Hypoport SE annual report for 2024

Berlin, 24 March 2024

Key performance indicators
Hypoport SE annual report for 2024

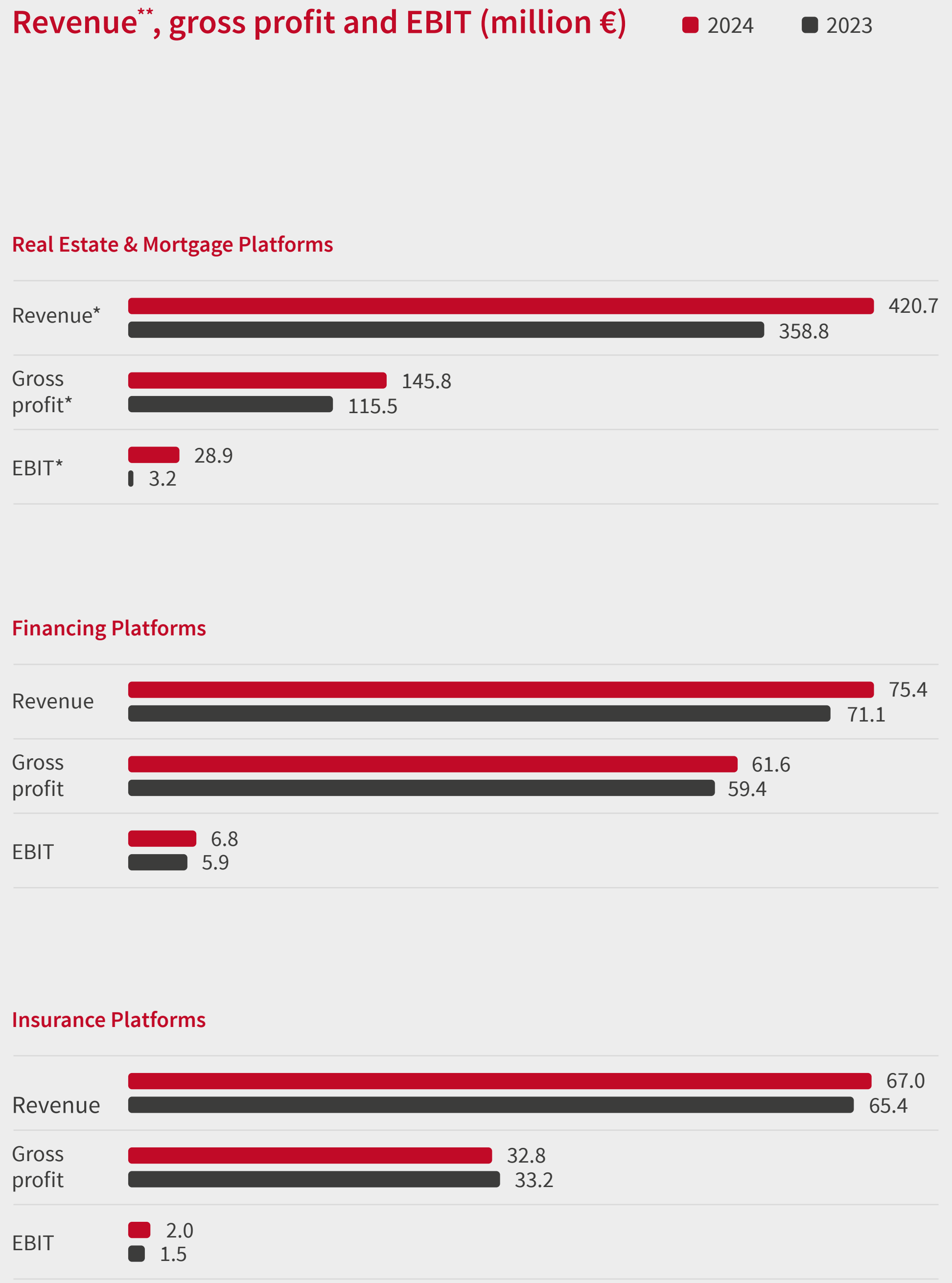
Key performance indicators

Revenue and earnings (€'000)	1 Jan – 31 Dec 2024	1 Jan – 31 Dec 2023*	Change
Revenue	560,684	493,891	14%
thereof Real Estate & Mortgage platforms	419,089	357,335	17%
thereof Financing platforms	74,807	70,595	6%
thereof Insurance platforms	65,546	64,959	1%
thereof Holding and Reconciliation	1,242	1,002	24%
Gross profit	241,450	209,134	16%
thereof Real Estate & Mortgage platforms	145,834	115,530	26%
thereof Financing platforms	61,598	59,435	4%
thereof Insurance platforms	32,776	33,167	-1%
thereof Holding and Reconciliation	1,242	1,002	24%
EBITDA	54,386	52,142	4%
EBIT	17,903	14,256	24%
thereof Real Estate & Mortgage platforms	28,869	3,176	809%
thereof Financing platforms	6,831	5,877	16%
thereof Insurance platforms	2,009	1,457	38%
thereof Holding and Reconciliation	-19,806	3,746	-629%
EBIT margin (EBIT as a percentage of Gross profit)	7%	7%	8%
Net profit for the year	13,112	21,164	-38%
attributable to Hypoport SE shareholders	12,405	20,474	-39%
Earnings per share (€) (undiluted/diluted)	1.85	3.07	-40%

