

Let's talk about Agents

Scout24 Investor Group Call

Moderated by David Amira | Bank of America

8 October 2020



Scout24

Disclaimer

This document has been issued by Scout24 AG (the “Company” and, together with its direct and indirect subsidiaries, the "Group") and does not constitute or form part of and should not be construed as any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any securities of the Company, nor shall any part of it nor the fact of its distribution form part of or be relied on in connection with any contract or investment decision, nor does it constitute a recommendation regarding the securities of the Company or any present or future member of the Group.

All information contained herein has been carefully prepared. However, no reliance may be placed for any purposes whatsoever on the information contained in this document or on its completeness. No representation or warranty, express or implied, is given by or on behalf of the Company or any of its directors, officers or employees or any other person as to the accuracy or completeness of the information or opinions contained in this document and no liability whatsoever is accepted by the Company or any of its directors, officers or employees nor any other person for any loss howsoever arising, directly or indirectly, from any use of such information or opinions or otherwise arising in connection therewith.

The information contained in this presentation is subject to amendment, revision and updating. Certain statements, beliefs and opinions in this document are forward-looking, which reflect the Company’s or, as appropriate, senior management’s current expectations and projections about future events. By their nature, forward-looking statements involve a number of risks, uncertainties and assumptions that could cause actual results or events to differ materially from those expressed or implied by the forward-looking statements. These risks, uncertainties and assumptions could adversely affect the outcome and financial effects of the plans and events described herein. Statements contained in this document regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. The Company does not undertake any obligation to update or revise any information contained in this presentation (including forward-looking statements), whether as a result of new information, future events or otherwise. You should not place undue reliance on forward-looking statements, which speak only as of the date of this document.

This document is not an offer of securities for sale in the United States of America. Securities may not be offered or sold in the United States of America absent registration or an exemption from registration under the U.S. Securities Act of 1933, as amended. Neither this document nor any copy of it may be taken or transmitted into the United States of America, its territories or possessions or distributed, directly or indirectly, in the United States of America, its territories or possessions or to any US person.

By attending, reviewing or consulting the presentation to which this document relates or by accepting this document you will be taken to have represented, warranted and undertaken that you have read and agree to comply with the contents of this notice.

Nothing in this document constitutes tax advice. Persons should seek tax advice from their own consultants or advisors when making investment decisions.

Quarterly figures are unaudited. All numbers regarding the 2019 segment structure are unaudited and preliminary only, if not otherwise stated.

Let's start with some statistics

Adressable market

How many agents?

~35,000

Real estate agents in Germany
in 2018 (ivd),
80% (c. 28,000)
of which are active on IS24

17,020

Core residential real estate IS24
customers at the end of Q2 2020

How many transactions?



3.7 Mio.

Rental transactions in residential real
estate in Germany 2019
(thereof ~1/5 through IS24)

~593,000

Sale transactions in residential real estate
in Germany 2020 with a total volume of 178 bn €
(Gewos forecast excl. land plots),
thereof ~1/3 through IS24

How much money?

circa 2

Monthly net "cold" rents as agent
commission for a rental apartment

4.5%

Average commission rate for property sales
(3.56% - 7.14% incl. VAT,
range for agent fees)

