short-term variable compensation. Furthermore, the compensation system includes a sustainability component that takes into account social and environmental 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 for the most part granted as share-based payments. 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 German Stock Corporation Act (AktG) and takes into account the recommendations of the Government Commission on the German Corporate Governance Code, as amended on 28 April 2022.

The compensation of the members of Scout24 SE's Management Board 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, in other words, assuming 100% target achievement. The variable compensation obtained as a result of reaching long-term targets should exceed the proportion resulting from reaching short-term targets (consistent with Recommendation G.6 of the GCGC in the version of 28 April 2022).

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 benefits 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 the beginning of each financial year. The key performance criteria for assessing performance with regard to the one-year variable compensation are Group revenue (35%), the Group's ordinary operating earnings before interest, taxes, depreciation and amortisation (Group ooEBITDA) (35%) and a non-financial sustainability target (environmental, social and governance (ESG) target) 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, growth of ordinary operating EBITDA, and a non-financial strategic target that applies to all members of the Management Board 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.

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 month or part-month of their term of office.

The Supervisory Board reviews its compensation at regular intervals. In this context, the components as well as the amount and structure of the compensation were considered by reference to the compensation at a peer group of other comparable entities, most recently in the 2022 financial year. 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. Based on the procedure described above, the most recent proposal, on the initiative of the Supervisory Board, to amend the compensation of the Supervisory Board was made to the Annual General Meeting on 30 June 2022 and adopted by a majority at the Annual General Meeting.

Components, amount and structure of the Supervisory Board's compensation

Under the rules adjusted in 2022 and set out in the Articles of Association, each member of the Supervisory Board receives fixed annual compensation of EUR 70,000. The Chair of the Supervisory Board and his Deputy receive higher compensation for the higher organisational and administrative effort associated with their work and their particular responsibility for the successful and efficient cooperation of the entire board. The Chair of the Supervisory Board receives fixed annual compensation of EUR 175,000 and his Deputy of EUR 140,000. Each membership and chairing of Supervisory Board committees is remunerated additionally in view of the importance of the committee work and the increased preparation effort and workload. As a result, the Recommendation G.17 GCGC is complied with. A distinction is made between the Audit Committee and the other committees with regard to the amount of this additional compensation. Each member of the Audit Committee additionally receives fixed annual compensation of EUR 25,000 and its Chair receives EUR 50,000. Each member of any other committee additionally receives fixed annual compensation of EUR 20,000, and each Chair of another committee receives EUR 40,000, respectively.

Following the entry of the above amendment to the Articles of Association in the commercial register on 18 August 2022 and its corresponding entry into effect, the Supervisory Board's compensation has been determined for the period since 1 July 2022 in accordance with the amended Article 13 of the Articles of Association as described above.

For 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, see the **Compensation report**.

D&O insurance

The Company has concluded an insurance policy covering the members of the Management Board and the 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 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 participate in 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 was held in Munich on 22 June 2023 as a face-to-face event. The Annual General Meeting was held at 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 H. Lutz, Dr Elke Frank as well as Mr André Schwämmlein as further members 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, namely Mr Christoph Brand and Mr Peter Schwarzenbauer, attended the Annual General Meeting via video and audio link. The candidates for election to the Supervisory Board, Ms Maya Miteva and Ms Sohaila Ouffata, were physically present at the meeting.

Shareholders exercised their voting rights by casting their votes in the designated room at the Annual General Meeting, by absentee vote or by granting power of attorney to the proxy appointed by the Company. The invitation was published in the German Federal Gazette ('Bundesanzeiger') 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 SE from the date when the Annual General Meeting was convened. After the Annual General Meeting, Scout24 SE also published the voting results on its website. Shareholders representing 81.47% of Scout24 SE's share capital with voting rights were present at the Annual General Meeting. By resolution of the Annual General Meeting of 22 June 2023, the Articles of Association were amended, and the Management Board was authorised to provide for the Annual General Meeting to be held without the physical presence of shareholders or their proxies at the venue of the Annual General Meeting (virtual Annual General Meeting). This authorisation applies to the holding of virtual Annual General Meetings for a period of two years from the entry of this amendment to the Articles of Association in the Company's commercial register, which took place in July 2023. The Articles of Association were also amended to permit members of the Supervisory Board, other than its Chair, to participate in the Annual General Meeting by means of video and audio transmission if certain conditions are met.

Notifiable securities transactions (directors' dealings)

The members of the Management Board and the Supervisory Board, other persons discharging managerial duties who are authorised to make material 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 EUR 20,000 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 2023 financial year, the Company was not notified of any such directors' dealings by members of the Supervisory Board, the Management Board or other persons discharging managerial duties.

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, company presentations, ad hoc, corporate and IR releases as well as marketing communications.

Financial reporting and annual audit

The half-year financial report as of 30 June 2023 and the consolidated financial statements as of 31 December 2023, as well as the two quarterly statements as of 31 March 2023 and 30 September 2023, were prepared in accordance with International Financial Reporting Standards (IFRS). The annual financial statements of Scout24 SE for the 2023 financial year were prepared in accordance with the requirements of the German Commercial Code (HGB) and the German Stock Corporation Act (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. Furthermore, the consolidated interim financial statements and the interim Group management report of Scout24 SE for the period from 1 January to 30 June 2023 were reviewed.

Investor relations

Development of the capital market

The stock market year 2023 was marked by ~~a~~ constantly changing prospects concerning inflation, interest rates and the economy. Technology stocks in particular, as measured by the relevant Nasdaq indices, repeatedly benefited from hopes of increasingly easing inflation and interest rate trends. Accordingly, any indication to the contrary regularly led to larger price movements and thus to greater volatility overall in technology shares. Growing expectations and potential opportunities in the field of artificial intelligence also drove prices up in the technology sector. High energy and commodity prices and high inflation were just some of the negative factors here. Construction activity and real estate values suffered from the persistently high interest rates. It was only in November and December that noticeable declines ensued, dropping from above 4% and edging towards 3.5%. These difficult economic conditions had a greater impact on the MDAX than on the DAX, which, in contrast to the MDAX, reached a new record high over the course of the year. Hopes of falling interest rates in the coming year caused the markets to boom once again in the last two months of the year. Against this backdrop, stock markets were stable to positive overall in 2023, albeit with relatively wide deviations. While technology-heavy indices posted strong gains, more cyclical indices performed somewhat more modestly.

The Scout24 share

Development of the Scout24 share price in 2023 (EUR, MDAX indexed)

In this, for technology stocks, positive environment, the Scout24 share recorded noticeable price gains as well. Accordingly, the share reached its low for the year of EUR 46.93 early, on 2 January 2023. Driven by continued strong operating results, a clear dividend increase and further share buy-back transactions, the share price rose by more than 30% by the beginning of June, also clearly outperforming the MDAX benchmark index at an early stage. After the subsequent consolidation phase, the share resumed its upward trend in mid-July and rose to an interim high of EUR 66.44 on 25 September 2023. This was supported by the continued positive business performance and the associated increase in the annual forecast. In the wake of the escalating conflict in the Middle East and renewed interest rate fears, the Scout24 share also suffered noticeable losses from mid-October. Strong figures for the third quarter and a further forecast adjustment gave the share another boost in November. Supported by the general year-end rally, the share reached its peak of EUR 66.62 for the year on 12 December 2023. However, the share was unable to maintain this level. Profit-taking following an interest rate cut by the European Central Bank led to losses of more than 7% in two days. With a year-end closing price of EUR 64.16, the Scout24 share achieved an overall price gain of

36.7% in 2023, noticeably outperforming its benchmark indices DAX and MDAX, which saw price gains of 20.3% and 8.0%, respectively, in the same period.

Opening price as of 2 Jan. 2023 in EUR	47.25
Year peak as of 12 Dec. 2023 in EUR	66.62
Year low as of 2 Jan. 2023 in EUR	46.93
Closing price as of 29 Dec. 2023 in EUR	64.16

Key figures for stock exchange trading

The Scout24 share has 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. Scout24 is additionally listed in the DAX 50 ESG, the highly regarded MSCI Germany Index and the STOXX Europe 600.

Type of shares	Registered shares (no-par value)
Stock exchanges with the highest turnover	Xetra, London, BATS Trading Europe, CBOE Europe DXE
Other regional stock exchanges	Frankfurt Stock Exchange, regional exchanges in Stuttgart, Düsseldorf, Berlin, Munich, Hamburg, Hanover
Frankfurt Stock Exchange transparency level	Prime Standard
ISIN/WKN	DE000A12DM80/A12DM8
Code	G24
Bloomberg	G24:GR
Thomson Reuters	G24n.DE
Specialist	ODDO BHF Corporates & Markets AG
Designated sponsor	Baader Bank
Total number of shares as of 31 Dec. 2023	75,000,000 (1,391,260 treasury shares)
Market capitalisation as of 29 Dec. 2023	EUR 4,722.7 million (excluding treasury shares)

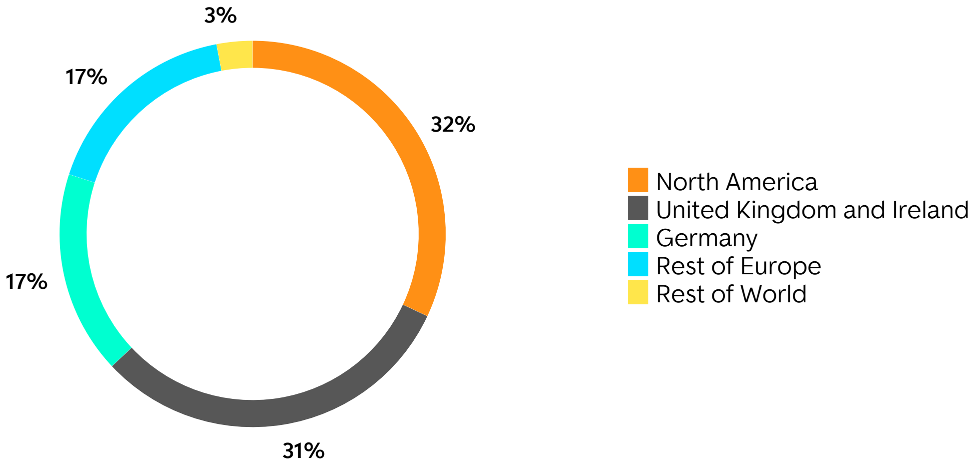
Shareholder structure

Against the background of the share buy-back transactions and capital reductions described below, the shareholder structure of Scout24 SE as of 31 December 2023 was as follows:

Shareholder	Number of shares	Percentage (%)
Treasury shares	1,391,260	1.86%
Free float	73,608,740	98.14%
Total	**75,000,000**	**100%**

The free float of 98.14% is mainly held by institutional shareholders. As of 31 December 2023, the regional distribution was as follows. At 32%, institutional shareholders from North America account for the largest share, followed by institutional shareholders from the United Kingdom and Ireland (31%), as well as continental Europe (17%), Germany (17%) and the rest of world (3%).

SHAREHOLDINGS OF INSTITUTIONAL INVESTORS BY REGION



Source: IHS Markit shareholder identification as of 31 December 2023

Share buy-back transactions

On 22 March 2023, the Management Board decided, with the approval of the Supervisory Board, to buy back treasury shares with a total purchase price volume of up to EUR 100 million in one or more separate tranches via the stock exchange. On 31 March 2023, we initiated a buy-back programme with a volume of up to EUR 60 million that ended on 26 January 2024. In this context, up until the 31 December 2023 reporting date, 838,361 shares were purchased on the market at an average share price of EUR 59.04, corresponding to 1.12% of the share capital at the time of the buy-back transactions. No further shares were acquired in this tranche. At the end of the year, we held a total of 1,391,260 treasury shares, corresponding to 1.86% of the share capital (75,000,000 shares). For details of the share buy-back programmes, see **www.scout24.com/en/investor-relations/share/share-buybacks**. Together with the share buy-back transactions from previous years, Scout24 thus returned capital of around EUR 2.23 billion to Scout24 shareholders.

Period	Aggregated volume (number of shares)	Total volume in EUR
2 Sep. 2019 to 31 Jan. 2020	2,793,873	149,999,973
6 Apr. 2020 to 19 Nov. 2020	6,969,836	489,999,944
1 Apr. 2021 to 16 Apr. 2021	11,400,875	794,184,952
26 Apr. 2021 to 30 Jun. 2021	2,921,878	199,999,958
12 Nov. 2021 to 15 Feb. 2022	3,456,442	196,249,575
8 Mar. 2022 to 13 Dec. 2022	6,523,247	349,104,497
31 Mar. 2023 to 3 Nov. 2023	838,361	49,499,715
Total	**34,904,512**	**2,229,038,614**

Communication with investors

Scout24 SE maintains a constant, open and transparent dialogue with the capital market. In the 2023 financial year, meetings with investors were held in the form of individual and group meetings, telephone calls, roadshows and conferences. The Investor Relations team and, in some cases, the Management Board take part in the meetings. Over the course of 2023, the Management Board and the Investor Relations (IR) team attended 22 conferences and individual events. 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. Coinciding with the publication of the quarterly financials, we also invited investors to a group video conference organised by a selected Scout24 analyst, in which the CEO and CFO were available to answer questions. The following topics were of particular interest in the numerous direct discussions with investors in 2023:

- Product portfolio and implementation of our corporate strategy
- Development of key financial figures
- Germany's real estate market (how it works and current market dynamics)
- Sprengnetter acquisition and additional product range
- ESG[1] topics, such as our climate strategy~~,~~
- Employee turnover ~~and~~
- Sustainable product development

After a majority of our shareholders voted against approving the compensation report at the Annual General Meeting in June 2023, the IR team, together with the Company's Legal department, held a Governance Expert Roadshow with regard to the compensation report 2023 in order to proactively seek dialogue with investors and take their feedback and their expectations of the compensation report on board. In addition, investors, analysts and representatives of ESG rating agencies can visit our investor relations website at **www.scout24.com/en/investor-relations** to get a comprehensive picture of Scout24 at any time. In addition to our financial reports, the website posts financial notifications, important dates and events as well as a wealth of information on the Scout24 share, our ESG topics and corporate governance at Scout24.

For the first time in three years, our Annual General Meeting was held as an in-person event again on 22 June 2023. The speeches of the Supervisory Board and the Management Board were streamed live on the internet. Registered shareholders were able to follow the entire Annual General Meeting via a secured internet service. In total, 81.47% of the voting share capital of Scout24 SE was represented. The most important items on the agenda included the 18% increase in the dividend to EUR 1.00 per share, the renewed authorisation for further share buy-back transactions and the election of two new members to the Supervisory Board. The appointment of the two women candidates increases the percentage of women on the Supervisory Board to 50%. The shareholders approved these agenda items and all other proposed resolutions requiring approval by a large majority. The only item not approved by a majority was the compensation report presented. In addition, the Annual General Meeting exonerated the Management Board and the Supervisory Board of Scout24 SE for the 2022 financial year by a clear majority. More information on our 2023 Annual General Meeting is available on our website at **www.scout24.com/en/investor-relations/annual-general-meeting**.

Communication with analysts

In addition to the Company's IR activities, investors can access estimates and recommendations by independent analysts. As of 31 December 2023, Scout24 SE was included in the coverage of 17 analysts or brokerage firms. This wide reporting scope ensures sustained high visibility of the Scout24 share on capital markets. Throughout the 2023 financial year, we also maintained an intensive exchange in one-on-one discussions with this target group. A list of commenting banks and securities firms that regularly publish analyses, studies and recommendations on Scout24 or the Scout24 share is available at **www.scout24.com/en/investor-relations/share/analyst-coverage**. 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.

[1] Environment, social and governance.

Combined management report

of the Scout24 Group and Scout24 SE

Contents

Key financials

EUR million, unless otherwise indicated	FY 2023	FY 2022	Change
Group revenue	**509.1**	**447.5**	**+13.8%**
of which Professional segment	327.1	291.2	+12.3%
of which Private segment	144.4	121.5	+18.8%
of which Media & Other segment	37.6	34.8	+7.9%
Group ordinary operating EBITDA[1]	**303.9**	**251.1**	**+21.0%**
of which Professional segment	212.5	176.2	+20.6%
of which Private segment	74.9	62.7	+19.5%
of which Media & Other segment	16.5	12.2	+36.1%
Group ordinary operating EBITDA margin[2] **in %**	**59.7%**	**56.1%**	**+3.6pp**
of which Professional segment	64.9%	60.5%	+4.4pp
of which Private segment	51.9%	51.6%	+0.3pp
of which Media & Other segment	44.0%	34.9%	+9.1pp
Group EBITDA[3]	**278.7**	**230.6**	**+20.9%**
Earnings after tax	178.8	123.5	+44.7%
Earnings per share (basic) in EUR	2.43	1.59	+52.8%
Average number of shares in millions	73.7	77.8	-5.3%
Own work capitalised	22.8	28.7	-20.7%
Own work capitalised as % of revenue	4.5%	6.4%	-1.9pp

[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 any impairment losses or reversals of impairment losses.

We also provide an overview of our current and historical key financial figures (including for the fourth quarter) at Group and segment level in table format (xlsx) at **www.scout24.com/en/investor-relations/financial-reports-presentations.**

Fundamentals of the Group

Business model

Customers and products

For over 25 years, Scout24 has been successfully bringing together homeowners, real estate agents, tenants and buyers.[2] ImmoScout24 is the market leader in Germany for digital real estate marketing and search. Consumers seeking real estate find on the ImmoScout24 platform a wide range of digital listings published by real estate agents (including property managers) and homeowners. With an increasing and varied offer and a high number of prospective buyers and tenants, the frequency and length of session of website visitors on ImmoScout24 (traffic) are also increasing.

The listings for the sale or rental of real estate are booked under master agreements (**membership programmes**) or as individual orders (**pay-per-ad**) by professional customers and consumers at ImmoScout24. Offering corresponding additional products (including **seller leads**), Scout24 supports real estate agents in the acquisition of mandates and with additional marketing services for the sale of properties. Real estate developers can access our **location analysis** to help them decide where and what to build.

Upon request, we can intermediate **financing advice** for potential real estate buyers. The Mortgage Lead Engine offers financing service providers the option of buying additional mortgage leads.

Plus products **TenantPlus** ('MieterPlus') and **BuyerPlus** ('KäuferPlus) offer home seekers the opportunity to find their dream property more quickly and efficiently. With **LivingPlus** ('WohnenPlus'), Scout24 has been offering tenants additional tenant protection services since summer 2023 to support them when it comes to housing and renting.

Landlords can use **Vermietet.de** to contact their tenants, manage their real estate portfolio and, for instance, prepare statements of ancillary costs.

With **FLOWFACT** and **Propstack**, Scout24 offers CRM software solutions that agents can use to manage their contacts and business digitally.

In the **third-party advertising business**, advertising opportunities are offered on our ImmoScout24 platform.

The **Sprengnetter Group** offers software solutions for real estate valuations to banks and the real estate sector, as well as financing appraisals and training courses for real estate experts.

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

- **Real estate agents**[3]
- **Homeowners**
- **Consumers**

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

- **Realtor Lead Engine (RLE):** product for obtaining leads for mandates to sell real estate → agents pay a price per lead
- **immoverkauf24:** product for obtaining leads for mandates to sell real estate → agents pay part of the brokerage commission after a successful sale transaction
- **Mortgage Lead Engine (MLE):** mortgage financing products under the pay-per-lead model

[2] Based on internal competitive analyses and external references.
[3] Including property managers, finance partners, real estate developers and new home builders.

- **BaufiTeam:** customer advice within the scope of mortgage and real estate financing → commission is shared upon successful conclusion of financing
- **FLOWFACT and Propstack:** CRM software solutions for real estate agents → fees are charged partly under the membership contract, partly under a licensing 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, as well as tenants who are in the residential phase. To facilitate the search and rental, the following products are offered:

- **TenantPlus ('MieterPlus'):** exclusive listings with early contact, additional information and opportunity analysis, digital applicant folder for users looking for a rental property including credit report → three months' minimum subscription term
- **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 term
- **LivingPlus ('WohnenPlus'):** comprehensive coverage and support in the area of tenant protection for tenants, such as review of rental agreements and utility bills as well as personal legal advice in the area of tenancy law → twelve months' minimum subscription term

Private landlords (homeowners) are offered the following additional products:

- **LettingPlus ('VermietenPlus'):** cloud-based software solution that supports private landlords in rental and property management via Vermietet.de

As a result of obtaining control of the **Sprengnetter Group** and consolidating its business operations in the Professional segment as of 1 July 2023, the Group has expanded its product and customer portfolio. Since then, Scout24 has offered the following additional products for real estate agents, appraisers, mortgage financing intermediaries and banks:

- **Software solutions for real estate valuations:** digital products for the valuation of real estate → the provision of software solutions for banks is based partly on a subscription model and partly on a pay-per-use model; the solutions, the products aimed at real estate agents, appraisers and other real estate professionals (Sprengnetter apps) are based partly on subscription models and partly on a pay-per-use model
- **Services, such as viewings and valuations:** pay-per-use model
- **Automated valuation model (AVM):** product for the automated valuation of real estate through application programming interfaces (APIs) → under framework agreements
- **Products in connection with market data and analyses:** provision of transaction-related documents for real estate professionals → pay-per-document model
- **Sprengnetter Academy:** training courses and digital training and education software for real estate and financing experts → partly subscriptions, partly pay-per-use model

Segment structure

Since the 2022 financial year, the Scout24 Group has been reporting based on three segments: 'Professional', 'Private' and 'Media & Other'. The division into these three segments reflects the focus of the business model and the strategy for building a digital ecosystem for real estate transactions based on the needs of private and professional customers. The respective segment revenue and the related ordinary operating EBITDA stem from different customer groups that purchase various products from Scout24 for various target markets. The Professional segment mainly comprises revenue from products for professional customers such as agents. Having obtained control of the Sprengnetter Group on 1 July 2023, the Group has consolidated the business operations of the Sprengnetter Group in the Professional segment in other revenue and in the seller leads business. Revenue in the Private segment stems from the various products for private customers. The Media & Other segment mainly concerns revenue from ImmoScout24 Austria's business and from advertising business with third parties as well as our CRM portfolio with FLOWFACT and Propstack.

Segments	Customer groups	Products/monetisation
Professional	• Professional estate agents for residential and business real estate • Appraisers • Financing intermediaries and banks	• Subscriptions: memberships with/without seller leads (RLE, immoverkauf24) • Pay-per-ad listings • Other: mortgage leads, real estate appraisals and valuations
Private	• Consumers • Homeowners	• Subscriptions: TenantPlus, BuyerPlus, LivingPlus, LettingPlus • Pay-per-Ad-listings • Other: relocation leads, credit check
Media & Other	• Advertisers (third parties) that place advertisements on ImmoScout24 • Users of ImmoScout24 Austria • FLOWFACT and Propstack customers	• Advertisements • ImmoScout24 Austria products • CRM software for agents

Strategy

We pursue a clear strategy: we are developing our market leader ImmoScout24 into a fully connected **digital marketplace for real estate** and are building a **digital data-driven ecosystem** for real estate agents, homeowners and home seekers in Germany and Austria. ImmoScout24 is driving forward the **digitisation of the real estate market** and all processes relating to real estate transactions with a focus on **ESG**, both for business and residential properties.

Through ongoing investment in our brand, our products and targeted acquisitions, such as the recent Sprengnetter Group acquisition, we are strengthening our market leadership and our product range. With ImmoScout24, our goal is to be a reliable point of contact for all real estate matters, offering a diverse product range and high-quality content.

On our platform, we connect real estate agents, owners and property seekers, bringing together a comprehensive range of properties and constant demand in the interest of all market participants. Our product portfolio and our value chain cover the entire real estate transaction end to end: products for selling, buying, financing, letting, renting, valuing and managing real estate. We make it even easier for people looking for a new home to find one, we enable owners to find suitable buyers or tenants and manage their properties, and we support estate agents in marketing properties efficiently and selling them at the best price or in acquiring new mandates.

By expanding the ImmoScout24 ecosystem with the Sprengnetter products (e.g. our Homeowner Hub (My Property)), we were able to further advance our strategy and create synergies between our existing products and the products of the Sprengnetter Group. Through the expansion of the product world, we increase our customers' ability to draw on independent valuation data for real estate properties and to enrich real estate offers with smart data services and tailor-made financing solutions. We are also continuously developing our existing products with a special focus on ESG by providing our customers with sustainability-related key figures and information on all aspects of modernisation and energy efficiency for their property. This way, our sustainable product range covers current and future developments in the real estate market and ESG issues relating to real estate transactions. With our products and the underlying data quality, we are thus continuously creating better market transparency for all market participants and making it even easier for them to make informed, sustainable and reliable decisions about real estate.

With this strategy and our diversified product portfolio, we address the **respective marketing and commission pool** for agents on the **real estate transaction market** and, at the same time, support them in expanding their business. We also address the **mortgage financing market** and corresponding **consumer markets**. We intend to further tap this significant market potential, both through our existing product portfolio, through product innovations and updates, and through prospective business acquisitions, in order to continue our profitable growth. Sustainability and social responsibility are an integral part of our strategy. We integrate them into our daily activities, our product development and our corporate culture, thereby also increasing our corporate value. For more information on the topic of sustainability, see the **Consolidated non-financial statement**.

Organisation and corporate structure

Management and control

The Scout24 Group is managed by Scout24 SE, with registered office in Munich, Germany.[4] The corporate purpose of Scout24 SE is to acquire, hold, manage and sell interests in entities in Germany and other countries that are active in the area of online and internet services and to render services in the real estate sector, in particular services for the brokerage or management of real estate or related or associated business purposes. With the acquisition of the Sprengnetter Group, the business operations also comprise services in the field of real estate valuation and financing as well as real estate appraisals. As a holding company with Group management functions, Scout24 SE performs all related activities, especially rendering management, advisory and other services to affiliated entities as well as performing activities for the aforementioned business areas.

The Management Board of Scout24 SE is responsible for corporate strategy and management. In the 2023 financial year, it comprised the following members:

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
Ralf Weitz	Chief Product & Technology Officer	6 December 2018	31 December 2025
Dr Thomas Schroeter	Chief Product Officer	6 December 2018	At the end of 27 January 2023, following resignation by mutual agreement (originally appointed until 31 December 2025)

The operating procedures, composition and members of the Supervisory Board are explained in the **Report of the Supervisory Board** section of the annual report 2023.

The compensation of the Management Board and the Supervisory Board as well as the incentive and bonus systems are described in the compensation report. This will also be published on 28 March 2024 and is available at **www.scout24.com/en/investor-relations/corporate-governance/compensation.**

The Management Board and the Supervisory Board of Scout24 SE attach importance to responsible corporate governance geared to long-term performance 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 and 315d HGB, which is both included in this annual report and available on the Scout24 website at **www.scout24.com/en/investor-relations/corporate-governance**.

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

Name	Function	Member of the ELT since
Dr Gesa Crockford	Managing Director at Immobilien Scout GmbH	1 January 2023
Dr Christian Ronge	General Counsel	1 July 2021
Jan Sprengnetter	Managing Director at Sprengnetter GmbH	1 July 2023
Dr Claudia Viehweger	Chief People and Sustainability Officer	1 June 2021

Together, these seven individuals formed the Executive Leadership Team (ELT) in the 2023 financial year.

The following organisational changes came into effect in the 2023 financial year: Dr Thomas Schroeter, member of the Management Board of Scout24 SE and Managing Director of Immobilien Scout GmbH,

[4] The Company's business address has been in Berlin, Germany, since February 2023.

stepped down from his office by mutual agreement as of 27 January 2023. As the new Chief Product & Technology Officer, Ralf Weitz has been responsible for and managing the product, marketing, tech and data organisations under one roof since 1 January 2023. At the same time, Dr Gesa Crockford, Managing Director at Immobilien Scout GmbH, joined the Executive Leadership Team of Scout24 SE on 1 January 2023. With the acquisition of the Sprengnetter Group, Jan Sprengnetter also joined the ELT in his capacity as manager of the Real Estate Valuation department and Managing Director of the Sprengnetter Group as of 1 July 2023.

Corporate structure

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

Effective 14 February 2023, Immobilien Scout GmbH acquired the remaining shares in Zenhomes GmbH, raising its holding to 100% of the shares. Zenhomes GmbH was subsequently merged with Immobilien Scout GmbH with effect from 1 April 2023 and thus ceased to exist.

Effective 19 May 2023, Immobilien Scout GmbH acquired 1,155 new shares in Upmin Group GmbH by way of a capital increase, thereby increasing its shareholding to a total of 28.2%.

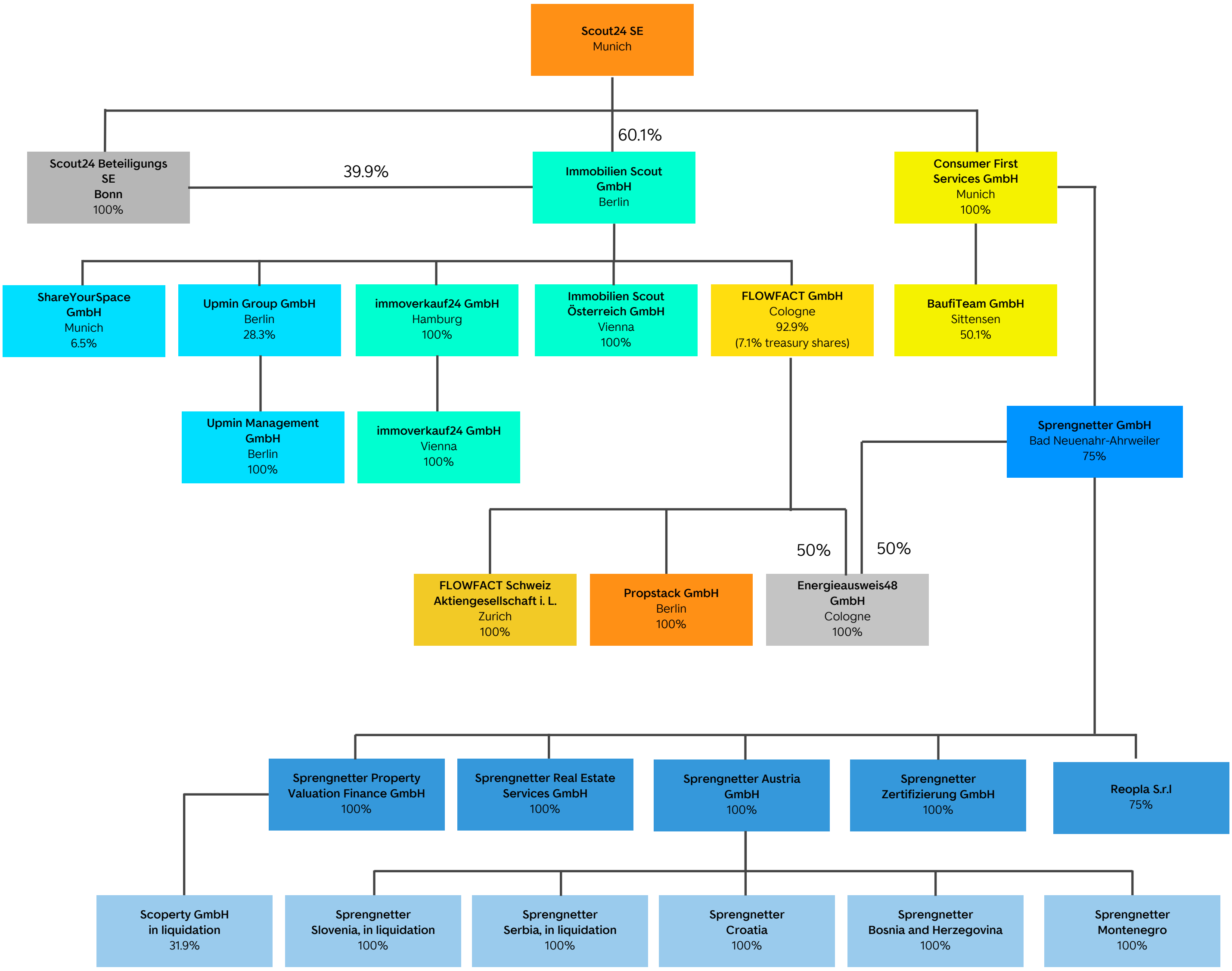
Effective 1 July 2023, Consumer First Services GmbH acquired 75% of the shares in Sprengnetter GmbH, one of the leading providers of real estate data and valuations in Germany. Sprengnetter GmbH holds 100% of the shares in Sprengnetter Property Valuation Finance GmbH, Sprengnetter Real Estate Services GmbH and Sprengnetter Zertifizierung GmbH, all of which are based in Bad Neuenahr-Ahrweiler. Sprengnetter GmbH also holds 100% of the shares in Sprengnetter Austria GmbH, based in Feldkirchen in Carinthia, Austria, and 75% of the shares in Reopla S.r.l., based in Turin, Italy.

Effective 3 November 2023, FLOWFACT GmbH acquired the remaining shares in Propstack GmbH. FLOWFACT GmbH now holds 100% of the shares.

Effective 7 December 2023, Immobilien Scout GmbH acquired the remaining 6.5% of the shares in ShareYourSpace GmbH, with registered office in Munich, by way of a capital increase. ShareYourSpace is a platform on which temporarily unused office space is offered to people looking for flexible rental options.

On 22 December 2023, Sprengnetter GmbH notarised the purchase and assignment agreement for all shares in 21st Real Estate GmbH, with registered office in Berlin. The transaction was formally and legally closed as of 3 January 2024. 21st Real Estate GmbH is a software provider for market price and location analysis for business real estate.

The following chart provides a (simplified) overview of the direct and indirect shareholdings of Scout24 SE as of 31 December 2023:



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

Revenue and **ordinary operating EBITDA at Group and segment level** are the main financial performance indicators. Setting these in relation to each other produces another indicator of profitability: the **ordinary operating EBITDA margin.**

Non-financial performance indicators

Since the 2022 financial year, the Scout24 Group has been reporting based on three segments: 'Professional', 'Private' and 'Media & Other'. The division into these three segments reflects the focus of the business model and the strategy for building a digital ecosystem for real estate transactions based on the needs of private and professional customers. In addition, the following non-financial performance indicators are calculated for the Professional and Private segments and the products contained therein:

- **Number of our professional customers[5,6]:** real estate agents, property managers, real estate developers, new home builders, finance partners in the residential and business real estate market who market real estate properties through us and acquire new business through us
- **Number of our private customers:** consumers hunting for real estate and homeowners who use our Plus products and the Vermietet.de platform

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

- **Professional ARPU[7]:** revenue with professional customers from subscriptions and add-on products for the period divided by the average number of professional customers divided by the number of months in the period
- **Private ARPU:** subscription revenue with private customers for the period divided by the average number of customers 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** as an average value for the period under review of active listings as of the end of each month
- **Number of monthly users** of the ImmoScout24 website and app as an average value over the period under review. Users of www.immobilienscout24.de on the web and the app (including subdomains, excluding satellite sites/apps) are counted once per month on a cookie or installation basis
- **Number of monthly sessions** of the ImmoScout24 website and app as an average value over the period under review. Sessions of www.immobilienscout24.de on the web and app (including subdomains, excluding satellite sites/apps)

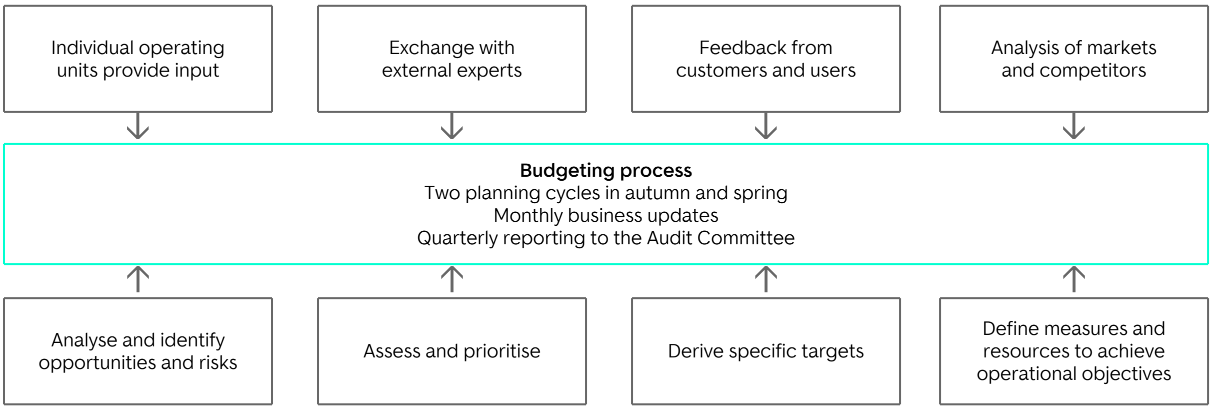
As part of our sustainable corporate development, we have defined further sustainability indicators, the development of which is described in our **Consolidated non-financial statement.**

[5] These are subscription customers, excluding customers who purchase a single listing product (pay-per-ad (PPA) product) on ImmoScout24.
[6] The number of professional customers does not include Sprengnetter's customers.
[7] The calculation of professional ARPU does not include the number of Sprengnetter customers. However, the professional ARPU includes revenue from Sprengnetter products, such as real estate valuations, expert opinions and valuations for banks, which are recognised in the Professional segment under 'seller leads' and 'other revenue".

Steering system

The Group is steered based on an annual budgeting process, a system-controlled objectives and key results process as well as 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 the ELT in various planning rounds and submitted to the Supervisory Board at the end of the year for approval if accepted. 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. This is used as a basis for deriving the corresponding margins. Targets are set for one year at a time at Group level. They are reassessed within the organisation in four-month cycles. The objectives and key results 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, the individual performance indicators are presented and the current development of business is explained (e.g. by segment, customer, vertical 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 objectives and related initiatives are discussed. Both the current results of operations and the budget planning are submitted quarterly to the Supervisory Board at the respective meetings for review and monitoring.

Product development

Innovations and the further development of digital products are a central component of Scout24's strategy to build a digital ecosystem for all real estate transactions. Scout24 is driving forward the digitisation of processes for buying, selling and letting (for both tenants and landlords) as well as for the management of properties in Germany and Austria, efficiently connecting all market participants.

Scout24 develops products through its in-house innovative power and on the basis of feedback from customers and users, tailoring them to their needs. Scout24 is driving the integration of technologies such as artificial intelligence and machine learning to develop customised products. At the same time, following the acquisition of Sprengnetter, Scout24 will develop its product portfolio further with a clear focus on ESG and data transparency, thus creating even more offers for customers and users.

These products are initially developed in a test environment, also on the basis of user feedback. Once the products are made available on our digital marketplace, they are continuously refined and optimised. This iterative process enables rapid product development and availability at low risk. Scout24's focus is on product development. Consequently, Scout24 does not conduct basic research.

This year, we launched the following product initiatives:

- **Newly designed Homeowner Hub (My Property – 'Mein Eigentum'):** with the Homeowner Hub, Scout24 offers online real estate management for owners that gives them insight into and control over their real estate portfolio. My Property provides a detailed overview of potential performance, estimates of potential rental income and real-time demand in terms of the number of potential buyers or tenants on the market. Following the acquisition of Sprengnetter, sustainability-related KPIs and products were integrated to provide insights into the environmental impact and sustainability of real estate and to make further progress on energy efficiency.
- **Redesigning the ImmoScout24 website navigation – better focus and personalisation:** for a more targeted, simpler and more relevant user experience, the ImmoScout24 navigation interface was strategically redesigned to meet the specific needs of our key users and customers: consumers, owners and agents. In order to strengthen ImmoScout24's network effects, the most important products were given greater emphasis in the navigation structure. Personalised dashboards for each user group offer an individual user experience tailored to their needs.
- **Improving the paywall user experience with artificial intelligence (AI):** a smarter paywall system was developed using AI that increases user engagement by identifying and prioritising the most attractive paid offers.
- **FinDrive:** FinDrive is a new all-in-one digital product specially developed for the specific needs of financing experts. FinDrive works like an operating system and connects seamlessly to various lending platforms. In addition, it incorporates Sprengnetter's loan-to-value and market valuation systems, eliminating redundant processes and increasing operational efficiencies. As a connected platform, FinDrive is designed as a one-stop store that provides financing professionals with everything they need to manage their business, from delivering leads to submitting loan applications to banks.

The Scout24 Group's total research and development (R&D) expenses came to EUR 39.6 million in the 2023 financial year, down 25.4% year on year (2022: EUR 53.0 million). This includes both internal personnel expenses and costs for external software engineering service providers. Aside from IT development, product research and development activities are also included. A total of EUR 22.8 million or 57.5% (2022: EUR 28.7 million or 54.1%) of the development costs were recognised as an asset in accordance with IAS 38. Own work capitalised as a percentage of revenue (capitalisation rate) came to 4.5% in the 2023 financial year (2022: 6.4%). The relative and absolute decrease compared with the previous year is primarily due to the reduced use of external and internal personnel. The aim is to optimise operating costs in a difficult market environment. Furthermore, compared to 2022, the costs of the marketing function in the amount of EUR 4.9 million were no longer included in research and development expenses.

Employees

For detailed information on our employees and their composition as well as information on the percentage of women, see the **Key figures on employees** section of the consolidated non-financial statement.

Report on economic position

Macroeconomic and sector-specific environment

Effects of crises on Scout24

The effects of the **Covid-19 pandemic** on the Scout24 Group's business, which were already described as noticeably mitigated in the 2022 consolidated financial statements, continued to decline in 2023. The risk of a new virus variant with a large economic impact is considered to be low but cannot be completely ruled out.

The repercussions of the ongoing **Russian war of aggression** against Ukraine are adversely impacting the macroeconomic development. Energy prices, inflation and interest rates have stabilised at a high level. These developments continue to have an impact on the market environment, consumers and customers and therefore to a limited extent on Scout24's business operations.

The sustained rise in the cost of living is reflected in persistent wage inflation and thus increases the costs per employee. The number of employees was reduced through organisational efficiency measures. This has mitigated the negative impact on personnel expenses, although Scout24 expects personnel expenses to continue to rise in the current inflationary environment. The continuing high energy prices and other higher commodity procurement costs also affect Scout24. However, the effects are limited due to the digital business model. In addition, Scout24 is adversely impacted by high interest rates, although the effect remains small due to Scout24's still low leverage ratio.

The ongoing **conflict in the Middle East** has so far had no significant impact on our business activity. However, future negative effects on overall economic development cannot be ruled out.

The current crises, which are affecting the real estate market and thus our customers, are only having a limited impact on Scout24's business overall. The developments and effects of the above-mentioned events on our business are constantly monitored and assessed in order to take any further risk-mitigating measures needed.

For details, see the following **Economic conditions** section and the **Risks and opportunities report**.

Matters related to climate change mitigation

Our **Consolidated non-financial statement** contains further information on climate-related topics and our materiality analysis.

Economic conditions

In the 2023 financial year, Scout24 generated by far most of its Group revenue (96.5%) through the digital marketplace ImmoScout24 in Germany. Consequently, the following macroeconomic and sector-specific analysis relates primarily to Germany. Contrary to the German government's expectations in its 2023[8] annual economic report, the German economy contracted in 2023. According to initial calculations by the German Federal Statistical Office, gross domestic product (GDP) fell by 0.3% on the previous year.[9]

2023 was largely characterised by international efforts to combat inflation and central banks' resulting restrictive monetary policies in the form of multiple key interest rate hikes. Although the inflation rate declined noticeably over the course of the year, falling from an annual average of 6.9%[10] in 2022 to 5.9%[11] in 2023, core inflation (excluding food and energy) in particular is proving persistent.[12] Energy prices have stabilised at a higher level, but they continue to represent a major burden for businesses and consumers. The escalating conflict in the Middle East has not yet had any significant impact here, but it could lead to a

8 German Federal Ministry for Economic Affairs and Climate Action, Annual Economic Report, January 2023.
9 German Federal Statistical Office, press release No. 019, 15 January 2024.
10 German Federal Statistical Office, press release No. 020, 16 January 2024.
11 German Federal Statistical Office, press release No. 020, 16 January 2024.
12 German Federal Statistical Office, press release No. 020, 16 January 2024.

further price shock if it were to spread. Food was the biggest price driver in 2023. Wage and salary adjustments could only partially compensate for this development. Domestic consumption was correspondingly weak. Against the backdrop of a slowing global economy, there was also no positive impetus from export demand.[13]

Scout24 is affected by these developments in various ways, which are described in more detail in the previous chapter **Effects of crises on Scout24**.

German property market trends[14]

As described in the **Business model** and **Strategy** sections, Scout24's goal with the ImmoScout24 digital marketplace is to build a digital, data-driven real estate ecosystem and drive forward the digitisation of processes relating to real estate transactions. By integrating Sprengnetter products into the ImmoScout24 ecosystem, ImmoScout24 enables its customers to additionally use independent valuation data for real estate properties as well as to enrich real estate listings with smart data services. We are also continuously refining existing products with a special focus on ESG. ImmoScout24 connects real estate agents, owners and property seekers, thereby efficiently bringing together all market participants.

Scout24's diversified product portfolio is tailored to the needs of customers and users, addresses current market trends as well as commission pools and generates income from owners, professional customers, financial experts and real estate seekers. In addition to customers' marketing budgets, the addressable market includes the entire commission pool for the purchase and sale of residential real estate or the letting and renting of residential and business real estate as well as the commission pool of financing intermediaries. The addressable market also includes private customers who are willing to pay for products that make it easier for them to find the property of their choice.

The development of the German real estate market has a substantial influence on the aforementioned revenue streams. According to estimates by GEWOS (Institut für Stadt-, Regional- und Wohnforschung, GEWOS), real estate buying and selling transactions with a total volume of some EUR 192 billion were effected in 2023. Compared with the previous year, this represents a noticeable contraction of the transaction volume by 29% or around EUR 80 billion.[15] Of that amount, some EUR 138.7 billion (2022: EUR 195.4 billion) or 401,100 transactions (2022: 530,300) were attributable to residential real estate and EUR 38.7 billion (2022: EUR 53.7 billion) or 34,200 transactions (2022: 44,800) to business real estate (excluding development land in each case). The corresponding real estate financing market accounted for around EUR 163 billion[16] and declined at a faster rate of around 39%. The main driver behind this development was the considerable rise in mortgage rates in 2022,[17] which stabilised at the higher level in 2023. It was not until November and December that rates began to ease from over 4% towards 3.5%, although this could not provide any impetus for market developments before the end of 2023. This weaker transaction market impacted Scout24's business too, for example, in the brokerage of seller and financing leads. The rental market, which is very important in Germany, can be quantified as follows: of the roughly 43.4 million residential units in Germany,[18] just over 25 million units are rented out, with a comparatively low home ownership rate of roughly 42%.[19] Around two-thirds[20] or roughly 17 million of the rented residential units are owned by private landlords. Scout24 estimates that around 3.2 million[21] rental transactions take place in Germany each year.

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13 German Federal Statistical Office, press release No. 019, 15 January 2024.
14 The figures from last year's annual report for 2022 corresponded to forecasts that have since been adjusted to the actual situation. Therefore, no comparison is possible.
15 GEWOS Institut für Stadt-, Regional- und Wohnforschung GmbH – IMA info 2023, 26 October 2023 | Immobilienmarkt Deutschland; total figure comprises: residential real estate including residential development land, business real estate including commercial and industrial land; figure for residential real estate includes: single- and two-family houses, apartment buildings, condominiums; figure for business real estate comprises developed properties.
16 Deutsche Bundesbank, new business volumes of banks-/-housing loans to households, 5 January 2024 (12-month period from 12/2022 to 11/2023).
17 interhyp, mortgage rates, https://www.interhyp.de/ratgeber/was-muss-ich-wissen/zinsen/zins-charts/.
18 German Federal Statistical Office, press release No. 297, 28 July 2023.
19 German Federal Statistical Office, ownership rate, as of 24 August 2023.
20 Haus und Grund Deutschland, 'Private Landlords in Germany" brochure, as of 17 October 2022.
21 According to the German mail service's relocation study (Deutsche Post Adress, 'Die Umzugsstudie 2021", page 3), more than 8 million people move home every year. Assuming that moving households comprise 2.5 people on average, that would equate to roughly 3.2 million rental transactions each year.

Residential real estate market

The German residential real estate market is characterised by high demand for housing coupled with a supply shortage. The high influx of refugees from crisis areas and other migrants has further exacerbated the situation. The German government's housing construction target of 400,000 new units will again be missed by a wide margin in 2023. Indeed, experts expect a further decline from 295,300[22] completed apartments in 2022 to only up to 223,000[23] apartments in 2023. At the same time, the construction industry has been hit by an unprecedented wave of project cancellations.[24] This is a consequence of higher construction costs, and in particular the considerably higher interest rates. Against this backdrop, a special housing construction summit was held in the German Federal Chancellery at the end of September, at which 14 measures to promote housing construction were agreed, although their effectiveness has yet to be demonstrated. [25]

The persisting housing shortage is particularly noticeable on the rental market where excess demand is exacerbated by the fact that many people potentially willing to buy are now remaining on the rental market in view of the more difficult financing conditions. This is also underscored by the ImmoScout24 Housing Barometer ('WohnBarometer'), which shows that asking rents are continuing to rise in all categories. A different situation prevails on the market of properties for sale, where lower demand is driving prices down.[26] Apartment buildings in particular are affected, which have since returned to the level of five years ago. Single-family homes and condominiums, on the other hand, are much more stable in price. The situation for project developers is comparatively poor[27] – their position and prospects are assessed as clearly negative. This is due to ongoing sales problems as a result of the difficult combination of high construction costs and high interest rates.

Business real estate market

The climate in the business real estate market has since stabilised at a low level following the sharp decline in the previous year.[28] There is no improvement in sight for the time being. While the current situation is still viewed moderately positively, expectations for the future remain negative. The situation in the retail real estate sector is assessed as positive for the end of 2023. However, future expectations are assessed as balanced, as the sector continues to suffer from high inflation and a persistently weak consumer climate.[29] There are concerns that inflation will further reduce the purchasing power and consumption of citizens. However, the development in the individual sub-segments is heterogeneous depending on location, size and type of use. In the office segment, there is uncertainty about the effects of economic developments and new working models. Although the current situation is still assessed as slightly positive, future expectations are clearly negative. The reluctance to buy and sell is correspondingly high, as reflected in the low transaction volume as well.