Financial position (€'000)	31 Dec 2024	31 Dec 2023	Change
Current assets	238,250	212,368	12%
Non-current assets	458,623	451,510	2%
Equity	357,792	342,644	4%
attributable to Hypoport SE shareholders	354,036	339,605	4%
Equity ratio (%)	51.3	51.6	-1%
Total assets	696,873	663,878	5%

* The comparative figures were adjusted due to error corrections (see note 2.1)
**Revenue also includes revenue from other segments of the Hypoport Group. For further information, see notes 'Segment reporting'.

Revenue**, gross profit and EBIT (million €)



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Letter to the shareholders

Dear shareholder, dear Hypoport employee,

After one and a half years of market-driven consolidation in 2022 and 2023, Hypoport returned to its growth path in 2024.

The trajectory of the recovery was not linear. Our mortgage finance business models (Real Estate & Mortgage Platforms segment) had a strong first quarter, followed by two quarters of solid but slightly weaker performance. The fourth quarter of 2024 was the strongest of all, both for this segment and for the Hypoport Group as a whole.

The upturn was attributable in part to the recovery in the wider market (driven by a rental accommodation market that is becoming steadily less attractive from both a quantitative and a qualitative perspective and is increasingly ceasing to be an alternative to home ownership for middle-income earners), lower mortgage interest rates compared with 2023 and the stabilisation of prices for existing properties – a combination of factors that made consumers more willing to take out mortgages. Other contributing factors were the further gains in market share by our mortgage finance business models and our success in continuing to reduce the losses incurred in our property valuation business model.

The business models in the Financing Platforms segment were held back by the sluggish market environment. But here too, we were able to achieve improvements in revenue and profit by winning new clients, mainly in the housing sector and personal loans business. The Group companies in the Insurance Platforms segment also won new clients and recorded their second consecutive profitable year after entering positive territory in 2023.

In summary, 2024 was a successful year for Hypoport, especially against the backdrop of a mortgage finance market that was only just beginning to recover and corporate finance, housing sector and personal loans markets that were lacking momentum. Thanks in part to the measures adopted during the consolidation phase in 2022 and 2023 (especially cost reductions and price adjustments), we also achieved a satisfactory rise in earnings in 2024.

We are confident that we will be able to continue on this growth path in 2025 in a similar market environment while attracting more new clients and gaining further market share. On this basis, we project revenue of at least €640 million, gross profit of at least €270 million and EBIT between €30 million and €36 million for 2025, which would once again see us achieve double-digit percentage growth.

I hope you enjoy reading this informative report.
Kind regards,

Ronald Slabke

Group Management Report
Business report for 2024

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III. Outlook

I. Business report

1. Business and economic conditions

Business model and strategy
The companies in the Hypoport Group ('Hypoport' or 'the Hypoport Group') are engaged in the development, operation and marketing of technology platforms for the credit, housing and insurance industries (fintech, proptech, insurtech). In 2024, the Hypoport Group was organised in three operating segments: Real Estate & Mortgage Platforms, Insurance Platforms and Financing Platforms. The fourth 'Holding' segment mainly comprises Hypoport SE and Hypoport hub SE.

The previous segment structure, which comprised four operating segments and one holding segment, was reshaped into this new grouping in 2024 in order to boost efficiency in business development and reduce complexity within the Group.

Hypoport SE is the parent company of the Hypoport Group and focuses on its role as a strategic and management holding company. Its objectives are the advancement and expansion of its network of subsidiaries (the 'Hypoport companies') along value chains, while making use of synergies. In addition, all subsidiaries of the Group are supported by the subsidiary Hypoport hub SE, which provides them with shared services for generic functions such as financial accounting and payroll administration.

Control system
The Group is managed on the basis of an annual strategy process in which the Group's focus in terms of target markets, positioning, technologies and key financials is decided upon. This strategy process feeds into a qualitative and quantitative five-year plan. Revenue and earnings before interest and tax (EBIT) constitute the most important key performance indicators for Hypoport, both at segment level and at Group level. EBIT is defined as the profit or loss from operations.

The KPIs are reviewed monthly and discussed by senior management. This enables any variances from the targets to be identified at an early stage and appropriate corrective action to be taken as necessary.

All figures on the quantities and volumes of financial products sold (e.g. volume of loans brokered, life insurance premiums, or volume of transactions processed on Europace) include cancellations and, consequently, cannot be compared directly with the revenue figures shown, which exclude cancellations. The relevant figures shown in each case are calculated at a cut-off point in the product transaction process that is appropriate for the accrual method of accounting used. The growth of the subsidiaries in the Real Estate & Mortgage Platforms segment can be seen from the volume of loans on the transaction platform. A transaction is included in the volume as soon as the advisor has set its status to 'client has accepted the offer'. The volume is the volume before cancellations. Cancellations that occur later in this process – e.g. as a result of additional credit or insurance requirements set by product suppliers or the exercise of cancellation rights by consumers – are not taken into account in the relevant figures shown.

