



# Scout24

Focus on  
what matters

FY 2020 Results  
Analyst Call, 25 March 2021

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## Agenda

**Delivering on Strategy**  
Tobias Hartmann (CEO)

**2020 Financial Results**  
Dirk Schmelzer (CFO)

&

**Outlook**

Tobias Hartmann & Dirk Schmelzer

**Q&A**

Focus on  
strategy  
**Building the  
ecosystem for  
real estate**



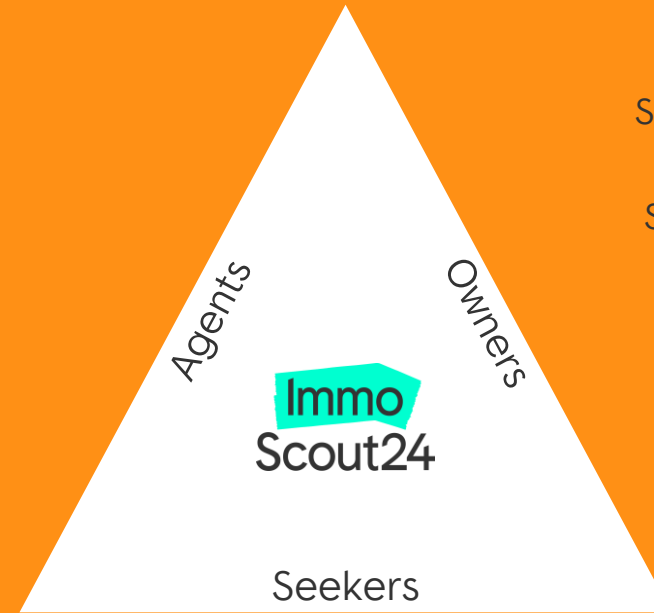
In 2020, we delivered on our ecosystem strategy and made significant progress with key product and market initiatives

**Customer needs**

Acquire new mandates  
Efficient marketing  
Build a brand

**Key 2020 initiatives**

Covid-19 action plan  
Media campaign  
Enhanced RLE  
Membership migration  
FLOWFACT



**Customer needs**

Sell fast & for the best price  
Find the right tenant  
Safe & efficient transaction

**Key 2020 initiatives**

Free listings  
LandlordPlus+  
Digital rental contract  
Enhanced online valuation  
immoverkauf24

**Customer needs**

Find a new home or business place  
Personalised search journey  
Maximised transparency & guidance

**Key 2020 initiatives**

TenantPlus+ and BuyerPlus+  
Online viewings  
Reworked price atlas

# Our 2020 results are proof of a resilient business model and underpin our distinct market leadership

€353.8m

+1.2%

Group revenue

60.0%

+0.1pp

Group ordinary operating  
EBITDA margin

€716

+2.5%

ARPU with  
residential real estate  
partners

€1,754

-0.4%

ARPU with  
business real estate  
partners

20,013

+4.7%

professional customers  
(residential and business real  
estate partners)

416,973

-3.9%

IS24 listings  
(period average)

13.8m

+2.1%

IS24 monthly users  
multiplatform  
(period average)

101.4m

+7.4%

IS24 monthly sessions  
(period average)

# We strengthened the relationship with our professional customers and created strong momentum for future growth



	Q4 2020	Q4 2019	+/-	FY 2020	FY 2019	+/-
Residential real estate partners Residential agents and property managers, finance partners (# of core customers <sup>1</sup> end of period)	17,213	16,344	+5.3 %	17,213	16,344	+5.3 %
Residential real estate partner ARPU <sup>2</sup> (€/month)	717	718	-0.2 %	716	698	+2.5 %
Business real estate partners Commercial agents, project developers, new home builders (# of core customers <sup>1</sup> end of period)	2,800	2,774	+0.9 %	2,800	2,774	+0.9 %
Business real estate partner ARPU <sup>2</sup> (€/month)	1,801	1,828	-1.5 %	1,754	1,761	-0.4 %

