

Press release

Preliminary results of the Group for 2023

Hypoport proves robust amid sluggish market conditions in 2023 and is preparing for future growth

- Market-driven decrease in consolidated revenue and EBIT in 2023
- Successful action taken: costs lowered, capital base strengthened, revenue models adapted
- New segment structure established to reduce complexity and boost efficiency
- Revenue of at least €400 million and EBIT between €10 – 20 million forecast for 2024

Berlin, 11 March 2024: According to preliminary results, the Hypoport Group’s revenue declined by 21 per cent to €360 million in 2023. The Group cushioned the negative impact of the 40 per cent contraction in the overall volume of Germany’s mortgage finance market by gaining market share, adjusting its revenue models, and diversifying into relatively new business models.

Hypoport responded to the slump in the overall volume of the mortgage finance market in the second half of 2022 with an action plan that it successfully implemented in 2023, enabling it to reduce its cost base by approximately €35 million annually. During the phase of market upheaval in 2023, the Group was able to continue investing heavily in innovative projects for the years ahead by drawing on the funds that it raised from a €50 million capital increase in January 2023. In addition, it adjusted the prices for products and services in many of its established business models. Although market conditions eased, they remained very challenging, causing the Hypoport Group’s EBIT to fall to €13 million (2022: €25 million). This figure included various positive and negative one-off items that had a net positive effect on EBIT of around €12 million.

As well as the aforementioned three-pronged action plan of cost reductions, a capital increase, and price adjustments, Hypoport took 2023 as an opportunity to reorganise its segment structure. It has replaced the previous structure of four segments with a new structure comprising three segments: Real Estate & Mortgage Platforms, Financing Platforms, and Insurance Platforms. The aim of this reorganisation is to reduce complexity in the Group and boost the efficiency of business development.

Ronald Slabke, Chief Executive Officer of Hypoport SE, commented on the market situation as follows: “The mortgage finance market, which is the core market for many of our major subsidiaries, stabilised in late 2022 and early 2023 but still lacked the momentum needed to quickly bounce back from the depths in the second and third quarters of 2023. Unclear political pronouncements about energy-efficiency requirements and insufficiently ambitious support programmes held back the completion of purchases in the market for existing properties. The combination of falling long-term interest rates in the fourth quarter and lower property prices fuelled increasingly upbeat sentiment among many consumers

and experts in the German housing market. As a result, the fourth quarter saw a year-on-year increase in the volume of mortgage finance transactions on Europace for the first time in around one and a half years. This trend continued in the first two months of 2024.” Looking back on 2023 and looking ahead to 2024, Slabke said: “In review, 2023 can perhaps be described as a classic year of transition in view of the difficult market conditions and an improvement towards the end of the year. By successfully implementing our three-pronged action plan and putting the new segment structure in place, we have laid the foundations for above-average revenue and EBIT growth once the key mortgage finance market gets going again in 2024. We are therefore anticipating a double-digit percentage increase in consolidated revenue to at least €400 million and EBIT of between €10 million and €20 million for the Hypoport Group in 2024.”

The preliminary financial results presented below still need to be verified by the auditor and adopted by the Supervisory Board. The annual report will be published as planned on 25 March 2024.

(€ million)	FY 2023	FY 2022	Change FY	Q4 2023	Q4 2022	Change Q4
Revenue, structure 2023	359.9	455.5	-21%	92.8	88.0	5%
thereof Credit Platform	156.6	207.1	-24%	42.1	38.3	10%
thereof Private Clients	81.9	124.7	-34%	17.9	18.3	-2%
thereof Real Estate Platform	57.4	64.6	-11%	14.9	14.9	0%
thereof Insurance Platform	65.4	60.6	8%	18.1	16.9	+7%
thereof Holding & Reconciliation	-1.4	-1.6	-	-0.4	-0.2	33%
Revenue, structure 2024	359.9	455.5	-21%	92.8	88.0	5%
thereof Real Estate & Mortgage	224.8	306.1	-24%	54.3	54.2	+0%
thereof Financing Platform	71.1	88.1	-34%	19.7	17.2	+15%
thereof Insurance Platform	65.4	60.6	8%	18.1	16.9	+7%
thereof Holding & Reconciliation	-1.4	-1.6	-	-0.4	-0.2	33%
Gross profit	208.2	261.0	-20%	55.4	54.6	+1%
EBITDA	51.2	57.7	-11%	27.9	2.6	+973%
EBIT	13.3	24.7	-46%	16.2	-6.3	-
EBIT without one-offs	1.3	28.2	-95%	4.1	-2.7	-
Net profit	20.5	18.7	+10%	23.7	-5.4	-
Earnings per share in Euro	3.02	2.96	+2%	3.45	-0.94	-

**The breakdown of revenue under the future segment structure constitutes a voluntary disclosure and is presented as if the new structure had been in place in 2022 and 2023. It is not included in the disclosures that have to be verified by the auditor and adopted by the Supervisory Board.*

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 structured in three operating segments: Real Estate & Mortgage Platforms, Insurance Platforms and Financing Platforms.

The Real Estate & Mortgage Platforms segment operates Europace, which is an online B2B lending marketplace and the largest German platform offering mortgage and building finance. A fully integrated system links approximately 800 partners – banks, insurers and financial product distributors. Besides Europace, the Finmas and Genopace sub-marketplaces and the B2B distribution companies Qualitypool, Starpool and Baufinex support the growth of this credit marketplace. The business model of web-based, non-captive financial product distributor Dr. Klein Privatkunden, which focuses on mortgage finance advice for consumers, also supports the growth of this segment. Moreover, the technology-based business models of FIO Systems (residential property sales) and Value AG (property valuation) are valuable additions to our value chain for homebuyers.

In our Insurance Platforms segment, Smart Insur continues to provide a web-based B2B platform for insurance products with variable pricing for private individuals and (small) businesses. The insurance section of the B2B distributor Qualitypool and the underwriter Sia support the growth of the Smart Insur platform. The segment also includes the two B2B platforms Corify and ePension. The former focuses on industrial insurance management while the latter is geared towards occupational insurance.

The Financing Platforms segment comprises all technology and distribution companies of the Hypoport Group that cover finance products outside the mortgage finance sector, with a particular focus on personal loans, corporate finance and finance for the housing industry.

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 or MDAX indices since 2015.

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2024 financial calendar:

11 March 2024: Preliminary financial results for 2023

25 March 2024: 2023 annual report

Management Board:
Ronald Slabke (CEO),
Stephan Gawarecki

Supervisory Board:
Dieter Pfeiffenberger (chairman),
Roland Adams (vice-chairman),
Martin Krebs

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6 May 2024: Interim management statement for the first quarter of 2024

12 August 2024: Report for the first half of 2024

11 November 2024: Interim management statement for the third quarter of 2024