

**Annual General Meeting of flatexDEGIRO AG on 29 June 2021****Re Item 8, resolution subsection 8.3 of the agenda: Report of the Management Board to the Annual General Meeting pursuant to Section 186 para. 4 sentence 2 AktG in conjunction with Section 221 para. 4 sentence 2 AktG**

On 04 December 2017, the Annual General Meeting of the Company authorized the Management Board by resolution under agenda item 3, subject to the consent of the Supervisory Board, to issue bearer or registered convertible bonds and/or bonds with warrants (collectively „Bonds“) with or without a limited term to a total nominal amount of up to EUR 40,000,000.00 and to grant the holders or creditors of bonds, conversion or option rights (also with a conversion obligation) for no-par value registered shares of the Company with a pro rata amount of the share capital of up to EUR 1,300,000.00 in total in accordance with the terms and conditions of the convertible bonds or bonds with warrants.

This authorization was reworded as follows in sentence 1 of clause (1) (General) under agenda item 7 by resolution of the Annual General Meeting on 07 August 2018:

„The Management Board is authorized subject to the consent of the Supervisory Board, to issue bearer or registered convertible bonds and/or bonds with warrants (collectively „Bonds“) with or without a limited term to a total nominal amount of up to EUR 175,000,000.00 and to grant the holders or creditors of Bonds, conversion or option rights (also with a conversion obligation) for no-par value registered shares of the Company with a pro rata amount of the share capital of up to EUR 3,500,000.00 in total in accordance with the terms and conditions of the convertible bonds and/or bonds with warrants.”

This authorization was further amended by resolution of the Annual General Meeting on 20 October 2020 under agenda item 8, and the following sentence was added at the end of clause (7) (Subscription right and exclusion of subscription rights):

„The Management Board is also authorized, with the approval of the Supervisory Board, to exclude the subscription right of the shareholders insofar as the bonds are issued against non-cash contributions, in particular in order to be able to offer the bonds to third parties in the context of mergers or for the purpose of (also indirect) acquiring companies, parts of companies, interests in companies or other assets or claims to the acquisition of assets or claims against the Company.”

The aforementioned authorization is hereinafter referred to as the „**Authorization 2017**“ as amended by resolution of the Annual General Meeting held on 07 August 7 under agenda item 7 in clause (1) (General) and by resolution of the Annual General Meeting held on 20 October 2020 under agenda item 8 in clause (7) (Subscription rights and exclusion of subscription rights).

In accordance with the adjustments to the authorization, the Contingent Capital 2017 was also restated by resolution of the Annual General Meeting on 07 August 2018 and by resolution of the Annual General Meeting on 20 October 2020 in each case, and the Articles of Association were amended accordingly.

By operation of law, no automatic adjustment of the Authorization 2017 will occur as a result of the capital increase from company funds proposed under agenda item 8, resolution subsection 8.1, as the Authorization 2017 has not yet been utilized and therefore no contractual relationships within the meaning of Section 216 para. 3 sentence 1 of the German Stock Corporation Act (AktG) have yet been established that would be subject to an automatic adjustment by operation of law. In relation to the

increased amount of share capital, the authorizations would thus become less important. Therefore, this authorization shall be adjusted by resolution of the Annual General Meeting to the changed capital ratios as a result of the capital increase from company funds, while preserving the value of the capital increase in the same factor. In order to maintain the Company's financial room for manoeuvre to the extent hitherto granted by the Annual General Meeting and to give it the flexibility to use this financing instrument in the future, the total nominal amount of the maximum number of Bonds to be issued is thus to be increased by a factor of four from currently EUR 175,000,000.00 to EUR 700,000,000.00 in parallel with the increase in the share capital. The Contingent Capital 2017 in Article 4 para. 6 of the Articles of Association shall be adjusted accordingly.