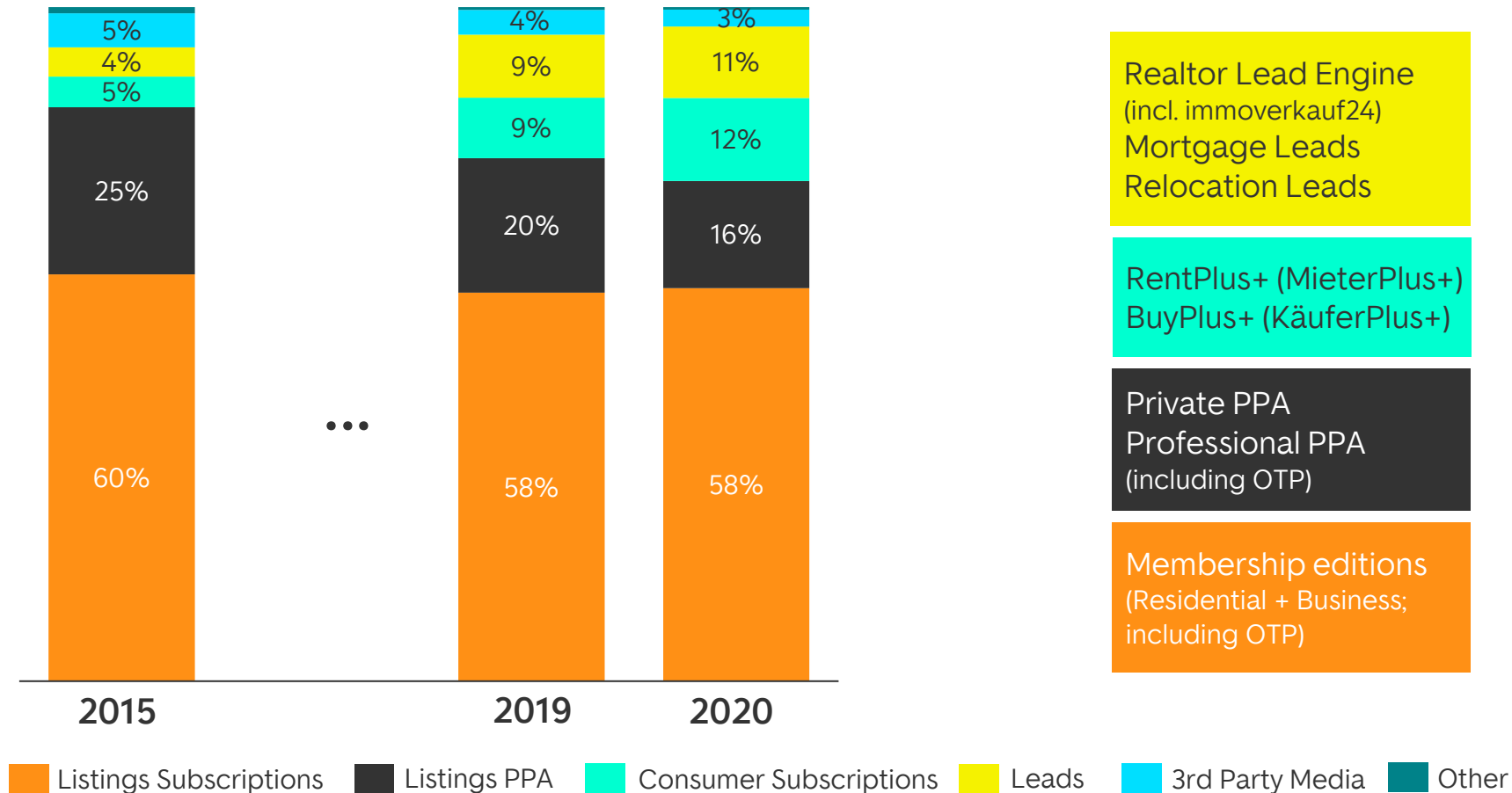
<sup>1</sup> Customers with an existing contract containing an obligation for payment which entitles the customer to publish more than one object within the runtime of the contract

<sup>2</sup> Average revenue per user per month, calculated by dividing the revenue generated with the respective core customer in the reported period by the average number of core customers in this period (calculated from the opening and closing balance) further divided by the number of months in the corresponding period

# Our transition towards full transaction monetisation is working: from Classifieds to Ecosystem!

## Breakdown of ImmoScout24 revenue streams

(without Austria, without FLOWFACT, including IV24 since H2 2020)



## Product examples

Realtor Lead Engine  
(incl. immoverkauf24)  
Mortgage Leads  
Relocation Leads

RentPlus+ (MieterPlus+)  
BuyPlus+ (KäuferPlus+)

Private PPA  
Professional PPA  
(including OTP)

Membership editions  
(Residential + Business;  
including OTP)

✓ More diversified revenue base in 2020 (vs. 2015):