>6 bn €

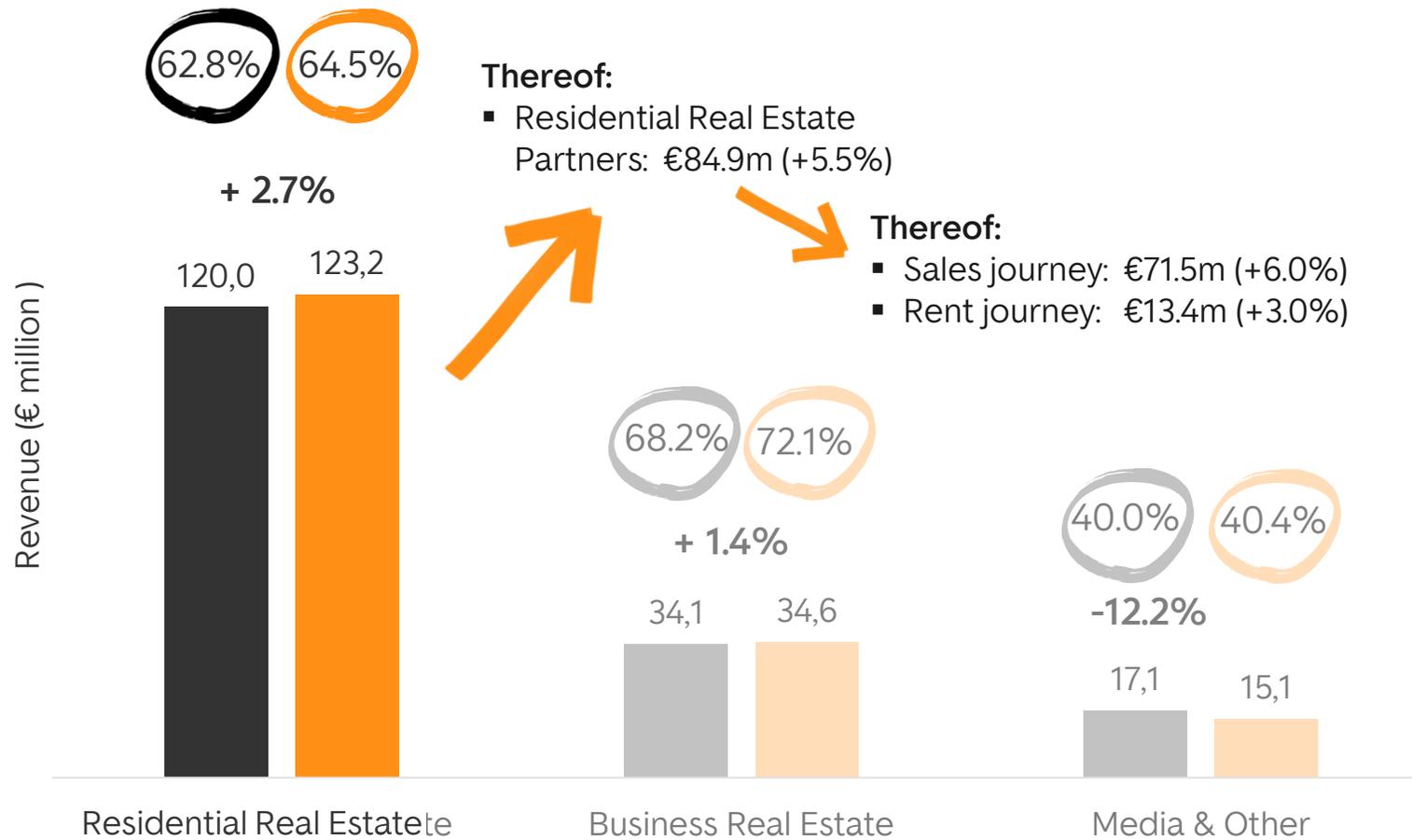
Agent commission pool

~700 m €

Marketing spend
(60% for advertising,
40% for customer acquisition)

How does this translate into ImmoScout24 revenues and margins?