The key performance indicators used at Group level and for the management of Hypoport SE do not include any non-financial indicators.

Real Estate & Mortgage Platforms segment

The companies within the Real Estate & Mortgage Platforms segment are primarily involved in the development of technology platforms for brokering, financing and valuing private residential properties. The vision for this segment is to provide a seamless cross-media process for the purchase, valuation and financing of residential real estate in Germany.

Key entities in this segment include FIO Systems AG for the marketing of real estate (property sales platform), Dr. Klein Privatkunden AG, the property finance activities of Europace AG, Genopace GmbH, Baufinex GmbH, Finmas GmbH, the finance activities of Qualitypool GmbH, Starpool Finanz GmbH (together: property financing platforms) and the property valuation platform Value AG.

FIO Systems AG – the driving force behind the property sales platform segment – provides a comprehensive platform that enables bank-affiliated estate agents and large independent estate agents in Germany to fully digitalise their business operations in the field of residential property brokerage in Germany.

In the Real Estate & Mortgage Platforms segment, Europace AG and its sister company Hypoport Mortgage Market GmbH operate the biggest marketplace (by funding volume) for the sale of mortgage finance and building finance products for private clients in Germany. A fully integrated system links more than 800 partners – banks, insurers and financial product distributors. In 2024, the Europace platform was used by tens of thousands of users to process transactions with an aggregate volume of nearly €73 billion.

In addition to the Europace marketplace, the segment comprises various companies specialising in individual user groups that contribute to the further growth of Europace and benefit from the integration with Europace.

One of these is Genopace GmbH, a joint venture with several institutions from the cooperative banking sector that aims to digitalise the Cooperative Financial Network.

Baufinex GmbH, a joint venture with Bausparkasse Schwäbisch Hall, provides a marketplace that is focused on mortgage finance brokers from the Cooperative Financial Network.

Finmas GmbH is a joint venture with Finanz Informatik GmbH & Co. KG that signs up partners for the financial marketplace within the Savings Banks Finance Group.

Qualitypool GmbH provides small and medium-sized financial product distributors with support services in relation to the brokerage of financial products via Europace.

Starpool Finanz GmbH, a joint venture with Deutsche Bank AG, makes the Europace marketplace available to financial product distributors that are closely linked to the group brands DSL Bank, Postbank and BHW, and offers a range of supplementary services.

Dr. Klein Privatkunden AG primarily focuses on the brokerage of residential mortgage finance products for consumers using the Europace marketplace. Prospective clients are acquired via the internet, while subsequent advice is provided by means of online advisory systems, during video calls or, more often, through the Dr. Klein franchise system of highly qualified financial advisors in face-to-face meetings at branches across Germany (B2B2C using franchisees).

Value AG provides a broad range of property valuation services for mortgage lenders.

The segment also includes further companies that contribute only small amounts to the Hypoport Group's main key performance indicators. A complete overview of the segment structure is provided in the notes to the consolidated financial statements under the section 'Basis of consolidation'.

Financing Platforms segment

The Financing Platforms segment comprises all companies of the Hypoport Group whose business models centre on finance products outside the mortgage finance sector, with a particular focus on finance for the housing industry, corporate finance and personal loans.

This segment comprises the following: Dr. Klein Wowi Finanz AG, Dr. Klein Wowi Digital AG, the activities of FIO Systems AG relating to the management of accounts holding tenants' security deposits (together: housing industry product group), REM Capital AG, Fundingport GmbH, Hypoport B.V. (together: corporate finance product group) and Dr. Klein Ratenkredit GmbH, Genoflex GmbH and Europace Ratenkredite GmbH (together: personal loans product group).

Dr. Klein Wowi Finanz AG advises municipal and cooperative housing companies on finance and insurance for their rental housing portfolios and digitalises the associated processes. Its sister company Dr. Klein Wowi Digital AG digitalises the portfolio management and the finance and accounting functions of housing sector companies with the help of Wowiport, an industry-specific software-as-a-service (SaaS) platform.

REM Capital AG provides specialist advice on the arrangement of complex public-sector development loans for companies and financing for small and medium-sized enterprises in Germany. At Fundingport GmbH, a corporate finance marketplace is being established in partnership with IKB Deutsche Industriebank. The subsidiary Hypoport B.V. provides the SaaS platform PRoMMiSe, which helps banks to analyse and report on their credit portfolios.

In the Financing Platforms segment, Europace Ratenkredit GmbH operates a B2B marketplace for the sale of personal loan products and payment protection policies to private clients in Germany. Dr. Klein Ratenkredit GmbH is a specialist personal loans company that supports its affiliated banking partners in the distribution of white-label consumer loans. GENOFLEX GmbH is a platform for personal loan products offered by Hypoport for the cooperative banking sector in partnership with TeamBank, which is part of the Cooperative Financial Network.

The segment also includes further companies that contribute only small amounts to the Hypoport Group's main key performance indicators. A complete overview of the segment structure is provided in the notes to the consolidated financial statements under the section 'Basis of consolidation'.