- 74% (vs. 85%) of revenues linked to core listing product
- 23% (vs. 9%) complementary high growth product revenues
- 3% (vs. 6%) contribution from 3<sup>rd</sup> party advertising & other

✓ Leads revenues pushed by RLE (+67% yoy)

✓ Consumer subscriptions pushed by RentPlus+ (+30% yoy)

✓ Recurring revenue base up to 81% (vs. 69% in 2015)



~€280bn

Real estate transaction value (sale)

- thereof €215bn Residential
- thereof €65bn Commercial

~€263bn  
Mortgage market

~€8.5bn

Agent commission pool

~€1.0bn

Agent Marketing spend

~€0.4bn

Objects marketing  
(online)

~€0.3bn

Mandate acquisition  
(online)

We are operating in an addressable market still offering significant growth potential

ADDITIONAL  
REVENUE  
STREAMS



RENT JOURNEY

CONSUMER

ADD-ONS

- Real estate transaction value and therefore agent commissions continue to increase
- Accelerated shift towards online marketing (Covid-19 acting as catalyst)
- Due to the sellers' market, agents are shifting budgets towards mandate acquisition
- CRM systems facilitate the marketing activities
- The mortgage market provides additional TAM potential

**Transaction value:** GEWOS – IMA info 2020.

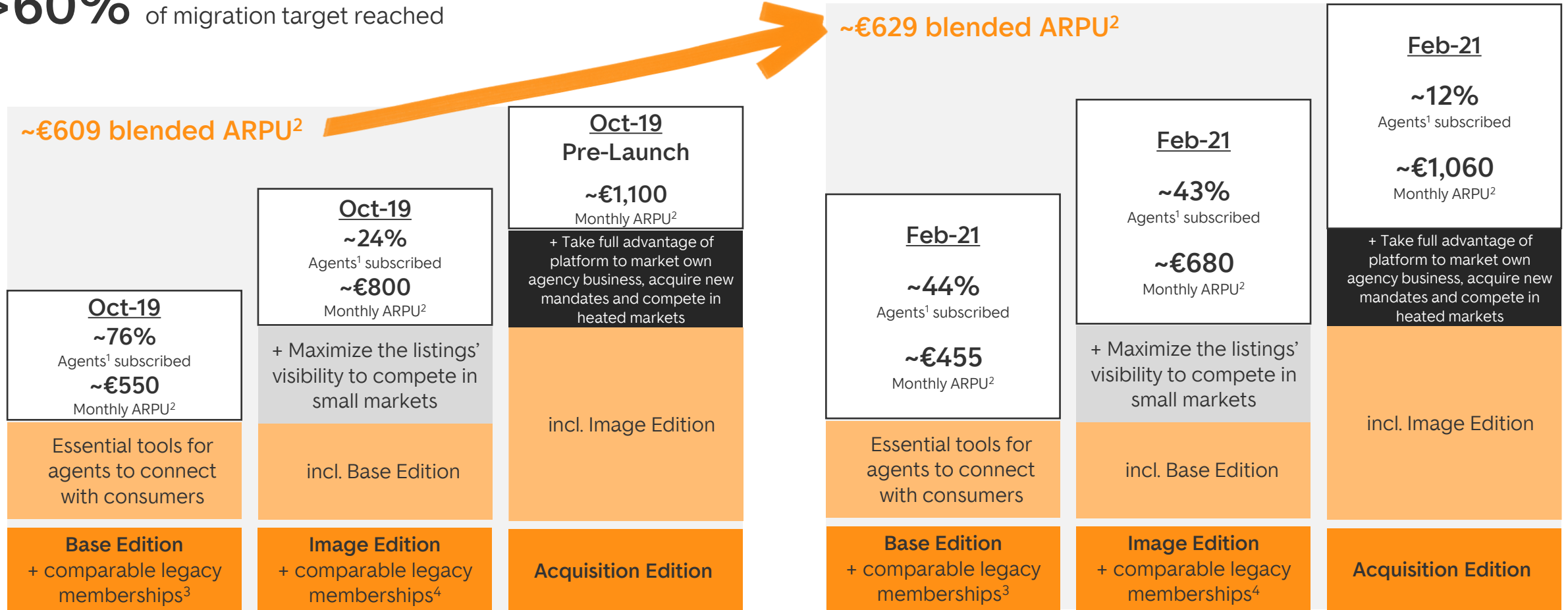
**Agent commission:** Destatis Press Release No. 370 of 23-Sep 2019; value for 2017.

