

Q4 2024

Presentation of the year-end report

Hemnet Group | 31 Jan 2025



Agenda

10:00 CET START

Q4 2024 and Year-end report

Cecilia Beck Friis, CEO

Financial highlights

Anders Örnulf, CFO

Business update 2025

Lisa Farrar, COO

Closing remarks and Q&A

Submit your questions via the webcast

Q4 2024 Summary

Key financials

Net sales growth

32.4%
(SEK 364.1m)

ARPL growth

43.0%
(SEK 8,452)

EBITDA-margin

48.4%
(SEK 176.3m)

Highlights

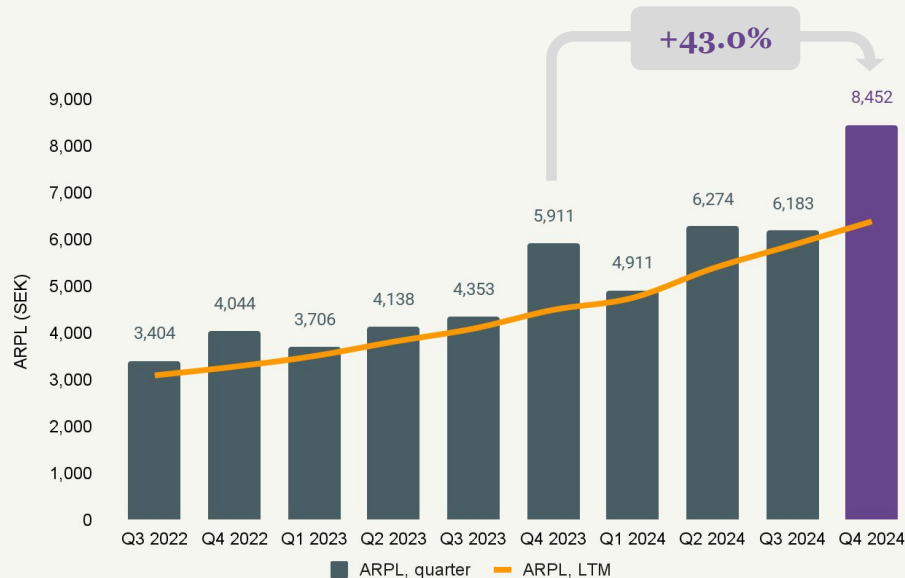
- Revenue from property sellers up 41.0%, driven by increased demand for value-added services
- Q4 listings down slightly by 1.6%, while overall market activity grew in the quarter, leading to a healthy decrease in supply
- The EBITDA margin development in the quarter is driven by higher operating expenses and a less favourable sales mix
- A number of new product updates planned for 2025, including a new seller package, reflecting the growing demand for our value-added services
- Proposed dividend of SEK 1.70 per share, up by 41.7% compared to last year



“Record strong year-on-year net sales growth of 38.8% in 2024, mainly driven by increased demand for value-added-services.”