The sustained high interest level and banks' strict requirements for financing continue to weaken demand for properties to buy. It therefore remains difficult for sellers and their agents to find suitable prospective buyers and realise their price expectations. Ultimately, this is lengthening the time to sale for listings on ImmoScout24 and raising agent demand for marketing services and visibility. In this market constellation, ImmoScout24 add-on products for more visibility and more efficient marketing are becoming more attractive, a development that was reflected in the higher pay-per-ad revenue in the Professional segment in the first half of the year. At the same time, revenue has shifted from our pay-per-ad products to agent memberships in connection with increased customer numbers and customer migrations in the second half of the year. The change in product demand is also reflected in business with project developers, who are also affected by the current market changes and have an increased need for marketing solutions. At the same time, demand for pre-qualified financing mandates and consulting capacities in real estate financing is rising, while demand for additional seller leads remains weak in this market environment. The shift from a seller's market to a buyer's market is also further fuelling demand for rental properties and, accordingly,

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[22] German Federal Statistical Office, press release No. 199, 23 May 2023.
[23] Hans Böckler Foundation, 'Drastischer Einbruch beim Wohnungsbau: 2024 könnte Zahl der fertiggestellten Wohnungen unter 200.000 sinken', 18 July 2023.
[24] ifo Institute, 'Order Cancellations in German Residential Construction Reach a New High', 6 November 2023.
[25] tagesschau.de, Summit in Berlin, 'Massive expansion in housing construction needed', 25 September 2023.
[26] German Real Estate Index (GREIX), https://www.greix.de/chart?p=quarterly&d=ind&inf=false&tab=line&y=2014_2023&pr=ETW_MFH_EFH&co=false&ss=false&md=sqm&c=GREIX&nb=
[27] ZIA Zentraler Immobilien Ausschuss e. V. (German Property Federation), 15 December 2023.
[28] ZIA Zentraler Immobilien Ausschuss e. V. (German Property Federation), 15 December 2023.
[29] GfK, press release, "Consumer sentiment recovery is still a long way off", 24 October 2023.

even fiercer competition among prospective tenants. The Plus products that ImmoScout24 offers for people seeking a place to rent are further gaining in importance as a result.

Competitive situation

As explained in the **Business model** section, Scout24 occupies a strong market position in Germany with the digital marketplace ImmoScout24, measured by the number of listings, customers and brand awareness it enjoys. At the same time, Scout24 is in competition with various companies.

The Management Board is confident that ImmoScout24 will be able to maintain and develop its strong market position further in the competitive environment described. Scout24 is pursuing a clear strategy to build a digital ecosystem for the real estate transaction. To this end, Scout24 connects all market participants on the ImmoScout24 digital platform. Through ongoing investments in the brand, products and targeted acquisitions, such as most recently the Sprengnetter Group, Scout24 is further expanding the ImmoScout24 platform's product range and continuing to drive forward the digitisation of the real estate market and the issue of sustainability in the context of real estate transactions. By expanding the ImmoScout24 product portfolio with the additional Sprengnetter products, Scout24 is creating new synergies between existing and new products, particularly in the new Homeowner Hub (My Property). Customers can expect additional added value here, particularly in the area of digital real estate valuation and financing as well as ESG, by providing sustainability-related key figures and sustainable products as well as the latest findings on the environmental impact and sustainability of real estate and on the energy efficiency. The Company is thus strategically expanding its offering and expertise in the area of ESG.

Scout24 therefore has a diverse product portfolio that addresses various market developments and future topics and is being continuously optimised. Products are tailored to the needs of customers and users.

Real estate agents

The next-largest German competitors addressing the agent customer group are Immowelt Group and Kleinanzeigen. **Immowelt Group** is part of the Axel Springer Group, which is, in turn, owned by the financial investor KKR, among others. Immowelt is likewise a vertically organised marketplace with a focus on real estate ads. **Kleinanzeigen** has belonged to the listed Adevinta ASA, with registered office in Oslo, Norway, since the acquisition in June 2021. Adevinta has for the most part horizontally operating digital classified platforms and aims to use its financial strength and wide-reaching marketing campaigns to accelerate the development of Kleinanzeigen in Germany. Kleinanzeigen is a horizontally organised marketplace, meaning that it digitally markets various other products and services besides real estate. So far, the real estate offering competing with Scout24's offering has been used more so by private customers, particularly in the rental market. With a targeted advertising campaign and special packages on offer for professional real estate customers, Kleinanzeigen also increased its attention on real estate agents in 2022 and 2023. **Willhaben.at**, also part of Adevinta ASA, is a relevant 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 Scout24 to some extent. 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 presentation of real estate. In doing so, it offers competing services, such as a comparison function, expert search and real estate valuation.

In 2022, an initiative of several companies from the real estate industry (including Dahler & Company, Engel & Völkers, Postbank Immobilien, Sparkassen Immobilien, Von-Poll-Immobilien, Wüstenrot Immobilien and regional associations of the IVD) launched the real estate portal immobilie1. The portal offers private and commercial properties for rent, purchase and sale which may only be advertised by professional providers, which means that it is partly in competition with ImmoScout24. The **immobilie1** service is available to users free of charge and without advertising, which also leads to a degree of competition with ImmoScout24.

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.

With the acquisition of Sprengnetter, financial institutions were added as a customer group in the field of digital real estate valuation. Sprengnetter offers valuation software for banks and financial intermediaries. This market segment is shared between three main competitors. One relevant competitor is **On-Geo GmbH**, which offers similar products and is a wholly owned subsidiary of the Tinsa Group. Sprengnetter additionally offers appraisal and viewing services. The competitive environment in this area is more diverse, with **Instant Service AG**, **Value AG** and **Persch Consult** being key competitors. Other market participants such as the Swiss valuation company **PriceHubble** and smaller proptech companies also exist, but they play a subordinate role.

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

Homeowners

When it comes to direct engagement with homeowners willing to sell, the competitive environment also includes what are referred to as 'hybrid agents'. At the same time, they are Scout24's customers when they acquire seller leads or 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. Large agencies are increasingly keen to engage with and acquire homeowners digitally at an early stage.

With Vermietet.de, Scout24 offers digital services for homeowners to help them professionally manage their rented properties. With the new Homeowner Hub (My Property), Scout24 also offers owners the opportunity to create a digital portfolio of their properties. There you can track performance, current demand for buying or renting and sustainability-related key figures. The self-management of properties, where owners manage their properties using **self-generated** overviews (such as Excel spreadsheets), is also a competitive field here, as is competition with **commercial and other providers of digital property management**.

Consumers

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

In addition, numerous **proptech and fintech start-ups** that offer products and services along the real estate transaction are trying to gain a foothold in the market. They compete with Scout24 as well as with real estate agents and other service providers involved. However, none of these start-ups has yet succeeded in capturing significant market share in Germany.

Business development in the Group

The Scout24 Group continued its growth in the 2023 financial year despite a difficult market environment. This led to an increase in **Group revenue** of 13.8% to EUR 509.1 million in the 2023 financial year (2022: EUR 447.5 million), continuing the strong growth of the previous year. Organic revenue growth came to 10.7%.

Growth was driven in particular by consistently high demand for ImmoScout24's core products: agent memberships, a growing number of subscriptions to Plus products and continued strong growth in pay-per-ad listings in the Private segment. This increased demand is driven in particular by the structural shifts in the market caused by inflation and interest rates and the associated shift from a seller's to a buyer's market, while the rental market also remains tight. Agents have an increased need for visibility and marketing services, which is why revenue from memberships in particular has contributed to Group revenue in connection with growing customer numbers. Private customers increasingly used our Plus products, especially TenantPlus, in the still tense rental market, leading to a steep increase in subscription customers and, in turn, subscription revenue. Strong pay-per-add (PPA) business in the Private segment likewise contributed to Group revenue. The strong demand for core products offset the lower level of revenue from seller and mortgage leads, as these experienced lower demand due to the only slowly recovering transaction market.

The strong results for the 2023 financial year thus underline the high relevance of the ImmoScout24 platform for all market participants and our robust business model. We are consistently pursuing our strategy of building a comprehensive digital ecosystem to digitise all processes relating to real estate transactions and efficiently connect all market participants. We address various market developments with our diversified product portfolio, in which we are increasingly focusing on ESG products. With investments and strategic acquisitions, such as the Sprengnetter Group most recently, we are strengthening our product portfolio and thus the competitive advantages of our platform. Thanks to this strategic approach, we generated sustainable revenue momentum at both Group and segment level in the 2023 financial year, and we were able to increase profitability by continuing to focus on efficient cost management as far as possible within the scope of inflation.

In view of this positive development and the positive effects from the acquisition of the Sprengnetter Group, the Management Board in August 2023 raised the original annual forecast from March 2023, which anticipated revenue growth of 12% and growth in Group ordinary operating EBITDA of 13% to revenue growth of around 15% (with Sprengnetter contributing approximately 3 percentage points) and ordinary operating EBITDA growth of between 18% and 19% (approximately 1 percentage point contribution from Sprengnetter). In November 2023, the Management Board further raised its forecast for ordinary operating EBITDA growth to a corridor between 19% and 21% (with Sprengnetter contributing approximately 1 percentage point) given the continued favourable product mix and good cost management. It also adjusted the forecast for revenue growth to around 14% (with Sprengnetter contributing approximately 3 percentage points) due to a slower recovery in the transaction business as a result of market conditions and the prioritisation of profitability over revenue growth. Our earnings for the 2023 financial year show that we have fully met these targets.

The **Professional** segment's revenue increased by 12.3% to EUR 327.1 million in the 2023 financial year (2022: EUR 291.2 million). Growth was driven in particular by strong revenue from memberships in connection with rising customer numbers, price adjustments and ongoing upgrades to higher-value memberships. Organic growth in the Professional segment amounted to 7.7%. The **Private** segment recorded an increase in revenue of 18.8% to EUR 144.4 million in the 2023 financial year (2022: EUR 121.5 million) due to the constant rise in demand for Plus products, particularly for TenantPlus due to the tense situation on the rental market, and high pay-per-ad revenue. Revenue in the **Media & Other** segment increased by 7.9% to EUR 37.6 million in the 2023 financial year (2022: EUR 34.8 million), driven by strong growth in the ImmoScout24 Austria business, an improved advertising business with third parties and the CRM portfolio. For details of the segments' business performance, see the **Business performance of the segments** section.

Due to double-digit revenue growth and a favourable product mix in conjunction with strict cost management, to the extent possible under conditions of sustained inflation, **Group ordinary operating EBITDA** grew by 21.0% year on year to EUR 303.9 million (2022: EUR 251.1 million), thus reaching the upper end of the guidance forecast of between 19% and 21% communicated in November 2023. The corresponding **Group ordinary operating EBITDA margin** rose accordingly by 3.6 percentage points to 59.7% on the previous year (2022: 56.1%). On an organic basis, excluding the Sprengnetter Group, ordinary operating EBITDA came to EUR 301.1 million, corresponding to an **ordinary operating EBITDA margin** of 60.7%.

Significant events in the financial year

Acquisition of the remaining shares in Zenhomes GmbH

Effective 14 February 2023, Immobilien Scout GmbH acquired the remaining shares in Zenhomes GmbH. Immobilien Scout GmbH thus held 100% of the shares in Zenhomes GmbH, which it subsequently merged into Immobilien Scout GmbH with effect from 1 April 2023. For details of the acquisition of the remaining shares in Zenhomes GmbH, see note **2.1 Entities acquired in the reporting period**.

Acquisition and consolidation of the Sprengnetter Group

Consumer First Services GmbH acquired 75% of the shares in Sprengnetter GmbH effective 1 July 2023. Sprengnetter is a leading provider of real estate data and real estate valuations in Germany. By integrating Sprengnetter products into the ImmoScout24 ecosystem, Scout24 is increasing the ability of all market participants to draw on independent valuation data for real estate properties, thereby providing greater decision-making transparency.

Upon acquiring the controlling interest as of 1 July 2023, the Group has consolidated the Sprengnetter Group's business operations in the Professional segment. Since this reporting date, Sprengnetter Property Valuation Finance GmbH's revenue from products such as expert opinions and valuations for banks has been recognised in the 'Other revenue' revenue line item in the Professional segment. Revenue of the Sprengnetter Group (excluding Sprengnetter Property Valuation Finance GmbH) generated with real estate valuation products is recognised in the 'Seller leads' revenue line item in the Professional segment. For details of the acquisition of the Sprengnetter Group, see note **2.1 Entities acquired in the reporting period**.

Acquisition of the remaining shares in Propstack GmbH

Effective 3 November 2023, FLOWFACT GmbH acquired the remaining shares in Propstack GmbH. FLOWFACT GmbH now holds 100% of the shares. For details of the acquisition of the remaining shares in Propstack GmbH, see note **2.1 Entities acquired in the reporting period**.

Share buy-back transactions

With the approval of the Supervisory Board, the Management Board of Scout24 SE decided in March 2023 to implement a new share buy-back programme with a volume of up to EUR 100 million in one or more separate tranches via the stock exchange.

Furthermore, on 16 March 2023, a total of 5,200,000 treasury shares that had originated from previous share buy-back programmes were cancelled, bringing the new number of shares outstanding to 75,000,000.

On 31 March 2023, the Company began to buy back treasury shares worth up to EUR 60 million (including incidental acquisition costs) in a first tranche via the stock exchange. The share buy-back programme for this tranche ended on 26 January 2024. In the 2023 financial year, a total of 838,361 shares were bought back in the first tranche, which corresponds to an equivalent value of EUR 49.5 million.

In order to continue the share buy-back programme resolved in March 2023, Scout24 SE announced on 26 January 2024 that it would carry out a second tranche of a further share buy-back with a volume of up to EUR 50 million (excluding incidental acquisition costs) via the stock exchange or a multilateral trading facility. The share buy-back programme started on 29 January 2024 and will be carried out until 4 October 2024 at the latest. For details of the share buy-back programmes see **www.scout24.com/en/investor-relations/share/share-buybacks.**

In addition, 880,943 shares were transferred to Sprengnetter Finanzmanagement GmbH as part of the purchase price that Scout24 paid for 75% of the **Sprengnetter Group**. Control of the Sprengnetter Group was obtained with the acquisition of the shares as of 1 July 2023, such that the Group was fully consolidated in the second half of 2023. For details of the acquisition of the Sprengnetter Group, see note **2.1 Entities acquired in the reporting period**.

As of 31 December 2023, the share capital therefore amounted to EUR 75,000,000 and is divided into the same number of no-par value shares (31 December 2022: EUR 80,200,000). As of that date, the number of treasury shares amounted to 1,391,260, which corresponded to 1.86% of the share capital. For more detailed information on our share buy-back transactions in the 2023 financial year, see the **Investor relations** section in this annual report. For details of the share buy-back programmes prior to the 2023 financial year, see **www.scout24.com/en/investor-relations/share/share-buybacks.**

Dividend distribution

Based on a corresponding resolution of the Annual General Meeting of 22 June 2023, the Company paid a dividend of EUR 73.4 million on 27 June 2023 (2022: EUR 66.4 million) to its dividend-entitled shareholders. This corresponds to a dividend of EUR 1.00 per ordinary share entitled to dividends (2022: EUR 0.85).

Employee stock purchase programme (ESPP)

Following the success of the employee stock purchase programme in 2022, Scout24 employees had the opportunity in September 2023 to become co-owners of Scout24 at attractive conditions under a newly launched programme (employee stock purchase programme, 2023 – ESPP 2023) in order to participate in the Company's performance in the long term. A total of 25% of eligible employees have participated in the programme.

Employee anniversary stock programme (EASP)

On the occasion of ImmoScout24's 25th anniversary and to give employees the additional opportunity to participate in the Company's long-term performance, Scout24 is granting all eligible employees 25 shares (working students 5 shares each) as part of an employee anniversary stock programme (EASP). If the requirements are met, all eligible and participating employees will be credited with 25 or 5 registered shares in Scout24 SE. A total of 85% of eligible employees have participated in the programme.

ESG ratings

The ESG rating agencies Sustainalytics and MSCI updated their ratings for Scout24 SE in the 2023 financial year. The Sustainalytics rating of Scout24 SE improved from 14.1 points in 2022 to 13.9 points in 2023.[30] Scout24 SE's rating by MSCI remains constant at 'A'.[31] Both rating agencies therefore continue to classify Scout24 SE as low-risk.

Development of listings and traffic

We measure the activity on ImmoScout24 based on the number of listings and user/visitor numbers (traffic), among other metrics.

	FY 2023	FY 2022	Change
ImmoScout24.de (IS24) listings[1]	476,223	390,639	+21.9%
IS24 monthly desktop users (million)[2]	14.7	14.7	+0.3%
IS24 monthly app users (million)[2, 3]	3.8	3.7	+2.0%
IS24 monthly sessions (million)[4]	96.0	100.9	-4.9%

1 Source: ImmoScout24.de; listings in Germany (average of end-of-month listings in the period).
2 Unique monthly visitors on ImmoScout24.de (average of the individual months), irrespective of how often they visit the marketplace during the month. Source: internal measurement using an external tracking service provider.
3 The number of monthly app users is based on user identifiers that we obtain from an external service provider. The performance indicator thus represents an approximation of the actual user figures, which cannot be observed directly. When analysing this metric, we noticed in the first half of the year that iOS app users were counted more than once in certain cases. This system-related anomaly was resolved by switching to a more robust user identifier. At the same time, the historical data were adjusted for the multiple instances counted. The adjustment essentially relates to the user figures for the year 2022. The result is that instead of declines, in the low double-digit percentage range, user numbers increased slightly in the 2023 financial year.
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 an external tracking service provider.

In 2023, we recorded a sharp year-on-year increase in listings on the ImmoScout24 platform. This is based on continued high marketing pressure regarding properties for sale due to the increase in financing costs since mid-2022. In addition, the marketing time for each property for sale has become longer. The rental market, on the other hand, remains under pressure, with supply falling slightly year on year while demand remains high. Despite the difficult market environment, the number of users – especially app users – increased slightly. This is due, on the one hand, to an increase in buyer interest in the second half of 2023 and, on the other, to consistently high rental demand. Visits (sessions) are down slightly, whereas contact

30 https://www.sustainalytics.com/esg-rating/scout24-se/1233843530; Sustainalytics ESG Risk Rating for Scout24 SE; figures as of the retrieval date 20 November 2023.
31 https://www.msci.com/zh/esg-ratings/issuer/scout24-se/IID000000002744113; MSCI ESG Risk Rating for Scout24 SE; rating as of the retrieval date 20 November 2023.

requests in response to offers have increased at the same time. This indicates a higher level of user activity per visit.

Results of operations

Revenue and total operating performance

EUR million	FY 2023	FY 2022	Change
Group revenue	**509.1**	**447.5**	**+13.8%**
Own work capitalised	22.8	28.7	-20.7%
Own work capitalised as % of revenue	4.5%	6.4%	-1.9pp
Other operating income	1.4	1.6	-12.4%
Total operating performance	**533.3**	**477.9**	**+11.6%**

Group revenue increased by 13.8% to EUR 509.1 million in the 2023 financial year. Growth was driven primarily by the expanding core business with memberships for agents, increasing Plus subscriptions and continual growth in pay-per-ad listings in the Private segment.

- Revenue in the core business generated with **memberships** increased by 13.9% to EUR 252.3 million in the 2023 financial year (2022: EUR 221.6 million).
- Business with **Plus products** increased by 20.1% to annual revenue of EUR 71.0 million (2022: EUR 59.1 million).
- We generated further revenue with our **pay-per-ad solution**, which was up 18.3% to EUR 50.4 million (2022: EUR 42.7 million) in the Private segment.

For details of the business performance, products and revenue in the respective segments, see the **Business performance of the segments** and the **Business development in the Group** sections.

The Sprengnetter Group's contribution to Group revenue for the 2023 financial year amounted to EUR 13.5 million.

Own work capitalised decreased by 20.7% in the 2023 financial year. The absolute decrease compared to the previous year is primarily due to the decreased utilisation of internal and external employees. For concrete examples, see the **Product development** section. In the 2023 financial year, own work capitalised reached 4.5% of revenue (capitalisation rate), compared with 6.4% the previous year.

Other operating income decreased to EUR 1.4 million (2022: EUR 1.6 million). Overall, **total operating performance** increased by 11.6% in proportion to revenue.

Development of Group earnings

EUR million	FY 2023	FY 2022	Change
Group EBITDA	**278.7**	**230.6**	**+20.9%**
Depreciation, amortisation and impairment losses	-36.3	-42.3	-14.1%
Earnings before interest and tax – EBIT	**242.4**	**188.3**	**+28.7%**
Financial result	**0.7**	**-14.0**	**+105.1%**
Income taxes	-64.4	-50.8	+26.7%
Earnings after tax	**178.8**	**123.5**	**+44.7%**

Reported Group EBITDA[32] increased by 20.9% to EUR 278.7 million (2022: EUR 230.6 million) due to the positive development of revenue and despite increases in operating and non-operating costs. More

[32] Group 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 any impairment losses or reversals of impairment losses.

detailed information on the development of operating and non-operating effects is provided in the following section.

The line item **depreciation, amortisation and impairment losses** decreased by EUR 6.0 million year on year due to impairment losses recognised in 2022 on internally developed software and on the FLOWFACT trademark. On aggregate, EUR 5.9 million (2022: EUR 9.8 million) related to amortisation of intangible assets identified and recognised as part of purchase price allocations (PPA amortisation). EUR 1.5 million of the amount was attributable to PPA amortisation in connection with the acquisition of the Sprengnetter Group. The remainder of the regular depreciation and amortisation charges (including depreciation relating to leases in accordance with IFRS 16 totalling EUR 8.8 million) increased to EUR 30.5 million (2022: EUR 28.2 million) and were chiefly due to depreciation of property, plant and equipment and amortisation of intangible assets of EUR 21.76 million (2022: EUR 20.4 million).

As a result of the development of **Group EBITDA** and the decrease in depreciation, amortisation and impairment losses described above, **Group EBIT** increased by 28.7% in 2023. The negative **financial result** improved year on year by 105.1% to EUR 0.7 million. This is mostly due to the loss incurred in the first half of 2022 by the special fund, which was liquidated in the same period. Overall, we were able to achieve a significant increase in **earnings after tax.** At 26.5%, the tax rate in the reporting year was below the level of the previous year with 29.1%. The decrease in the tax rate is mainly due to the use of previously unrecognised loss carryforwards at a domestic subsidiary. Further information on the tax rate can be found in the tax reconciliation in the **Income taxes** section.

The improved **financial result** also had a significant impact on **earnings per share**. The shares repurchased in 2022 and 2023 reduced the average number of shares used in calculating earnings per share. Earnings per share (basic) for the 2023 financial year is based on 73,691,314 shares (2022: 77,806,579). Year on year, (basic) earnings per share rose by 52.8% to EUR 2.43 (2022: EUR 1.59).

Group ordinary operating EBITDA and development of costs

EUR million	FY 2023	FY 2022	Change
Group EBITDA	**278.7**	**230.6**	**+20.9%**
Non-operating effects	25.2	20.5	-23.0%
of which share-based payments	10.5	7.7	-36.0%
of which M&A transactions	2.6	6.2	+58.7%
of which reorganisation	11.1	4.1	-172.8%
of which other non-operating effects	1.1	2.5	+57.4%
Ordinary operating EBITDA	**303.9**	**251.1**	**+21.0%**
Ordinary operating EBITDA margin, %	**59.7%**	**56.1%**	**+3.6pp**
Ordinary operating effects	227.9	225.1	-1.2%
of which personnel expenses	95.8	92.2	-3.9%
of which marketing expenses	48.4	50.7	+4.5%
of which IT expenses	19.9	21.4	+7.1%
of which purchasing costs	34.8	28.6	-21.7%
of which other operating expenses	29.0	32.3	+10.0%
Own work capitalised	-22.8	-28.7	+20.7%
Group revenue	**509.1**	**447.5**	**+13.8%**

The Group's **ordinary operating EBITDA** is **EBITDA** adjusted for **non-operating effects**. In the 2023 financial year, non-operating effects increased primarily due to higher costs for share-based payments and restructuring. This was offset by lower expenses for M&A activities and other non-operating effects.

In the 2023 financial year, the Scout24 Group recorded a slight increase in **operating effects** compared with the previous year. This was mainly due to an increase in personnel expenses and purchasing costs. **Personnel expenses** increased due to the additional inclusion of personnel expenses as a result of the Sprengnetter consolidation. Without including Sprengnetter (EUR 6.8 million), personnel expenses in 2023 were lower overall for Scout24 compared with the previous year. This was due to organisational efficiency measures that led to a lower headcount and more than offset the costs of salary increases. **Marketing expenses** fell slightly overall as a result of more efficient management of marketing activities. Part of the savings achieved was reinvested in ImmoScout24 brand campaigns. **IT expenses** fell in 2023 due to the optimisation of cloud infrastructure costs and savings from contract renegotiations and the termination of IT tools. **Purchasing costs** have risen year on year. Reasons for this include increased demand for credit checks integrated into our Plus products and Sprengnetter's additionally consolidated purchasing costs. **Other operating expenses** decreased, mainly due to the reduced use of external service providers, particularly in the area of software engineering services.

As a result of continued strong revenue momentum, a favourable product mix and an increased focus on cost control, **ordinary operating EBITDA** outpaced revenue in 2023. **Group EBITDA** likewise rose more steeply year on year.

Net assets

STATEMENT OF FINANCIAL POSITION – ASSETS (CONDENSED)

EUR million	2023	2022	Change
Current assets	**111.1**	**83.4**	**+33.1%**
of which cash and cash equivalents	48.5	39.1	+24.0%
of which trade receivables	39.9	30.6	+30.3%
of which other financial assets	3.9	3.3	+19.0%
of which income tax assets	8.7	0.0	>+100%
of which other assets	10.2	10.4	-2.5%
Non-current assets	**1,908.4**	**1,797.2**	**+6.2%**
of which goodwill	867.9	784.7	+10.6%
of which trademarks	866.2	866.7	-0.1%
of which other intangible assets	101.0	73.3	+37.9%
of which right-of-use assets from leases	48.9	47.0	+4.0%
of which property, plant and equipment	10.3	13.2	-21.9%
of which other financial assets	12.2	11.7	+4.8%
Total assets	**2,019.4**	**1,880.6**	**+7.4%**

Current assets of the Scout24 Group totalled EUR 111.1 million as of the 31 December 2023 reporting date, a decrease of 33.1% or EUR 27.6 million on the balance of EUR 83.4 million as of 31 December

Cash and cash equivalents increased by EUR 9.4 million in the financial year, partly due to the consolidation of the Sprengnetter Group's cash and cash equivalents. Further information on this result can be found in the chapter **Cash flows**.

Trade receivables increased by EUR 9.3 million, primarily due to the positive sales trend. Other factors for the overall increase are the weaker payment behaviour of our customers and a significant contribution of EUR 2.8 million from the consolidation of the Sprengnetter Group.

Non-current assets totalled EUR 1,908.4 million as of 31 December 2023, slightly up on the previous year's level (EUR 1,797.2 million).

The change was mainly due to the acquisition of the Sprengnetter Group with **goodwill** of EUR 83.3 million and **other intangible assets** of EUR 27.8 million.

Total assets increased overall by EUR 138.8 million to EUR 2,019.4 million year on year (31 December 2022: EUR 1,880.6 million).

Financial position

Development of the capital structure

STATEMENT OF FINANCIAL POSITION – EQUITY AND LIABILITIES (CONDENSED)

EUR million	2023	2022	Change
Current liabilities	**210.3**	**177.8**	**+18.3%**
of which trade payables	13.9	18.4	-24.7%
of which other financial liabilities	130.1	108.7	+19.8%
of which lease liabilities	10.7	9.7	+10.6%
of which other provisions	5.3	8.6	-38.4%
of which income tax liabilities	7.2	3.0	+138.6%
of which contract liabilities	17.6	12.2	+44.0%
of which other liabilities	25.4	17.1	+48.5%
Non-current liabilities	**361.6**	**354.4**	**+2.0%**
of which other financial liabilities	24.3	17.4	+40.1%
of which lease liabilities	48.5	48.9	-0.9%
of which other provisions	14.1	8.8	+59.2%
of which deferred tax liabilities	273.9	278.2	-1.5%
Equity	**1,447.2**	**1,348.5**	**+7.3%**
of which subscribed share capital	75.0	80.2	-6.5%
of which capital reserve	207.9	198.5	+4.7%
of which retained earnings	1,242.2	1,425.4	-12.9%
of which treasury shares	-78.7	-356.6	-77.9%
Total equity and liabilities	**2,019.4**	**1,880.6**	**+7.4%**

Current liabilities increased by 18.3% to EUR 210.3 million as of 31 December 2023 (31 December 2022: EUR 177.8 million). This is mainly due to the higher amount drawn under the facility agreement, of EUR 90.0 million (31 December 2022: EUR 50.0 million), new money market transactions with banks totalling EUR 20.0 million (31 December 2022: EUR 0) as well as, conversely, lower amounts drawn from a framework loan agreement totalling EUR 6.0 million (31 December 2022: EUR 15.0 million) and the repayment of most of the promissory note loan by EUR 35.5 million.

The Company also recognised a current financial liability as of 31 December 2023 in the amount of the maximum remaining obligation from the current share buy-back programme as of the reporting date (EUR 10.5 million) (31 December 2022: EUR 0 million). This obligation ended on 26 January 2024. The decrease in **other provisions** is principally attributable to LTIP payouts.

Non-current liabilities increased by EUR 7.2 million from EUR 354.4 million as of 31 December 2022 to EUR 361.6 million as of 31 December 2023. Financial liabilities include liabilities from business combinations of EUR 24.3 million, in connection with the acquisition of the Sprengnetter Group. Other provisions increased due to provisions for share-based payment programmes. Deferred tax liabilities of EUR 273.9 million (31 December 2022: EUR 278.2 million) are mainly attributable to brands and other intangible assets from the purchase price allocations. The reduction in deferred tax liabilities by EUR 4.3 million is due to deferred tax income of c. EUR 11.9 million, which was partly offset by an addition to deferred tax liabilities of EUR 7.6 million recognised directly in equity as a result of the acquisition of the Sprengnetter Group. The amount of deferred tax income of EUR 11.9 million is mainly attributable to deferred tax income from an internal reorganisation measure, which was partly offset by deferred tax expenses from the use of unused tax losses.

On aggregate, other current and non-current other financial liabilities, including lease liabilities, amounted to EUR 213.7 million as of 31 December 2023 (31 December 2022: EUR 184.7 million). Adjusted for the item 'cash and cash equivalents', net debt[33] amounted to EUR 165.2 million as of 31 December 2023

[33] Total current and non-current financial liabilities (including lease liabilities) less cash and cash equivalents.

(31 December 2022: EUR 145.6 million). This results in a leverage ratio[34] of 0.54:1 as of 31 December 2023 (31 December 2022: 0.58:1).

Equity increased in the reporting period by EUR 98.7 million to EUR 1,447.2 million as of 31 December 2023 (31 December 2022: EUR 1,348.5 million). This corresponds to an equity ratio of 71.7% (31 December 2022: 71.7%). The increase in equity is attributable to the net profit for the year and the issue of treasury shares in connection with the acquisition of the 75% interest in the Sprengnetter Group. The payment of the dividend and the acquisition of treasury shares had the opposite effect on the amount of equity.

Financial liabilities and credit facilities

In the first half of 2022, we arranged a revolving credit facility (RCF) of EUR 400 million with a syndicate of banks. A volume of EUR 90 million thereof had been drawn down as of 31 December 2023 (31 December 2022: EUR 50 million). The interest rate charged on the facilities drawn under the RCF is based on the EURIBOR plus an interest margin of currently 38.75 base points. The interest margin is linked to the leverage ratio and includes an ESG component aligned to our sustainability strategy. Having satisfied the ESG covenant, the interest margin was reduced accordingly. A floor of 0.0% is set for the EURIBOR. The new credit facility does not involve any covenants.

As of 31 December 2023, the promissory note loan amounts to EUR 2.0 million (31 December 2022: EUR 37.5 million). 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 in full. The promissory note is also not subject to any covenants, although the investors are entitled to raise the interest rate if a leverage ratio of 3.25:1 is exceeded.

In 2022, we additionally entered into a loan facility agreement for money market transactions of up to EUR 75 million that can be cancelled at any time. Interest is agreed when drawing amounts. As of 31 December 2023, the Group has entered into money market transactions with a volume of EUR 6 million under this agreement (31 December 2022: EUR 15 million). Further money market transactions in the amount of EUR 20 million (31 December 2022: EUR 0) were determined with banks. Interest was agreed as the respective amounts were drawn.

The primary objective of the cash flow hedging programme is to reduce the earnings risk by hedging all orders with an equivalent value of EUR 100,000 or more over the next 24 months. As at 31 December 2023, the total portfolio amounted to USD 18.7 million with a hedging ratio of 94.9% (2022: USD 19.4 million, 94.8%).

Other financial obligations

As of the reporting date, there are other financial obligations (also see note **5.6. Other financial obligations** in the notes to the financial statements) totalling EUR 56.1 million (31 December 2022: EUR 63.6 million). These consisted in particular of obligations from maintenance and service agreements amounting to EUR 20.8 million (2022: EUR 15.9 million) and cloud services used amounting to EUR 21.5 million (2022: EUR 31.5 million). In addition, obligations from purchase commitments and other purchase obligations amounted to EUR 4.5 million (2022: EUR 6.6 million).

Share buy-back transactions

For details of our share buy-back transactions, see **Significant events in the financial years** above in the report on economic position and in the **Investor relations** section.

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

[34] Ratio of net debt in relation to ordinary operating EBITDA for the last twelve months.

solvency are 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 2023 financial year to meet all financial obligations that fell due.

Dividend

Our dividend policy is to distribute between 30% and 50% of the adjusted net profit[35] to our shareholders each year. This policy is intended to allow them to participate appropriately in the Company's performance. On 27 July 2023, Scout24 SE distributed a dividend of EUR 1.00 per ordinary share to its shareholders for the 2022 financial year (2022 for 2021: EUR 0.85). This corresponded to 50% (2022 for 2021: 50%) of adjusted net profit and a total distribution of EUR 73.4 million (2021: EUR 66.4 million).

For the 2023 financial year, the Management Board has proposed to the Supervisory Board the payment of a dividend of EUR 1.20 per ordinary share (based on 73,429,329 dividend-entitled shares, excluding treasury shares, as of the date of preparation of Scout24's separate financial statements). This corresponds to 47% of adjusted net profit and a total dividend payout of EUR 88.1 million. The dividend will be paid out after the 2024 Annual General Meeting.

Cash flows

EUR million	2023	2022	Change
Cash flow from operating activities	**201.0**	**161.9**	**+24.1%**
Cash flow from investing activities	**-70.5**	**413.4**	**-117.1%**
Cash flow from financing activities	**-121.1**	**-656.2**	**-81.5%**
Change in cash and cash equivalents	9.4	-80.9	-111.6%
Cash and cash equivalents at beginning of period	39.1	120.0	-67.4%
Cash and cash equivalents at end of period	**48.5**	**39.1**	**+24.0%**

The year-on-year increase in **cash flow from operating activities** is mainly due to the positive business development of operating activities, which is also reflected in the improved EBITDA.

In 2023, an amount of EUR 27.2 million was paid for the cash component of the fixed purchase price for the acquisition of the Sprengnetter Group and EUR 18.2 million for the remaining shares in Zenhomes GmbH and EUR 4.3 million in Propstack GmbH. Investments in fixed assets include EUR 23.6 million in payments for intangible assets. In 2022, the high positive **cash flow from investing activities** primarily resulted from proceeds received from the special securities fund, which was dissolved in full in 2022.

The negative **cash flow from financing activities** is attributable, above all, to the dividend paid and to payments made in connection with purchasing treasury shares. In addition, EUR 35.5 million was repaid on the promissory note loan and EUR 51.0 million of the short-term credit facility was drawn.

Due to the matters described above, available **cash and cash equivalents** increased by EUR 9.4 million.

Business performance of the segments

Professional segment

Since 1 July 2023, revenue of the Sprengnetter Group in the Professional segment has been recognised in the 'Other revenue' and 'Seller leads' revenue lines. For details of the consolidation of the Sprengnetter Group, see the **Significant events in the financial years** section.

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

In the 2023 financial year, we were able to increase our revenue in the Professional segment, including the revenue of the Sprengnetter Group, by 12.3% to EUR 327.1 million (2022: EUR 291.2 million). The Professional business thus contributed 64% to the Group's revenue (2022: 65%). Organic growth came to 7.7%.

EUR million	FY 2023	FY 2022	Change
Professional revenue, total	**327.1**	**291.2**	**+12.3%**
Subscription revenue	**292.4**	**260.1**	**+12.4%**
of which from memberships	252.3	221.6	+13.9%
of which from seller leads	40.1	38.6	+4.0%
Number of customers[1] (average for the period)	21,868	21,157	+3.4%
Professional ARPU[2] (EUR/month)	1,114	1,025	+8.7%
Pay-per-ad revenue	**14.4**	**14.9**	**-3.8%**
Other revenue	**20.4**	**16.1**	**+26.5%**
Professional ordinary operating EBITDA	**212.5**	**176.2**	**+20.6%**
Professional ordinary operating EBITDA margin (%)	**64.9%**	**60.5%**	**+4.4pp**

[1] ImmoScout24 customers (not including Sprengnetter customers) who have a fee-based contract as of the end of the month entitling them to market more than one property and Immoverkauf24 customers (deduplicated) who completed a sale transaction in the reporting period (total number as of month-end divided by the number of months in the period).
[2] Revenue for the period divided by the average number of customers (not including Sprengnetter customers) and further divided by the number of months in the period.

Subscription revenue with our professional customers was the segment's growth driver in the 2023 financial year and primarily stems from the core business with agent memberships. Growth was driven in particular by list price adjustments, ongoing upgrades to higher-value memberships with more marketing capacity and customer migration from pay-per-ad solutions to memberships coupled with a steady increase in customer numbers. The continuous customer growth in particular demonstrates the high relevance of the ImmoScout24 platform and the attractiveness of the marketing solutions offered.

Due to a weak transaction market caused by inflation and interest rates, the **seller leads business** saw only slight growth in the 2023 financial year. On an organic basis, it contracted by 13.0%. In the market environment of the year 2023, agents had a limited need for additional seller leads, as they had sufficient mandates at their disposal and, at the same time, demand for properties for sale has been weak due to market conditions.

Professional ARPU rose at a slower rate than total subscription revenue on account of the lower volume of revenue with new customers and the weak business with seller leads. The share of Sprengnetter revenue consolidated in the seller leads business as of 1 July 2023, such as from the sale of valuation products for agents, in turn, had a positive impact on the development of seller leads, which resulted in slight growth. This positive development, in turn, had a positive impact on Professional ARPU, which meant that slight growth was generated here too.

At the beginning of the year, we recorded an increase in the individual listings business and an associated rise in **pay-per-ad revenue**. This trend weakened over the course of the year as the number of listings stabilised at a high level. In addition, the individual listings business declined due to customer migrations to agent memberships. As a result, the PPA business in the Professional segment decreased slightly year on year.

Other revenue, which stems from the brokerage of mortgage leads, among other services, recorded growth on a consolidated basis. On an organic basis, other revenue declined by -16.8% in the 2023 financial year due to the difficult market conditions for potential buyers caused by inflation and interest rates. In contrast, the share of Sprengnetter's revenue accounted for by appraisals and valuations for banks had a positive impact on other revenue, such that growth was generated on a consolidated basis.

Ordinary operating EBITDA in the Professional segment outpaced revenue namely due to growing memberships and reduced expenses for seller leads. As a result, the **ordinary operating EBITDA margin** likewise developed positively compared with the previous year.

Private segment

In the 2023 financial year, the Private segment contributed 28% to the Scout24 Group's revenue (2022: 27%). Due to the continued tight rental market and the associated strong demand for our Plus products, we achieved another strong year-on-year increase in revenue of 18.8% to EUR 144.4 million in the 2023 financial year (2022: EUR 121.5 million).

EUR million	FY 2023	FY 2022	Change
Private revenue, total	**144.4**	**121.5**	**+18.8%**
Subscription revenue	**72.1**	**60.1**	**+20.0%**
Number of customers[1] (average for the period)	357,850	304,019	+17.7%
Private ARPU[2] (EUR/month)	16.8	16.5	+2.0%
Pay-per-ad revenue	**50.4**	**42.7**	**+18.3%**
Other revenue	**21.9**	**18.8**	**+16.4%**
Private ordinary operating EBITDA	**74.9**	**62.7**	**+19.5%**
Private ordinary operating EBITDA margin (%)	**51.9%**	**51.6%**	**+0.3pp**

1 Plus product subscribers and paying Vermietet.de customers (total number as of month-end divided by the number of months in the period).
2 Revenue for the period divided by the average number of customers and further divided by the number of months in the period.

The significant growth in **subscription revenue** in the 2023 financial year is mainly based on a tight rental market and, in turn, the steep increase in paying subscription customers for our Plus products coupled with improved paywall efficiency and longer terms for TenantPlus.

Private ARPU increased slightly year on year due to price adjustments and the optimisation of our conversion rates for the various time-based products.

Pay-per-ad revenue rose steeply year on year in the 2023 financial year. This is mainly due to strong growth in the first half of the year, as private advertisers chose the paid solution for faster marketing right from the start due to market conditions, and longer-running ads were switched from the free to the paid version. This growth normalised over the course of the second half of the year.

Other revenue in the Private segment, which is generated from referring relocation mandates and the sale of credit checks, increased year on year.

Ordinary operating EBITDA in the Private segment increased slightly faster than the segment's revenue. As a result, the corresponding **ordinary operating EBITDA margin** also increased slightly. The main influencing factors were the strong growth in subscription revenue as well as increased pay-per-ad listings and, with an opposite effect, an increase in marketing investments.

Media & Other segment

The Media & Other segment accounted for 7% of Group revenue in the 2023 financial year (2022: 8%). Segment revenue increased by 7.9% year on year to EUR 37.6 million.

EUR million	FY 2023	FY 2022	Change
Media & Other revenue	**37.6**	**34.8**	**+7.9%**
Media & Other ordinary operating EBITDA	**16.5**	**12.2**	**+36.1%**
Media & Other ordinary operating EBITDA margin (%)	**44.0%**	**34.9%**	**+9.1pp**

The Media & Other segment recorded solid year-on-year growth. This performance is essentially grounded on positive developments in all of the segment's verticals: robust business in Austria, the third-party advertising business, and CRM business. Ordinary operating EBITDA and the corresponding ordinary operating EBITDA margin increased steeply, both as a result of the positive revenue development and due to lower expenses in CRM.

Overall assessment

The Scout24 Group closed the 2023 financial year successfully despite a persistently challenging environment and real estate market due to inflation and interest rates. We were able to build on the strong revenue momentum of the previous year and, at the same time, increase profitability. With the acquisition of the Sprengnetter Group on 1 July 2023, Scout24 also invested in product development, with a strong focus on ESG, and in our competitive advantages.

With a diversified product portfolio, Scout24 is addressing different market situations and is covering the various needs of its private and professional customers in this difficult market environment. In particular, the need for greater visibility and marketing services, as well as other services relating to real estate transactions in connection with rising customer numbers, ensured strong demand for core products and reflected the high relevance of the ImmoScout24 platform.

Based on this, it was possible to increase Group revenue by 13.8% to EUR 509.1 million (2022: EUR 447.5 million) and meet our adjusted guidance forecast made in November 2023 of around 14% revenue growth. Organic growth, excluding the contribution of the Sprengnetter Group, amounted to 10.7%. The main growth drivers in 2023 were:

- Revenue from agent memberships on the back of rising customer numbers coupled with a greater need for marketing services.
- The steep rise in revenue from our Plus products, especially TenantPlus, driven by a strong increase in our subscription customers in a rental market that remains tight.
- The high pay-per-ad revenues from the private listing business.

Ordinary operating EBITDA increased by 21.0% to EUR 303.9 million (2022: EUR 251.1 million) and is therefore at the upper end of the corridor of between 19% and 21% communicated in November 2023. This growth is attributable to a diversified product mix and strict cost management. The ordinary operating EBITDA margin stands at 59.7%. Organic ordinary operating EBITDA growth stands at 19.9%, which corresponds to ordinary operating EBITDA of EUR 301.1 million. The related margin came to 60.7%.

The strong performance in the 2023 financial year once again shows that we are efficiently implementing our strategy to build a digital ecosystem and digitise all processes relating to real estate transactions.

Our diversified product portfolio addresses different market situations and covers the needs of customers and users. Although the markets remain challenging, the management is confident that revenue and profitability will increase again in 2024. By offering innovative products and services, we provide customers with premium added value so that they can continue to hold their own in a difficult market. Through investments, such as the recent one in the Sprengnetter Group, we are driving forward our ecosystem strategy with a focus on ESG, which offers additional sustainable growth potential for our Company.

Risks and opportunities report

Scout24 regularly faces risks and opportunities that can have 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 between growth and returns, on the one hand, and the associated risks, on the other. 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. Risks as well as opportunities are explained in descending order of relevance for Scout24.

Overall statement on the risk and opportunity position

Risk position

The overall risk situation, measured as the net expected value of negative deviations from corporate planning, is essentially unchanged in the 2023 financial year compared to the previous year. As part of our regular reporting cycle, we again adjusted our assessments in the 2023 financial year at an individual risk level based on current developments and the effect of our countermeasures. From today's perspective and supported by the results of a risk-bearing capacity analysis, no risks have been identified that, individually or collectively, could jeopardise our Company's ability to continue as a going concern. The potential exposure is covered several times over by the available equity and is manageable overall.

Scout24 continues to be exposed to macroeconomic risks that could impact the real estate market, our customers and our business. The current global economic and geopolitical developments, triggered in particular by the war in Ukraine, are associated with major uncertainties. An intensification of the situation in the Middle East conflict could also have an impact on our market environment. The macroeconomic risks also include increasing financing costs due to potentially rising interest rates and the potentially negative effects on our business model of the shift in demand from the purchase of real estate to the rental market described in the **German property market trends** section. We continuously monitor and assess the impact on our business in order to take any further risk-mitigating measures needed. In the context of our risk management system, we classify these risks as 'critical'.

As a digital company, the protection and security of our data as well as our IT infrastructure and online platform are a major priority in our daily work. In view of the threat posed by increasingly more professional cybercrime, there are data privacy risks in the technical protection and collection of personal data from our customers and employees, and data security risks in particular with respect to ensuring the confidentiality, integrity and availability of our data. We consider these risks to be 'substantial' and have implemented appropriate measures to counteract them. Operating an online marketplace harbours risks from the use of IT and in relation to the security of our IT infrastructure. Our aim is to provide our users reliable access at all times and to consistently provide reliable information. To this end, we continuously invest in the security and protection of our systems and IT infrastructure in order to eliminate potential security vulnerabilities at an early stage. Nevertheless, we are observing an increasing global threat to cybersecurity and greater professionalism in computer crime, with the consequence that we now rate the IT risk cluster, which was assessed as 'tolerable' in the previous year, as 'moderate'.

ImmoScout24 continues to be exposed to highly competitive pressure. ImmoScout24 competes not only with direct competitors, but also with hybrid agents and social networks (see the **Competitive situation** section). This may lead to even fiercer competition on prices and on terms and conditions in the future, which is why we deem the overall competitive risks to be substantial but manageable. We are constantly monitoring the prevailing competitive situation and have implemented measures to further expand our market leadership and our competitive advantages.

Opportunity position

Scout24's opportunity situation has developed favourably due to external factors, such as advancing digitisation and surplus demand in the real estate market. We expect the ongoing optimisation and expansion of our product portfolio and the concentrated focus on our core business to generate additional revenue and earnings potential. The acquisition of the Sprengnetter Group gives us the opportunity to increase added value for various customer groups by offering our customers additional services and products for real estate valuations.

Further opportunities arise from ImmoScout24's high brand awareness and strong visitor and user numbers, which provide a solid basis for continued strong market position and the introduction of new 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 substantial 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 department, which integrates and controls the risk management systems and the internal control system (ICS) throughout the Group. This takes place in close cooperation with the individual risk owners in the (market) segments, central group functions and investees, 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 ICS, supplemented by supporting internal audit activities. Effectiveness is monitored by the Risk Management department and, on a sample basis, by the Internal Audit department's reviews.

Framework

The basic design of Scout24's risk management system and ICS is based on the internationally recognised frameworks 'COSO Enterprise Risk Management Framework (2017)' and 'Internal Control – Integrated Framework (2013)' of the Committee of Sponsoring Organizations of the Treadway Commission (COSO). This integrated approach helps the Company to direct management and monitoring activities towards the corporate strategy and its 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 addition, Scout24 takes into account in its risk management system 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 (2017)).

Identifying risks and opportunities

The risk management process begins with the identification of significant risks and opportunities. Risks and opportunities that exceed a certain materiality threshold or represent a certain degree of urgency are reported to the Management Board. Decentralised, appropriately trained risk assessors in the individual business units are responsible for identifying, recording, reporting and regularly updating risks and opportunities. The risk assessors categorise the risks and opportunities according to a Group-wide catalogue (cluster) and regularly document their findings in the risk management software. The risks and opportunities are checked and approved for their areas by the risk approvers, who are also decentralised. In this way, the dual control principle is ensured for each risk.

Financial (accounting-related) and non-financial ICS

The risk management system as well as the ICS are a key element of the Company's internal monitoring 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. In the 2023 financial year, the accounting-related ICSem and the operations-related ICS in the business processes beyond the scope of financial reporting were developed further into a comprehensive ICS for Scout24. In the 2024 financial year, there are plans to expand and consolidate the ICS to include non-financial reporting.

We have a process in place for the identification, assessment and standardised documentation of all significant (Group) accounting-related business processes and risk areas, including the associated key controls. These include finance and accounting processes and operational business processes that provide key information for the preparation of the separate and consolidated financial statements, including the management report. There is a clear allocation of tasks and responsibilities along the financial statement preparation process. In addition, there are Group-wide accounting requirements in the form of accounting guidelines and reporting processes, a standardised IT-supported consolidation process with a predefined schedule and documented consolidation steps, as well as regular information to the consolidated companies on current developments affecting accounting or the financial statement preparation process.

The core of the ICS is the identification, assessment and documentation of risks and control measures, which are documented in a risk and control matrix (RCM) in our ICS tool.