Insurance Platform segment

The Insurance Platforms segment develops platforms for insurance product distributors and B2C insurance companies in the market for insurance products with variable pricing for private individuals and (small) businesses, in the industrial insurance market and in the occupational insurance market.

This segment comprises the following: Smart InsurTech AG, the insurance activities of Qualitypool GmbH, AmexPool AG, sia Digital GmbH (together: private insurance product group), epension GmbH and E & P Pensionsmanagement GmbH (together: occupational insurance product group), Corify GmbH and Oasis GmbH (together: industrial insurance product group).

Smart InsurTech AG operates the fully integrated Smart Insur platform for the sale and administration of insurance products with variable prices. In addition, Qualitypool GmbH (for private insurance) and AmexPool AG (for small business insurance) provide support services for small and medium-sized financial product distributors in relation to the brokerage of insurance and the use of Smart Insur. Sia Digital GmbH develops, brokers and administers variable-price insurance products as an underwriting agent.

epension GmbH provides a digital platform for the administration of occupational retirement pension schemes and occupational health insurance policies. Rounding off the platform offering, E & P Pensionsmanagement GmbH acts as a service provider for employers and their staff in the field of occupational retirement pensions.

Corify GmbH launched a platform in 2023 that supports analyses, tender processes and the execution of transactions for fixed-price industrial insurance products. Oasis GmbH offers a sector-specific brokerage administration software for large companies and specialist industrial insurance brokers.

The segment also includes further companies that contribute only small amounts to the Hypoport Group's main key performance indicators. A complete overview of the segment structure is provided in the notes to the consolidated financial statements under the section 'Basis of consolidation'.

Holding segment

The Hypoport Group companies that do not operate directly in the market are assigned to the Holding segment and reported separately. This segment mainly comprises the activities of the Group's parent company Hypoport SE as a strategic and management holding company and the activities of Hypoport hub SE, which provides all Group companies with shared services for generic functions such as financial accounting and payroll administration.

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Macroeconomic environment

Historical data shows the particular market environment in which the Hypoport Group operates – the German credit, housing and insurance industries – to be immune to fluctuations in the wider economy. Apart from the industry-specific factors listed below (see the 'Sectoral performance' section), moderate changes in gross domestic product (GDP), inflation and interest rates have typically had limited influence on the willingness of consumers and businesses in Germany to take out loans and insurance. In the past, only a massive, unforeseen macroeconomic shock (a so-called 'black swan' event) prompting the capital markets to respond with a rapid short-term change in interest rates ever had the power to adversely affect our markets by unsettling consumers and forcing market participants to adopt a more restrictive approach.

The dramatic rise in consumer prices that unfolded in Germany from summer 2021, reaching around 9 per cent in October 2022, constituted a black swan event for many in the sector. Although inflation began to slow from autumn 2022, the annual inflation rates for 2022 and 2023 of 7 per cent and 6 per cent respectively marked the highest levels recorded in Germany since its reunification. Only in 2024 did the pressure start to ease off as inflation dropped back to just above 2 per cent. However, the final quarter of the reporting year already saw a mild uptick again to 2.6 per cent.

In light of the soaring inflation, the ECB departed from the policy of low interest rates to which it had been adhering for over a decade. It also systematically reeled in its bond-buying programme and, from summer 2022, belatedly but progressively hiked its key interest rate from 0.0 per cent to 4.5 per cent in September 2023. By the end of 2024, it had lowered it again to 3.15 per cent.

The macroeconomic environment began to deteriorate from 2022 due to a surge in energy prices (partly fuelled by Russia's war of aggression against Ukraine), supply chain disruptions, the tightening of monetary policy by the ECB and poor economic policy choices by the German government. As a result, Germany's GDP contracted by 0.3 per cent in 2023 and (according to preliminary calculations) by 0.2 per cent in 2024, keeping Germany in recession for a second consecutive year.

Sectoral performance

The companies in the Real Estate & Mortgage Platforms segment are primarily involved in the brokerage of financial products for residential mortgage finance, the development of technology platforms for this type of brokerage, and related services. The key target sector for these segments is therefore the credit industry for residential property in Germany (see the 'Residential mortgage finance' section), which focuses on the housing market in Germany (see the next section).

The sector environment for business models for the housing sector, corporate finance and personal loans is described in the section 'Market environment for the Financing Platforms segment'. The relevant environment for the Insurance Platforms segment is described in the section 'Market environment in the insurance sector'.

Housing market in Germany

Prices in the German housing market have been trending upwards for nearly two decades. Demand for housing has risen, and continues to rise, due to the following factors:

1. Consistent net inward migration to Germany,
2. Higher life expectancy,
3. A rising number of one-person households,
4. The growing need for space, for example due to more people working from home.

Residential construction
In spite of the robust demand, a combination of the mounting regulation of residential construction as a result of political goals – such as the promotion of energy efficiency and the construction of low-rent social housing – and a shortage of building resources between 2018 and 2023 meant that completions of new-built residential units trended sideways. The number of building permits, which had already declined significantly in 2023 (down by 27 per cent compared with 2022) continued on a downward trajectory in 2024, falling by 17 per cent year on year. Orders on hand in the residential construction sector, as an indicator of actually commenced construction projects, remained at the same low level in 2024 as in 2023, suggesting that supply is unlikely to improve in the coming years.