The Management Board submits the following report to the Annual General Meeting on agenda item 8, resolution subsection 8.3 pursuant to Section 221 para. 4 sentence 2 AktG in conjunction with Section 186 para. 3 sentence 4 and para. 4 sentence 2 AktG on the reasons for authorizing the Management Board to exclude shareholders' subscription rights when exercising the authorization. This report is – from the time the Annual General Meeting is convened and throughout the entire Annual General Meeting – available on the Company's website at <https://www.flatexdegiro.com> under „Investor Relations“ in the subsection „Annual General Meeting & Prospectus“, there under „Annual General Meeting 2021“. The report is announced as follows:

The issuance of convertible bonds and/or bonds with warrants (or combinations of these instruments) may, in addition to the traditional possibilities of raising debt and equity, offer the possibility of using attractive financing alternatives on the capital market, depending on the market situation. The framework is to be limited to a total nominal amount of the bonds of a maximum of EUR 700,000,000.00 and an entitlement to subscribe to a maximum of 14,000,000 no-par value registered shares of the Company.

The issuance of convertible bonds and/or bonds with warrants enables the Company to raise debt capital at attractive conditions which, under certain circumstances, can be converted into equity capital upon maturity and thus be retained by the Company. The additional possibility of establishing conversion obligations in addition to granting conversion and/or option rights extends the scope for structuring this financing instrument. The authorization gives the Company the necessary flexibility to place the bonds itself or through Group companies under the management of the Company („Group Companies“). The authorization lays down the basis for determining the conversion or option price.

In order to service the conversion and/or option rights from these bonds, the Contingent Capital 2017 is to be adjusted. Shareholders are generally to be granted subscription rights. In the case of a placement via Group Companies, the Company must also ensure that the statutory subscription rights are granted to the Company's shareholders. In order to facilitate settlement, provision is made for the possibility of issuing the bonds to one or more credit institutions with the obligation to offer the bonds to the shareholders for subscription in accordance with their subscription rights.

However, subject to the conditions set out below, the Management Board is authorized, with the approval of the Supervisory Board, to exclude shareholders' subscription rights:

- a) The Management Board is to be authorized, subject to the consent of the Supervisory Board, to exclude the shareholders' subscription rights to the extent that the issue of shares on the basis of conversion or option rights or conversion obligations is limited to an amount of up to 10% of the Company's share capital. Any other issuance of shares against cash contributions or any issuance of conversion and/or option rights shall be counted towards this limit of 10% of the share capital, provided that such issuance is effected by exercising an authorization to exclude subscription rights pursuant to Section 186 para. 3 sentence 4 AktG during the term of this authorization. In

addition, the share capital attributable to acquired treasury shares that are sold during the term of this authorization other than on the stock exchange or by way of an offer to all shareholders in analogous application of Section 186 para. 3 sentence 4 AktG shall be counted towards this authorization. These offsets ensure that no convertible bonds and/or bonds with warrants are issued if this would result in the exclusion of shareholders' subscription rights for a total of more than 10% of the share capital by the Management Board in direct or indirect application of section 186 para. 3 sentence 4 AktG. This more far-reaching restriction is in the interest of shareholders who wish to maintain their shareholding quota as far as possible in the event of corresponding capital measures.

This possibility of excluding subscription rights gives the Company the flexibility to take advantage of favorable capital market situations at short notice and to achieve better conditions when setting the interest rate and issue price of the bond by setting the conditions close to the market. The main reason for this is that, in contrast to an issue of bonds with subscription rights, the issue price can only be fixed immediately before the placement, which means that an increased risk of price changes can be avoided for the period of a subscription period. If a subscription right is granted, on the other hand, the subscription price must be published by the third last day of the subscription period. In view of the frequently observed volatility on the stock markets, there is thus a market risk over several days, which leads to safety discounts when setting the bond conditions and thus to conditions that are not close to the market. In addition, the granting of a subscription right jeopardizes the successful placement with third parties or entails additional expenses due to the uncertainty regarding its exercise. By setting the issue price of the bonds at a level that is not significantly below their calculated market value determined in accordance with recognized financial mathematical methods, the aim is to take account of the shareholders' need for protection against dilution of their shareholdings. Otherwise, the subscription right would have a value close to zero. This ensures that the shareholders are protected against an economic dilution of their shareholdings and that the shareholders do not suffer any significant economic disadvantage as a result of an exclusion of subscription rights. Shareholders who wish to maintain their share in the Company's capital stock can do so by purchasing additional shares on the market at approximately the same conditions.