Material controls or control activities as defined by the Scout24 Group are referred to as 'key controls', and they:

- Generate a high degree of certainty concerning the correctness of business processes and concerning decision-making
- Ensure an appropriate separation of functions and assignment of tasks (access restrictions, authorisation concepts, especially for accounting-related IT systems)
- Serve to safeguard the Company's objectives
- Serve to prevent and detect fraudulent activities
- Serve to protect assets

Risk prevention and ensuring compliance

Risk prevention is a key 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 enshrined in our risk management policy and our ICS policy. The risk and ICS management processes defined there – for which the Risk Management department is responsible – ensure standardised processes for evaluating, analysing and reporting risk as well as risk management measures and controls implemented. Our risk management and ICS processes provide consistent, comparable and transparent information and manage risks and opportunities in relation to the achievement of our business objectives, the adequacy and reliability of internal accounting and external financial reporting, and compliance with pertinent legal requirements and regulations.

Assessing and managing risks and opportunities

Scout24 assesses the risks and opportunities relevant to the Group's corporate development as part of the annual planning and management process (see also the **Steering system** section). To support financial planning, market and competitive observations are carried out, and the internal and external risks and opportunities relevant to the Group are assessed.

The current assessment of risks and opportunities at the time of planning is verified again during the year in additional updates of the risk and opportunity inventory, so that the risks and opportunities for Scout24 are assessed on a quarterly basis. This results in periodic reporting for the Management Board and the Supervisory Board.

Current risks and opportunities and their impact on the Company are also discussed quarterly in meetings of the ELT, quarterly with the Supervisory Board and in regular budget, strategy and results meetings.

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

Scout24 classifies its risks according to external, financial, operational, strategic and compliance risks – the so-called 'risk areas'. Risks are assessed according to quantitative parameters, the probability of occurrence and the potential level of damage.

Opportunity management is primarily geared towards identifying business potential relating to the digitalisation of real estate transactions. Opportunities are assessed according to qualitative parameters in terms of their probability of occurrence and their potential positive impact.

Reporting during the year is geared towards specific characteristics and is based on moderated risk assessments and regular updates by the specialist departments. Quarterly changes to the risk inventory are used as early warning indicators.

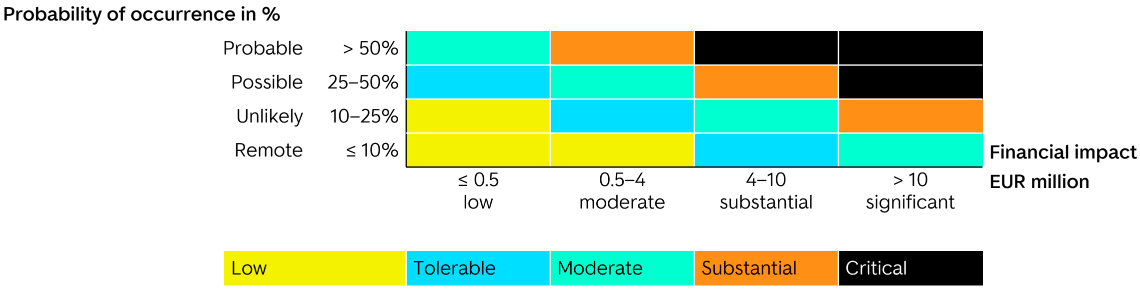
Risks are subsequently assessed as 'low', 'tolerable', 'moderate', 'substantial' or 'critical', considering the potential impact on results of operations, financial position and net assets as well as estimated probabilities of occurrence. Risks are assessed based on quantitative parameters, namely the probability of occurrence in per cent and the potential financial impact in euros, measured by reference to ordinary operating EBITDA 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 risk owners in the respective business units. The time frame for estimating risks is three annual slides (of 12, 24 and 36 months, respectively), 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 the assessment 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 on the basis of 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 during the year. In addition, risks that are identified between two reporting periods and whose potential impact could have a large influence on the Group's earnings are reported ad hoc to the Management Board and, if necessary, to the Supervisory Board.

Assessing the appropriateness and effectiveness of the systems[36]

The ICS, the risk management system and the compliance management system are subject to both process-integrated and process-independent monitoring measures. Responsibility for process-integrated monitoring lies with the relevant corporate functions and decentralised units. The internal audit function is responsible for monitoring the systems independently of the processes.

It regularly reviews elements of the risk management system in all material respects for appropriateness and effectiveness in accordance with relevant standards, such as DIIR Audit Standard No. 2: Audit of the Risk Management System by Internal Audit.

In addition, the effectiveness of elements of the compliance management system is regularly reviewed by the internal auditing function in material respects.

The ICS is continuously updated and adapted to changing processes. The internal audit function's process-independent monitoring of the ICS comprises testing key controls along selected business processes on the basis of a situationally updated and risk-oriented audit plan.

Any significant findings in the systems identified in this context are promptly remedied. On the basis of the findings from the aforementioned monitoring measures, there are no indications known to the Management Board that would call into question the appropriateness and effectiveness of the compliance management system, the risk management system and the ICS, which is in the process of being expanded.

Detailed analysis of the risk situation

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

[36] Disclosures not included in the management report that are excluded from the audit of the management report by the auditor.

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.

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[1]	Expected financial impact[1]	Net expected loss[1]	Year-on-year change
1	**External risks**				
1.1	Economic risks	Probable	Substantial	**Critical**	=
1.2	Regional and specific country risks	Remote	Low	Low	=
1.3	Legal environment	Remote	Significant	Moderate	=
1.4	Competition and market	Unlikely	Significant	**Substantial**	=
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	Moderate	Low	↓
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	Moderate	Low	=
3	**Operational risks**				
3.1	Human resources	Possible	Moderate	Moderate	=
3.2	Advertising and brand	Unlikely	Moderate	Tolerable	=
3.3	Service providers, other business partners	Remote	Low	Low	=
3.4	Customers	Unlikely	Substantial	Moderate	=
3.5	Management and administration	Remote	Moderate	Low	=
3.6	Purchasing	Remote	Moderate	Low	=
3.7	IT risks	Remote	Significant	Moderate	↑
3.8	Project management	Remote	Low	Low	=
3.9	Product management and processes	Unlikely	Moderate	Tolerable	=
3.10	Communication	Remote	Moderate	Low	=
4	**Strategic risks**				
4.1	Strategic orientation	Unlikely	Substantial	Moderate	=
4.2	Sales, marketing and brand	Remote	Low	Low	=
5	**Compliance risks**				
5.1	Code of Conduct	Remote	Substantial	Tolerable	↑
5.2	Data protection and data security	Unlikely	Significant	**Substantial**	=
5.3	Corruption and fraud	Unlikely	Moderate	Tolerable	=
5.4	(Corporate) criminal law	Probable	Low	Moderate	=
5.5	Competition law	Unlikely	Substantial	Moderate	=
5.6	Intellectual property law	Possible	Moderate	Moderate	=
5.7	Labour and social security law	Unlikely	Low	Low	=
5.8	Money laundering	Unlikely	Low	Low	=
5.9	Know-how drain	Unlikely	Low	Low	=
5.10	Environmental law	Remote	Low	Low	=
5.11	Documentation obligations	Remote	Low	Low	=
5.12	Capital market law	Remote	Moderate	Low	=

[1] With respect to the 2023 financial year.

↓ Decrease; ↑ Increased; = Unchanged

Risk clusters that from today's perspective could substantially affect the Scout24 Group's results of operation, financial position and net assets are discussed in more detail in the following. This concerns in particular the risk clusters assessed to have a 'critical' (economic risks) or 'substantial' (competition and market; data protection and data security) net expected loss as well as relevant operational and financial risks. We are currently not aware of any further risks that could affect our operations, or we have appraised such risks as not substantial.

External risks

Economic risks (risk cluster 1.1)

In the past year, the global economic and geopolitical situation deteriorated noticeably due to various factors. The resulting major uncertainties may become more severe. Both an escalation of the Middle East conflict and the consequences of the ongoing war in Ukraine could have a negative impact on overall economic development.

As described in the **German property market trends** section above, the effects of the shift in demand from the property buying to the rental market will continue to have a tangible impact on our business model in the coming years. The transaction volume in the area of buying and selling real estate decreased considerably in 2023, particularly due to the rise in mortgage interest rates in the previous year. While conditions appeared to be easing at the end of 2023, a further decline in the transaction volume would have a negative impact on our revenue performance in the seller leads business. We have already taken the expected negative impact into account in our financial planning. We classified the risks assessed as 'critical' in this context in 2022 as 'substantial' in 2023. We continue to assess the impact on the further business development of the other operating segments as positive overall (for more details, see the **Detailed analysis of the opportunity** situation).

Inflation in Germany has now been high since 2021. The upward trend in inflation rates appears to have halted for the time being, although core inflation in particular (excluding food and energy) is proving persistent and may continue to weigh on both investment and consumer spending in the future. With regard to wage and salary payments, IT costs and other operating costs, such as rental expenses, we estimate the risk of rising costs due to inflation to be low due to the countermeasures taken and consideration in our financial planning. However, the additional financial burdens for our customers and the general market climate for our partner agents pose the moderate risk of an increase in default rates.

Based on current estimates and the comparatively low level of debt, we now consider the impact of a potential rise in interest rates on Scout24's financing costs to be 'tolerable'.

We cannot rule out negative economic effects due to extreme events, such as the outbreak of a new pandemic.

To counteract the aforementioned risks with respect to costs, various measures have been initiated in the areas of purchasing and personnel. In addition, various monitoring and analysis procedures have been implemented to enable a flexible response to the new market conditions. We continue to classify the 'economic risks' cluster as 'critical', unchanged on the previous year. However, the economic risks are also offset by positive developments, such that we deem the overall situation to be manageable.

Competition and market (risk cluster 1.4)

Scout24 operates in a highly competitive environment that is constantly evolving. In the 2023 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.

Scout24 is mainly exposed to competitive risks primarily from its next-largest competitors (also see the explanations in the **Competitive situation** section). Horizontally organised classifieds portals use their large user base and data to establish a strong customer base at comparatively low cost. Aggressive competitive strategies by our competitors to deliberately capture market share at the expense of profitability entail the risk, assessed as substantial, for Scout24 of losing or not being able to increase its listing and market share and/or revenue. There is a substantial risk in particular of listings for property sales on ImmoScout24 declining to a degree that could result in the loss of market leadership. ImmoScout24 is confident that it can counter this risk with new product developments and specific offers for our customers.

In addition, we are competing with hybrid agents and social networks as well as other market players, such as credit rating agencies, and are entering into even more intense competition based on prices or terms and conditions (also see the **Competitive situation** section). For Scout24, this entails, on the one hand, the risk of even greater competitive pressure, especially in the Private segment, and on the other hand, the risk of losing agents as customers or competing cooperation partners, for example. To counter these risks, we are working continuously to expand and improve the product portfolio of our market leader ImmoScout24 and to develop it into a fully connected digital marketplace for real estate.

The global economic and geopolitical uncertainties described in the 'Economic risks' section may lead to increasing market consolidation for residential and business real estate in the coming years. Medium-sized and larger customers in the housing market are particularly affected by the shift from the purchase of real estate to the rental market. Medium-sized and larger customers in the business real estate market are facing the challenges of an investment market that continues to stagnate. These developments harbour the risk of a loss of revenue and customers for individual segments of Scout24.

The risk of a decline in market penetration could lower our marketplace's appeal for our user groups. As a result, our business could be adversely affected, and our revenue and earnings could decline. Overall, the external risks in the 'competition and market' risk area represent a substantial risk component for Scout24, as also illustrated by the importance of the measures described and implemented in this regard. We will continue to keep a close eye on market developments. Having analysed the risks at individual risk level, we gauge their combined risk as 'substantial' but manageable.

Compliance risks

Data protection and data security (risk cluster 5.2)

Threats to information security have risen worldwide. The reliability and security of information technology are of paramount importance for Scout24. We see a threat in particular in phishing mails, social engineering and malware being used in an attempt to access employee login data to compromise employee accounts. Such unauthorised access can lead to data leaks, data tampering or loss of data. To counter this risk, the Security team uses mechanisms to detect suspicious activity and takes preventive measures to reduce the likelihood and extent of attacks. This includes robust email security controls, role-based access controls and multi-factor authentication. There is also a precisely defined procedure for dealing with incidents in order to investigate them and respond rapidly.

Our platform is exposed to risks from potential security vulnerabilities that could be exploited for fraudulent listings for the purpose of committing deposit fraud or identity theft. Special software and vulnerability management enables continuous identification and closing of security gaps in the platform or applications. Vulnerability management processes ensure that unpatched systems are identified and updated. In addition, a so-called 'bug bounty programme' aims to improve the security of the platform and the applications.

There is a risk that incorrectly assigned or unrevoked access rights could lead to unauthorised access to Company data by (former) employees or (former) external third parties. To counter this risk, an information security management system and a change management system as well as corresponding guidelines have been implemented. An authorisation management system manages, documents and controls the (de)activation of users.

In the 2023 financial year, we refined our data protection management system to comply with the applicable requirements under the relevant data protection laws, in particular the European General Data Protection Regulation (GDPR), in order to counteract any potential risk of compliance violations. Among other measures, we have appointed additional data protection coordinators throughout the organisation and provided them with special training. In addition, all employees receive regular data protection training.

As a material measure to ensure the compliance of our online platforms, we use our consent management platform to obtain the consent of our users regarding the collection and handling of certain personal data when they use our platform. We regularly involve our data protection organisation in the design of our products to protect personal data.

To ensure the availability of business-critical data, 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.

As in the previous year, data protection and data security remain among the material risk clusters, but they are classified as manageable, as we have implemented all the aforementioned measures.

Having implemented all the above measures, we have likewise classified the compliance risks as material yet manageable.

Operational risks

Human resources (risk cluster 3.1)

Scout24 attaches particular importance to qualified staff and managers. We are an agile, dynamic and multicultural company, where our employees make a difference and are the foundation for our success. Nevertheless, there are human resources risks from employee turnover in key functions. In addition, competition for highly qualified employees remains intense. An attractive corporate culture and the continuous personal development of our employees are among Scout24's core values. We invest in the training and education of our colleagues and support their development with personalised opportunities. We believe that by investing in our teams, we cannot only improve on their individual skills, but also strengthen our collective ability to rapidly adapt to changing market conditions. Based on these and additional measures in the area of human resources (also see the **Social** section of the consolidated non-financial statement), we consider the overall human resources risk to be moderate and therefore manageable.

IT risks (risk cluster 3.7)

Scout24's business operations involve risks from the use of IT and in relation to the security of the IT infrastructure of all segments.

ImmoScout24's online platform has to be reliably accessible for our users and consistently provide 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. This could be caused by the failure of individual systems or IT services if, for example, necessary updates are not further developed 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 'multi-region 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 the IT service providers, and redundancy measures are taken with the individual providers. 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's cloud infrastructure, for example, in the form of a targeted cyberattack. This is counteracted through the established approval processes to obtain access to the cloud environment and through the option available to Scout24 customers to protect their data with multi-level access protection.

While we assessed IT risks as tolerable overall in the previous year, we consider them to be moderate in 2023 due to the increasing sophistication of threats and are investing more heavily in a wide range of activities to protect our platform and IT infrastructure. Nevertheless, we still 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.

Financial risks

Financial reporting, organisation and quality (risk cluster 2.1)

As of the reporting date, Scout24 has recognised intangible assets of approximately EUR 1.8 billion. These assets are tested for impairment on an ongoing basis to identify any indication that their carrying amount may not be recoverable, requiring the recognition of impairment losses. This involves regular financial planning and assessments, a quarterly analysis of financial reports, testing for possible impairment of goodwill as well as monitoring and analysing possible triggering events with regard to the impairment of intangible assets. Considering a high quantitative impact but very low probability of occurrence, this risk is classified as not critical but moderate for Scout24 at the individual risk level.

In the context of financial reporting, there is a risk pertaining to the capitalisation of development expenses, which, in turn, consist of own work capitalised and bought-in services in the course of product development. 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 and a miscalculation of the viability of capitalised projects. To counter this risk, we have further expanded the measures for reviewing measurement and recognition as an asset in 2023 by implementing additional controls to monitor ongoing and newly added CapEx projects. Taking into account the intensification of measures, we consider the risk to be low.

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, for example, to technical problems, such as a system failure, non-functioning financial systems or interfaces between financial systems, or if reports to management are unavailable. System vulnerabilities may also lead to unauthorised publication of confidential financial or non-financial key figures. In order to counteract the risk of a loss of confidence with respect to 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.

Possible currency or exchange rate risks are considered to be low, as all investments are made exclusively in euros, and parts of the U.S. dollar exposure are hedged. In addition, measures have been implemented in the context of financial reporting and debt analysis, together with a regular review of interest rates. Investments in venture capital funds are limited and are regularly monitored and reviewed

The existing financial risks are all manageable through the measures and controls mentioned. The existing tax risks are also not substantial and are considered low.

Conclusion on the overall risk situation

At the time of writing this management report, the risks are assessed as limited overall. The overall risk situation is manageable. Compared with the financial reporting period ended 31 December 2022, the overall risk situation measured by reference to the total net expected loss value of all risks remains unchanged on aggregate.

There are no identifiable risks that could lead to a significant and protracted deterioration in Scout24's net assets, financial position and results of operations or could jeopardise its ability to continue as a going concern.

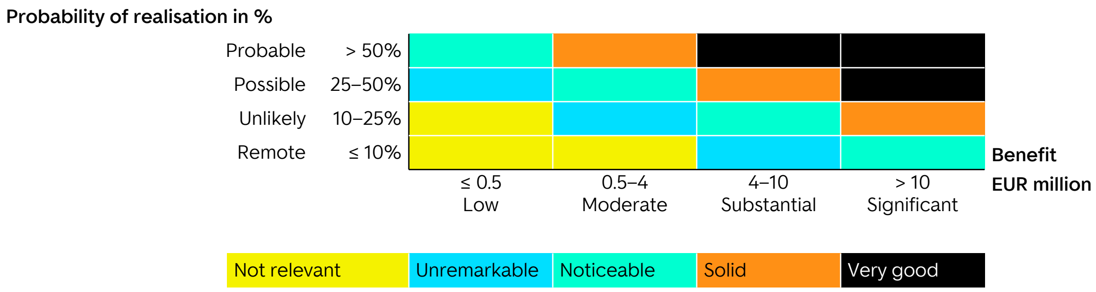
Detailed analysis of the opportunity situation

Scout24's management of opportunities is organised on a decentralised basis in segments and is supported by the Group Strategy & Business Development department. Market and competitive analyses as well as dialogue 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 provided as a basis for decision-making.

Opportunities are assessed taking into consideration the expected benefit as well as an estimated probability of occurrence. The time horizons for assessing opportunities are twelve months in each case, for a total analysis period of three years. In contrast with risk assessment, opportunities are evaluated based on qualitative characteristics. The following bandwidths have been determined for this purpose:

- Very good: very good opportunities support the successful further development of the Scout24 Group or its individual investees.
- 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 Company's outlook for 2024 is considered positive, despite the prevailing market uncertainties. In the coming years, we see many opportunities to successfully develop the Company further. Of particular relevance are the opportunities classified as 'very good' and 'solid'. However, these are not the only opportunities we leverage 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	Substantial	Very good	=
2.2	Shifting focus from third-party media to business with our core customers	Remote	Substantial	Unremarkable	↓
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; ↑ Increased; = Unchanged; + New

Operational opportunities

Value added from performance improvement and addition of products and services

As in the previous year, the ongoing war in Ukraine and a persistently high inflation environment will continue to influence the overall economic situation in 2024. Our Plus products and services remain highly relevant due to the tight rental market. In the Private segment, Scout24 has the opportunity to offer services that extend beyond simple searches. We also expect demand for our core products for agents to increase in 2024. In order to achieve further growth in these areas, we are continuously focusing on the development and optimisation of our product portfolio.

In recent years, we have developed a range of products for our professional and private customers to digitise real estate transactions and provide transparent market information. Our aim is to act as a holistic provider in the real estate market, covering all steps of the transaction chain and promoting process efficiency. The acquisition of the Sprengnetter Group strengthens our expertise in the area of real estate data and valuations. In 2024, we plan to integrate Sprengnetter more closely into the value chain. This will benefit estate agents, home seekers and owners. Our strategy is aimed at expanding Sprengnetter's reach and growing the value of our memberships.

The expansion of the product portfolio, also with the additional products offered by Sprengnetter, led to a very good opportunity situation for Scout24.

Strategic opportunities

Value added from successful M&A transactions

Scout24 strengthens its strategic market position through targeted company acquisitions in the competitive environment. In recent years, the acquisition of various companies, such as immoverkauf24 (lead business), Propstack (CRM) and Vermietet.de (management software for landlords), has helped position Scout24 as a relevant transaction platform. In particular, the Sprengnetter acquisition has enriched our portfolio in the field of real estate data and valuations and contributed a decisive step towards the digitisation of the value chain.

We also see potential in the business real estate segment. The recent acquisition of 21st Real Estate, a specialist in business real estate market data, brings us closer to our goal of achieving a market-leading position in the real estate market data sector. 21st Real Estate will help our customers make informed decisions based on precise information in the business real estate market and will add to the market data offered by Sprengnetter and ImmoScout24.

We are striving for comprehensive digitisation of the value chains for all our customer groups. We supplement services that are already covered or can be developed internally with targeted M&A

transactions. Our focus is on data-driven and innovative business models that open up new development opportunities and intensify networking within our platform and between customer groups.

We consider the opportunities in the transaction sector to be very good.

Conclusion on the overall opportunity situation

The opportunity situation for Scout24 remains positive, unchanged compared with the previous year. Our business model proved to be particularly robust and flexible this year, enabling us to successfully implement our strategy and our objectives. The Company is well positioned for 2024 to benefit positively from opportunities in the current market and competitive situation.

Outlook

The following section provides an overview of our expectations for the 2024 financial year as we implement our growth strategy and in light of the current crisis as well as the market and industry conditions.

Market and sector expectations

The recovery of the global economy is likely to remain slow. However, weaker inflation and rising incomes should support private consumption and contribute to modest growth. Against this background, the German Council of Economic Experts expects overall GDP growth of 0.7% in Germany in 2024.[37]

The situation on the German real estate market is expected to remain tense in 2024 as well. As described in the **German property market trends** section, the residential real estate segment has a large supply gap that cannot be closed in the short term. The federal government's housing construction target was missed by a wide margin in 2023. It is not expected that the target will be achieved in 2024 either. Project developers are in crisis, numerous construction projects have been cancelled, and the number of building permits[38] fell dramatically, down by around 26% year on year in the period from January to November 2023. The number of transactions involving development land[39] has also halved since 2021. The extent to which the package of measures from the housing construction summit in September 2023 can have a positive impact is not yet foreseeable. That said, the fall in mortgage interest rates in the fourth quarter of 2023 and a return in demand for properties to buy is fuelling hopes of a more positive trend in the transaction market in 2024. This is also backed by the ImmoScout24 Housing Barometer[40] for the fourth quarter of 2023, which shows asking prices rising again in many areas – both relative to the previous quarter and the previous year. Single-family homes and new-build apartments are particularly in demand. The high surplus demand with all its consequences for the parties involved in a real estate transaction presents them with serious challenges. Our strategy aims to address precisely these challenges even more strongly – with our diversified product range for our professional customers and for our private customers. The current market situation is still characterised by relatively high property prices, coupled with the declining purchasing power of potential buyers as well as strong demand for rental properties. In the 2024 financial year, this should once again lead to increased demand from our commercial customers in the Professional segment for our products for more marketing services and visibility and from our private customers for our Plus products. This, in turn, would have a positive effect on Scout24's business.

The ongoing digitisation of the real estate market and, in turn, the end-to-end real estate transaction, offers Scout24 not only short-term but also considerable medium- to long-term growth potential. For this purpose, we are developing our market leader ImmoScout24 into a fully connected digital marketplace for real estate and are building a digital data-driven ecosystem for real estate agents, homeowners and home seekers in Germany and Austria. Our strategy aims to digitise all processes relating to real estate transactions and efficiently network all market participants. Our product portfolio and our value chain run along the entire real estate transaction – products for selling, buying, financing, letting, renting, valuing or managing properties – and enable us to monetise them further (see also the **Strategy** section). Based on this strategy, our diverse product portfolio and our brand awareness, we are strongly positioned in the German market with our digital marketplace ImmoScout24 to further expand its market leadership and achieve sustainable growth momentum with increased profitability.

37 German Council of Economic Experts, Annual Report 2023/24, 27 October 2023.
38 German Federal Statistical Office, press release No. 028, 18 January 2024.
39 GEWOS Institut für Stadt-, Regional- und Wohnforschung GmbH – IMA info 2023 | Immobilienmarkt Deutschland.
40 ImmoScout24, WohnBarometer, 11 January 2024.

Company expectations

Business performance of the Group

In the 2023 financial year, we continued our track record of recent years and achieved exceptional results in a challenging environment and real estate market. Despite a changed real estate market, we have consistently implemented our strategy of building an ecosystem for real estate and digitising the real estate transaction. Our diversified product portfolio addresses different market situations and thus offers added value for our various customer groups. The continued strong demand for our core products combined with steady customer growth demonstrate the continued high relevance of the ImmoScout24 platform. Our ecosystem strategy, which we are driving forward through our innovative strength and targeted acquisitions, such as the Sprengnetter Group most recently, offers sustainable growth and value enhancement potential.

In 2023, despite a weaker transaction market and the consolidation of Sprengnetter as well as strict cost control, we were already able to demonstrate this with steady revenue growth and a sustained improvement in profitability. Based on this strong earnings performance in the first half of the year and the acquisition of the Sprengnetter Group, the Management Board raised its forecast for ordinary operating EBITDA growth twice in the 2023 financial year and adjusted the forecast for revenue growth. We have reached the upper end of the forecast for ordinary operating EBITDA. We also achieved our revenue forecast.

Although the markets remain challenging, we are convinced that we offer our customers added value in various market situations with our diversified product portfolio and expect product demand to remain high in 2024. Based on this, the Management Board is confident that we will also be able to increase revenue and profitability in 2024. The Management Board therefore expects the growth momentum and profitability to continue in 2024 as reflected by the following forecast for the full year:

For the 2024 financial year, the Management Board expects revenue growth of 9% to 11% and an increase in the ordinary operating EBITDA margin to about 61%. Overall, the main focus will be on increasing the Group's ordinary operating EBITDA and the corresponding margin.

Outlook

Our growth strategy is premised on sustainable growth in the years beyond 2024. Based on the strategy we presented at the Capital Markets Day in February 2024, we are expanding our product range and driving forward the digitisation of real estate transactions and the networking of all market participants in our real estate ecosystem. This strategy benefits not only our customers and the German real estate market, but also our shareholders, for whom we create significant added value.

Consolidated non-financial statement

About the consolidated non-financial statement

This consolidated non-financial statement presents the sustainability activities of the Scout24 Group, managed by Scout24 SE, in accordance with Article 315c in conjunction with Articles 289c to 289e of the German Commercial Code ('Handelsgesetzbuch', HGB). The consolidated non-financial statement has been prepared on an integrated basis as part of the management report for the first time. The companies under review are congruent with the scope of consolidation of the annual report. Deviations from this scope of consolidation for individual disclosures are marked separately.

The reporting period covers the 2023 financial year, i.e. the period from 1 January to 31 December 2023. The material non-financial content within the meaning of the German Commercial Code (HGB) included in the consolidated non-financial statement has been subject to limited assurance procedures performed by PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft. Additional links and references within the reviewed content were not part of the limited assurance engagement.

The consolidated non-financial statement has been prepared taking into account individual requirements of the European Sustainability Reporting Standards (ESRS, Delegated Regulation (EU) 2023/2772 of 31 July 2023, published in the Official Journal of the EU on 22 December 2023). This includes selected requirements relating to the materiality analysis, the reporting structure and individual disclosures. We are thus preparing early for the upcoming regulation. This notwithstanding, due to interpretation issues and, in some cases, limited data availability, we have not yet implemented all of the ESRS requirements. In the interest of clarity, no other reference frameworks, such as GRI standards, were used. All previous annual sustainability reports are available at **www.scout24.com/en/sustainability**.

Strategy, business model and value chain

Scout24 is a German digital company with currently 1,055 employees (**Key figures on employees**) and total revenue of EUR 509.1 million (**Key financials**). Scout24 operates the leading digital marketplace ImmoScout24 for residential and commercial real estate. For over 25 years, we have been successfully bringing together all players on the real estate market. Information on our core products and services is provided in the **Customers and products** section; information on our professional and private customers and on the markets we serve can be found under **Strategy**. Our assumptions and outcomes in terms of current and expected future benefits for our customers, investors and other stakeholders are described in the **Market and sector expectations** section. For details on our latest sustainable development product developments and targets, please turn to the **Product development** section.

Material impacts, risks and opportunities

The materiality analysis forms the basis for our overall sustainability commitment. We use it to systematically identify the topics that are relevant to us in the respective year. The materiality analysis is approved by the Management Board.

Two dimensions are decisive in assessing whether a topic is material:

- The operations' impact on the environment, employees and society (inside-out)
- The relevance (risks and opportunities) to the Group's business development and performance as well as the Group's situation (outside-in)

If a topic is significant from both perspectives, it is deemed material. In the materiality analysis performed for the year 2023, we additionally considered selected requirements of the European Sustainability Reporting Standards (ESRS).

Materiality assessment process 2023

The starting point for any materiality analysis is the question of which topics should be assessed further within the scope of the analysis. The materiality analysis for the 2023 financial year was applied to the entire Scout24 Group for the first time, such that it differs from the analyses conducted in previous years. A list of potentially material topics was prepared based on ESRS 1 AR 16. In addition, we considered further industry-specific standards, evaluations of Company-specific sustainability ratings, any changes in the organisational structure and market environment as well as the outcomes of the most recent materiality analysis. After sorting these topics, there were a total of 21 topic clusters to consider.

On this basis, the previously defined specialist departments identified Company-specific impacts, risks and opportunities (IROs) over the short, medium and long term relating to the individual topic areas. To this end, they included the outcomes of preceding materiality analyses, findings from internal risk management as well as feedback from stakeholder dialogue formats, such as talks with investors. In accordance with ESRS, the upstream and downstream value chain was also included in the analysis in addition to the Company's own operations. The Sustainability team and specialist departments involved identified a total of 20 different stakeholder groups. The principal stakeholder groups are employees, Scout24 SE's works council, customers, investors, banks, rating agencies, regulatory authorities and consumer protection associations. For more information on the regular dialogue we hold with investors, banks, analysts and ESG rating agencies, see the **Investor relations** and **Communication with analysts** sections. More details of our internal feedback processes are provided under **Working conditions and training**. For details on the forms of exchange that we have with our users, see the **Exchange with customers** and **Provision of information and product development** sections. Our stakeholders' needs and expectations were taken into account by means of the dialogue with subject matter experts. Our analysis of some social and environmental IROs was additionally informed by publicly available studies or industry standards.

In assessing the IROs, we made reference to the requirements set out in ESRS 1 AR 10. Accordingly, the actual impacts are assessed in terms of their severity, expressed by their scale and scope. Negative impacts are additionally considered in terms of their irremediable character. With respect to potential impacts, we also took account of their likelihood. In determining the likelihood of potential risks and opportunities, we referred to the clusters that we use in our internal risk management (**Risks and opportunities report**).

In assessing financial materiality in accordance with ESRS 1, it is decisive whether a topic has, or could reasonably be expected to have, positive or negative effects on our cash flows, our development or performance, financial position, our cost of capital or access to finance over the short, medium or long term. The materiality of financial risks and opportunities has been assessed based on a combination of their likelihood of occurrence and the scope of the potential financial effects. The IROs were assessed in gross amounts for both dimensions. The assessment methodology pursuant to ESRS thus differs from that used in our risk management.

Following their assessment, we carried out a comparison with the non-financial risks already previously contained in our internal risk management system. Those risks have to date been assessed in the same way as financial risks from an outside-in perspective (**Risk and opportunity management system**). We are planning to integrate the inside-out dimension in our internal risk management system and transfer it to a single internal control system in the first half of 2024.

Outcomes

On aggregate, seven out of the 21 originally analysed topic clusters have been identified as material in accordance with ESRS. The IROs identified as material are presented in the table below.

Material topics in 2023		Identified material impacts (I), risks (R) and opportunities (O)[1]	Identified potential material impacts (I), risks (R) and opportunities (O)
Energy and climate change mitigation			
Climate change (E1)	**Climate change mitigation:** • Emissions (Scope 1, 2 and 3) • Target achievement for the 1.5-degree scenario	• Electricity requirements of the cloud provider's data centres produces CO_2e (I) • Emissions caused by energy consumption at office locations and by our employees' business travel (I) • Use of our websites produces CO_2e (I)	• If climate strategy is not adhered to, risk of failure to meet the 1.5-degree target and impact on ESG rating (R) and financing aspects (R)
	Energy: • Energy consumption and mix as well as energy efficiency • Data management and efficient systems		• High cost of cloud solution (R) and caused by potentially insufficient energy efficiency in isolated cases (R) • Switch to 100% renewable energies for higher energy efficiency, less CO_2e and lower cost (O)
Social			
Own workforce (S1)	**Working conditions and training:** • Training and skills development • Work-life balance	• Loss of satisfaction and motivation as a result of insufficient personal development (I)	• Potentially high level of turnover and recruiting expenditure (R)
	Diversity and equal opportunities: • Indicators for pay • Indicators for diversity	• Failure to meet the required employment quota of staff with severe disabilities (I)	• Inclusive and diverse work environment to encourage loyalty, motivation and innovation power (O) • Effects on ESG ratings and financing options (both O and R)
	Data protection and data security: • Confidential treatment and responsible use of data • Preventing loss of data or misuse		• Misuse or loss of data (I) • Possible fines payable (R) • Effects on ESG rating (R) • In-house Data Protection Academy for data protection coordinators in specialist teams (O)
Consumers and end-users (S4)	**Product responsibility:** • Information-related impacts • Personal safety • Social inclusion	• Cybercrime (I) • Provision of a broad range of information and high level transparency as a result, e.g. through listings free of charge or filters (I)	• Changes on the real estate market (both O and R) • Sustainable product development (O)
	Data protection and data security: • Confidential treatment and responsible use of data • Preventing loss of data or misuse		• Misuse or loss of data (I) • Possible fines payable (R) • Effects on reputation and ESG ratings (R)
Governance			
Responsible corporate governance (G1)	**Responsible corporate governance:** • Prevention and detection • Whistle-blower protection • Compliance		• Investor might withdraw capital (R) • Fines payable (R)

Five topics fulfill the double materiality requirement for 2023:

1. **Environmental matters:** climate change mitigation (**Energy and climate change mitigation**)
2. **Employee-related matters:** working conditions and training (**Social**), diversity and equal opportunities (**Diversity and equal opportunities**), data protection and data security (**Data protection, data security and product responsibility**)
3. **Consumer matters:** product responsibility as well as data protection and data security (ibid.)

With regard to social matters and human rights, no topics were identified for Scout24 that meet the double materiality requirement. These matters are therefore not addressed in the consolidated non-financial statement.

The topics of 'Responsible corporate governance' and the aspects of anti-corruption and anti-bribery summarised under this topic as well as compliance, and also the topic of energy, are currently only material in their financial dimension. However, since materiality in one of the two dimensions is sufficient under ESRS, these are additionally dealt with in this report.

Sustainability management

Responsibility for Scout24's sustainability strategy lies with the Chief People & Sustainability Officer (CPSO), who is also responsible for HR and is a member of the Executive Leadership Team (ELT). A Sustainability & DEI team is responsible for all operational and strategic measures and initiatives. The team reports directly to the CPSO and at regular intervals to the ELT. The Supervisory Board is involved by way or regular reporting and in strategic milestones. For further information on our Supervisory Board's sustainability expertise, see **Reporting governance and material impacts, risks and opportunities (IROs)**.

A further important body for implementing our sustainability strategy is our internal Sustainability Committee – which, taking a practice-oriented perspective, combines executives from various business units and functions. These include, for example, Legal & Compliance, HR, Procurement, Investor Relations, Accounting, Facility Management, Product and IT. Under the guidance of Tobias Hartmann (CEO) and Dr Claudia Viehweger (CPSO), the targets and actions of the ESG framework are defined and evaluated annually as a strategic framework. At the operational level, the committee is supported by two working groups that meet on a regular basis. With regard to the social commitment of our employees, a cross-departmental and cross-site Cares team supports Sustainability Management in implementing concrete social activities in which employees can participate.

Since 2021, the Executive Leadership Team's one-year variable compensation has been linked to quantifiable ESG targets. The Supervisory Board of Scout24 SE sets the non-financial sustainability target annually. It reflects Scout24 SE's social and environmental responsibility and is directly derived from the sustainability strategy. With a weighting of 30%, the non-financial target for the 2023 financial year concerned the achievement of a defined quota, in terms of both gender diversity in leadership positions and international diversity of our workforce. The targets for the 2024 financial year are both financial (revenue and ordinary operating EBITDA, each weighted at 35%) and non-financial. For further details, see our **Compensation report 2023**.

ESG framework

Our ESG framework provides the strategic frame of reference for sustainability within the Scout24 Group. With our concrete ambitions, objectives and KPIs relating to the three pillars of environmental, social and governance (ESG) matters, we encourage a high degree of transparency, a shared understanding, and particularly measurability and commitment. Our actions contribute to the UN's Sustainable Development Goals: Quality Education (SDG 4), Gender Equality (SDG 5), Affordable and Clean Energy (SDG 7), Reduced Inequalities (SDG 10), Sustainable Cities and Communities (SDG 11), Climate Action (SDG 13) and Partnerships for the Goals (SDG 17).

A selection of what we achieved in 2023:

- Reduction of our greenhouse gas emissions by 76% compared with 2018, which is above plan in terms of the targets of our climate strategy (target: –60% by 2025, target achievement: 100%, **Energy and climate change mitigation**)
- More than 500 hours of company working time dedicated to social purposes during the Social Summer 2023 (target: 500 hours; target achievement: 100%)
- Restructured our data protection management: each specialist department and each subsidiary has a data protection coordinator (target achievement: 100%)
- Female Leadership Coaching Programme developed in-house was piloted (target achievement: 100%)
- 45% of our existing business partners, suppliers and service providers undertook to comply with Scout24's Code of Conduct or an agreement that meets these requirements at a minimum (target: 45%; target achievement: 100%)
- 883 designated apartment listings for homeless people on ImmoScout24 (target: 1,000; target achievement: 88%)
- Switched to electricity from renewable sources at all locations in Germany and Austria (target: coverage of all eleven locations, target achievement: 73%)
- Multi-factor authentication was made a mandatory component for our B2B customers. All professional listers were also invited to verify their identity on the basis of their business licence (target achievement: 100%)

Our targets and KPIs are evaluated at a minimum once a year and – if necessary – adapted or refined. In doing so, we ensure that we adapt to new developments and findings in the field of sustainability in the best possible way and set the right priorities.

ESG framework

Energy and climate change mitigation

We live up to our climate responsibility:

We consistently use renewable energy, lower our consumption and minimise emissions to do our part towards achieving the Paris Agreement.

Social

We create an inclusive environment:

As a people company, we create a diverse, inclusive and inspiring work culture to sustainably secure our economic success. We utilise our business model to shape society with the help of our employees

Governance

We pursue a value-driven approach to business management:

We instil value-based behaviour throughout the organisation and set standards as a digital marketplace, taking responsibility with respect to customers and users.

Targets

- Lower CO_2e by 60% compared with 2018 by 2025 and by 90% to reach net zero by 2045
- For our locations in Germany and Austria, where we have direct influence on supplier choice, we want to purchase 100% electricity from renewable sources
- Convert vehicle fleet to 100% e-mobility by year-end 2025

- Reach gender parity in the Scout24 Group by 2025 38.7%
- Have 38.7% women in leadership positions by year-end 2024
- 50% of new hires are women or non-binary
- 25% of new hires should cover another diversity trait, such as nationality or disability
- 500 working hours or more for social purposes during the Social Summer 2024
- 1,000 designated apartments for homeless people on ImmoScout24

- Provision of products to improve energy efficiency for homeowners, real estate agents and seekers
- 80% of our existing business partners, suppliers and service providers (measured by spend) undertake to comply with Scout24's Code of Conduct or an agreement that meets these requirements at a minimum
- Prepare for internal and external audits to ensure compliance with security standards based on ISO 27001. First audit before year-end 2024
- Perform external audit of our data protection management structure
- More effectively prevent fraudulent activity on the platform by introducing self-service account reactivation and ID checks
- Combine variable compensation of our ELT with quantified ESG target

4 QUALITY EDUCATION | 5 GENDER EQUALITY | 7 AFFORDABLE AND CLEAN ENERGY | 10 REDUCED INEQUALITIES | 11 SUSTAINABLE CITIES AND COMMUNITIES | 13 CLIMATE ACTION | 17 PARTNERSHIPS FOR THE GOALS

Statement on due diligence

Scout24 works with many different suppliers. Service providers in IT and professional services, such as SaaS providers, consulting firms or marketing agencies, are particularly important. In addition, the Group has many cooperation arrangements relating to online marketing. Suppliers are located in Germany (73%) as well as in Ireland, the United States and Austria.

In 2023, the Scout24 Group[41] had a procurement volume of EUR 120 million (2022: EUR 112 million, only Scout24 SE and Immobilien Scout GmbH). In total, we purchased products and services from some 1,294 service providers, business partners and suppliers (2022: 732, only Scout24 SE and Immobilien Scout GmbH).

Since 2021, our Code of Conduct has also applied to our business partners, suppliers and service providers. This is based on the conviction that, although we are a non-manufacturing company, we nevertheless 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, to ensure that a safe working environment is provided and maintained and that reasonable health and safety management practices are integrated, and to allow their employees rights such as freedom of association. We additionally stipulate that no forced labour, in any form, be used. We reserve the right to terminate contractual relationships with business partners, suppliers and service providers in the event of a breach of these principles. With this measure, we also contribute to compliance with the universal Ten Principles of the United Nations Global Compact (UNGC) in the areas of human rights, labour, environment and anti-corruption.

As part of our ESG framework, we have set ourselves the target of having 80% of our existing business partners, suppliers and service providers – measured in terms of our expenditure – accept our Code of Conduct by the end of 2024. Alternatively, they must confirm that their own requirements conform to it. We have added a reference to the Code of Conduct in our updated General Terms & Conditions of Purchase. In 2023, we reached our milestone target with an acceptance level of 45%. Priority was given to expenditures on physical products and professional services.

From January 2024, Scout24 SE is subject to the German Act on Corporate Due Diligence Obligations in Supply Chains ('Lieferkettensorgfaltspflichtengesetz', LkSG). The Act requires companies to identify human rights and environmental risks within their own operations and in upstream supply chains and to contribute to reducing such risks. In line with the requirements, Scout24 SE will in future perform risk analyses of its direct suppliers at least once a year, and additionally as required, in response to specific situations. A corresponding policy statement will be prepared on the basis of the respective outcome. For information on our grievance mechanism, see the **Rules of procedure**.

Since 2022, our commitment to sustainability has also included a guideline on the sustainable procurement of advertising materials. It defines clear specifications for the procurement of advertising materials and event items for the entire Scout24 Group. The guideline aims to limit the range of products considered when purchasing advertising materials to those that have been manufactured using renewable or recycled or recyclable raw materials, contain no harmful substances, have been manufactured under fair production conditions and have verified labels.

Risk management of non-financial risks

There are risks inherent in our business operations that can affect either specific verticals, our employees as individuals or our whole company. We therefore aim to identify, assess and control these risks at an early stage. That is the prerequisite for us to develop and implement preventive as well as ad hoc and targeted measures and controls to effectively mitigate business risks. This is intended to provide legal certainty and certainty for our actions and ensure sustainable success for the Company. Scout24 SE and all affiliated entities in which it holds a majority are subject to our risk management system.

[41] Scout24, ImmoScout24 (DE & AT), Zenhomes, Propstack, Immoverkauf24 (DE and AT) and FLOWFACT.

Social and environmental risks are an integral part of risk management, covering aspects such as climate, product security, employee turnover and customer satisfaction. In this context, we have identified substantial risks in the risk clusters '5.2 – data protection and data security' and '1.4 – competition and market' (**Detailed analysis of the risk situation**). Taking into account our mitigation measures, we did not identify any risks for the 2023 reporting year that are associated with our business activities, business relationships and services, are very likely to occur and have, or will have a serious negative impact on the reportable aspects. We report on our remediation measures in the **Energy and climate change mitigation**, **Social** as well as **Data protection, data security and product responsibility** sections. In close coordination with risk management, the specialist departments assess the individual financial and non-financial risks anchored in the risk management system at least twice a year and, if necessary, on the basis of quantitative parameters, probability of occurrence and the potential financial impact. The findings are reported to the ELT and the Audit Committee every quarter. Responsibility for risk mitigation measures and their monitoring lies with the specialist departments. Further explanations of the risk management framework and the risk assessment process can be found in the **Risk and opportunity management system** section.

Energy and climate change mitigation

It is important to us to determine the greenhouse gas emissions (GHG) and negative environmental impacts caused by our actions and to reduce them to a minimum in the long term.

The Central Administration & Facility Management and Sustainability & DEI teams are one department at Scout24. Combining their expertise makes it possible to jointly design efficient environmental and climate-relevant actions, initiatives and processes and effectively manage these as part of the Company-wide climate strategy. The Sustainability, DEI and Facility team report directly to Dr Claudia Viehweger (CPSO). Depending on the issue at hand, other specialist departments are also included, such as Purchasing.

The Management Board is in charge of adopting the climate strategy and the related targets for the Scout24 Group. It bases its decisions on the recommendations of the Sustainability & DEI team and the Facility team. The climate strategy is also a key element of our ESG framework (**ESG framework**).

Impacts, risks and opportunities

As part of the assessment under the double materiality principle, we identified the topics of 'energy' and 'climate protection' as material. Relative to manufacturing companies, Scout24, as a non-manufacturing digital company, has a comparatively low CO_2e footprint. However, our emissions also contribute their share to global climate impacts. We therefore feel that it is our responsibility to limit our emissions to a minimum and to make a contribution towards the 1.5-degree target of the Paris Agreement. The topic is also particularly important to civil society, analysts and our investors. Metrics and climate change mitigation actions further account for a major part of external ESG ratings.

The basis for analysing our impacts, risks and opportunities is our emissions inventory (**Key figures on energy consumption and greenhouse gas emissions**). It serves to systematically record the annual greenhouse gas emissions that we cause. On the basis of the Greenhouse Gas Protocol (GHG Protocol), we prepared the first overview of our carbon footprint in 2020 retroactively for 2018, taking into account all three scopes. The selection of the emission categories falling under Scope 3 represented a selection of all possible categories and was based on the availability of reliable data at the time as well as on the criteria of materiality for the business model.

Since then, the Scout24 Group has continued to grow. In 2023, we therefore again reviewed our previous emissions calculation. As part of a review process, the organisational boundaries of the entities in the Scout24 Group were redefined as of 31 December 2022, integrating Propstack GmbH and Zenhomes GmbH with their respective Berlin locations for the 2022 accounting period. As BaufiTeam GmbH and all entities in the Sprengnetter Group were not fully consolidated until later, they were not covered by the survey. As a result, the scope of consolidation for our carbon footprint in 2022 differs from that of the non-financial statement 2023. Since some necessary documents for the calculation do not reach us until the end of the following year, we always have a one-year delay in reporting our emissions data.

The consequences brought about by climate change are also changing the conditions in which local and global companies do business. On the one hand, climate risks, such as heatwaves or heavy rains, can impact business activities and cause significant damage and loss. On the other hand, society's transition to a low-carbon world involves changes and transition events that may present companies with business risks and opportunities.

On the basis of the CSRD (ESRS E1), Scout24 performed an analysis of climate-related risks and opportunities for the first time in 2023 in addition to accounting for GHG emissions. The purpose of the analysis was to identify and estimate the Company's physical climate risks and the transition risks and opportunities.

Climate-related risks were estimated with respect to Scout24's business model, the main business activities at the locations and significant dependencies on suppliers, such as through the use of cloud servers. In addition, we assessed the risks to economic activities identified as taxonomy-eligible (6.5, 7.5 and 7.7) arising as a result of climate change.

The climate-related risk and opportunity analysis covers three periods: short term (within the next three years), medium term (in the next three to ten years) and long term (after ten years). The periods were selected based on the EU Taxonomy.

Within the scope of **screening the physical climate risks**, 28 climate risks (see EU Taxonomy Regulation 2020/852) were analysed individually at each of the Scout24 business locations. The location-specific screening covered the offices in Berlin, Hamburg, Cologne, Munich, Bad Neuenahr-Ahrweiler and Vienna, as well as sites of data centres (Sprengnetter) and servers for cloud services. The analysis of the risk situation to date is based on the historical mean of observation data. The future risk situation was estimated based on an evaluation of climate forecasts, wherever possible, using the outcomes of several climate models. In addition, the analysis incorporated three alternative future development scenarios. The basis for evaluation were, on the one hand, the emission scenarios of the IPCC's Representative Concentration Pathways (RCP) RCP2.6, RCP4.5 and RCP8.5 as well as various socio-economic scenarios.

In a first step, those climate risks that cannot occur at the locations under review were identified and excluded in a pre-screening process. The remaining climate risks were classified in terms of their materiality using a standardised assessment grid, taking into account their likelihood and the economic activities' vulnerability. The vulnerability assessment also included adaptation and mitigation actions that have already been conducted. The risks were assessed for each location, period, climate risk and economic activity.

Based on the data, no material exposure to physical climate risks was identified for any of the economic activities and locations screened. For the short and medium term, the evaluation merely revealed negligible exposure to physical climate risks. Risks could materialise in the long term and in the worst-case scenario (i.e. after more than ten years and in the most pessimistic case of the climate scenarios), the development of which will be monitored. The comparatively most relevant climate risks turned out to be heat stress and heatwaves, heavy rainfall, flooding, storms and tornadoes. We have already taken various measures at our locations to manage these climate risks, such as providing shade through blinds, installing ceiling cooling systems and air-conditioning systems as well as providing the option to work from home.

The Scout24 Group will be faced with changes in its market and competitive environment in the transition to a net-zero world. The risks and opportunities that could arise from ambitious climate policy in Germany and the EU for Scout24 were analysed in a scenario. The study 'Towards a Climate-Neutral Germany by 2045'[42] sets out the fundamental assumptions in an ambitious scenario designed for the path to meet the 1.5-degree target. The underlying political, macroeconomic, technological and social assumptions were applied in the process of screening and assessing risks and opportunities.