Market for existing properties
The ownership market for existing residential properties (houses and apartments suitable for owner occupation) had been seeing significant increases in real estate prices over a period of around ten years up to spring 2022. Up to that point, supply had been very scarce due to high demand and insufficient new construction (see previous section), which had limited the number of transactions and steadily driven up prices.

From summer 2022 until the end of 2023, the supply of residential properties increased considerably. At the same time, rapidly rising long-term interest rates, the erosion of private household budgets by higher inflation, fears of a recession, uncertainty regarding the regulatory environment (revision of the German Buildings Energy Act (GEG), debate around heating reforms) and hopes of falling property prices made buyers much more reluctant to commit to purchases.

The number of completed transactions dropped sharply due to buyers holding back, while property prices trended steadily downwards. As potential sellers were unwilling to accept substantially lower prices, even when it took longer to find a willing buyer or properties could not be successfully marketed at all at the desired price point, prices for existing residential houses and apartments fell by only 12 per cent between mid-2022 and the end of 2023. At a more granular level, however, there were marked differences depending on the location, specifications and energy efficiency rating of properties.

In 2024, prices of existing properties rose due to strong demand, driven in part by ever more unattractive conditions in the rental market, the lack of a further increase in supply on the sell side and low levels of new construction. At the same time, the number of transactions went up.

The German housing market in summary
The combination of a continued robust rise in demand (see the four drivers described in the ‘Housing market in Germany’ section above) and stagnating or only modestly growing supply is resulting in excess demand that, according to different experts, amounts to a shortfall of up to two million homes and primarily affects metropolitan areas. This excess demand comes on top of the fact that the rental market is being ever more heavily regulated in order to contain rent increases. Rental prices under existing and new contracts are drifting ever further apart, thereby restricting movement in the market. This is resulting in an increase in the average amount of space being used by individuals and further exacerbating the housing shortage.

Based on Deutsche Bundesbank’s data for the market volume of new mortgage finance business, the data obtained from Europace and a German property market study from GEWOS, a property research institution, Hypoport estimates that the volume of consumer transactions in existing residential properties in Germany was around €165 billion in 2024. This year-on-year increase of around 15 per cent is mainly attributable to the aforementioned rise in transactions and a slight uptick in property prices.

Residential mortgage finance
Residential mortgage lending in Germany has chiefly been influenced by the following three factors in recent years:

- Volume of transactions in existing properties and housing starts in the real estate market (see the ‘Housing market in Germany’ section above),
- Level of interest rates for mortgage finance,
- Regulatory requirements for brokers and suppliers of residential mortgages.

Historically, long-term interest rates have only played a subordinate role for owner-occupiers in Germany when deciding whether to buy property as the rates were normally slow to change.

Consumers in Germany typically consider building a home or buying an existing property for their own use after life events (such as marriage, childbirth, relationship break-up, new job), as provision for old age and as a cheaper alternative to renting in the long term. For this group, being able to secure the most suitable property for their new or forthcoming personal circumstances at an affordable price is more important than the current nominal lending rates. The search for the right property has generally taken several quarters in recent years due to a low level of supply and buyers adjusted their expectations in line with what was affordable in the housing market.

2022 and 2023 constitute an exceptional period in this context, as mortgage interest rates rose at an unprecedented pace and remained at a high level until the autumn of 2023. At the same time, property prices fell only slightly and construction costs continued to increase, making it much harder for buyers to adjust their expectations to the reality of what was affordable. In 2024, consumers showed much more inclination again to purchase existing properties, whereas the lending volume for new private residential construction remained at a low level (see also the ‘Housing market in Germany’ section above). The inclination to remortgage among consumers with existing mortgages – for which a statutory right to early termination applies in Germany after a minimum fixed term of ten years – remained low in the reporting year. Due to the elevated interest rates in 2024, it was not financially beneficial for many clients with fixed interest-rate periods of more than ten years to exercise their right to exit their mortgage early and remortgage on new

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terms in 2024, as their existing locked-in rate – dating back to the environment of low interest rates in 2012 to 2014 – was lower than any new offer available in the market.

The interaction of these factors caused the volume of new business in private mortgage finance, based on Deutsche Bundesbank statistics, to increase substantially in 2024 to €198 billion, which represents growth of 23 per cent compared with the prior-year figure of €162 billion.

The regulatory requirements for mortgage brokers and lenders have been systematically expanded in Germany and at European level in recent years. At the same time, the German Federal Financial Supervisory Authority (BaFin) has taken several steps to tighten the lending requirements for banks. In combination with the banks' own increased caution due to a slight downtrend in mortgageable values (property prices) until the end of 2023 and household budgets being squeezed by inflation, these requirements have become something of a stumbling block for the financing of residential property.

Market environment for the Financing Platforms segment

Housing industry product group
In terms of their investment activities and, by extension, their funding needs, the players in the German housing sector, most of which are organised in municipal and cooperative structures, are dependent on the wider conditions in the rental housing market in Germany. For information on the broader housing market environment, please see above.