Q4 ARPL growth of 43% driven by continued high conversion to Premium

Average revenue per listing (ARPL), quarterly and LTM

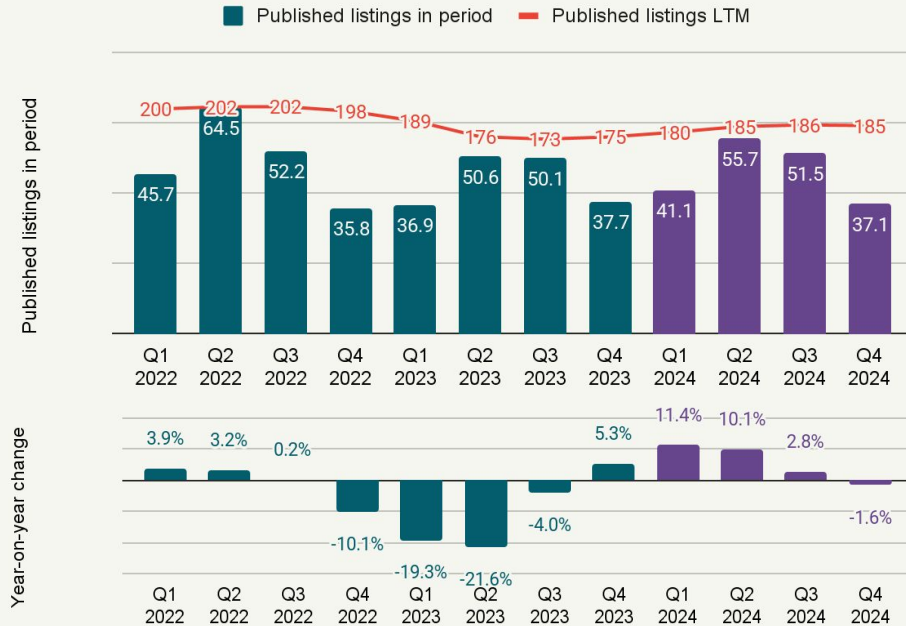


ARPL growth drivers

- Premium contribution to ARPL is up by more than 2x from LY
- Continued high conversion to Premium as real estate agents have embraced the new compensation model, with a more than 20-percentage-point increase in agent recommendations
- ARPL fluctuates due to quarterly seasonality and is therefore best monitored on an LTM basis

Annual listings at 185k, up by 5.7% year on year

Paid published listings per quarter (Y/Y change)



Property market commentary

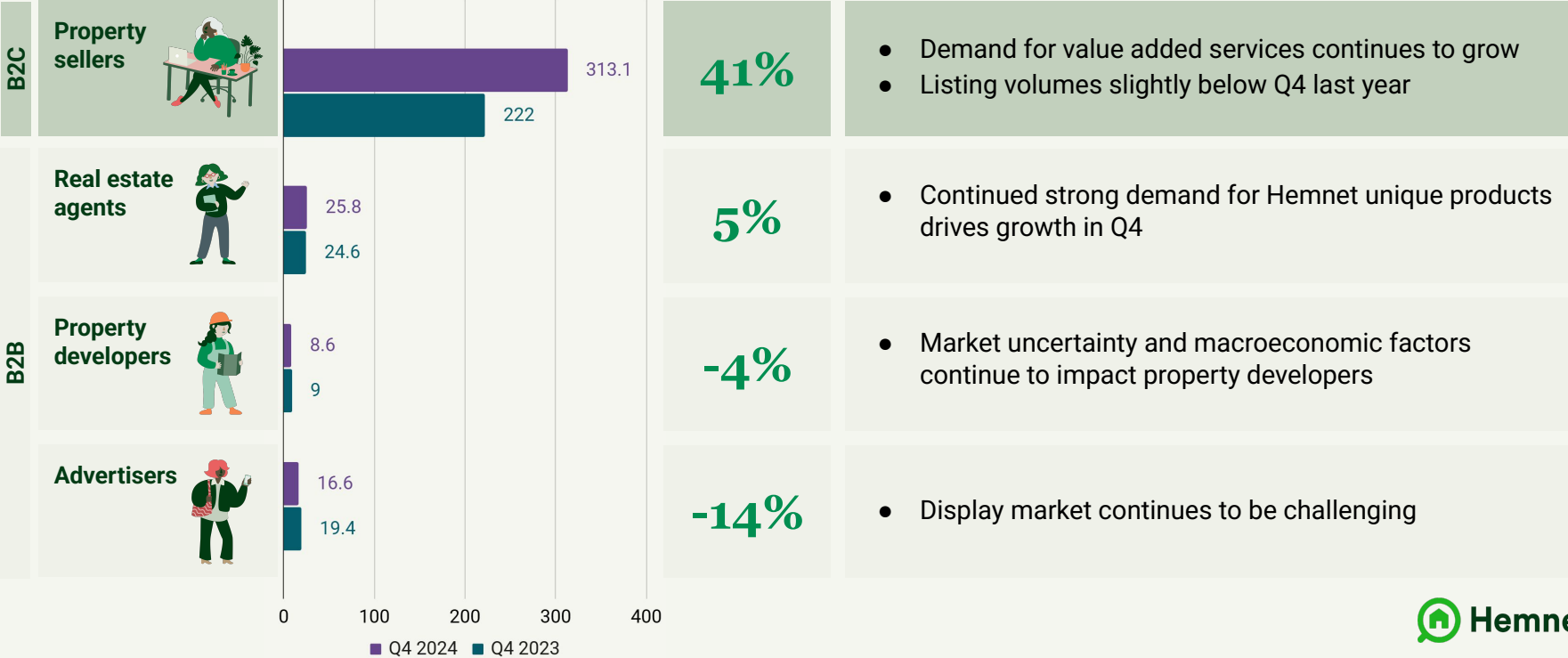
Published listings grew by 5.7% during the year, declined by -1.6% in Q4, reflecting a comparison to the strong growth recorded in Q4 2023