Focus on residential agents



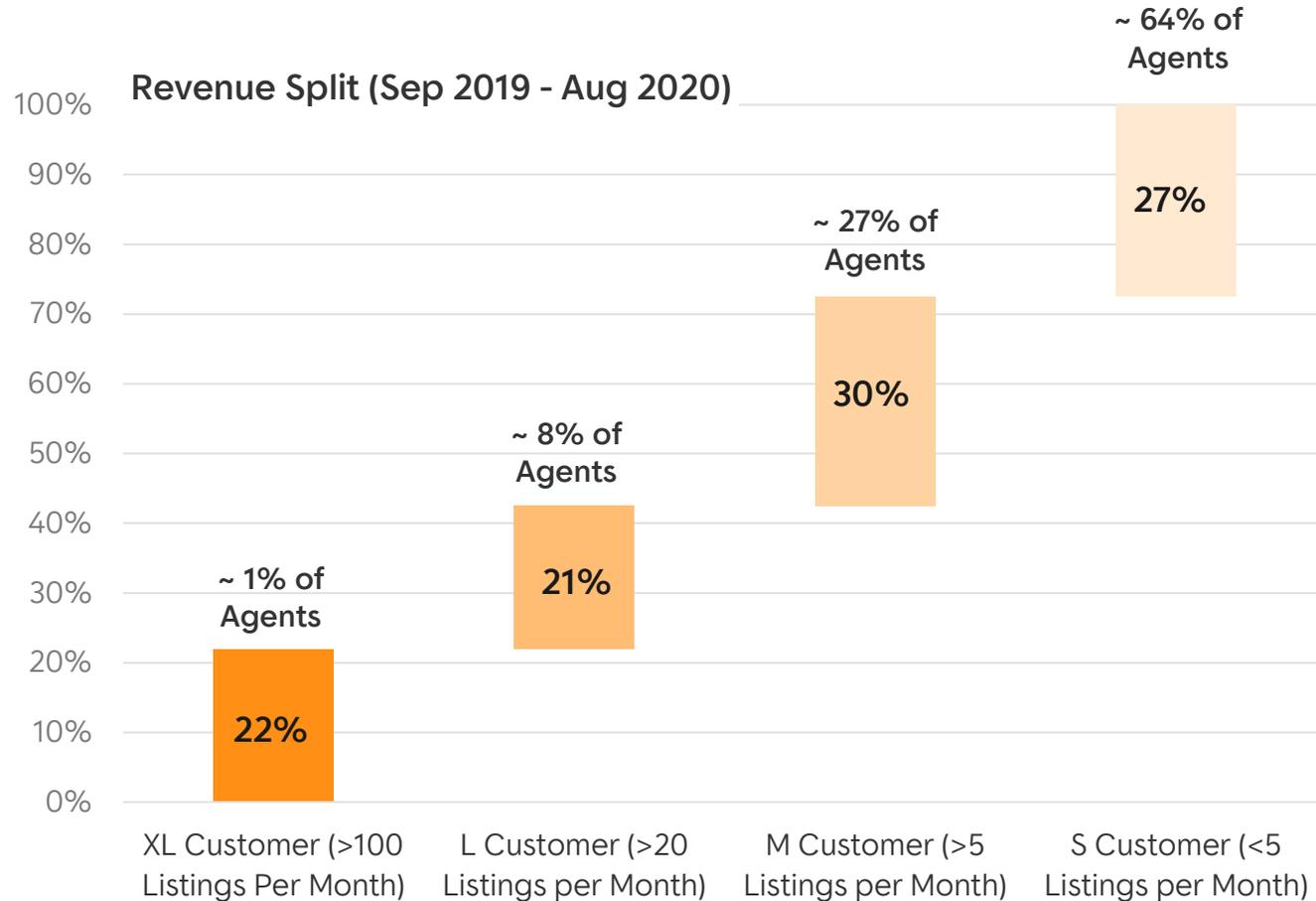
63.9%
H1 2020
IS24
ooEBITDA margin

61.6%
H1 2019
IS24
ooEBITDA margin

■ H1 2019 ■ H1 2020 ○ ooEBITDA margin

Our agents are well distributed along the revenue curve

Healthy customer base



Resilient

Revenue from core products is well spread across different customer groups. The majority of revenue is coming from agents with big and reliable portfolios.

High value upgrade potential

Given the design of list prices for core insertion products, agents can grow their revenue without growing listing volume (e.g. high value membership upgrades).

Core products: insertion etc. excluding RLE, Flowfact etc. Based on average number of listings per month over last 12 months; Rent equivalent of 5 listings to 1 sale. Commercial equivalent of 1 to 1. Listings aggregated on company level.