The narrow focus of government funding support for new residential construction, a conscious choice by policymakers, meant that demand for credit in the housing sector remained low in 2024. Against a background of excessive regulation for the construction of rented housing, high construction costs and limited scope for rental price increases, building new rented housing on the financing terms available in the open market has become uneconomical even for the social housing industry, despite the strong demand and especially in metropolitan areas.

In addition, the long drawn-out debates about the revision of the German Buildings Energy Act and the structure of national and federal state budgets became a drag on urgently required, large-scale investment in modernisation measures to improve the energy efficiency of the existing social housing stock, because significant uncertainty about future statutory requirements and the reliability of funding support made long-term planning more difficult. The volume of restructuring transactions for existing long-term financing arrangements was adversely affected by the same external factors as described above in relation to the private mortgage finance market.

Corporate finance product group
In 2024, the investment appetite of small and medium-sized businesses in Germany and, by extension, their demand for credit were influenced strongly by massive changes in energy and wholesale prices, short-term and long-term interest rates, the poor outlook for growth and increasingly crippling regulation.

According to the national accounts, in 2024, capital spending on plant and equipment in Germany declined year on year for the first time since the financial crisis of 2009 (with the exception of 2020, the year the coronavirus pandemic broke out), falling to €897 billion. This reduction reflects the fact that businesses and banks remained reluctant to invest despite the huge need for investment in the face of challenges such as the decarbonisation of the economy and digitalisation. Funding support programmes at national and EU level also failed to provide any significant stimulus for the market as their scope and design have fallen out of touch with the economic environment. In addition, investment was further delayed by excessive bureaucracy in the process for accessing funding support.

Personal loans product group
According to figures published by Deutsche Bundesbank, the volume of new consumer loans extended to private households by German banks in 2024 was on a par with the prior year at €97 billion. This reflects the fact that banks are continuing to apply more restrictive lending policies. As the market has not seen positive growth in years, banks are increasingly starting to specialise on different risk profiles. This trend is driving Hypoport's gains in market share with business models focusing on personal loans.

Insurance market
Regular income from premiums and the predictable nature of insurance benefit payments as a result of the huge number of individual policies mean that the insurance industry (direct insurance) is not generally subject to rapid or dramatic changes.

After three years of growth well below inflation, gross premium income in the German insurance industry rose by 5 per cent to €238 billion in 2024. This reaffirms that the German insurance market is resilient to crises in the wider economy such as the coronavirus pandemic and the war in Ukraine. But it also proves that this industry is not growing in real terms. The modest rise in premium volumes coupled with increases in wage costs and operating costs due to elevated inflation adversely affects insurers and distributors alike. They can counter this pressure by improving their efficiency and cutting costs by retiring legacy IT systems and migrating to the Hypoport Group's centralised insurance platforms.

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2. Business performance

Explanations concerning the correction of errors relating to the financial statements for 2023

In the reporting year, during the preparation of the consolidated financial statements as of December 31, 2024, the necessity for retrospective error corrections concerning the comparative period 2023 was identified by the statutory representatives.

For already settled performance obligations, the commissions from loan brokerage as well as the corresponding expenses from commissions for additional distribution partners for Starpool Finanz GmbH had not been separately disclosed so far ("net presentation"), whereas after the error correction, the presentation is carried out separately ("gross presentation"). Additionally, for the first time at Starpool Finanz GmbH, revenues from commissions for loan brokerage for fulfilled performance obligations that had not yet been paid by the customer as of the reporting date were recognized. In the subsidiaries Dr. Klein Privatkunden AG and Qualitypool GmbH, receivables and payables for fulfilled performance obligations arising from revenues from loan brokerage are no longer presented on a net basis.

As a result, compared to the values reported in the Group Management Report for the fiscal year 2023, the revenues presented in the consolidated financial statements as of December 31, 2024, for the period from January 1 to December 31, 2023, increased by €134.0 million, and the corresponding expenses from commissions for the period from January 1 to December 31, 2023, increased by €133.0 million. Cumulatively, the error correction of €1.0 million positively impacted the earnings before interest and taxes (EBIT) for the period from January 1 to December 31, 2023. Considering the effects from taxes (€0.3 million), the consolidated profit increased by €0.7 million.

Approximately half of this increase pertains to the consolidated profit attributable to non-controlling interests. Receivables from sales and services in the consolidated financial statements increased as of December 31, 2023, and January 1, 2023, by €38.1 million and €30.2 million, respectively, while payables from sales and services in the consolidated financial statements as of December 31, 2023, and January 1, 2023, increased by €35.2 million and €28.3 million, respectively.

For further details, please refer to section "2.1 Correction of errors" in the consolidated notes. The statements regarding the business development in the management report, particularly the analysis of the development of the most significant performance indicator, revenues, are based on the adjusted values resulting from the error corrections.

Information on business performance

The Hypoport Group's revenue went up by 14 per cent to €561 million (2023: €494 million) in 2024. This was mainly attributable to improving conditions in private mortgage finance, one of its core markets. Gross profit in the Group increased at a slightly higher rate than revenue with a rise of 16 per cent, from €209 million in 2023 to €242 million in 2024. Key factors driving the upward trend in the core market of private mortgage finance compared with 2023 were a rise in the number of transactions in existing properties and slightly higher prices for individual properties.