The number of transactions grew in the quarter, leading to a healthy decrease in supply

Buyer's barometer at strong levels, with 86% of respondents expecting higher or unchanged prices in the coming 6 months (as of Jan 2025)

Strong growth in net sales from property sellers, encouraging development from agents

Product	Result	Change	Key drivers
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Increased demand for value added services drove significant growth in 2024

Net sales growth

+39%

ARPL growth

+42%

EBITDA growth

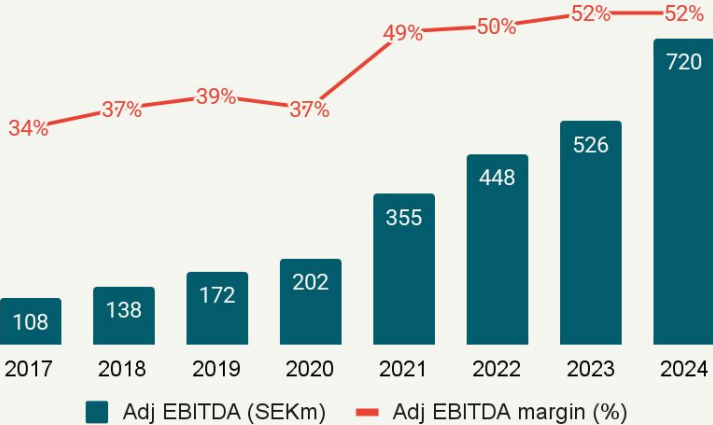
+37%

EBITDA margin

52%



Hemnet aims to achieve annual **net sales growth of 15-20%**



Hemnet aims to achieve an adjusted **EBITDA margin of over 55%** in the long term

Product updates contributing to strong performance and laying foundation for the future



New compensation model

Increasing % of agents recommending value-added services, driving ARPL growth while laying a strong foundation for improved industry collaboration

Full digital flow

Simplified buying and publication process for sellers and agents better capturing the full market potential

Hemnet app

Major tech lift enabling for more efficient development and faster go-to-market, paired with an enhanced app navigation and user experience

Maps

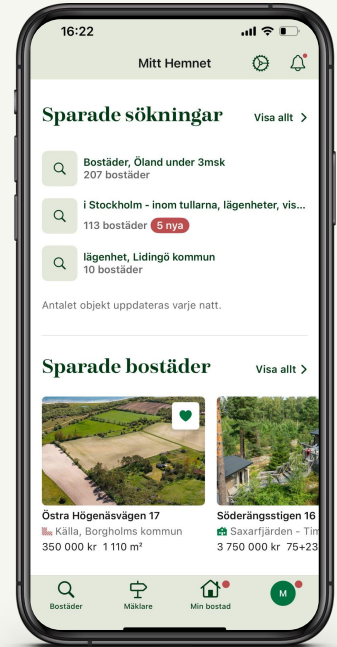
Upgraded maps enhancing core product and adding new functionality, creating a better consumer experience and an opportunity to develop further

Authentication platform

New authentication platform for easier log-in to drive further logged in user conversion

Updated seller products

Updated product packages with improved value and differentiation across product offering, including new package with unique features



New compensation model driving significant growth in ARPL and total agent compensation

Updated compensation model

- Fixed administration fee
- Commission calculated on **total revenue from all seller products**
- Commission tiers based on share of sold Plus and Premium with a recommendation
- 5 different tiers



Outcomes

The model has been a success, **driving a more than 20-percentage-point increase in agent recommendations** and significantly boosting conversion

