

*[Convenience translation. Only the German version shall prevail.]*



**home24 SE**

Berlin

ISIN DE000A14KEB5

WKN A14KEB

**Convocation of the Annual General Meeting 2020**



The shareholders of our company are hereby invited to attend the

**Annual General Meeting 2020**

taking place virtually on

**Wednesday, June 3, 2020**

at 10:00 a.m. (CEST)

at

<https://www.home24.com/websites/homevierundzwanzig/English/4300/publications.html>

under the “General Meeting” section without the physical presence of the shareholders or their proxies ("**virtual general meeting**"). The place of the meeting will be the location of the chair of the meeting at the company's business premises at Greifswalder Strasse 212-213, 10405 Berlin.

**Holding by way of a virtual general meeting**

The management board of the company, with the consent of the supervisory board, has decided to hold the company's annual general meeting for the fiscal year 2020 as a virtual general meeting without the physical presence of the company's shareholders or their proxies. These resolutions were passed on the basis of the law to mitigate the consequences of the COVID-19 pandemic in civil, bankruptcy and criminal procedural law of March 27, 2020, which came into force on March 28, 2020 ("**COVID-19 Mitigation Act**").

**A physical participation of the shareholders or their proxies in the general meeting is excluded.**

The members of the management board, the company's proxy, and the notary who will record the general meeting will be present at the location of the chair of the meeting.

## **I. Agenda**

### **1. Presentation of the adopted annual financial statements and the consolidated financial statements as of December 31, 2019 approved by the supervisory board, the summarized management report for the company and the group, including the report of the supervisory board for the fiscal year 2019 and the explanatory report of the management board on the information pursuant to Sections 289a para. 1, 298f para. 1 and 315a para. 1 of the German Commercial Code**

The supervisory board has approved the annual financial statements prepared by the management board and the consolidated financial statements. Therefore, the annual financial statements are adopted. Consequently, a resolution by the general meeting regarding Agenda Item 1 is neither intended nor necessary. However, the aforementioned documents must rather only be made available to the general meeting and explained by the management board and – in the case of the report of the supervisory board – by the chairperson of the supervisory board, respectively. As part of their right to information, shareholders will have the opportunity to ask questions regarding the documents presented.

### **2. Resolution on the ratification of the members of the management board for the fiscal year 2019**

The management board and the supervisory board propose that the members of the management board in office during the fiscal year 2019 be ratified for the fiscal year 2019.

### **3. Resolution on the ratification of the members of the supervisory board for the fiscal year 2019**

The management board and the supervisory board propose that the members of the supervisory board in office during the fiscal year 2019 be ratified for the fiscal year 2019.

### **4. Resolution on the appointment of the annual auditor and group auditor as well as the auditor for the audit review, if any, of the condensed financial statements and the interim management report and for the audit review, if any, of additional interim financial information**

Following the recommendation of its audit committee, the supervisory board proposes to appoint Ernst & Young GmbH, Wirtschaftsprüfungsgesellschaft, Stuttgart, Berlin Office, Friedrichstraße 140, 10117 Berlin,

- a) as annual auditor and group auditor for the fiscal year 2020;

- b) in case of an audit review of the condensed financial statements and the interim management report (Sections 115 para. 5, 117 no. 2 of the German Securities Trading Act) for the first half of the fiscal year 2020, as auditor for such audit review; as well as
- c) in case of an audit review of additional interim financial information (Section 115 para. 7 of the German Securities Trading Act) for the first and/or third quarter of the fiscal year 2020 and/or for the first quarter of the fiscal year 2021, as auditor for such audit review.

**5. Resolution on the cancellation of the Authorized Capital 2017 as well as a corresponding amendment of the articles of association**

Pursuant to Section 4 para. 6 of the articles of association, the management board is authorized, with the consent of the supervisory board, to increase the company's share capital by up to a total of EUR 117,690.00 (in words: one hundred seventeen thousand six hundred and ninety Euros) against cash contributions by issuing new bearer shares with no par value (Authorized Capital 2017). The Authorized Capital 2017 serves solely to fulfill the purchasing rights of GMPVC German Media Pool GmbH, and shares issued using the Authorized Capital 2017 may only be issued for this purpose.

The cooperation with GMPVC German Media Pool GmbH has ended and there are no further purchasing rights that would have to be serviced using the Authorized Capital 2017.

Therefore, the management board and the supervisory board propose to resolve as follows:

**a) Cancellation of the existing authorization to increase the share capital (Authorized Capital 2017)**

The authorization granted to the management board by the extraordinary general meeting of the company on May 18, 2018 in accordance with Section 4 para. 6 of the articles of association to increase the company's share capital by a total of EUR 117,690.00 (in words: one hundred seventeen thousand six hundred and ninety Euros) with the consent of the supervisory board against cash contributions by issuing new bearer shares with no par value (Authorized Capital 2017) is canceled.

**b) Amendment of the articles of association**

Section 4 para. 6 of the articles of association is repealed and deleted without replacement.

**c) Application for registration in the commercial register**

The management board and the chairman of the supervisory board are instructed to apply for the registration in the commercial register of the cancellation of the Authorized Capital 2017 pursuant to letter a) above of this Agenda Item 5 as well as the corresponding amendment of the articles of association pursuant to letter b) above of this Agenda Item 5.

The management board and the chairman of the supervisory board are authorized to apply for the registration in the commercial register of the cancellation of the Authorized Capital 2017 independent of the other resolutions of the general meeting.

**6. Resolution on the cancellation of the Authorized Capital 2018 and creation of a new authorized capital with the possibility of excluding subscription rights (Authorized Capital 2020) as well as a corresponding amendment of the articles of association**

Pursuant to Section 4 para. 7 of the articles of association, the management board is authorized to increase the company's share capital, with the consent of the supervisory board, once or several times, by up to EUR 7,525,804.00 (in words: seven million five hundred twenty-five thousand eight hundred four Euros) in aggregate until May 17, 2023 through the issuance of up to 7,525,804 new bearer shares with no par value against contributions in cash and/or in kind (Authorized Capital 2018).

Since the creation of the Authorized Capital 2018, the number of shares in the company has increased. In order to enable the company to continue to react to financing requirements in the future and to strengthen the equity base at short notice if necessary, the Authorized Capital 2018 is to be canceled and a new Authorized Capital 2020 is to be created to the extent permitted by Council Regulation (EC) No. 2157/2001 of October 8, 2001 on the Statute for a European Company ("**SE Regulation**") in conjunction with the German Stock Corporation Act ("**AktG**"). As previously in the case of the Authorized Capital 2018, it should be possible to exclude subscription rights in certain cases.

Therefore, the management board and the supervisory board propose to resolve as follows:

**a) Cancellation of the existing authorization to increase the share capital (Authorized Capital 2018)**

The authorization of the management board granted by the extraordinary general meeting of 18 May 2018 pursuant to Section 4 para. 7 of the articles of association to increase the company's share capital, with the consent of the supervisory board, once or several times, by up to EUR 7,525,804.00 (in words: seven million five hundred twenty-five thousand eight hundred four Euros) in aggregate until May 17, 2023 through the issuance of up to 7,525,804 new bearer shares with no par value against contributions in cash and/or in kind (Authorized Capital 2018) is canceled.

**b) Authorization to increase share capital (Authorized Capital 2020)**

The management board is authorized to increase the company's share capital, with the consent of the supervisory board, once or several times, by up to EUR 13,020,401.00 (in words: thirteen million twenty thousand four hundred and one Euros) in aggregate until June 2, 2025 through the issuance of up to 13,020,401 new bearer shares with no par value against contributions in cash and/or in kind ("Authorized Capital 2020").

The shareholders are generally to be granted a subscription right. The shares may also be subscribed by one or more credit institutions or companies within the meaning of Article 5 SE Regulation in conjunction with Section 186 para. 5 sentence 1 AktG with the obligation to offer them to the company's shareholders for subscription.

The management board is authorized, with the consent of the supervisory board, to exclude shareholders' subscription rights for one or more capital increases in connection with the Authorized Capital 2020,

- in order to exclude fractional amounts from the subscription rights;
- in the case of a capital increase against cash contributions, if the issue price of the new shares is not substantially below the stock exchange price of the company's already listed shares. However, this authorization shall only apply with the proviso that the notional share of the share capital attributable to the shares issued under exclusion of subscription rights in accordance with Article 5 SE Regulation in conjunction with Section 186 para. 3 sentence 4 AktG may not exceed in the aggregate the limit of 10% of the share capital of the company either at the time the Authorized Capital 2020 takes effect or – if this amount is less – at the time the Authorized Capital 2020 is exercised. This limit of 10% of the share capital shall include the pro rata amount of the share

capital that is (i) attributable to shares which, during the term of the Authorized Capital 2020, are sold on the basis of an authorization to sell treasury shares in accordance with Article 5 SE Regulation in conjunction with Sections 71 para. 1 no. 8 sentence 5, 186 para. 3 sentence 4 AktG under exclusion of subscription rights; (ii) attributable to shares that are issued or are to be issued to service subscription rights or to fulfill conversion and option rights or obligations under convertible bonds and/or option bonds, profit participation rights and/or profit participation bonds (or combinations of these instruments) (collectively bonds), provided that the bonds are issued during the term of the Authorized Capital 2020 in analogous application of Article 5 SE Regulation in conjunction with Section 186 para. 3 sentence 4 AktG while excluding subscription rights of the shareholders; and (iii) attributable to shares that are issued during the term of the Authorized Capital 2020 on the basis of other capital measures while excluding shareholders' subscription rights in analogous application of Article 5 SE Regulation in conjunction with Section 186 para. 3 sentence 4 AktG;

- insofar as this is necessary in order to be able to grant new shares in the company to holders or creditors of bonds issued by the company or its subordinate group companies upon the exercise of the conversion or option right or the fulfillment of a conversion or option obligation and insofar as it is necessary to grant subscription rights to new shares to holders of conversion or option rights or creditors of warrants or convertible bonds equipped with conversion obligations issued by the company or its subordinate group companies to the extent to which they would be entitled as shareholders after exercising the option or conversion rights or after fulfilling conversion or option obligations;
- in the event of a capital increase against contributions in kind, in particular in the context of mergers of undertakings or for the (including indirect) acquisition of undertakings, businesses, parts of undertakings, shareholdings or other assets or claims to the acquisition of assets, including claims against the company or its group companies; or
- to carry out a share dividend, under which shares in the company (including partially and/or optionally) are issued against the contribution of dividend claims by the shareholders (scrip dividend).

The management board is authorized to determine the further details of the capital increase and its implementation with the consent of the supervisory board; this also includes the determination of the right to share in the profits of the new shares, which may also be determined for a previous fiscal year in derogation from Article 9 para. 1 letter c) i) SE Regulation in conjunction with Section 60 para. 2 AktG.

The supervisory board is authorized to adjust the wording of the articles of association accordingly after utilization of the Authorized Capital 2020 or expiry of the period for utilization of the Authorized Capital 2020.

**c) Amendment of the articles of association**

Section 4 para. 7 of the articles of association is repealed and revised as follows:

"The management board is authorized to increase the company's share capital, with the consent of the supervisory board, once or several times, by up to EUR 13,020,401.00 (in words: thirteen million twenty thousand four hundred and one Euros) in aggregate until June 2, 2025 through the issuance of up to 13,020,401 new bearer shares with no par value against contributions in cash and/or in kind ("Authorized Capital 2020").

The shareholders are generally to be granted a subscription right. The shares may also be subscribed by one or more credit institutions or companies within the meaning of Article 5 SE Regulation in conjunction with Section 186 para. 5 sentence 1 AktG with the obligation to offer them to the company's shareholders for subscription.

The management board is authorized, with the consent of the supervisory board, to exclude shareholders' subscription rights for one or more capital increases in connection with the Authorized Capital 2020,

- in order to exclude fractional amounts from the subscription rights;



- in the case of a capital increase against cash contributions, if the issue price of the new shares is not substantially below the stock exchange price of the company's already listed shares. However, this authorization shall only apply with the proviso that the notional share of the share capital attributable to the shares issued under exclusion of subscription rights in accordance with Article 5 SE Regulation in conjunction with Section 186 para. 3 sentence 4 AktG may not exceed in the aggregate the limit of 10% of the share capital of the company either at the time the Authorized Capital 2020 takes effect or – if this amount is less – at the time the Authorized Capital 2020 is exercised. This limit of 10% of the share capital shall include the pro rata amount of the share capital that is (i) attributable to shares which, during the term of the Authorized Capital 2020, are sold on the basis of an authorization to sell treasury shares in accordance with Article 5 SE Regulation in conjunction with Sections 71 para. 1 no. 8 sentence 5, 186 para. 3 sentence 4 AktG under exclusion of subscription rights; (ii) attributable to shares that are issued or are to be issued to service subscription rights or to fulfill conversion and option rights or obligations under convertible bonds and/or option bonds, profit participation rights and/or profit participation bonds (or combinations of these instruments) (collectively bonds), provided that the bonds are issued during the term of the Authorized Capital 2020 in analogous application of Article 5 SE Regulation in conjunction with Section 186 para. 3 sentence 4 AktG while excluding the subscription rights of the shareholders; and (iii) attributable to shares that are issued during the term of the Authorized Capital 2020 on the basis of other capital measures while excluding shareholders' subscription rights in analogous application of Article 5 SE Regulation in conjunction with Section 186 para. 3 sentence 4 AktG;
- insofar as this is necessary in order to be able to grant new shares in the company to holders or creditors of bonds issued by the company or its subordinate group companies upon the exercise of the conversion or option right or the fulfillment of a conversion or option obligation and insofar as it is necessary to grant subscription rights to new shares to holders of conversion or option rights or creditors of warrants or convertible bonds equipped with conversion obligations issued by the company or its subordinate group companies to the extent to which they would be entitled as shareholders after exercising the option or conversion rights or after fulfilling conversion or option obligations;

- in the event of a capital increase against contributions in kind, in particular in the context of mergers of undertakings or for the (including indirect) acquisition of undertakings, businesses, parts of undertakings, shareholdings or other assets or claims to the acquisition of assets, including claims against the company or its group companies; or
- to carry out a share dividend, under which shares in the company (including partially and/or optionally) are issued against the contribution of dividend claims by the shareholders (scrip dividend).