**Agent Marketing:** We assume 12% marketing spend, distributed 70/30 online/offline and 55/45 objects/mandate.

**Mortgage market:** Deutsche Bundesbank 6-Jan 2021, mortgage credits to private households; value for 2019.

# Our residential agents are quickly moving up the membership ladder in an accelerated migration effort, leaving comfortable headroom for ARPU increases

>60% of migration target reached



1. ~13,300 Residential Agents (for Oct-19 without finance partners) without property managers
2. Membership contract ARPU only, excluding revenues from additional value added services
3. Including all other legacy memberships except those under 4
4. Including legacy memberships MY5 + Top List All

With the strategic moves we made in 2020 to target homeowners, we moved closer to the transaction than ever before

~42.5m

residential units\* in Germany

\*Destatis Press Release No. 281 of 29-Jul 2020; value for 2019

~19m

owner-occupied units (with a home ownership rate of 45%\*, Germany ranks second to last in the OECD)

\*Deutsche Bundesbank, January 2020

626,000

German residential real estate transactions\* in 2020 (without landplots)

\*GEWOS – IMA info 2020

~1,000,000

homeowners on IS24 each month (~7% of UMV according to own survey)

~500,000

IS24 registered and addressable homeowners (end of December)

~72,800

realtor leads in 2020, generating €17.5m of RLE revenues

~900

transactions (commission-share RLE)

# FLOWFACT is key to our ecosystem strategy driving recurring agent revenues, customer engagement and digital sales

## FLOWFACT is a leading real estate CRM software player in Germany

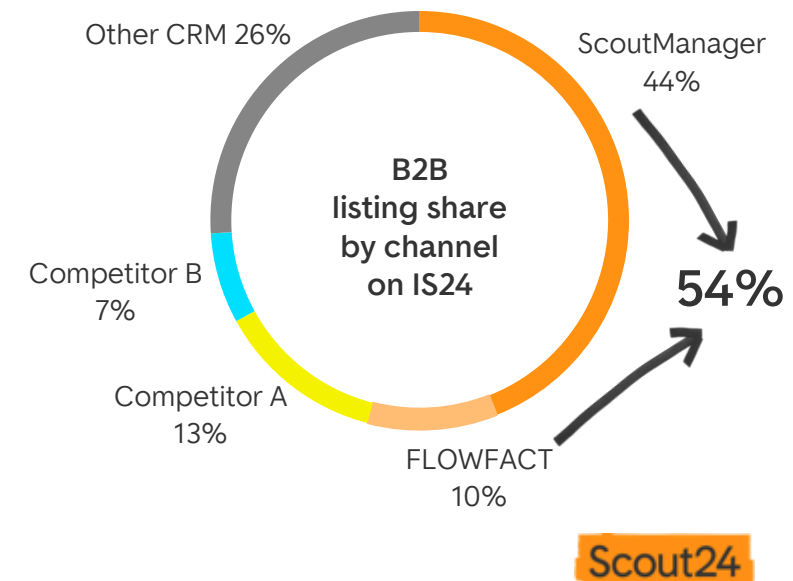
- The most modern SaaS CRM solution in the market
- Migration of customers from the legacy on-premise solution ongoing
- ScoutManager transition will help achieve critical mass

## Owning FLOWFACT has various advantages for IS24

- Superior IS24 product experience vs. other portals
- Digital sales of IS24 products
- Churn prevention at IS24
- Tap into real estate transactions outside of IS24

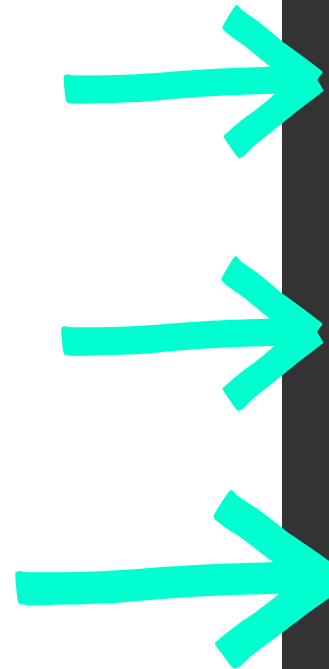
# 23%

of all FLOWFACT seats are already using the cloud solution



# We are making significant progress with consumers in the rent journey - in a supply-constrained market

- + ~1/3 of MieterPlus+ memberships are generated via the listing search; significant uptake with free-to-list (first 48 hours exclusive for MieterPlus+ members)
- + Extended customer life cycle, slightly lower ARPU: Terms of the MieterPlus+ membership: 2 / 6 / 12 months (note: according to IS24 data, 52% of seekers search for >2 months)
- + **Product features:** application portfolio, check-your-chances, exclusive listings, viewings planner, deposit guarantee, emergency key service, tenancy law consulting



~3.2m

Rent transactions in Germany p.a.