Key driver behind **significant net sales and EBITDA growth** in 2024

Total compensation to the industry of **more than SEK 350 million** in 2024

Operational improvements and investments in marketing to support future growth

Operational improvements

- Our change to a product domain structure, where each domain focuses on a specific area or customer group for Hemnet, increases collaboration, alignment and development pace across the organisation
- Several key hires in leadership roles across the organisation during 2024, including CTO, Product Director, Sales Director and Head of UX
- New sales organisation taking a broader approach towards real estate agents covering all Hemnet products (both B2B and B2C) - already seeing progress in Q4

Marketing investments

- We continue to invest in marketing to reaffirm our market position and highlight our unmatched audience and market position
- Increased investments in SEO and SEM, paired with new paid campaigns on social media
- Continued investments in relationship with agents and B2B partners, including better access to data and appreciated customer events

ESG steps in 2024

Moving forward within our sustainability areas



Being one of Sweden's best workplaces

Building a diverse workplace with 20 nationalities and a 47/50 women/men split in 2024



Combating climate change

Making it easier for buyers to identify environmentally friendly property options



Living by ethical principles

Training of all employees in our code of conduct and in privacy issues



Creating positive social impact

Continued to contribute to organisations and initiatives that operate from the belief that having a place to call home is a human right

Preparing for CSRD regulation

Completing DMA

Completed our double materiality analyse identifying relevant areas for future reporting

Ensuring compliance

Aligning documentation, data collection, KPI's and processes with CSRD demands

Financial Highlights

Anders Örnulf, CFO



Q4 2024 Financial summary

Net sales growth & net sales

+32.4%

SEK 364.1m

ARPL growth & ARPL

+43.0%

SEK 8,452

EBITDA margin & EBITDA

48.4%

SEK 176.3m

Key Financials

Published listings

-1.6%

37.1 thousand

Cash conversion (LTM)

96.7%

FCF LTM SEK 696.0m

Leverage (LTM)

0.5x

-0.1x vs. last quarter

Headcount

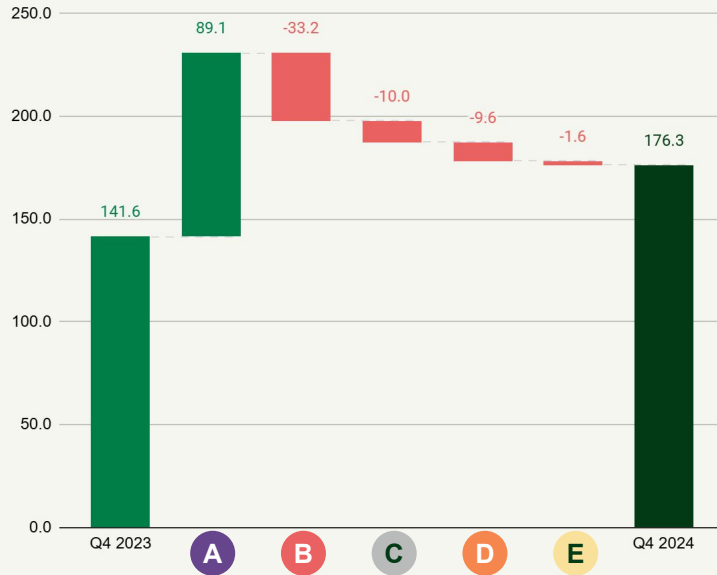
152

No change vs Q3 24

25% growth in EBITDA versus Q4 2023

EBITDA bridge

SEK million, Y/Y change



Key drivers

- A Net sales** 41% growth in net sales from property sellers
- B Compensation to real estate agents** New compensation model driving higher recommendations and conversion
- C Other external expenses** Higher consulting and marketing costs
- D Personnel costs** Wage inflation paired higher variable remuneration in Q4
- E Other** Lower own work capitalized

Full-year 2024 Financial summary

Net sales growth & net sales

+38.8%

SEK 1,394.6m

ARPL growth & ARPL

+42.1%

SEK 6,382

EBITDA margin & EBITDA

51.6%

SEK 719.8m

Key Financials

Published listings

+5.7%

185.3 thousand

Free cash flow

+44.2%

FCF SEK 696.0m

Leverage (LTM)