The management board is authorized to determine the further details of the capital increase and its implementation with the consent of the supervisory board; this also includes the determination of the right to share in the profits of the new shares, which may also be determined for an already past fiscal year in derogation from Article 9 para. 1 letter c) i) SE Regulation in conjunction with Section 60 para. 2 AktG.

The supervisory board is authorized to adjust the wording of the articles of association accordingly after utilization of the Authorized Capital 2020 or expiry of the period for utilization of the Authorized Capital 2020."

**d) Application for registration in the commercial register**

The management board and the chairman of the supervisory board are instructed to apply for the registration in the commercial register of the cancellation in accordance with the above letter a) of this Agenda Item 6, the authorization under letter b) of this Agenda Item 6 and the amendments to Section 4 para. 7 of the articles of association resolved under letter c) of this Agenda Item 6.

The management board and the chairman of the supervisory board are authorized to apply for the registration in the commercial register of the cancellation of the Authorized Capital 2018 and the creation of the Authorized Capital 2020 independent of the other resolutions of the general meeting.

7. **Resolution on the amendment of the authorization by the general meeting on March 10, 2017, as amended by the resolutions of the general meetings on July 28, 2017, May 24, 2018 and June 19, 2019, to issue performance shares as virtual stock options and to deliver shares of the company to service subscription rights from performance shares to members of the management board and employees of the company as well as to employees of affiliated companies of the company (Long Term Incentive Plan 2019 ("LTIP 2019")) and on the adjustment of the Conditional Capital 2019 to service subscription rights from performance shares issued on the basis of the authorization of the general meeting on March 10, 2017, as amended by the resolutions of the general meetings on July 28, 2017, May 24, 2018, and June 19, 2019, as well as the corresponding amendment of the articles of association**

The company's annual general meeting on June 19, 2019 resolved under Agenda Item 7 to amend the authorization granted by the general meeting on March 10, 2017, as amended by the resolutions of the general meetings on July 28, 2017 and May 24, 2018, to issue performance shares as virtual stock options and for the delivery of company shares to service subscription rights from performance shares to members of the management board and employees of the company and to employees of affiliated companies of the company (Long Term Incentive Plan 2019 "LTIP 2019").

Holders of the performance shares issued and to be issued, respectively, under the LTIP 2019 are entitled to a variable compensation claim in the amount of the increase in value upon exercise of the performance shares, that in principle is compensated by the subscription of new shares of the company. The number of subscription rights per performance share is calculated based on the difference ("**Value Increase**") between the price of one share of the company at the time the performance shares are exercised ("**Exercise Price**") and the virtual issue price determined at the time the performance shares were granted ("**Base Price**") divided by the Exercise Price.

The terms of the LTIP 2019, however, provide for a right to allow the company to satisfy the subscription rights with treasury shares or cash payment.

In order to ensure the necessary flexibility in the utilization of the LTIP 2019, this authorization is to be increased and extended in terms of its scope and term, and the Conditional Capital 2019 in Section 4 para. 5 of the articles of association is to be amended accordingly.

Therefore, the management board and the supervisory board propose to resolve as follows:

The management board and the supervisory board of the company are authorized to grant a total of up to 2,429,819 subscription rights until December 31, 2024 to members of the management board and employees of the company and its affiliated companies (the "**Beneficiaries**"). The granting and exercise of the subscription rights take place in accordance with the following provisions:

**a) Calculation of the claims amount and exercise price**

The performance shares are granted at a Base Price, which amounts to at least EUR 1.00. However, the management board or – to the extent subscription rights are granted to members of the management board – the supervisory board may set a higher Base Price.

To determine the variable compensation claims under the LTIP 2019, the Value Increase must be calculated for each performance share upon exercise. The Exercise Price corresponds to the closing price of the company's shares in Xetra-trading (or a comparable successor system) on the Frankfurt Stock Exchange on the day the performance share is exercised or – if a performance share is exercised on a day on which no closing price is determined (e.g., weekends or during a holiday) – the closing price of the next trading day.

Upon exercise, each performance share entitles the respective Beneficiary to a variable compensation in the amount of the increase in value, which in principle is compensated by the subscription of a number of shares of the company whose value corresponds to the Value Increase upon exercise of the respective performance share ("**Subscription Rights**"). The value of each new share granted to service subscription rights is set at the Exercise Price.

The number of Subscription Rights corresponds to the number of shares of the company calculated by dividing the Value Increase by the Exercise Price. To the extent that the number of performance shares exercised by the Beneficiary does not entitle the holder to acquire a full number of shares, the Beneficiary is entitled to receive the next lower full number of shares in the company; the difference is compensated in cash.

**b) Circle of Beneficiaries**

Subscription Rights may only be granted to members of the management board of the company as well as employees of the company and of its affiliated companies. In total, (i) up to 979,819 Subscription Rights may be granted to members of the management board of the company and (ii) up to 1,450,000 Subscription Rights may be granted to employees of the company and to these of affiliated companies.

To the extent that Subscription Rights granted expire or are forfeit during the authorization period, a corresponding number of Subscription Rights may additionally be issued to Beneficiaries of the same group of persons.

**c) Granting periods (acquisition periods); pledge of Subscription Rights**

Subject to certain excluded time-periods prior to the publication of financial reports or in case of existence of insider information, Subscription Rights may be issued in one or more tranches within the authorization period. The commitment of Subscription Rights can be made conditionally in such a way that the commitment of the subscription rights only becomes effective if certain personal or corporate objectives are met.

**d) Performance target and exercise conditions**

Condition for exercising of Subscription Rights of any tranche is the achievement of the respective performance target.

The performance target is achieved if the average annual growth rate (*compound annual growth rate* ("CAGR")) of home24 SE group's revenues on a comparable basis (like-for-like) amounts to at least 10 % in the respective Reference Period.

The respective "**Reference Period**" is the four fiscal years beginning with the year a tranche is issued and ending with the fiscal year preceding the fiscal year in which the waiting period of this tranche ends. The growth rate for the first year in a Reference Period is to be determined in comparison to the revenues of the fiscal year preceding the Reference Period.

*For example, if the issue price of a tranche falls on February 20, 2019, then the CAGR for the fiscal years 2019 through 2022 is relevant.*

The management board is authorized to adjust the performance target for Subscription Rights granted to Beneficiaries between January 1, 2019 and September 30, 2019 in accordance with the above provisions.

If the performance target for a tranche has not been achieved, all Subscription Rights granted under this tranche will expire in full and without compensation.

**e) Vesting**

Subscription Rights granted principally vest on the day corresponding through its number to the economic grant date within the twelfth month following the grant date ("**Vesting**"). The Vesting of the Subscription Rights allocated to a Beneficiary ends, and unvested Subscription Rights are principally forfeit without compensation, once the respective Beneficiary no longer has an ongoing and un-terminated employment or service relationship with the company or any of its affiliated companies.

The management board and – as far as granting Subscription Rights to members of the management board is concerned – the supervisory board may determine further cases where the Vesting ends or where the Vesting is suspended. These cases include an irrevocable leave of absence of the Beneficiary, the suspension of service or employment relationships without continued compensation payments and other periods in which no remuneration is paid. In addition, cases may be provided where even already vested Subscription Rights expire without compensation, in particular in the event of a termination for cause or a breach of material contractual obligations. Furthermore, different vesting periods may be determined, in particular if the term of the service or employment relationship is limited. Special provisions (e.g., a pro rata reduction of the exercisable Subscription Rights instead of a lapse) may be made in the event of death, retirement and other special cases of resignations.

**f) Waiting period and term**

The waiting period for the initial exercise of Subscription Rights is four years from the issue date of the respective Subscription Rights. The issue date is the date the company offers the Subscription Rights to the Beneficiary, regardless of the date of receipt or acceptance of the offer ("**Issue Date**"). In the offer, a later date within the acquisition period of the respective tranche may be determined as the Issue Date.

The term of the Subscription Rights starts with the Issue Date and ends up to four years after expiry of the waiting period for the respective Subscription Rights. Subscription Rights that are not exercised or cannot be exercised until the end of the duration expire or are forfeit without compensation. If the end of the term falls within a Black-out Period, the term of the Subscription Rights will be extended and Subscription Rights may also be exercised in a period after the end of the respective Black-out Period from the beginning of the respective Black-out Period until the regular end of the Subscription Rights according to the previous sentence.

The management board is authorized to adjust the term of the subscription rights for subscription rights that were granted to Beneficiaries between January 1, 2019 and September 30, 2019 in accordance with the above provision.

**g) Exercise and black-out Periods**

After expiration of the waiting period, Subscription Rights may – insofar as they are vested, the performance target is achieved and the exercise conditions are fulfilled – be exercised at any time until the end of the relevant term, with the exception of Black-out Periods.

Subscription Rights may not be exercised in the following periods ("**Black-out Periods**"):

- the period of eight weeks prior to and until the end of the day of an annual general meeting of the company;
- the period of three weeks prior to and until a day after the publication of quarterly or half-year financial results of the company; and
- the last two weeks before the end of a fiscal year until a day after the publication of the annual results of the past fiscal year.

The management board and – in relation to the management board – the supervisory board are entitled to stipulate further Black-out Periods in individual cases at their sole discretion or to shorten Black-out Periods, insofar as this is legally permissible.

The aforementioned Black-out Periods in each case include the designated start and end dates. Furthermore, the restrictions resulting from the general laws and regulations must be observed.

**h) Issue price**

The issue price per share issued on the basis of Subscription Rights in each case equals the lowest issue price within the meaning of Section 9 para. 1 AktG, i.e. EUR 1.00 per share at the moment.

The issue price is to be paid by contribution of the variable compensation claims of the Beneficiaries from the performance shares granted to them (by way of contribution in kind).

**i) Other provisions**

With the exception of cases of inheritance, Subscription Rights cannot be transferred, sold, pledged or otherwise encumbered.

The conditions may provide that the company has the right to grant Beneficiaries treasury shares instead of new shares to fulfill their Subscription Rights or to satisfy Subscription Rights through a cash payment.

In case of a capital increase from company funds through the issuance of new shares, the Conditional Capital 2019 increases in accordance with Section 218 AktG in the same ratio as the share capital. Furthermore, the Base Price is reduced accordingly and the number of performance shares issued increases in the same ratio as the share capital. If the capital increase is made from company funds without issuing new shares (Section 207 para. 2 sentence 2 AktG), the Subscription Right remains unchanged.

In case of a capital reduction, the Base Price of the performance shares will not be adjusted if the capital reduction does not change the total number of shares or if the reduction is associated with a repayment of capital or a purchase of treasury shares. In case of a capital reduction through the pooling of shares without capital repayments and in case of an increase in the number of shares without a change of the share capital (share split), the Base Price and the number of performance shares must be adjusted so that the respective Beneficiary is placed in the same economic position as before the capital measure.

The management board and – in relation to the management board – the supervisory board are authorized to determine further details regarding the issuance of shares from the Conditional Capital 2019, in particular the subscription conditions for Beneficiaries, as well as to deviate from the conditions of this authorization insofar as the authorization exceeds minimum requirements under stock corporation law.



Further details include, in particular, provisions for the allocation of Subscription Rights within the qualified groups of people, provisions on taxes and costs, rules on dividend entitlements prior to the exercise of Subscription Rights, the procedure for the granting of Subscription Rights to the individual Beneficiaries and the exercise of Subscription Rights, regulations regarding the expiry of Subscription Rights in the event of a termination of service or employment relationships as well as procedural rules.

The management board is also authorized to deviate from the provisions of the authorization for the implementation of this resolution vis-à-vis employees of foreign affiliates, insofar as the content of the authorization does not necessarily fall within the decision-making authority of the general meeting or insofar as this resolution goes beyond minimum requirements under stock corporation law.

**j) Adjustment of the Conditional Capital 2019**

Pursuant to Section 4 para. 5 of the company's articles of association, the company's share capital is conditionally increased by up to EUR 2,096,972.00 (in words: two million ninety-six thousand nine hundred seventy-two Euros) by the issuance of up to 2,096,972 bearer shares with no-par value (the "Conditional Capital 2019"). The Conditional Capital 2019 solely serves to fulfill Subscription Rights granted to Beneficiaries pursuant to the authorizations of the general meeting of March 10, 2017, as amended by the resolutions of the general meetings of July 28, 2017, May 24, 2018, and June 19, 2019 as part of the LTIP 2019 (or under the previous designation LTIP 2017). Following the adjustment of the LTIP 2019, the resolutions of the general meeting of March 10, 2017, modified on July 28, 2017, May 24, 2018 and June 19, 2019, regarding the creation of the Conditional Capital 2019 will also be amended as follows:

The share capital of the company is conditionally increased by up to EUR 2,429,819.00 (in words: two million four hundred twenty-nine thousand eight hundred and nineteen Euros) through the issuance of up to 2,429,819 bearer shares with no-par value ("Conditional Capital 2019"). The Conditional Capital 2019 solely serves to fulfill subscription rights granted to beneficiaries pursuant to the authorizations of the general meeting of March 10, 2017, as amended by the resolutions of the general meetings of July 28, 2017, May 24, 2018, June 19, 2019 and June 3, 2020, as part of the LTIP 2019 (or under the previous designation LTIP 2017).