Despite the solid performance, EBITDA increased by only €54 million (2023: €52 million). This was due to the fact that in 2023, provisions of €20 million for a debtor warrant relating to purchase price liabilities had been reversed, which had caused other income for 2023 to be unusually high. This effect was not repeated in 2024.

Information on business performance in the segments

In 2024, the Hypoport subsidiaries were grouped in three operating segments and one holding segment. The revenue and selling expenses stated below for the individual segments include revenue with other segments of the Hypoport Group and associated selling expenses.

Real Estate & Mortgage Platforms segment

The volume of mortgage finance transactions processed on the Europace B2B credit platform (incl. FINMAS and GENOPACE) went up by around 27 per cent, from €52 billion in 2023 to €66 billion in 2024. This was mainly driven by improvements in the overall market environment and positive performance trends at savings banks and cooperative banks.

A significant increase in the business volume of the Qualitypool brokerage pool also contributed favourably to the segment's performance.

The volume of mortgage finance brokered by Dr. Klein amounted to approximately €6.9 billion in 2024, a year-on-year improvement of 30 per cent (2023: €5.3 billion).

Business on the property valuation platform operated by VALUE AG dipped a little. This was because of a slight lag in the recovery of the valuation market compared with the mortgage finance market and regulatory changes affecting demand for the product mix. In autumn 2023, Value AG embarked on a strategic realignment of its business model in order to address the mismatch between its offering and the demand in the market.

Revenue and earnings in the Real Estate & Mortgage Platforms segment

The greater volume of mortgage finance transactions in 2024 led to a double-digit percentage increase in revenue year on year from these business models. Furthermore, revenue and sub-commission expenses went up because the purchasing terms of Hypoport's financial product distributors have been combined and because additional Europace partners have been integrated into the purchasing network. The property sales platform also recorded a double-digit percentage increase in revenue, whereas the property valuation platform saw a single-digit percentage decrease.

The segment's revenue advanced by 17 per cent overall to €421 million (2023: €359 million). The Hypoport Group's gross profit remaining after deduction of selling expenses (lead acquisition fees and commission paid to Dr. Klein franchisees or sub-brokers of the poolers / purchasing network) went up by 26 per cent to €146 million (2023: €116 million). EBITDA rose by 118 per cent to €45 million (2023: €21 million) and EBIT by 809 per cent to €29 million (2023: €3 million) in 2024 thanks to the scalability of the business models and the reduction in losses generated by Value AG.

The segment's forecast for 2024 of a low double-digit percentage rate of revenue growth and a higher rate of EBIT growth was therefore met.

Financial figures Real Estate & Mortgage Platforms	2024	2023	Change
Operative figures (billion €)			
Mortgage transaction volume* on Europace	66.11	51.86	27%
thereof Finmas	9.76	6.68	46%
thereof Genopace	16.91	11.10	52%
thereof sales volume Dr. Klein Privatkunden	6.92	5.32	30%
Building finance transaction volume* on Europace	6.44	7.24	-11%
Value of the residential properties inspected and appraised by VALUE AG	31.38	30.64	2%
Revenue and earnings (million €)			
Revenue	420.7	358.8	17%
Gross profit	145.8	115.5	26%
EBITDA	44.9	20.7	118%
EBIT	28.9	3.2	809%

* All figures relating to the volume of financial products sold (mortgage finance, building finance) are stated before cancellations.

Financing Platforms segment
The business models in the housing industry product group fared well compared with their very poor performance in the prior year. This was despite the weak market environment, which was characterised by muted appetite for investment in the housing sector as a result of the interest-rate hikes of the last two years, soaring construction costs due to regulation, and unattractive support programmes. The volume of new loans brokered on the property financing platform for the housing industry in 2024 came to €1.18 billion, equating to a slight year-on-year fall of 4 per cent (2023: €1.22 billion). The portfolio of contracts on the property management platform for the housing industry jumped by 43 per cent to around 416 thousand homes as at 31 December 2024 (31 December 2023: 291 thousand), mainly due to the acquisition of new clients. The volume of rental deposits under management rose by 8 per cent to stand at €1.2 billion as at 31 December 2024 (2023: €1.1 billion).

The business performance of REM Capital in the corporate finance product group was far less positive. Relevant causes in the market environment in 2023 and 2024 included funding support programmes being discontinued or scaled back amid the German government's temporary spending freeze, more restrictive lending by banks and the postponement of clients' investment plans. The volume of billed new business at REM in respect of support, subsidies or loan brokerage declined by 24 per cent to €1.5 billion (2023: €1.9 billion).

At €6.0 billion, the volume of transactions in the personal loans product group was up by 12 per cent compared with 2023. However, banks are becoming ever more restrictive, leading to higher rates of rejection and cancellation.

