

Press release

Preliminary results of the Group for 2020

Hypoport SE: strong growth in 2020 and positive outlook for 2021 despite coronavirus

- Consolidated revenue rises by 15 per cent to €388 million in 2020
- Credit Platform and Private Clients segments generate revenue growth of 20 per cent and 17 per cent respectively and further increase their margins
- Year of transformation for the growing Real Estate Platform and Insurance Platform segments, with focus on scalable platform models
- Investment for the future remains high, yet EBIT advanced by 10 per cent to €36.2 million

Berlin, 15 March 2021: Hypoport again generated strong growth and increased its consolidated revenue by 15 per cent to €388 million in 2020, despite the effects of coronavirus. All four segments contributed to the Group's robust performance.

The **Credit Platform segment** performed particularly well, increasing its revenue by 20 per cent to €170 million. This rise in revenue was mainly driven by the growth of mortgage finance business on the Europace B2B lending marketplace and, in particular, on the FINMAS and GENOPACE sub-marketplaces for the savings banks and cooperative banks. Non-captive financial product distributors and private commercial banks also recorded significant volume growth on the platform. Revenue in the white-label personal loans business fell as a result of declining demand and more restrictive lending policies by banks as a result of the coronavirus crisis. However, the sales-supporting brokerage pools and REM Capital, which specialises in providing corporate finance advice, saw a healthy rise in revenue. The segment's EBIT advanced at an even stronger rate than revenue, by 26 per cent, to reach €39 million despite continued high levels of investment.

In the **Private Clients segment**, revenue increased by 17 per cent to €122 million. The main B2C brand, Dr. Klein Privatkunden, captured significant market share thanks to its highly digitalised processes, in particular the systematic use of Europace and the deployment of video technology for advisory meetings. The segment's EBIT grew by an exceptional 60 per cent to reach €18 million as the previous year's investment in digitalisation started to make an impact.

In the **Real Estate Platform segment**, revenue increased slightly, by 5 per cent, to €53 million. The good operating performance of the property sales, property management and property valuation platforms was accompanied by the decision to forego traditional project business in favour of scalable

platform business models. The property valuation platform, which is closely integrated with the credit platform, generated particularly strong growth despite the temporary restrictions resulting from social-distancing measures. Supported by slightly heightened interest-rate volatility in 2020, the property financing platform for the housing industry reported a small increase in revenue. EBIT fell to a loss of €4 million owing to the high levels of investment and the decision to scale back project business. Relative to its revenue, the Real Estate Platform segment represented the biggest area of investment within the Hypoport Group in 2020. As a result of the progress made with the segment's transition to platform-based business models in 2020, project business will be insignificant in future.

The revenue of the **Insurance Platform segment** also went up slightly, by 6 per cent, to €45 million. By signing up additional clients in 2020, the fully integrated SMART INSUR platform managed to increase buy-in among the target group of small and medium-sized distribution organisations and brokerage pools, even though the rate at which new clients were signed up fell short of expectations owing to coronavirus. The reduction in project business and the focus on recurring revenue streams from the platform business resulted in a slower pace of revenue growth. The segment's start-up losses continued to decline, amounting to €1 million in 2020.

As a result of the aforementioned revenue growth in the individual segments, the gross profit of the Hypoport Group went up by 16 per cent to €211 million in 2020. EBITDA advanced by 22 per cent to €64 million. EBIT for the entire Hypoport Group went up by 10 per cent to €36 million despite high levels of investment in the operating business models of the individual segments, further investment at the level of the holding company and the scaling back of traditional project business.

Ronald Slabke, Chief Executive Officer of Hypoport SE, was satisfied overall with the Group's performance in a year dominated by coronavirus: "Hypoport was much better prepared for the far-reaching changes in 2020 than many other companies. Our decentralised structure and high degree of digitalisation enabled us to respond to the coronavirus crisis with great agility. With revenue growth of 15 per cent despite the worst global recession for decades, we have clearly demonstrated that Hypoport remains a growth company even in times of turmoil. We will remain firmly on this course in 2021. Moreover, we will continue to drive forward the two key areas of investment, the Real Estate Platform and Insurance Platform segments. This reflects our mission – the digitalisation of the German credit, property and insurance industries – and will benefit our B2B partners and consumers alike. In the past years, we have achieved double-digit growth in sales and EBIT. Hypoport will continue this dynamic growth for many years. We will also gain significant market share in 2021. That is why our forecast is: consolidated sales of €430 to 460 million and an EBIT of between €40 and 45 million in 2021."

The preliminary financial results still need to be verified by the auditor and adopted by the Supervisory Board. The annual report will be published as planned on 29 March 2021.

(€ million)	Q1-Q4 2020	Q1-Q4 2019	Q1-Q4 change	Q4 2020	Q4 2019	Q4 change
Revenue	387.6	337.2	15%	102.9	89.6	15%
thereof Credit Platform	169.5	141.5	20%	48.5	39.6	22%
thereof Private Clients	122.2	104.6	17%	28.8	25.0	16%
thereof Real Estate Platform	52.8	50.1	5%	13.9	16.1	-14%
thereof Insurance Platform	45.0	42.6	6%	12.1	10.1	19%
thereof Holding & Reconciliation	-1.9	-1.5	-	-0.6	-1.0	-
Gross profit	210.5	181.9	16%	60.8	51.1	19%
EBITDA	63.8	52.2	22%	20.1	13.3	51%
EBIT	36.2	33.0	10%	12.0	8.0	51%
Net profit for the period	27.9	24.4	14%	10.1	5.5	84%
Earnings per share	4.33	3.90	11%	1.52	0.88	72%

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 750 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. REM CAPITAL AG provides specialist advice on the arrangement of complex public-sector development loans for companies and financing for SMEs in Germany. At fundingport GmbH a corporate finance marketplace is being established.

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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Key data on Hypoport's shares

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