The subscription shares will be issued at the lowest issue price of EUR 1.00. The contributions for the subscription shares are made by contributing the compensation claims of the Beneficiaries from the performance shares granted to them by way of contribution in kind. The conditional capital increase is implemented only to the extent that performance shares have been issued based on the resolutions of the general meeting of March 10, 2017, as amended by the resolutions of the general meetings of July 28, 2017, May 24, 2018, June 19, 2019 and June 3, 2020, the Beneficiaries have used their exercise rights in accordance with the agreed terms and the company has not fulfilled the Subscription Rights through treasury shares or a cash payments. The new shares participate in the profits from the beginning of the fiscal year during which the issuance takes place; in deviation from this, the new shares will participate in the profits from the beginning of the fiscal year preceding the fiscal year of creation if the general meeting has not yet adopted a resolution on the appropriation of the balance sheet profits for the fiscal year preceding the fiscal year of creation.

**k) Amendment of the articles of association**

Article 4 para. 5 of the articles of association of the company is amended to read as follows:

"The share capital of the company is conditionally increased by up to EUR 2,429,819.00 (in words: two million four hundred twenty-nine thousand eight hundred and nineteen Euros) through the issuance of up to 2,429,819 bearer shares with no-par value ("Conditional Capital 2019"). The Conditional Capital 2019 solely serves to fulfill subscription rights granted to beneficiaries pursuant to the authorizations of the general meeting of March 10, 2017, as amended by the resolutions of the general meetings of July 28, 2017, May 24, 2018, June 19, 2019 and June 3, 2020, as part of the LTIP 2019 (or under the previous designation LTIP 2017). The subscription shares will be issued at the lowest issue price of EUR 1.00. The contributions for the subscription shares are made by contributing the compensation claims of the beneficiaries from the performance shares granted to them by way of contribution in kind. The conditional capital increase is implemented only to the extent that performance shares have been issued based on the resolutions of the general meeting of March 10, 2017, as amended by the resolutions of the general meetings of July 28, 2017, May 24, 2018, June 19, 2019 and June 3, 2020, the beneficiaries have used their exercise rights in accordance with the agreed terms and the company has not fulfilled the subscription rights through treasury shares or a cash payments. The new shares participate in the profits from the beginning of the fiscal year during which the issuance takes place; in deviation from this, the new shares will participate in the profit from the beginning of the fiscal year preceding the fiscal year of creation if the

general meeting has not yet adopted a resolution on the appropriation of the balance sheet profits for the fiscal year preceding the fiscal year of creation."

**l) Application for registration in the commercial register**

The management board and the chairman of the supervisory board are instructed to apply for the registration in the commercial register of the adjustment of the Conditional Capital 2019 pursuant to letter j) above of this Agenda Item 7 as well as the corresponding amendment of the articles of association pursuant to letter k) above of this Agenda Item 7.

The management board and the chairman of the supervisory board are authorized to apply for the registration in the commercial register of the adjustment of the Conditional Capital 2019 and the corresponding amendment to the articles of association independent of the other resolutions of the general meeting.

**8. Resolution on the cancellation of the authorization of the general meeting on June 13, 2018 to issue convertible bonds, option bonds, profit participation rights and/or profit participation bonds (or combinations of these instruments) with the option of excluding subscription rights, on the granting of a new authorization to issue convertible bonds, option bonds, profit participation rights and/or profit participation bonds (or combinations of these instruments) with the option of excluding subscription rights, creation of a new Conditional capital 2020 as well as on the cancellation of the Conditional Capital 2018 and corresponding amendment of the articles of association**

The management board of the company is authorized by resolution of the extraordinary general meeting on June 13, 2018, with the consent of the supervisory board, once or several times, to issue registered or unregistered convertible bonds, option bonds, profit participation rights and/or profit participation bonds (or combinations of these instruments) (hereinafter collectively referred to as "bonds") in the aggregate nominal amount of up to EUR 150,000,000.00 until June 1, 2023, with or without a term limit, and to grant conversion or option rights to shares in the company to the creditors or holders of bonds with a pro rata amount of the share capital of up to EUR 8,058,025.00 in accordance with the respective option or convertible bond conditions or profit participation right conditions or profit participation bond conditions (hereinafter referred to in each case as "Bond Conditions").

No use has been made yet of this authorization to issue bonds. In other respects as well, the company has currently not issued any bonds.

Since the creation of the authorization of the extraordinary general meeting on June 13, 2018, the number of shares in the company has increased. To ensure the greatest possible flexibility, this authorization is to be replaced by a new authorization to issue bonds with a longer term, and the articles of association are to be amended accordingly.

Therefore, the management board and the supervisory board propose to resolve:

- a) **Cancellation of the authorization granted by the general meeting on June 13, 2018 to issue convertible bonds, option bonds, profit participation rights and/or profit participation bonds (or combinations of these instruments) with the option to exclude subscription rights**

The authorization granted by the general meeting on June 13, 2018 to the management board to issue convertible bonds, option bonds, profit participation rights and/or profit participation bonds (or combinations of these instruments) with the option to exclude subscription rights is canceled with effect from registration in the commercial register of the amendment of the articles of association proposed under letter d) of this Agenda Item 8.

- b) **Authorization to issue convertible bonds, option bonds, profit participation rights and/or profit participation bonds (or combinations of these instruments) and to exclude subscription rights**

- (1) Nominal amount, authorization period, number of shares

The management board is authorized, with the consent of the supervisory board, once or several times, to issue registered or bearer convertible bonds, option bonds, profit participation rights and/or profit participation bonds (or combinations of these instruments) (hereinafter collectively referred to as "**bonds**") in the aggregate nominal amount of up to EUR 150,000,000.00 until June 2, 2025, with or without a term limit, and to grant conversion or option rights to shares in the company to the creditors or holders of bonds with a pro rata amount of the share capital of up to EUR 10,774,773.00 in accordance with the respective option or convertible bond conditions or profit participation right conditions or profit participation bond conditions (hereinafter referred to in each case as "**Bond Conditions**"). The respective Bond Conditions may also provide for mandatory conversions at the end of the term or at other times, including the obligation to exercise the conversion or option right. Bonds can also be issued against a contribution in kind.

In addition to being denominated in euros, the bonds may also be issued in the legal currency of an OECD country, limited to the corresponding euro equivalent. The bonds may also be issued by companies that are dependent on the company or in which the company directly or indirectly owns a majority interest; in this case, the management board is authorized to guarantee the bonds on behalf of the dependent or majority-owned company and to grant the creditors of such bonds conversion or option rights to shares in the company. When the bonds are issued, they can be or will normally be divided into partial bonds with equal rights.

(2) Granting of subscription rights, exclusion of subscription rights

The shareholders are generally to be granted subscription rights to the bonds. The bonds can also be subscribed by one or more credit institutions with the obligation to offer them to the shareholders indirectly within the meaning of Article 5 SE Regulation in conjunction with Section 186 para. 5 AktG (so-called indirect subscription right). However, the management board is authorized, with the consent of the supervisory board, to exclude shareholders' subscription rights to the bonds:

- (a) in order to exclude fractional amounts from the subscription rights;
- (b) insofar as it is necessary to grant a subscription right to holders of bonds that have already been or will be issued by the company or a company dependent on it or a company in which the company directly or indirectly owns a majority interest to the extent to which they would be entitled as shareholders after exercising the option or conversion rights or after fulfillment of conversion or option obligations;
- (c) if the bonds with conversion or option rights or conversion or option obligations are issued against cash payment and the issue price is not substantially below the theoretical value of the partial bonds determined according to recognized financial mathematical methods within the meaning of Article 5 SE Regulation in conjunction with Sections 221 para. 4 sentence 2, 186 para. 3 sentence 4 AktG. However, this authorization to exclude subscription rights only applies to bonds with rights to shares that do not account for a pro rata amount of the share capital totaling more than 10% of the share capital, either at the time they

become effective or at the time when this authorization is exercised. The sale of treasury shares shall be counted towards this limit, provided this occurs during the term of this authorization under the exclusion of the subscription right pursuant to Article 5 SE Regulation in conjunction with Section 71 para. 1 no. 8 sentence 5 clause 2 and Section 186 para. 3 sentence 4 AktG. In addition, shares shall be counted towards this limit that are issued from authorized capital during the term of this authorization under exclusion of subscription rights pursuant to Section 203 para. 2 sentence 1 in conjunction with Section 186 para. 3 sentence 4 AktG;

- (d) insofar as the bonds are issued against contributions in kind, provided that the value of the contribution in kind is commensurate with the market value of the bonds to be determined according to the foregoing letter (c).

Insofar as profit participation rights or profit participation bonds without conversion or option rights or conversion or option obligations are issued, the management board is also authorized, with the consent of the supervisory board, to exclude the subscription right of the shareholders in its entirety, if these profit participation rights or profit participation bonds are structured similar to obligations, i.e., do not establish membership rights in the company, do not grant any participation in the liquidation proceeds, and the amount of interest is not calculated on the basis of the amount of the annual profit, the balance sheet profit or the dividend. In this case, the interest and the issue price of the profit participation rights or profit participation bonds must also correspond to the current market conditions for comparable borrowing at the time of issue.

### (3) Conversion and option rights

If bonds with conversion rights are issued, creditors can convert their bonds into shares in the company in accordance with the Bond Conditions. The conversion ratio is calculated by dividing the nominal amount of a partial bond by the conversion price set for one share in the company. The conversion ratio can also be obtained by dividing the issue price of a partial bond that is below the nominal amount by the fixed conversion price for one share in the company. The conversion ratio may be rounded up or down to an integer; an additional cash payment may be determined. In other respects, provisions may be implemented for fractional amounts to be pooled and/or settled in cash. The

conditions can also provide for a variable conversion ratio. The pro rata amount of the share capital represented by the shares to be subscribed for each partial bond may not exceed the nominal amount of the individual partial bond.

In the event of the issuance of option bonds, one or more options are attached to each bond, which entitle the holder to subscribe to shares in the company in accordance with the Bond Conditions to be determined by the management board. The Bond Conditions may provide that the option price may also be paid in whole or in part by transferring partial bonds. The subscription ratio is calculated by dividing the nominal amount of a partial bond by the option price for one share in the company. The subscription ratio can also be obtained by dividing the issue price of a partial bond which is below the nominal amount by the fixed option price for one share of the company. The subscription ratio can be rounded up or down to an integer; an additional cash payment to be made can also be determined. In other respects, provisions may be implemented for fractional amounts to be pooled and/or settled in cash. The Bond Conditions can also provide for a variable subscription ratio. The pro rata amount of the share capital represented by the shares to be subscribed for each partial bond may not exceed the nominal amount of the individual partial bond.

(4) Conversion and option obligations

The Bond Conditions may also give rise to a conversion or option obligation at the end of the term or at another time (in each case also "**Final Maturity**") or provide for the right of the company, at Final Maturity, to grant shares in the company to the holders of the bonds in whole or in part instead of paying the due amount. In these cases, the conversion or option price for a share of the company may correspond to the volume-weighted average price of the share of the company in Xetra-trading (or a comparable successor system) on the Frankfurt Stock Exchange during the ten (10) consecutive trading days before or after the Final Maturity date, even if this is below the minimum price specified under item (5) below.

The pro rata amount of the share capital of the shares to be issued on Final Maturity for each partial bond may not exceed the nominal amount of the individual partial bond. Article 5 SE Regulation in conjunction with Section 9 para. 1 in conjunction with Section 199 para. 2 AktG must be observed.

(5) Conversion and option price

The conversion or option price for a share to be determined in each case must – with the exception of cases in which an option or conversion obligation is provided – equal either at least 80% of the volume-weighted average price of the share of the company in Xetra-trading (or a comparable successor system) during the ten (10) trading days in Frankfurt am Main before the day of the final decision of the management board on the placement of bonds or on the acceptance or allocation by the company in the context of a placement of bonds or – in the case of granting subscription rights – correspond to at least 80% of the volume-weighted average price of the share of the company in Xetra-trading (or a comparable successor system) during (i) the days on which the subscription rights are traded on the Frankfurt Stock Exchange, with the exception of the last two trading days of the subscription rights trading, or (ii) the days from the start of the subscription period until the date when the subscription price is finally determined. Article 5 SE Regulation in conjunction with Sections 9 para. 1 and 199 AktG remain unaffected.

In the case of bonds associated with conversion or option rights or conversion or option obligations, the conversion or option price can be reduced without prejudice to Section 9 para. 1 AktG on the basis of a dilution protection provision in accordance with the Bond Conditions if the company increases the share capital during the conversion or option period while granting a subscription right to its shareholders or if the company issues further bonds or grants or guarantees other option rights and the holders of bonds with conversion or option rights or conversion or option obligations are not granted subscription rights to the extent to which they would be entitled after exercising the conversion or option rights or the fulfillment of conversion or option obligations. The reduction in the option or conversion price can also be fulfilled in accordance with the more detailed Bond Conditions by making a cash payment when exercising the option or conversion right or when fulfilling conversion or option obligations. The Bond Conditions may also provide for a value-preserving adjustment of the conversion or option price for other measures that can lead to a dilution of the value of the conversion or option rights (e.g. even if a dividend is paid). In addition, the company may grant adequate compensation in the event of premature exercise of the conversion or option right. In each case, the pro rata amount of the share capital represented



by the shares to be subscribed for each partial bond may not exceed the nominal amount of the respective partial bond.

(6) Other configuration options

The Bond Conditions may stipulate in each case that in the event of conversion or exercise of the option or fulfillment of the option and conversion obligations, treasury shares, shares from the company's authorized capital or other benefits can also be granted. It can also be stipulated that the company does not grant shares of the company to the holders of the bonds in the event of conversion or exercise of the options or if the option and conversion obligations are fulfilled, but instead pays the equivalent in cash or grants listed shares of another company.

Furthermore, the Bond Conditions may provide for the right of the company to grant the holders of the bonds shares in the company or listed shares in another company instead of paying, in whole or in part, the amount due upon maturity of the bonds.

The Bond Conditions may also stipulate that the number of shares to be obtained upon exercise of the conversion or option rights or after fulfillment of the conversion or option obligations is variable and/or that the conversion or option price can be changed during the term within a range to be determined by the management board depending on the development of the share price or as a result of anti-dilution provisions.