- b) The Management Board is further authorized, subject to the consent of the Supervisory Board, to exclude fractional shares from the subscription right. Such fractional amounts may result from the amount of the respective issue volume and the presentation of a practicable subscription ratio. An exclusion of subscription rights for fractional amounts facilitates the processing of the capital measure in these cases. The free fractions excluded from the shareholders' subscription rights will be utilized either by sale on the stock exchange or in some other way in the best interests of the Company. As a result of the restriction to fractional amounts, shareholders do not suffer any significant dilution.
- c) Furthermore, the Management Board shall be given the option, subject to the consent of the Supervisory Board, to exclude the shareholders' subscription rights in order to grant the holders or creditors of conversion and/or option rights or of convertible bonds carrying conversion obligations a subscription right to the extent to which they would be entitled after exercising the conversion or option rights or after fulfillment of the conversion obligations. This prevents the holders/creditors of conversion and/or option rights (including those with a conversion obligation) from being placed in a worse economic position; they are granted dilution protection in line with capital market practice, facilitates the placement of the convertible bond and/or bond with warrants and enables the Company to generate a higher inflow of funds because the conversion or option price does not need to be reduced or other dilution protection granted in

these cases. The burden on the existing shareholders is limited by the fact that the holders/creditors of conversion and/or option rights (also with a conversion obligation) are granted a subscription right to which they would have been entitled anyway if they had already exercised their conversion and/or option rights or had already fulfilled their conversion obligation. In weighing the advantages and disadvantages, the exclusion of subscription rights in this case therefore appears appropriate.

- d) The Management Board is also authorized to exclude shareholders' subscription rights if the bonds are to be issued against non-cash contributions. This is intended to strengthen the Company in the competition for interesting acquisition targets and to enable it to react quickly and flexibly when opportunities arise. The use of this authorization may also be useful to achieve an optimal financing structure. The authorization enables the Company to offer bonds to third parties in connection with business combinations or for the purpose of acquiring (also indirectly) companies, parts of companies, interests in companies or other assets or claims to the acquisition of assets or claims against the Company. The authorization is also intended to provide for the possibility of granting bonds to the holders of certificated or uncertificated monetary claims instead of cash payment, for example, if the Company has initially undertaken to pay a cash amount when acquiring a company and subsequently bonds are to be granted instead of cash.

The Management Board will carefully examine in each individual case 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 with exclusion of subscription rights. It will only do so if this is in the interest of the Company and thus of its shareholders. The Company will not suffer any disadvantage as a result, since the issue of the bonds against a contribution in kind requires that the value of the contribution in kind is in reasonable proportion to the value of the new bonds issued for this purpose. In determining the value of the bonds given as consideration, the Management Board will generally use the theoretical market value of the bonds determined in accordance with recognized financial mathematical methods, derived from the stock exchange price of the shares of flatexDEGIRO AG, or the market value of the bonds determined by a recognized market-oriented method.

The intended conditional capital serves to service the conversion or option rights associated with the convertible bonds and/or bonds with warrants or to fulfill conversion obligations for shares in the Company, insofar as treasury shares are not used for this purpose. In order to increase flexibility, the terms and conditions of the bonds may provide for the Company not to grant shares in the Company to a conversion or option beneficiary, but to pay the equivalent value in cash.

There are currently no concrete plans to exercise the authorization to issue bonds against non-cash contributions. Corresponding anticipatory resolutions with the option to exclude subscription rights are common practice both nationally and internationally. In any case, the Management Board will carefully examine whether the exercise of the authorization and, in particular, an exclusion of the subscription right is in the interest of the Company and its shareholders.

If the proposed authorization is exercised, the Management Board will report on this at the next Annual General Meeting.