[42] Prognos, Öko-Institut, Wuppertal Institut (2021): Towards a Climate-Neutral Germany by 2045. How Germany can reach its climate targets before 2050.

To screen the potential **transition risks and opportunities**, the categories and transition events defined in ESRS E1 were set in relation to the Scout24 Group and, in a preliminary assessment, the materiality of the derived risks and opportunities was estimated over the short-, medium- and long-term horizons defined above. The preliminary assessment was based on Scout24 reports and statements as well as media and literature research on the political, economic and societal trends.

Scout24's sustainability team carried out the preliminary assessment of the identified risks and opportunities in terms of their likelihood and magnitude as well as the validation of assumptions. For those risks and opportunities that were allocated to the categories 'material' or 'to be monitored', an overview of measures implemented to date and planned measures was prepared in a further step. This was used as a basis to determine whether there is any further need for action.

Our analysis revealed a potential transition risk regarding rising CO_2 prices in the medium- and long-term horizons. Such price increases could have an effect on the cost of our buildings, our energy supply and our vehicles fleet. We are countering this risk by switching to electric vehicles in our fleet, for example, or by conducting energy audits to identify savings potential. At present, we see potential transition opportunities in the short-, medium- and long-term horizons, above all with respect to the development and refinement of sustainable products (see the **Provision of information and product development** section). In addition, potential opportunities might arise for Scout24 in the medium and long term, for example, for cost savings through more efficient buildings. We will transfer the opportunities identified to our risk management system in spring 2024. In this connection, we also plan to ascertain their materiality on the basis of financial implications.

With the assessment of climate-related risks and opportunities, we have added an important element to our sustainability management. In view of how climate-related forecasts are still developing dynamically, the Sustainability teams intends to carry out such risk analyses at regular intervals, both with respect to future acquisitions and for the whole Group, taking into account the applicable climate models at the time.

Climate strategy: targets, actions and resources

In 2022, our business activities caused 1,458 metric tonnes of CO_2e, or 1.52 metric tonnes per employee. Emission intensity in relation to revenue (tCO_2e/EUR million in Group revenue) was 3.25 t CO_2e/EUR 1 million in revenue. As a result, we emitted around 3% more CO_2e than in 2021. This development is attributable, above all, to mobility and travel activities normalising again after the Covid-19 pandemic and the inclusion of two new subsidiaries in emissions accounting. On aggregate, we have comparatively low CO_2e emissions. We have achieved this primarily through the following actions:

- Changes in the mobility behaviour of our employees regarding flights (emissions reduced since 2018: 1,106 metric tonnes)
- Discontinuing the use of our own data centres in favour of a cloud-based solution (emissions saved since 2018: 803 metric tonnes)
- Switching to electricity from renewable sources (emissions saved since 2018: 520 metric tonnes, 8% of the baseline year, market-based)
- Converting our vehicle fleet to 94% electric vehicles[43] (emissions saved since 2018: 157 metric tonnes)

In addition, a methodological adjustment, a change in organisational accounting boundaries and improved underlying data over the years have contributed to the result. Due to the incomplete data basis for accounting for our emissions in the first few years, we have used conservative estimates in some cases. After improving the data basis, we were therefore able to report a reduction in corporate GHG emissions to some extent, without achieving them through actual reduction measures. In addition, part of the reduction to date can be attributed to the exceptional effects of the Covid-19 pandemic.

[43] As of 31 December 2023, all entities within the consolidation scope in DE and AT, except for Sprengnetter and Energieausweis48.

We want to continue contributing in future to keep the global temperature increase below 1.5°C compared with pre-industrial temperatures. In view of the end to the pandemic situation in 2023 and potential further acquisitions by Scout24, a further increase in GHG emissions cannot be ruled out, however. We also want to raise our own level of ambition even further. Accordingly, the following targets were defined in 2022:

1. **Short-term:** maintain **–60%** of absolute CO_2e emissions compared with the baseline year 2018 across all scopes by 2025
2. **Long-term:** reduce our absolute Scope 1, 2 and 3 emissions **by a total of 90% by 2045** compared with the baseline year 2018

These combined short-term and long-term reduction targets are aligned with the SBTi Net Zero Standard, which provides a science-based framework for formulating short- and long-term targets in order to achieve a reduction in emissions of 90% or more before 2050. We had it confirmed again in 2023 by the MSCI **Implied Temperature Rise Rating** that our targets correspond to a 1.5-degree reduction pathway. Achieving these targets requires not only cooperation with all relevant stakeholders and further technological advances, but also societal change with a successful energy transition. With our new targets, we are committed to continuously identifying and implementing potential opportunities to reduce greenhouse gas emissions.

In order to achieve our targets, we continue to apply the basic approach: 'avoid, reduce, offset'. In 2022, we began offsetting a small proportion of our emissions from the procurement of unavoidable print products retroactively for the 2021 accounting period. In order to compensate for the emissions resulting from the manufacture of the print products elsewhere, we decided to invest in a gold-standard-certified multi-award-winning climate action project. We will also retrospectively offset part of the emissions from the 2022 accounting period. In accordance with the provisions of the GHG Protocol, the amount of offset GHG emissions is not included in the emissions inventory, as it constitutes a voluntary commitment to climate change mitigation.

In addition to the already low level of carbon offsets for unavoidable emissions, we will begin offsetting any still remaining emissions in 2025 as planned, by means of certified climate action projects. In line with the SBTi Net Zero Standard, offset GHG emissions will then not be counted towards target achievement, but will instead be a voluntary additional contribution to international climate change mitigation. Full carbon offsetting will not take place until 2025, as we expect the new mechanisms under Article 6 of the Paris Agreement to become operational by then. In particular, the use of authorised offsets under the Article 6.4 mechanism allows us to offset in accordance with the objectives of the Paris Agreement and without the risk of double counting emission reductions.

For us as a non-manufacturing company, our own energy consumption is an important lever for environmental protection and climate action. We want to reduce greenhouse gas emissions by conducting an annual review to identify reduction potential, save energy and increase the share of electricity from renewable sources that we purchase. In this way, the offices in Berlin, Hamburg, Munich and Cologne were again subject to an energy audit in 2023, for example, in a multi-site procedure to identify further potential for improving energy efficiency.

These steps are intended to help us achieve our net-zero target defined above:

- To avoid CO_2e emissions, we strongly promote electromobility. For instance, we are planning to convert our entire fleet to electric vehicles by 2025 and to establish a supporting charging infrastructure at the office locations. This has already been implemented in Berlin, Hamburg and Cologne.
- At our locations in Germany and Austria, where we have a direct influence on the choice of supplier, we want to purchase 100% electricity from renewable sources.
- Increased use of climate-friendly means of transport by employees: already today, most of our employees use public transport or climate-friendly alternatives to commute to work. In addition, employees at the Berlin office have the option to rent bicycles.

- Our air travel is now also being evaluated during the year. This way, we want to identify at an early stage and limit any increase.

Depending on the economic viability and feasibility, we also want to examine whether switching to a biogas tariff at the Cologne location and any incentives for our employees to switch to green electricity could be additional measures in the interest of climate change mitigation.

Our travel policy has been in force since July 2021, prioritising rail as a means of transport and providing for flights within Germany only if the journey cannot be covered by train within 4.5 hours. The policy also encourages employees to give preference to virtual meetings. To this end, we provide comprehensive video and web conferencing systems in appropriately optimised rooms at all locations. To reduce emissions from their commute, we have been offering the employees of Scout24 SE and Immobilien Scout GmbH a monthly mobility allowance since mid-2022. This can be used to lease up to two bicycles or to use public transport. Employees who are entitled to a company car receive a financial subsidy from us if they have proven that they have installed an electric charging station in their home.

Sustainable building properties are an important factor when we choose our office buildings. In Munich, we work in a building whose features in 2019 earned it the Gold certificate from Leadership in Energy and Environmental Design (LEED) – a rating system for energy-efficient construction. In the long term, the Berlin office building – which Scout24 moved into at the end of November 2020 and accommodates up to 800 employees – should also contribute to further reducing environmental pollution. With its ecologically sustainable design and high energy efficiency, the building meets high sustainability standards and was thus certified according to the Platinum standard from the German Sustainable Building Council (DGNB) in October 2021. It is also set to receive the WELL Gold Core & Shell certificate from the International WELL Building Institute in 2024.

Key figures on energy consumption and greenhouse gas emissions

To continuously reduce our energy consumption and avoid emissions, we have identified key actions as part of our climate strategy in recent years and have successively implemented these. The scope of PricewaterhouseCoopers GmbH's assurance engagement only covered the year 2022. All key figures on energy and emissions are shown without decimal portions and rounded accordingly.

The total energy consumption within and outside of the organisation was approximately 2,652 megawatt-hours (MWh) in 2022. Our employees consumed an average of 2.7 MWh of energy per capita in 2022, the energy intensity based on revenue is 5.92 MWh/EUR 1 million in revenue. Consumption was calculated on the basis of direct and indirect energy consumption for 2022. At 1,323 MWh, purchased heating energy accounted for the largest share thereof. Fuel consumption from vehicles on long-term leases as well as purchased electricity are further material contributors. Despite the inclusion of two further Scout24 locations, we were able to reduce our total energy consumption by 13% in 2022 compared with 2021. The largest savings came from switching to e-mobility, as that contributed to fuel savings. An additional factor is that the office in Cologne needed less gas for heating during the Covid-19 pandemic because many staff members worked from home.

ENERGY CONSUMPTION (KILOWATT-HOURS)[1, 2]

	2020	2021	2022	Percentage change 2022/21
Total	**4,041,022**	**3,047,114**	**2,652,443**	**–13%**
per capita	5,381	3,585	2,762	–23%
per one million euro of revenue	-	-	5,927	-
Total consumption by category[3]				
Fuel	802,275	574,621	174,272	–70%
Gas	57,355	78,788	34,657	–56%
Electricity, incl. internal charging	862,349	932,295	979,098	5%
District heating	1,179,803	1,379,246	1,323,513	4%
District cooling	540,500	40,513	40,513	0%
Own data centres[4]	598,739	-	-	0%
External charging current	N/A	41,651	100,390	141%

1 The data relate to the following entities of the Scout24 Group: Immobilien Scout GmbH DE and AT, Scout24 SE, Propstack, Zenhomes, FLOWFACT GmbH and immoverkauf24 DE and AT. The data have been rounded.
2 Changes are also due to an enlarged scope of consolidation and a change in the underlying data.
3 For the 2022 reporting year, no consumption data was available for district heating at the Berlin (Invalidenstr.) and Munich sites or for district cooling at the Munich site. As the respective building areas remained unchanged, consumption data from 2021 was used to estimate the associated GHG emissions. A correction with the actual values is planned for the next report.
4 Switched to cloud in 2020.

Our present corporate carbon footprint (CCF) shows our (gross) greenhouse gas emissions for the 2022 financial and calendar year. It provides us with the data that we need as a basis to develop the Scout24 climate action strategy further. Analysing the CCFs allows us to identify reduction potential and levers, develop suitable actions and define climate change mitigation targets. As a rule, the following greenhouse gases listed by the Intergovernmental Panel on Climate Change (IPCC) and in the Kyoto Protocol are included in determining the material greenhouse gas emissions ('GHG emissions'): carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF_6) and nitrogen trifluoride (NF_3). In the interest of clarity, the material GHG emissions have been converted to CO_2 equivalents (CO_2e) in the table based on their respective global warming potential using selected emissions factors. The consumption data recorded (e.g. electricity or fuel consumption) are converted using emissions factors that indicate the GHG emissions per unit (e.g. per kilowatt-hour or litre).

The operational boundaries are aligned with the ESRS requirements based on the GHG Protocol Corporate Standard, Corporate Value Chain (Scope 3) Accounting and Reporting Standards and Scope 2 Guidance. GHG emissions were generally calculated both location-based and market-based using the dual reporting procedure pursuant to the GHG Protocol (limited to electricity). For further information on our methodology and the emissions factors used, see our **Methodology handbook for the 2022 Corporate Carbon Footprint**.

The Scout24 Group's greenhouse gas emissions result, amongst other things, but not exclusively, from the aforementioned energy consumption. Most of our emissions are attributable to Scope 3 emission sources. In total, the emissions of the Scout24 Group came to around 1,458 metric tonnes of CO_2e in 2022 (total of Scopes 1, 2 and 3). With 960 employees (reporting date 31.12.2022) in the financial year, the emission intensity was 1.52 metric tonnes of CO_2e (2021: 1.66 metric tonnes of CO_2e, 2020: 3.23 metric tonnes of CO_2e) per capita. In relation to revenue, the emission intensity is 3.25 metric tonnes of CO_2e per EUR 1 million in revenue.

The direct emissions (Scope 1) consist, above all, of emissions from our fuel consumption (4% of total emissions). The latter mostly relates to the consumption of vehicles under long-term leases, which employees are also allowed to use for private purposes.

Indirect emissions from electricity and district heat (Scope 2) account for the second-largest share of our emissions. One important and efficient measure for reducing CO_2e emissions in the Scout24 Group is to purchase green electricity. The advanced transition to green electricity is reflected in the low market-based emissions of 16 metric tonnes of CO_2e (Scope 2 market-based, location-based: 468 metric tonnes).

Other indirect emissions outside of the organisation (Scope 3) are caused, among other things, by business travel (339 metric tonnes of CO_2e) and by our employees commuting or working from home (a total of 312 metric tonnes of CO_2e). The calculations for commuting are based on an employee survey in which the total emissions were determined on the basis of the number of days worked, the distances travelled, the means of transport used and the number of employees. In addition, a significant proportion of our Scope 3 emissions are attributable to the use of our marketplaces by our users, including emissions resulting from our use of cloud services (combined 322 metric tonnes of CO_2e), our procurement of goods and services (217 metric tonnes of CO_2e) and upstream electricity, fuel and heat (total of 120 metric tonnes of CO_2e).

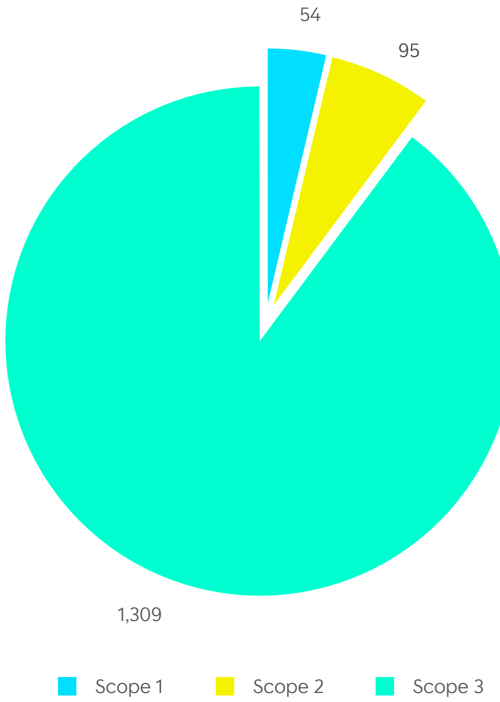
Emission categories in accordance with the GHG Protocol that are not included in the table below were not applicable to the entities included in the scope of consolidation or were excluded due to materiality considerations.

GREENHOUSE GAS EMISSIONS (METRIC TONNES OF CO_2E)[1]

Scope		Baseline year 2018	2020	2021	2022	Share of total result (2022)	Change on previous year (%)
1.1	Heating system (natural gas)	17	11	16	7	0%	-56%
1.2	Vehicle fleet (diesel; petrol)	192	220	152	47	3%	-69%
1	**Total Scope 1[2]**	**209**	**232**	**168**	**54**	**4%**	**-68%**
2.1a	Purchased electricity: location-based	-	574	408	468	32%	+15%
2.1b	Purchased electricity: market-based	536	410	27	16	1%	-41%
2.2	Purchased district heating	184	226	48	76	5%	+57%
2.3	Purchased cooling			3	3	0%	0%
2a	**Total Scope 2 (location-based)**	**-**	**800**	**460**	**468**		**+2%**
2b	**Total Scope 2 (market-based)[3]**	**720**	**636**	**78**	**95**	**7%**	**+21%**
3.1	Purchased goods and services[4]		401	167	217	15%	+31%
	Office supplies	478	68	20	5	0%	-73%
	Food and drink	256	22	15	25	2%	+59%
	Water	5	3	3	0	0%	-87%
	Data centres	809	309	see 3.11	see 3.11		
	Ext. programming	-	-	25	34	2%	+33%
	IT equipment	-	-	94	139	10%	+48%
	Consulting	-	-	8	14	1%	+69%
3.3	Fuel and energy-related emissions	238	321	128	120	8%	-6%
	Fleet	29	124	31	17	1%	-44%
	Heating, cooling	92	110	24	29	2%	+23%
	Electricity	118	87	74	74	5%	0%
3.6	Business travel	1,429	230	173	339	23%	+96%
	Flights	1,356	161	118	250	17%	+111%
	Rail	4	41	29	60	4%	+108%
	Hired and private vehicles	69	28	10	7	0%	-29%
	Hotel	-	-	16	22	2%	+40%
3.7	Commuting and working from home	-	383	333	312	21%	-6%
	Commuting	1,424	171	155	256	18%	+65%
	Working from home	-	212	178	56	4%	-68%
3.11	Use of marketplaces	-	-	369	322	22%	– 13%
	External data centres			47	6	0%	–88%
	Energy requirements of end consumers			322	316	22%	-2%
3	**Total Scope 3**	**4,638**	**1,335**	**1,170**	**1,309[5]**	**89%**	**+12%**
	Total emissions (market-based)[6]	**6,123**	**2.423[7]**	**1,415**	**1,458**	**100%**	**+3%**
	Total emissions (location-based)	—	2,367	1,798	1,910		
	Emissions per employee	7.25	3.23	1.66	1.52		
	Emissions per one million euro of revenue (market-based)	11.51	6.84	3.63	3.25		
	Emissions per one million euro of revenue (location-based)		6.69	4.62	4.26		

1 Due to the low values in the individual (sub)categories of the emissions inventory, emissions are only shown without decimals, but without further rounding. Regarding the evaluation, it should be borne in mind that the indirect emissions in Scope 3 in particular are always only an approximation and are partly based on assumptions and standardised factors.
2 Scout24 does not cause any biogenic emissions.
3 The central emission-intensive purchasing items in the balance sheet under 3.1 and 3.11, which account for around 20% of the category-specific purchasing volume, were taken into account. The remaining 80% of this purchasing volume is attributable to low-emission business activities, such as marketing, lead generation and software licences.
4 No consumption data for district heating at the Berlin (Invalidenstr.) and Munich sites and for district cooling at the Munich site was available for the 2022 reporting year. As the respective building areas remained unchanged, consumption data from 2021 was used to estimate the associated GHG emissions. A correction with the actual values is planned for the next report.
5 Around 5% of the Scope 3 data used are primary data from our supply chain. The remaining 95% were calculated based on secondary data.
6 In the period from 2018 to 2020, a safety margin of 10% was added to total emissions to account for any data gaps and uncertainties. As such data gaps have been largely closed, as of 2021 the safety margin included in total GHG emissions in previous years is no longer applied.
7 Reduction mainly due to reduced travel due to Covid-19, discontinuation of data centres and improved data base for printed materials.

OUR GREENHOUSE GAS EMISSIONS BY SCOPE (IN METRIC TONNES OF CO_2E)



Disclosures within the framework of the EU Taxonomy

In the separate consolidated non-financial statement, Scout24 discloses annually how and to what extent its own economic activities are identified as 'environmentally sustainable' within the scope of the EU Taxonomy Regulation (Regulation (EU) 2020/852). Consistently defined criteria for the following six environmental objectives (Article 9 of the EU Taxonomy Regulation) are used for this purpose:

1. Climate change mitigation
2. Climate change adaptation
3. Sustainable use and protection of water and marine resources
4. Transition to a circular economy
5. Pollution prevention and control
6. Protection and restoration of biodiversity and ecosystems

The description of economic activity in the Climate Act and the Environmental Act stipulates which economic activities can generally be considered. In terms of classifying an economic activity as 'environmentally sustainable' in line with the EU Taxonomy, a distinction needs to be made between taxonomy-eligible and taxonomy-aligned economic activities. The first step is to check whether an economic activity is described in the delegated acts and is therefore taxonomy-eligible. Only taxonomy-eligible economic activities can be considered 'environmentally sustainable' provided they fulfil certain criteria. Accordingly, the second step is to evaluate whether the economic activity contributes substantially to the achievement of one or more of the other environmental objectives and does not cause significant harm to any of the other environmental objectives. Finally, a minimum level of social safeguards must be guaranteed. If the conditions are met, an economic activity can be classified as being in alignment with the taxonomy. With regard to the current status of the EU Taxonomy Regulation, Scout24's main business activities are not yet covered by the delegated acts, which means that compliance with the EU Taxonomy for our revenue-generating activities is not yet possible.

The EU had previously only published specifications on sustainable economic activities in the sense of the EU Taxonomy ('EU catalogue') for two of the six goals. In 2023, the information was supplemented by two delegated acts (Delegated Regulation (EU) 2023/2485 and Delegated Regulation (EU) 2023/2486). The latter ('Environmental Act') contains technical screening criteria for objectives 3 to 6 for the first time. It also contains amendments to Delegated Regulation 2021/2178 with regard to the disclosure requirements under Article 8 of the Taxonomy Regulation. In the first-mentioned regulation, the climate-related targets (1 and 2) are supplemented by further economic activities, and individual technical assessment criteria are amended. It therefore represents an adaptation to the climate legislation. Although the first-time application of the legal acts is already mandatory from 1 January 2024 due to a phase-in regulation, non-financial companies only have to provide information on taxonomy eligibility for the newly included activities of the legal acts in the first year. From 1 January 2025, the disclosure requirements for taxonomy compliance will also apply to these activities.

The activities already existing in the previous year under the first two taxonomy objectives 'climate change mitigation' and 'climate change adaptation' additionally need to be screened for alignment with the taxonomy. Accordingly, in addition to the proportion of turnover, capital expenditure (CapEx) and operating expenditure (OpEx) associated with taxonomy-eligible economic activities, the proportion associated with taxonomy-aligned activities must also be disclosed in specified reporting forms for each key indicator.

For the 2023 financial year, all economic activities defined in EU Taxonomy Regulation 2020/852 were considered in terms of the six environmental objectives. We then assigned our products, services and solutions, where possible, and verified alignment with the taxonomy's description of activities. The Delegated Regulation 2022/1214 of 9 March 2022 on nuclear energy and natural gas does not have any impact on the Scout24 Group and therefore does not apply.

In the Delegated Acts 2021/2139 and 2022/1214 (Annex I and II) published so far and in the Delegated Acts 2023/2485 (Annex I and II) and 2023/2486 (Annex I to IV) added in 2023, no explicit mention is yet made of the central economic activities of Scout24 as a digital company and operator of the digital marketplace ImmoScout24. According to the EU Taxonomy Regulation 2020/852, our fleet and office buildings could make a potential contribution to climate change mitigation.

In the Delegated Acts 2021/2139 and 2022/1214 (Annex I and II) published to date and in the acts 2023/2485 (Annex I and II) and 2023/2486 (Annex I to IV) added in 2023, the central economic activities of Scout24 as a digital company and operator of the digital marketplace ImmoScout24 are not yet explicitly mentioned. Our revenue-generating business activities contribute to the environmental goal of climate protection. We do not disclose any taxonomy-eligible activities under the second environmental objective, adaptation to climate change, as we do not generate any revenue from enabling activities related to this environmental objective and did not identify any separate CapEx or OpEx in the reporting year that specifically contribute to adaptation to climate change.

The following disclosures on the taxonomy-eligible shares of these identified activities in revenue, capital expenditure and operating expenditure in the respective totals for 2023 relate to the scope of consolidation for financial reporting. In accordance with Section 315e (1) German Commercial Code, Scout24 has prepared consolidated financial statements in accordance with IFRS for the 2023 financial year. The amounts used to calculate the key figures revenue, CapEx and OpEx are based accordingly on the reported figures.

Key performance indicators

Turnover

The proportion of turnover referred to in Article 8(2)(a) of Regulation (EU) 2020/852 is calculated as the part of the net turnover derived from products or services, including intangibles, associated with taxonomy-eligible or taxonomy-aligned economic activities (numerator), divided by the net turnover (denominator) as defined in Article 2(5) of Directive 2013/34/EU. The turnover covers the revenue recognised in accordance with International Accounting Standard (IAS) 1, Paragraph 82(a), as adopted by Commission Regulation (EC) No. 1126/2008 (1).

$$\text{Turnover KPI} = \frac{\text{Taxonomy-aligned net turnover}}{\text{Total net turnover}}$$

The revenue figures reported in Scout24's consolidated statement of profit or loss (**Consolidated statement of profit or loss**) were examined in detail and analysed to determine whether they were generated from taxonomy-eligible economic activities in accordance with the Climate Act and the Environmental Act. The sum of the revenue from economic activities that are taxonomy-eligible or taxonomy-aligned for the 2023 financial year forms the numerator. To date, only 0.2% of revenue can be classified as taxonomy-compliant economic activity in accordance with 9.3 (Annex I, Climate Act). This relates to the creation and sale of energy efficiency certificates by Energieausweis48 GmbH. Due to the acquisition of Sprengnetter in June 2023, this revenue was included in the taxonomy evaluation for the first time. As the revenue from taxonomy-eligible economic activities is not quantitatively material for Scout24's business model, the necessary evidence for the conformity assessment was not obtained as part of a cost-benefit analysis. These shares of turnover are therefore reported as taxonomy-compliant but non-compliant.

CapEx

The proportion of the CapEx referred to in Article 8(2)(b) of EU Regulation 2020/852 is calculated as the numerator divided by the denominator in accordance with points 1.1.2.1 and 1.1.2.2 of Regulation 2021/2178.

$$\text{CapEx KPI} = \frac{\text{Taxonomy-aligned capital expenditure}}{\text{Total capital expenditure according to EU Taxonomy Regulation}}$$

The relevant additions to property, plant and equipment, intangible assets and right-of-use assets for leasing participants in accordance with IFRS 16 during the 2023 financial year were taken on the basis of information in the consolidated financial statements, narrowed down to the relevant additions and examined for taxonomy-eligibility by checking them against Annexes I and II of the EU Taxonomy Regulation (**Consolidated financial statements**).

Scout24's capital expenditure is classified as taxonomy-eligible under the economic activities 6.5 'Transportation by motorcycles, passenger cars and light commercial vehicles', 7.5 'Installation, maintenance and repair of equipment for measuring, regulating and controlling the overall energy efficiency of buildings', 7.7 'Acquisition and ownership of buildings: acquisition of real estate and exercise of ownership of such real estate' and 1.2 'Manufacture of electrical and electronic equipment' (Annex II, Environmental Act). These are classified as taxonomy-eligible and account for 31.9% of total capital expenditure in accordance with the EU Taxonomy Regulation (i.e. 68.1% non-taxonomy-eligible capital expenditure). As the capital expenditures from the taxonomy-eligible economic activity 7.5 are not quantitatively material for the business model of Scout24, the necessary evidence for the conformity assessment was not obtained as part of a cost-benefit analysis. The other conformity criteria were assessed in accordance with the CapEx definition (Taxonomy Regulation (EU) 2021/2178, Annex I, 1.1.2.1, f) of acquired rights of use in accordance with IFRS 16 by the legal owners. Challenges arising from the compliance audit for Scout24 relate to compliance with the required technical assessment criteria and the 'Do no significant harm' (DNSH) criteria.

For example, the portion of the Company's fleet consisting of electric vehicles does not meet the technical screening criteria for environmentally sustainable economic activity set out in the taxonomy regulations due to the failure to meet the requirements for the tyres which must be used for this type of vehicle. Our electric vehicles are therefore not in alignment with the taxonomy. Our rented buildings in Berlin, Hamburg, Cologne and Bad Neuenahr were included in the climate risk and vulnerability analysis that we conducted. Based on their existing energy performance certificates, they are also among the top 15% of national and regional buildings. The activities in category 7.7 at present do not qualify as taxonomy-aligned on account of the requirements of the DNSH criteria for social protection.

In the assessment of the relevant data, we thus arrive at a taxonomy-compliant share of 32% to a share of 0% taxonomy-compliant expenditure in total investment expenditure.

OpEx

The proportion of OpEx referred to in Article 8(2)(b) of Regulation (EU) 2020/852 is calculated as the numerator divided by the denominator in accordance with points 1.1.3.1 and 1.1.3.2 of Regulation 2021/2178.

$$\text{OpEx KPI} = \frac{\text{Taxonomy-aligned operating expenditure}}{\text{Direct, non-capitalised costs}}$$

In order to determine the denominator, the accounts in the financial accounting system that reflect direct, non-capitalised costs were considered. These include the accounts for research and development, which, for example, contain the costs of internal and external employees working in the area of product and platform development. Accounts for building renovation work, leasing, maintenance and servicing were also included. Leasing primarily consists of rental and company car contracts.

The numerator is derived from an analysis of the taxonomy eligibility of the assets related to the expenses recorded in the above-mentioned accounts.

Scout24's operating expenditure is classified as taxonomy-eligible based on the economic activities described in the Delegated Regulation (Annex I, Climate Act) 7.7 'Acquisition and ownership of buildings: buying real estate and exercising ownership of that real estate' (Annex I). As the operating expenses from taxonomy-eligible economic activities are also not quantitatively material for Scout24's business model, the necessary evidence for the conformity assessment was not obtained as part of a cost-benefit analysis. These operating expenses are therefore reported as taxonomy-compliant but non-compliant.

Reporting forms for non-financial undertakings

Proportion of turnover from products or services associated with taxonomy-aligned economic activities – disclosure covering the year 2023

Reporting year 2023		2023		Substantial contribution criteria						Do no significant harm									
	Code	Absolute turnover, EUR million	Proportion of turnover 2023, in %	Climate change mitigation (Y; N; N/EL), inb%	Climate change adaptation (Y; N; N/EL), in %	Water (Y; N; N/EL), in %	Pollution (Y; N; N/EL), in %	Circular economy (Y; N; N/EL), in %	Biodiversity and ecosystems (Y; N; N/EL) in %	Climate change mitigation (Y/N)	Climate change adaptation (Y/N)	Water and marine resources (Y/N)	Circular economy (Y/N)	Pollution (Y/N)	Biodiversity and ecosystems (Y/N)	Minimum safeguards (Y/N)	Share of taxonomy-aligned (A.1) or taxonomy-eligible (A.2) proportion of turnover, 2022, in %	Enabling activity category (E)	Transitional activity category (T)
A. Taxonomy-eligible activity																			
A.1 Ecologically sustainable activities (taxonomy-aligned)																			
Turnover of environmentally sustainable activities (taxonomy-aligned) (A.1)		0	0	0	0	0	0	0	0	Y	Y	Y	Y	Y	Y	Y	0		
of which enabling activities		0	0	0	0	0	0	0	0	Y	Y	Y	Y	Y	Y	Y	0	E	
of which transitional activities		0	0	0						Y	Y	Y	Y	Y	Y	Y	0		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (non-taxonomy-aligned activities)																			
9.3 Professional services related to energy performance of buildings	CCM 9.3	0.8	0.2	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0		
Turnover taxonomy-eligible but not environmentally sustainable activities (non-taxonomy-compliant activities) (A.2)		0.8	0.2	0	0	0	0	0	0								0		
Turnover taxonomy-eligible activities (A.1 + A.2)		**0.8**	**0.2**	**0**	**0**	**0**	**0**	**0**	**0**								0		
B. Taxonomy-non-eligible activities																			
Turnover non-eligible activities		508.3	99.8																
Total (A. + B.)		**509.1**	**100**																

Proportion of CapEx from products or services associated with taxonomy-aligned economic activities – disclosure covering the year 2023

Reporting year 2023		2023		Substantial contribution criteria						Do no significant harm									
	Code	Absolute CapEx, EUR million	Proportion of CapEx 2023, in %	Climate change mitigation (Y; N; N/EL), in %	Climate change adaptation (Y; N; N/EL), in %	Water (Y; N; N/EL) in %	Pollution (Y; N; N/EL) in %	Circular economy (Y; N; N/EL) in %	Biodiversity and ecosystems Y; N; N/EL), in %	Climate change mitigation (Y/N)	Climate change adaptation (Y/N)	Water and marine resources (Y/N)	Circular economy (Y/N)	Pollution (Y/N)	Biodiversity and ecosystems (Y/N)	Minimum safeguards (Y/N)	Share of taxonomy-aligned (A.1) or taxonomy-eligible (A.2) proportion of CapEx, 2022 in %	Enabling activity category (E)	Transitional activity category (T)
A. Taxonomy-eligible activity																			
A.1 Ecologically sustainable activities (taxonomy-aligned)																			
CapEx on environmentally sustainable activities (taxonomy-aligned) (A.1)		0	0	0	0	0	0	0	0	Y	Y	Y	Y	Y	Y	Y	0		
of which enabling activities		0	0	0	0	0	0	0	0	Y	Y	Y	Y	Y	Y	Y	0	E	
of which transitional activities		0	0	0						Y	Y	Y	Y	Y	Y	Y	0		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (non-taxonomy-aligned activities)																			
Manufacture of electrical and electronic equipment	CE 1.2	0.6	1.6	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0		
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	0.9	2.4	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.5		
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5	0.1	0.3	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.8		
Acquisition and ownership of buildings	CCM 7.7	11.0	27.7	EL	N/EL	N/EL	N/EL	N/EL	N/EL								10.9		
CapEx taxonomy-eligible but not environmentally sustainable activities (non-taxonomy-compliant activities) (A.2)		12.6	32	30.4	0	0	0	1.6	0								13.3		
CapEx taxonomy-eligible activities (A.1 + A.2)		**12.6**	**32**	**30.4**	**0**	**0**	**0**	**1.6**	**0**								**13.3**		
B. Taxonomy-non-eligible activities																			
CapEx non-eligible activities		27	68																
Total (A. + B.)		**39.6**	**100**																

Proportion of OpEx from products or services associated with taxonomy-aligned economic activities – disclosure covering the year 2023

Reporting year 2023		2023		Substantial contribution criteria						Do no significant harm									
	Code	Absolute OpEx, EUR million	Proportion of OpEx 2023, in %	Climate change mitigation (Y; N; N/EL), in %	Climate change adaptation (Y; N; N/EL), in %	Water (Y; N; N/EL), in %	Pollution (Y; N; N/EL), in %	Circular economy (Y; N; N/EL), in %	Biodiversity and ecosystems (Y; N; N/EL), in %	Climate change mitigation (Y/N)	Climate change adaptation (Y/N)	Water and marine resources (Y/N)	Circular economy (Y/N)	Pollution (Y/N)	Biodiversity and ecosystems (Y/N)	Minimum safeguards (Y/N)	Share of taxonomy-aligned (A.1) or taxonomy-eligible (A.2) proportion of OpEx 2022	Enabling activity category (E)	Transitional activity category (T)
A. Taxonomy-eligible activity																			
A.1 Ecologically sustainable activities (taxonomy-aligned)																			
OpEx of environmentally sustainable activities (taxonomy-aligned) (A.1)		0	0	0	0	0	0	0	0	Y	Y	Y	Y	Y	Y	Y	0		
of which enabling activities		0	0	0	0	0	0	0	0	Y	Y	Y	Y	Y	Y	Y	0	E	
of which transitional activities		0	0	0						Y	Y	Y	Y	Y	Y	Y	0		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (non-taxonomy-aligned activities)																			
Acquisition and ownership of buildings	CCM 7.7	0.1	0.5	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.4		
OpEx taxonomy-eligible but not environmentally sustainable activities (non-taxonomy-compliant activities) (A.2)		0.1	0.5	0.5	0	0	0	0	0								1.4		
A. OpEx taxonomy-eligible activities (A.1 + A.2)		**0.1**	**0.5**	**0.5**	**0**	**0**	**0**	**0**	**0**								**1.4**		
B. Taxonomy-non-eligible activities																			
OpEx non-eligible activities		17.8	99.5																
Total (A. + B.)		**17.9**	**100**																

Nuclear energy- and fossil gas-related activities

Nuclear energy-related activities	
The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	No

Fossil gas-related activities	
The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	No
The undertaking carries out, funds or has exposures to construction, refurbishment and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	No
The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	No

Social

For more than 25 years, we have been an agile, dynamic and multicultural company, where our employees make a difference and are the basis for our success. Our aim is to promote entrepreneurial thinking and a willingness to innovate, to embrace diversity and equal opportunities, to face the changes in our day-to-day work, to offer tailored training and continuing education formats and to find the best talent for Scout24. Only through a culture that promotes diversity and ensures that everyone feels welcome can we realise our full potential at Scout24.

Scout24's assessment of double materiality identified two overarching topics relating to our workforce in terms of their impacts, risks and opportunities: working conditions and training as well as diversity and equal opportunities. These two fields are a fundamental part of our social pillar of the three pillars that make up ESG. They are part of the people strategy and the diversity, equity and inclusion strategy (DEI strategy).

The content of the following section includes a number of disclosures and data points on the topics of working conditions and training as well as diversity and equal opportunities in the upcoming reporting standard ESRS S1 Own Workforce.

The People, Organisation & Culture team is responsible for **HR matters** throughout the Scout24 Group. Since June 2021, the HR department has also been represented in the ELT through the Chief People & Sustainability Officer (CPSO). With the additional responsibility for sustainability, the topics of HR and sustainability are now even more closely linked at a strategic and operational level. As of 2024, this results in three strategic fields: employer appeal and visibility, high-performance teams and training, as well as organisational culture and inclusive leadership.

Responsibility for **diversity, equity and inclusion** at Scout24 rests with the ELT. This extended management team comprises not only the Management Board but also, among others, the Chief People & Sustainability Officer (CPSO). This position reports directly to the CEO. The ELT has the operational support of the departments for sustainability and HR. In addition, there are several voluntary employee communities that promote various aspects of DEI and organise their own awareness-raising measures to address these within the Company.

For both topics, feedback from our employees is of particular importance. In our annual engagement surveys, we ask our employees at all entities (currently with the exception of Sprengnetter) to tell us what they expect from their working environment and how satisfied they are with Scout24. Employee satisfaction, as measured by the overall index (engagement score), was below the level of previous years at Scout24 and ImmoScout24 in May 2023, but rose noticeably again in a check-in carried out in October 2023. At FLOWFACT, the index fluctuated to a minor extent in the surveys carried out in 2023. At immoverkauf24, the index fell slightly in May 2023, but increased noticeably again in autumn 2023. At 89%, the participation rate in the engagement survey at Scout24 and ImmoScout24 in May 2023 was three percentage points higher than in the previous year. A total of 88% of employees took part at FLOWFACT including Propstack (2022: 86%), while the figure for immoverkauf24 was 85% (2022: 89%).

The survey results are discussed with the Executive Leadership Team, and appropriate measures are derived and implemented. In the 2023 financial year, the focus was placed on listening to our employees' feedback on organisational changes (**Effects of the current crises on Scout24**). In response, we introduced a new framework model for efficient decision-making processes (RAPID) and implemented a recognition format at general staff assemblies (townhall meetings) and a new format for direct exchange with the ELT. The following engagement surveys are used to gauge how successful the actions were. Moreover, the outcomes are discussed with the works council, and each team receives its own feedback report to enable initiating internal measures in the team.

We take the feedback seriously, as we have the ambition to continuously improve and keep our employees satisfied. We believe that by investing in our teams, we cannot only improve on their individual skills, but also strengthen our collective ability to rapidly adapt to changing market conditions.

We are therefore aware of the pivotal role that regular training has to play, as was most recently confirmed by our materiality analysis in 2023 – particularly in view of the dynamic developments in the digital sector. Our employees value opportunities for personal and skills-based development. The analysis covered the full and part-time employees of Scout24 SE and its subsidiaries. Inputs included the results of our internal staff surveys, experience gained in the exchange between managers and their teams, information obtained in exit meetings as well as from employer rating portals in the public domain. The measures are described in the **Training opportunities for our employees** section.

In a digital landscape that is constantly evolving, it is equally important for Scout24's continued success to win and retain new talent. Commitment to diversity, equity and inclusion is not only a responsibility towards society in this respect, but, in fact, a strategic imperative that can have a strong influence on our ability to innovate and on how successful we are overall. By creating a working environment that considers different perspectives, encourages creativity and reflects the heterogeneous nature of society as a whole, we lay the foundations to enable us to anticipate our customers' needs and thus contribute to sustainable corporate growth. This applies in particular to strategic key positions within our organisation. Satisfied and well-qualified staff and access to a diverse talent pool are key if we are to preclude potential effects on our product development time plans. Any violation of the anti-discrimination principle also involves the risk of criminal proceedings and administrative fine proceedings, reputational damage and negative ratings on the capital market.

In addition, in order to actively obtain feedback from our employees on the topic of DEI, we once again conducted an inclusion survey in the reporting year. The online survey conducted at the end of November 2023 gave us insights into various aspects of diversity within the Company. It has also given us more opportunities to measure inclusion and highlight fields of action (**Diversity and equal opportunities**). A total of 486 employees from the entire Scout24 Group (without Sprengnetter) including working students took part in the anonymous survey, which corresponds to 52% of the total workforce. The survey confirmed one field of action from the materiality analysis: accordingly, in future we want to put more work into clearly promoting and increasing the inclusion of people with disabilities in all aspects of working at Scout24. By employing more people with disabilities, we want to make a contribution to improving the inclusion of this group in our society.

Key figures on employees

As of the 31 December 2023 reporting date, we had 1,055 employees[44] (full-time equivalents (FTEs)) (headcount: 1,100) (31 December 2022: 960 FTEs). The majority, 951 employees, work in Germany (headcount: 985) and Austria (headcount: 96). The percentage of employees represented by a works council is 67.5%.[45] The number of women among our workforce is 413 FTEs (headcount: 439) in Germany and 37 FTEs (headcount: 45) in Austria. Across the entire workforce, the percentage of women amounted to 44% in 2023 (2022: 45%[46]). Starting in 2023, our people[47] have the option to change the information in our HR management system if they do not identify as one of the two binary genders. As of the reporting date, no such change had been made by staff members.

Most of our staff have unlimited-term contracts. Only very few contracts have a limited term, for example, for employees temporarily replacing staff on parental leave. As of the reporting date, we had 86 working students on our payroll, who can be allocated to the group of employees with non-guaranteed hours. We have no figures available at present on self-employed workers.

[44] Based on full-time equivalents (FTEs), rounded up, without working students, trainees, interns and workers in marginal employment. A full-time employee with 40 h = 1.00 FTE, otherwise pro rata (e.g. 30 h = 0.75 FTEs, 20 h = 0.5 FTEs). In Austria, the regular weekly working time is 38.5 hours (corresponds to 1.00 FTE).
[45] Scout24, ImmoScout24, without executives (VP and higher) – in headcount.
[46] Scout24, ImmoScout24 (DE and AT), FLOWFACT, immoverkauf24 (DE and AT), Zenhomes, Propstack.
[47] Without Sprengnetter.

	31 Dec. 2023	31 Dec. 2022	Change
Scout24 Group employees[1]	**1,055**	**960**	**+95**
of which ImmoScout24[2]	668	483	+185
of which Scout24 SE	179	205	-26
of which Sprengnetter	208	-	-

1 Figures in FTEs, excluding working students, trainees, interns and marginally employed persons. Any discrepancies in the totals are due to rounding.
2 Incl. ImmoScout24 DE & AT, FLOWFACT, immoverkauf24, Propstack, BaufiTeam. With the transfer of operations due to the merger of Zenhomes into ImmoScout24 on 1 April 2023, the employees affected are also reported here as at 30 June 2023.

HEADCOUNT BY COUNTRY

	31 Dec. 2023
Total	**1,100**
Germany	985
of which women	439
of which men	546
Austria	96
of which women	45
of which men	51
Italy	12
of which women	5
of which men	7
Croatia	3
of which women	2
of which men	1
Montenegro	1
of which women	0
of which men	1
Bosnia	3
of which women	3
of which men	0

EMPLOYEE TURNOVER RATE

	2023	2022	2021
Total employee turnover rate	**24%**	**23%**	**19%**
Scout24 SE	24%	27%	25%
ImmoScout24	23%	22%	16%
ImmoScout24 AT	12%	-	-
FLOWFACT + Propstack	20%	-	-
immoverkauf24	50%	-	-

The turnover rate is reported to the ELT on a monthly basis. In a qualitative analysis of the turnover rate, we distinguish, for internal purposes, between critical and non-critical employee attrition for Scout24. We focus our attention on critical employee turnover of relevance to our business success, which in the second half of the reporting year was a mid-range single-digit percentage figure each month. Thanks to our recruiting performance (**Equitable talent processes and development**), we are able to fill vacancies within a short period of time. In order to be able to derive further measures, if necessary, the reasons for leaving our Company are determined in a structured survey.

TERMINATIONS AND NEW HIRES (FTEs)

	2023	2022	2021
Terminations	**270.5**	**233.5**	**125**
of which ImmoScout24	111.8	104.5	78
Women	39.6%	38.2%	42.9%
Men	59.5%	61.8%	57.1%
Other	0.9%	-	-
of which Scout24 SE	49.3	48.7	47
Women	34.1%	50.2%	44.0%
Men	65.9%	49.8%	56.0%
of which FLOWFACT (DE and AT) and Propstack	21.6	31.7	-
Women	42.8%	27.4%	-
Men	57.2%	72.6%	-
of which ImmoScout24 AT	5.0	4.0	-
Women	20.0%	75.0%	-
Men	80.0%	25.0%	-
of which immoverkauf24 (DE and AT)	29.2	13.8	-
Women	62.3%	36.2%	-
Men	37.7%	63.8%	-
of which Zenhomes	16.0	30.8	-
Women	56.3%	42.2%	-
Men	43.8%	57.8%	-
of which BaufiTeam	1.75	-	-
Women	42.9%	-	-
Men	57.1%	-	-
of which Sprengnetter	40.2	-	-
Women	51.4%	-	-
Men	48.6%	-	-
New hires	**128.0**	**281.9**	**134.5**
of which ImmoScout24	66.6	111.4	86.6
Women	58.0%	48.4%	55.2%
Men	42.0%	51.6%	44.8%
of which Scout24 SE	19.0	59.6	47.9
Women	52.6%	46.3%	61.3%
Men	47.4%	53.7%	38.7%
of which FLOWFACT (DE and AT) and Propstack	7.4	32.9	-
Women	62.6%	38.1%	-
Men	37.4%	61.9%	-
of which ImmoScout24 AT	6.8	11	-
Women	41.2%	27.3%	-
Men	58.8%	72.7%	-
of which immoverkauf24 (DE and AT)	13.0	22.1	-
Women	46.2%	68.4%	-
Men	53.8%	31.6%	-
of which Zenhomes	0	45	-
Women	-	42.2%	-
Men	-	57.8%	-
of which BaufiTeam	0	-	-
Women	-	-	-
Men	-	-	-
of which Sprengnetter	15.2	-	-
Women	70.0%	-	-
Men	30.0%	-	-

Working conditions and training

Policies

Our Code of Conduct (**Code of Conduct**), which is binding for all employees of the Scout24 Group, sets out our values and creates a framework for action. For all of our employees, this means:

- We want to reach our goals – and we want to do so by acting appropriately, responsibly, sustainably and in an exemplary manner.
- We lead by example – each and every one of us must be mindful of our responsibility for the conduct and motivation of all colleagues.
- We respect the individual – mutual respect is the basis for our teamwork at Scout24.
- We are committed – to our employees, customers, users, business partners, society and the environment.
- We are open and honest in our communication – open communication creates a climate of mutual trust.
- We act with integrity – for us, integrity means the unconditional duty to act responsibly, to recognise and comply with applicable laws and regulations, and to avoid conflicts of interest.
- Everyone is welcome – regardless of gender, gender identity, sexual identity, skin colour, ethnicity, nationality, descent, religion or belief, disability, age or marital status.
- We take a zero-tolerance stance – on any form of discrimination, fraud, bribery, corruption or any other breach of law.
- We treat data absolutely confidentially, and we communicate professionally.

Our employees have various channels at their disposal if they wish to discuss any questions relating to the Code of Conduct or report any violations. They can approach the Compliance department, their managers, their HR Business Partners, the Sustainability & DEI team or the works council. In addition, they can contact the Company's external ombudsperson anonymously (**Corporate culture and policies**). We provide information on the various points of contact on our intranet, in the mandatory training on diversity, equity and inclusion, and in the mandatory compliance training course as part of the onboarding process, as well as in our compliance bulletins. As part of our annual inclusion survey, we regularly ask respondents whether they know who to turn to if they have a question or grievance. Reports can be submitted in German or English. We endeavour to resolve any problems or possible incidents respectfully, confidentially and swiftly, and with utmost care.

Our Code of Conduct also applies to our business partners, suppliers and service providers (**Statement on due diligence**). There are several ways to report a breach (**Corporate culture and policies**).

In addition, Scout24 has signed the UN Global Compact and the UN Women's Empowerment Principles. In so doing, we have undertaken a commitment to strengthen the rights of women in the workplace and promote gender equality in businesses worldwide. These are the principles that we actively pursue with our diversity, equity and inclusion strategy.

Everything we do is further based on our jointly defined values that apply to all employees of the Scout24 Group. The four core values and four leadership behaviours determine our culture and demand our commitment to exemplary conduct.

Our core values are: we are a data-driven company and are continuously learning; we are proactive and act as one team, treating one another with respect. The core values apply to all employees regardless of the hierarchy level. In addition, four leadership behaviours are derived from the core values. These translate our values-oriented corporate culture into specific conduct for managers. The core values and leadership behaviours are anchored in central processes, such as the recruitment process, the feedback interviews between employees and managers and the annual performance reviews (**Continuing and refining performance reviews at Scout24**). Starting in 2023, all employees are entitled to request 360-degree feedback if they wish. This is based on the core values and leadership behaviours. Our values are also a cornerstone when it comes to onboarding new employees.

The continuous personal development of our employees is one of the core values of Scout24. We invest in the training and education of our people and support their development with personalised opportunities. Scout24 is synonymous with interdisciplinary, flexible, independent, creative, innovative and international work. The People Development team manages employee development and is responsible for providing a modern, needs-based training and development environment for all employees and our (future) executives.

Another way in which we specifically address the material topic of training is our learning time. Employees are permitted to dedicate half a day each month to learning and personal development. This measure is based on the feedback obtained in our engagement survey, among other things. The teams decide themselves when they want to schedule their monthly learning time and what they want to do.