(7) Authorization to determine further Bond Conditions

The management board is authorized with the consent of the supervisory board to determine the further details of the issue and terms of the bonds, in particular the interest rate, issue price, term and denomination, conversion or option price and the conversion or option period, or, determine them in agreement with the bodies of the companies issuing the bonds that are dependent on the company, or in which the company directly or indirectly owns a majority interest.

**c) Cancellation of the Conditional Capital 2018 and creation of a Conditional Capital 2020**

Pursuant to Section 4 para. 8 of the articles of association, the company's share capital is conditionally increased by up to EUR 8,058,025.00 (in words: eight million fifty-eight thousand twenty-five Euros) by the issuance of up to 8,058,025 new bearer shares with no-par value (ordinary shares) (the "Conditional Capital 2018").

The Conditional Capital 2018 serves to grant shares in the exercise of conversion or option rights or in the fulfillment of conversion or option obligations to the holders or creditors of convertible bonds, option bonds, profit participation rights and/or profit participation bonds (or combinations of these instruments) (hereinafter collectively "bonds") that were issued on the basis of the authorization resolution of the general meeting on June 13, 2018.

After the authorization in accordance with letter a) of this Agenda Item 8 above has been canceled and a new authorization in accordance with letter b) of this Agenda Item 8 has been granted, the Conditional Capital 2018 created by resolution of the extraordinary general meeting on June 13, 2018 is canceled and a new conditional capital 2020 is created in accordance with the following provisions:

The share capital of the company is conditionally increased by up to EUR 10,774,773.00 (in words: ten million seven hundred seventy-four thousand seven hundred and seventy-three Euros) through the issuance of up to 10,774,773 new bearer shares with no-par value (ordinary shares) ("Conditional Capital 2020").

The Conditional Capital 2020 serves to grant shares in the exercise of conversion or option rights or in the fulfillment of conversion or option obligations to the holders or creditors of convertible bonds, option bonds, profit participation rights and/or profit participation bonds (or combinations of these instruments) (hereinafter collectively "**bonds**") that were issued on the basis of the authorization resolution of the general meeting on June 3, 2020.

The new shares will be issued at the conversion or option price to be determined in each case in accordance with the authorization resolution of the general meeting on June 3, 2020. The conditional capital increase shall only be carried out to the extent that holders or creditors of bonds issued or guaranteed by the company or a company that is dependent on the company or in which the company directly or indirectly owns a majority interest, on the basis of the aforementioned authorization resolution until June 2, 2025, exercise their conversion or option rights or fulfill conversion or option obligations under such bonds, or to the extent the company grants shares in the company instead of the payment of the amount due and to the extent the

conversion or option rights or conversion or option obligations are not serviced by treasury shares, by shares from authorized capital or by other benefits.

The new shares participate in profits from the beginning of the fiscal year in which they are created and for all subsequent fiscal years.

The management board is authorized to determine the further details of the implementation of the conditional capital increase. The supervisory board is authorized to amend the company's articles of association in accordance with the respective utilization of the Conditional Capital 2020 and after the expiry of all option and conversion periods.

**d) Amendment of the articles of association**

Section 4 para. 8 of the articles of association is repealed and revised as follows:

"The share capital of the company is conditionally increased by up to EUR 10,774,773.00 (in words: ten million seven hundred seventy-four thousand seven hundred and seventy-three Euros) through the issuance of up to 10,774,773 new bearer shares with no-par value (ordinary shares) ("**Conditional Capital 2020**").

The Conditional Capital 2020 serves to grant shares in the exercise of conversion or option rights or in the fulfillment of conversion or option obligations to the holders or creditors of convertible bonds, option bonds, profit participation rights and/or profit participation bonds (or combinations of these instruments) (hereinafter collectively "bonds") that were issued on the basis of the authorization resolution of the general meeting on June 3, 2020.

The new shares will be issued at the conversion or option price to be determined in each case in accordance with the authorization resolution of the general meeting on June 3, 2020. The conditional capital increase shall only be carried out to the extent that holders or creditors of bonds issued or guaranteed by the company or a company that is dependent on the company or in which the company directly or indirectly owns a majority interest, on the basis of the authorization resolution until June 2, 2025, exercise their conversion or option rights or fulfill conversion or option obligations under such bonds, or to the extent the company grants shares in the company instead of the payment of the amount due and to the extent the conversion or option rights or conversion or option obligations are not serviced by treasury shares, by shares from authorized capital or by other benefits.

The new shares participate in profits from the beginning of the fiscal year in which they are created and for all subsequent fiscal years.

The management board is authorized, with the consent of the supervisory board, to determine the further details of the implementation of the conditional capital increase. The supervisory board is authorized to amend the company's articles of association in accordance with the respective utilization of the Conditional Capital 2020 and after the expiry of all option and conversion periods."

**e) Application for registration in the commercial register**

The management board and the chairman of the supervisory board are instructed to apply for the registration in the commercial register of the cancellation of the Conditional Capital 2018 and the creation of the new Conditional Capital 2020 pursuant to letter c) above of this Agenda Item 8 as well as the corresponding amendment of the articles of association pursuant to letter d) above of this Agenda Item 8.

The management board and the chairman of the supervisory board are authorized to apply for the registration in the commercial register of the cancellation of the Conditional Capital 2018 and the creation of the new Conditional Capital 2020 independent of the other resolutions of the general meeting.

**9. Resolution on the revision of Section 16 para. 3 sentence 1 of the articles of association**

The German Act on the transposition of the Second Shareholder Rights Directive (ARUG II) will change the requirements for the evidence to be provided for attending the general meeting and exercising voting rights with effect from September 3, 2020. According to the new Section 123 para. 4 sentence 1 AktG, in the case of bearer shares of listed companies, evidence of the final intermediary in text form shall suffice for participation in the general meeting or the exercise of voting rights according to the newly inserted Section 67c para. 3 AktG.

The regulation in Section 16 para. 3 sentence 1 of the company's articles of association for the evidence of share ownership, which is still based on the version of Section 123 para. 4 sentence 1 AktG that was valid until September 3, 2020, shall therefore be adjusted in order to reflect the changed statutory basis.

Section 16 para. 3 sentence 1 of the company's articles of association currently reads as follows:

*"Evidence of share ownership in accordance with paragraph 1 is to be provided by the custodian bank by submitting special evidence of the shareholding in text form (Section 126b of the German Civil Code (BGB)) in German or English."*

Therefore, the management board and the supervisory board propose to adopt the following resolution:

Section 16 para. 3 sentence 1 of the articles of association is repealed and restated as follows:

*"Evidence of share ownership in accordance with paragraph 1 is to be provided by submitting special evidence of the shareholding of the final intermediary in text form (Section 126b BGB) in German or English, or evidence in accordance with Section 67c AktG."*

The management board is instructed to apply for registration of the amendment of the articles of association resolved under this Agenda Item 9 in the commercial register. The management board is authorized to apply for the registration in the commercial register of the amendment of the articles of association independent of the other resolutions of the general meeting.

## **II. Reports of the management board**

### **1. Report of the management board on the partial utilization of the Authorized Capital 2015/II to service claims from stock options**

Pursuant to Section 4 para. 3 of the articles of association of the company, the management board was authorized to increase the company's share capital, with the consent of the supervisory board, once or several times, by up to EUR 281,650.00 in aggregate until May 17, 2023 through the issuance of up to 281,650 new bearer shares with no par value against contributions in cash or in kind ("**Authorized Capital 2015/II**"). The shareholders' subscription right was excluded. The Authorized Capital 2015/II served to fulfill purchasing rights (option rights) granted or promised by the company prior to its conversion into a stock corporation to current or former managing directors of the company in the period from October 1, 2011 to December 31, 2014 inclusive, and shares from the Authorized Capital 2015/II were allowed to be issued only for this purpose. The issue price for up to 210,829 new shares equaled EUR 1.00 per share, and EUR 36.86 per share for up to 70,821 new shares.

On June 19, 2019, the management board resolved, with the consent of the supervisory board of the same day, to service claims arising from corresponding purchasing rights of former managing directors of the company by issuing 210,786 new no-par value bearer shares with a notional share of EUR 1.00 of the company's share capital against cash contribution at an issue price of EUR 1.00 per share, for a total of EUR 210,786.00. The capital increase was registered in the commercial register on August 14, 2019.

The management board and the supervisory board have passed their respective resolutions on the utilization of the Authorized Capital 2015/II after careful consideration of the facts in the best interest of the shareholders. In the present case, there was no economically viable alternative for fulfilling the justified claims for delivery of company shares asserted by the former managing directors of the company by partially utilizing the Authorized Capital 2015/II.

After partial utilization, the Authorized Capital 2015/II currently still exists for up to 70,864 new shares in the company, with the issue price equaling EUR 1.00 per share for up to 43 new shares and EUR 36.86 per share for up to 70,821 new shares.

## **2. 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.

### **3. Report of the management board on the partial utilization of the Authorized Capital 2017 to service purchasing rights of GMPVC German Media Pool GmbH**

Pursuant to Section 4 para. 6 of the articles of association of the company, the management board was authorized to increase the company's share capital, with the consent of the supervisory board by up to EUR 175,311.00 in aggregate through the issuance of up to 175,311 new bearer shares with no par value against contributions in cash ("**Authorized Capital 2017**"). The Authorized Capital 2017 served solely to fulfill the purchasing rights of GMPVC German Media Pool GmbH, and shares issued using the Authorized Capital 2017 could be issued only for this purpose. The issue price equaled EUR 1.00 per share.

On August 15, 2019, the management board resolved, with the consent of the supervisory board of the same day, to utilize the above authorization in order to issue 57,621 new no-par value bearer shares from the Authorized Capital 2017 to GMPVC German Media Pool GmbH to fulfill the relevant purchasing rights with a notional share of EUR 1.00 in the company's share capital at the lowest issue price of EUR 1.00 each, for a total of EUR 57,621.00.

The purchasing rights were based on a media service contract concluded between the company and GMPVC German Media Pool GmbH, on the basis of which GMPVC German Media Pool GmbH provided certain media services to the company. According to the contract, the media services rendered had to be remunerated partly through new shares in the company from the Authorized Capital 2017. The cooperation with GMPVC German Media Pool GmbH was in the best interests of the company and enabled the procurement of media services in a liquidity-conserving manner.

After partial utilization, the Authorized Capital 2017 currently still amounts to up to 117,690 shares.

**4. Report of the management board on the partial utilization of the authorization granted by the general meeting on May 24, 2018 to acquire and use treasury shares**

The management board was authorized by the extraordinary general meeting on May 24, 2018, among other things, to use the 33,282 treasury shares already held by the company, in addition to selling them on the stock exchange or by means of an offer to all shareholders, to service purchase obligations or rights to purchase shares in the company and in connection with convertible or option bonds or profit participation rights issued by the company or one of its group companies with conversion or option rights or conversion or option obligations or similar agreements. In this case, shareholders' subscription rights were excluded.

On August 17, 2019, the management board resolved, with the consent of the supervisory board of the same day, to make partial use of this authorization and to transfer 6,375 treasury shares to the former member of the company's management board, Mr. Domenico Cipolla, in connection with the fulfillment of obligations from a Call Option Agreement (December 1, 2014).

Mr. Cipolla was originally entitled among other things to 1,228 options under the Call Option Agreement to receive a total of 1,228 shares in the company at an issue price of EUR 1.00 each (hereinafter: the "**Option Rights**"). Mr. Cipolla exercised these Option Rights on April 26, 2019.

In preparation for the company's IPO in June 2018, the company's general meeting resolved on May 18, 2018 to increase the company's share capital by EUR 18,047,064.00 from EUR 429,692.00 to EUR 18,476,756.00 from company funds. This capital increase became effective upon registration in the commercial register on May 23, 2018, and led to an economic dilution of the Option Rights, which had to be compensated in accordance with the provisions of the Call Option Agreement by adjusting the number of Option Rights and the issue price accordingly. Since a reduction in the issue price below EUR 1.00 was not permitted in accordance with Section 9 para. 1 AktG, the company and Mr. Cipolla agreed that a total of 6,375 treasury shares of the company would be transferred to Mr. Cipolla as compensation for the financial disadvantage of EUR 51,760.00. These treasury shares were transferred on August 28, 2019.

This was in the best interests of the company, as it was a liquidity-conserving manner to satisfy Mr. Cipolla's purchasing rights resulting from the Call Option Agreement. The underlying value of the treasury shares corresponded to the average Xetra-closing price of the share in the first quarter of 2019 of EUR 8.09 per share, and was thus higher than the Xetra-closing price of the company's shares of EUR 2.95 per share at the time of the transfer of the treasury shares.



**5. Report of the management board regarding Agenda Item 6: Cancellation of the Authorized Capital 2018 and creation of new Authorized Capital for the issue of shares against cash and/or contributions in kind, with the authorization to exclude the subscription right (Authorized Capital 2020) and corresponding amendment of the articles of association**

Regarding Agenda Item 6 of the general meeting, the management board presents the following report about the reasons for the authorization to exclude the subscription right of shareholders when issuing new shares in accordance with Article 5 SE Regulation in conjunction with Section 203 para. 2 sentence 2 in conjunction with Section 186 para. 4 sentence 2 AktG:

In order to ensure that the company remains flexible in the future to strengthen its equity if necessary (including by issuing new shares against cash contribution without subscription rights), the existing Authorized Capital 2018 is to be canceled, new Authorized Capital resolved and the articles of association amended accordingly. The new authorized capital proposed under letter b) of Agenda Item 6 is intended to authorize the management board to increase the company's share capital, with the consent of the supervisory board, once or several times, by up to EUR 13,020,401.00 (in words: thirteen million twenty thousand four hundred and one Euros) in aggregate until June 2, 2025 through the issuance of up to 13,020,401 new bearer shares with no par value against contributions in cash or in kind ("Authorized Capital 2020").

