

Scout24 with dynamic revenue growth of around 10% to EUR 190 million in first half of year

- Dynamic growth is mainly driven by Residential Real Estate segment
- ImmoScout24 is progressing to become a networked marketplace
- Group's ordinary operating EBITDA increases by 4.5% at a margin of 58.1%

Munich/Berlin, 12 August 2021

The Scout24 Group revenue grew strongly by 9.7% to EUR 189.7 million in the first half of 2021. The main drivers of this growth were the Residential Real Estate business, supported by strong demand for residential properties, and a strong second quarter, which compares to a weak Q2 2020 impacted by the Covid-19 pandemic. Ordinary operating EBITDA increased by 4.5% to EUR 110.2 million in the first half of 2021, resulting in a margin of 58.1%.

Since the second quarter of 2021, business with real estate agents has also regained momentum, as is reflected in a 9% ARPU (average revenue per user, i.e. per core customer per month) increase. This, together with the strong growth of the Realtor Lead Engine products (mandate acquisition products) as well as the consumer subscriptions (Plus products), underscores the consistent expansion of ImmoScout24 into a networked marketplace. The Business Real Estate segment was slightly down due to the pandemic, while revenue in the Media & Other segment increased slightly.

"The implementation of our ecosystem strategy naturally comes with investments into the future. Actually, we are pursuing a clear growth path that is making us increasingly independent of the traditional listings business. The highly dynamic growth of our mandate acquisition products and consumer subscriptions is strong evidence of the success and future potential of this strategy – both in terms of organic growth and targeted acquisitions," says Tobias Hartmann, CEO of Scout24 AG.

immoverkauf24 has been part of the Scout24 consolidation scope since July 2020 and Vermietet.de since May 2021. The financial figures for these acquisitions are therefore not included in the previous year's figures. Excluding the acquisitions, the Group's revenue would have risen organically by 6.8 % and the ordinary operating EBITDA margin would have been at 60.1% (0.9 percentage points below the previous year).

"immoverkauf24's integration has now been successfully completed. Revenue from this acquisition made up approximately one-third of our Realtor Lead Engine revenue in the first half of 2021. We expect our other acquisitions to perform similarly well. Our high financial strength gives us the scope to take advantage of appropriate M&A opportunities also in the future," says Dirk Schmelzer, CFO of Scout24 AG.

FINANCIAL PERFORMANCE INDICATORS

EUR millions	Q2 2021	Q2 2020	Change	H1 2021	H1 2020	Change
Group revenue	95.9	83.9	+14.4%	189.7	173.0	+9.7%
of which Residential Real Estate segment	71.2	59.9	+19.0%	140.0	123.2	+13.6%
of which Business Real Estate segment	17.0	16.6	+2.4%	34.3	34.6	-0.8%
of which Media & Other segment	7.6	7.3	+4.2%	15.2	15.1	+1.1%
Group ordinary operating EBITDA ¹	55.2	50.3	+9.6%	110.2	105.4	+4.5%
Group ordinary operating EBITDA margin² in %	57.5%	60.0%	-2.5pp	58.1%	61.0%	-2.9pp
Group EBITDA	49.0	43.8	+11.8%	101.3	96.4	+5.1%
Earnings per share (basic, continuing operations) ³	0.25	0.19	+31.6%	0.50	0.44	+13.6%

¹ Ordinary operating EBITDA is EBITDA adjusted for non-operating effects, mainly expenses for share-based payments, M&A activities (realised and unrealised), reorganisation measures and other non-operating effects.

² Ordinary operating EBITDA margin is defined as ordinary operating EBITDA as a percentage of revenue.

³ The previous year's figure has been adjusted, see note 4 of the notes to the half-year financial report.

Dynamic growth is mainly driven by Residential Real Estate segment

The Scout24 Group's main growth driver was again the Residential Real Estate segment. In the first half of 2021, total Residential Real Estate revenue increased by 13.6% to EUR 140.0 million compared with EUR 123.2 million in the first half of 2020. Revenue growth in the second quarter accelerated by 19.0% to EUR 71.2 million, compared to the pandemic-burdened previous year quarter (Q2 2020: EUR 59.9 million). The H1 and Q2 2021 figures also include revenue of EUR 5.4 million and EUR 2.8 million respectively from the acquired entities immoverkauf24, Wohnungsbörse and Vermietet.de, of which immoverkauf24 accounts for EUR 5.2 million and EUR 2.7 million respectively.