To manage the risk, classified as substantial for Scout24 SE, of potentially excessive employee attrition, we have placed the focus on an inclusive and inspiring leadership culture as well as a range of benefits as part of our people strategy. More information on the additional benefits we provide can be found on our **corporate website**.

Actions and resources

Continuing and refining performance reviews at Scout24

In order to promote dialogue between managers and employees and explore individual development opportunities, we conduct regular feedback meetings entitled 'MyDialogue' that also include a performance review. These are held twice a year for all staff, except for interns and students, and at all entities, except for Sprengnetter. They cover a self-assessment, a manager's assessment and a personal meeting. Performance reviews are benchmarked for the whole company once a year. Employees can view the content of their feedback meetings and the performance appraisal in the HR management tool at any time. In the first half of 2023, 92% of our employees used MyDialogue; in the second half of the year, the percentage was 94% (2022: 87% and 88%, respectively).

As a result of an analysis of the existing performance management process, including feedback from managers and staff, changes were made to the process in early 2023. These included introducing a performance review for the meeting mid-year and formulating the assessment scale more clearly and communicating it transparently. In addition, guides for holding MyDialogue and related explanations for staff and managers were integrated both within the process and on the intranet, and training was provided for managers.

An integral part of MyDialogue, the development talk provides a forum for managers and staff to discuss development opportunities and specific measures. As personal development constitutes a material topic for Scout24, we introduced the option in the reporting year to initiate an individual development plan (IDP) as part of MyDialogue.

Strengthening our leadership culture

We want to provide our managers with the best possible support in their work and further strengthen our leadership culture. The aim with respect to our leadership is to promote high performance backed by an inclusive, empathetic culture. Our common understanding of leadership at Scout24 is based on our definition of 'great leadership', which comprises specific descriptions for each of our four leadership behaviours.

We offer our managers a variety of advanced training opportunities. Role-specific, individual development needs are covered in a variety of formats. One example is our training for team leads, Foundations of Great Leadership, which was offered again in 2023, along with specific training opportunities for experienced managers. We additionally offered individual coaching sessions. Following the changes made to our performance development process (see **Continuing and refining performance reviews at Scout24**), we also added a new training format to our portfolio entitled 'next-level feedback talks'. It is intended to support managers in holding successful talks with staff and thereby foster personal development. At the end of every training course, we obtain the participants' feedback in a survey.

In addition, the Leadership Summit we held in autumn 2023 was the first joint event for all executives including team leads and topic leads. In October 2023, we also conducted an upward feedback survey for the second time, in which employees were asked to give feedback on their direct manager.

In 2023, we continued our junior leadership programme Grow!, which gives our internal talent an early opportunity to explore the topic of leadership.

Training opportunities for our employees

The learning management platform Scout24Academy is available to our employees for personal training. Scout24Academy's overarching goal is to pool all training courses of relevance to Scout24 in one place. Ranging from mandatory courses, in-house seminars and specific training in various fields to online courses and language courses, we offer our employees a wide spectrum of training opportunities. The virtual learning platform also offers the opportunity to exchange ideas and learn from one another, as employees can use the content to create their own playlists or form learning communities on specific topics. Through our membership of the UNGC, our employees also have unrestricted access to the English-language knowledge platform UNGC Academy, where they can take online courses on environmental and social topics as well as good corporate governance.

One highlight of the reporting year in #Learning were our Learning Days, in which a total of over 500 colleagues took part both online and in person. The programme offered 20 talks with internal and external speakers on various aspects of the real estate market. Starting in 2023, we also offer non-manager staff the opportunity to obtain 360-degree feedback to support their further development based on our core values.

TRAINING HOURS IN 2023[48]

	Managers	Staff	Total
Total hours	**2,801**	**4,379**	**7,180**
Number of learners	236	761	997
Male learners	152	373	525
Female learners	84	388	472
Average number of hours	11.9	5.8	7.2

Succession planning

Succession planning is coordinated by the HR Business Partners team, which is also part of the People, Organisation & Culture department. For succession planning purposes, we identify the roles that are decisive for our entrepreneurial success and the roles that are difficult to replace on the labour market. We then name suitable persons within the Company as potential successors and assess their development needs to adopt appropriate measures. The process described is implemented at all entities except for Sprengnetter.

For 2023, we had set ourselves the target of naming a successor for 80% or more of the critical roles, with half the nominees women. As of year-end, 88% of the roles had successors nominated; 32% of whom were women. Both targets are being rolled forward to 2024.

Social protection and fair compensation

Our employees are covered for various life events by national legislation and Scout24-specific benefits:

- **Ill health:** in the event that an employee falls ill, claims are governed by the German Continued Remuneration Act ('Entgeltfortzahlungsgesetz', EntgFG), the provisions of which we comply with. In addition, we grant staff continued pay for up to ten days per calendar year in the event that they need extra leave of absence when their child is ill, regardless of the number of children they have.
- **Occupational accident or acquired disability:** in addition to statutory accident insurance, Scout24 offers its employees the Company's Group accident insurance, which provides for additional cover against the financial implications of an accident.
- **Unemployment:** in accordance with German social security legislation, we transfer the employee and the employer contributions to statutory unemployment insurance.
- **Parental leave:** we grant our employees parental leave in line with the German Federal Act on Payment of Child-Raising Benefit and Child-Raising Leave ('Bundeselterngeld- und Elternzeitgesetz', BEEG). We also comply with the requirements of the German Maternity Protection Act ('Mutterschutzgesetz', MuSchG).
- **Retirement:** we transfer the legally required employee and the employer contributions to the statutory German pension insurance system. Moreover, we support the Company pension scheme through deferred compensation in the form of a top-up. The amount of the employer top-up differs among the entities.

In 2023, we again conducted regular compensation analyses. For Immobilien Scout GmbH and Scout24 SE, we calculated the ratio of the average compensation of our male and female employees according to hierarchy levels and functional areas. This process takes place at least once a year and, by default, after salary reviews. All job profiles of staff at Scout24 SE and Immobilien Scout GmbH were taken into account in the process.[49] Positions that are only held by one employee, be they male or female, are not included. The results were weighted by calculating the percentage deviation per position, multiplying this by the total number in the relevant profile and adding it up for the total number of people. Our analysis as of the

[48] Includes available training figures of centrally organised internal training/coaching and Scout24Academy content (e-learning courses, training with internal specialist departments, external training at Haufe and Berlitz) for all entities except for Sprengnetter. Differences in relation to the training figures for the previous year are partly due to changes in internal training offers and needs, such as large-scale, strategic training initiatives or different mandatory training requirements.
[49] For methodology reasons, other companies in the Group of consolidated entities could not yet be included.

31 December 2023 reporting date did not reveal any material adjusted pay gap in favour of male employees at Scout24 SE and Immobilien Scout GmbH.

The ratio of the annual total compensation for the highest-paid individual (CEO) to the median annual total compensation for all employees excluding the highest-paid individual was around 49[50] as of 31 December 2023. That means that the compensation of the highest-paid individual was around 49 times higher than the compensation of the person in the middle of the compensation distribution. More information on Scout24's compensation system – especially with regard to the Management Board and the Supervisory Board – is presented in the **compensation report**.

We also regularly refer to benchmark data to test whether our salaries are consistent with the market. At the same time, we ensure that all salaries in Germany are above the statutory minimum wage. In Austria, where minimum wages are governed by collective agreement, all salaries are likewise higher than the respective minimum wage applicable in each case.

Hybrid working model

During the Covid-19 pandemic, we discovered that working from home can be very productive. At the same time, however, working from home can also result in a lack of social and personal interaction and mutual learning. For this reason, we have decided to adopt a hybrid working model, which combines personal interaction and excellent office equipment with the flexibility of working remotely. Following a pilot phase, we entered into a works agreement on mobile working in the summer of 2023, on the basis of which employees work in the office on at least two days per week. We pursue an approach based on trust and communication: teams organise themselves and decide which days they come to the office. In addition, employees may work from abroad for a certain period of time if business requirements as well as legal and tax risks permit, conditions that are examined in an approval process.

Various offers for families

Our cooperation with the family service pme Familienservice is another important pillar in helping all our employees to strike a balance between their private and professional responsibilities. The pme service portal offers information, personalised advice and support in different phases of life – on a variety of topics, from caring for children or nursing family members to challenges in difficult situations. Scout24 covers the costs, in particular for advice and agency fees if care is needed. The family service provides all of its benefits anonymously, which means that the Company does not receive any information about the beneficiaries, including in the billing information. In the fourth quarter of 2023, personal consultations were offered by pme Familienservice for the first time on site at our offices in Berlin and Hamburg.

To allow employees the option of bringing their children to the office on days on which they are unable to arrange care, the Berlin office additionally offers a children's playroom that is equipped with games for different age groups.

Diversity and equal opportunities

At Scout24, we value and encourage the diversity that our employees bring to the Company in terms of individual attributes, talents and perspectives. After all, we are convinced that this diversity is the basis of our success. People can only perform at their best if they feel safe, appreciated and respected as a person. Everyone is welcome – regardless of gender, gender identity, sexual identity, skin colour, ethnicity, nationality, descent, religion or belief, disability, age or marital status. Scout24 endeavours to optimally support and foster all employees. With our 58 nationalities (as of 31 December 2023, including students), we embrace diversity, an aspect we want to further strengthen within our Company.

[50] The analysis included the payroll data of employees of ImmoScout DE and AT, Scout24, FLOWFACT, Propstack, immoverkauf24 DE and AT and BaufiTeam. It considered the basic salary, long-term incentives, Company pension scheme and mobility benefits.

Policies

Our position on diversity, tolerance and equal opportunities is also set out in our Company-wide **Code of Conduct**. We take a zero-tolerance approach to any and all types of discrimination against employees, job applicants and business partners. We undertake to comply with all laws on equal opportunities and equal promotion of professional development opportunities for our employees without differentiating or discriminating based on ethnicity, skin colour, gender, age, religion, disability, marital status, sexual orientation, nationality or any other attributes. Moreover, we signed the Diversity Charter in the summer of 2020.

In the same year, we drew up our diversity, equity and inclusion (DEI) strategy, which has three pillars:

- **Inclusive leadership and culture (including corporate and leadership culture):** at all leadership levels, commitment to DEI is expressed by filling vacancies and providing career opportunities in an equitable manner, putting inclusive behaviour into practice and highlighting the importance of DEI for our success in business. All employees contribute to inclusion by being mindful of their own responsibility and acting accordingly. Together, we breathe life into an inclusive and high-performance culture, in which all colleagues feel safe to be themselves.
- **Equitable talent processes and development:** we ensure equitable recruitment and promotion processes as well as succession planning based on merit. This way, we want not only to increase diversity in all functions and at all levels, but also to better reflect the structure of society. To overcome structural inequities, we are also developing targeted selection procedures and talent development programmes.
- **Value-driven business:** every team pays attention to DEI considerations in its work to ensure responsible and sustainable activities that inspire customers, consumers and investors alike.

These are the pillars that our measures are based around. They are particularly visible in our four priority topics. They include the HR processes recruitment and talent acquisition, employee loyalty and people development. In our fourth priority topic – awareness – we focus on making our employees aware of what diversity, equity and inclusion means at Scout24 and how each and every one of us can contribute to a more diverse and inclusive working environment.

Targets

In setting our targets, we look at various dimensions of diversity: for 2023, we had set ourselves the following targets[51] :

- 50% of our new hires (without students) should be women or non-binary people.
- 25% of new hires should cover another diversity trait, such as nationality or disability.
- 25% or more of our workforce should be nationals of a country other than the countries where our offices are located (Germany and Austria).

These targets have been derived from the overarching objectives relating to gender equality and international workforce. As of 31 December 2023, we can report a percentage of 50.5% women or non-binary individuals among our new hires for the companies included in the target set; 36% of our new hires in 2023 have a further diversity trait; and 25.9% of our workforce are nationals of a country other than the countries where our offices are located. All targets were hence met, and we are rolling forward the same recruiting targets for 2024. On aggregate, the percentage of women in the Company is 44%. We want to have reached gender parity in our workforce by the end of 2025. With reference to our participation in the Inklupreneur network, we have also set ourselves the target of creating five additional positions for people with disabilities or filling existing ones with people with disabilities by the end of 2024.

[51] For all entities, except for Sprengnetter.

Our intention is to increase the percentage of women in leadership positions to 43%[52] by the end of 2026. The medium-term targets relating to women in leadership positions were based on our ambition to reach gender parity in the workforce by 2025. Considering the baseline values for women in leadership positions at the entities in scope, various scenarios were calculated taking into account promotion and recruitment percentages. The ELT, the second management level as well as Investors Relations, Legal and the People team were involved in setting the targets. As of the 31 December 2023 reporting date, the percentage of women in leadership positions was 37.2% (previous year: 34.3%).

Against the backdrop of our targets, we specifically focused on the advancement of female talent in our Grow! development programme in the reporting year: two-thirds of participants were women in 2023. We also piloted an internal coaching programme for women: the Female Leadership Coaching is intended to empower women at Scout24 and encourage them to aspire to a leadership role. The pilot project addressed various kinds of leadership and methods for dealing with challenges in leadership positions, among other subjects. It is planned to continue the programme in 2024 and expand it with an offer for women already holding a leading position.

Actions

It is important to us to avoid infringing on the principles of equality from the outset and to contribute to greater diversity and inclusion in society. For this reason, we rely on prevention in particular alongside the above-mentioned Code of Conduct and grievance mechanisms.

Inclusive leadership and culture

In 2023, we therefore held a Company-wide compliance week to again draw attention in German and English to our principles relating to DEI. In addition, the mandatory annual training course for all employees was revised. This ensures that employees engage with the topic regularly. Our Scout24Academy learning platform also features playlists with training on topics, such as discrimination, unconscious bias and racism. The Sustainability & DEI team also offers training for internal teams on specific matters as required.

We want to be unrelenting in making it clear, both within and outside the Company, that DEI plays a pivotal role at Scout24. To ensure this, we have embedded the topic in our core values and refer to it at all key touchpoints with (potential) employees: on the careers website, on social media channels, in the job application process, during onboarding, on the intranet and in various internal communication channels and events. To encourage dialogue on this topic, we have communities in which members share certain identity traits or life experiences. They also provide a voice to various groups within the Company. In 2023, we had a pride community and a group for parents, for women and for BIPOC[53].

We also took various measures in 2023 to raise further awareness and train employees on the topic of diversity and inclusion:

- Diversity, equity and inclusion is a regular topic at our town hall meetings with staff.
- In April, our ‘YOU – Body and Mindfulness Day’ placed a particular spotlight on the topic of health and disabilities.
- In July, the Diversity Week was held with a variety of training sessions, including on male allyship, discrimination in speech and writing, and an introduction to cultural differences. In total, we registered around 560 people taking part in Diversity Week. Ahead of Diversity Week, mandatory training was held for managers.
- In the course of revising MyDialogue in early 2023 (see **Continuing and refining performance reviews at Scout24**), we introduced the requirement for managers from head-of level and higher to set themselves one target relating to diversity, equity and inclusion per half-year.

[52] The consolidation scope considered at the time comprised ImmoScout24 DE and AT, Scout24 SE, FLOWFACT and immoverkauf24 (without Propstack, Zenhomes, BaufiTeam and Sprengnetter). As Zenhomes was merged into ImmoScout24, it is no longer possible to prepare comparative figures for the same consolidation scope.
[53] BIPOC stands for Black, Indigenous, People of Colour. All these terms are political self-designations.

Equitable talent processes and development

Fair HR processes are critical when it comes to promoting diversity and equal opportunities. In order to approach this topic holistically, we are active in the four areas of recruitment and talent acquisition, employee loyalty, people development, and awareness discussed above. In the financial year, our main focus was on training for our internal staff, especially to support women in leadership positions (see **Working conditions and training**).

By creating a data dashboard for all key recruitment metrics, we are able to map our recruitment performance in real time and manage our activities in line with the targets we have set. We are also involved in professional networks and trade fairs for women – especially for women in technical occupations – and in networks that focus on LGBTQIA+.

We use social media to approach potential candidates and, in 2023, succeeded in raising the number of our followers on the LinkedIn professional network by 15.8% (ImmoScout24) and 13.3% (Scout24). Scout24's appeal as employer is also reflected by an increase in applications: in the reporting year, we received three times as many applications (+198%) as in the previous year. We will seek to continue to position the Company as an attractive employer and ensure that we win junior talent in the long term in response to the demographic change and resulting shortage of skilled workers.

In 2023, we also began building up a talent pool of candidates who could be of interest for a position in our Company going forward. Our recruiting team actively keeps them informed of any suitable vacancies that we may have.

In 2023, we became a partner of Annedore-Leber-Berufsbildungswerk vocational training centre and now offer young people with a disability the opportunity to complete the work experience phase of their training at Scout24.

Value-driven business

DEI should be reflected not only internally but also externally in the business and business processes at Scout24. To this end, we are in close contact with our cooperation partner Sozialheld*innen e. V. in Berlin, which works to improve barrier-free accessibility and the inclusion of people with disabilities in society. For instance, the corporate websites of Scout24 and ImmoScout24 were reworked during the financial year to improve their accessibility.

Since inclusion manifests itself strongly through language and ImmoScout24 is the market leader with a correspondingly large reach, we have been using gender-inclusive language since 2021, both in our active internal and external communication and on our traffic-relevant pages. In particular, we want to raise awareness among our users and customers of instances of discrimination in the real estate market and what they can do about it. For this purpose, we provide a page with detailed guidance on our website. Our various efforts to combat discrimination in the housing market have already been recognised by the German Federal Anti-Discrimination Agency as **best practice examples** in the past.

Key performance indicators

Our members of staff under the age of 50 account for 91% of our workforce, while 9% are older than 50. Thanks to this age structure, a skilled workers shortage due to staff retiring is not anticipated at Scout24. At the same time, we are registering an inflow of younger people who are still at the start of their careers as well as of well qualified experts.

AGE STRUCTURE

	2023
Up to 30	23%
31–50	68%
Over 50	9%
Total	**100%**

In line with our DEI strategy, it is important to us to guarantee that people with disabilities can participate equally in the workplace. As of the 31 December 2023 reporting date, the Scout24 Group had 18 employees who have officially recognised severe disabilities or the equivalent, corresponding to 1.6% of the total workforce. In our annual inclusion survey, 41 out of the 486 respondents indicated that they have a disability or potential disability. Staff could also indicate in the inclusion survey if they are uncertain about whether they have a disability. We use this information to develop information formats, such as information provided on the intranet or special events about disabilities as part of our themed weeks. People with disabilities are generally under no obligation to disclose their disability or severe disability to their employer.

PERSONS WHO HAVE OFFICIALLY RECOGNISED SEVERE DISABILITIES OR THE EQUIVALENT AS A PERCENTAGE OF THE TOTAL WORKFORCE AS OF 31 DECEMBER 2023 REPORTING DATE

	2023
Total	**1.6%**
In headcount	18

PERCENTAGE OF PERSONS WITH SELF-IDENTIFIED DISABILITY OR POTENTIAL DISABILITY, INCLUSION SURVEY (N = 486, WITHOUT SPRENGNETTER)

	2023
Total	**8.4%**
In headcount	41
of which with severe disability	6
of which with disability	23
of which with potential disability	12

All our employees are legally entitled to take parental leave. In 2023, 98 employees of Scout24 (2022: 88; 2021: 87 employees) took at least one day of parental leave during the reporting year. A share of 42% of employees on parental leave were fathers (previous year: 44%). All entities are included in the figures.

EMPLOYEES ON PARENTAL LEAVE

	2023	2022	2021
Total	**98**	**88**	**87**
of which ImmoScout24	50	51	54
Women	25	25	28
Men	25	26	26
of which Scout24 SE	18	24	20
Women	13	16	14
Men	5	8	6
of which FLOWFACT (DE and AT) and Propstack	8	8	8
Women	3	3	4
Men	5	5	4
of which ImmoScout24 AT	2	2	2
Women	1	2	1
Men	1	0	1
of which immoverkauf24 (DE and AT)	6	1	3
Women	4	1	2
Men	2	0	1
of which Zenhomes	0	2	-
Women	0	2	-
Men	0	0	-
of which Sprengnetter	14	-	-
Women	11	-	-
Men	3	-	-
Total women	**57**	**49**	**49**
in %	58%	56%	56%
Total men	**41**	**39**	**38**
in %	42%	44%	44%

Data protection, data security and product responsibility

Our materiality analysis (**Material impacts, risks and opportunities**) identified the topics of product responsibility as well as data protection and data security as relevant for Scout24. The topic of data protection and data security is an important Company-specific topic not directly related to the ESRS disclosure requirements.

We consider all our employees as well as customers who might be affected by impacts arising in connection with our operations. A more detailed description of our customer groups can be found in the **Customers and products** section. As a digital company with a core business that builds on web-based products, predominantly digital HR management and a whole range of software used in our operations, there are potential negative impacts for our employees and our customers in terms of the protection of privacy and personal data. This includes primarily the risk of cybercrime in the form of data phishing as well as the risk of data leaks. Our customers could additionally encounter fraudulent listings. Fake property listings or 'advance payment fraud' can cause financial losses for our customers and potentially damage Scout24's reputation. This covers the entire range of Scout24 services and products offered and is not limited to individual cases.

Despite our best efforts, it is never possible to prevent all fraud. We continuously counteract these risks through a wide range of measures. That is why the security of our platforms is one of the most strategically important and high-priority objectives of Scout24. It is fundamental to the trust and satisfaction of our customers and is therefore also essential for our business success as an operator of online marketplaces. In addition, the IROs identified involve financial risks for Scout24, for instance, in the form of potential fines due to data leaks comprising personal data of customers or employees or restrictions on access to capital. Through our various measures, we are continuously counteracting these risks.

By providing extensive and transparent information on the housing market, we also generate positive effects with our platforms. These include, above all, helping people to find somewhere new to live. In addition, there are opportunities for Scout24 in the development of new products on the sustainability challenges that the real estate industry faces. Considering the advancing climate change and tighter legislation, the challenges and need for information are set to increase for our customers in future. We are therefore working on solutions that present, for example, climate risks, energy efficiency and renovation requirements in a transparent manner. For further details, see the **Provision of information and product development** section. In the following section, we will first report on our management approach to the topic data protection and data security. This is followed by details relating to the key aspect of **Product responsibility**, such as our efforts to combat cybercrime on our platforms.

Data protection and data security

The trust that our employees, customers, investors, suppliers, business partners, service providers and the public place in us and our brands is invaluable. As a leading digital company and operator of the online platform ImmoScout24 in Germany and Austria, data privacy and security are a top priority for us and a fundamental part of how we see the Scout24 Group. We are committed to handling the data we collect, capture, store or use in a responsible manner and adhere to all relevant data protection laws that apply to Scout24 in the process.

The purpose of data protection is to ensure that the right to informational self-determination of individuals is not impaired through the handling of their personal data. It is our objective to rule out, by means of internal processes and structures, any misuse or loss of data as a result of unauthorised access to personal data and information, to avoid damage to individuals and safeguard the right to informational self-determination.

Data protection – as with compliance in general – is the responsibility of the Management Board. For operational purposes, we have established a data protection organisation at Scout24 that is anchored in the General Counsel's Legal, Compliance and Internal Audit department and provides legal counsel to all segments and operations, accompanies the organisational structure needed to meet all relevant requirements of data protection legislation, monitors certain processing operations and conducts the exchange and communication with supervisory authorities. Responsibility for compliance with specific data protection requirements during processing operations and recording and implementing legal requirements is shared among the specialist departments and functional units.

A member of the Legal department, the data protection officer reports directly to the Management Board on a quarterly basis. In addition, the Legal department and the Data Protection team are in charge of data protection projects and the orientation of the data protection strategy. Immoverkauf24, BaufiTeam and the Sprengnetter Group have appointed an external data protection officer for their entities. This team supports management and the entity in all matters related to data protection.

The data protection officer is responsible for central management of the data protection management system. The responsibility for implementing the individual measures relating to the data protection management system is assigned to the respective specialist departments. Implementation is carried out by the data protection coordinators named by the managers. Each specialist department and each subsidiary has a data protection coordinator. The coordinators receive training on the theory and practice of data protection at an in-house Data Protection Academy. All employees of the Scout24 Group, excluding Sprengnetter, attend mandatory annual training on the data protection matters. Employees at the Sprengnetter entities attend mandatory training on data protection and information security twice a year.

Policies

The purpose of all policies described below is to avoid material negative impacts arising from a personal data and privacy breach and the associated risk of financial losses for Scout24 due to a loss of trust among key stakeholder groups, such as customers and employees, or due to fines. They are therefore also relevant for the material topic of **product responsibility**. They are aimed at the Management Board, the Supervisory Board, corporate management, all members of staff as well as at freelancers and external providers who have access to data of the Scout24 Group or are responsible for such data. They are made available to all employees in a suitable way. The Data Protection Code of Conduct can be found on the website **www.scout24.com/en/investor-relations/corporate-governance**.

Our corporate policy on data protection provides a standardised framework for how to handle personal data appropriately and in accordance with the law, and it covers all kinds of data subjects, i.e. it is irrelevant whether it is personal data relating to customers, consumers, employees, website users or any other natural persons. It applies to all instances of dealing with personal data. This includes data passed on within the Scout24 Group and to service providers bound by the Company's instructions as well as transmission to third parties. The policy is intended to guarantee that all processing operations within the Scout24 Group relating to personal data are in compliance with the European Union's General Data Protection Regulation (GDPR) and the respective applicable local regulations of data protection legislation in the individual member states. This applies to all entities of the Scout24 Group in which Scout24 SE, directly or indirectly, holds a majority (>50%) and to investees over which Scout24 SE, directly or indirectly, has the power to direct their activities. To this end, it gives employees practical guidance on how to implement data protection. Responsibility for implementing the policy is assumed by the respective market segments, functional units and entities of the Scout24 Group. Group governance under data protection legislation serves to monitor implementation of the policy.

To support implementation of the corporate data protection policy, Scout24 has set out in the **Data Protection Code of Conduct** the guiding principles of entrepreneurial action in terms of data protection, transparency, necessity of the processed data and data minimisation. The Data Protection Code of Conduct sets out specific work instructions for how to act in accordance with data protection requirements. The guideline states that personal and confidential data is used and processed exclusively within the permitted framework, in order to protect the data subject's right to informational self-determination.

In addition, Scout24 has committed to comply with the United Nations Global Compact (UNGC) (**Responsible corporate governance**). In relation to our customers and employees, this mainly concerns their right to privacy.

Actions, resources and targets

Our target for 2023 was to restructure our data protection management structure. In this context, we set up a Data Protection Academy and drew up a new training concept for data protection coordinators that specifically prepares them for implementing projects relating to the data protection management system.

By the end of 2024, we aim to have our quality management of the data protection management system reviewed by external service providers. We will further subject all online data privacy statements to a review. This way, we want to ensure that we continue to fully satisfy the requirement to handle the data we collect, capture, store or use in a responsible manner and adhere to all relevant data protection laws that apply to Scout24 in the process.

Exchange with customers

ImmoScout24 customers can obtain information under **https://www.immobilienscout24.de/agb/datenschutz.html** at any time about the personal data we collect and how we process it. They have the right to request the erasure of personal data under the conditions set forth in Art. 17 GDPR at any time. Unless stated otherwise in the data privacy statement, we store personal data only for as long as necessary to achieve the purpose stated in the data privacy statement or as prescribed within the framework of a statutory storage period. Thereafter, the data in question is routinely blocked or erased/anonymised in accordance with the law. In the event of a complaint, there are various ways to contact us – in person, by phone, using the email address provided in the data protection information or anonymously via our whistleblower system or the external ombudsperson. Customers can also contact our Customer Care team by email. We have been in contact with the relevant supervisory authority in connection with various matters in the reporting period. We also monitor our procedures continuously and examine where and how we can improve them.

Product responsibility

Security is a top priority for Scout24. Our Security team works to ensure the security and resilience of our platforms and protect our customers' data every day. Our aim is to guarantee a robust security governance by taking preventive measures to thwart cyberattacks and by continuously testing our defence mechanisms in order to minimise the impact of any possible incidents.

Our Security department consists of three teams, each with specific responsibilities:

- Security Management (ISMS): responsible for issuing policies (based on the ISO 27001 industry standard), reporting, risk management, security awareness and audits
- Security Intelligence (SINT): responsible for safeguarding the internal network and equipment used, responding to incidents and for ensuring the ability to detect and resist attacks
- Security Engineering (SENG): responsible for supporting secure product development (code and cloud environment), safeguarding applications and infrastructure, for scanner maintenance and patch management

The Security team is assigned to the Vice President of Platform Engineering, who reports to the Chief Product & Technology Officer. The staff members responsible maintain continuous contact with each other on all matters of relevance to security. As of this financial year, the ELT is kept informed of any risks and progress made at quarterly meetings.

Complementing our Security team, we have an internal Trust & Safety team that is responsible for fraud prevention. Its task is to work with a specialist team from our Customer Care department to identify fraudulent intent at an early stage and to take systematic action against this. Its range of responsibilities also covers securely operating our identity management system, ensuring identity security, and combating fraudulent activities. As a matter of principle, our customer data are protected by means of standard encryption on the server and during transmission also by TLS protocols. Any suspect listings are reviewed and, if necessary, removed by the Customer Care team. The Trust & Safety specialist department reports to the CPTO on a monthly basis.

Policies

Beyond the lawful processing of data in line with the data protection policy, internal information security policies define the objectives and underlying principles of information security as well as the primary roles and responsibilities at Scout24 SE and all subsidiaries. Responsibility for implementing the policies is assigned to the Management Board level. The policies set out how security is to be integrated in the corporate structure and define the fundamental security requirements for Scout24 SE. The responsibility for supporting information security measures and meeting information security requirements rests with the target group referred to in each case. In addition, we provide our people with a range of topic-specific policies, such as on the appropriate use of software and hardware.

Information security is also integrated in Scout24's Company-wide risk management system. We thereby aim to continuously keep an eye on whether there are any changes in the threats we are exposed to. If necessary, we adapt our internal processes and guidelines in line with the changes.

Actions, resources and targets

In 2023, we conducted a detailed risk assessment relating to information security that covered the areas and controls in accordance with ISO 27001. The risk assessment served as a basis for redefining our security strategy. Further important initiatives are the implementation of a new Security Information and Event Management solution with detection rules for phishing, malware and ransomware as well as improvement of various matters, such as privileged access controls, protection against malware, email security and the continuous improvement of our security scanners. Within the Company, we provided online security training to our employees. In addition, department-specific workshops were held.

For us, information security is also a continuous improvement process because it has to grow with the potential threats and cannot stand still. For this reason, we have independent third parties perform security audits every year or two. The Company's CPTO decides on the audits based on the key risks determined within the scope of risk management. Any improvements required are passed on to the staff in charge and implemented in line with a defined risk management process. Additionally, in the reporting year, two external penetration tests for web applications were carried out at our subsidiaries FLOWFACT and Zenhomes (Vermietet.de, merged with Immobilien Scout GmbH in 2023).

Based on the risk assessment and in accordance with the security strategy, the Security team has defined important initiatives and projects for the next two years. A road map has been prepared with estimated implementation dates, and the risk assessment will be used to track progress and update the initiatives, which cover most aspects of security and are aligned with the controls under ISO 27001. For the year 2024, Sprengnetter aims to obtain ISO 27001 certification. An external service provider was engaged in December 2023 to accompany the project.

Scout24 has a range of methods to identify fake listings depending on the case at hand. These are either based on a self-learning filter system, or they test listings for certain characteristics. By further optimising the self-learning system in 2023, we were able to reduce the proportion of fraud reports for fake accounts by 54%. We also actively encourage our customers to notify us of dubious listings with the 'Report the listing' button – and thus to help improve security. The Customer Care team reviews the listings and deletes them if necessary. To provide a faster response to potentially fraudulent listings, the system automatically deactivates listings if they receive a high number of fraud reports.

We have also been reducing the number of contact requests sent to fraudulent listings by continuously increasing the degree of automation for fraud detection and adapting fraud prevention outside of the Customer Care team's office hours. In particular, we are also working on measures to oppose algorithmic decisions and methods for reactivating accounts by users.

In order to protect our users from data phishing, we offer them a multi-factor login. In the 2023 financial year, we gradually introduced mandatory activation for customers who are particularly at risk. All other customers can opt to use the risk-based multi-factor login on a voluntary basis. We use phone number verification, introduced in April 2023, to protect our customers not only against unauthorised listings, but also against potential phishing attempts. Following introduction of the two measures, we were able to record an 84% reduction in fraud compared with the same period of the previous year. At the same time, we are seeing a reduction of around 40% in account takeover, i.e. attacks where cybercriminals gain possession of online accounts with stolen passwords and usernames. Thanks to these measures, the proportion of fraudulent listings on our Scout24 platforms in relation to the active property listings portfolio is below 1%.

To supplement this, we offer identity verification for professional listers. To obtain the status of 'Identity verified', real estate professionals can upload their business registration to the ImmoScout24 platform and activate secure multi-factor authentication. The 'Identity verified' status is then prominently displayed in all advertisements and in the contact form. This helps listers not only to increase the trust placed in them and their real estate listings, but also to set themselves apart from other, non-verified listers. We are planning to make the 'identity verified' status available to our private listers as well in 2024.

We are also working continuously to identify potential weaknesses in our IT infrastructure even more quickly and test the security of our products even during the product development phase. For 2024, we therefore plan to integrate phone number verification further and more extensively in our algorithms with the aim of detecting fraud even more efficiently. There are also plans to add an ID check for the ImmoScout24 platform to permit testing the plausibility of data that customers enter. This will allow us to optimise the quality of data and improve how we prevent fake and fraudulent accounts. We are also evaluating additional fraud prevention measures involving means of payment and other identifiers.

If they suspect scam listings on our ImmoScout24 marketplace, our customers always have the option to contact our Customer Care team by email. The central email address is published on various information pages and is easy to find by entering a search machine enquiry. All enquiries received are documented. Anyone who has been a victim of fraud receives information from us about secure account settings and how to avoid falling victim on internet platforms and, if in doubt, we advise them to go to the police. When the authorities have been contacted, we also closely support them in their investigations within our means. Depending on the case at hand, we offer customers who have been victims of phishing on our marketplace various remedies.

Aside from the security processes in place, we proactively and in a targeted manner provide our customers with information on our website **sicherheit.immobilienscout24.de**. On the website, we answer questions that reach us, provide information on scams and give details of contacts. In addition, we send out general information material by email and draw the general public's attention to these issues by sharing tips and advice with the media.

Provision of information and product development

With the data from ImmoScout24, we offer orientation and transparency in the market as a neutral platform. We measure the satisfaction of our private and professional customers with the help of continuous online surveys on the website and in the apps. In 2023, we analysed more than 20,000 survey responses. Among other things, we ask respondents whether they like certain functions and what we can improve. Responsibility for such surveys and for processing the feedback further is assigned to our product teams. Apart from this, feedback from our professional customers also reaches us through the direct customer contact that our sales staff have. Our private customers mainly contact our Customer Care team.

Each month, we additionally query our Net Promoter Score (NPS), Customer Satisfaction Score (CSAT) and rating items developed in-house. For example, we ask our customers to tell us how trustworthy they consider ImmoScout24 to be. Respondents also have the option to leave comments. The UX team reports the results to the Management Board on a monthly basis.

It is our objective that our customers are able to make their decision to rent, buy, sell, let or finance a property on the basis of transparent information about the property market.

To help them do so, we have been publishing the quarterly ImmoScout24 **Housing Barometer** ('WohnBarometer') since 2021. The ImmoScout24 Housing Barometer is based on more than 8.5 million advertisements over the past five years on ImmoScout24. Offer prices, as opposed to index values, are reflected here. The values of the Housing Barometer are statistically adjusted using an algorithm from the field of machine learning and determined for typical reference properties: a two-bedroom apartment of 70 square metres, a condominium with three rooms of 80 square metres, and a single-family house of 140 square metres with 600 square metres of land – each with an average location and features.

Together with the business magazine 'WirtschaftsWoche' and the German Economic Institute in Cologne, we have also been publishing the city ranking for several years: it is a comprehensive performance check of the 71 German cities with more than 100,000 inhabitants, which is published annually. For the city ranking, more than 100 indicators from the areas of economic structure, labour market, property market, quality of life and sustainability are incorporated into the assessment. The ranking consists of three components: level ranking on economic strength, dynamic ranking on economic development, and sustainability index on the economic, environmental and social sustainability of the cities. A comprehensive analysis by ImmoScout24 with regard to supply and demand, rental and purchase prices, and advertising durations complements the city ranking.

Through our subsidiary Energieausweis48, we help property listers to provide transparent information about the energy efficiency of their properties. In view of rising energy prices, people looking for properties are paying more attention to this information in order to save energy and the associated costs. We therefore recommend that all listers on ImmoScout24 provide information about energy performance certificates and energy efficiency classes in their listings. In addition to this, the energy performance certificate must be provided at the viewing stage at the latest.

We have also been working closely with the Berlin-based association Sozialheld*innen e. V. for over ten years. This charitable organisation calls on people, institutions and businesses to include people with disabilities as a target group for a wide range of products and services, as well as in the labour market – and enable them to take part as equals in the process. Under our partnership, we have provided the association with rooms, infrastructure and technical expertise at our Berlin office for a number of years. In return, Sozialheld*innen helps us to be a good employer for people with disabilities and make our products and services even more accessible to people with reduced mobility and vision impairments. Examples of this include more detailed search criteria and the integration of a wheelchair accessibility map on our platform ImmoScout24.

Following the acquisition of Sprengnetter, we are also developing our product portfolio further with a clear focus on sustainability, ESG and data transparency. We launched the following project initiatives, among others, in the reporting year:

- Solar Lead Engine (SLE) – solar energy solution offers for homeowners: for homeowners who wish to install solar panels, we facilitate the buying and installation process by enabling them to obtain offers directly via ImmoScout24, based on their preferences, from several solar panel providers and compare these – a service that is tailored to their specific needs. We connect homeowners with a large number of solar panel providers, simplify buying solar power and promote sustainability and energy efficiency.
- Cost estimates for energy-saving modernisation projects: based on an API from Sprengnetter, we offer an innovative calculation tool to estimate the cost and plan energy-saving real estate modernisation measures. The tool provides detailed estimations of project costs, government funding options and the anticipated increase in value of the property as a result of the modernisation measures. Homeowners will have access to it as of early February 2024.

As part of our ESG product strategy, we intend to offer ImmoScout products in the future that cover the most important steps towards improving the energy efficiency of buildings. The planned product range includes not only the assessment of the current energy status with the help of energy performance certificates and the estimation of modernisation costs, but also the placement of energy consultants, photovoltaic and heat pump installations and the provision of information on public subsidies. In this way, we aim to promote the installation of low-emission heating and energy generation systems in buildings. We aim to make these products available to homeowners, seekers and estate agents in the course of 2024.

Governance

Responsible corporate governance

Success is not just a question of performance; it is also premised on a deep mindfulness of values. That is why sustainability is just as integral to our corporate culture as innovation, responsibility and integrity. It is our aim to always consider societal and social conditions as well as the environment in all our business operations and to uphold the highest standards of ethics and integrity. With this in mind, we are committed to compliance with international standards and frameworks, such as the United Nations Global Compact (UNGC), which requires annual Communication on Progress (COP).

In this section, we focus specifically on the topic of sustainable corporate governance. Information on how the overarching ESG governance is organised can be found in the **Sustainability management** section. The sub-topics identified as material in our materiality analysis comprise prevention and detection of corruption and bribery, whistle-blower protection and compliance. Failure to comply with requirements concerning these topics involves potential financial risks.

Impacts, risks and opportunities

Compliance with the law is essential if a Company such as Scout24 is to be successful in the long term. Non-compliance with local and international legislation, regulations or applicable codes can give rise to fines and cause loss and damage to Scout24 as an entity as well as personal liability, such as claims for damages and consequences under criminal law for individual employees or members of Scout24's corporate bodies. The associated risk of reputational damage and investors potentially withdrawing funds has also been classified as critical. Compliance is therefore the basic prerequisite for long-term success in business for us and for assuming corporate social responsibility. Our business activities in Germany and Austria meet the high standards of business ethics applicable in these countries, thus placing strict requirements on our compliance management system (CMS). Benchmarked against this standard, we have various measures in place to prevent infringement of laws and regulations.

The role of management and supervisory bodies

The Compliance department is headed by the General Counsel; the risk management component (see **Risk and opportunities management system**) is located within the Accounting, Tax & Risk Management function and reports to the CFO. These departments manage the two systems – risk management and compliance management – throughout the Group. For further information on our Management Board's and Supervisory Board's expertise in matters relating to responsible corporate governance, see the **Reporting governance and material impacts, risks and opportunities (IROs)** section.

The central CMS essentially comprises the following areas – based on the fundamental elements of the Institute of Public Auditors in Germany (IDW) standard (IDW AsS 980): compliance culture, compliance goals and tasks, compliance organisation, compliance risks, compliance programme, compliance communication and compliance monitoring and improvement.

The compliance culture at Scout24 is primarily shaped by the basic mindset and conduct of management ('tone from the top'). In the foreword to the Code of Conduct, the Management Board of Scout24 SE therefore commits to comply with the rules and regulations and expects all employees to do the same. Furthermore, the compliance culture is manifest in particular in the establishment and observance of written frameworks, such as internal policies and work instructions. In order to protect whistle-blowers, there is also a policy prohibiting retaliatory measures, which is designed to protect both whistle-blowers and accused persons in potential cases of non-compliance.

Corporate culture and policies

The overarching aim of compliance management is to comply with the relevant legal standards, rules, codes of conduct and internal regulations to prevent loss and damage, in particular liability and reputational risks that may impact Scout24's financial or non-financial targets. The following additional compliance objectives provide a benchmark for the corporate activities within the entire Scout24 Group and are closely linked to the corporate objectives (**ESG framework**):

- Avoiding liability and reputational risks
- Creating transparency for the Executive Leadership Team and Management Board and thereby simplifying and improving business decisions
- Creating transparency for stakeholders and a positive external perception of the Company
- Protecting the brands and the business value of Scout24 by avoiding negative public relations
- Detecting and sanctioning compliance violations as well as compliance training for preventive purposes.

Under its duty to assume overall responsibility, the Management Board is responsible for compliance and reports compliance issues to the Supervisory Board. To duly fulfil its responsibility, the Management Board has set up a central compliance organisation at Scout24 consisting of the General Counsel as the executive responsible for the Compliance function, a Head of Compliance and all employees of the Scout24 Group. All employees are expected to be actively involved in adhering to compliance requirements. For Sprengnetter GmbH, Sprengnetter Property Valuation Finance GmbH, Sprengnetter Real Estate Services GmbH and Sprengnetter Zertifizierung GmbH, the topic of compliance is allocated to the entity's Regulatory & Compliance department, which reports directly to Sprengnetter's management. Regular jour-fixe meetings are held for consultation with the member of management responsible. Other members of management are involved as and when required as part of the regular management sessions or in separately convened meetings. Sprengnetter is incorporated into Scout24's compliance organisation; the Head of Compliance ensures that the Scout24-wide compliance standards are implemented accordingly through communication with Sprengnetter on these matters.

In order to achieve the compliance objectives, a series of measures from the compliance programme have been implemented, which are designed to ensure that employees act in accordance with the law at all times. This includes implementation of the following policies in particular:

- Code of Conduct
- Signature policy
- Procurement policy
- Tax policy
- Anti-corruption policy
- Policy on capital market compliance
- Data Protection Code of Conduct
- Data protection policy
- Information security policy
- Policy on consequence management

Based on integrated monitoring within the process, among other means, the Compliance department verifies on a sample basis that all requirements are met and policies are adhered to. If any breaches or deficiencies are found, the Compliance department conducts investigations as appropriate, provides relevant training, suggests process improvements and/or takes action in accordance with the policy on consequence management to ensure compliance in future.

An essential part of compliance communication is providing all employees with information and training on topics of relevance to compliance. One of our key priorities in this context is preventing corruption and avoiding anti-competitive or unfair practices. If employees have any questions relating to compliance, they have the internal option of contacting our Compliance department or the General Counsel of Scout24 at any time. They also have the option to contact our external ombudspersons via a compliance hotline and email address specifically set up for this purpose and a whistle-blower platform – and they can also remain anonymous if they wish (for more details, see ▸**Corporate governance** at Scout24 SE). The ombudsperson is available for persons within and outside the organisation to contact if they wish to report information relating to criminal offences, including, but not limited to, corruption, fraud and misappropriation, breach of secrets protected by law, criminal manipulation or misuse of data or attempts thereof as well as acts preparatory to a criminal offence. The ombudsperson liaises between Scout24 and the whistle-blower, ensuring confidentiality, the conveyance of responses and anonymity. Sprengnetter also has a whistle-blower system of this kind. If necessary, the Compliance department conducts confidential, internal investigations, protecting the anonymity of the whistle-blower and the affected party. Possible outcomes may be HR measures and adjustments to internal processes or structures. The person making the report must not suffer any disadvantages as a result of making the report. For 2023, we are not aware of any breaches of compliance that could have resulted in relevant fines or non-monetary sanctions on grounds of non-compliance with laws and/or regulations in the social and economic spheres.

As part of our compliance training, we also regularly inform our employees and raise awareness among them of anti-corruption measures, competition law and on compliant conduct in general. All members of the workforce must complete this compliance video training at regular intervals. In June 2023, we also held a Compliance Awareness Week for all Scout24 employees. More than 625 employees received information on topics including compliance organisation, avoiding conflicts of interest, data protection compliance and diversity. In addition, our compliance-related guidance, manuals and further information are permanently available in German and English on our intranet. Following the acquisition of the Sprengnetter Group in the reporting year, the management of the Sprengnetter entities also received training on the topic of insider rules.

For Scout24 as a technology company in the real estate sector, compliance with legal documentation and information duties relating to both us and our customers is another essential element of compliance. These include, but are not limited to, the German Telemedia Act ('Telemediengesetz', TMG), the German Price Indication Regulation ('Preisangabenverordnung', PAngV), data protection acts, labelling ordinances and the German Buildings Energy Act ('Gebäudeenergiegesetz', GEG). Our aim is to provide all the information and details required by law on our marketplaces and to include the corresponding mandatory fields on the input screens for creating property listings. We adjust these without delay if any labelling or information requirements change.

In addition, we have created internal structures and processes to provide listers on our marketplaces with the best possible support for them to satisfy their responsibility to label their listings as required and ensure transparency. For instance, ImmoScout24 provides regular publicly accessible communication about new guidelines or legal changes. Our Legal department provides support in the product development process to enable listers to enter their data correctly when preparing a listing. The Consumer Experience department is in charge of the technical implementation and enables the display of the relevant information (e.g. in accordance with the German Buildings Energy Act). With the service that Energieausweis48 offers, we also help our listers comply with the obligations in relation to energy performance certificates, as they can easily order a legally compliant energy performance certificate via our platform.

In 2023, ImmoScout24 was not aware of any breaches regarding product and service information or labelling. In connection with marketing or communication requirements, the established processes for monitoring and approving advertising statements by the Legal department continue to apply.

Tax transparency – transparent and responsible tax treatment

The Management Board of Scout24 attaches great importance to compliance with tax regulations. In the Code of Conduct, the Management Board commits to tax compliance and undertakes to observe the applicable laws and other relevant provisions in all business activities and decisions. Our tax compliance culture is based on our shared aim to always act with integrity in a responsible, exemplary and sustainable manner. The values and beliefs described in the tax compliance culture are incompatible with tax evasion. Our policies and work instructions are designed to help prevent any form of tax evasion, as well as aiding or inciting tax evasion. They form the basis for preventing the intentional or negligent commission of criminal offences. Scout24 also supports the development of robust rules and internal procedures to tackle financial crime, including tax evasion.

Tax compliance management system

The Management Board is responsible for tax matters at Scout24. The Tax department is responsible for the operational management and correct implementation of all tax obligations. It is part of the Accounting, Tax & Risk Management function.

The tax compliance management system (Tax CMS) implemented in 2021 was digitised and developed further in subsequent financial years. The tax compliance manual and the corporate tax policy form the legal basis for the Tax CMS. The Tax Compliance Manager (Head of Tax) is responsible for the functionality of the Tax CMS. He or she proposes measures for improvement and engages in dialogue with other staff members on an ad hoc basis.

Other disclosures

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

Information in accordance with Articles 289a and 315a HGB as of 31 December 2023 is presented in the following.

Composition of subscribed share capital

The subscribed share capital of Scout24 SE amounts to EUR 75,000,000.00. It is divided into 75,000,000 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 1,391,260 treasury shares at the end of the reporting year, from which it has no rights within the meaning of Article 71b AktG.

Scout24 shares issued to participating employees (participants) in Germany under the employee stock purchase programme (ESPP 2022) introduced in the 2022 financial year are subject to a two-year holding period, calculated from the date of entry into the respective custody account of the participant, which took place on 28 September 2022. The Company reserves the right to shorten or terminate the holding period for individual, all or certain groups of participants if extraordinary events arise. In the 2022 financial year, 17,373 shares were issued to employees in Germany.

The employee stock purchase programme was renewed in September 2023 (ESPP 2023). The shares issued are also subject to a two-year holding period, calculated from the date of entry into the participant's custody account, namely 27 September 2023. In the 2023 financial year, 13,470 shares were issued to employees in Germany.

For both the ESPP 2022 and the ESPP 2023, the holding period for participants in Austria is five years from the end of the calendar year in which the shares were granted. Participants in Austria can, however, inform the Company earlier, after the expiration of the two-year holding period, that they wish to sell their Scout24 shares. In this case, the Company will allow the participant to sell early. In this case, the tax exemption for the discount granted to them does not apply. Under ESPP 2022, 964 shares were issued to employees in Austria. Under ESPP 2023, 502 shares were issued to employees in Austria.

On the occasion of ImmoScout24's 25th anniversary and to give employees the additional opportunity to participate in the Company's long-term performance, Scout24 SE gifted eligible employees 25 shares (working students 5 shares each) as part of an employee anniversary stock programme (EASP). If the requirements are met, all eligible and participating employees will be credited with 25 or 5 registered shares in Scout24 SE. The shares under the EASP are subject to a three-year holding period, calculated from the date of entry into the respective participant's custody account, namely 15 January 2024.

Under the EASP, 17,015 shares were issued to employees in Germany and 1,245 shares to employees in Austria.