The Authorized Capital 2020 is intended to enable the company to continue to raise the capital required for further development of the company at short notice by issuing new shares and to flexibly and quickly take advantage of a favorable market environment to cover its future financing needs. Since decisions on the coverage of future capital requirements must frequently be made at short notice, it is important that the company is not dependent on the rhythm of the annual general meetings or the long convocation period of an extraordinary general meeting. The legislature has taken these circumstances into account with the instrument of authorized capital.

When utilizing the Authorized Capital 2020 to issue shares against cash contributions, the shareholders generally have a subscription right (Article 5 SE Regulation in conjunction with Section 203 para. 1 sentence 1 in conjunction with Section 186 para. 1 AktG), whereby an indirect subscription right within the meaning of Section 186 para. 5 AktG also suffices. The issue of shares granting such an indirect subscription right is already not to be regarded as an exclusion of subscription rights under the law. Ultimately, the shareholders are granted the same subscription rights as with a direct subscription. For technical reasons, only one or more credit institutions are involved in the settlement.

However, the management board shall be authorized to exclude the subscription rights in certain cases with the consent of the supervisory board.

- i. The management board shall be authorized, with the consent of the supervisory board, to exclude the subscription rights for fractional amounts. This exclusion of subscription rights aims to facilitate the settlement of an issuance with a general subscription right of the shareholders, because it enables a technically feasible subscription ratio to be represented. The value of the fractional amounts is usually low per shareholder, which is why the possible dilution effect can likewise be considered as low. In contrast, the effort for the issuance without such an exclusion is significantly higher. The exclusion therefore serves the purpose of practicality and the easier implementation of an issuance. The new shares excluded as free fractions from the subscription rights of the shareholders will be realized either by sale on the stock exchange or in another manner in the best interest of the company. For these reasons, the management board and the supervisory board consider the possible exclusion of subscription rights to be objectively justified and, taking into account the interests of the shareholders, also appropriate.
- ii. The subscription right can also be excluded in the case of cash capital increases if the shares are issued at an amount that is not substantially below the market price and such a capital increase does not exceed 10% of the share capital (simplified exclusion of subscription rights in accordance with Article 5 SE Regulation in conjunction with Section 186 para. 3 sentence 4 AktG). The authorization enables the company to react flexibly to favorable capital market situations that arise and to place the new shares at very short notice, i.e., without the requirement of a subscription offer lasting at least two weeks. The exclusion of the subscription right enables very quick action and placement close to the stock exchange price, i.e., without the discount that is customary for subscription issues. This creates the basis for achieving the highest possible sale amount and the greatest possible strengthening of own funds. The authorization for the simplified exclusion of subscription rights is factually justified not least by the fact that a higher inflow of funds can frequently be generated. Such a capital increase may not exceed 10% of the share capital existing at the time the authorization takes effect and also at the time of its exercise. The proposed resolution also provides for a credit clause. Shares that are issued or are to be issued to service subscription rights or to fulfill conversion or option rights or obligations arising from convertible and/or option bonds, profit participation rights and/or profit participation bonds (or combinations of these instruments) (collectively *bonds*), are to be counted towards the maximum of 10% of the share capital affected by this exclusion of subscription rights if the bonds are issued during the term

of the Authorized Capital 2020 in analogous application of Article 5 SE Regulation in conjunction with Section 186 para. 3 sentence 4 AktG under the exclusion of the subscription rights of the shareholders. Furthermore, the disposal of treasury shares shall be counted, provided this occurs during the term of this authorization on the basis of an authorization to sell treasury shares under the exclusion of the subscription right pursuant to Article 5 SE Regulation in conjunction with Section 71 para. 1 no. 8 sentence 5, 186 para. 3 sentence 4 AktG. Finally, shares that are issued during the term of the Authorized Capital 2020 on the basis of other capital measures under the exclusion of the subscription rights of the shareholders in analogous application of Article 5 SE Regulation in conjunction with Section 186 para. 3 sentence 4 AktG are also credited.

The simplified exclusion of subscription rights is subject to the condition that the issue price of the new shares is not substantially below the market price. A possible discount from the current stock exchange price or from the volume-weighted stock exchange price during a reasonable period before the final determination of the issue price is, subject to special circumstances of the individual case, not expected to exceed approx. 5% of the corresponding stock exchange price. This also takes into account the shareholders' need for protection against the dilution of the value of their participation. By setting the issue price close to the stock exchange price it is ensured that the value of a subscription right for the new shares is practically very low. Shareholders have the option of maintaining their relative participation by purchasing additional shares on the stock exchange. For these reasons, the management board and the supervisory board consider the possible exclusion of subscription rights to be objectively justified and, taking into account the interests of the shareholders, also appropriate.

- iii. Moreover, the management board should be able, with the consent of the supervisory board, to exclude the subscription rights, insofar as this is necessary in order to be able to grant new shares in the company to holders or creditors of bonds issued by the company or its subordinate group companies during the exercise of the conversion or option right or the fulfillment of a conversion or option obligation and insofar as it is necessary to grant subscription rights to new shares to holders of conversion or option rights or creditors of warrants or convertible bonds equipped with conversion obligations issued by the company or its subordinate group companies in the scope to which they would be entitled as shareholders after exercising the option or conversion rights or after fulfilling conversion or option obligations. Bonds with conversion or option rights or conversion or option obligations regularly provide protection against dilution in their conditions of issue, which grants holders or creditors subscription rights to new shares in the event of subsequent share issues and certain other measures. They are thereby placed in a position as if they were already shareholders. In order to be able to provide the bonds with such protection against dilution, shareholders' subscription rights to these shares must be excluded. This serves to facilitate the placement of the bonds and thus the interests of the shareholders in an optimal financial structure of the company. In addition, the exclusion of subscription rights in favor of the holders or creditors of bonds has the advantage that, if the authorization or the conversion price for the holders or creditors of existing bonds is utilized, the option or conversion price does not need to be discounted according to the respective conditions of the bonds.
  
- iv. The subscription right can also be excluded in the case of capital increases against contributions in kind. In particular, the company shall continue to be able to acquire undertakings, parts of undertakings, investments or other assets, or be able to react to offers for acquisitions or mergers in order to strengthen its competitiveness and increase its profitability and enterprise value. Practice has shown that the shareholders of attractive acquisition assets sometimes have a strong interest – e.g., to maintain a certain influence on the object of the contribution in kind – in acquiring no-par value shares of the company as consideration. From the point of view of an optimal financial structure, the fact that the liquidity of the company can be spared, borrowing is avoided and the seller(s) are involved in future price opportunities to the extent that new shares can be used as the acquisition currency also militates in favor of the option of providing the consideration not only in cash, but also in shares or only in shares. This leads to an improvement in the company's competitive position in the case of acquisitions. The ability to use company shares as acquisition currency thus gives the company the necessary room to maneuver in order to quickly and flexibly seize such acquisition opportunities, and enables it to

acquire even larger units against transfer of shares. It should also be possible to acquire economic assets against shares under certain circumstances. It must be possible to exclude shareholders' subscription rights for both. As such acquisitions often must be carried out at short notice, it is important that they are not generally resolved by the general meeting which only takes place once a year. Authorized capital is required, which the management board can access quickly with the consent of the supervisory board.

If opportunities are identified to merge with other undertakings or to acquire undertakings, parts of undertakings or investments in companies or other assets, the management board will in any case carefully examine whether it should make use of the authorization to increase capital by granting new shares. This includes in particular the examination of the valuation relation between the company and the acquired equity interest or other assets and the determination of the issue price of the new shares and the further conditions of the share issue. The management board will only use the authorized capital if it is convinced that the merger or acquisition of the undertaking, the undertaking share or the acquisition of investments against the granting of new shares is in the best interests of the company and its shareholders. The supervisory board will only give its required consent if it too has come to this conclusion.

- v. The subscription right can also be excluded when executing share dividends (also known as scrip dividends), in the context of which shares in the company (including partially and/or optionally) are used to satisfy dividend claims of the shareholders. This should enable the company to distribute a share dividend on optimal terms. In the case of a share dividend, the shareholders are offered the opportunity to contribute their claim to payment of the dividend arising from the profit appropriation resolution of the general meeting to the company in whole or in part as a contribution in kind in order to receive new shares in the company in return. The distribution of a share dividend can be made as a subscription rights issue, in particular in compliance with the provisions of Article 5 SE Regulation in conjunction with Section 186 para. 1 AktG (minimum subscription period of two weeks) and Section 186 para. 2 AktG (announcement of the issue amount at the latest three days before the expiry of the subscription period). In individual cases, depending on the capital market situation, it may be preferable to structure the distribution of a share dividend in such a way that although the management board offers new shares for subscription to all shareholders who are entitled to dividends, while observing the general principle of equal treatment (Article 5 SE Regulation in conjunction with Section 53a AktG) against the contribution of their dividend claim, and thus economically grants the shareholders a subscription right, but legally excludes the

subscription right of the shareholders to new shares altogether. Such an exclusion of subscription rights enables the share dividend to be distributed without the aforementioned restrictions of Article 5 SE Regulation in conjunction with Section 186 paras. 1 and 2 AktG, and thus on more flexible terms. In view of the fact that the new shares will be offered to all shareholders and excess dividend amounts will be compensated by paying the dividend in cash, an exclusion of subscription rights appears justified and appropriate in such a case.

If the management board utilizes one of the above authorizations to exclude subscription rights in the course of a capital increase from Authorized Capital 2020 during a fiscal year, it will report on this at the following general meeting.

**6. Report of the management board regarding Agenda Item 7: Resolution on the amendment of the authorization by the general meeting on March 10, 2017, as amended by the resolutions of the general meetings on July 28, 2017, May 24, 2018 and June 19, 2019, to issue performance shares as virtual stock options and to deliver shares of the company to service subscription rights from performance shares to members of the management board and employees of the company as well as to employees of affiliated companies of the company (Long Term Incentive Plan 2019 ("LTIP 2019")) and on the amendment of the Conditional Capital 2019 to service subscription rights from performance shares issued on the basis of the authorization by the general meeting on March 10, 2017, as amended by the resolutions of the general meetings on July 28, 2017, May 24, 2018, and June 19, 2019, as well as the corresponding amendment of the articles of association**

Under Agenda Item 7, the management board and the supervisory board propose (i) to authorize the management board and the supervisory board of the company to grant Virtual Stock Options ("**Performance Shares**"), which can result in up to 2,429,819 subscription rights for new shares of the company ("**Subscription Rights**"), to members of the management board and employees of the company and to employees of affiliated companies of the company (together, the "**Beneficiaries**") until December 31, 2024 (Long Term Incentive Plan 2019 ("**LTIP 2019**")) and (ii) to authorize the management board and the supervisory board to issue shares of the company to the Beneficiaries to fulfill the Subscription Rights from Performance Shares. In addition, the scope of the existing Conditional Capital 2019 is to be extended and the articles of association are to be adjusted accordingly. The management board presents the following report regarding Agenda Item 7 of the general meeting about the reasons for the authorization to issue Performance Shares under the LTIP 2019 and the fulfillment of the resulting Subscription Rights through new shares from the Conditional Capital 2019:

In March 2017, the company created a long term incentive plan in order to grant Performance Shares to members of the management board and employees of the company and its affiliated companies, resulting in Subscription Rights to new shares of the company, which the company may, however, also choose to fulfill through treasury shares or cash payments. The general meeting of the company of March 10, 2017, as amended by the resolutions of the general meetings of July 28, 2017, May 24, 2018 and June 19, 2019, approved this long term incentive plan (the "**LTIP 2019**") and the fulfillment of the resulting Subscription Rights with new shares of the company and created a corresponding Conditional Capital 2019.

In order to ensure the necessary flexibility in the utilization of the LTIP 2019, this authorization is to be adjusted as regards the scope and term, and the Conditional Capital 2019 in Section 4 para. 5 of the articles of association is to be amended accordingly.

Holders of the Performance Shares issued and to be issued, respectively, under the LTIP 2019 are in principle entitled to receive new shares upon exercise of Performance Shares. The number of Subscription Rights per Performance Share is calculated based on the difference ("**Value Increase**") between the price of one share of the company at the time the Performance Shares were exercised ("**Exercise Price**") and the virtual issue price determined at the time the Performance Shares were granted divided by the Exercise Price. The new shares will be issued against contribution of variable remuneration claims in the amount of the Exercise Price per share.

In order to increase the flexibility of the company when Performance Shares are exercised by the Beneficiaries, the company may be authorized to grant Beneficiaries treasury shares instead of new shares to fulfill Subscription Rights or to fulfill Subscription Rights through cash payments.

Subscription Rights may only be issued to Beneficiaries. In total, (i) up to 979,819 Subscription Rights may be granted to members of the management board of the company and (ii) up to 1,450,000 Subscription Rights may be granted to employees of the company and to these of affiliated companies. As part of the granting of Subscription Rights, the management board of the company determines the individual Beneficiaries as well as the number of Subscription Rights to be offered to them for subscription. To the extent Subscription Rights are to be granted to members of the management board, the determination and the issuance of Performance Shares is the responsibility of the supervisory board of the company.

Upon achieving certain performance targets and the expiry of certain periods of time, each Performance Share principally grants a Subscription Right to receive a certain number of new shares in the company which may be exercised within specified exercise periods. In total, a maximum of 2,429,819 Subscription Rights may be issued under LTIP 2019 until the end of 2024.

The Conditional Capital 2019, which is to be adjusted so that the share capital of the company is conditionally increased by up to EUR 2,429,819.00 (in words: two million four hundred twenty-nine thousand eight hundred and nineteen Euros) through the issuance of up to 2,429,819 no-par value bearer shares ("**Conditional Capital 2019**"), serves to fulfill the Subscription Rights. The Conditional Capital 2019 solely serves to fulfill Subscription Rights granted to Beneficiaries pursuant to the authorizations of the general meeting of March 10, 2017, as amended by the resolutions of the general meetings of July 28, 2017, May 24, 2018, June 19, 2019 and June 3, 2020, as part of the LTIP 2019 (or under the previous designation LTIP 2017).

