



General Meeting of home24 SE on June 3, 2020

Report of the management board on the partial utilization of the Authorized Capital 2015/III to service claims from virtual stock options

Pursuant to Section 4 para. 4 of the articles of association, the management board was authorized to increase the share capital of the company until May 17, 2023, with the consent of the supervisory board, once or several times by a total of up to EUR 194,097.00 by issuing up to 194,097 bearer shares against contributions in kind while excluding shareholders' subscription rights (the "**Authorized Capital 2015/III**"). The Authorized Capital 2015/III solely served to settle financial claims by managers and employees of the company or affiliated companies from the virtual stock option programs 2010 and 2013/2014 (together, the "**Virtual Stock Option Program**") against the company. The issue price equaled EUR 1.00 per share, whereby the contributions for the new shares were to be made by contributing the financial claims of the option holders of the Virtual Stock Option Program against the company.

To fulfill claims under the Virtual Stock Option Program, the management board resolved on August 14, 2019, with the consent of the supervisory board of the same date, to partially utilize the Authorized Capital 2015/III by issuing 80,769 new bearer shares with no par value with a notional share of EUR 1.00 in the company's share capital at an issue price of EUR 1.00 per share. Four current and former employees or members of the management of the company and its affiliates, respectively, were admitted to subscribe for and assume the new shares in exchange for compensation claims under the Virtual Stock Option Program totaling EUR 80,769.00. The capital increase was registered in the commercial register on August 20, 2019.

The management board and the supervisory board have passed their respective resolutions on the utilization of the Authorized Capital 2015/III after careful consideration of the facts in the best interest of the shareholders. By issuing shares from the Authorized Capital 2015/III, the company can settle the compensation claims from stock options in a manner that conserves liquidity and at the same time ensure an incentivization of the relevant managers in accordance with the interests of the company. Therefore, the utilization of the Authorized Capital 2015/III was in the interest of the shareholders.

After partial utilization, the Authorized Capital 2015/III currently still amounts to up to 113,328 new shares of the company.

home24 SE
– The Management Board –

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