

Weak preliminary Q3 results below expectations

Hypoport has reported weak Q3 results which were below our forecast and revised its 2023 guidance. Revenues were down by 15% yoy (+3% qoq) to EUR 88m (PAsE: EUR 92m). EBIT was negative at EUR 1m (Q3 '22: EUR 0.8m, Q2 '23: EUR -2.5m, PAsE: EUR 2.9m). According to the ADHOC release revenues have improved qoq in the credit/retail and insurance platform and lower costs had a positive impact. However, the real estate platform reported lower revenues and high investments resulted in a loss. For the full year Hypoport expects now a revenue decline of up to 25% (before: up to 15% decline; PAsE: -18% yoy) and an EBIT of between EUR 10m and EUR 15m (before: at least EUR 10m, PAsE: EUR 7m) due to a positive one-off. All in all, weak Q3 figures as Hypoport continues to suffer from the difficult market environment. The recovery of the markets takes obviously longer than expected. We stick to our Buy rating, TP EUR 215 as we remain convinced from the company's mid-term growth prospective.

Hypoport - Q3 2023 Prelim

EUR m	Q3 2023	Q3 2023e	Q3 2022	yoy	2023e	yoy
Revenues	88	92.0	105.0	-15.0%	375	-18%
EBIT	-1	2.9	0.8	nm	7	-73%
EBIT Margin	-1.1%	3.2%	0.8%	m,	1.8%	-367 BP
Net Profit	na	1.8	1.8	na	1	-92%

Source: Pareto Securities, Hypoport

The one-off effects include removed purchase price liabilities from a debtor warrant (positive) and expenses for the reorganization within the Real Estate Platform segment (negative). We have no idea how big the impact is but given a 9M 2023 EBIT of around EUR -2.7m we estimate them to be around at least around EUR 10m (net).

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