The subscription shares will be issued at the lowest issue price of EUR 1.00. The contributions for the subscription shares are made by contributing the compensation claims of the Beneficiaries from the Performance Shares granted to them by way of contribution in kind. The conditional capital increase is implemented only to the extent that Performance Shares have been issued based on the authorizations of the general meeting of March 10, 2017, as amended by the resolutions of the general meetings of July 28, 2017, May 24, 2018, June 19, 2019 and June 3, 2020, the Beneficiaries have used their exercise rights in accordance with the agreed terms and the company has not fulfilled the Subscription Rights through treasury shares or a cash payments. The new shares participate in the profits from the beginning of the fiscal year during which the issuance takes place; in deviation from this, the new shares will participate in the profits from the beginning of the fiscal year preceding the fiscal year of creation if the general meeting has not yet adopted a resolution on the appropriation of the balance sheet profits for the fiscal year preceding the fiscal year of creation.

The incentive for the Beneficiaries is determined by the development of the stock price of the shares of the company between the time of granting of the Performance Shares and the time of their exercise. The Exercise Price at which a Performance Share may be exercised under the LTIP 2019 corresponds to the closing price of the company's shares in Xetra-trading (or a comparable successor system) on the Frankfurt Stock Exchange on the day the Performance Shares are exercised or – if a Performance Share is exercised on a day on which no closing price is calculated (e.g., a weekend or during a holiday) – the closing price on the next trading day.



Subscription Rights may generally only be issued outside certain black-out periods in order to specifically avoid the use of insider knowledge. For a successful search for further highly qualified employees it is beneficial for the company if the participation in the attractive compensation system created through the LTIP 2019 can also be offered to such new employees during the year. Therefore, Performance Shares may also be pledged to such new employees or members of the management board.

The Beneficiaries acquire claims from Performance Shares principally over a period of twelve months (*vesting period*). In order to incentivize the Beneficiaries to increase the shareholder value in the interest of all shareholders for a longer period, the proposal regarding the LTIP 2019 in addition to the revenue-based goal and the accrual of the Performance Shares, provides for a waiting period of four years for the initial exercise of Subscription Rights. Following this waiting period, Subscription Rights may, subject to the other conditions being met, only be exercised outside the following periods:

- the period of eight weeks prior to and until the end of the day of an annual general meeting of the company;
- the period of three weeks prior to and until a day after the publication of quarterly or half-year financial results of the company; and
- the last two weeks before the end of a fiscal year until a day after the publication of the annual results of the past fiscal year.

This provision should enable efficient processing and at the same time ensures that the Beneficiaries are not in possession of insider information.

The right to exercise Subscription Rights is generally forfeit four years after expiry of the waiting period. Subscription Rights that are not exercised or cannot be exercised until the end of the this point in time are forfeit without compensation.

The draft proposal and the conditions of the LTIP 2019, respectively, also generally exclude a transfer of Subscriptions Rights. This ensures that the personal incentives aimed at by the Performance Shares are being ensured. Finally, the draft proposal and the conditions of the LTIP 2019, respectively, also provide that the management board and – with respect to the management board – the supervisory board are authorized to determine further details regarding the issuance of shares from the Conditional Capital 2019, in particular the subscription conditions for Beneficiaries, as well as to deviate from the conditions of this authorization insofar as the authorization exceeds minimum requirements under stock corporation law. Further details include, in particular, provisions for the allocation of Subscription Rights within the qualified groups of people, provisions on taxes and costs, rules on dividend entitlements prior to the exercise of Subscription Rights, the procedure for the granting of Subscription Rights to the individual Beneficiaries and the exercise of Subscription Rights, regulations regarding the expiry of Subscription Rights in the event of a termination of a service or employment relationship as well as procedural rules.

**7. Report of the management board regarding Agenda Item 8: Resolution on the cancellation of the authorization of the general meeting on June 13, 2018 to issue convertible bonds, option bonds, profit participation rights and/or profit participation bonds (or combinations of these instruments) with the option of excluding subscription rights, on the granting of a new authorization to issue convertible bonds, option bonds, profit participation rights and/or profit participation bonds (or combinations of these instruments) with the option of excluding subscription rights, creation of a new Conditional Capital 2020 as well as on the cancellation of the Conditional Capital 2018 and corresponding amendment of the articles of association**

Under Agenda Item 8, the management board and the supervisory board propose to cancel the existing authorization to issue convertible bonds, option bonds, profit participation rights and/or profit participation bonds (or combinations of these instruments) with the option of excluding subscription rights, to grant a new authorization to issue convertible bonds, option bonds, profit participation rights and/or profit participation bonds (or combinations of these instruments) with the option of excluding subscription rights, and to create a new Conditional Capital 2020.

Pursuant to Article 5 SE Regulation in conjunction with Section 221 para. 4 sentence 2 in conjunction with Section 186 para. 4 sentence 2 AktG, the management board presents the following report regarding Agenda Item 8 of the general meeting about the reasons for the authorization to exclude the subscription right of shareholders when issuing new bonds:

In order for the company to remain flexible in the future as well to issue convertible bonds and/or option bonds and/or profit participation rights with option or conversion rights (or a combination of these instruments) as needed (including issues with a simplified exclusion of subscription rights) and to be able to support these with shares for servicing the resulting option or conversion rights, the existing authorization is to be canceled and replaced by a new authorization with a scope adapted to the larger number of shares and with a longer term. The Conditional Capital 2018 in Section 4 para. 8 of the articles of association should be adjusted accordingly.

In order to be able to also utilize the spectrum of possible capital market instruments that securitize conversion or option rights accordingly, it seems appropriate to limit the permissible issue volume in the authorization to EUR 150,000,000.00. The conditional capital that serves to fulfill the conversion or option rights or conversion or option obligations should equal EUR 10,774,773.00. This ensures that this authorization framework can be fully utilized. The number of shares required to service conversion or option rights, conversion or option obligations or to grant shares instead of the amount due under a bond with a specific issue volume generally depends on the market price of the company's share at the time of the issue of the bond. If conditional capital is sufficiently available, the possibility to fully utilize the authorization framework for the issue of bonds is ensured.

Adequate capital resources are an essential basis for the development of the company. By issuing convertible bonds and option bonds, depending on the market situation, the company can use attractive financing options to enable the company to obtain capital at a low current interest rate. By issuing profit participation rights with conversion or option rights, the interest can also be based, for example, on the company's current dividend. The conversion and option premiums that are achieved benefit the company in the issuance. Practice has shown that some financing instruments can only be placed through the granting of option or conversion rights.

When issuing convertible bonds, option bonds, profit participation rights and/or profit participation bonds with conversion or option rights, the shareholders must generally be granted a subscription right to the bonds (Article 5 SE Regulation in conjunction with Section 221 para. 4 in conjunction with Section 186 para. 1 AktG). The management board can make use of the option of issuing bonds to one or more credit institutions with the obligation to offer the bonds to the shareholders in accordance with their subscription rights (so-called indirect subscription rights in accordance with Section 186 para. 5 AktG). This is not a limitation of shareholders' subscription rights. Ultimately, the shareholders are granted the same subscription rights as with a direct subscription. For technical reasons, only one or more credit institutions are involved in the settlement.

- i. The management board shall however be authorized, with the consent of the supervisory board, to exclude the subscription rights for fractional amounts. This exclusion of subscription rights aims to facilitate the settlement of an issuance with a general subscription right of the shareholders, because it enables a technically feasible subscription ratio to be represented. The value of the fractional amounts is usually low per shareholder, which is why the possible dilution effect can likewise be considered as low. In contrast, the effort for the issuance without such an exclusion is significantly higher. The exclusion therefore serves the purpose of practicability and facilitating the execution of an issuance. For these reasons, the management board and the supervisory board consider the possible exclusion of subscription rights to be objectively justified and, taking into account the interests of the shareholders, also appropriate.
- ii. Furthermore, the management board shall be authorized, with the consent of the supervisory board, to exclude shareholders' subscription rights in order to grant holders or creditors of bonds a subscription right to the extent which they would be entitled after exercising their conversion or option rights or after fulfilling their conversion or option obligations. This provides the option of granting subscription rights to the holders or creditors of bonds already issued at that time or still to be issued as protection against dilution, instead of a reduction in the option or conversion price. It is standard in the market to provide bonds with such protection against dilution.
- iii. In analogous application of Article 5 SE Regulation in conjunction with Section 186 para. 3 sentence 4 AktG, the management board shall further be authorized, with the consent of the supervisory board, to exclude subscription rights where bonds are issued against cash payments if the issue price of the bonds does not substantially fall below their market value. This can be expedient in order to rapidly identify favorable stock market conditions and to be able to place a bond quickly and flexibly on the market at attractive conditions. Since the stock markets can be volatile, achieving the most advantageous possible issue result often depends on whether it is possible to react to market developments at short notice. Favorable conditions that are as close to market conditions as possible can usually only be fixed if the company can place the instruments within a short offer period. In order to secure the chances of success of the issue for the entire offer period, a not inconsiderable safety discount is generally required for subscription rights issues. Admittedly, Section 186 para. 2 AktG permits publication of the subscription price (and thus the conditions of the bond in the case of option and convertible bonds) until the third to last day of the subscription period. In view of the volatility of the stock markets, though, even then there is a market risk for several days,

which leads to safety margins when fixing the bond conditions. When granting a subscription right, an alternative placement with third parties is also rendered more difficult due to the uncertainty of the exercise (subscription behavior) or involves additional efforts. Finally, if a subscription right is granted, the company cannot react to a change in market conditions at short notice due to the length of the subscription period, which can lead to less favorable capital procurement for the company.

The interests of the shareholders are safeguarded by the fact that the bonds are not issued substantially below the market value. The market value is to be determined according to recognized financial mathematical principles. When setting the price, the management board will keep the discount on the market value as low as possible, taking into account the respective situation on the capital market. This means that the exclusion of subscription rights does not result in any noteworthy economic disadvantage for the shareholders.

A market-oriented determination of the conditions and thus the avoidance of a noteworthy dilution of value can also be effected, inter alia, by the management board carrying out a so-called bookbuilding process. In this process, investors are asked to submit purchase orders based on preliminary bond terms by specifying, e.g., the interest rate and/or other economic components considered to be fair in the market. After completion of the bookbuilding period, the conditions still open at that time, e.g., the interest rate, will be determined on the basis of the purchase orders submitted by investors in line with supply and demand. In this manner, the total value of the bonds is determined close to the market. Among other things, the management board can use such a bookbuilding process to ensure that there is no significant dilution of the value of equity due to the exclusion of subscription rights.

Shareholders also have the option of maintaining their share in the company's share capital on nearly the same conditions by purchasing on the stock exchange. This ensures that their financial interests are adequately safeguarded. The authorization to exclude subscription rights in accordance with Section 221 para. 4 sentence 2 in conjunction with Section 186 para. 3 sentence 4 AktG only applies to bonds with rights to shares that do not account for a pro rata amount of the share capital totaling more than 10 % of the share capital, either at the time they become effective or at the time when this authorization is exercised. The sale of treasury shares shall be counted towards this limit, provided this occurs during the term of this authorization under the exclusion of the subscription right pursuant to Section 71 para. 8 no. 5 sentence 2 clause 2 in conjunction with Section 186 para. 3 sentence 4 AktG. In addition, shares shall be counted towards this limit that are

issued from authorized capital during the term of this authorization under the exclusion of subscription rights pursuant to Section 203 para. 2 sentence 1 in conjunction with Section 186 para. 3 sentence 4 AktG. This crediting is done in the interests of the shareholders to minimize dilution of their participation.

- iv. Bonds can also be issued against contributions in kind, provided this is in the interests of the company. In this case, the management board is authorized, with the consent of the supervisory board, to exclude shareholders' subscription rights, provided that the value of the contribution in kind is commensurate with the theoretical market value of the bonds to be determined according to recognized financial mathematical principles. This opens up the possibility of also using bonds as an acquisition currency in suitable individual cases, e.g., in connection with the acquisition of undertakings, equity interest or other assets. Thus, it has been shown in practice that it is often necessary in negotiations to provide the consideration not in cash, but also or exclusively in another form. The possibility of being able to offer bonds as consideration therefore creates an advantage in the competition for interesting acquisition assets, as well as the necessary leeway to be able to take advantage of opportunities to acquire undertakings – even larger ones –, equity interest or other assets in a manner that conserves liquidity. This may also make sense from the perspective of an optimal financing structure. In each individual case, the management board will carefully examine whether it will make use of the authorization to issue bonds with conversion or option rights or conversion or option obligations against contributions in kind under the exclusion of subscription rights. It will only do this if this is in the interests of the company and thus its shareholders.

Insofar as profit participation rights or profit participation bonds with no conversion or option rights or conversion or option obligations are to be issued, the management board is also authorized, with the consent of the supervisory board, to exclude the subscription right of the shareholders as a whole, if these profit participation rights or profit participation bonds are structured similar to obligations, i.e., do not establish membership rights in the company, grant any participation in the liquidation proceeds, and the amount of the interest is not calculated on the basis of the amount of the annual profit, the balance sheet profit or the dividend. Moreover, this requires that the interest and the issue price of the profit participation rights or profit participation bonds must also correspond to the current market conditions for comparable borrowings at the time of the issue. If the above conditions are met, the exclusion of subscription rights does not result in any disadvantages for the shareholders, since the profit participation rights or profit participation bonds do not establish any membership rights and do not grant any share in the liquidation proceeds or in the profit of the company. Although it can be stipulated

that the interest rate depends on the existence of an annual surplus, a balance sheet profit or a dividend, a provision would on the other hand be inadmissible according to which a higher annual surplus, a higher balance sheet profit or a higher dividend would lead to a higher interest rate. Therefore, the issuance of profit participation rights or profit participation bonds does not change or dilute the voting rights or the shareholders' participation in the company and its profits. In addition, there is no noteworthy subscription right value as a result of the fair market issue conditions that are mandatory in this case of the exclusion of subscription rights.