Update H1 : We are committed to our agents with growth dynamics intact

Trends in the German real estate market

Covid-19 **accelerating digitisation** of real estate ecosystem

Increasing German residential real estate prices¹ imply ongoing under-supply and need for mandate acquisition support

“**Bestellerprinzip**” coming into effect in 2021

Commercial real estate market stable with uncertain macro-outlook – majority of German hubs still showing rent growth of >2% in H1²



Growth in Scout24's agent business



Covid-19 support measures (“Liquidity Plus” and “Leads Plus”) strengthened the partnership with our agents



Gained c. 800 real estate partners on our platform compared to H1 2019 (+4%)



Membership migration well on track:

- Goal to migrate all core residential sales agents by mid-2021 into the new membership editions
- Rate-card introduction also on the right track



Continued investment in our agent product suite

¹ According to IMX purchase and rental prices showed a renewed significant upturn across all property types in Q2 2020, thus mostly surpassing pre-Covid levels.

² Following strong growth in Q1 2020, the commercial property rental price index (GIMX) shows a stagnating or slightly declining market in Q2 2020.

We have just launched a marketing campaign staging the agent as key to a successful selling journey



Agents

- Support the agent image
- Strengthen our partnership
- Increase customer satisfaction
- Increase customer numbers
- Increase ARPU



Home owners

- Become the first contact point for selling home owners
- Enhance leads business



Immo
Scout24



Consumers (seeking real estate)

- Maximize transparency
- Give guidance in decision making
- Offer a personalised home search journey which can be monetized

One of the largest multi- channel campaigns in recent years: “sell better - with an agent”

Print ads example



Ein Makler findet für Ihre Rosen neue Liebhaber.



Verkaufen Sie besser – mit Makler.

Ihnen ist wichtig, dass Ihre schöne Immobilie in liebevolle Hände kommt? Der richtige Makler versteht das! Wir empfehlen Ihnen kostenlos die passenden Verkaufsexperten in Ihrer Region. Profitieren auch Sie von der Erfahrung des Marktführers auf [immoscout24.de/besser-verkaufen](https://www.immoscout24.de/besser-verkaufen)



An agent finds new lovers for your roses.



Eine Maklerin, die Sie versteht? Die gibt es: bei uns!



Verkaufen Sie besser – mit Makler.

Sie wollen den Verkauf Ihrer Immobilie in gute Hände geben? Als Marktführer rund um Immobilien empfehlen wir Ihnen den passenden Verkaufsprofi in Ihrer Region. Nutzen Sie einfach und bequem unseren kostenlosen Maklervergleich unter [immoscout24.de/besser-verkaufen](https://www.immoscout24.de/besser-verkaufen)



Agents who understand you? You can find them: with us!



Ein Makler bringt oft mehr, als man denkt.



Verkaufen Sie besser – mit Makler.

Sie wollen Ihre Immobilie am liebsten zum optimalen Preis verkaufen? Dann verkaufen Sie mit Maklerhilfe! Wir empfehlen Ihnen kostenlos den passenden Verkaufsprofi für Ihre Immobilie. Profitieren auch Sie von der Erfahrung des Marktführers auf [immoscout24.de/besser-verkaufen](https://www.immoscout24.de/besser-verkaufen)



An agent often brings more than you think.



Ein Makler bringt schnell junges Leben in Ihr altes Zuhause.

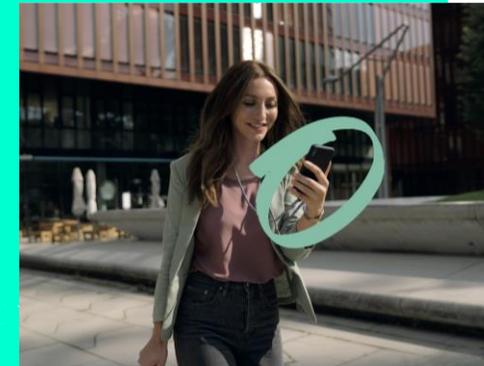


Verkaufen Sie besser – mit Makler.