As part of the acquisition of the Sprengnetter Group, a large part of the purchase price for the acquired 75% of the shares in Sprengnetter GmbH was paid in Scout24 shares subject to a lock-up obligation. The number of shares to be transferred was determined on the basis of the volume-weighted average share price for the period prior to completion of the transaction. This amounted to 0.9 million shares. The shares issued were fully or partially offset by the ongoing share buy-back programme. The shares transferred as part of the purchase price are subject to a staggered lock-up period: At least 90% of the Scout24 shares transferred as part of the purchase price must be held for a period of up to 12 months from the closing date ("lock-up 1"), at least 80% for a period of up to 24 months ("lock-up 2") and at least 70% for a period of 36 months ("lock-up 3").

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 2023.

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 two-thirds majority 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 and/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 ('Gesetz über das Kreditwesen', KGW), 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 7,500,000 by issuing up to 7,500,000 no-par-value registered shares (Article 4 (7) of the Articles of Association) (conditional capital 2023). 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 21 June 2028 on the basis of the authorisation of the Annual General Meeting of 22 June 2023 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 21 June 2028 on the basis of the authorisation of the Annual General Meeting of 22 June 2023 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 22 June 2023 and in accordance with Article 71 (1) No. 8 AktG, the Management Board is authorised to purchase treasury shares representing in total 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. At the time the resolution was passed, the share capital amounted to EUR 75,000,000 This authorisation can be exercised in full or in part, once or on several occasions, and is valid until 21 June 2028.

The Company can purchase treasury shares (1) through the stock market or through a multilateral trading system within the meaning of Article 2 (6) of the German Stock Exchange Act ('Börsengesetz', BörsG) 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 facility agreement (FA) which was signed on 9 May 2022 and replaced the term and revolving facilities agreement (RFA) signed on 16 July 2018 constitutes a significant agreement of the Group subject to a change of control.

A change of control is effected when a person or group of persons acquires (directly or indirectly and as economic beneficiary or otherwise) more than 50% of the Company's share capital including its issued voting share capital. In the case of a change of control and under additional preconditions, the FA 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 compensation 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 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 to take all measures related to the activities of a holding company with Group management functions, especially rendering management and other advisory services for consideration for affiliated entities, and to operate activities in the aforementioned fields 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 2023 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 million	FY 2023	FY 2022	± in %
Revenue	57.9	60.8	-4.7%
Other operating income	2.2	2.6	-16.4%
Cost of materials	-11.4	-9.0	-26.2%
Personnel expenses	-38.0	-36.2	-4.9%
Depreciation, amortisation and impairment losses	-1.8	-2.1	+12.7%
Other operating expenses	-38.2	-49.5	+22.9%
Income from profit transfers	229.8	221.6	+3.7%
Other interest and similar income	4.7	0.6	+653.3%
Expenses from loss absorption	-0.9	0.0	N/A
Interest and similar expenses	-11.8	-3.1	-278.7%
Income taxes	-68.0	-52.1	-30.4%
Deferred taxes	1.0	-0.8	+224.8%
Earnings after tax	125.5	132.7	-5.4%
Net profit for the year	**125.5**	**132.7**	**-5.4%**

In the 2023 financial year, **revenue** decreased year on year by EUR 2.9 million to EUR 57.9 million. This is due in particular to lower revenue from internal cost allocation.

The **cost of materials** amounted to EUR 11.4 million in the 2023 financial year (2022: EUR 9.0 million). The increase is mainly due to the recognition of costs for purchased services from a rental agreement.

Personnel expenses increased by EUR 1.8 million to EUR 38.0 million in 2023. The increase is mainly due to the LTIP. Scout24 SE had an annual average headcount of 182 employees in the 2023 financial year (2022: 205), excluding members of the Executive Leadership Team.

Other operating expenses fell by EUR 11.3 million year on year to EUR 38.2 million. The figure reported for the previous year included, above all, book losses of EUR 8.9 million from the special securities fund as well as increased fees of EUR 1.4 million due to transaction costs from refinancing, which were not incurred in the past financial year. In contrast, IT costs increased by EUR 1.3 million due to the increased use of cloud platforms.

Income from profit transfers amounted to EUR 229.8 million in the 2023 financial year (2022: EUR 221.6 million). The income for the past financial year includes the profit transfer of Immobilien Scout GmbH and Scout24 Beteiligungs SE.

Income taxes rose by EUR 15.9 million year on year to EUR 68.0 million. This is due to the increase of profit before taxes of the tax group for income taxes.

The **net profit** for the 2023 financial year amounts to EUR 125.5 million, down EUR 7.2 million on account of the developments described above. The lower figure for the past financial year is due in particular to income tax expenses.

Financial position and net assets

Scout24 SE's financial position and net assets in the 2023 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 million	31 Dec. 2023	31 Dec. 2022	± in %
Intangible assets	0.0	0.1	-66.2%
Property, plant and equipment	8.6	11.5	-24.9%
Financial assets	1,829.1	1,777.7	+2.9%
Fixed assets	**1,837.8**	**1,789.3**	**+2.7%**
Trade receivables	2.0	2.2	-8.8%
Receivables from affiliated entities	278.1	239.3	+16.2%
Other assets	11.0	3.4	+225.0%
Cash on hand and bank balances	37.6	34.8	+7.9%
Current assets	**328.7**	**279.8**	**+17.5%**
Deferred income	**4.8**	**6.1**	**-22.0%**
Total assets	**2,171.2**	**2,075.1**	**+4.6%**

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.

Cash on hand and bank balances increased from EUR 34.8 million to EUR 37.6 million. The EUR 2.8 million increase is attributable to operating activities.

STATEMENT OF FINANCIAL POSITION – EQUITY AND LIABILITIES (CONDENSED)

EUR million	31 Dec. 2023	31 Dec. 2022	± in %
Issued capital	73.6	73.6	+0.1%
Subscribed share capital	75.0	80.2	-6.5%
Imputed value of treasury shares	-1.4	-6.6	+79.1%
Capital reserve	207.0	197.7	+4.7%
Other retained earnings	1,327.7	0.0	N/A
Accumulated profits	125.5	1,407.6	-91.1%
Equity	**1,733.9**	**1,678.9**	**+3.3%**
Provisions	**26.7**	**25.9**	**+3.0%**
Liabilities to banks	118.1	103.0	+14.7%
Trade payables	0.9	3.2	-71.6%
Liabilities to affiliated entities	268.7	246.4	+9.0%
Other liabilities	11.8	4.9	+138.7%
Liabilities	**399.5**	**357.5**	**+11.8%**
Deferred income	**2.0**	**2.7**	**-26.1%**
Deferred tax liabilities	**9.1**	**10.1**	**-10.1%**
Total equity and liabilities	**2,171.2**	**2,075.1**	**+4.6%**

Equity increased by EUR 55.0 million to EUR 1,733.9 million. A dividend payment of EUR 73.4 million was made in 2023 (2022: EUR 66.4 million). The increase stems from the net profit for the year of EUR 125.5 million. The 2023 Annual General Meeting adopted a resolution on the appropriation of accumulated profits involving the transfer of EUR 1,334.2 million to other retained earnings. The reduction to EUR 1,327.7 million as of the reporting date is attributable to the purchase of treasury shares.

Provisions increased to EUR 26.7 million in 2023 (2022: EUR 25.9 million). The increase in other provisions was mainly due to the LTIP.

The EUR 15.1 million increase in **liabilities to banks** to EUR 118.1 million results from amounts drawn from credit facilities of EUR 116.0 million (2022: EUR 65.0 million). The increase was reduced by the repayment of promissory notes of EUR 35.5 million (2022: EUR 57.0 million).

Liabilities to affiliated entities increased by EUR 22.3 million to EUR 268.7 million. This effect is essentially attributable to the EUR 21.6 million rise in liabilities from cash pooling agreements to EUR 267.6 million (2022: EUR 246.0 million).

The main items under **liabilities** are liabilities to affiliated entities of EUR 268.7 million (2022: EUR 246.4 million) and liabilities to banks of EUR 118.1 million (2022: EUR 103.0 million).

Other liabilities increased to EUR 11.8 million in 2023 (2022: EUR 4.9 million). Due to a change of the responsible tax office from Munich to Berlin, the VAT liabilities for the months of October and November 2023 were not collected until the new financial year.

Deferred taxes result 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 4.5 million (2022: EUR 3.4 million) against the deferred tax liabilities of EUR 13.6 million (2022: EUR 13.5 million) results in a net deferred tax liability of EUR 9.1 million (2022: EUR 10.1 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, 18 March 2024

Scout24 SE

The Management Board

Tobias Hartmann | **Dr Dirk Schmelzer** | **Ralf Weitz**

Consolidated financial statements

Contents

Consolidated statement of profit or loss

EUR '000	Note	2023	2022
Revenue	3.1.	509,114	447,539
Own work capitalised	3.2.	22,762	28,702
Other operating income	3.3.	1,431	1,633
Total operating performance		**533,307**	**477,874**
Personnel expenses	3.4.	-114,123	-107,322
Marketing expenses	3.5.	-48,397	-50,692
IT expenses	3.6.	-21,340	-21,941
Other operating expenses	3.7.	-70,716	-67,324
Earnings before interest, tax, depreciation, amortisation and impairment losses – EBITDA[1]		**278,732**	**230,595**
Depreciation, amortisation and impairment losses	4.5.; 4.6.; 4.7.	-36,331	-42,300
Earnings before interest and tax – EBIT		**242,401**	**188,294**
Profit/loss from investments accounted for using the equity method	3.8.	-892	-889
Finance income	3.9.	12,272	15,432
Finance expenses	3.10.	-10,671	-28,515
Financial result		**708**	**-13,973**
Earnings before tax		**243,109**	**174,322**
Income taxes	3.11.	-64,351	-50,791
Earnings after tax		**178,758**	**123,531**
Of which attributable to:			
Shareholders of the parent company		178,778	123,531
Non-controlling interests		-20	–

[1] EBITDA is defined as earnings from continuing operations before the financial result, income taxes, depreciation, amortisation and any impairment losses or reversals of impairment losses.

EARNINGS PER SHARE

EUR	Note	2023	2022
Basic earnings per share	**3.12.**	**2.43**	**1.59**
Earnings per share after tax		2.43	1.59
Diluted earnings per share	**3.12.**	**2.43**	**1.59**
Earnings per share after tax		2.43	1.59

Consolidated statement of comprehensive income

EUR '000	Note	2023	2022
Earnings after tax	3.12.	**178,758**	**123,531**
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	4.15.	13	28
Sum of the items that may be reclassified subsequently to profit or loss		13	28
Other comprehensive income, after tax		**13**	**28**
Total comprehensive income		**178,771**	**123,559**
Of which attributable to:			
Shareholders of the parent company		178,791	123,559
Non-controlling interests		-20	–
		178,771	**123,559**

Consolidated statement of financial position

ASSETS

EUR '000	Note	2023	2022
Current assets		**111,060**	**83,438**
Cash and cash equivalents	4.1.	48,463	39,085
Trade receivables	4.2.	39,874	30,604
Other financial assets	4.3.	3,888	3,268
Income tax assets	3.11.	8,655	43
Other assets	4.4.	10,180	10,439
Non-current assets		**1,908,354**	**1,797,183**
Goodwill	4.5.	867,921	784,668
Trademarks	4.5.	866,188	866,680
Other intangible assets	4.5.	101,046	73,268
Right-of-use assets from leases	4.6.	48,872	47,010
Property, plant and equipment	4.7.	10,322	13,212
Investments accounted for using the equity method	4.8.	1,542	674
Other financial assets	4.3.	12,228	11,667
Deferred tax assets	3.11.	234	4
Balance sheet total		**2,019,414**	**1,880,621**

EQUITY AND LIABILITIES

EUR '000	Note	2023	2022
Current liabilities		**210,322**	**177,754**
Trade payables	4.9.	13,851	18,399
Other financial liabilities	4.10.	130,134	108,659
Lease liabilities	4.6.	10,724	9,693
Other provisions	4.11.	5,295	8,591
Income tax liabilities	3.11.	7,243	3,036
Contract liabilities	4.12.	17,639	12,248
Other liabilities	4.13.	25,435	17,128
Non-current liabilities		**361,560**	**354,400**
Other financial liabilities	4.10.	24,336	17,365
Lease liabilities	4.6.	48,491	48,945
Other provisions	4.11.	14,063	8,833
Deferred tax liabilities	3.11.	273,894	278,178
Other liabilities	4.13.	775	1,078
Equity	**4.15.**	**1,447,214**	**1,348,466**
Subscribed share capital		75,000	80,200
Capital reserve		207,859	198,533
Retained earnings		1,242,152	1,425,431
Other reserves		934	921
Treasury shares (1,391,260 shares; previous year: 6,647,814 shares)		-78,731	-356,618
Equity attributable to shareholders of the parent company		**1,447,214**	**1,348,466**
Non-controlling interests		318	–
Total equity		**1,447,532**	**1,348,466**
Total equity and liabilities		**2,019,414**	**1,880,621**

Consolidated statement of changes in equity

EUR ’000

	Note	Subscribed share capital	Capital reserve	Retained earnings	Other reserves	Treasury shares	Equity attributable to shareholders of the parent company	Non-controlling interests	Total equity
Balance as of 1 Jan. 2022		**83,600**	**195,133**	**1,566,051**	**893**	**-72,147**	**1,773,530**	**–**	**1,773,530**
Currency translation differences		–	–	–	28	–	28	–	28
Earnings after tax		–	–	123,531	–	–	123,531	–	123,531
Total comprehensive income		**–**	**–**	**123,531**	**28**	**–**	**123,559**	**–**	**123,559**
Dividend		–	–	-66,391	–	–	-66,391	–	-66,391
Capital reduction		-3,400	3,400	-197,768	–	197,768	–	–	–
Purchase of treasury shares		–	–	–	–	-483,239	-483,239	–	-483,239
Issue of treasury shares		–	–	8	–	1,000	1,009	–	1,009
Balance as of 31 Dec. 2022/ 1 Jan. 2023		**80,200**	**198,533**	**1,425,431**	**921**	**-356,618**	**1,348,466**	**–**	**1,348,466**
Changes in consolidation scope		**–**	**–**	**–**	**–**	**–**	**–**	**337**	**337**
Currency translation differences		–	–	–	13	–	13	–	13
Earnings after tax		–	–	178,778	–	–	178,778	-20	178,758
Total comprehensive income		**–**	**–**	**178,778**	**13**	**–**	**178,791**	**-20**	**178,771**
Dividend[1]	4.15	–	–	-73,422	–	–	-73,422	–	-73,422
Capital reduction	4.15	-5,200	5,200	-279,410	–	279,410	–	–	–
Purchase of treasury shares	4.15	–	–	-10,521	–	-49,479	-60,000	–	-60,000
Issue of treasury shares	4.15	–	4,126	168	–	47,956	52,251	–	52,251
Share-based payments	5.3.	–	–	1,128	–	–	1,128	–	1,128
Balance as of 31 Dec. 2023		**75,000**	**207,859**	**1,242,152**	**934**	**-78,731**	**1,447,214**	**318**	**1,447,532**

[1] Based on a corresponding resolution of the Annual General Meeting, the Company paid, in the 2023 financial year, a dividend of EUR 73,361 thousand (previous year: EUR 66,391 thousand) to its dividend-entitled shareholders. In addition, in the 2023 financial year, a profit distribution of EUR 61 thousand from the net profit for the year 2022 was made to the non-controlling interests in a subsidiary in accordance with the respective investment agreement.

Consolidated statement of cash flows

EUR '000	Note	2023	2022
Earnings after tax		**178,758**	**123,531**
Depreciation, amortisation and impairment losses	4.5.; 4.6.; 4.7.	36,331	42,300
Income tax expense	3.11.	64,351	50,791
Finance income	3.9.	-12,272	-15,432
Finance expenses	3.10.	10,671	28,515
Equity-settled share-based payment transactions		1,128	–
Profit/loss from investments accounted for using the equity method	3.8.	892	889
Gain/loss on disposal of intangible assets and property, plant and equipment		–	25
Other non-cash transactions		12	-570
Change in trade receivables and other assets not attributable to investing or financing activities		-4,785	-9,693
Change in trade payables and other liabilities not attributable to investing or financing activities		3,901	5,439
Change in provisions		2,459	-11,671
Income taxes paid		-80,458	-52,202
Cash flow from operating activities		**200,989**	**161,923**
Investments in intangible assets, including internally generated intangible assets and intangible assets under development	4.5.	-23,593	-28,702
Investments in property, plant and equipment	4.7.	-736	-900
Proceeds from disposal of intangible assets and property, plant and equipment		196	130
Proceeds from investment grants		1,407	–
Proceeds from lease receivables from subleases		1,654	1,481
Investments in financial assets		-3,430	-1,000
Proceeds from disposal of financial assets		–	446,127
Consideration transferred for investments accounted for using the equity method		-950	–
Proceeds from investments accounted for using the equity method		–	4
Consideration transferred for a subsidiary, net of cash and cash equivalents acquired		-22,917	-1,446
Interest received		370	351
Consideration transferred for subsidiaries acquired in previous years		-22,547	-2,682
Cash flow from investing activities		**-70,545**	**413,362**
Raising of short-term financial liabilities	4.10.	51,000	65,000
Repayment of short-term financial liabilities	4.10.	-35,500	-57,000
Repayment of medium- and long-term financial liabilities	4.10.	–	-100,000
Repayment of lease liabilities	4.6.	-10,519	-9,425
Interest paid		-3,793	-3,674
Other payments attributable to financing activities		–	-1,172
Dividends paid		-73,422	-66,391
Purchase of treasury shares	4.15.	-49,500	-484,216
Proceeds from the issuance of treasury shares	4.15.	656	642
Cash flow from financing activities	**5.1.**	**-121,078**	**-656,237**
Net foreign exchange difference		13	27
Change in cash and cash equivalents		**9,378**	**-80,925**
Cash and cash equivalents at beginning of period		**39,085**	**120,009**
Cash and cash equivalents at end of period		**48,463**	**39,085**

Notes to the consolidated financial statements

Contents

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 Company is registered at Munich District Court (HRB 270 215). Scout24 SE's business address is: Invalidenstrasse 65, 10557 Berlin, Germany. The shares of Scout24 SE have been listed on the Prime Standard of the Frankfurt Stock Exchange since 1 October 2015. With the Company's entry in the commercial register on 15 October 2021, the transformation of Scout24 AG into a European stock corporation (Societas Europaea – SE) became effective. Scout24 SE and its direct and indirect subsidiaries together form the Scout24 Group (hereinafter also referred to as 'Scout24' or the 'Group').

Scout24 is a German digital company, which operates the leading digital marketplace ImmoScout24 for residential and business real estate. With this digital marketplace for residential and commercial properties, Scout24 has been successfully bringing together home sellers, agents, tenants and buyers for over 25 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. Via the Sprengnetter Group, Scout24 offers software solutions for real estate valuations to credit institutions and the real estate sector, as well as financing appraisals and training courses for real estate experts. More information about business operations and strategy is provided in the **Combined management report.**

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 (IFRS) 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 ('Handelsgesetzbuch', HGB).

Scout24 applied all accounting standards that were effective as of 31 December 2023. 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 IFRS, 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 2023 for the period from 1 January to 31 December 2023. 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 the macroeconomic environment

The effects of the Covid-19 pandemic on the Scout24 Group's business, which were already described as noticeably mitigated in the 2022 consolidated financial statements, continued to diminish in 2023. The risk of a new virus variant with a large economic impact is considered to be low, but cannot be completely ruled out.

The repercussions of the ongoing Russian war of aggression against Ukraine are adversely impacting the macroeconomic development. Energy prices, inflation and interest rates have stabilised at a high level. These developments continue to have an impact on the market environment, consumers and customers and therefore to a limited extent on Scout24's business operations. The ongoing conflict in the Middle East has so far had no significant impact on overall economic development or business activity. For details, see the **Macroeconomic and sector-specific environment** section in the combined management report. The estimation of future developments and their effects on accounting are marked by heightened estimation uncertainties and a greater need for discretionary decisions.

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. To take account of economic uncertainty and a possible deterioration in the payment behaviour of our customers, as in the previous year, we assume higher default rates than in the past. We have taken these into account accordingly in the risk provisioning for trade receivables. For more information on the credit loss rates, see note **4.2. Trade receivables.**

Updated expectations for revenue and cost development have been incorporated accordingly into the cash flow planning. In addition, the higher interest rate level led to a year-on-year increase in the risk-free interest rate and thus to a slight increase overall in the cost of capital. Both effects were included in particular in the impairment testing of goodwill and trademarks with indefinite useful lives; no impairment losses within the meaning of IAS 36 were identified. Also see the explanations on **4.5. Goodwill and intangible assets** in the notes to the consolidated financial statements.

On aggregate, the effects of the macroeconomic environment on recognition and measurement in the 2023 financial year are of minor significance, however.

1.4. New accounting regulations

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 2023 were applied. The effects arising from first-time application are described below. The standards applicable beginning as of 1 January 2023 are presented in the following table:

Standard/Interpretation	Effect
Amendments to IAS 1: Presentation of Financial Statements including amendments to Practice Statement 2: Making Materiality Judgements (issued on 12 February 2021)	No significant effects expected
Amendments to IAS 8: Accounting Policies, Changes in Accounting Estimates and Errors (issued on 12 February 2021)	No significant effects expected
Amendments to IAS 12: Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction (issued on 7 May 2021)	No significant effects expected
Amendments to IAS 12: International Tax Reform – Pillar Two Model Rules (issued on 23 May 2023)	Not relevant
Amendment to IFRS 17 to permit application of the classification overlay approach (issued on 9 December 2021)	Not relevant
IFRS 17 Insurance Contracts (issued on 18 May 2017); including amendments to IFRS 17 (issued on 25 June 2020)	Not relevant

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 2023 financial year, as application was not yet mandatory:

Standards/ interpretations		Following endorsement by the EU effective for financial years beginning on or after[1]:	Effect
IAS 1	Amendments to IAS 1: Classification of Liabilities as Current or Non-current (issued on 23 January 2020)	1 January 2024	No significant effects expected
IAS 1	Amendments to IAS 1: Non-current Liabilities with Covenants (issued on 31 October 2022)	1 January 2024	No significant effects expected
IAS 7, IFRS 7	Amendments to IAS 7 and IFRS 7: Supplier Finance Arrangements (issued on 25 May 2023)	EU endorsement pending	Not relevant
IAS 21	Amendments to IAS 21: The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (issued on 15 August 2023)	EU endorsement pending	No significant effects expected
IFRS 16	Amendments to IFRS 16: Lease Liability in a Sale and Leaseback (issued on 22 September 2022)	1 January 2024	Not relevant

[1] Status as of 12 January 2024 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	2023	2022
Scout24 SE and its fully consolidated subsidiaries		
Germany	13	9
Other countries	8	3
Entities accounted for using the equity method		
Germany	1	2
Other countries	–	–
Non-consolidated subsidiaries		
Germany	1	–
Other countries	2	–
Total	**25**	**14**

One merger was transacted in the 2023 financial year; transferring entity: Zenhomes GmbH; acquiring entity: Immobilien Scout GmbH; both entities: Berlin, Germany.

The non-consolidated subsidiaries relate to companies of the Sprengnetter Group that were already in liquidation at the time of acquisition.

A complete list of shareholdings of Scout24 is provided in note **5.10. List of shareholdings held by Scout24 SE**.

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 polices**).

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 translation of the key currency are presented below:

One euro in foreign currency unit	2023	2022
Switzerland		
CHF closing rate	0.9260	0.9847
CHF average rate	0.9718	1.0047

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 determining whether the Company qualifies as 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, measuring expected credit losses on trade receivables as well as recognising and measuring provisions, especially provisions for share-based payments. 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 in both the past and the previous financial year, options were agreed, the recognition and measurement of which involve significant estimates by the Company.

Estimation uncertainties, which – depending on the size of the transaction – entail a risk of causing a material adjustment to the carrying amounts of the purchase price liabilities in subsequent financial years, concern in particular the degree to which the agreed-upon financial covenants will be observed. Measurement of the options agreed 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 83,253 thousand (previous year: EUR 2,322 thousand) and identifiable other intangible assets of EUR 26,327 thousand (previous year: EUR 1,960 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 current financial year, Scout24's consolidated statement of financial position reports goodwill of EUR 867,921 thousand (previous year: EUR 784,668 thousand). 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.

Determining the fair value involves estimating the expected future cash flows of the groups of 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 detailed planning period and long-term growth rates. Future changes in the expected cash flows and discount rates can lead to impairment losses in the future.

For details, see note **4.5. Goodwill and intangible assets**.

Impairment of trademarks

Scout24's consolidated statement of financial position as of 31 December 2023 reports a trademark of EUR 866,188 thousand (previous year: EUR 866,680 thousand).

Indefinite useful life were set for the main trademark ImmoScout24 in the 2023 financial year. Accordingly, the trademark was not amortised in the 2023 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 groups of cash-generating units, Professional, Private and Media & Other, and tested for impairment together with goodwill at the level of the groups of cash-generating units. 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 growth targets and the 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, if any, is determined as the excess of the sum of the cost of the business combination, the non-controlling interests and the fair value of Scout24's previously held equity interests (business combination achieved in stages) over the fair value of the recognisable assets and liabilities.

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.

If put and call options for the acquisition of non-controlling interests are agreed in the context of a business combination that create an unconditional obligation for Scout24 to purchase these shares, they are treated as an immediate acquisition of these shares (anticipated acquisition method). The resulting contingent consideration is measured as described above.

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.

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:

Assets

- Financial assets measured at amortised cost (FAAC)
- Financial assets 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 at fair value through profit or loss (FVTPL)
- Equity instruments at fair value through other comprehensive income (FVOCI), with gains and losses remaining in other comprehensive income (no reclassification adjustment)

Liabilities

- Financial liabilities measured at amortised cost (FLAC)
- Financial liabilities 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 fair value through profit or loss

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 settlement 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 amortised cost, at fair value through profit or loss or at fair value through other comprehensive income. The effective interest method is used for instruments measured at amortised cost. Details of the individual categories used at Scout24 are provided in the following:

- Amortised cost: financial assets and financial liabilities measured at amortised cost
- At fair value through profit or loss: financial instruments measured at fair value through profit or loss
- At fair value through other comprehensive income: financial instruments measured at fair value through other comprehensive income

Category: financial assets/liabilities measured at amortised cost

Financial instruments that satisfy the following criteria are allocated to this category:

- Criterion 1: financial instruments are held within a business model whose objective is to hold these in order to collect contractual cash flows.
- Criterion 2: the contractual terms of financial instruments must give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

If a financial instrument is classified as part of the 'trading' business model with regard to criterion 1, does not meet criterion 2 or if the fair value option is exercised, the instrument is measured at fair value through profit or loss. If a financial instrument is classified as part of the 'hold and sell' business model and criterion 2 is met, the instrument is measured at fair value through other comprehensive income.

Category: financial instruments measured at fair value through profit or loss

Securities for which no quoted market prices are available at the measurement date are generally 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. If the fair value is calculated using significant unobservable input factors, the securities are allocated to level 3 of the fair value hierarchy.

Category: financial instruments measured at fair value through other comprehensive income

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 (OCI) 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 (ECLs). 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.

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 of the macroeconomic environment 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.

Scout24 uses the simplified approach in calculating expected credit losses for trade receivables, which permits determining loss allowances based on lifetime ECLs. Accordingly, there is no need to review whether there has been a significant increase in credit risk that might require reclassification from level 1 to level 2.

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 borrower
- 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
- Probability that the borrower will enter bankruptcy or other financial reorganisation

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.

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:

- It is technically feasible that the intangible asset can be completed so that it will be available for use or sale.
- The Group intends to complete the intangible asset and use or sell it.
- The Group is able to use or sell the intangible asset.
- 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.
- The Group has adequate technical, financial and other resources to complete the development and to use or sell the intangible asset.
- 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 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.

The expected economic useful lives are as follows:

Trademarks	Indefinite[1]
Customer base	5–20 years
Internally generated intangible assets	3 years
Other concessions, rights and licences	3–12 years

[1] The value of trademarks with a finite useful life is immaterial and is therefore amortised over a period of 4 to 20 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. 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 banks and financial service providers as well as professional customers, such as real estate agents, appraisers and other customers that were purchased. These customer relationships have an assumed useful life of 5 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.

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 of 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 buys back 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 share 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 financial statements 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 profit (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 only. 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 the other comprehensive income or directly in equity.

Current and deferred taxes are allocated to continuing operations or discontinued operations depending on how they are expected to be recovered/settled.

Deferred tax assets and liabilities are offset if a legally enforceable right exists to offset deferred taxes.

In assessing global income tax assets and liabilities, the interpretation of tax regulations in particular may be subject to uncertainty. It is not possible to rule out the possibility of the respective tax authorities holding a differing view regarding the correct interpretation of tax regulations. Changes in assumptions about the correct interpretation of tax regulations, such as those resulting from changes in case law, are reflected in the recognition of uncertain income tax assets and liabilities in the corresponding financial year. Tax uncertainties are identified through an ongoing analysis of the tax environment. If there are uncertainties over the income tax treatment – e.g. 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 has participation programmes for management and employees that 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.

In addition, the Company has an employee participation programme under which employees can purchase Scout24 shares held by the Company (treasury shares) at a lower price than on the stock market and a further programme under which Scout24 shares held by the Company (treasury shares) have been issued to employees for free as an anniversary bonus. These employee participation programmes are accounted for as equity-settled share-based payment transactions in accordance with IFRS 2 ‘Share-based Payment’. Accordingly, the fair value of the work performed by employees is recognised as consideration for the equity instruments (here: bargain purchase) thereby granted both as an expense through profit or loss and as an increase in equity. However, as the fair value of the work performed by employees cannot be determined reliably, the fair value of the equity instruments at their grant date is taken as a basis for measurement purposes.

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 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 depreciated 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.

The Scout24 Group entered into 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

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.

The Scout24 Group generates its revenue based on the digital marketplace for residential and business real estate from rendering services around digital advertisements (listings). The advertisements for the sale or rental of real estate as well as corresponding additional products are booked as part of fee-based memberships or as individual bookings by commercial and private customers on ImmoScout24. With the Plus products TenantPlus and BuyerPlus, property seekers have the opportunity to find their dream property more quickly and efficiently.

Further revenue is generated with generating leads and providing advertising space for professional customers.

Revenues from the placement of digital advertising are primarily performance obligations over time that are recognised on a pro rata basis, as customers benefit from availability of the digital marketplace and – where applicable – the other services included in the membership contracts or Plus products, and they use or can use the services at the same time as they are provided by the Company.

Commission from establishing and referring business contacts (lead generation) is recognised in accordance with the transactions brokered. Leads are billed retrospectively, and revenue is recognised periodically by means of accruals on a report basis, taking into account a return rate. 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.

In addition, the Company offers CRM software solutions that agents can use to manage their contacts and business digitally. These are predominantly cloud-based software-as-a-service models with revenue recognition over time. 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.

In addition, via the Sprengnetter Group, Scout24 offers software solutions for real estate valuations to credit institutions and the real estate sector, as well as financing appraisals and training courses for real estate experts.

Revenue from the granting of access to software solutions for real estate valuations and to the automated valuation model mainly relates to services that are provided over a certain period of time (time-based performance obligations). The fixed amounts are recognised pro rata, i.e. on a pro rata basis, as the benefit to customers is distributed evenly. The aforementioned performance obligations may also include a fee based on usage. We use an exception to allocate such variable payments and recognise usage-based fees on a daily basis.

Revenue from services, such as surveys and appraisals, is recognised based on performance obligations that are satisfied over time and is therefore calculated using the cost-to-cost method.

Revenue from the granting of access to broker software and apps as well as market data and analysis-related products is recognised at the time of use or earlier expiry of the usage credit.

Revenue from the Sprengnetter Academy also relates to performance obligations that are fulfilled over time. Revenue from these services is recognised evenly over the training period.

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.

Government grants

Government grants are recognised when there is reasonable assurance that the entity will comply with the conditions attaching to them and that the grants will be received. They are recognised in profit or loss over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate (grants related to income), or they are deducted from the carrying amount of the underlying assets to which the grants relate, thereby reducing the depreciation charge in subsequent periods.

2. Changes in the consolidation scope

2.1. Entities acquired in the reporting period

Acquisition of the Sprengnetter Group

Effective as of 1 July 2023, Consumer First Services GmbH, Munich, acquired 75% of the shares of Sprengnetter GmbH, with registered office in Bad Neuenahr-Ahrweiler, Germany. Sprengnetter is a leading provider of real estate data and valuations in Germany. By integrating Sprengnetter products into the ImmoScout24 ecosystem, Scout24 is increasing the ability of all parties concerned to draw on independent valuation data for properties, thereby increasing decision-making transparency. On obtaining a controlling interest as of 1 July 2023, the Group began consolidating the Sprengnetter Group's business as of the second half of 2023 and integrating the activities accordingly in the Professional segment. Since the present reporting date, Sprengnetter Property Valuation Finance GmbH's revenue from products such as expert opinions and valuations for banks have been recognised in the 'Other sales' revenue line item in the Professional segment. Revenue of the Sprengnetter Group (excluding Sprengnetter Property Valuation Finance GmbH) with real estate valuation products is recognised in the 'seller leads' revenue line in the Professional segment.

The purchase price comprises a fixed component and a variable component. The fixed purchase price amounted to EUR 78,515 thousand. An amount of EUR 27,200 thousand thereof was paid in cash and EUR 51,315 thousand was paid in Scout24 SE shares. The number of shares issued was 880,943, which was determined using the 30-day volume-weighted average price (VWAP) in Xextra trading on the Frankfurt Stock Exchange. The variable purchase price will be paid in cash. The variable purchase price can range between zero and EUR 11,200 thousand. The acquisition-date fair value of the estimated variable purchase price component, calculated based on a Monte Carlo simulation, was EUR 5,927 thousand. A key parameter is the Sprengnetter Group's EBITDA. As of 31 December 2023, the fair value of the estimated variable purchase price component amounts to EUR 1,100 thousand and is reported under non-current financial liabilities (for details, see note **5.2. Disclosures on financial instruments**).

Furthermore, put and call options exercisable after the end of the 2025 financial year were agreed as consideration for acquisition of the remaining 25% of the shares in equity of the Sprengnetter Group from the non-controlling shareholder. The probability of either the put or call options being exercised was considered high as of the acquisition date. Scout24 therefore applied the anticipated acquisition method as of 1 July 2023. This results in the notional full acquisition of all shares in the entity. The consideration to be paid for the fictitious acquisition of the remaining 25% represents a purchase price liability. The fair value resulting from the preliminary assessment of the purchase price liability as of the date of acquisition was EUR 21,264 thousand. It was measured based on a Monte Carlo simulation of target achievement of certain revenue and earnings metrics. As of 31 December 2023, the fair value of the estimated purchase price liability amounts to EUR 22,330 thousand and is reported under non-current financial liabilities (for details, please see note **5.2. Disclosures on financial instruments**). The minority shareholders receive compensation that is accounted for as a separate transaction. The remuneration component is within the scope of IAS 19 and is paid pro rata over the vesting period. The provision for the remuneration component for future work performed by the minority shareholder as of 31 December 2023 amounts to EUR 716 thousand.

As of 31 December 2023, the transaction essentially gave rise to intangible assets based on customer relationships, brand name of the entity, internally generated software, databases as well as technology/academy expertise. The remaining difference between the consideration and the carrying amount of the net assets acquired was allocated to goodwill. The goodwill resulting from the transaction represents the future earnings potential from expanding the product portfolio. The goodwill will be allocated to the Professional cash-generating unit and is not deductible for tax purposes.

The table below provides an overview of the consideration for the Sprengnetter Group as well as the identified assets and liabilities:

KEY DATA: ACQUISITION OF THE SPRENGNETTER GROUP

EUR '000	1 July 2023
Cash and cash equivalents	27,200
Conditional purchase price payment 75 %	5,927
Shares	51,315
Fair value of shares in put options	21,264
Non-controlling interests, Reopla	337
Fair value of previously held interests in Energieausweis48	2,779
Consideration	**108,822**
Identified assets and liabilities as of the acquisition date:	
Intangible assets, property, plant and equipment and other non-current assets	35,573
Trade receivables and other current assets	7,015
Cash and cash equivalents	4,284
Deferred tax liabilities	-7,679
Non-current liabilities	-5,698
Current liabilities	-7,925
Identified net assets	**25,570**
Goodwill	83,253
Total net assets acquired	**25,570**

The fair value of trade receivables and other receivables at the acquisition-date amounts to EUR 2,078 thousand and was regarded in its entirety as collectable. Acquisition-related costs of EUR 1,869 thousand were reported in other operating expenses.

Since its initial consolidation on 1 July 2023, the Sprengnetter Group has contributed revenue of EUR 13,526 thousand and earnings after tax of EUR -379 thousand to the statement of profit or loss. Without the additional depreciation of the assets resulting from the purchase price allocation in the amount of EUR 1,482 thousand, the earnings contribution after taxes would have been EUR 652 thousand. Had the Sprengnetter Group already been consolidated as of 1 January 2023, the Group would have generated additional revenue of EUR 27,818 thousand and additional earnings after tax of EUR -704 thousand. Without the additional depreciation of the assets resulting from the purchase price allocation in the amount of EUR 1,482 thousand, the earnings contribution after taxes would have been EUR 327 thousand.

Acquisition of the remaining shares in Propstack GmbH

Effective 3 November 2023, FLOWFACT GmbH acquired the remaining 20% of shares in Propstack GmbH. The purchase price was also paid on 3 November 2023. A 100% shareholding is thus now held. The agreed purchase price was EUR 4,306 thousand.

In the course of first-time consolidation in July 2021, the contingent consideration was required to be split into two parts for accounting purposes: a purchase price liability and another provision that increases proportionately for each tranche over the term of the contract. As of 1 November 2023, the corresponding purchase price liabilities amounted to EUR 4,166 thousand and other provisions to EUR 140 thousand. On account of the early acquisition of the remaining shares, there is no obligation to make further increases to other provisions.

Acquisition of the remaining shares in Zenhomes GmbH

Effective 14 February 2023, Immobilien Scout GmbH acquired the remaining 21.65% of shares in Zenhomes GmbH. The purchase price was also paid on 14 February 2023. A 100% shareholding is thus now held. The agreed purchase price was EUR 18,241 thousand.

In the course of first-time consolidation in May 2021, the contingent consideration was required to be split into two parts for accounting purposes: a purchase price liability and another provision that increases proportionately for each tranche over the term of the contract. As of 31 December 2022, the corresponding purchase price liabilities amounted to EUR 15,172 thousand and other provisions to EUR 1,717 thousand. On account of the early acquisition of the remaining shares, there is no obligation to make further increases to other provisions.

2.2. Entities acquired in previous periods

On 9 May 2022, Consumer First Services GmbH, Munich, acquired 50.1% of the equity in BaufiTeam GmbH (formerly: BaufiTeam GmbH & Co. KG), Sittensen, Germany. The purchase price to acquire 50.1% of shares amounted to EUR 1,530 thousand and was paid in cash upon the transaction's formal and legal closing. Furthermore, put and call options that can be exercised at different points in time were agreed to acquire the remaining 49.9% of the shares in equity of BaufiTeam GmbH from the minority shareholder. Given that Scout24 has an unconditional obligation to purchase the shares under the options, the application of the anticipated acquisition method as of 9 May 2022 results in notional full acquisition of all shares in the entity. The provisionally determined fair value of the obligation to acquire the additional 49.9% of the equity shares came to EUR 2,244 thousand as of the acquisition date and is part of the consideration. As of 31 December 2023, the fair value of the purchase price liability amounts to EUR 1,524 thousand and is reported under non-current and current financial liabilities (for details, see note **5.2. Disclosures on financial instruments**).

3. Notes to the consolidated statement of profit or loss

3.1. Revenue

The Scout24 Group focuses 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). In addition, via the Sprengnetter Group, Scout24 offers software solutions for real estate valuations to credit institutions and the real estate sector, as well as financing appraisals and training courses for real estate experts.

Breakdown of revenue

The table below shows revenue by category:

EUR '000	2023	2022
Professional	**327,117**	**291,183**
Subscription revenue	292,379	260,145
Pay-per-ad revenue	14,365	14,927
Other revenue	20,374	16,111
Private	**144,438**	**121,536**
Subscription revenue	72,102	60,072
Pay-per-ad revenue	50,442	42,654
Other revenue	21,894	18,810
Media & Other	**37,559**	**34,820**
Total, consolidated	**509,114**	**447,539**

Contract balances

The table below shows the balances reported in accordance with IFRS 15:

EUR '000	31 Dec. 2023	31 Dec. 2022
Trade receivables	39,874	30,604
Contract liabilities	17,639	12,248

Net loss allowances of EUR 4,183 thousand (previous year: EUR 1,412 thousand) were recognised in the past financial year in connection with trade receivables.

Contract liabilities primarily result from advance invoicing and developed as follows:

EUR '000	2023	2022
Balance as of 1 January	**12,248**	**10,209**
Recognised in the reporting period	165,758	130,843
Amortised through profit or loss in the reporting period	163,842	128,803
Changes in the consolidation scope	3,476	0
Balance as of 31 December	**17,639**	**12,248**

The contract liabilities existing as of 1 January of the financial year were recognised as revenue in the financial year.

There have been no significant changes in the balances recognised.

Apart from the effect of the change in the consolidation scope (for details, see **2.1. Entities acquired in the reporting period**), there were no significant changes in the balances reported.

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 2023.

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 22,762 thousand (previous year: EUR 28,702 thousand), an amount of EUR 10,108 thousand (previous year: EUR 12,015 thousand) is attributable to the Professional segment, EUR 7,784 thousand (previous year: EUR 9,381 thousand) to the Private segment and EUR 4,870 thousand (previous year: EUR 7,307 thousand) to the Media & Other segment. The total amount of research and development costs expensed in the financial year was EUR 16,820 thousand (previous year: EUR 24,327 thousand).

3.3. Other operating income

Other operating income comprises the following:

EUR ’000	2023	2022
Income from research grants	331	899
Income from derecognised receivables	205	167
Insurance indemnification	179	–
Income from the reversal of loss allowances on receivables	91	40
Income from the disposal of intangible assets and property, plant and equipment	2	13
Other	622	514
Total	**1,431**	**1,633**

3.4. Personnel expenses and number of employees

Personnel expenses break down as follows:

EUR ’000	2023	2022
Wages and salaries	-89,101	-84,999
Social security costs	-13,515	-12,464
Pension cost	-976	-2,115
Share-based payments	-10,530	-7,744
Total	**-114,123**	**-107,322**

The average number of employees during the financial year breaks down as follows:

Number of employees	2023	2022
Executive Leadership Team	4	3
Other employees	1,073	1,043
Total	**1,077**	**1,046**

3.5. Marketing expenses

Marketing expenses comprise the following:

EUR ’000	2023	2022
Advertising costs – online	-39,607	-41,714
Advertising costs – offline	-8,790	-8,978
Total	**-48,397**	**-50,692**

3.6. IT expenses

IT expenses comprise the following:

EUR ’000	2023	2022
Licences/software-as-a-service	-11,724	-9,616
IT services	-9,152	-11,927
Other IT costs	-463	-398
Total	**-21,340**	**-21,941**

3.7. Other operating expenses

Other operating expenses comprise the following:

EUR ’000	2023	2022
Purchased services	-32,540	-26,565
Third-party services	-13,360	-20,242
Legal and consulting costs	-4,657	-3,500
Loss allowance for and derecognition of receivables	-4,480	-1,619
Other rent incidentals	-2,755	-2,832
Other staff-related expenses	-2,479	-3,247
Communication	-1,416	-1,612
Travel expenses	-1,257	-912
Motor vehicle costs	-383	-262
Other	-7,390	-6,534
Total	**-70,716**	**-67,324**

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	2023	2022
Energieausweis48 GmbH, Cologne	-158	12
Upmin Group GmbH, Berlin	-735	-902
Total	**-892**	**-889**

3.9. Finance income

Finance income comprises the following:

EUR '000	2023	2022
Income from fair value adjustments of liabilities from business combinations	6,168	12,976
Income from revaluation of investments already held	2,589	0
Income from derivative financial instruments	2,401	1,218
Interest income from third parties	501	666
Price gains from financing	333	70
Interest income on leases	255	281
Gain on disposal of investments accounted for using the equity method	0	137
Price gains on investments	0	63
Dividend income from investments	0	21
Other finance income	25	0
Total	**12,272**	**15,432**

Income from fair value adjustments of liabilities from business combinations results from the adjustment of contingent purchase price liabilities through profit or loss (for details, see note **5.2. Disclosures on financial instruments**. Income from revaluation from investments already held results from the remeasurement and increase in the investment in Energieausweis48 GmbH, which has been fully consolidated in the Scout24 Group after the acquisition of 75% of the shares of the Sprengnetter Group. For details, see note **2.1. Entities acquired in the reporting period**. Income from derivative financial instruments is generated from gains from foreign exchange transactions. Interest income from third parties mainly relates to interest on time deposits. The interest income on leases is attributable to the subletting of rented office space at the Munich location (for details, see note **4.6. Assets and liabilities from leases**). The disposal of shares in Upmin Group GmbH led to a gain on disposal of investments accounted for using the equity method in the previous year.

3.10. Finance expenses

Finance expenses comprise the following:

EUR '000	2023	2022
Interest expenses to third parties	-4,233	-4,730
Expenses from derivative financial instruments	-2,579	-1,462
Expenses from fair value adjustments of liabilities from business combinations	-2,408	-2,184
Interest expense from leases	-761	-699
Price losses from financing	-671	-110
Price losses from investments	0	-18,834
Other finance expenses	-19	-495
Total	**-10,671**	**-28,515**

Interest expenses to third parties relate to the liabilities entered into under the promissory note loan and the two other credit facilities 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. Other financial liabilities**. Expenses from derivative financial instruments mainly relate to losses from foreign exchange transactions. Expenses from fair value adjustments of liabilities from business combinations result from the adjustment of contingent purchase price liabilities through profit or loss. For details, see note **2.1. Entities**

acquired in the reporting period, **2.2. Entities acquired in previous periods** and **5.2. Disclosures on financial instruments**. Price losses from investments in the previous year primarily stemmed from securities invested in the special fund that was liquidated as of 30 June 2022.

3.11. Income taxes

Scout24 SE is the controlling company of a consolidated tax group for income tax purposes with Immobilien Scout GmbH, FLOWFACT GmbH, Consumer First Services GmbH and Scout24 Beteiligungs SE as the subsidiaries. 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	2023	2022
Current tax charge on profits for the period	-78,584	-54,624
Current tax income from previous years	2,216	903
Total current tax expense	**-76,368**	**-53,721**
Deferred tax income from tax rate changes	693	172
Deferred tax income from timing differences	15,589	1,467
Deferred tax expense from unused tax losses (previous year: deferred tax income)	-4,265	1,291
Total deferred tax result	**12,017**	**2,930**
Total income taxes	**-64,351**	**-50,791**

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 2023 assessment period, with a solidarity surcharge of 5.5% thereof. The trade tax rate changed to 14.6% due to changes to trade tax breakdown amounts (previous year: 14.7%). This results in a Group tax rate of 30.5% for 2023 (previous year: 30.6%).

Losses totalling EUR34,526 thousand (previous year: EUR 23 thousand) incurred by two domestic subsidiaries were used. It reduced the current income tax expense by EUR 10,491 thousand (previous year: EUR 6 thousand).

The reasons for the difference between the expected and the reported tax expense within the Group are as follows:

EUR '000	2023	2022
Earnings before tax	**243,109**	**174,322**
Expected tax expense 2023: 30.5% (2022: 30.6%)	-74,180	-53,292
Tax effects from tax rate changes	693	172
Taxes relating to other periods	2,222	3,375
Tax-free income	346	378
Non-deductible expenses	-151	-137
Permanent differences	-444	1,096
Tax effects from unused tax losses	6,262	-2,247
Tax effects from add-backs and reductions for local taxes	-447	-302
Adjustments of the tax amount to differing national tax rates	198	92
Other	1,150	74
Effective tax expense	-64,351	-50,791
Effective tax rate	**26.5%**	**29.1%**

The tax income from the change in tax rates amounting to EUR 693 thousand mainly results from the remeasurement of deferred tax liabilities due to the aforementioned reduction in the domestic trade tax rate. In addition, the nominal corporate income tax rate in Austria will be reduced to 23% as of 1 January 2024 (reporting period: 24%).

Taxes relating to other periods mainly concern current tax income resulting from the application for a changed tax assessment for previous years. The effect from tax-free income is mainly due to the research grant obtained. The effect from non-deductible expenses is mainly attributable to the compensation of the Supervisory Board. The change in permanent differences is mainly due to changes in the carrying amounts in connection with purchase price liabilities and shares in affiliated entities. The tax effects from unused tax losses of EUR 6,262 thousand consider current tax income amounting to EUR 9,342 thousand from the utilisation of tax losses and by contrast deferred tax expenses resulting from the release of capitalised deferred tax assets amounting to EUR 3,080 thousand in the year 2023. 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. 2023	31 Dec. 2022
Income tax assets	8,655	43
Income tax liabilities	7,243	3,036

The increase in tax assets is attributable, above all, to the excess of advance tax payments over the current tax expense for the reporting period. The increase in tax liabilities is mainly attributable to reorganisation measures within the Group.

Deferred tax assets developed as follows:

EUR '000	31 Dec. 2023	31 Dec. 2022
Opening balance for the period	**4**	**4**
Changes in the consolidation scope	165	0
Recognised through profit or loss	65	0
Closing balance for the period	**234**	**4**

Deferred tax liabilities developed as follows:

EUR '000	31 Dec. 2023	31 Dec. 2022
Opening balance for the period	**278,178**	**280,527**
Changes in the consolidation scope	7,668	582
Recognised through profit or loss	-11,952	-2,930
Closing balance for the period	**273,894**	**278,178**

The deferred tax liabilities arise mainly from the purchase price allocations. Taking depreciation and amortisation into account, deferred tax liabilities of EUR 275,644 thousand were recognised in this context as of 31 December 2023 (previous year: EUR 270,243 thousand), of which EUR 264,279 thousand (previous year: EUR 263,476 thousand) was attributable to Immobilien Scout GmbH.