The proposed conditional capital serves to fulfill conversion or option rights or conversion or option obligations for shares in the company from issued bonds, or to grant shares in the company to creditors or holders of bonds instead of paying the amount due. It is also envisaged that the conversion or option rights or conversion or option obligations can instead also be serviced by the delivery of treasury shares or shares from authorized capital or by other benefits.

If the management board utilizes one of the above authorizations to exclude subscription rights in the course of issuing bonds during a fiscal year, it will report on this at the following general meeting.

### **III. Further information on the convocation**

#### **1. Total number of shares and voting rights at the time of the convocation of the general meeting**

At the time of the convocation of the general meeting, the share capital of the company amounts to EUR 26,409,186.00 and is divided into 26,409,186 no-par value shares. Each no-par value share carries one vote at the general meeting. Therefore, the total number of shares that carry participation and voting rights amounts to 26,409,186 at the time of the convocation. The company holds 26,907 treasury shares at the time of the convocation.

#### **2. Holding the general meeting as a virtual general meeting without the physical presence of the shareholders or their proxies**

The management board of the company, with the consent of the supervisory board, has decided to hold the company's annual general meeting for the fiscal year 2020 as a virtual general meeting without the physical presence of the company's shareholders or their proxies. This resolution was made on the basis of the COVID-19 Mitigation Act, which entered into force on March 28, 2020.

A physical participation of the shareholders or their proxies in the general meeting is excluded.

The shareholders have the option to exercise their voting rights, either in person or by proxy, in writing or by electronic communication, and their right to ask questions and object by electronic communication. They can follow the entire Annual General Meeting by means of video and audio transmission on the password-protected website provided by the company (the "**Online Portal**") at

<https://www.home24.com/websites/homevierundzwanzig/English/4300/publications.html>

under the "General Meeting" section.

### **3. Conditions for exercising voting and questioning rights**

Only those shareholders who have registered in good time are entitled to exercise the right to ask questions in connection with the virtual general meeting (see below), to exercise voting rights by postal vote, and to grant power of attorney.

Therefore, the registration must have been received by the company no later than 24:00 CEST on Wednesday, May 27, 2020, under one of the following addresses

home24 SE  
c/o Link Market Services GmbH  
Landshuter Allee 10  
80637 Munich  
Germany  
E-Mail: [inhaberaktien@linkmarketservices.de](mailto:inhaberaktien@linkmarketservices.de)

and the holders of bearer shares must have provided the company with special evidence of their shareholding in order to prove that they were a shareholder of the company at the beginning of the 12th day before the general meeting, i.e., on Friday, May 22, 2020 at 00:00 CEST (record date). In order to prove such shareholding, a special evidence of the shareholding issued by the custodian bank is sufficient.

The evidence of shareholding must be received by the company at the aforementioned address no later than 24:00 CEST on Monday, June 1, 2020. The registration and evidence of shareholding must be submitted in text form (Section 126b of the German Civil Code) and in the German or English language.



After due registration, voting cards for the general meeting including the access information for the password-protected Online Portal of the company will be sent. In order to ensure timely receipt of the voting cards, shareholders are asked to register and send evidence of their shareholding to the company in good time.

At

<https://www.home24.com/websites/homevierundzwanzig/English/4300/publications.html>

under the “General Meeting” section, the company will operate an online portal from Friday, May 22, 2020. Via the online portal, duly registered shareholders and their proxies can, among other things, exercise their voting rights, grant proxies and submit questions. In order to use the online portal, shareholders must log in with the access code that they receive with their voting card. The various options for exercising rights then appear in the form of buttons and menus on the user interface of the online portal.

#### **4. Significance of the record date**

When it comes to exercising voting rights, only those persons who have provided special evidence of their shareholding are considered shareholders vis-à-vis the company. The scope of voting rights is solely based on the shareholding as of the record date. The record date does not create any restrictions on the disposal of the shareholding. Even in the event of a full or partial disposal of the shareholding after the record date, the scope of the voting rights is solely based on the shareholding as of the record date (i.e., any disposal of shares after the record date does not affect the scope of voting rights). The same applies to acquisitions or additional acquisitions of shares after the record date. Persons who do not hold any shares on the record date and subsequently become shareholders only have the right to vote with respect to their shares if and to the extent that they have been authorized or given the right to do so by the person entitled to exercise these rights on the record date.

## 5. Procedure for voting by shareholders

Shareholders can only exercise their voting right by postal vote, either by mail, by way of electronic communication by email or by using the Online Portal and by granting power of attorney. Only shareholders who are duly registered by Wednesday, May 27, 2020, 24:00 CEST, and who have duly furnished evidence of shareholding are entitled to exercise the voting rights of shareholders by postal vote and to grant power of attorney (as specified above). For the voting rights exercised by postal vote, the holding of shares proven on the record date is decisive.

Subject to voting in the Online Portal, votes may be cast by postal vote in text form in German or English language by post or by way of electronic communication (by email) to the following address

home24 SE  
c/o Link Market Services GmbH  
Landshuter Allee 10  
80637 Munich  
Germany  
E-Mail: [inhaberaktien@linkmarketservices.de](mailto:inhaberaktien@linkmarketservices.de)

Shareholders may exercise their voting rights by postal vote using the postal vote form sent with the voting card. The postal vote form can also be downloaded from the company's website at

<https://www.home24.com/websites/homevierundzwanzig/English/4300/publications.html>

under the “General Meeting” section. Postal votes cast in this way must reach the company no later than Tuesday, June 2, 2020, 24:00 CEST. Up to this date, they can also be changed or revoked in the manner described above.

Voting by postal vote can also be done from Friday, 22 May 2020, using the password-protected Online Portal on the company's website at

<https://www.home24.com/websites/homevierundzwanzig/English/4300/publications.html>

under the “General Meeting” section. For this purpose, the “postal vote” button in the online portal is provided. In this way, postal votes can be cast, changed or revoked even on the day of the general meeting up to the start of voting.

In the case of multiple declarations received, the last vote received has priority. If different declarations are received via different transmission channels and it is not clear which declarations were last made, those declarations made by email will be taken into account, unless a vote is cast online on the day of the general meeting in the Online Portal.

The casting of votes by postal vote is limited to the vote on the proposed resolutions of the management board and/or the supervisory board announced in the convocation of the general meeting and on any resolutions proposed by shareholders with an addition to the agenda in accordance with Section 56 sentence 3 SE Regulation in conjunction with Section 50 para. 2 of the SE Regulation.

## **6. Procedure for voting by proxy**

Shareholders can also have their voting rights exercised by a proxy, such as an intermediary, a shareholders' association, a voting rights advisor or a person commercially offering the exercise of voting rights to shareholders at the general meeting ("commercial agent"). Even where a shareholder is represented by a proxy, the registration of the shareholder in due time and the submission of evidence of shareholding in due time as described above are still required.

Also proxies cannot physically attend the general meeting themselves, but are limited to exercising their voting rights as described in Section III.5 of this convocation. They must therefore themselves cast their votes as described above for the shareholders by postal vote or by proxy authorization and instructions to the company's proxies. With regard to the exercise of the right of question and of objection, Section III.8.d) and Section III.10 of this convocation apply equally to proxies of shareholders.

The granting of the power of attorney, its revocation and proof regarding the power of attorney vis-à-vis the company must be submitted in text form, unless an intermediary or a shareholders' association, a voting rights advisor or a commercial agent pursuant to Article 53 of the SE Regulation in conjunction with Section 135 para. 8 AktG are authorized to exercise such voting rights.

If a proxy to exercise voting rights is granted to an intermediary, a shareholders' association, a voting rights advisor or a commercial agent, the text form is not required. However, the authorization must be recorded by the proxy in a verifiable way. Furthermore, it must be complete and may only contain statements connected to the exercise of voting rights. Shareholders who wish to authorize an intermediary, a shareholders' association, a voting rights advisor or a commercial agent to exercise their voting rights on their behalf are asked to coordinate on the form of the power of attorney with the person that is to act as authorized representative. These persons can also exercise their voting rights by postal vote within the specified deadlines, as described in Section III.5 of this convocation, or by sub-proxy.

If the shareholder authorizes more than one person, the company may reject one or more of these authorized persons.

Shareholders who wish to appoint a proxy are requested to use the form provided by the company for this purpose. A proxy form can also be found on the voting card sent to the shareholder after successful registration. In addition, a proxy form will be available for download on the company's website at

<https://www.home24.com/websites/homevierundzwanzig/English/4300/publications.html>

under the “General Meeting” section.

The granting of the power of attorney, its revocation and proof of the appointment of a proxy must be received by the company in text form in German or English by no later than Tuesday, June 2, 2020, 24:00 CEST, by post or by electronic communication (via email) at the following address:

home24 SE  
c/o Link Market Services GmbH  
Landshuter Allee 10  
80637 Munich  
Germany  
E-Mail: [inhaberaktien@linkmarketservices.de](mailto:inhaberaktien@linkmarketservices.de)

The granting of the power of attorney, its revocation and proof of the appointment of a proxy vis-à-vis the company can also be made from Friday, May 22, 2020 using the password-protected Online Portal on the company's website at

<https://www.home24.com/websites/homevierundzwanzig/English/4300/publications.html>

under the “General Meeting” section. For this purpose the button “Power of Attorney to Third Parties” is provided in the Online Portal. In this way, the aforementioned declarations relating to the granting, amendment or revocation of the power of attorney can be made on the day of the general meeting until the start of voting.

The electronic access of the proxy via the Online Portal requires that the proxy receives the access code sent with the voting card from the person granting the power of attorney. The use of the access code by the authorized representative is also deemed to be proof of authorization.

Intermediaries, shareholders' associations, voting rights advisors or other persons within the meaning of Section 135 para. 8 AktG who represent a number of shareholders are recommended to contact the company at the above contact address in advance of the general meeting with regard to the exercise of voting rights.

## **7. Procedure for voting by proxies appointed by the company**

Furthermore, the company offers its shareholders the opportunity to authorize persons nominated by the company as proxy who are bound by the shareholder's instructions. The proxies are required to vote as instructed; they are not allowed to exercise the voting rights at their own discretion. It should be noted that the proxies can only vote on those items of the agenda with respect to which shareholders issue clear instructions and that the proxies cannot accept any instructions on procedural motions, neither in the run-up to nor during the general meeting. Likewise, the proxies cannot accept any instructions to request to speak, to file objections to resolutions of the general meeting or to submit questions or motions.

Prior to the general meeting, such power of attorney with instructions to the proxies can be granted using the power of attorney and instructions form, which the duly registered shareholders receive together with the voting card to the general meeting. The corresponding form is also available for download on the company's website at

<https://www.home24.com/websites/homevierundzwanzig/English/4300/publications.html>

under the “General Meeting” section.’

The power of attorney, the issuing of instructions to the proxies designated by the company and their revocation must be received by the company in text form in German or English by no later than Tuesday, June 2, 2020, 24:00 CEST, by post or by electronic communication (via email) at the following address:

home24 SE  
c/o Link Market Services GmbH  
Landshuter Allee 10  
80637 Munich  
Germany  
E-Mail: inhaberaktien@linkmarketservices.de

The power of attorney of the company's proxies, the issuing of instructions and their revocation can also be made from Friday, May 22, 2020 using the password-protected Online Portal on the company's website at

<https://www.home24.com/websites/homevierundzwanzig/English/4300/publications.html>

under the “General Meeting” section. For this purpose the button “Power of Attorney to Company’s Proxy” is provided in the Online Portal. In this way, the granting, amendment or revocation of proxies and instructions to the company's proxies can be carried out on the day of the general meeting up to the start of voting.

## **8. Further rights of shareholders**

### **a) Motions by shareholders to add items to the agenda pursuant to Article 56 of the SE Regulation in conjunction with Section 50 para. 2 of the SE Implementation Act, Article 2 Section 1 para. 3 sentence 4 of the COVID-19 Mitigation Act**

Pursuant to Section 56 sentence 3 of the SE Regulation in conjunction with Section 50 para. 2 of the SE Implementation Act, one or more shareholders whose combined shareholdings amount to five percent of the share capital or a proportionate amount of EUR 500,000.00 (corresponding to 500,000 shares) may request that items be placed on the agenda and published. Each new item must be accompanied by a reasoning or a draft resolution.

Such a request for additional items must be submitted to the management board in writing and must be received by the company at least 14 days prior to the general meeting; the day of receipt and the day of the general meeting are not taken into account when calculating this 30-day period. Therefore, the last possible date of receipt is 24:00 CEST on Tuesday, May 19, 2020. Requests for additional items received at a later point in time will be disregarded.

Please send any supplementary requests to the following address:

home24 SE  
c/o Link Market Services GmbH  
Landshuter Allee 10  
80637 Munich  
Germany

Any additions to the agenda to be published will be published in the Federal Gazette without undue delay upon receipt of the request. They will also be announced on the company's website at

<https://www.home24.com/websites/homevierundzwanzig/English/4300/publications.html>

under the “General Meeting” section. and to the shareholders in accordance with Article 53 SE Regulation in conjunction with Section 125 para. 1 sentence 3, para. 2 AktG.

**b) Countermotions of shareholders pursuant to Article 53 of the SE Regulation in conjunction with Section 126 para. 1 AktG**

Each shareholder has the right to submit a countermotion to the proposals of the management board and/or the supervisory board regarding certain items of the agenda.

Countermotions received by the company at least 14 days prior to the meeting at the address indicated below, not taking into account the date of receipt and the date of the general meeting, i.e., by no later than 24:00 CEST on Tuesday, May 19, 2020, will immediately be made available on the company's website at

<https://www.home24.com/websites/homevierundzwanzig/English/4300/publications.html>

under the “General Meeting” section. along with the name of the shareholder as well as a reasoning and/or comments by the management board, if any (cf. Article 53 of the SE Regulation in conjunction with Section 126 para. 1 sentence 3 AktG).