~166,500

IS24 residential rent listings (Feb-2021)

~117,500

MieterPlus+ members (Feb-2021)

18€

MieterPlus+ monthly ARPU (Feb-2021)

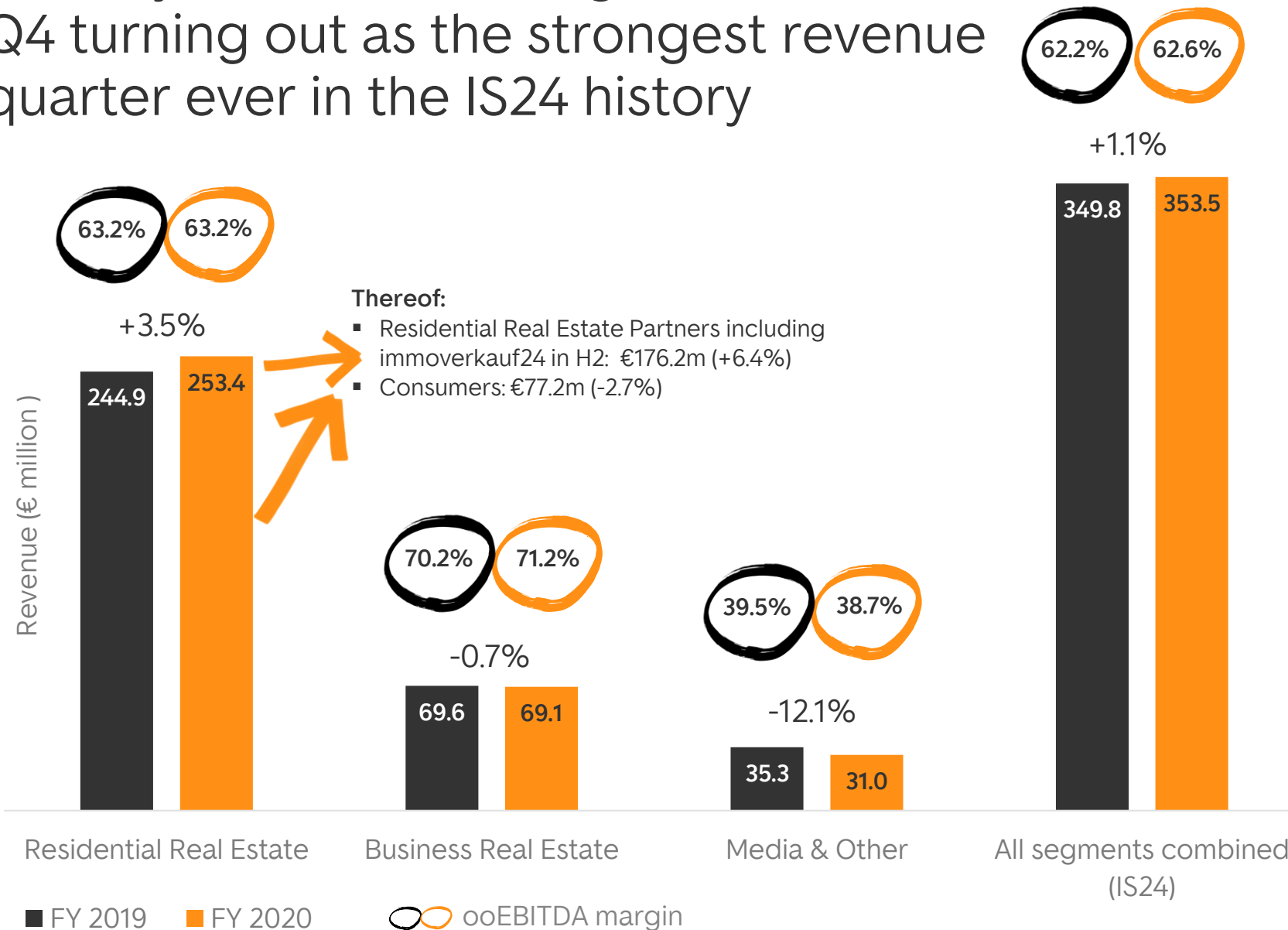
39m€

FY 2020 total rent consumer subscription revenues (+30% yoy)