Deferred tax assets and liabilities on timing differences and unused tax losses are attributable to the following items:

EUR '000	31 Dec. 2023		31 Dec. 2022	
	Deferred tax assets	Deferred tax liabilities	Deferred tax assets	Deferred tax liabilities
Current assets	**1**	**611**	**–**	**266**
Trademarks	–	264,231	–	265,016
Other intangible assets and right-of-use assets from leases	11,178	40,163	256	36,461
Property, plant and equipment	–	6	–	10
Financial assets	53	2,005	–	2,788
Non-current assets	**11,231**	**306,405**	**256**	**304,275**
Other provisions	250	–	3,088	–
Other liabilities including lease liabilities	3,379	138	3,542	156
Current liabilities	**3,629**	**138**	**6,630**	**156**
Other provisions	4,184	–	435	–
Other liabilities including lease liabilities	14,710	354	14,963	6
Non-current liabilities	**18,894**	**354**	**15,398**	**6**
Unused tax losses/interest carried forward	**93**	**–**	**4,245**	**–**
Total	**33,848**	**307,508**	**26,529**	**304,703**
Offsetting	-33,614	-33,614	-26,525	-26,525
Recognised in the statement of financial position	**234**	**273,894**	**4**	**278,178**

The deferred tax assets from unused tax losses/interest carried forward relate to the domestic subsidiaries' unused tax losses for which sufficient taxable profit is expected to be available to allow these to be used. These unused tax losses are not subject to any time limit with regard to their use. A breakdown of the unused tax losses is presented in the following table:

EUR '000	31 Dec. 2023	31 Dec. 2022
Unused corporate income tax loss losses	**289**	**36,764**
of which recognised in the carrying amount of deferred tax assets	288	13,792
of which not recognised in the carrying amount of deferred tax assets	1	22,972
Unused trade tax losses	**333**	**36,763**
of which recognised in the carrying amount of deferred tax assets	332	13,833
of which not recognised in the carrying amount of deferred tax assets	1	22,930

The decrease in unused tax losses of domestic subsidiaries is due, first and foremost, to their utilisation of EUR 34,526 thousand in the reporting period.

By contrast, no deferred tax assets were recognised on foreign subsidiaries' unused tax losses of EUR 1,462 thousand (previous year: EUR 1,327 thousand), as sufficient taxable profit is not expected to be available to allow these to be used. These unused tax losses expire after seven years.

No deferred tax liabilities were recognised on temporary differences in connection with investments in subsidiaries and associated companies amounting to EUR 11,290 thousand (previous year: EUR 11,830 thousand). Although the parent company is able to control the timing of the reversal of the temporary differences, it is not probable that these temporary differences will reverse in the foreseeable future. The temporary differences arise from differences between the tax base of the parent company's investment and the parent company's proportionate share of the subsidiaries' equity in accordance with IFRS. Such income would be 95% tax-free if a dividend were paid or the investment were to be sold.

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:

		2023	2022
Earnings attributable to shareholders of the parent company	**EUR '000**	**178,778**	**123,531**
Weighted average number of shares for earnings per share	**Number**		
Basic		73,691,314	77,806,579
Diluted		73,692,164	77,806,579
Basic earnings per share	**EUR**	**2.43**	**1.59**
Earnings per share after tax		2.43	1.59
Diluted earnings per share	**EUR**	**2.43**	**1.59**
Earnings per share after tax		2.43	1.59

The average number of shares was determined taking into account the treasury shares purchased in the 2019 to 2023 financial years (see note **4.15. Equity**).

The dilutive effect is attributable to 18,260 Scout24 shares transferred to programme participants under the employee anniversary stock programme (see note **5.3. Share-based payments**) on 15 January 2024. The shares were included pro rata temporis as of their grant date (15 December 2023).

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 48,463 thousand (previous year: EUR 39,085 thousand).

4.2. Trade receivables

Trade receivables consist of the items presented below:

EUR '000	31 Dec. 2023	31 Dec. 2022
Receivables from third parties	39,857	30,604
Receivables from associates and joint ventures	17	–
Total	**39,874**	**30,604**

The table below presents information on the estimated credit risk and the expected credit losses over the term 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 the macroeconomic environment**.

As of 31 December 2023 EUR '000	Gross carrying amount	Loss allowance	Credit-impaired	Credit loss rate (weighted average)
Not past due	10,693	-60	No	0.63%
1 to 30 days past due	18,103	-140	No	0.91%
31 to 90 days past due	6,011	-312	No	6.09%
More than 90 days past due	7,924	-2,251	Yes	33.61%
Total	**42,731**	**-2,763**	–	–

As of 31 December 2022 EUR '000	Gross carrying amount	Loss allowance	Credit-impaired	Credit loss rate (weighted average)
Not past due	8,878	-38	No	0.45%
1 to 30 days past due	12,755	-47	No	0.43%
31 to 90 days past due	5,001	-147	No	3.49%
More than 90 days past due	5,192	-990	Yes	22.99%
Total	**31,826**	**-1,223**	–	–

The credit loss rates are applied to net trade receivables from third parties, i.e. excluding VAT and specific loss allowances. In addition, there were fully recognized specific loss allowances of EUR -112 thousand (previous year: EUR 0 thousand). In addition, the credit loss rates are not applied to receivables from barter transactions of EUR 50 thousand (previous year: EUR 58 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 as of 1 Jan. 2022	**-752**
Utilisation	113
Net remeasurement of loss allowances	-583
Currency translation differences	–
Balance as of 31 Dec. 2022/1 Jan. 2023	**-1,223**
Utilisation	551
Net remeasurement of loss allowances	-2,203
Currency translation differences	–
Balance as of 31 Dec. 2023	**-2,875**

Loss allowances for trade receivables are remeasured 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 ‘utilisation’ item comprises the derecognition of risk provisioning for bad debts. The continuing economic uncertainties (for details, see note **1.3. Effects of the macroeconomic environment**) and possible deterioration in the payment behaviour contribute to the fact that higher default rates than in the past lead to an increase in the risk provisioning for trade receivables.

4.3. Other financial assets

The financial assets break down as follows as of the respective reporting dates:

EUR ’000	31 Dec. 2023	31 Dec. 2022
Current other financial assets	**3,888**	**3,268**
Receivables from lease agreements	1,720	1,578
Research grant	1,056	1,109
Creditors with debit balances	498	273
Rent deposits	266	28
Loan transaction costs	257	257
Other receivables	90	22
Non-current other financial assets	**12,228**	**11,667**
Receivables from lease agreements	5,966	7,272
Other investments	2,850	–
Rent deposits	2,027	2,253
Loan transaction costs	604	862
Convertible loan	500	–
Loans to associates	–	1,000
Other	280	280
Other financial assets	**16,115**	**14,934**

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. Assets and liabilities from leases**.

The research grant relates to claims of Scout24 SE based on the German Research Grants Act (‘Forschungszulagengesetz’, FZulG). There are no unfulfilled conditions or material estimation uncertainties associated with the research grant recognised.

Other investments essentially consist of investments in two venture capital funds which were measured at fair value as of 31 December 2023. For details, see note **5.2.Disclosures on financial instruments**.

The loan to associates reported in the 2022 financial year relates to a convertible loan of EUR 1,000 thousand granted to Upmin Group GmbH and was converted in the 2023 financial year. For details, see note 5.2.Disclosures on financial instruments and note 5.4. Related party disclosures.

4.4. Other assets

Other assets break down as follows as of the respective reporting dates:

EUR '000	31 Dec. 2023	31 Dec. 2022
Current other assets	**10,180**	**10,439**
Prepaid expenses	8,170	9,500
Taxes other than income taxes	261	13
Advance payments made	201	69
Other	1,548	857
Other assets	**10,180**	**10,439**

In the financial year and the previous year, the prepaid expenses reported under current assets essentially relate to advance payments made by Scout24 SE on time-limited licence fees and services. The decrease in advance payments in the reporting period mainly relates to cloud services.

In the reporting period and in the previous year, taxes other than income taxes relate to value-added tax refund claims and prepayments.

As of 31 December 2023 as well as of 31 December 2022, all other assets are current.

4.5. Goodwill and intangible assets

EUR '000	Goodwill	Trademarks	Internally developed software	Concessions, right	Customer[1]	Intangible assets under development	Other intangible assets	Subtotal other intangible assets	Total
Cost									
Balance as of 1 Jan. 2022	**782,628**	**879,579**	**71,929**	**73,352**	**234,038**	**27,772**	**–**	**407,091**	**2,069,299**
Additions to the consolidation scope	2,322	–	–	–	1,795	–	**164**	1,960	4,282
Additions	–	–	–	–	–	28,702	–	28,702	28,702
Disposals	–	–	–	-68	–	-30	–	-98	-98
Reclassifications	–	–	23,912	–	–	-23,912	–	–	–
Balance as of 31 Dec. 2022/ 1 Jan. 2023	**784,950**	**879,579**	**95,841**	**73,284**	**235,834**	**32,532**	**164**	**437,655**	**2,102,185**
Additions to the consolidation scope	83,253	183	–	12,036	16,363	–	30	28,429	111,865
Additions	–	–	45	695	–	22,717	135	23,593	23,593
Reclassifications	–	–	23,294	–	–	-23,294	**–**	–	–
Balance as of 31 Dec. 2023	**868,203**	**879,762**	**119,181**	**86,016**	**252,197**	**31,954**	**329**	**489,677**	**2,237,642**
Accumulated amortisation and impairment									
Balance as of 1 Jan. 2022	**-282**	**-6,741**	**-51,435**	**-61,089**	**-226,946**	**–**	**–**	**-339,470**	**-346,493**
Additions (amortisation)	–	-1,219	-16,804	-2,943	-914	–	-20	-20,681	-21,900
Additions (impairment)	–	-4,940	-4,305	–	–	–	–	-4,305	-9,244
Disposals	–	–	–	68	–	–	–	68	68
Balance as of 31 Dec. 2022/ 1 Jan. 2023	**-282**	**-12,899**	**-72,543**	**-63,963**	**-227,861**	**–**	**-20**	**-364,387**	**-377,569**
Additions (amortisation)	–	-675	-18,209	-3,912	-2,037	–	-86	-24,243	-24,918
Balance as of 31 Dec. 2023	**-282**	**-13,574**	**-90,752**	**-67,875**	**-229,898**	**–**	**-105**	**-388,630**	**-402,487**
Carrying amounts									
Balance as of 31 Dec. 2022	**784,668**	**866,680**	**23,298**	**9,321**	**7,973**	**32,532**	**145**	**73,268**	**1,724,616**
Balance as of 31 Dec. 2023	**867,921**	**866,188**	**28,428**	**18,141**	**22,299**	**31,954**	**224**	**101,046**	**1,835,156**

[1] The customer base has a residual useful life of 4 to 17 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 in 2023 relate to the acquisition of the Sprengnetter Group, which is allocated to the Professional cash-generating unit. For details, see note **2.1. Entities acquired in the reporting period.**

Three trademarks of the Professional cash-generating unit and one trademark 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 2023, the trademarks with an indefinite useful life had a carrying amount of EUR 4,488 thousand (previous year: EUR 4,980 thousand).

The ImmoScout24 trademark has an indefinite useful life as it is expected to give rise to positive cash inflows over an indefinite period. Its carrying amount as of 31 December 2023 was EUR 861,700 thousand (previous year: EUR 861,700 thousand).

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).

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 groups of 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 Dec. 2023 EUR '000	Goodwill	Trademark with indefinite useful life
Professional cash-generating unit	596,407	634,809
Private cash-generating unit	234,337	166,648
Media & Other cash-generating unit	37,177	60,243
Total	**867,921**	**861,700**

As of 31 Dec. 2022 EUR '000	Goodwill	Trademark with indefinite useful life
Professional cash-generating unit	513,154	634,809
Private cash-generating unit	234,337	166,648
Media & Other cash-generating unit	37,177	60,243
Total	**784,668**	**861,700**

Goodwill and trademarks were tested for impairment as of 31 December 2023 using an after-tax capitalisation rate (WACC) of 10.92% (previous year: 10.72%) for the group of cash-generating units: Professional, Private and Media & Other. The discount rate is based on a base interest rate of 2.75% (previous year: 2.00%) and a market risk premium of 6.75% (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 2024 is subject to corporate planning approved by management and the Supervisory Board; the detailed planning for 2025 to 2028 is based on the multi-year plans presented to the Management Board.

Mid-single-digit to low double-digit revenue growth is planned for all three groups of cash-generating units in the detailed planning period. In the Professional group of cash-generating unit, growth is to be driven primarily by an expansion of memberships with our core agents. In the Private group of cash-generating unit, revenue growth is to be achieved primarily through the Consumer business, which continues to show strong growth. In the Media & Other group of cash-generating unit, revenue growth will be largely driven by the growth of business in Austria and the marketing of our CRM products.

The assumptions relating to EBITDA margins are based on the 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 measurement 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 Professional, Private and Media & Other group of cash-generating units as of 31 December 2023. A change in key assumptions regarded as possible also does not result in impairment losses for the Professional, Private and Media & Other groups of cash-generating units.

4.6. Assets and liabilities from leases

Lease agreements as lessee

As Scout24 is a digital company, 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 assets for buildings	Right-of-use assets for vehicles	Right-of-use assets for IT equipment	Right-of-use assets for office equipment	Total
Cost					
Balance as of 1 Jan. 2022	**61,103**	**1,686**	**179**	**311**	**63,279**
Additions to the consolidation scope	157	–	12	–	169
Additions	3,792	192	831	4	4,819
Disposals	-1,023	-322	–	–	-1,346
Balance as of 31 Dec. 2022/1 Jan. 2023	**64,029**	**1,556**	**1,021**	**315**	**66,921**
Additions to the consolidation scope	6,074	146	–	–	6,220
Additions	4,980	719	122	27	5,849
Disposals	-1,495	-211	-56	-4	-1,765
Balance as of 31 Dec. 2023	**73,589**	**2,210**	**1,088**	**338**	**77,225**
Accumulated depreciation and impairment					
Balance as of 1 Jan. 2022	**-11,650**	**-516**	**-70**	**-89**	**-12,326**
Additions (depreciation)	-7,034	-569	-145	-80	-7,828
Disposals	–	243	–	–	243
Balance as of 31 Dec. 2022/1 Jan. 2023	**-18,684**	**-843**	**-215**	**-169**	**-19,911**
Additions (depreciation)	-7,777	-714	-239	-81	-8,811
Disposals	152	158	56	4	369
Balance as of 31 Dec. 2023	**-26,309**	**-1,399**	**-398**	**-247**	**-28,353**
Carrying amounts					
Balance as of 31 Dec. 2022	**45,345**	**713**	**806**	**145**	**47,010**
Balance as of 31 Dec. 2023	**47,279**	**812**	**690**	**91**	**48,872**

The amounts in the consolidated statement of profit or loss that are attributable to leases are presented in the table below:

EUR '000	2023	2022
Depreciation, amortisation and impairment losses	-8,810	-7,828
Interest expense from leases	-761	-699
Expense relating to short-term leases	-135	-195
Expense relating to leases of low-value assets	-6	-34

The amounts in the consolidated statement of cash flows that are attributable to leases are presented in the table below:

EUR '000	2023	2022
Payments for short-term leases and for leases of low-value assets	-141	-230
Interest paid from leases	-761	-699
Repayment of lease liabilities	-10,519	-9,425
Total	**-11,421**	**-10,354**

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:

EUR ’000	31 Dec. 2023	31 Dec. 2022
Lease liabilities, current	10,724	9,693
Lease liabilities, non-current	48,491	48,945
Total	**59,215**	**58,639**

Lease liabilities break down as follows:

EUR ’000	31 Dec. 2023	31 Dec. 2022
Gross lease liabilities – minimum lease payments		
Up to 1 year	11,179	10,056
1–3 years	20,650	18,220
3–5 years	16,245	16,733
More than 5 years	13,385	15,371
Gross lease liabilities	**61,459**	**60,381**
Present value of the lease	**59,215**	**58,639**

The terms to maturity of the lease liabilities break down as follows:

EUR ’000	31 Dec. 2023	31 Dec. 2022
Up to 1 year	10,724	9,693
1–3 years	19,707	17,362
3–5 years	15,793	16,329
More than 5 years	12,991	15,255
Total	**59,215**	**58,639**

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:

Distribution by term to maturity	As of 31 Dec. 2023 EUR ’000 Future payments from not reasonably certain options to extend the lease	As of 31 Dec. 2022 EUR ’000 Future payments from not reasonably certain options to extend the lease
Up to 1 year	0	35
1–3 years	132	417
3–5 years	4,086	1,360
More than 5 years	90,196	85,980
Total	**94,415**	**87,791**

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 amounts attributable to the sublease are presented in the table below:

EUR ’000	2023	2022
Interest received from leases	255	281
Proceeds from lease receivables from subleases	1,654	1,481
Total	**1,908**	**1,761**

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. 2023	31 Dec. 2022
Up to 1 year	1,926	1,822
1–3 years	3,852	3,644
3–5 years	2,407	3,644
More than 5 years	0	455
Gross value of lease receivables	**8,185**	**9,565**
Unrealised finance income	498	715
Present value of lease receivables	**7,686**	**8,850**
Lease receivables, current	1,720	1,578
Lease receivables, non-current	5,966	7,272
Total	**7,686**	**8,850**

The Scout24 Group has additional leases with Group entities acting as lessor, but these are considered immaterial 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 as of 1 Jan. 2022	**7,992**	**30,820**	**38,812**
Additions to the consolidation scope	–	23	23
Additions	14	887	901
Disposals	–	-118	-118
Balance as of 31 Dec. 2022/1 Jan. 2023	**8,006**	**31,612**	**39,617**
Additions to the consolidation scope	2	456	458
Additions	57	679	736
Disposals	–	-75	-75
Grants	-689	-718	-1,407
Balance as of 31 Dec. 2023	**7,376**	**31,954**	**39,330**
Accumulated depreciation and impairment			
Balance as of 1 Jan. 2022	**-1,283**	**-21,904**	**-23,187**
Additions (depreciation)	-767	-2,561	-3,329
Disposals	–	110	110
Balance as of 31 Dec. 2022/1 Jan. 2023	**-2,050**	**-24,355**	**-26,406**
Disposals from the consolidation scope	-735	-1,868	-2,603
Balance as of 31 Dec. 2023	**-2,785**	**-26,223**	**-29,008**
Carrying amounts			
Balance as of 31 Dec. 2022	**5,955**	**7,257**	**13,212**
Balance as of 31 Dec. 2023	**4,591**	**5,731**	**10,322**

In connection with the investments to set up a new permanent establishment at the location Invalidenstrasse 65 in 10557 Berlin, Germany, in 2019, Scout24 SE applied to Investitionsbank Berlin, as granting authority on behalf of the federal state of Berlin, for 'public financial assistance to the commercial industry within the framework of the joint task for the "improvement of the regional economic structure" (GRW funds)'. The application was approved in 2023 and funds amounting to EUR 1,407 thousand were paid out. There are no unfulfilled conditions or material estimation uncertainties in this connection.

There are customary retentions of title relating to purchase transactions.

4.8. Investments accounted for using the equity method

The associate included in the consolidated financial statements is accounted for using the equity method at the Group's share in equity.

The entity, previously accounted for using the equity method, Energieausweis48 GmbH is fully consolidated as of 1 July 2023 following the acquisition of the Sprengnetter Group. In the previous year, the entity reported equity of EUR 628 thousand and earnings after tax of EUR 24 thousand. Based on a 50% shareholding as of 31 December 2022, the carrying amount was EUR 348 thousand and Scout24's share in total comprehensive income came to EUR 12 thousand. In the business combination achieved in stages of Energieausweis48 GmbH, Scout24 remeasured the investment previously recognised in the acquired company at fair value as at 1 July 2023. The resulting income of EUR 2,589 thousand was recognised accordingly in profit or loss.

The condensed financial information for the associated company, which is not material, is provided in the table below:

UPMIN GROUP GMBH

EUR '000	31 Dec. 2023	31 Dec. 2022
Equity	4,536	272
EBITDA	-2,594	-3,449
Equity interest	28%	26%
Carrying amount	**1,542**	**325**

EUR '000	2023	2022
Group's share of profit for the year	-735	-902
Group's share of other comprehensive income	–	–
Group's share of total comprehensive income	**-735**	**-902**
Dividends received (proportionately)	**–**	**–**

The cumulative share in losses from the immaterial associated company accounted for using the equity method amounted to EUR -1,861 thousand (previous year: EUR -1,126 thousand).

The entity accounted for using the equity method had a headcount of 20 as of 31 December 2023 (previous year: 36, of whom 26 were attributable to Upmin Group GmbH and 10 to Energieausweis48 GmbH).

There are no contingent liabilities with respect to the indirect shares held by Scout24 in associates.

4.9. Trade payables

The trade payables of EUR 13,851 thousand (previous year: EUR 18,399 thousand) include trade payables to third parties of EUR 13,851 thousand (previous year: EUR 18,399 thousand) and trade payables due to associates of EUR 0 thousand (previous year: EUR 1 thousand).

4.10. Other financial liabilities

As of the reporting date, financial liabilities comprise the following:

EUR '000	31 Dec. 2023	31 Dec. 2022
Current other financial liabilities	**130,134**	**108,659**
Liabilities from loans	116,145	65,500
Liabilities from share buy-back programmes	10,521	–
Promissory note loan	2,000	35,493
Fair value of shares in put options	679	6,939
Derivative financial instruments	411	–
Debtors with credit balances	378	701
Liabilities to affiliated entities	–	25
Non-current other financial liabilities	**24,336**	**17,365**
Fair value of shares in put options	24,275	15,232
Derivative financial instruments	62	–
Other financial liabilities	–	135
Promissory note loan	–	1,999
Other financial liabilities	**154,471**	**126,024**

Scout24 entered into a facility agreement on 10 May 2022 for up to EUR 400,000 thousand as a revolving loan facility. The facility serves to finance the general business objective in the short term, including possible share buy-back transactions. The (partly drawn) loan is subject to interest at the EURIBOR plus a margin of currently 0.3875%, with a floor of 0% set for the EURIBOR. The facility expires on 10 May 2027. An amount of EUR 90,000 thousand had been drawn down from the loan as of 31 December 2023.

In addition, on 18 May 2022, Scout24 entered into a loan facility agreement for money market transactions with a limit of EUR 75,000 thousand. The loan facility agreement is used to finance general business objectives. The limit has been granted until further notice. Interest is agreed as amounts are drawn. As of 31 December 2023, the loan facility amounted to EUR 6,000 thousand.

Both the amount drawn down from the facility and the amount drawn down from the loan facility agreement are shown together with interest and commitment fees not yet paid in the line item 'Liabilities from loans'. A further amount of EUR 20,000 thousand from loans drawn down is recognised under other current liabilities.

The Company also recognised a current financial liability as of 31 December 2023 in the amount of the maximum remaining obligation from the current share buy-back programme as of the reporting date (EUR 10,521 thousand).

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 mid-swap 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 is 1.60%. 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 percentage points 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 of EUR 57,500 thousand were repaid in 2021, of EUR 57,000 thousand in 2022 and of EUR 35,500 thousand in 2023. As of 31 December 2023, the promissory note loan amounted to a nominal EUR 2,000 thousand (previous year: EUR 37,500 thousand).

The fair values of the shares in put options relate to the acquisition of the Sprengnetter Group and BaufiTeam GmbH. For details, see note **2.1. Entities acquired in the reporting period**, note **2.2. Entities acquired in previous periods** and note **5.2 Disclosures on financial instruments**.

4.11. Other provisions

EUR '000	Reorganisation provisions	Provisions for share-based payments	Other provisions	Total
Balance as of 31 Dec. 2022	**1,273**	**12,629**	**3,522**	**17,423**
of which current	1,273	5,412	1,906	8,591
Changes in the consolidation scope	256	–	1,179	1,436
Increase	823	8,809	1,546	11,178
Utilisation	-1,066	-6,509	-2,033	-9,609
Reversal	-10	-286	-773	-1,070
Balance as of 31 Dec. 2023	**1,276**	**14,642**	**3,440**	**19,359**
of which current	1,276	–	1,838	3,115

The reorganisation provisions in the reporting period and the previous year relate to reorganisation measures. The respective employees received offers for the dissolution of their employment relationship, most of which will come to bear in the subsequent year.

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 for 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, LTIP 2021 and LTIP 2023). The utilisation of provisions for share-based payments relates to the long-term incentive programme 2018 and mainly pertains to the programme's disbursement. For details, see note **5.3. Share-based payments**.

The increase in other provisions mainly relates to the acquisition of the Sprengnetter Group. The utilisation of other provisions also relates to the portion of the contingent purchase price to be recognised as personnel expenses. This was paid out in the course of the acquisition of further shares in Zenhomes GmbH and Propstack GmbH. For details, see note **2.1. Entities acquired in the reporting period** and note **2.2. Entities acquired in previous periods**.

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 16,084 thousand (previous year: EUR 8,013 thousand) is expected within the next two to five years and of EUR 160 thousand (previous year: EUR 820 thousand) for the period of more than five years. The effect of changes in the discount rate was EUR 217 thousand in the 2023 financial year.

4.12.Contract liabilities

Contract liabilities of EUR 15,405 thousand (previous year: EUR 12,248 thousand) reflect the Group's obligation to render services to its customers for which it has already 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. 2023	31 Dec. 2022
Current other liabilities	**25,435**	**17,128**
Taxes other than income taxes	12,883	5,273
Liabilities to employees	11,941	11,413
Other	611	442
Non-current other liabilities	**775**	**1,078**
Liabilities to employees	516	456
Other deferred income	246	597
Other	14	26
Other liabilities	**26,210**	**18,207**

The liabilities to employees essentially comprise liabilities arising from bonus agreements.

4.14.Pensions and similar obligations

The Group currently has post-employment benefit obligations only in the form of defined contribution plans. 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 amounted to EUR 7,954 thousand (previous year: EUR 6,674 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 75,000 thousand as of 31 December 2023 (previous year: EUR 80,200 thousand) and is divided into 75,000 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.

In March 2023, 5,200,000 shares in Scout24 SE were cancelled, reducing the Company's share capital accordingly. This corresponds to approximately 6.5% of the share capital before the cancellation of these shares and the corresponding capital reduction. The cancelled shares had been purchased on the basis of the authorisations to acquire and use treasury shares and to exclude subscription rights adopted by the Company's Annual General Meeting on 18 June 2020, 8 July 2021 and 30 June 2022, respectively. 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 ('Bundesanzeiger') on 6 May 2020, 26 May 2021 and 18 May 2022, under item 8, item 9 and item 7 (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, 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 73,608,740 shares are outstanding as of the reporting date (previous year: 73,552,186).

Shares outstanding	Number of shares
Balance as of 1 Jan. 2022	**82,394,707**
Purchase of treasury shares	-8,860,858
Issue of treasury shares	18,337
Balance as of 31 Dec. 2022	**73,552,186**
Purchase of treasury shares	-838,361
Issue of treasury shares	894,915
Balance as of 31 Dec. 2023	**73,608,740**

Authorised capital

On 18 June 2020, the Annual General Meeting created a new Authorised Capital 2020 in return for cash and/or non-cash contributions with the option to exclude subscription rights, which replaced Authorised Capital 2015 under the Articles of Association, which would have expired on 3 September 2020 and was 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 Annual General Meeting on 22 June 2023 adopted a resolution to increase the Company's share capital conditionally. The conditional capital amounts to EUR 7,500 thousand and is divided into 7,500,000 no-par-value shares (Conditional Capital 2023).

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) to be issued on the basis of the authorisation by the Annual General Meeting of 22 June 2023 when they exercise the warrants or conversion rights or fulfil their warrants or conversion duties.

The conditional capital 2023 has not yet been utilised.

The authorisation adopted by the Annual General Meeting on 21 June 2018 for the Company to issue bonds with warrants, convertible bonds, profit participation rights and/or participating bonds (or any combination of such instruments) expired on 20 June 2023. Conditional Capital 2018 authorised in this connection hence no longer applies. The Management Board made no use of this authorisation.

Treasury shares

The Company's Management Board was authorised – most recently by the Annual General Meeting of 30 June 2022 and of 22 June 2023 – to purchase treasury shares pursuant to Article 71 (1) No. 8 of the German Stock Corporation Act ('Aktiengesetz', 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 authorisation obtained on 30 June 2022, the Management Board and the Supervisory Board decided on 22 March 2023 to implement a further share buy-back programme with a purchase price volume totalling up to EUR 100 million in one or more separate tranches. The buy-back transactions for a tranche of up to EUR 60 million via the stock exchange started on 31 March 2023 and ended on 26 January 2024. In the period up to and including 31 December 2023, the Company purchased a total of 838,361 treasury shares in the course of the share buy-back programme. The transaction costs incurred amounted to EUR 36 thousand and were deducted from equity.

Together with other shares that the Company has already purchased and still holds, the shares purchased as part of the share buy-back programme do not account for more than 10% of the share capital at any time.

The treasury shares withdrawn in the course of the cancellation and capital reduction (for further details, see the **Subscribed share capital** section) were valued at a weighted average price of approximately EUR 53.73 per share withdrawn upon their cancellation.

Treasury shares developed as follows:

Treasury shares	Number of shares	Tranche EUR '000	Transaction costs[1] EUR '000	Total EUR '000
Balance as of 1 Jan. 2022	**1,205,293**	**72,129**	**18**	**72,147**
Purchase of treasury shares	**8,860,858**	**483,088**	**152**	**483,239**
Issue of treasury shares	**-18,337**	**-1,000**	**–**	**-1,000**
Cancellation of treasury shares	**-3,400,000**	**-197,768**	**–**	**-197,768**
Balance as of 31 Dec. 2023	**6,647,814**	**356,449**	**169**	**356,618**
Purchase of treasury shares	838,361	49,443	36	49,479
Issue of treasury shares	-894,915	-47,956	–	-47,956
Cancellation of treasury shares	-5,200,000	-279,410	–	-279,410
Balance as of 31 Dec. 2023	**1,391,260**	**78,526**	**205**	**78,731**

[1] Taking into account the tax effect.

The Company recognised a current financial liability as of 31 December 2023 in the amount of the maximum remaining obligation from the current share buy-back programme as of the reporting date (EUR 10,521 thousand). This obligation ceased on 26 January 2024 as the respective tranche ended.

Capital reserve

As of 31 December 2023, the capital reserve amounted to EUR 207,859 thousand (previous year: EUR 198,533 thousand) and stems primarily from capital increases in the 2014 financial year and the 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 have reduced 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 imputed value of the treasury shares cancelled in accordance with Article 237 (5) AktG as part of the capital reduction (repurchase offer; EUR 11,401 thousand). In addition, an allocation was made to the capital reserve in the amount of the imputed value of the redemption of treasury shares pursuant to Article 71 (1) No. 8 Sentence 6 AktG (EUR 5,200 thousand, EUR 3,400 thousand and EUR 10,699 thousand as of 31 December 2023, 2022 and 2021, respectively).

As part of the acquisition of 75% of the shares in Sprengnetter GmbH, part of the purchase price was paid in shares of Scout24 SE. The difference between the value of the shares at the time of issue and the historical acquisition costs was transferred to the capital reserve (EUR 4,126 thousand).

Of the capital reserve, an amount of EUR 202,924 thousand (as of 31 December 2022: EUR 197,724 thousand) is frozen for any distribution.

Retained earnings

The retained earnings as of the reporting date contains undistributed profits from previous financial years as well as the profit for the reporting period (31 December 2023: EUR 1,242,152 thousand; previous year: EUR 1,425,431 thousand).

Other reserves

Other reserves contain currency translation differences (31 December 2023: EUR 1,114 thousand; 31 December 2022: EUR 1,101 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).

Dividend

Based on a corresponding resolution of the Annual General Meeting, in the 2023 financial year, the Company paid a dividend of EUR 73,361 thousand (previous year: EUR 66,391 thousand) to its dividend-entitled shareholders, equivalent to EUR 1.00 (previous year: EUR 0.85) 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 75,000,000 divided into 75,000,000 no-par-value shares, less the no-par-value shares held by the Company that are not entitled to dividends (31 December 2023: 1,391,260).

In addition, in the 2023 financial year, a profit distribution of EUR 61 thousand from the net profit for the year 2022 was made to the non-controlling interests in a subsidiary in accordance with the respective investment agreement.

Non-controlling interests

The table below presents condensed financial information for the non-controlling interests (before consolidation adjustments). The non-controlling interests relate to the subsidiary Reopla S.r.l., Italy (non-controlling interests: 25%); for further information, see the **2.1. Entities acquired in the reporting period** section. Cash and cash equivalents amounted to EUR 270 thousand as of 31 December 2023. Earnings after taxes of EUR 20 thousand are attributable to non-controlling interests. The accumulated non-controlling interests amount to EUR 318 thousand.

EUR '000	31 Dec. 2023
Current assets	342
Non-current assets	125
Current liabilities	435
Non-current liabilities	32

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 is used 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. 2022	Cash		Non-cash			31 Dec. 2023
		Repayments	Interest paid	Fair value changes	Other changes	Additions to the consolidation scope	
Liabilities from promissory loans	37,492	-35,500	-512	–	520	–	2,000
Derivative financial instruments	–	–	–	473	–	–	473
Lease liabilities	58,639	-10,519	–	–	4,875	6,220	59,215
Other liabilities to banks	65,500	51,000	-3,281	–	13,446	–	126,666
Total	**161,630**	**4,981**	**-3,793**	**473**	**18,842**	**6,220**	**188,353**

Furthermore, financial liabilities from operating and investing activities amounting to EUR 25,332 thousand were recognised as of 31 December 2023 (previous year: EUR 23,007 thousand). A significant component of these are the purchase price liabilities resulting from the acquisition of the Sprengnetter Group.

EUR '000	31 Dec. 2021	Cash		Non-cash			31 Dec. 2022
		Repayments	Interest paid	Fair value changes	Other changes	Additions to the consolidation scope	
Liabilities from promissory loans	194,563	-157,000	-1,521	–	1,449	–	37,492
Derivative financial instruments	594	–	–	-594	–	–	–
Lease liabilities	63,236	-9,425	–	–	4,660	169	58,639
Other liabilities to banks	1,279	65,000	-2,153	–	1,374	–	65,500
Total	**259,672**	**-101,425**	**-3,674**	**-594**	**7,483**	**169**	**161,630**

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. 2023	Amortised cost	Fair value through other comprehensive income	Fair value through profit or loss	Fair value as of 31 Dec. 2023	Level of the fair value hierarchy
Assets							
Cash and cash equivalents	FAAC	48,463	48,463	–	–	N/A	
Trade receivables	FAAC	39,874	39,874	–	–	N/A	
Current financial assets		**3,888**	**3,888**	**–**	**–**		
Receivables from lease agreements	N/A	1,720	1,720	–	–	N/A	
Other current financial assets	FAAC	2,168	2,168	–	–	2,168	3
Non-current financial assets		**12,228**	**8,873**	**–**	**3,355**		
Investments	FAFVTPL	2,850	–	–	2,850	2,850	3
Receivables from lease agreements	n/a	5,966	5,966	–	–	N/A	
Derivative financial instruments	FAFVTPL	5	-	–	5	5	2
Convertible loan	FAFVTPL	500	–	–	500	500	3
Other non-current financial assets	FAAC	2,906	2,906	–	–	2,433	3
Equity and liabilities							
Trade payables	FLAC	13,851	13,851	–	–	N/A	
Current financial liabilities		**140,858**	**139,768**	**–**	**1,090**		
Liabilities from bank loans	FLAC	116,145	116,145	–	–	116,145	2
Liabilities from share buy-back programmes	FLAC	10,521	10,521	–	–	10,521	2
Lease liabilities	N/A	10,724	10,724	–	–	N/A	
Derivative financial instruments	FLFVTPL	411	–	–	411	411	2
Fair value of shares in put options	FLFVTPL	679	–	–	679	679	3
Other current financial liabilities	FLAC	2,378	2,378	–	–	2,367	2
Non-current financial liabilities		**72,827**	**48,491**		**24,336**		
Derivative financial instruments	FLFVTPL	62	–	–	62	62	2
Lease liabilities	N/A	48,491	48,491	–	–	N/A	
Fair value of shares in put options	FLFVTPL	24,275	–	–	24,275	24,275	3

EUR '000	Measurement category pursuant to IFRS 9	Carrying amount as of 31 Dec. 2023
Of which aggregated by IFRS 9 category		
Financial assets measured at amortised cost	FAAC	93,411
Financial liabilities measured at amortised cost	FLAC	142,895
Financial assets measured at fair value through profit or loss	FAFVTPL	3,355
Financial liabilities measured at fair value through profit or loss	FLFVTPL	25,427

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.

In addition, current other financial assets as of 31 December 2023 include receivables from lease agreements, short-term rent deposits and creditors with debit balances. The item also contains deferred current transaction costs attributable to the revolving credit line of EUR 257 thousand (previous year: EUR 257 thousand).

The line item 'non-current other financial assets' mainly comprises the deferred transaction costs of EUR 604 thousand (previous year: EUR 862 thousand) attributable to the revolving credit facility as well as long-term rent deposits of EUR 2,027 thousand (previous year: EUR 2,253 thousand) and non-current receivables from lease agreements of EUR 5,966 thousand (previous year: EUR 7,272 thousand). As many inputs are not directly or indirectly observable, the instruments are assigned to level 3. 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 an assumed credit risk premium derived from corporate bonds with an approximated rating.

The convertible loan of EUR 1,000 thousand issued to Upmin Group GmbH in the 2022 financial year was converted in 2023. In the financial year, a new convertible loan of EUR 500 thousand was issued to ShareYourSpace GmbH (previous year: EUR 0 thousand). This loan is generally measured at fair value through profit or loss in accordance with IFRS 9 and assigned to level 3 of the fair value hierarchy. Accordingly, the amount is determined using valuation techniques based on unobservable data. On materiality grounds, it was not revalued as of the reporting date.

As of 31 December 2022, current financial liabilities included liabilities of EUR 35,500 thousand from the promissory note loans issued in March 2018, which were repaid in full in the 2023 financial year. As of 31 December 2023, current financial liabilities relating to the remaining tranche of the promissory note loan have a nominal amount of EUR 2,000 thousand.

Furthermore, current other financial liabilities include a liability from business combinations amounting to EUR 679 thousand in connection with the acquisition of BaufiTeam GmbH (for details, see note **2.2. Entities acquired in previous periods**). These liabilities are allocated to fair value level 3. A description of the matter is presented in the **Liabilities from business combinations** section.

Non-current other financial liabilities include liabilities from business combinations amounting to EUR 24,275 thousand, which were incurred in connection with the acquisition of the Sprengnetter Group (for details, see note **2.1. Entities acquired in the reporting period**) and BaufiTeam GmbH (for details, see note **2.2. Entities acquired in previous periods**). These liabilities are allocated to fair value level 3. A description of the business combinations is presented in the **Liabilities from business combinations** section.

The table below presents the reconciliation as of 31 December 2022 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	IFRS 9 measurement category	Carrying amount as of 31 Dec. 2022	Amortised cost	Fair value through other comprehensive income	Fair value through profit or loss	Fair value as of 31 Dec. 2022	Level of the fair value hierarchy
Assets							
Cash and cash equivalents	FAAC	39,085	39,085	-	-	N/A	
Trade receivables	FAAC	30,604	30,604	-	-	N/A	
Other current financial assets		**3,268**	**3,246**	**-**	**22**		
Receivables from lease agreements	N/A	1,578	1,578	-	-	N/A	
Derivative financial instruments	FAFVTPL	22	–	-	22	22	2
Other current financial assets	FAAC	1,667	1,667	-	-	1,667	3
Other non-current financial assets		**11,666**	**10,661**	**-**	**1,005**		
Receivables from lease agreements	n/a	7,272	7,272	-	-	N/A	
Securities at FVTPL	FAFVTPL	5	-	-	5	5	2
Convertible loan to entities accounted for using the equity method	FAFVTPL	1,000	–	–	1,000	1,000	3
Other non-current financial assets	FAAC	3,389	3,389	-	-	2,881	3
Equity and liabilities							
Trade payables	FLAC	18,399	18,399	-	-	N/A	
Current financial liabilities		**118,352**	**111,413**	**-**	**6,939**		
Lease liabilities	N/A	9,693	9,693	-	-	N/A	
Fair value of shares in put options	FLFVTPL	6,939	-		6,939	6,939	3
Other current financial liabilities	FLAC	101,720	101,720	-	-	101,651	2
Non-current financial liabilities		**66,311**	**51,079**	**-**	**15,232**		
Lease liabilities	N/A	48,945	48,945	-	-	N/A	
Fair value of shares in put options	FLFVTPL	15,232	-	-	15,232	15,232	3
Other non-current financial liabilities	FLAC	2,134	2,134	-	-	1,907	2

EUR '000	Measurement category pursuant to IFRS 9	Carrying amount as of 31 Dec. 2022
Of which aggregated by IFRS 9 category		
Financial assets measured at amortised cost	FAAC	74,745
Financial liabilities measured at amortised cost	FLAC	122,253
Financial assets measured at fair value through profit or loss	FAFVTPL	1,028
Financial liabilities measured at fair value through profit or loss	FLFVTPL	22,171

Liabilities from business combinations

In the previous year, non-current liabilities from business combinations included a purchase price liability in connection with the acquisition of the remaining 20% share in the equity of Propstack GmbH (for details, see note **2.2. Entities acquired in previous periods**). The shares were acquired in full in November 2023.

In February 2023, the remaining shares in Zenhomes GmbH were purchased for EUR 18,241 thousand. The liabilities reported as of 31 December 2022 were settled in full.

As of 31 December 2023, non-current liabilities from business combinations include a purchase price liability amounting to EUR 23,430 thousand in connection with the acquisition of the Sprengnetter Group in July 2023. There were no current liabilities from business combinations as of 31 December 2023 related to the acquisition of the Sprengnetter Group.

As of 31 December 2023, the Group also has non-current liabilities from business combinations of EUR 844 thousand relating to the put and call options exercisable at different points in time on the remaining 49.9% of the equity shares in BaufiTeam GmbH. A further amount of EUR 679 thousand is reported under current financial liabilities from business combinations. The fair value adjustment of EUR 172 thousand was recognised through profit or loss in the period.

The table below shows an overview of changes in level 3 instruments for the respective reporting period:

EUR ’000	2023	2022
Balance at the beginning of the period	**22,171**	**32,985**
New current purchase price liabilities	–	841
New non-current purchase price liabilities	27,191	1,402
Settled contingent consideration liabilities	-19,478	-2,860
Total for the period, reported under finance income/finance expenses	-4,930	-10,198
Balance at the end of the period	**24,954**	**22,171**
Changes in unrealised gains for the period included in "gains/losses from liabilities held at the end of the period"	**-4,930**	**-10,198**

The following sensitivities of the unobservable input parameters were analysed for the non-current liabilities from business combinations measured at fair value level 3.

Calculation of the fair value of the purchase price liability resulting from the call and put options in connection with the acquisition of the Sprengnetter Group is based on a Monte Carlo simulation to determine the expected future payments. The following parameters were simulated: Scout24 Group revenue, Sprengnetter Group EBITDA and Scout24 Group EBITDA.

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 as of 31 December 2023 would have resulted. These hypothetical deviations are presented in the table below:

EUR ’000	Impact on financial result Increase	Impact on financial result Decrease
Sprengnetter Group EBITDA – 10% change	-232	331
Scout24 Group revenue – 10% change	-172	155
Scout24 Group EBITDA – 10% change	-170	148
Sprengnetter Group discount factor – 10% change	100	–
Scout24 Group discounting factor – 10% change	109	-114

The variance mainly results from the volatility of the input factors in the Monte Carlo simulation.

The fair value of the purchase price liability in connection with the acquisition of BaufiTeam GmbH is determined based on discounted future cash flows depending on the net revenue and EBIT for the years 2023 to 2025.

If the input factor underlying the calculations had been based on other values, a different fair value as of 31 December 2023 would have resulted. These hypothetical deviations are presented in the table below:

EUR ’000	Impact on financial result Increase	Impact on financial result Decrease
Net revenue – 10% change	-144	144
EBIT – 10% change	-14	17
Discounting factor – 10% change	33	-17

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	2023	2022
Financial assets measured at amortised cost	FAAC	-3,245	-746
Financial liabilities measured at amortised cost	FLAC	-4,905	-4,777
Financial assets measured at fair value through profit or loss	FAFVTPL	10	-20,276
Financial liabilities measured at fair value through profit or loss	FLFVTPL	6,162	12,010
Recognised in profit or loss	**Total**	**-1,978**	**-13,789**

The net gains and losses in the FAAC measurement category primarily include loss allowances for receivables, gains/losses on the derecognition of receivables as well as income from the reversal of specific loss allowances and derecognised receivables. The net gains and losses in the FLAC measurement category include primarily the current interest expenses on loan liabilities as well as the recognition through profit or loss of the accrued loan transaction costs. Expenses and income from financial derivatives are included in the net gains and losses of the FAFVTPL/FLFVTPL category.

The interest expenses from applying the effective interest method for financial liabilities measured at amortised cost amounted to EUR 3,936 thousand (previous year: EUR 2,518 thousand).

Financial risk management and capital management

The Scout24 Group is exposed to 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 arose especially in connection with 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
- Probability that the borrower will enter bankruptcy or other financial reorganisation
- 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 customers' 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. In addition, assumptions about future developments of the macroeconomic environment are taken into account in the valuation. For explanations of the effects of the current macroeconomic environment, see note **1.3. Effects on macroeconomic environment** and **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 of minor significance 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 revolving loan facility agreement, the loan facility agreement for money market transactions 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 Dec. 2023	Up to 1 year	1–3 years	3–5 years	More than 5 years	Total
Non-derivative financial instruments	**143,574**	**24,275**	**–**	**–**	**167,849**
Trade payables	13,851	–	–	–	13,851
Other financial liabilities	129,723	24,275	–	–	153,998
Lease liabilities	**10,724**	**19,707**	**15,793**	**12,991**	**59,215**
Derivative financial instruments	**411**	**62**	**–**	**–**	**473**

EUR '000 As of 31 Dec. 2022	Up to 1 year	1–3 years	3–5 years	More than 5 years	Total
Non-derivative financial instruments	**127,040**	**17,410**	**–**	**–**	**144,450**
Trade payables	18,399	–	–	–	18,399
Other financial liabilities	108,641	17,410	–	–	126,051
Lease liabilities	**9,693**	**17,362**	**16,329**	**15,255**	**58,639**
Derivative financial instruments	**–**	**–**	**–**	**–**	**–**

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 they 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 2023.

In order to avoid short-term liquidity risks within the Group, a Group-wide cash pool is in place between Scout24 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.

Based on the simulations carried out, the Group determined the effects on profit or loss of defined interest rate changes. The scenarios are applied for those liabilities which represent the significant portion of liabilities subject to interest. 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. 2023		31 Dec. 2022	
	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	44	-87	325	-650
Derivative financial instruments	0	0	0	0

All floating-rate financial instruments are pegged to the EURIBOR. As it can be assumed that the EURIBOR will remain a reference interest rate, there are no further risks at present from the IBOR reform.

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. Scout24's medium-term objective is to pursue a leverage target (ratio of net debt in relation to ordinary operating EBITDA for the last twelve months) of approximately zero and to return surplus liquidity to shareholders via dividend measures 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. 2023	31 Dec. 2022
Financial liabilities including lease liabilities	-213,686	-184,663
Cash and cash equivalents	48,463	39,085
Net financial liabilities	**-165,222**	**-145,578**

The ratio of net debt in relation to ordinary operating EBITDA for the last twelve months is 0.54:1 (previous year: 0.58:1).

5.3. Share-based payments

Long-term incentive programme 2018

In July 2018, Scout24 introduced the long-term incentive programme 2018 (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 with sustainable corporate development 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. The last tranche of the programme was paid out in the 2023 financial year, meaning the programme has ended.

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 and a target related to a relative capital market condition (total shareholder return compared with a defined peer group), with each of the three targets accounting for one-third of the total. 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 payout amount is calculated by multiplying the total number of vested share units by the market value per vested share unit and the sum of the dividends in euros distributed by the Company during the waiting 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

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 specified 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. Share price performance is measured relative to the MDAX; for the pre-closing period, performance was still measured against the performance of a peer group.

Furthermore, in connection with the payout, a modification was made to the programme such that, for those participants in the programme who are in the 'selected employee' category, certain effects of the Covid-19 pandemic were taken into account in determining the payout amount for the 2022 tranche in accordance with the plan terms.

In accordance with the contractual provisions, the final tranche of the programme – the virtual shares vested up to 30 June 2023 – was paid out in the third quarter of 2023; the payout amount was EUR 5,936 thousand. The share price at the grant date used for the virtual shares is EUR 44.58 and EUR 45.33, respectively. The share price taken into account for the payout was EUR 63.34. The target achievement for the pre-closing PSU tranche was 89.7% and 128.3%, respectively. The target achievement for the post-closing PSU tranche was 44.9%.

Total personnel expenses of EUR 1,313 thousand (previous year: EUR 149 thousand) were recognised for LTIP 2018. The programme was terminated with the payment of the last tranche of EUR 5,936 thousand in the financial year, meaning that there were no more provisions as at 31 December 2023.

Long-term incentive programme 2021

In the 2021 financial year, the Company 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 to the Management Board and executives of the Scout24 Group and is aimed at aligning the structure of compensation with sustainable corporate development. Beyond that, 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 Scout24 performance share units (PSUs) in each year in which the related Management Board service contract is in effect, in each case 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 strategic 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 plus the Scout24 share dividends distributed during the performance period, and paid out 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 2023 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).

The allocations to date were made as of 1 January 2022 and 2023, respectively, and the waiting periods accordingly started on 1 January 2022 and 2023, respectively. Due to the fact that the contract was concluded during the year, a grant amount was taken into account pro rata temporis for the 2021 financial year. The grant amounts of the 2021/2022 tranche were fully vested as of 31 December 2022 such that no markdown for staff turnover was applied; the same is true of the corresponding grant amounts of the 2023 tranche as of 31 December 2023, such that no markdown for staff turnover was applied there either.

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, risk-free interest rates of 2.39% (2021/2022 tranche) and 2.12% (2023 tranche) are assumed. For the historical volatility, reference was made to the share price of Scout24 SE; as of the reporting date, applicable volatility rates of 28.9% (2021/2022 tranche) and 27.2% (2023 tranche) were calculated. No additional parameters were included in the fair value measurement. Performance factors of 92.3% (2021/2022 tranche) and 72.0% (2023 tranche) were assumed with respect to overall target achievement.