0.5x

-0.3x vs. 2023

Headcount

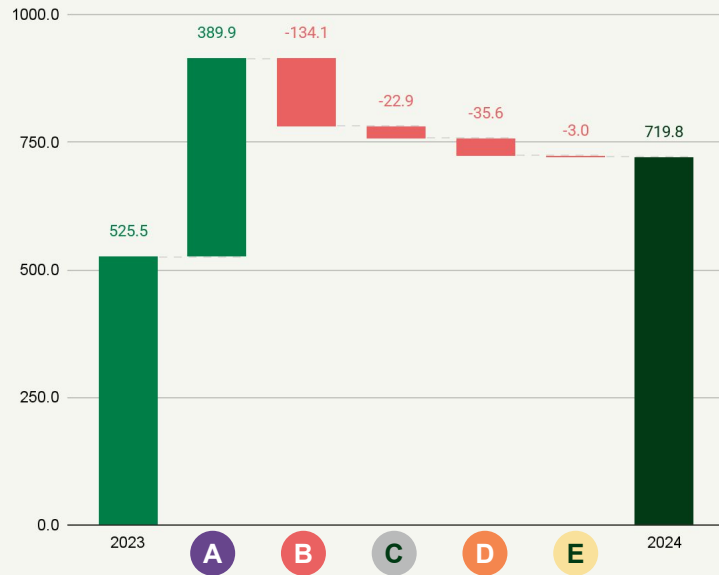
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-2 vs Q4 23

37% growth in 2024 full year EBITDA

EBITDA bridge

SEK million, Y/Y change

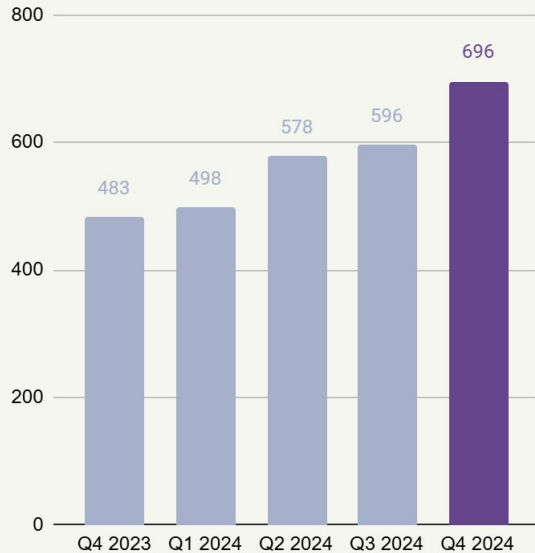


Key drivers

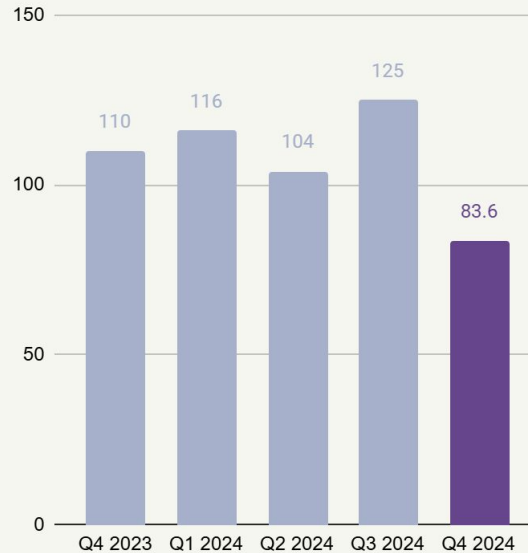
- A Net sales** 51% growth in net sales from property sellers, 6% growth in listings
- B Compensation to real estate agents** Increased commission driven by the uptake to VAS
- C Other external expenses** Higher costs for consultants and marketing
- D Personnel costs** Higher number of FTE during the year, fewer employees on parental leave, salary inflation and higher variable remuneration
- E Other** Lower own work capitalized

LTM cash flow grows and is used for investments & share buybacks, leverage continues down