Focus on  
value creation  
**2020 and  
beyond**



We fully met our annual guidance with Q4 turning out as the strongest revenue quarter ever in the IS24 history



Q4 2020  
IS24 revenue:  
€91.1m  
(+1.3%)

Q4 2020  
IS24 oo EBITDA  
margin: 61.7%  
(-0.9pp)

# We intensified our future investments reflecting a more diversified IS24-focused revenue base

(€m)	FY 2020	FY 2019	+/-
Revenues	353.8	349.7	+1.2%
Own work capitalised	21.9	14.0	+57.1%
Personnel	-71.4	-72.8	-1.9%
Marketing	-31.1	-30.4	+2.2%
IT	-17.1	-14.1	+20.9%
Other operating costs	-43.9	-37.0	+18.6%
<b>Total operating effects<sup>1</sup></b>	<b>-163.5</b>	<b>-154.4</b>	<b>+5.9%</b>
ooEBITDA	212.3	209.3	+1.4%
ooEBITDA-margin	60.0%	59.9%	+0.1pp

<sup>1</sup> Other operating income to small extent included in other operating costs items

- ✓ Strong increase in **own work capitalised** due to focus on IS24 and accelerated product roll-out
- ✓ Operating effects development mainly driven by increased **IT and other operating costs**
  - Growth in **IT costs** due to transfer to the cloud
  - Other operating costs mainly affected by **external labour and selling costs** and by Covid-19 bad debt provisions
- ✓ **Marketing costs** increased due to Q3 marketing campaign and performance marketing activities
- ✓ 2020 operating effects include **dis-synergies** of €3.4m
- ✓ Short-term Covid-19 **cost savings** were realised and structural **cost efficiencies** leveraged



# Our net income benefitted significantly from lower non-operating items

(€m)	FY 2020	FY 2019	+/-
Ordinary operating EBITDA	212.3	209.3	+1.4%
Non-operating items	-14.0	-45.7	-69.2%
Reported EBITDA	198.3	163.7	+21.1%
D&A	-51.5	-54.2	-5.0%
EBIT	146.8	109.4	+34.1%
Financial result	-4.9	-15.2	-68.0%
Earnings before Tax	141.9	94.2	+50.6%
Taxes on Income	-39.5	-30.7	+28.5%
<b>Net income (cont'd operations)</b>	<b>102.4</b>	<b>63.5</b>	<b>+61.3%</b>
<i>Basic EPS (cont'd operations)</i>	<i>1.00</i>	<i>0.59</i>	<i>+69.5%</i>
<i>Weighted av. # shares (million)</i>	<i>102.1</i>	<i>107.1</i>	<i>-4.6%</i>

- ✓ Significant decrease in **non-operating items** mainly due to lower share-based compensation and M&A-related costs in 2020
- ✓ **D&A** below previous year driven by lower amortisation of intangibles and depreciation of PPE
- ✓ Investment of AS24 proceeds in special securities fund reflected in improved **financial result**
- ✓ **Net income** from continuing operations increased significantly by 61.3%
- ✓ **Basic EPS** for cont'd operations at €1.00 (€23.17 incl. discount)

We propose a dividend of **€0.70 per share** at the upper end of the communicated payout-ratio

