

Report of the Management Board on the utilization of the Authorized Capital 2018/VI to cover the Greenshoe Option in connection with the IPO

With its listing on October 9, 2018, the Company carried out an initial public offering (the “**IPO**”) with the admission of its shares to trading on the regulated market (*regulierter Markt*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) with simultaneous admission to the sub-segment of the regulated market with additional post-admission obligations (Prime Standard).

In connection with the IPO, the Company entered into an underwriting agreement with Rocket Internet SE as the lending shareholder and the underwriters participating in the IPO on September 27, 2018 (amended on October 4, 2018) and a pricing agreement on October 8, 2018. Pursuant to the underwriting agreement (as amended) and the pricing agreement, the Company granted Joh. Berenberg, Gossler & Co. KG, Hamburg (“**Berenberg**”), who acted as stabilization manager in connection with the IPO, an irrevocable option to purchase up to 660,000 additional new shares (the “**Greenshoe Option**”). The Greenshoe Option enabled Berenberg to meet its redelivery obligations under the securities loan from Rocket Internet SE, which Berenberg had agreed upon in the underwriting agreement and the pricing agreement, with new shares in the Company.

Berenberg exercised the Greenshoe Option on November 8, 2018 in the amount of 311,359 shares. Against this background, the Management Board, in its meeting on November 9, 2018, resolved to implement a capital increase from Authorized Capital 2018/VI to create 311,359 new shares to cover the Greenshoe Option. The Supervisory Board approved this resolution on November 9, 2018. The capital increase by EUR 311,359.00 through the issuance of 311,359 new shares of the Company was registered with the commercial register on November 13, 2018. In connection with this capital increase, the Company’s share capital was increased from EUR 20,429,450.00 by EUR 311,359.00 to EUR 20,740,809.00 (the “**Greenshoe Capital Increase**”).

The Greenshoe Capital Increase was carried out in accordance with the legal and statutory requirements.

Pursuant to Section 4 para. 8 of the Company’s Articles of Association, the Management Board was authorized, with the consent of the Supervisory Board, to increase the Company’s share capital, once or repeatedly, by up to a total of EUR 3,159,212.00 until September 20, 2023 through the issuance of up to 3,159,212 new bearer shares with no par value (*auf den Inhaber lautende Stückaktien*) against contributions in cash or kind (“**Authorized Capital 2018/VI**”). Shareholders’ subscription rights were excluded for one or more capital increases under the Authorized Capital 2018/VI, inter alia, if the Authorized Capital 2018/VI was utilized to fulfill

an option agreed with the underwriters at the Company's IPO to acquire additional new shares (the Greenshoe Option), if existing shares are made available to the underwriters by existing shareholders as part of a possible over-allotment of shares, but the underwriters do not acquire sufficient shares in the market in connection with stabilization measures to be able to repay these securities loans. It was intended that the issue price should correspond to the placement price (less banking commissions) of the shares in the IPO. The shares were issued to Berenberg at the offer price of EUR 26.00 per share (less banking commissions of EUR 0.78 per share).

The granting of the Greenshoe Option, and the resulting Greenshoe Capital Increase served as a temporary permissible measure in connection with the IPO to stabilize the Company's share price immediately following the IPO. The implementation of stabilization measures serves the interest of issuers such as the Company in limiting price fluctuations after the IPO, which are regularly attributable not to the economic situation of the issuer but to the investment behavior of investors. With the consummation of the Greenshoe Capital Increase, the Company has fulfilled corresponding contractual obligations under the underwriting agreement, concluded between the Company and the underwriters. The new shares were used to repay the existing securities lending to Rocket Internet SE, which was required for the implementation of the stabilization measures. The issue price of the new shares in connection with the Greenshoe Capital Increase of EUR 26.00 per share (less banking commissions of EUR 0.78 per share) corresponded to the placement price in connection with the IPO.

Based on the above considerations, the exclusion of subscription rights in connection with the Greenshoe Capital Increase was materially justified with regard to the conditions of the Authorized Capital 2018/VI.

Berlin, April 2019

Westwing Group AG

Management Board