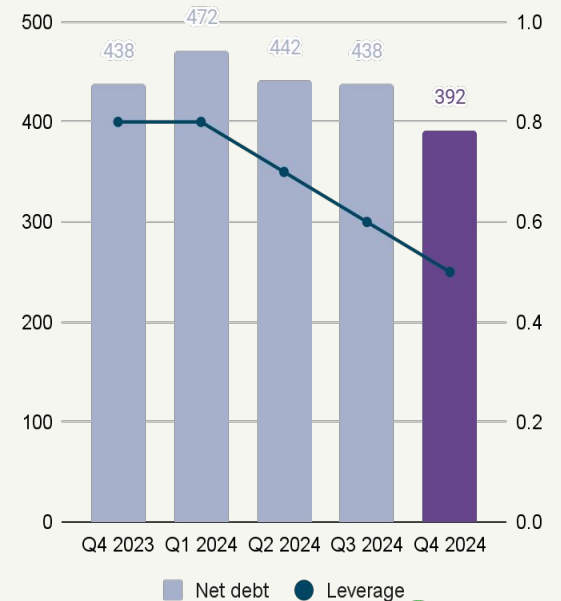
LTM Free cash flow
SEK million



Share buybacks
SEK million



Net debt and leverage
SEK million, leverage



Business Update

Lisa Farrar, COO



Leveraging what we have built to further strengthen our market position in 2025

We have built a solid foundation in 2024 to support further growth

- New compensation model and continued high demand for our value-added services
- Product updates and tech uplift enabling more efficient development and faster go-to-market
- Operational improvements and investments in marketing to support future growth

New products and features in 2025 will further strengthen our position and create value across all our customer groups



Buyers: Continued improvements to user experience through further personalisation and additional features



Sellers: Strengthening the value in all of our packages and launching new top-tier package - Hemnet Max



B2B (Agents & Partners): Continued development of Hemnet-unique products and new organisation to better grasp growth opportunities

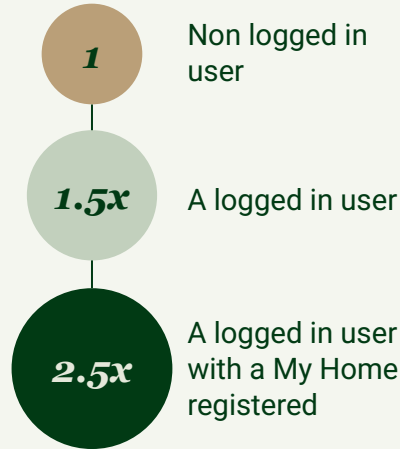
Investments in personalisation are bearing fruit and will continue to be a focus in 2025

Logged-in users receive a more personalised experience and have the highest engagement

In 2025 we will continue to help our users to log in and improve their experience through personalisation



Difference in **weekly retention** among Hemnet user segments¹



1

Continued focus on secure and easy login and drive app usage

2

Personalise the experience across the entire life cycle of owning a property

3

Enrich the user experience by providing more information on listings

We are taking the next steps in strengthening and growing our sellers business

1 Buyers

2 Sellers

3 B2B

Focus for continued sellers growth

1

Strengthen product value

- We are strengthening the value in all of our packages, from Bas to Premium
- New features include improved UX and time of showing on all listings

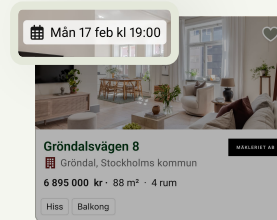
2

Launch new package - Hemnet Max

- Natural step following a strong development in recommendations and conversion of Plus and Premium
- Top-tier package with differentiated offer, increasing the options for sellers
- Launch in April

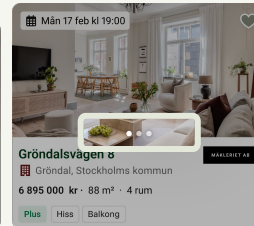
Strengthened value across all Hemnet packages

- ✓ Result list design
- ✓ Showing time on all listings
- ✓ Image carousel



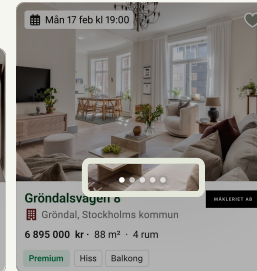
Bas

Visible viewing times in search results, for a better experience



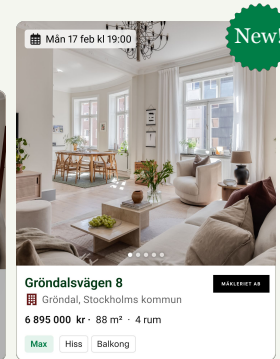
Plus

Get three images in a carousel, for extra visibility in search results.