Revenue from Residential Real Estate Partners, i.e. real estate agents (including finance partners) and property managers, included in the segment revenue, increased by 15.3% compared with the first six months of the previous year (Q2 2021: up 19.5%). The main reason for this development was the strong growth of the Realtor Lead Engine revenue (in H1 2021, including the immoverkauf.24 business) by 162.2% to EUR 15.7 million (H1 2020: EUR 6.0 million). ARPU with residential real estate partners increased by 5.1% to EUR 745 year on year. In the second quarter of 2021, it rose even more significantly, by 9.0% to EUR 752, as a result of agents' increased demand and willingness to pay. The number of customers also continued to rise as of the reporting date. Compared with the previous year, 648 (smaller) customers were added (compared with the end of 2020: up 455). At the same time, migration to the new membership models was intentionally slowed.

Revenue with consumers, which is also included in the Residential Real Estate segment, rose by 9.9% compared with the same six-month period of the previous year, and indeed by 18.0% in the second quarter. With the introduction of the "free-to-list" initiative at the end of the first quarter of 2020, foregone listing revenue was offset by the dynamic growth of the Plus product revenue. The latter increased by 30.5% to EUR 25.1 million in the first half of 2021 (up 32.8% to EUR 13.2 million in Q2 2021) and for the first time exceeded the total pay-per-ad revenue (private and professional), which amounted to EUR 23.2 million in the first half of 2021.

The Residential Real Estate segment's ordinary operating EBITDA margin reached 60.1% in the first half of 2021 (Q2 2021: 58.6%), and was thus down 4.4 percentage points from 64.5% in the previous year (Q2 2020: 63.9%). On the one hand, this is due to higher operating costs, especially in the acquired business units. On the other hand, the margin development reflects the changed revenue mix associated with the market network strategy. Pay-per-ad revenue is increasingly being replaced by high-growth revenue from Plus products and the Realtor Lead Engine. The acquisition of Vermietet.de is also consistent with this strategy.

Business Real Estate is still unable to shake off Covid-19 crisis

In the first half of 2021, the effects of the pandemic were still evident in the Business Real Estate segment. While revenue with developers and new home builders increased slightly compared with the first half of the previous year, business with commercial agents declined. Overall, Business Real Estate revenue decreased slightly to EUR 34.3 million in the first half of 2021 (H1 2020: EUR 34.6 million), with a slight increase of 2.4% to EUR 17.0 million in the second quarter.

The number of business real estate partners increased by 25 partners compared with the previous year's cut-off date (30 June) and increased by 20 relative to year-end 2020.

In parallel with the development of revenue, ARPU with business real estate partners remained largely unchanged. In a half-year comparison, it declined slightly by 0.6% to EUR 1,737 (from EUR 1,747 in H1 2020). Quarter on quarter, it was slightly up by 0.8% to 1,720 (from 1,706 in Q2 2020).

The ordinary operating EBITDA margin of the Business Real Estate segment also remained relatively stable in a half-year comparison. It increased from 72.1% in H1 2020 to 72.3% in H1 2021. In the second quarter, it rose by 2.3 percentage points to 72.7%.

Media & Other segment benefits from strong Austrian business

The Media & Other segment revenue increased slightly from EUR 15.1 million in H1 2020 to EUR 15.2 million in H1 2021. Quarter on quarter, it increased by 4.2% to EUR 7.6 million (Q2 2020: EUR 7.3 million). This increase was primarily driven by the strong ImmoScout24 Austria business, which grew by 25.2% in a half-year comparison. At the same time, advertising business with third parties declined due to market conditions and the pandemic. Scout24 is now increasingly offering free advertising space “internally”, in other words to its core customers. FLOWFACT also recorded a slightly declining revenue due to the ongoing conversion of the payment model to software-as-a-service.

