

Continued growth momentum and strong operating leverage in Q3 2023 leads to further upgrade of ooEBITDA guidance in FY 2023

- Group revenues grew 15.7% for Q3 2023 (9.8% organic) and 13.3% for 9M 2023 (11.3% organic)¹
- Growth continues to be fueled by strong demand for core membership and Plus products – continued customer gains in both segments
- Strong operating leverage continues with 22.1% ooEBITDA growth for Q3 2023 and 21.6% for 9M 2023
- Adjusted EPS grew by 31.8% to EUR 0.67 in Q3 2023 and by 35.5% to EUR 1.90 for 9M 2023
- Adjusting FY 2023 guidance: increasing ooEBITDA growth to range of 19-21% and updating revenue growth to c. 14%

Munich / Berlin, 2 November 2023

Scout24 SE maintained its successful growth momentum in the third quarter, achieving a Group revenue growth of 15.7%, leading to EUR 132.8 million. Organic revenue growth was 9.8% for the third quarter, reflecting continued strong demand for agent memberships and Plus products. This positive development was offset by a continued slow transactional market, leading to a lower demand for seller and mortgage leads.

“In the third quarter we continued our track record of delivering exceptional results against challenging macro trends and real estate markets. The increased relevance of the ImmoScout24 platform for the German real estate market is manifesting itself through continuous strong demand for our core products and customer growth. The organizational updates we implemented earlier this year have increased our speed to market while taking our operating efficiency to new levels. We will continue to be laser focused on supporting our professional clients with best-in-class products and services as they continue to navigate challenging markets. Scout24 recently turned 25 years – while the company truly has achieved a lot, we believe that the best days are still ahead. We look forward to providing an update on our future plans and growth ambitions at our Capital Markets Day at the end of February 2024”, comments CEO Tobias Hartmann.

Sustained growth in core agent business, Plus products and private Pay-per-ad listings

In the third quarter, the **Professional segment**, which includes the consolidated Sprengnetter revenue, experienced robust double-digit revenue growth, increasing by 15.6%. Organic growth was 6.5%. Organic growth was driven by a further increasing customer base by 3.3% to 21,937 and therefore continued strong demand for our core agent memberships, which underlines the need for our marketing solutions by agents. Membership revenue grew by 12.9% driven by adjustments in listing prices, ongoing enhancements to higher-value memberships, and the migration of customers from the Pay-per-ad product to memberships. As a result of this customer migration, revenue in the Pay-per-ad business declined by 15.6% in the third quarter of 2023 compared to the same period in 2022.

On an organic basis, the seller leads business continued to show a negative trend compared to the previous year due to a weaker demand, as currently many agents have no need for additional mandates

¹ Scout24 acquired 75% of the equity shares of the Sprengnetter Group on 1 July 2023. With the takeover of control as of 1 July 2023, the business of the Sprengnetter Group was consolidated in the Professional segment as of July 2023. The key financial figures presented, unless explicitly stated otherwise, generally include consolidated contributions from the Sprengnetter Group since that date. Presented organic numbers exclude Sprengnetter contributions.

in the current market environment. However, the share of consolidated Sprengnetter revenues in the seller leads business, for example the sale of valuation products for agents, had a positive effect on the development of the seller leads business – resulting in 72.2% growth.

The **Private segment** grew by 17.4% in the third quarter 2023, representing a slight deceleration compared to the second quarter 2023. This was due to a slowdown in growth in the pay-per-ad business after its exceptionally strong listing volume growth during the year 2022 until Q2 2023 and a slower increase in Q3 2023. On the other hand, subscription revenues accelerated in the third quarter 2023, growing by 19.7% compared to 16.8% in the second quarter 2023. This growth was driven by increased customer gains (16.9%) during Q3.

In our **Media & Other segment**, we delivered strong revenue growth of 10.4% in the third quarter. This growth was driven by strong performance across all business lines.

Earnings growth continues to significantly outpace revenue growth: Ordinary operating EBITDA increased by 22.1% for Q3 2023 and 21.6% for 9M 2023

In the third quarter, operating expenses grew modestly by 3.3% compared to the previous year. The increase was primarily driven by the consolidation of Sprengnetter cost base, mainly impacting personnel and selling cost. Marketing cost increased by 2.4% as we invested in brand campaigns in the third quarter of 2023. Selling costs also saw an increase by 23.4% due to heightened demand for credit checks in our Plus products and consolidation of Sprengnetter cost lines. Other operating costs declined by 10.8% during Q3, primarily due to reduced reliance on external service providers.

Thanks to our sustained double-digit revenue growth and favorable product mix, combined with tight cost management, we were able to over-proportionately drive ordinary operating EBITDA growth by 22.1% for the third quarter. This represents an ordinary operating EBITDA margin of 58.8%, a strong 3.1 percentage point increase compared to the third quarter of 2022.