Sie wollen schnell und ohne Stress Ihre Immobilie verkaufen? Lassen Sie die Profis ran! Wir empfehlen Ihnen kostenlos die passenden Verkaufsexperten in Ihrer Region. Profitieren auch Sie von der Erfahrung des Marktführers auf [immoscout24.de/besser-verkaufen](https://www.immoscout24.de/besser-verkaufen)



An agent quickly brings young life in your old home.



Ein Makler verkauft Opas Haus reibungs- und kontaktlos.



Verkaufen Sie besser – mit Makler.

Sie können sich nicht selbst um den Verkauf einer Immobilie kümmern? Kein Problem! Wir empfehlen Ihnen kostenlos die passenden Verkaufsexperten in der Region. Profitieren auch Sie von der Erfahrung des Marktführers auf [immoscout24.de/besser-verkaufen](https://www.immoscout24.de/besser-verkaufen)

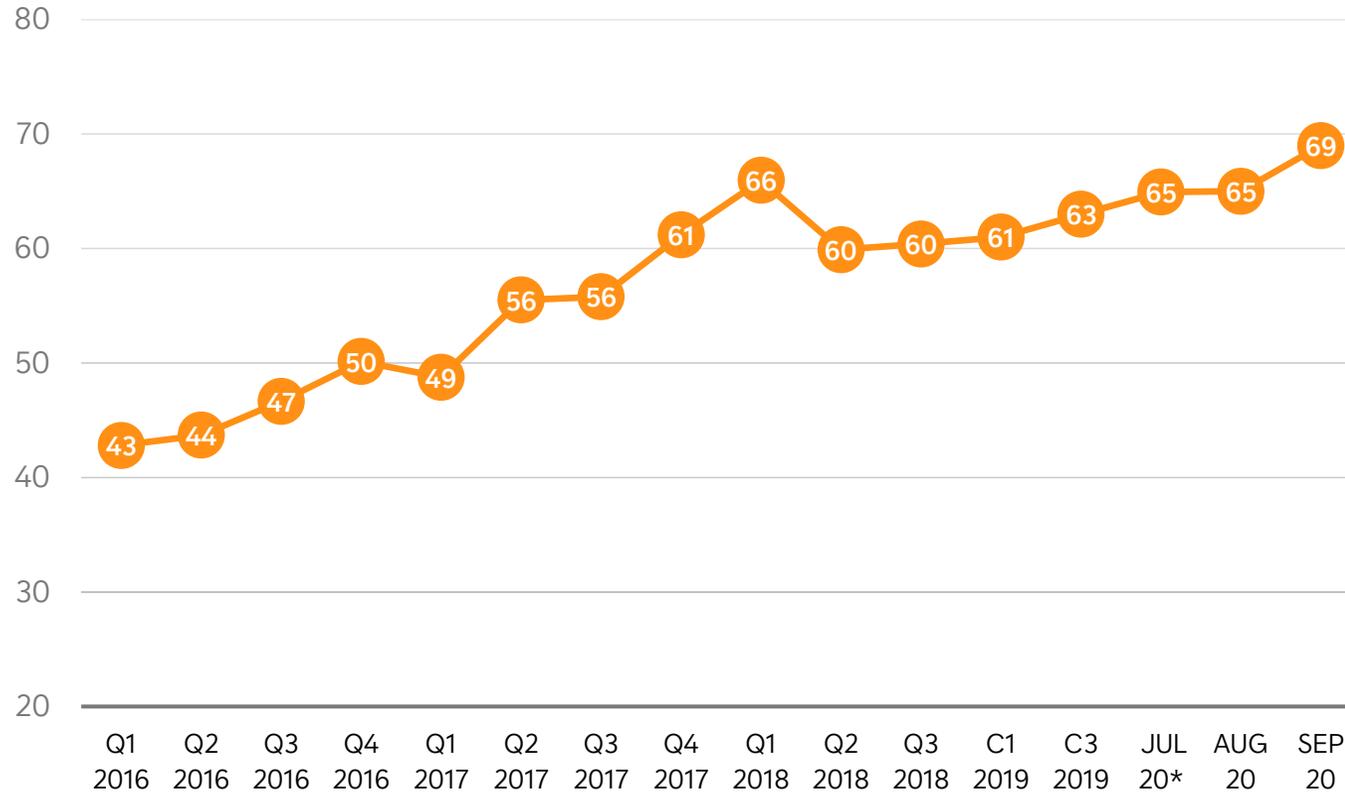


An agent sells grandpa's house quickly and easily.

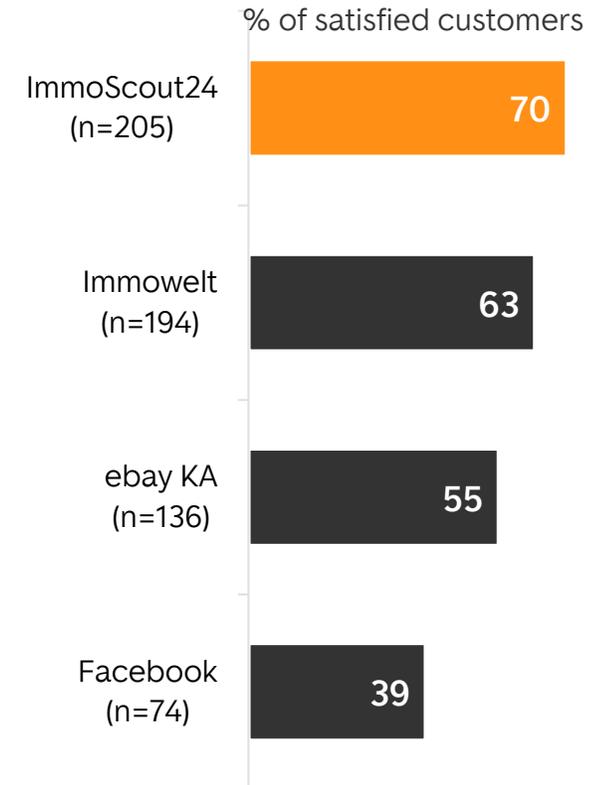
We are further strengthening the partnership with our agents

Increasing customer satisfaction

Customer satisfaction core agents ¹



Customer satisfaction competitor view²
(2019/2020)



1. Satisfaction survey among Residential Core Agents; *monthly measurement since Jul 2020; Csat = % of (rather) satisfied customers