Premium

Improved with five large images in a carousel, which in tests have shown increased engagement



Max

A brand new package with unique features, for those who want to invest more in their sales.

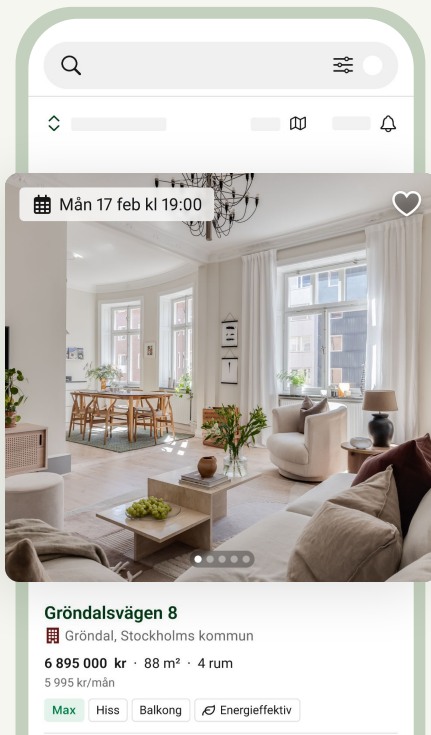
Launching Hemnet Max - a new package with unique advantages

1 Buyers

2 Sellers

3 B2B

New features in Hemnet Max



Get visitors from Hemnet's start page



Reach more potential buyers for the viewing with targeted outreach



Brand building in the listing



Shows at the top with more pictures, for maximum visibility

Hemnet's updated packages

This is included:

Listing on Sweden's largest property portal	✓	✓	✓	✓
Prioritisation of listing cards	4th	3rd	2nd	1st
Size of listing card	Small	Medium	Large	X Large
Pictures in gallery on listing page	✗	3 pictures	5 pictures	5 pictures
Free Renewal	✗	✗	✓	✓
Free Raketen	✗	✗	3 days	5 days
Targeted outreach to potential buyers	✗	✗	✗	✓
Unique visibility of Hemnet's landing page	✗	✗	✗	✓

Bas

Plus

Premium

Max

Our B2B offering makes us well positioned for when the market turns

Our focus ensures a strong foundation for future growth

1 Current product portfolio

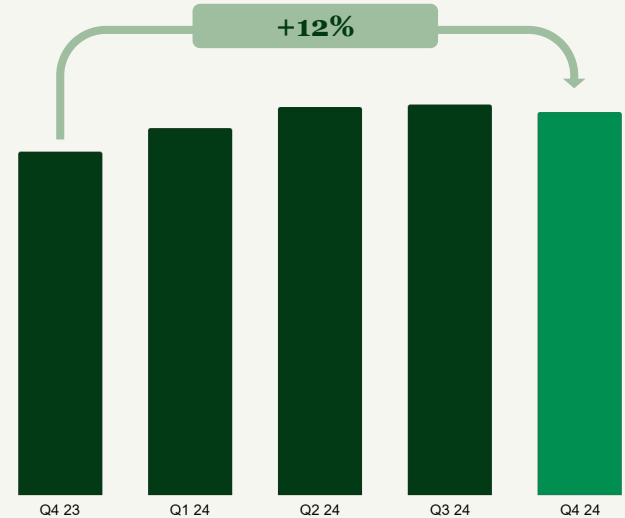
- We are strengthening our current product portfolio to better meet our customer needs
- We see an increasing demand for Hemnet-unique products including Sold by us
- Increased interest from business partners to increase their investments with Hemnet (banks and property developers)