Excluding Sprengnetter, ordinary operating EBITDA grew by 19.2%, representing an even stronger ordinary operating EBITDA margin of 60.5%, an increase of 4.8 percentage points compared to the third quarter of 2022.

Our (unadjusted) Group EBITDA for the third quarter stood at EUR 73.0 million, growing strongly by 35.7% supported by lower non-operating costs.

Earnings per share experienced robust growth, with EUR 0.62 for the third quarter and EUR 1.72 for the nine-month period, representing increases of 47.2% and 70.3%, respectively. Adjusted earnings per share grew by 31.8% to EUR 0.67 in Q3 2023 and by 35.5% to EUR 1.90 for 9M 2023.

“We continue to deliver strong revenue growth and margin improvement in the third quarter. I am particularly pleased with the continued profitability improvement while consolidating Sprengnetter and absorbing the impacts of slower transactional markets. The basis for this improvement is the continued focus on tight cost control. The further ooEBITDA guidance upgrade reflects our high level of operational execution. While the markets remain challenging, we are confident in our ability to continue to grow revenues and profitability in 2024 as we deliver great customer value,” adds Dirk Schmelzer, CFO of Scout24 SE.

KEY FINANCIAL PERFORMANCE INDICATORS

EUR million	Q3 2023	Q3 2022	Change	9M 2023	9M 2022	Change
Group revenue	132.8	114.7	+15.7%	376.6	332.3	+13.3%
of which Professional	86.2	74.5	+15.6%	241.6	217.4	+11.1%
of which Private	37.1	31.6	+17.4%	107.5	89.3	+20.3%
of which Media & Other	9.5	8.6	+10.4%	27.5	25.6	+7.5%
Group ordinary operating EBITDA¹	78.1	63.9	+22.1%	224.5	184.6	+21.6%
of which Professional	54.9	44.8	+22.4%	157.9	131.3	+20.3%
of which Private	19.3	16.2	+19.3%	55.1	45.0	+22.4%
of which Media & Other	3.8	2.9	+33.0%	11.6	8.4	+38.6%
Group ordinary operating EBITDA margin² in %	58.8%	55.7%	+3.1pp	59.6%	55.6%	+4.1pp
of which Professional	63.7%	60.2%	+3.5pp	65.3%	60.4%	+5.0pp
of which Private	52.1%	51.3%	+0.8pp	51.2%	50.4%	+0.9pp
of which Media & Other	40.1%	33.3%	+6.8pp	42.2%	32.7%	+9.5pp
Group EBITDA³	73.0	53.8	+35.7%	201.2	166.8	+20.6%
Earnings per share (basic, in EUR)	0.62	0.42	+47.2%	1.72	1.01	+70.3%

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

³ Group EBITDA (unadjusted) is defined as earnings before the financial result, income taxes, depreciation, amortisation and any impairment losses or reversals of impairment losses.

Management adjusts guidance for financial year 2023

Based on the business performance to date and the expected development in the last quarter of the year, the Management Board adjusts its guidance for the financial year 2023. Driven by a favorable product mix and continued tight cost control, ooEBITDA growth is upgraded from a range of 18-19% to a range of 19-21%. Based on a slower transactional recovery, and our previously stated focus on profitability over revenue growth, the Management Board adjusts its revenue growth forecast from c. 15% to c. 14%. The main focus overall will be on increasing Group ordinary operating EBITDA and the respective margin.

Quarterly statement Q3/9M 2023

A detailed explanation of the business performance and earnings situation can be found in the Q3/9M 2023 quarterly statement which is available at: www.scout24.com/en/investor-relations/financial-reports-presentations. There we also provide an overview of our current and historical key financial figures at Group and segment level in table format (xlsx).

Conference call

On 2 November 2023 at 15.00 CET, Scout24 will hold a webcast with conference call on the Q3/9M 2023 results.

Link to the live webcast (without telephone dial-in): <https://www.webcast-egs.com/scout24-q32023>

Financial analysts and investors can register for the conference call at the following link:

<https://services.choruscall.it/DiamondPassRegistration/register?confirmationNumber=4916992&linkSecurityString=662307800>

After registration, participants receive a confirmation e-mail with individual dial-in data.

Via this link, selected participants can follow the presentation slides live:

<https://www.webcast-egs.com/scout24-q32023/no-audio>

The conference replay is available at: <https://www.webcast-egs.com/scout24-q32023>

Next dates

28 February 2024: Capital Markets Day and publication of preliminary financial results for full year (and Q4) 2023.

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 25 years. With more than 19 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 [LinkedIn](#). Since 2012, ImmoScout24 has also been active in the Austrian real estate market.

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