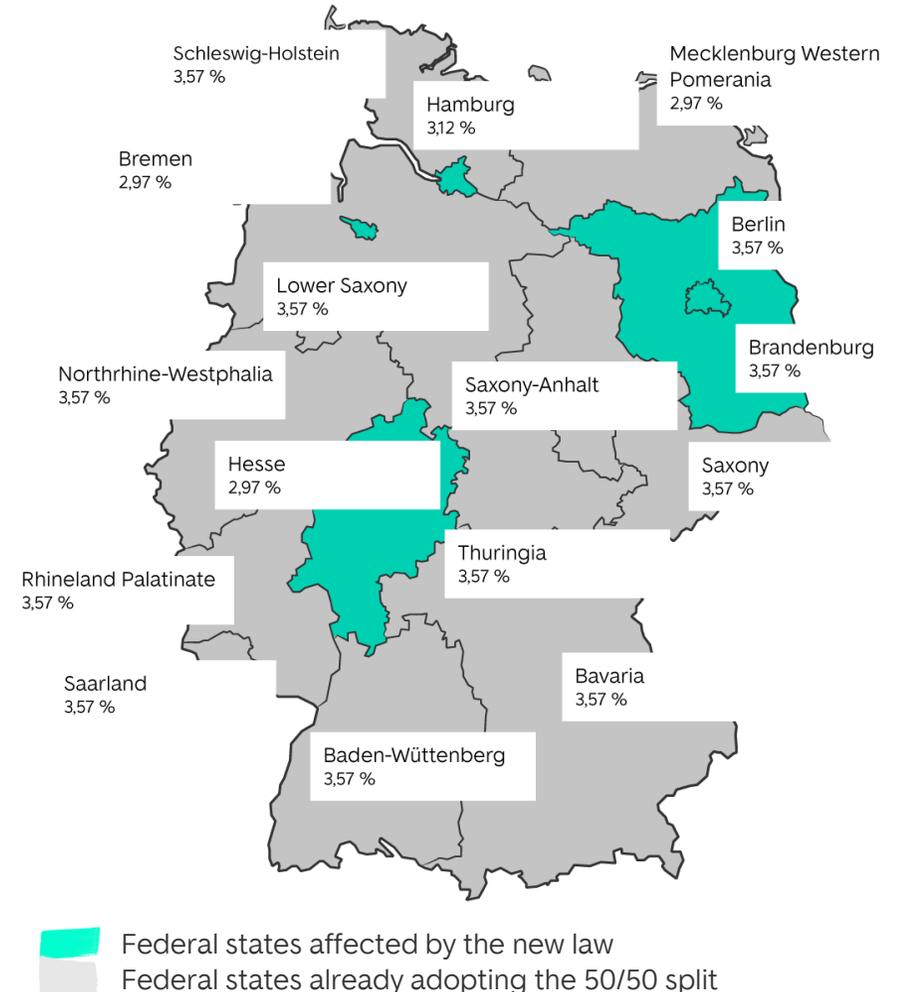
2. Annual competitor study by Mindline energy, survey among 360 Core Agents, Nov 2019 – Jan 2020

New “Bestellerprinzip” regulation will impact agents business in 2021

Limited effect on IS24 agent monetisation

- Uniform regulation applicable to all German federal states, entering into force on 23 December 2020.
- The party who commissions the agent (typically the seller) will have to pay min. 50% of the agent commission; the counterparty needs to pay the remaining 50% after the commissioning party has furnished proof of payment of its own share.
- The affected 5 federal states account for c. 20% of the residential real estate market (measured in transactions / GEWOS and listings on IS24), and c. 25% of the IS24 residential agent revenue.
- We expect a revenue impact between 2-5 million Euro in 2021, coming from:
 - Decrease of agent online marketing spend
 - Consolidation of smaller agents
 - Partly compensated by a short-term improvement of PPA booking ...
 - ... and a larger marketing spend on homeowner acquisition

Commission reality for private sellers starting 2021



Our agent monetisation strategy consists of transferring them into a fair and consistent price / product system and subsequently upgrading them

>25%
of migration target reached



Essential tools for agents to connect with consumers

Basis Edition
+ comparable legacy memberships⁴



+ Maximize the listings' visibility to compete in small markets

incl. Basis Edition

Image Edition
+ comparable legacy memberships³



+ Take full advantage of platform to market own agency business, to acquire new mandates and to compete in heated markets