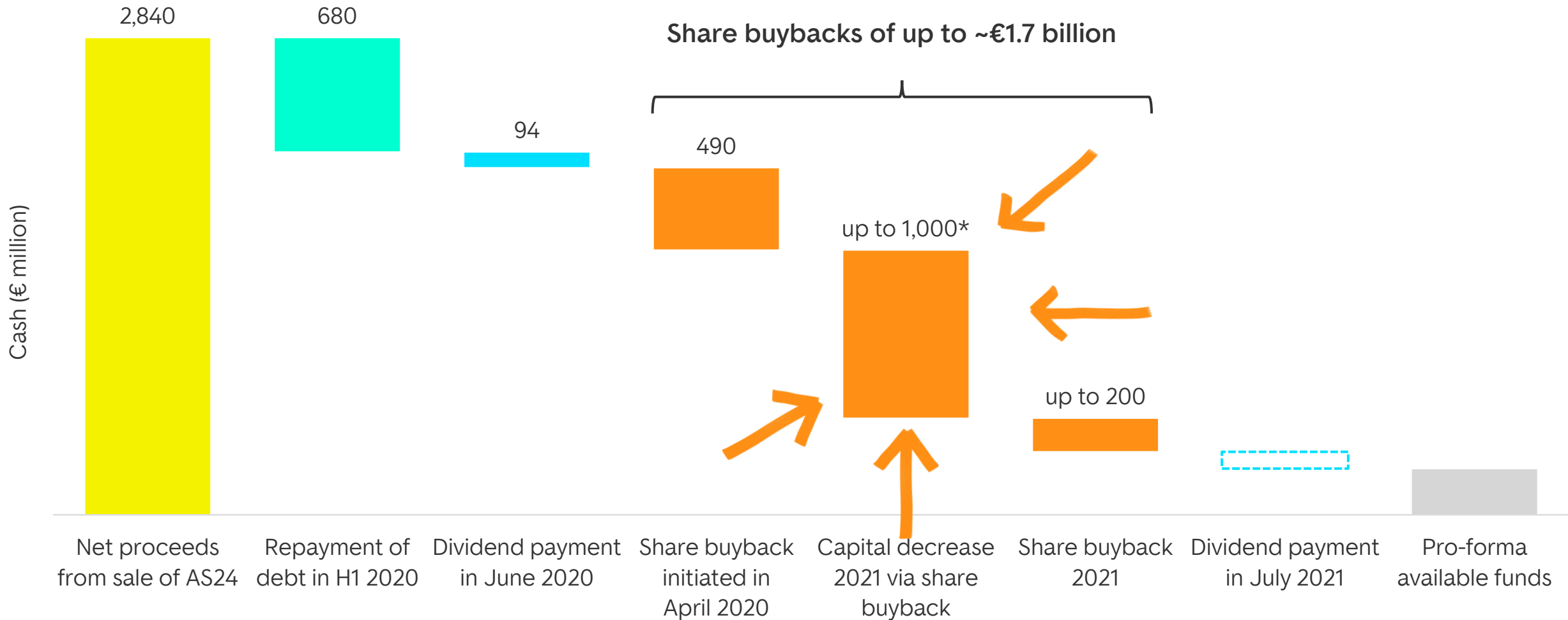
	2020	2019
Adjusted net income	€137.1m	€189.6m
Adjusted earnings per share <sup>1</sup>	€1.34	€1.77
Dividend per share <sup>2</sup>	€0.70	€0.91
Dividend	€68.5m	€93.7m
Pay-out ratio	50.0%	49.4%
Price per share end of December	€67.05	€58.95
Dividend yield	1.0 %	1.5 %

- ✓ Scout24 AG's **dividend policy** is to distribute between 30% and 50% of the adjusted net income.
- ✓ The 2019 adjusted net income includes 12 months of **AutoScout24**, 2020 includes 3 months
- ✓ **Adjustments** are made for regular effects, non-operating effects and special effects relating to the AutoScout24 transaction.
- ✓ The precise amount of the dividend per share depends on the planned **capital reduction and share buybacks** effected before the AGM.

<sup>1</sup> Calculation based on IFRS earnings per share logic (as used in annual report). Weighted average number of shares (basic) in 2020: 102.144.808 shares.

<sup>2</sup> Calculation based on AktG dividend calculation logic. Number of shares as of 31. Dec 20 after deduction of own shares from share buy back: 97.836.291 shares.

# We reconfirm our previously announced capital return roadmap – with the up to €1.0bn capital decrease transaction as the key pillar



