

Press release

Group results for H1 2020

Hypoport SE generates growth of over 20 per cent, demonstrating the effectiveness of its business models during the coronavirus crisis

- Consolidated revenue rises by 21 per cent year on year to €189 million in the first six months of 2020
- EBIT for the first half of the year climbs by 8 per cent to €17.1 million despite continued high levels of capital expenditure
- Economic fallout from the coronavirus crisis in the second quarter has only a small impact and only on some of the business models
- Forecast for 2020 confirmed

Berlin, 3 August 2020: Hypoport released its results today and they confirm the initial assessment published at the end of July: Consolidated revenue rose by 21 per cent to €189.4 million (H1 2019: €157.1 million). All four segments contributed to the Group's robust performance.

The **Credit Platform segment** performed well, increasing its revenue by 21 per cent to €79.5 million. This revenue growth was primarily driven by the rise in the volume of transactions on the B2B lending marketplace Europace. FINMAS and GENOPACE, the sub-marketplaces for the savings banks and cooperative banks respectively, delivered a particularly robust performance. Non-captive financial product distributors and private commercial banks also recorded significant volume growth. A further positive factor was the increase in revenue from the sales-supporting brokerage pools and from REM Capital, which provides corporate finance advice. Only white-label personal loans business registered a decline and this was due to the coronavirus crisis. Earnings before interest and tax (EBIT) in the Credit Platform segment rose by 14 per cent to €16.2 million (H1 2019: €14.2 million), despite continued high levels of capital expenditure.

Revenue in the **Private Clients segment** came to €62.7 million, a rise of 24 per cent (H1 2019: €50.5 million). The main B2C brand Dr. Klein captured significant market share as a result of using Europace and deploying video technology for its advisory meetings during the coronavirus lockdown. The high level of capital expenditure in 2019 paid off in the reporting period, with the segment's EBIT more than doubling to reach €9.5 million (H1 2019: €4.5 million).

In the **Real Estate Platform segment**, revenue rose sharply from the property sales platform and property management platform (up by 33 per cent) and from the property valuation platform (up by 53 per cent), which is closely integrated with the credit platform. However, the social-distancing

measures introduced due to the coronavirus crisis resulted in a slight loss of momentum for the property valuation platform in the second quarter. The property financing platform for the housing industry also reported a small increase in revenue in the first half of the year due to the boost provided by interest rates. Overall, the Real Estate Platform segment's total revenue advanced by 28 per cent to €26.7 million (H1 2019: €20.9 million). As budgeted, EBIT fell sharply to €0.3 million (H1 2019: €2.4 million) owing to the high levels of capital expenditure.

The **Insurance Platform segment** continued to focus on the progressive expansion of business relationships with existing clients (financial product distributors, brokerage pools, B2C insurtech start-ups and branch-based retail banks) to encompass all modules of the SMART INSUR platform. Revenue rose only slightly compared with the prior-year period, by 3 per cent, to reach €21.2 million (H1 2019: €20.5 million) due to a reduction in project business and the focus on recurring revenue streams from the platform business. EBIT declined slightly from a loss of €0.3 million to a loss of €0.8 million.

As a result of the aforementioned revenue growth in the individual segments, the gross profit of the Hypoport Group went up by 22 per cent to €99.9 million (H1 2019: €82.2 million). For the Hypoport Group as a whole, EBIT increased by 8 per cent to €17.1 million (H1 2019: €15.8 million) despite high amounts of capital expenditure on the operating business models of the individual Hypoport segments, cross-segment capital expenditure at Hypoport holding company level and non-recurring expenses for the relocation of the Company's Berlin office, which was necessitated by political decisions, and for the conversion of the Company into a European Company (Societas Europaea, SE).

"Against the backdrop of the severe recession triggered by the coronavirus crisis, we delivered extremely good results in the first half of 2020 with revenue growth of more than 20 per cent," said Ronald Slabke, Chief Executive Officer of Hypoport SE, commenting on the Company's performance in the first six months of the year. "The strength that we have demonstrated during the crisis is founded on our cutting-edge technology and a much greater level of efficiency compared with some of our less high-tech competitors, which has enabled us to capture market share. This is possible because of the use of video chat in advisory meetings with consumers at Dr. Klein, digitalised processes in our platform business models and the ability of our more than 2,000 employees to work entirely remotely."

(€ million)	H1 2020	H1 2019	H1 change	Q2 2020	Q2 2019	Q2 change
Revenue	189.4	157.1	21%	88.8	78.6	13%
Gross profit	99.9	82.2	22%	47.3	42.0	13%
EBITDA	30.0	24.7	21%	13.3	12.4	8%
EBIT	17.1	15.8	8%	6.6	7.8	-16%
Net profit for the period	12.4	12.0	3%	4.4	5.8	-26%
Earnings per share (€)	1.91	1.92	-1%	0.64	0.93	-31%

About Hypoport SE

Hypoport SE is headquartered in Lübeck (Germany) and is the parent company of the Hypoport Group. The Group is a network of technology companies for the credit, real-estate and insurance industries with a workforce of more than 2,000 employees. It is grouped into four segments: Credit Platform, Private Clients, Real Estate Platform and Insurance Platform.

The Credit Platform segment operates Europace, which is an online B2B financial marketplace and the largest German platform offering mortgages, building finance products and personal loans. A fully integrated system links more than 700 partners – banks, insurers and financial product distributors. Several thousand loan brokerage advisors execute approx. 35,000 transactions per month on Europace, generating a volume of more than €7 billion. Besides Europace, the FINMAS and GENOPACE sub-marketplaces and the B2B distribution companies Qualitypool and Starpool support the growth of the credit platform.

The Private Clients segment, made up of the web-based, non-captive financial product distributor Dr. Klein Privatkunden and the consumer comparison portal Vergleich.de, brings together all business models aimed at directly advising consumers on mortgages, insurance or pension products.

All real estate-related activities of the Hypoport Group, with the exception of mortgage finance, are grouped together in the Real Estate Platform segment (previously Institutional Clients) with the aim of digitalising the sale, valuation, financing and management of properties.

The Insurance Platform segment operates SMART INSUR, a web-based B2B platform for advice, comparison of tariffs and the administration of insurance policies. The segment also incorporates the insurance unit of Qualitypool, a B2B distribution company.

The shares of Hypoport SE are listed in the Prime Standard segment of the Frankfurt Stock Exchange (Deutsche Börse) and have been included in the SDAX since 2015.

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