2 Go-to-market

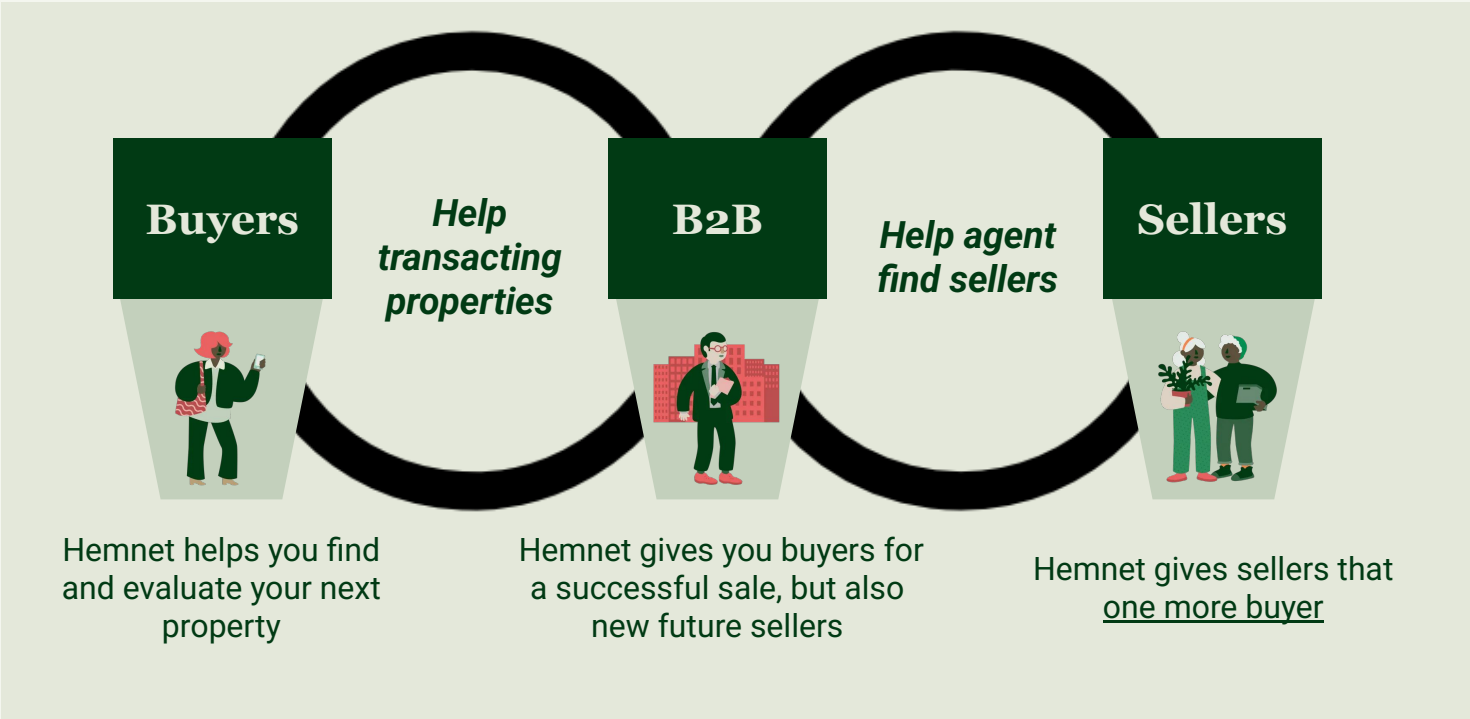
- Taking the sales organisation to the next level with new leadership and structure
- A broader approach towards real estate agents, covering all Hemnet products, supported by data
- Better positioned to grasp opportunities for when the market comes back

Increasing demand for Hemnet-unique products

Net sales from Hemnet unique products



Our core business and network effect is the foundation for our success



Summary

Cecilia Beck-Friis, CEO



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“Record strong year-on-year net sales growth of 38.8% in 2024, mainly driven by increased demand for value-added-services.”

A close-up photograph of two hands. The hand on the left is wearing a silver watch and a ring. The hand on the right is wearing a patterned sleeve. They are holding a small green plant in a wooden pot. The text 'Q&A' is overlaid in the center.

Q&A

Dial-in instructions

Hemnet invites analysts, investors and media to participate in the results presentation on 31st January 2025 at 10:00 CET. The results will be presented by CEO Cecilia Beck-Friis, CFO Anders Örnulf and COO Lisa Farrar.

The presentation will be held in English, followed by a Q&A session. Participants are welcome to join via the below link or by phone.

Webcast and teleconference info:

<https://hemnet.events.inderes.com/q4-report-2024>

<https://conference.inderes.com/teleconference/?id=5002331>

Financial calendar

25 Apr 2025	Interim report Q1 2025
6 May 2025	Annual general meeting
18 Jul 2025	Interim report Q2 2025
23 Oct 2025	Interim report Q3 2025

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