\*) Timing: after announcement of FY 2020 results and before AGM 2021

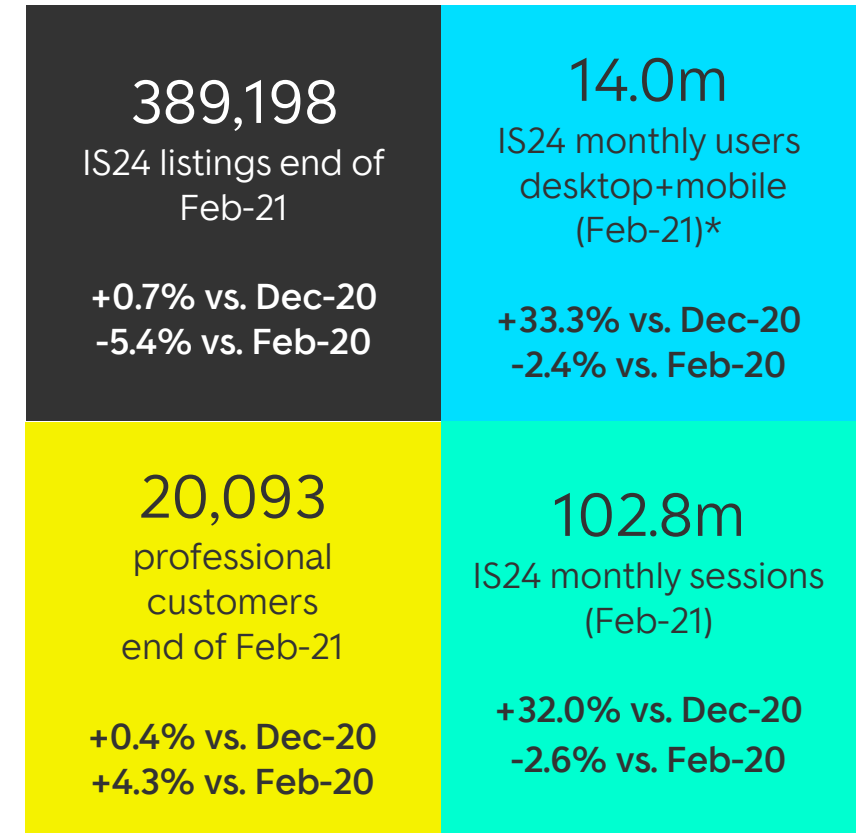
# The current trading gives us confidence on our 2021 outlook for the Group

- We see reduced listing activity due to a mix of:
  - Covid-19 / lockdown effect
  - Bestsellerprinzip effect
  - General market trend of reduced transactions
- Traffic implies significant demand increase
- Revenue and earnings development in line with expectations
- Continued customer growth
- **Outlook reconfirmed: mid single-digit % revenue growth and a near-stable ooEBITDA margin (proviso: pandemic situation increasingly improves with a return to normality from H2 onwards)**






## German real estate market:

- Continued positive price trend and increasing demand for residential real estate
- Uncertain development in the commercial real estate market
- Covid-19 pandemic has underscored the advantages of digitisation



\* Due to change of provider, usage of Google Analytics data; not deduplicated

# We reconfirm our 2021 revenue outlook by segment

	Tailwinds	Areas of caution	2021E Revenue outlook
Residential Real Estate	<ul style="list-style-type: none"> <li>Continued customer growth</li> <li>Agent listing initiatives underway</li> <li>Agent migration and upgrades</li> <li>Enhanced realtor leads product</li> <li>Growing consumer Plus+ subscriptions</li> </ul>	<ul style="list-style-type: none"> <li>Limited (price increase) spill-over benefits</li> <li>Continued Covid-19 impacts (at least in H1)</li> <li>Foregone private listing revenues</li> </ul>	 <p>Mid to high single-digit % growth</p>
Business Real Estate	<ul style="list-style-type: none"> <li>New and enhanced products</li> <li>Moving into larger TAMs</li> </ul>	<ul style="list-style-type: none"> <li>Pandemic-induced uncertainty</li> <li>Softness in construction volumes</li> <li>Reduced developers' marketing spend</li> </ul>	 <p>Slight growth</p>
Media & Other	<ul style="list-style-type: none"> <li>FLOWFACT integration (positive strategic impact)</li> <li>Growth of IS24 Austria</li> <li>Shift towards inhouse-agency revenues</li> </ul>	<ul style="list-style-type: none"> <li>FLOWFACT cloud migration</li> <li>De-prioritising 3<sup>rd</sup> party ad sales business</li> </ul>	 <p>Declining to flat</p>

What we achieved in 2020 will translate into attractive growth in 2021 and beyond

Focus on what matters



### Partnership

- ✓ Increased customer base
- ✓ Created more value for agents than ever



### Digitisation

- ✓ Enabled transactions for agents
- ✓ Had consumers pro-actively participate



### Innovation

- ✓ Launched key product and market initiatives ...
- ✓ ... and prepared ground for 2021



### Integration

- ✓ Enhanced RLE through immoverkauf24
- ✓ Enhanced customer relationships through FLOWFACT



### Capital allocation

- ✓ Reinvest(ed) into the business
- ✓ Return(ed) capital to shareholders
- ✓ Pursue(d) opportunistic M&A strategy

# Q&A





# Scout24

## Next events:

12 May 2021: Publication of Q1 2021 results

8 July 2021: AGM