The total number of conditionally allocated shares in the scope of the long-term incentive programme 2021 (LTIP 2021; 2021/2022 tranche and tranche 2) was as follows as of 31 December 2023:

Number in ’000	LTIP 2021
Number of shares on 31 Dec. 2021	**6.2**
Issued	77.5
Exercised	–
Forfeited	–
Number of shares on 31 Dec. 2022	**83.7**
Issued	80.9
Exercised	–
Forfeited	–
Number of shares on 31 Dec. 2023	**164.6**

Total personnel expenses of EUR 2,209 thousand (previous year: EUR 6,105 thousand) were recognised for LTIP 2021 (members of the Management Board). The total carrying amount of liabilities arising from share-based payments came to EUR 8,835 thousand as of 31 December 2023 (previous year: EUR 6,626 thousand). The intrinsic value as at 31 December 2023 is EUR 11,060 thousand.

LTIP 2021 for selected employees

In the 2021 financial year, the Company granted a 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, RSUs) and virtual stock options (VSOs). 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 participant obtains knowledge of introduction of the plan (service commencement date).

The RSUs granted are subject only to a service condition in the form of a two-year waiting period; the VSOs are subject to both a service condition in the form of a three-year waiting period and performance conditions. The RSUs and VSOs were allocated for the first time as of 1 July 2021 and, accordingly, the waiting 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 and 75% VSOs or 50% RSUs and 50% VSOs; participants in the second group may opt to allocate 25% RSUs and 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 waiting 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 for the quarter in the respective interim financial statements between the grant date and the end of the respective waiting 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. RSUs do not need to be exercised separately, 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. During an exercise period of two years, effective exercise is possible only at defined exercise dates. In this context, a separate exercise declaration is generally required.

In accordance with the contractual provisions and the length of service, the virtual shares (RSUs) vested up to 30 June 2023 were paid out in the third quarter of 2023, resulting in a payout amount of EUR 1,154 thousand. The value per RSU taken into account for the payout was EUR 61.79.

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 of 2.3% is assumed. 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, an applicable volatility rate of 28.12% was calculated. No additional parameters were included in the fair value measurement. With respect to both the revenue and ordinary operating EBITDA growth targets, overall target achievement of 191% was assumed for measurement purposes. When determining the personnel expenses to be recognised in the financial year, an appropriate markdown was applied for staff turnover.

Number in '000	LTIP 2021
Number of shares on 31 Dec. 2021	**115.6**
Issued	37.8
Exercised[1]	-2.2
Forfeited	-16.4
Number of shares on 31 Dec. 2022	**134.8**
Issued	–
Exercised	-30.0
Forfeited	-9.3
Number of shares on 31 Dec. 2023	**95.5**

[1] Shares settled in the course of reorganisation measures.

Total personnel expenses of EUR 1,945 thousand (previous year: EUR 1,123 thousand) were recognised for LTIP 2021 (selected employees). The total carrying amount of liabilities arising from share-based payments came to EUR 2,181 thousand as of 31 December 2023 (previous year: EUR 1,380 thousand).

Long-term incentive programme 2023

In the 2023 financial year, the Company introduced the long-term incentive programme 2023 (LTIP 2023) for selected employees of the Scout24 Group. As a payment instrument with a long-term gearing for the retention of employees, LTIP 2023 pursues the aim of aligning their actions with sustainable corporate development. As part of the programme, participants receive virtual Scout24 shares and stock options. The programme is exclusively cash-settled and is therefore classifiable as a cash-settled share-based payment transaction in accordance with IFRS 2. The terms of the programme essentially correspond to those of the long-term incentive programme 2021 (LTIP 2021).

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 of between 1.94% and 3.15% is assumed. 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 24.49% to 27.07% were calculated. No additional parameters were included in the fair value measurement. With respect to both the revenue and ordinary operating EBITDA growth targets, target achievement of 102% was assumed for measurement purposes. When determining the personnel expenses to be recognised in the financial year, an appropriate markdown was applied for staff turnover.

Number in '000	LTIP 2023
Number of shares on 31 Dec. 2022	–
Issued	272.4
Exercised[1]	-0.6
Forfeited	-3.4
Number of shares on 31 Dec. 2023	**268.4**

1 Shares settled in the course of reorganisation measures.

Total personnel expenses of EUR 3,645 thousand (previous year: EUR 0 thousand) were recognised for LTIP 2023. The total carrying amount of liabilities arising from share-based payments came to EUR 3,627 thousand as of 31 December 2023 (previous year: EUR 0 thousand). The intrinsic value as at 31 December 2023 is EUR 1,409 thousand.

Employee stock purchase programme (ESPP)

In addition, in the 2022 and 2023 financial years, the Company set up an employee participation programme for the year under which employees can purchase Scout24 shares held by the Company (treasury shares) at a lower price than on the stock market. This employee participation programme is accounted for as an equity-settled share-based payment transaction in accordance with IFRS 2.

The ESPP permits employees to purchase a certain limited number of Scout24 shares (7 to 70 shares per year) in each case at a discount of EUR 20.00 per share compared with the price payable on the market. Shares purchased are subject to a two-year holding period in which they may not be sold; the holding period begins upon transfer of the shares to the participants. With a few defined exceptions, termination of a participant's employment relationship during the holding period does not affect their participation in the ESPP or the holding period.

Under the programme set up in the 2022 financial year, employees purchased 18,337 Scout24 shares; total personnel expenses of EUR 367 thousand were recognised in the 2022 financial year.

Under the programme set up in the 2023 financial year, employees purchased 13,972 Scout24 shares; total personnel expenses of EUR 279 thousand were recognised in the 2023 financial year (previous year: EUR 367 thousand).

Employee anniversary stock programme (EASP)

In addition, to mark ImmoScout's 25 years in business, the Company awarded 25 or 5 Scout24 shares already held by the Company (treasury shares) to eligible employees free of charge. This form of employee participation is accounted for as an equity-settled share-based payment transaction in accordance with IFRS 2.

Shares received are subject to a three-year holding period in which they may not be sold; the holding period begins upon transfer of the shares to the participant's custody account. With a few defined exceptions, termination of a participant's employment relationship during the holding period does not affect their participation in the EASP or the holding period.

Eligible employees received 25 Scout24 shares each under the EASP (18,260 shares); total personnel expenses of EUR 1,128 thousand were recognised in the 2023 financial year.

5.4. Related party disclosures

Related parties within the meaning of IAS 24 are deemed to be individuals or entities that Scout24 SE can influence, that can influence Scout24 SE or that are influenced by any other related party of Scout24 SE.

Related parties (entities)

In the course of its ordinary business activities, the Scout24 Group has relationships with some of its associates and joint ventures. The transactions with associates and joint ventures are disclosed below.

EUR '000	Total	Associates
	2023	
Services rendered and other income	69	69
Services received and other expenses	12	12
	31.12.2023	
Receivables	14	14
Liabilities	–	–

The former joint venture Energieausweis48 GmbH will be fully consolidated from 1 July 2023 following the acquisition of the Sprengnetter Group.

The extent of business relationships with related party entities in the 2022 financial year is presented in the table below:

EUR '000	Total	Associates	Joint ventures
	2022		
Services rendered and other income	589	545	44
Services received and other expenses	–	–	–
	31.12.2022		
Receivables	–	–	–
Liabilities	1	1	–

In 2022, a convertible loan was issued to Upmin Group GmbH in the amount of EUR 1,000 thousand; this convertible loan was converted into shares in Upmin Group GmbH in the first half of 2023.

All 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.

All business transactions took place between subsidiaries of Scout24 SE and related parties.

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, Chief Executive Officer, Munich
- Dr Dirk Schmelzer, Chief Financial Officer, Munich
- Ralf Weitz, Chief Product & Technology Officer, Berlin
- Dr Thomas Schroeter, Chief Product Officer, Berlin (until 27 January 2023)

The members of the Management Board held the following offices within the Group:

Tobias Hartmann

Entity	Office	Length of service
Immobilien Scout GmbH	Member of the 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	Member of the 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
Upmin Group GmbH	Member of the Advisory Board	Since May 2022

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
Sprengnetter GmbH	Managing Director	Since July 2023

Dr Thomas Schroeter

Entity	Office	Length of service
Immobilien Scout GmbH	Managing Director	May 2017 to 27 January 2023
Consumer First Services GmbH	Managing Director	July 2018 to 27 January 2023

The following members of the Management Board held further comparable external offices:

Tobias Hartmann: Member of the Board of Directors of SGS SA, Geneva, Switzerland.

Dr Thomas Schroeter: Managing Director of Heja Ventures GmbH, Berlin, Germany (formerly: Andreas und Thomas Schroeter Beteiligungsgesellschaft mbH), member of the Advisory Board of Groupe La Centrale SAS, Paris, France, member of the Advisory Board of GLC Group SAS, Paris, France, member of the Advisory Board of Heart BidCo GmbH, Backnang, Germany.

The remuneration of the members of the Management Board of Scout24 SE is made up of fixed and variable components. The fixed components consist of fixed remuneration, fringe benefits (vary for the individual members of the Management Board, but essentially include the use of a company car, including for private purposes, or compensation payments for not using a company car, a pro rata reimbursement of the costs of health and long-term care insurance and the permission to use mobile phones, notebooks and comparable devices for private purposes) and retirement benefits (defined contribution pension commitment in the form of direct insurance). The variable components are performance-related and consist of the one-year variable remuneration (short-term incentive, STI) and the multi-year, share-based variable remuneration (long-term incentive, LTI). The key STI-relevant performance criteria for assessing success are Group revenues (35%), Group earnings before interest, taxes, depreciation and amortisation from ordinary activities (Group ooEBITDA) (35%) and a non-financial sustainability target (environmental, social, governance (ESG) target) (30%). The key, equally weighted LTIP-relevant performance criteria are revenue growth, ooEBITDA growth and a non-financial strategic target. The targets apply equally to all members of the Management Board.

For compensation disclosures broken down by individual member of the Management Board, see the compensation report.

The following table shows the compensation of the Management Board in accordance with IAS 24:

EUR '000	2023	2022
Short-term benefits	4,968	5,788
Post-employment benefits	229	215
Other long-term benefits	–	–
Termination benefits	–	340
Share-based payments	3,521	5,164
Total	**8,719**	**11,506**

The short-term benefits include a provision of EUR 2,219 thousand for the STI 2023 (previous year: EUR 2,577 thousand) and vacation obligations that were not completely fulfilled within the period in which the corresponding benefits were provided (EUR 50 thousand, previous year: EUR 32 thousand).

Total remuneration of the Executive Board in accordance with Section 314 HGB

The remuneration of the active members of the Executive Board for the 2023 financial year amounts to EUR 8,635 thousand (previous year: EUR 10,396 thousand). Of this amount, fixed components account for EUR 2,571 thousand (previous year: EUR 3,159 thousand), variable components for EUR 1,983 thousand (previous year: EUR 2,590 thousand) and the share-based remuneration component for EUR 4,081 thousand (previous year: EUR 4,648 thousand). The remuneration for the period after the end of the active phase of the member who left the Management Board in the 2023 financial year amounted to EUR 751 thousand for the 2023 financial year. Of this amount, EUR 514 thousand is attributable to fixed components, EUR 236 thousand to variable components and EUR 0 thousand to the share-based remuneration component.

Additional disclosures on share-based payment programmes in the context of Management Board compensation

For the development of the total number of conditionally allocated shares under the long-term incentive programme 2021 (LTIP 2021), see note **5.3. Share-based payments**.

The final LTIP 2018 tranche, which fell due for payment in the 2023 financial year, was paid out in the third quarter of 2023; for further information, see note **5.3. Share-based payments**.

The members of the Management Board accounted for EUR 3.521 thousand (previous year: EUR 5,164 thousand) of personnel expenses from cash-settled share-based payment transactions in the reporting year.

For compensation disclosures broken down by individual member, see the compensation report at **www.scout24.com/en/investor-relations/corporate-governance/compensation**.

Supervisory Board

As of 31 December 2023, the Supervisory Board comprised the six individuals listed below who hold the following further offices:

Name Function	Profession exercised	Member of SE after change of legal form since	Appointed until	Other board positions in 2023 (during the term of office)
Dr Hans-Holger Albrecht Chair	Member of supervisory bodies	15 October 2021, last elected on: 8 July 2021 (before change of legal form, member of AG since 21 June 2018)	AGM 2024	• Member of the Board of Directors of Deezer S.A., Paris, France, and London, UK • Storytel AB, Stockholm, Sweden (Chair of the Board of Directors) • Chair of the Board of Directors of Superbet Holding SA, Luxembourg
Frank H. Lutz	CEO of CRX Markets AG, Munich, Germany	15 October 2021, last elected on: 8 July 2021 (before change of legal form, member of AG since 30 August 2019)	AGM 2024	• Bilfinger SE, Mannheim, Germany (member of the Supervisory Board)
Dr Elke Frank	CHRO Schwarz Digits KG, Neckarsulm, Germany (since 1 January 2024)	15 October 2021, last elected on: 8 July 2021 (before change of legal form, member of AG, since 18 June 2020)	AGM 2024	• Fraunhofer Institute for Industrial Engineering IAO, Stuttgart, Germany, an institute of Fraunhofer Institute for Industrial Engineering IAO, Munich, Germany (Head of the Board of Trustees) • CleverConnect SAS, Paris, France (member of the Advisory Board since 1 January 2024)
Maya Miteva	CEO, Deutsche Real Estate AG, Berlin, Germany	22 June 2023	AGM 2024	• High Rise Ventures GmbH, Berlin, Germany (member of the Advisory Board)
Sohaila Ouffata	Director of platform, BMW i Ventures GmbH, Munich, Germany	22 June 2023	AGM 2024	• MyCollective GmbH, Munich, Germany (member of the Advisory Board)
André Schwämmlein	CEO of Flix SE, Munich, Germany	15 October 2021, last elected on: 8 July 2021 (before change of legal form, member of AG since 30 August 2019)	AGM 2024	• ABOUT YOU Holding SE, Hamburg, Germany (member of the Supervisory Board) • ABOUT YOU Verwaltungs SE, Hamburg, Germany (member of the Supervisory Board)
Christoph Brand	CEO of Axpo Holding AG, Baden, Switzerland	15 October 2021, last elected on: 8 July 2021 (before change of legal form, member of AG since 30 August 2019)	Resigned by mutual agreement on 22 June 2023 (originally appointed until AGM 2024)	• Centralschweizerische Kraftwerke AG, Lucerne, Switzerland (President of the Board of Directors) • AMAG Group AG, Cham, Switzerland (member of the Board of Directors, since August 2022)
Peter Schwarzenbauer	Former member of the Board of Management of BMW AG, Munich, Germany	15 October 2021, last elected on: 8 July 2021 (before change of legal form, member of AG since 8 June 2017)	Resigned by mutual agreement on 22 June 2023 (originally appointed until 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) • Company bike solutions GmbH, Munich, Germany (Chair of the Advisory Board)

Compensation of the members of the Supervisory Board totalled EUR 873.8 thousand in the 2023 financial year (previous year: EUR 797.5 thousand); these are all short-term benefits. For compensation disclosures broken down by individual member, see the compensation report at **www.scout24.com/en/investor-relations/corporate-governance/compensation**.

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 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.

There were no relevant transactions in the 2023 financial year.

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 have been structured into the segments 'Professional', 'Private' and 'Media & Other' since the 2022 financial year. The division into these three segments reflects the focus of the business model and the strategy for building a digital ecosystem for real estate transactions on the needs of private and business customers. The respective segment revenue and the related ordinary operating EBITDA stem from different customer groups that purchase various products from Scout24 for various target markets. The Professional segment mainly comprises sales from products for commercial customers such as agents. Having obtained control of the Sprengnetter Group on 1 July 2023 (for details, see note **2.1. Entities acquired in the reporting period**), the Group has consolidated the business operations of the Sprengnetter Group in the Professional segment in other revenue and in the seller leads business. Revenue in the Private segment stems from the various products for private customers. The Media & Other segment mainly concerns revenue from ImmoScout24 Austria's business and advertising business with third parties as well as our CRM portfolio with FLOWFACT and Propstack.

Segments	Customer groups	Products/monetisation
Professional	• Professional estate agents for residential and business real estate • Appraisers • Financing intermediaries and banks	• Subscriptions: memberships with/without seller leads (RLE, immoverkauf24) • Pay-per-ad listings • Other: mortgage leads, real estate appraisals and valuations
Private	• Consumers • Homeowners	• Subscriptions: TenantPlus, BuyerPlus, LivingPlus, 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 and Propstack customers	• Advertisements • ImmoScout24 Austria products • CRM software for agents

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 revenue and ordinary operating EBITDA. This is supplemented by the ordinary operating EBITDA margin, a profitability indicator that sets the two aforementioned parameters in relation to each other. At segment level, the most important financial performance indicator is revenue.

Segment EBITDA is defined as profit (based on total revenue) before the financial result, income taxes, depreciation, amortisation and 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 amounted to EUR -25,213 thousand (previous year: EUR -20,502 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 – EXTERNAL REVENUE

EUR ’000	2023	2022
Professional	**327,117**	**291,183**
Subscription revenue	292,379	260,145
Pay-per-ad revenue	14,365	14,927
Other revenue	20,374	16,111
Private	**144,438**	**121,536**
Subscription revenue	72,102	60,072
Pay-per-ad revenue	50,442	42,654
Other revenue	21,894	18,810
Media & Other	**37,559**	**34,820**
Total, consolidated	**509,114**	**447,539**

SEGMENT INFORMATION – ORDINARY OPERATING EBITDA

EUR ’000	2023	2022
Professional	**212,460**	**176,240**
Private	**74,949**	**62,705**
Media & Other	**16,536**	**12,152**
Total, consolidated	**303,945**	**251,097**

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	2023	2022
Ordinary operating EBITDA	**303,945**	**251,097**
Non-operating effects	-25,213	-20,502
of which share-based payments	-10,530	-7,744
of which M&A transactions	-2,564	-6,209
of which reorganisation	-11,056	-4,052
of which other non-operating effects	-1,064	-2,497
EBITDA[1]	**278,732**	**230,595**
Depreciation, amortisation and impairment losses	-36,331	-42,300
Profit/loss from investments accounted for using the equity method	-892	-889
Other financial result	1,601	-13,083
Earnings before tax	**243,110**	**174,323**

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 any impairment losses or 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	2023 External revenue	2022 External revenue
Germany	491,344	433,476
Other countries	17,770	14,062
Total, consolidated	**509,114**	**447,539**

EUR ’000	2023 Non-current assets	2022 Non-current assets
Germany	1,880,404	1,768,804
Other countries	15,488	16,707
Total, consolidated	**1,895,892**	**1,785,512**

5.6. Other financial obligations

The table below shows other financial obligations as of the reporting dates:

	31 Dec. 2023				31 Dec. 2022			
EUR ’000	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
Purchase commitments and similar obligations	4,493	3,475	1,018	–	6,569	4,803	1,766	–
Obligations from maintenance and service agreements	20,798	19,317	1,481	–	15,855	15,495	360	–
Other obligations	30,808	9,115	20,104	1,589	41,220	9,580	29,050	2,590
Total	**56,100**	**31,908**	**22,603**	**1,589**	**63,644**	**29,878**	**31,176**	**2,590**

Other obligations mainly includes obligations to purchase cloud services amounting to EUR 21,461 thousand (previous year: EUR 31,484 thousand).

For financial obligations from rental and lease agreements, see note **4.6. Assets and liabilities from leases**.

5.7. Contingent liabilities

In the 2019 financial year, the Company 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	2023	2022
Audit services	**795**	**648**
Other assurance services	80	121
Tax advisory services	0	0
Other services	149	8
Total	**1,023**	**777**

PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft's fee for audit services 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, reviews of interim financial statements as an integral part of those audits and the audit of the compensation report. Other assurance services comprise the fee for the audit of the non-financial statement. Other services include project-related services for accounting-related systems. The figures for the previous year related to KPMG AG Wirtschaftsprüfungsgesellschaft as the auditor.

5.9. Events after the reporting period

Dividend

For the 2023 financial year, the Management Board proposes to the Supervisory Board the payment of a dividend of EUR 1.20 per ordinary share outstanding as of the date of preparation of Scout24 SE's separate financial statements (73,429,329 shares). This corresponds to 47 % of adjusted net profit and a total dividend payout of EUR 88.1 million. If the number of no-par-value shares entitled to a dividend for the past 2023 financial year changes by the time of the Annual General Meeting, a correspondingly adjusted resolution will be proposed to the Annual General Meeting.

Acquisition of all shares in 21st Real Estate GmbH

Sprengnetter GmbH, based in Bad Neuenahr-Ahrweiler, has acquired 100% of the shares in 21st Real Estate GmbH, based in Berlin, with effect from 3 January 2024. With the acquisition of control as at 3 January 2024, the business of 21st Real Estate GmbH will be consolidated from January 2024, and the activities will be integrated into the Professional segment accordingly. The purchase price amounted to EUR 300 thousand and was paid in cash.

At the time of preparing these financial statements, there are no valuations of specific assets from the purchase price allocation due to the proximity of the acquisition. We assume that the transaction will mainly result in intangible assets based on internally generated software. The remaining difference between the consideration and the carrying amount of the net assets acquired will be allocated to goodwill. The goodwill resulting from the transaction represents the future earnings potential resulting from the strengthening of the market position and from expected synergies from the integration of the company into the existing ImmoScout24 business. The goodwill will be allocated to the Professional cash-generating unit and is not tax-deductible. Acquisition costs of EUR 80 thousand were recognised as an expense under other operating expenses.

As control will not be obtained until 3 January 2024, 21st Real Estate GmbH did not contribute any revenue or earnings after taxes to the income statement as at 31 December 2023.

Issuance of shares under the employee anniversary stock programme (EASP)

The Scout24 shares granted as part of the EASP (18,260 shares; for details, see note **Share-based payments**) were issued on 15 January 2024.

Share buy-backs

On 31 March 2023, the repurchase of treasury shares worth up to EUR 60 million (including incidental acquisition costs) was started in a first tranche via the stock exchange (for details, see note **Equity**). The share buy-back programme for this tranche ended on 26 January 2024. In this context, the Company recognised a current financial liability as at 31 December 2023 in the amount of the maximum remaining obligation from this share buy-back programme as at the reporting date (EUR 10.5 million) (31 December 2022: EUR 0 million). This obligation also ended on 26 January 2024.

In order to continue the share buy-back programme resolved in March 2023, Scout24 SE announced on 26 January 2024 that it would carry out a further share buy-back in a second tranche with a volume of up to EUR 50 million. The share buy-back programme started on 29 January 2024 and will be carried out until 4 October 2024 at the latest. Further information on this share buy-back programme can be found at **www.scout24.com/en/investor-relations/share/share-buybacks**.

Extension of the Management Board of Scout24 SE

The Supervisory Board of Scout24 SE has appointed Dr Gesa Crockford as Chief Commercial Officer to the Management Board as of 1 April 2024. In this role she will be responsible for sales, customer service and CRM.

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 2023.

5.10. List of shareholdings held by Scout24 SE pursuant to Article 313 (2) Nos. 1 to 4 HGB

		Currency	in %	Full consolidation (F) Proportionate consolidation (P) Equity method (E) 31 Dec. 2023
Scout24 Beteiligungs SE[1]	Bonn (Germany)	EUR	100.0	V
Consumer First Services GmbH[1]	Munich (Germany)	EUR	100.0	V
Immobilien Scout GmbH[1]	Berlin (Germany)	EUR	100.0	V
Immobilien Scout Österreich GmbH	Vienna (Austria)	EUR	100.0	V
FLOWFACT GmbH[1, 2]	Cologne (Germany)	EUR	100.0	V
FLOWFACT Schweiz AG i. L.	Zurich (Switzerland)	CHF	100.0	V
immoverkauf24 GmbH	Hamburg (Germany)	EUR	100.0	V
immoverkauf24 GmbH Österreich	Mödling (Austria)	EUR	100.0	V
Propstack GmbH	Berlin (Germany)	EUR	100.0	V
Upmin Group GmbH	Berlin (Germany)	EUR	28.3	E
BaufiTeam GmbH	Sittensen (Germany)	EUR	50.1	V
Sprengnetter GmbH	Bad Neuenahr-Ahrweiler (Germany)	EUR	75.0	V
Sprengnetter Property Valuation Finance GmbH	Bad Neuenahr-Ahrweiler (Germany)	EUR	100.0	V
Sprengnetter Real Estate Services GmbH	Bad Neuenahr-Ahrweiler (Germany)	EUR	100.0	V
Sprengnetter Zertifizierung GmbH	Bad Neuenahr-Ahrweiler (Germany)	EUR	100.0	V
Energieausweis48 GmbH	Cologne (Germany)	EUR	100.0	V
Sprengnetter Austria GmbH	Feldkirchen (Austria)	EUR	100.0	V
Sprengnetter d.o.o.	Zagreb (Croatia)	EUR	100.0	V
Sprengnetter Bosnia d.o.o. Sarajevo	Sarajevo (Bosnia and Herzegovina)	BAM	100.0	V
Sprengnetter Montenegro d.o.o.	Podgorica (Montenegro)	EUR	100.0	V
Reopla S.r.l	Turin (Italy)	EUR	75.0	T
Sprengnetter Slowenien d.o.o. i. L.[3]	Ljubljana (Slovenia)	EUR	100.0	N/A
Sprengnetter Serbien d.o.o.i. L.[3]	Belgrade (Serbia)	RSD	100.0	N/A
Scoperty GmbH[3]	Munich (Germany)	EUR	31.9	N/A
ShareYourSpace GmbH[4]	Munich (Germany)	EUR	6.5	N/A

1 The entity made use of the exemption pursuant to Article 264 (3) HGB and filed the relevant requisite documents with the German Federal Gazette ('Bundesanzeiger') for publication.
2 FLOWFACT GmbH holds 7.1% of its share capital as treasury shares.
3 This company was fully written off at the time of acquisition and was in liquidation. For reasons of materiality, it is not included in the consolidated financial statements of Scout SE.
4 Immobilien Scout GmbH holds a 6.5% stake in the company.

5.11. German Corporate Governance Code

The Management Board and the Supervisory Board of Scout24 SE have issued a declaration of compliance with the German Corporate Governance Code (Article 161 of the German Stock Corporation Act (AktG)), which was published on the website of Scout24 SE in December 2023.

5.12. Date of release for publication

The Company's Management Board will release the consolidated financial statements on 14 March 2024 for publication and forwarding to the Supervisory Board. The Supervisory Board will adopt a decision on 21 March 2024 concerning the approval of the consolidated financial statements, which will be published on 28 March 2024.

Munich, 18 March 2024

Scout24 SE

The Management Board

Tobias Hartmann	**Dr Dirk Schmelzer**	**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, and 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, 18 March 2024

Scout24 SE

The Management Board

Tobias Hartmann | **Dr Dirk Schmelzer** | **Ralf Weitz**

Independent auditor’s report

To Scout24 SE, Munich

Report on the audit of the consolidated financial statements and of the Group management report

Audit Opinions

We have audited the consolidated financial statements of Scout24 SE, Munich, and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2023, and the consolidated statement of comprehensive income, consolidated statement of profit or loss, consolidated statement of changes in equity and consolidated statement of cash flows for the financial year from 1 January to 31 December 2023, and notes to the consolidated financial statements, including material accounting policy information. In addition, we have audited the combined management report of Scout24 SE, which is combined with the Company’s management report for the financial year from 1 January to 31 December 2023 In accordance with German legal requirements, we have not audited the content of those parts of the combined management report listed in the "Other information" section 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 IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to § [Article] 315e Abs. [paragraph] 1 HGB [Handelsgesetzbuch: German Commercial Code] and, in compliance with these requirements, give a true and fair view of the assets, liabilities, and financial position of the Group as at 31 December 2023, and of its financial performance for the financial year from 1 January to 31 December 2023, and

- the accompanying group management report as a whole provides an appropriate 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 those parts of the combined management report listed in the "Other information" section of our auditor’s report.

Pursuant to § 322 Abs. 3 Satz [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 of the combined management report.

Basis for the Audit Opinions

We conducted our audit of the consolidated financial statements and of the group management report in accordance with § 317 HGB and the EU Audit Regulation (No. 537/2014, referred to subsequently as “EU Audit Regulation”) in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the “Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements and of the group management report “ section of our auditor’s report. We are independent of the group entities in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2) point (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. 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 on the combined management report.

Key Audit Matters in the Audit of the Consolidated Financial Statements

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year from 1 January to 31 December 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our audit opinion thereon; we do not provide a separate audit opinion on these matters.

In our view, the matters of most significance in our audit were as follows:

❶ Recoverability of goodwill and the ImmoScout24 trademark

❷ Accounting for the acquisition of the Sprengnetter Group

❸ Valuation of the provision for the long-term incentive program

Our presentation of these key audit matters has been structured in each case as follows:

① Matter and issue

② Audit approach and findings

③ Reference to further information

Hereinafter we present the key audit matters:

❶ Recoverability of goodwill and the ImmoScout24 brand

① In the company's consolidated financial statements, goodwill amounting in total to € 867.9 million and the ImmoScout24 trademark, which has an indefinite useful life, amounting to € 861.7 million together 86% of total assets) are reported under the "Goodwill" and “Trademarks” balance sheet item. Goodwill is tested for impairment by the company once a year or when there are indications of impairment to determine any possible need for write-downs. The impairment test is carried out at the level of the groups of cash-generating units to which the relevant goodwill is allocated. The carrying amount of the relevant cash-generating units, including goodwill, is compared with the corresponding recoverable amount in the context of the impairment test. The recoverable amount is generally determined on the basis of the fair value less costs of disposal. The present value of the future cash flows from the respective group of cash-generating units normally serves as the basis of valuation. Present values are calculated using discounted cash flow models. For this purpose, the adopted medium-term business plan of the Group forms the starting point which is extrapolated based on assumptions of long-term rates of growth. Expectations about future market developments and assumptions about the development of macroeconomic factors are also taken into account The discount rate used is the weighted average cost of capital for the respective group of cash-generating units.

Due to its indefinite useful life, the value of the ImmoScout24 trademark must also be tested for impairment annually and whenever there are indications of impairment. As the ImmoScout24 trademark contributes to the future cash flows of all operating segments, the trademark was defined as a corporate asset in accordance with IAS 36.100 et seq. The carrying amount of the trademark was allocated to the group of cash-generating units by means of a proportional allocation based on the expected development of earnings and, together with goodwill, subjected to an impairment test at segment level. As a result of the impairment test, no need for impairment of goodwill or the ImmoScout24 trademark was identified. For all operating segments, the Group's sensitivity calculation did not reveal any indication of impairment in the event of a possible variation in the key assumptions.

The result of this valuation is highly dependent on the assessment of the executive directors with regard to the future cash flows of the respective group of cash-generating units, the discount rate used, the growth rate and other assumptions and is therefore subject to considerable uncertainty. Against this background and due to the complexity of the valuation, this matter was of particular significance in the context of our audit.

② As part of our audit, we assessed the methodology used for the purposes of performing the impairment test. After matching the future cash inflows used for the calculation against the adopted medium-term business plan of the Group, we assessed the appropriateness of the calculation, in particular by reconciling it with general and sector-specific market expectations. In the knowledge that even relatively small changes in the discount rate applied can have a material impact on the value of the entity calculated, we focused our testing in particular on the parameters used to determine the discount rate applied, and assessed the calculation model. In order to reflect the uncertainty inherent in the projections, we evaluated the sensitivity analyses performed by the Company taking into account the information available, we determined that the carrying amounts of the cash-generating units, including the allocated goodwill, were adequately covered by the discounted future cash flows.

Overall, the valuation parameters and assumptions used by the executive directors are in line with our expectations and are also within the ranges considered by us to be reasonable.

③ The company's disclosures on the impairment test for goodwill and the trademark are contained in section 4.5 Goodwill and intangible assets of the notes to the consolidated financial statements.

❷ Accounting for the acquisition of the Sprengnetter Group

① Scout24 acquired 75% of the shares in Sprengnetter GmbH, based in Bad Neuenahr-Ahrweiler, with effect from 1 July 2023. Furthermore, put and call options exercisable after the end of the 2025 financial year were agreed in order to acquire the remaining 25% of the equity shares in the Sprengnetter Group from the minority shareholder.

The consideration transferred for the acquisition of the Sprengnetter Group in the amount of € 84.4 million comprises a fixed purchase price component of € 78.5 million (of which € 27.2 million in cash and € 51.3 million in shares of Scout24 SE) and a variable purchase price component for the 75% equity interest. The fair value of the estimated variable purchase price component at the time of acquisition amounted to € 5.9 million and was determined on the basis of a Monte Carlo simulation. The main influencing factor is the EBITDA of the Sprengnetter Group. The fair value of the estimated variable purchase price component was reported under non-current financial liabilities.

There is contingent consideration for put and call options granted on minority interests amounting to € 32.9 million. These shares are deemed to have already been acquired at the time of acquisition in accordance with IFRS 3 using the anticipated acquisition method as part of the business combination. The contingent considerations are performance-related and linked to the achievement of contractually agreed EBITDA and sales targets. Further payments were contractually agreed with the minority shareholders, which represent remuneration for future work performed by the minority shareholders and were not recognized as part of the consideration transferred. The remuneration component is within the scope of IAS 19 and is recognized as current personnel expenses. This amount is therefore recognized as a provision pro rata temporis over the term of the contract. The measurement of the contingent consideration is based on a Monte Carlo simulation of the achievement of certain sales and earnings targets. As at 31 December 2023, the fair value of the estimated purchase price liability amounted to € 22.3 million and was reported under non-current financial liabilities. The provision for the remuneration component, which represents remuneration for future work performed by minority shareholders, amounted to € 0.7 million as at 31 December 2023. In accordance with IFRS 3, the identifiable assets acquired and liabilities assumed are generally recognized at fair value on the date of acquisition. Scout24 consulted an external expert to determine the contingent purchase price liability and to determine and measure the identifiable assets acquired and liabilities assumed. Both the calculation of the contingent purchase price liability and the identification and measurement of the acquired assets and assumed liabilities are complex and are based on discretionary assumptions by the management board.

Against this background and due to the overall material impact of the acquisition on the assets, liabilities, financial position and financial performance of the Scout24 Group, the acquisition of the Sprengnetter Group was of particular significance in the context of our audit.

② As part of our audit of the accounting treatment of the business combination, we first inspected and assessed the contractual agreements and reconciled the purchase price paid as consideration for the acquired business operations with the evidence provided to us of the payments made. Furthermore, we examined the purchase price provisions contained in the agreement to determine whether they constituted part of the consideration for the acquisition of the shares or compensation for the future work performed by the minority shareholders. We assessed the assumptions underlying the determination of the contingent consideration by comparing them with the corporate planning. Based on our own calculations, we also verified the measurement of the contingent consideration at fair value.

In addition, we assessed the competence, capabilities and objectivity of the independent expert engaged by Scout24. We also assessed the completeness of the identification of the assets acquired and liabilities assumed in light of our knowledge of the Sprengnetter Group's business model. We examined the valuation methods applied for assets requiring a fair value adjustment for compliance with the respective permitted valuation methods. We discussed the expected sales and margin development with those responsible for planning within the Group and compared it with the corporate planning prepared by the management board and approved by the supervisory board. In doing so, we assessed the consistency of the assumptions by comparing them with external industry-specific market estimates. We compared the license rates used to measure 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 appropriate implementation of the company acquisition, we verified the purchase price allocation performed by the company using our own calculations and analyzed deviations. Finally, we assessed whether the disclosures in the notes to the consolidated financial statements on the acquisition of the Sprengnetter Group are complete and appropriate.

Overall, we were able to satisfy ourselves that the accounting treatment of this company acquisition was appropriate and that the estimates and assumptions made by the executive directors are comprehensible and adequately substantiated.

③ The company's disclosures on company acquisitions are contained in section 2.1. Entities acquired in the reporting period of the notes to the consolidated financial statements.

❸ Valuation of the provision for the long-term incentive program

① As at 31 December 2023, provisions for share-based payments amounting to € 14.6 million were recognized in the company's consolidated financial statements. For cash-settled share-based payments, the services received and the liability incurred must be recognized in accordance with the provisions of IFRS 2. A liability must be recognized as an expense over the vesting period. The fair value of the instruments granted was determined using an option pricing model (Monte Carlo simulation) and is based on discretionary assumptions by the management board. The key assumptions relate to the volatility of the Scout24 share and the expected revenue and earnings growth. Scout24 consulted an external expert to determine the fair value of the instruments granted.

The result of this valuation is highly dependent on the assessment of the executive directors and is therefore subject to considerable uncertainty. Against this background and due to the complexity of the valuation, this matter was of particular significance in the context of our audit.

② As part of our audit, we first obtained an understanding of the contractual terms of the LTIP by interviewing employees in the finance department and by assessing the relevant documents. Based on this, we assessed, with the involvement of our valuation specialists, the accuracy of the accounting principles, the appropriateness of the key assumptions and the valuation method. In addition, we compared the assumptions used for sales and earnings growth with the corporate planning prepared by the management board and approved by the supervisory board. We verified the market data used and the valuation per tranche on the basis of our own data and calculations.

We assessed the competence, capabilities and objectivity of the independent expert engaged by Scout24. To ensure the mathematical accuracy of the valuation model, we verified the calculations on the basis of risk-oriented selected elements. We assessed the accuracy of the quantity structure by inspecting selected supporting documents.

Furthermore, we examined whether the relevant disclosures on the LTIP are presented completely and appropriately in the notes to the consolidated financial statements.

In our opinion, the assumptions made by the executive directors, the methods applied and the assumptions used are within reasonable ranges and the corresponding disclosures in the notes to the consolidated financial statements are complete and appropriate.

③ The company's disclosures on other provisions are contained in section 5.3. Share-based payments of the notes to the consolidated financial statements.

Other Information

The executive directors are responsible for the other information. The other information comprises the following non-audited parts of the group management report:

- the non-financial statement to comply with §§ 289b to 289e HGB and with §§ 315b to 315c HGB included in the "Non-financial Group statement" section of the combined management report
- the disclosures marked as unaudited included in the section "Assessing the appropriateness and effectiveness of the systems" of the combined management report

The other information comprises further:

- the statement on corporate governance pursuant to § 289f HGB and § 315d HGB
- all remaining parts of the annual report – excluding cross-references to external information – with the exception of the audited consolidated financial statements, the audited combined management report and our auditor's report

Our audit opinions on the consolidated financial statements and on the combined management report do not cover the other information, and consequently we do not express an audit opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information mentioned above and, in so doing, to consider whether the other information

- is materially inconsistent with the consolidated financial statements, with the group combined management report disclosures audited in terms of content or with our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

Responsibilities of the Executive Directors and the Supervisory Board for the Consolidated Financial Statements and the Group Management Report

The executive directors are 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 § 315e Abs. 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, the executive directors are 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 (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the consolidated financial statements, the executive directors are 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, the executive directors are 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, the executive directors are 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 .

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 audit 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 § 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 audit 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 audit opinion on the effectiveness of these systems.

- Evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.

- Conclude on the appropriateness of the executive directors' 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 audit 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 § 315e Abs. 1 HGB.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express audit 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 audit 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 the executive directors in the group management report . On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors 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 audit 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, actions taken to eliminate threats or safeguards applied.

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 Assurance on the Electronic Rendering of the Consolidated Financial Statements and the Group Management Report Prepared for Publication Purposes in Accordance with § 317 Abs. 3a HGB

Assurance Opinion

We have performed assurance work in accordance with § 317 Abs. 3a HGB to obtain reasonable assurance as to whether the rendering of the consolidated financial statements and the group management report (hereinafter the "ESEF documents") contained in the electronic file Scout24_SE_KA+KLB_ESEF-2023-12-31.zip and prepared for publication purposes complies in all material respects with the requirements of § 328 Abs. 1 HGB for the electronic reporting format ("ESEF format"). In accordance with German legal requirements, this assurance work extends only to the conversion of the information contained in the consolidated financial statements and the combined management report into the ESEF format and therefore relates neither to the information contained within these renderings nor to any other information contained in the electronic file identified above.

In our opinion, the rendering of the consolidated financial statements and the group management report contained in the electronic file identified above and prepared for publication purposes complies in all material respects with the requirements of § 328 Abs. 1 HGB for the electronic reporting format. Beyond this assurance opinion and our audit opinion on the accompanying consolidated financial statements and the accompanying combined management report for the financial year from 1 January to 31 December 2023 contained in the "Report on the Audit of the Consolidated Financial Statements and on the combined management report " above, we do not express any assurance opinion on the information contained within these renderings or on the other information contained in the electronic file identified above.

Basis for the Assurance Opinion

We conducted our assurance work on the rendering of the consolidated financial statements and the group management report contained in the electronic file identified above in accordance with § 317 Abs. 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 § 317 Abs. 3a HGB (IDW AsS 410 (06.2022)) and the International Standard on Assurance Engagements 3000 (Revised). Our responsibility in accordance therewith is further described in the "Group Auditor's Responsibilities for the Assurance Work on the ESEF Documents" section. Our audit firm applies the IDW Standard on Quality Management: Requirements for Quality Management in the Audit Firm (IDW QMS 1 (09.2022)).

Responsibilities of the Executive Directors and the Supervisory Board for the ESEF Documents

The executive directors of the Company are responsible for the preparation of the ESEF documents including the electronic rendering of the consolidated financial statements and the group management report in accordance with § 328 Abs. 1 Satz 4 Nr. [number] 1 HGB and for the tagging of the consolidated financial statements in accordance with § 328 Abs. 1 Satz 4 Nr. 2 HGB.

In addition, the executive directors of the Company are responsible for such internal control as they have considered necessary to enable the preparation of ESEF documents that are free from material non-compliance with the requirements of § 328 Abs. 1 HGB for the electronic reporting format, whether due to fraud or error.

The supervisory board is responsible for overseeing the process for preparing the ESEF documents as part of the financial reporting process.

Group Auditor's Responsibilities for the Assurance Work on the ESEF Documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material non-compliance with the requirements of § 328 Abs. 1 HGB, whether due to fraud or error. We exercise professional judgment and maintain professional skepticism throughout the assurance work. We also:

- Identify and assess the risks of material non-compliance with the requirements of § 328 Abs. 1 HGB, whether due to fraud or error, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.
- Obtain an understanding of internal control relevant to the assurance work on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.
- Evaluate the technical validity of the ESEF documents, i.e., whether the electronic file containing the ESEF documents meets the requirements of the Delegated Regulation (EU) 2019/815 in the version in force at the date of the consolidated financial statements on the technical specification for this electronic file.
- Evaluate whether the ESEF documents provide an XHTML rendering with content equivalent to the audited consolidated financial statements and to the audited group management report.
- Evaluate whether the tagging of the ESEF documents with Inline XBRL technology (iXBRL) in accordance with the requirements of Articles 4 and 6 of the Delegated Regulation (EU) 2019/815, in the version in force at the date of the consolidated financial statements, enables an appropriate and complete machine-readable XBRL copy of the XHTML rendering.

Further Information pursuant to Article 10 of the EU Audit Regulation

We were elected as group auditor by the annual general meeting on 22 June 2023. We were engaged by the supervisory board on 7 December 2023. We have been the group auditor of the Scout24 SE, Munich, without interruption since the financial year 2023.

We declare that the audit 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).

REFERENCE TO AN 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 assured ESEF documents. The consolidated financial statements and the group management report converted to the ESEF format – including the versions to be filed in the company register – are merely electronic renderings of the audited consolidated financial statements and the audited combined management report and do not take their place. In particular, the "Report on the Assurance on the Electronic Rendering of the Consolidated Financial Statements and the group management report Prepared for Publication Purposes in Accordance with § 317 Abs. 3a HGB" and our assurance opinion contained therein are to be used solely together with the assured ESEF documents made available in electronic form.

GERMAN PUBLIC AUDITOR RESPONSIBLE FOR THE ENGAGEMENT

The German Public Auditor responsible for the engagement is Alexander Fiedler.

Munich, 20 March 2024

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

Alexander Fiedler Wirtschaftsprüfer [German public auditor]	ppa. Carolin Thiele Wirtschaftsprüferin [German public auditor]

Independent auditor's report on the consolidated non-financial statement

Independent Practitioner's Report on a Limited Assurance Engagement on Non-financial Reporting[54]

To Scout24 SE, München

We have performed a limited assurance engagement on the non-financial group statement of Scout24 SE, München, (hereinafter the "Company") for the period from 1 January to 31 December 2023 (hereinafter the "Non-financial Group Statement") included in section "Consolidated non-financial statement" of the combined management report.

Not subject to our assurance engagement are the external sources of documentation or expert opinions mentioned in the Non-financial Group Statement.

Responsibility of the Executive Directors

The executive directors of the Company are responsible for the preparation of the Non-financial Group Statement in accordance with §§ (Articles) 315c in conjunction with 289c to 289e HGB ("Handelsgesetzbuch": "German Commercial Code") and Article 8 of REGULATION (EU) 2020/852 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 18. June 2020 on establishing a framework to facilitate sustainable investment and amending Regulation (EU) 2019/2088 (hereinafter the "EU Taxonomy Regulation") and the Delegated Acts adopted thereunder, as well as for making their own interpretation of the wording and terms contained in the EU Taxonomy Regulation and the Delegated Acts adopted thereunder, as set out in section "Disclosures within the framework of the EU taxonomy" of the Non-financial Group Statement.

This responsibility includes the selection and application of appropriate non-financial reporting methods and making assumptions and estimates about individual non-financial disclosures of the Group that are reasonable in the circumstances. Furthermore, the executive directors are responsible for such internal control as the executive directors consider necessary to enable the preparation of a Non-financial Group Statement that is free from material misstatement whether due to fraud or error.

The EU Taxonomy Regulation and the Delegated Acts issued thereunder contain wording and terms that are still subject to considerable interpretation uncertainties and for which clarifications have not yet been published in every case. Therefore, the executive directors have disclosed their interpretation of the EU Taxonomy Regulation and the Delegated Acts adopted thereunder in section "Disclosures within the framework of the EU taxonomy" of the Non-financial Group Statement. They are responsible for the defensibility of this interpretation. Due to the immanent risk that indeterminate legal terms may be interpreted differently, the legal conformity of the interpretation is subject to uncertainties.

Audit Firm's Independence and Quality Management

We have complied with the German professional provisions regarding independence as well as other ethical requirements.

Our audit firm applies the national legal requirements and professional standards – in particular the Professional Code for German Public Auditors and German Chartered Auditors ("Berufssatzung für Wirtschaftsprüfer und vereidigte Buchprüfer": "BS WP/vBP") as well as the Standard on Quality Management 1 published by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany; IDW): Requirements to quality management for audit firms (IDW Qualitätsmanagementstandard 1: Anforderungen an das Qualitätsmanagement in der Wirtschaftsprüferpraxis - IDW QMS 1 (09.2022)), which requires the audit firm to

[54] PricewaterhouseCoopers GmbH has performed a limited assurance engagement on the German version of the Non-financial group statement and issued an independent practitioner`s report in German language, which is authoritative. The following text is a translation of the independent practitioner`s report.

design, implement and operate a system of quality management that complies with the applicable legal requirements and professional standards.

Responsibility of the Assurance Practitioner

Our responsibility is to express a conclusion with limited assurance on the Non-financial Group Statement based on our assurance engagement.

We conducted our assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised): Assurance Engagements other than Audits or Reviews of Historical Financial Information, issued by the IAASB. This Standard requires that we plan and perform the assurance engagement to obtain limited assurance about whether any matters have come to our attention that cause us to believe that the Company's Non-financial Group Statement, other than the external sources of documentation or expert opinions mentioned in the Non-financial Group Statement, is not prepared, in all material respects, in accordance with §§ 315c in conjunction with 289c to 289e HGB and the EU Taxonomy Regulation and the Delegated Acts issued thereunder as well as the interpretation by the executive directors disclosed in section "Disclosures within the framework of the EU taxonomy" of the Non-financial Group Statement.

In a limited assurance engagement the procedures performed are less extensive than in a reasonable assurance engagement, and accordingly a substantially lower level of assurance is obtained. The selection of the assurance procedures is subject to the professional judgement of the assurance practitioner.

In the course of our assurance engagement, we have, amongst other things, performed the following assurance procedures and other activities:

- Gain an understanding of the structure of the Group's sustainability organisation and stakeholder engagement
- Inquiries of the executive directors and relevant employees involved in the preparation of the Non-financial Group Statement about the preparation process, about the internal control system relating to this process and about disclosures in the Non-financial Group Statement
- Identification of likely risks of material misstatement in the Non-financial Group Statement
- Analytical procedures on selected disclosures in the Non-financial Group Statement
- Reconciliation of selected disclosures with the corresponding data in the consolidated financial statements and combined management report
- Evaluation of the presentation of the Non-financial Group Statement
- Evaluation of the process to identify taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the Non-financial Group Statement
- Inquiries on the relevance of climate-risks

In determining the disclosures in accordance with Article 8 of the EU Taxonomy Regulation, the executive directors are required to interpret undefined legal terms. Due to the immanent risk that undefined legal terms may be interpreted differently, the legal conformity of their interpretation and, accordingly, our assurance engagement thereon are subject to uncertainties.

Assurance Opinion

Based on the assurance procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the Non-financial Group Statement of the Company for the period from 1

January to 31 December 2023 is not prepared, in all material respects, in accordance with §§ 315c in conjunction with 289c to 289e HGB and the EU Taxonomy Regulation and the Delegated Acts issued thereunder as well as the interpretation by the executive directors disclosed in section “Disclosures within the framework of the EU taxonomy” of the Non-financial Group Statement.

We do not express an assurance opinion on the external sources of documentation or expert opinions mentioned in the Non-financial Group Statement.

Restriction of Use

We draw attention to the fact that the assurance engagement was conducted for the Company’s purposes and that the report is intended solely to inform the Company about the result of the assurance engagement. Consequently, it may not be suitable for any other purpose than the aforementioned. Accordingly, the report is not intended to be used by third parties for making (financial) decisions based on it. Our responsibility is to the Company. We do not accept any responsibility to third parties. Our assurance opinion is not modified in this respect.

Berlin, 20 March 2024

PricewaterhouseCoopers GmbH
Wirtschaftsprüfungsgesellschaft

Hendrik Fink Wirtschaftsprüfer [German public auditor]	ppa. Thomas Groth

Disclaimer

This document may contain forward-looking statements regarding the business, results of operations, financial condition 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

- at **www.scout24.com/en/reporting-2023**
- and at **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.

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