incl. Image Edition

Acquisition Edition

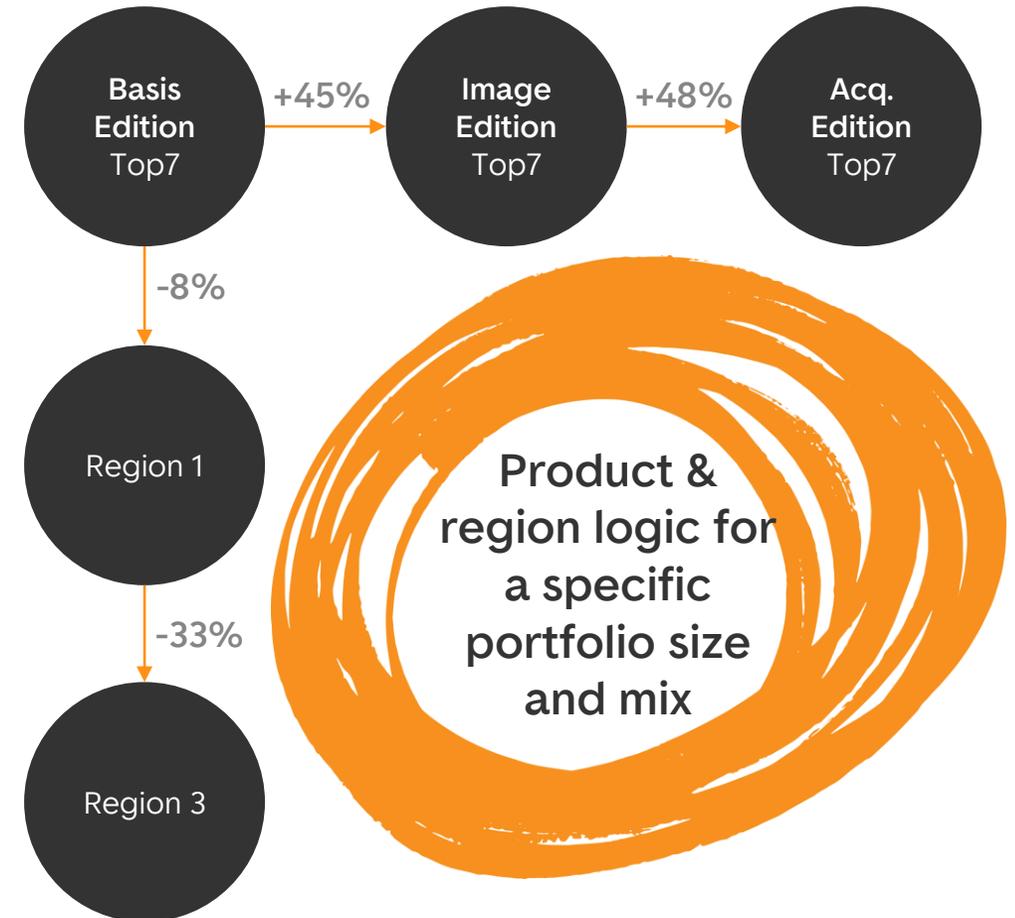
Notes:

1. Residential agents (for Aug-20 including finance partners) without property managers
2. Membership contract ARPU only, excluding revenues from additional value added services
3. Including legacy memberships MY5 + Top List All
4. Including all other legacy memberships

We provide for price transparency through rate cards which reflect the customer ROI

Main price drivers: portfolio size, portfolio mix (rent - sale - commercial), region and chosen product set

1. Small customers pay less than big ones.
2. Customers with more sale objects pay more than customers with less sale objects.
3. If customers have a high volume focus on either rent or sale, the portfolio minority is included for almost no cost.
4. Regions with high visibility and high prices are more expensive than weaker regions.
5. The more value the product package provides the higher the price.



We are applying a similar monetization strategy to all our journeys

Memberships and rate cards as basis for systematic growth

All journeys have their customer specific product tiers which connect to the Basis Edition:

- Strong price enforcement and transparency
- Upsell opportunity across journeys through higher available tiers per Immotype
- Instrument of future price increases.

	Sale	Rent	Developer	Commercial	New Homebuilder
Product launch	completed	completed	completed	completed	in progress
Rate card creation	completed	completed	completed	completed	starting Dec. 20
Move all customers into new product world	ongoing	ongoing	started	starting Oct. 20	starting Jan. 21
Rate card publication	end 2021	tbd	tbd	tbd	tbd
Price increases	tbd	tbd	tbd	tbd	tbd

Next events:

11 Nov. 2020: Q3 / 9M 2020 report

Ursula Querette

Head of Investor Relations

Telephone +49 89 444 56 3278

Fax +49 89 444 56 193278

ir@scout24.co

www.scout24.com



Scout24