The ordinary operating EBITDA margin of the Media & Other segment decreased by 4.2 percentage points from 40.4% in H1 2020 to 35.2% in H1 2021 (Q2 2020: 41.0%; Q2 2021: 38.8%) primarily due to the decline in the advertising business.

Full-year outlook confirmed

The Management Board of Scout24 AG is very satisfied with the operational and financial development of the Scout24 Group in the first half of 2021 and views this as a clear confirmation of the Group's strategic agenda. For the full 2021 financial year, the Management Board therefore confirms its forecast of mid to high single-digit percentage revenue growth for the Group (Group revenue FY 2020: EUR 353.8 million).

Cascaded down to the three segments, that means:

- Residential Real Estate: low double-digit percentage growth rate
- Business Real Estate: low single-digit percentage growth rate
- Media & Other: slightly declining

Assuming an improved margin especially in the fourth quarter, the Management Board – without taking Vermietet.de into account – likewise confirms its earnings forecast. This is premised on an ordinary operating EBITDA margin for the Group (including holding costs) of up to 60% (Group ordinary operating EBITDA margin in FY 2020: 60.0%).

Completed in May 2021, the acquisition of Vermietet.de is a perfect fit for the market network strategy. It gives Scout24 a significant head start in product development for the rent market, which is key in Germany and Austria. With Vermietet.de, the Group is expanding its offer for private landlords, over the lifecycle of one or even several tenancies. In the short term, the revenue contribution will still be negligible and investments will initially have a negative impact on the EBITDA margin. From next year onwards, however, a positive effect is expected on the Group's revenue and, in the medium term, also on its margin.

Half-year financial report 2021

A detailed description of the development of business and the results of operations is provided in the half-year financial report 2021, which is available at <https://www.scout24.com/en/investor-relations/financial-reports-presentations>.

Conference call

On 12 August 2021 at 15:00 CEST, Scout24 will hold a webcast and conference call on the H1 2021 financial results.

Link to the live webcast (without telephone dial-in): <https://www.webcast-eqs.com/scout2420210812>

Financial analysts and investors can dial into the conference call using the following dial-in numbers:

DE: +49 69 2222 2018

UK: +44 330 336 9434

USA: +1 646-828-8193

Participant code: 5911733

Phone conference participants can view the presentation slides live by clicking on the following link:

<https://www.webcast-eqs.com/scout2420210812/no-audio>

A recording of the conference is available at: <https://www.webcast-eqs.com/scout2420210812>

Next reporting dates

11 November: Interim report nine months (and Q3) 2021

About Scout24

Scout24 is one of the leading digital companies in Germany. With the digital marketplace ImmoScout24, for residential and commercial real estate, we successfully bring together homeowners, real estate agents, tenants, and buyers - and we have been doing so for more than 20 years. With more than 20 million users per month on the website or in the app, ImmoScout24 is the market leader for digital real estate listing and search. To digitise the process of real estate transactions, ImmoScout24 is continually developing new products and building up an ecosystem for renting, buying, and commercial real estate in Germany and Austria. Scout24 is a listed stock corporation (ISIN: DE000A12DM80, Ticker: G24) and member of the MDAX and the DAX50 ESG. Further information is available on [Twitter](#) and [LinkedIn](#). Since 2012, ImmoScout24 has also been active in the Austrian real estate market.

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Scout24 also uses alternative performance measures, not defined by IFRS, to describe the Scout24 Group's results of operations. These should not be viewed in isolation, but treated as supplementary information. Scout24 also uses alternative performance measures, not defined by IFRS, to describe the Scout24 Group's results of operations. These should not be viewed in isolation, but treated as supplementary information. Alternative performance measures used by Scout24 are defined in the corresponding place in the financial reports. The special items used to calculate some alternative performance measures arise from the integration of acquired businesses, reorganisation measures, impairment losses, gains or losses on sale resulting from divestitures and the sale of shareholdings, and other expenses and income that generally do not arise in conjunction with Scout24's ordinary business activities.

Due to rounding, numbers presented throughout this report may not add up precisely to the totals indicated, and percentages may not precisely reflect the absolute figures for the same reason.