In Section 126 para. 2 AktG, the law enumerates situations where a countermotion and the corresponding reasoning, if any, need not be made available via the website. These reasons are described on the company's website at

<https://www.home24.com/websites/homevierundzwanzig/English/4300/publications.html>

under the “General Meeting” section. In particular, there is no need to make the reasoning, if any, available if it comprises more than 5,000 characters.

Only the following address is relevant for the submission of counter motions along with the respective reasoning, if any:

home24 SE  
c/o Link Market Services GmbH  
Landshuter Allee 10  
80637 Munich  
Germany  
E-Mail: [antraege@linkmarketservices.de](mailto:antraege@linkmarketservices.de)

Counter motions directed to any other address will not be made available. Shareholders are asked to provide evidence of their shareholder status at the time the counter motion or proposal for election is sent. No counter motions can be made during the general meeting.

**c) Election proposals by shareholders pursuant to Article 53 of the SE regulation in conjunction with Sections 126, 127 AktG**

Each shareholder has the right to submit election proposals for the election of the auditor (Agenda Item 4) at the general meeting.

Election proposals by shareholders received by the company at least 14 days prior to the general meeting at the address indicated below, provided that the date of receipt and the date of the general meeting are not taken into account, i.e. no later than 24:00 CEST on Tuesday, May 19, 2020, will immediately be made available on the company's website at

<https://www.home24.com/websites/homevierundzwanzig/English/4300/publications.html>

under the “General Meeting” section.

Election proposals submitted by shareholders need not be made available if they do not include the name, profession and place of residence of the proposed person. Election proposals do not require a reasoning.



Section 127 sentence 1 AktG in conjunction with Section 126 para. 2 AktG as well as Section 127 sentence 3 AktG in conjunction with Sections 124 para. 3 sentence 4, 125 para.1 sentence 5 AktG enumerate additional reasons for when election proposals by shareholders need not be made available on the company's website. These reasons are described on the company's website at

<https://www.home24.com/websites/homevierundzwanzig/English/4300/publications.html>

under the “General Meeting” section.

The following address is relevant for the submission of election proposals:

home24 SE  
c/o Link Market Services GmbH  
Landshuter Allee 10  
80637 Munich  
Germany  
E-Mail: [antraege@linkmarketservices.de](mailto:antraege@linkmarketservices.de)

Election proposals sent to any other address will not be made available. No election proposals can be made during the general meeting.

**d) Possibility to ask questions in accordance with Article 2 Section 1 para. 2 no. 3 COVID-19 Mitigation Act**

According to the provisions of the COVID-19 Mitigation Act, shareholders who have duly registered and provided evidence of shareholding are given the opportunity to ask questions via electronic communication in connection with the general meeting, without this right to ask questions simultaneously constituting a right to information.

The management board has decided, with the consent of the supervisory board, that all questions should be submitted before the general meeting and no later than Monday, June 1, 2020, 24:00 CEST, by electronic communication in German using the password-protected Online Portal on the company's website at

<https://www.home24.com/websites/homevierundzwanzig/English/4300/publications.html>

under the “General Meeting” section, using the designated procedure.

There is no option to ask questions after the deadline has expired or during the general meeting. The questions will be answered "during" the meeting, unless questions have been answered beforehand on the company's website at

<https://www.home24.com/websites/homevierundzwanzig/English/4300/publications.htm>

under the "General Meeting" section.

The management board will decide at its own discretion, in derogation from Article 53 SE Regulation in conjunction with Section 131 AktG, which questions it will answer. The management board does not have to answer all questions, it can summarize and select meaningful questions in the interest of the other shareholders. It can favor shareholders' associations and institutional investors with significant voting shares. The questioners may be designated by name when answering the questions, unless they have expressly objected to the designation by name.

**e) Further explanations**

Further explanations on the rights of shareholders under Article 53 SE Regulation in conjunction with Section 122 para. 2, Sections 126 para. 1, 127 AktG and Article 2 Section 1 para. 2 sentence 1 no. 3 of the COVID-19 Mitigation Act are available on the company's website at

<https://www.home24.com/websites/homevierundzwanzig/English/4300/publications.html>

under the "General Meeting" section.

**9. Video and sound transmission of the entire general meeting**

The company's shareholders can follow the entire general meeting (including general debate and votes) on Wednesday, June 3, 2020, from 9:30 CEST after entering the access data in the password-protected Online Portal on the company's website at

<https://www.home24.com/websites/homevierundzwanzig/English/4300/publications.html>

under the "General Meeting" section.

The option that shareholders can attend the general meeting pursuant to Article 53 SE Regulation in conjunction with Section 118 para. 1 sentence 2 AktG even without being present at the meeting place and without a proxy does not exist. In particular, the live transmission does not allow participation in the general meeting within the meaning of Article 53 SE Regulation in conjunction with Section 118 para. 1 sentence 2 AktG.

An internet connection and an internet-capable terminal device are required to follow the virtual general meeting as well as to use the Online Portal and to exercise shareholder rights. In order to be able to optimally play the video and audio transmission of the general meeting, a stable internet connection with sufficient transmission speed is recommended.

To access the Online Portal, shareholders need their voting card, which will be sent to them after they have duly registered. This voting card contains individual access information with which shareholders can log on to the online portal.

Shareholders will receive further details on the Online Portal together with their voting card as well as on the company's website at

<https://www.home24.com/websites/homevierundzwanzig/English/4300/publications.html>

under the “General Meeting” section.

The company cannot guarantee the functionality and constant availability of the internet services used, the network elements of third parties used, the image and sound transmission or the constant availability of the Online Portal. The company therefore recommends that shareholders make early use of the options mentioned above, in particular for exercising their voting rights.

## **10. Objection to resolutions**

Shareholders who have exercised their voting rights by postal vote or by the granting a power of attorney are given the opportunity to object to resolutions of the general meeting, while waiving the requirement to appear at the general meeting. The objection must be declared by the end of the general meeting via the Online Portal made available at

<https://www.home24.com/websites/homevierundzwanzig/English/4300/publications.html>

under the “General Meeting” section by electronic communication to the notary’s records. For this purpose, the “Submit Objection” button is provided in the Online-Portal.

**11. Information on the website of the company pursuant to Article 53 of the SE Regulation in conjunction with Section 124a AktG**

Following the convocation of the general meeting, in particular the following documents, together with this convocation, will be available on the company's website at

<https://www.home24.com/websites/homevierundzwanzig/English/4300/publications.html>

under the “General Meeting” section.

Regarding Agenda Item 1:

- The adopted annual financial statements and the consolidated financial statements as of December 31, 2019 approved by the supervisory board, the summarized management report for the company and the group, including the report of the supervisory board for the fiscal year 2019 as well as the explanatory report of the management board on the information pursuant to Sections 289a para. 1, 289f para. 1 and 315a para. 1 of the German Commercial Code.

Regarding Agenda Item 6:

- Report of the management board on the cancellation of the Authorized Capital 2018 and creation of a new authorized capital against cash and/or contributions in kind with the authorization to exclude the subscription rights (Authorized Capital 2020) and to amend the articles of association accordingly;

Regarding Agenda Item 7:

- Report of the management board on Agenda Item 7: resolution on the amendment of the authorization by the general meeting on March 10, 2017, as amended by the resolutions of the general meetings on July 28, 2017 and Wednesday, June 19, 2019 to issue performance shares as virtual stock options and to deliver shares of the company to service subscription rights from performance shares to members of the management board and to employees of the company as well as employees of affiliated companies of the company (Long Term Incentive Plan 2019 ("LTIP 2019")) and on the adjustment of the Conditional Capital 2019 to service subscription rights from performance shares issued on the basis of the authorization by the general meeting on March 10, 2017, as amended by the resolutions of the general meetings on July 28 2017, May 24, 2018, and June 19, 2019, and corresponding amendment of the articles of association;

Regarding Agenda Item 8:

- Report of the management board on Agenda Item 8: resolution on the cancellation of the authorization of the general meeting on June 13, 2018 to issue convertible bonds, option bonds, profit participation rights and/or profit participation bonds (or combinations of these instruments) with the option of excluding subscription rights, on the granting of a new authorization to issue convertible bonds, option bonds, profit participation rights and/or profit participation bonds (or combinations of these instruments) with the option of excluding subscription rights, creation of a new Conditional Capital 2020 as well as on the cancellation of the Conditional Capital 2018 and corresponding amendment of the articles of association

In addition:

- Report of the management board on the partial utilization of the Authorized Capital 2015/II to service claims from stock options;
- Report of the management board on the partial utilization of the Authorized Capital 2015/III to service claims from virtual stock options;
- Report of the management board on the partial utilization of the Authorized Capital 2017 to service purchasing rights of GMPVC German Media Pool GmbH; and
- Report of the management board on the partial utilization of the authorization granted by the general meeting on May 24, 2018 to acquire and use treasury shares.

The aforementioned documents will also be available during the general meeting on Wednesday, June 3, 2020 on the company's website at

<https://www.home24.com/websites/homevierundzwanzig/English/4300/publications.html>

under the “General Meeting” section.

Any countermotions, election proposals and requests for the inclusion of additional items from shareholders received by the company in due time within the aforementioned periods and required to be published will also be made available via the aforementioned website.

## **12. Shareholder hotline**

For general questions regarding the conduct of the company's virtual general meeting, shareholders and intermediaries can contact the company by e-mail at

home24\_hv2020@linkmarketservices.de

In addition, the shareholder hotline is available from Monday up to and including Friday between 8:00 a.m. and 5:00 p.m. (CEST) at the telephone number +49 (89) 21027-220.

### **13. Information on data protection for shareholders**

The controller for the purposes of Article 4 no. 7 of Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation, "**GDPR**") which determines the purposes and means of the processing of personal data is:

home24 SE  
Greifswalder Straße 212-213  
10405 Berlin  
Germany  
Fax: +49 30 2016329499

The company's data protection officer can be reached by shareholders (including for questions regarding data protection) as follows:

home24 SE  
Greifswalder Straße 212-213  
10405 Berlin  
Germany  
E-Mail: [datenschutzbeauftragter@home24.de](mailto:datenschutzbeauftragter@home24.de)

The following categories of personal data are regularly processed as part of the preparation, implementation and follow-up of the general meeting:

- First and last name, title, address, email address;
- Number of shares, class of shares, type of possession of the shares and number of the voting card, including the access information to the virtual general meeting;
- in the case of a proxy who may have been nominated by a shareholder, their personal data (in particular their name and place of residence as well as the contact details provided in the context of voting);

- insofar as a shareholder or proxy makes use of the query options under Article 2 Section 1 para. 2 no. 3 of the COVID-19 Mitigation Act or otherwise contacts the company, the company also processes the personal data required to respond to any inquiries (such as the contact information provided by the shareholder or proxy, e.g., telephone numbers and email addresses); as well as
- information on the presence, motions, election proposals and requests from shareholders at the general meeting.

In the event of countermotions, election proposals or requests for additions which must be made publicly available, the company will also publish such proposals together with the shareholder's name, online at:

<https://www.home24.com/websites/homevierundzwanzig/English/4300/publications.html>

under the “General Meeting” section. If shareholders make use of the option to ask questions in advance of the general meeting and to have their questions addressed there, this may take place while designating them by name. However, shareholders can object to the designation by name.

Furthermore, personal data is made available to the shareholders and shareholder representatives in accordance with applicable laws, namely in the form of the list of participants. Shareholders and shareholder representatives have the right to inspect the list of participants for a period of up to two years after the general meeting (Section 129 para. 4 sentence 2 AktG).

The legal basis for the processing of personal data in accordance with Article 6 para. 1 letter c GDPR is the provisions of the SE Regulation, the German Stock Corporation Act and the COVID-19 Mitigation Act, in particular Sections 118 et seq. AktG and the relevant provisions of the COVID-19 Mitigation Act (Article 2 Section 1) in order to prepare, conduct and follow up the general meeting and to enable shareholders to exercise their rights in connection with the general meeting. In addition, personal data is processed in accordance with Article 6 para. 1 letter f GDPR due to the legitimate interest of the company in the proper execution of the general meeting, including to enable the exercise of shareholder rights and communication with the shareholders.

The company's service providers that are commissioned for the purpose of organizing the general meeting only receive personal data from the company to the extent such data is required to provide the requested services and only process the data in accordance with instructions from the company.

The company and the service providers commissioned to do so, respectively, generally receive personal data of a shareholder via the registration office of the intermediary that the shareholder has commissioned to hold their shares in the company (so-called custodian bank).

The storage period for the data recorded in connection with the general meeting regularly amounts to up to three years, unless the company is legally required to provide evidence and retain data for a longer period of time or where the company has a legitimate interest in further retention, for example in case of judicial and extrajudicial disputes in connection with the general meeting. After the expiration of the relevant period, personal data will be deleted.

Under certain legal requirements, shareholders have rights to information (Article 15 GDPR), rectification (Article 16 GDPR), erasure (Article 17 GDPR), restriction of processing (Article 18 GDPR) and objection (Article 21 GDPR) with regard to their personal data or their processing. Furthermore, shareholders have a right to data portability pursuant to Article 20 GDPR.

Shareholders can assert these rights against the company free of charge by contacting the company's data protection officer specified above.

Moreover, shareholders have the right to file a complaint with the data protection supervisory authorities pursuant to Article 77 GDPR.

The data protection supervisory authority responsible for the company is:

Berliner Beauftragte für Datenschutz und Informationsfreiheit  
Friedrichstr. 219  
10969 Berlin  
Germany  
Tel.: +49 30 13889-0  
Fax: +49 30 2155050  
E-Mail: [mailbox@datenschutz-berlin.de](mailto:mailbox@datenschutz-berlin.de)

This convocation has been provided for publication to such media as can be expected to disseminate the information throughout the entire European Union.

Berlin, May 2020

home24 SE

The management board