Revenue and earnings in the Financng Platforms segment
The growth in business volume in the housing industry and personal loans product groups in 2024 resulted in a slight increase in revenue (up by 6 per cent) for the segment as a whole, from €71 million in 2023 to €75 million in the reporting year. This was in spite of a marked deterioration in the performance of the corporate finance business models. Gross profit improved by 4 per cent to €62 million (2023: €59 million). EBITDA rose by 8 per cent to €13 million (2023: €12 million) and EBIT by 16 per cent to €6.8 million (2023: €5.9 million) in 2024 thanks to the upturn in business. This was achieved in spite of continuing high levels of capital spending on the ERP solution for the housing industry.

The segment's forecast for 2024 of a low double-digit percentage rate of revenue growth and a higher rate of EBIT growth was thus narrowly missed for revenue but met for EBIT, thanks to the growth in revenue from business models with low variable costs.

Financial figures Financing Platforms	2024	2023	Change
Operative figures (billion €)			
Volume of new loans brokered on the property financing platform by Dr. Klein Wowi	1.18	1.22	-4%
Number of flats managed through WoWi Digital ('000)	415.7	291.4	43%
Rental deposits under management	1.18	1.09	8%
Volume of personal loan transactions* on Europace	6.03	5.38	12%
Volume of corporate finance projects at REM Capital ('Bill')	1.46	1.92	-24%
Revenue and earnings (million €)			
Revenue	75.4	71.1	6%
Gross profit	61.6	59.4	4%
EBITDA	12.7	11.8	8%
EBIT	6.8	5.9	16%

* All figures relating to the volume of financial products sold (personal loans) are stated before cancellations.

Insurance Platforms segment
In the private insurance product group, the migration and validation of existing policies from legacy systems to the new SMART INSUR platform continued. As at 31 December 2024, €4.7 billion (annual net premiums) had been migrated, an increase of 14 per cent compared with 31 December 2023 (€4.1 billion). In parallel with the migration, a process to validate the policy portfolios is running in cooperation with the insurance companies. This validation is needed to be able to

provide further added value for brokers, distribution organisations and insurance companies, e.g. robo-advice. The volume of migrated and validated policies currently stands at €1.8 billion.

The platform for occupational insurance, ePension, benefited from the new clients who were signed up in 2023 and went live in 2024, with the volume on the platform climbing by 34 per cent year on year to stand at €0.29 billion in 2024 (2023: €0.21 billion).

In the industrial insurance business, Corify, the first marketplace for industrial insurance risk, was unveiled on schedule along with the first product applications in the second half of 2023. Since then, the first major industrial insurance brokers have been signed up as pilot clients and have gone live, an important step forward in establishing this marketplace.

Revenue and earnings in the Insurance Platforms segment
Overall, revenue generated in this segment edged up by 2 per cent to €67 million (2023: €65 million). Gross profit recorded a 1 per cent dip, coming to €33 million (2023: €33 million). This relatively small year-on-year change should be seen against the backdrop of very strong occupational insurance business in 2023 that did not continue at the same level in 2024. EBITDA rose by 14 per cent to €8.1 million (2023: €7.1 million) and EBIT by 38 per cent to €2.0 million (2023: €1.5 million). The segment's forecast of slight improvements in revenue and EBIT in 2024 was therefore met for revenue and exceeded for EBIT.

Financial figures Insurance Platforms	2024	2023	Change
Operative figures (billion €)			
Volume of policies migrated to SMART INSUR (annual net premiums)	4.69	4.13	14%
Volume of policies migrated to SMART INSUR and validated (annual net premiums)	1.83	1.45	26%
Volume of policies managed on ePension (annual net premiums)	0.29	0.21	34%
Revenue and earnings (million €)			
Revenue	67.0	65.4	2%
Gross profit	32.8	33.2	-1%
EBITDA	8.1	7.1	14%
EBIT	2.0	1.5	38%

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3. Financial performance

Financial performance	2024 €'000	2023* €'000	Change €'000
Revenue	**560,684**	**493,891**	**66,793**
Commissions and lead costs	-319,234	-284,757	-34,477
Gross Profit	**241,450**	**209,134**	**32,316**
Own work capitalised	22,389	23,156	-767
Other income	8,590	28,098	-19,508
Personnel expenses	-171,692	-159,570	-12,122
Other expenses	-48,051	-48,127	76
Income from companies accounted for using the equity method	1,700	-549	2,249
Earnings before interest, tax, depreciation and amortisation (EBITDA)	**54,386**	**52,142**	**2,244**
Depreciation, amortisation expense and impairment losses	-36,483	-37,886	1,403
Earnings before interest and tax (EBIT)	**17,903**	**14,256**	**3,647**
Net finance costs	-1,986	-1,268	-718
Earnings before tax (EBT)	**15,917**	**12,988**	**2,929**
Current income taxes	-10,070	-3,842	-6,228
Deferred taxes	7,265	12,305	-5.040
Net profit for the year	**13,112**	**21,451**	**-8,339**

* The comparative figures were adjusted due to error corrections (see note 2.1)

Against the backdrop of the business performance described above, consolidated revenue rose by 14 per cent to €560.7 million (2023: €493.9 million). Gross profit after deduction of expenses for commissions and lead generation, which were mainly incurred in connection with the Dr. Klein franchise system and the pooler companies in the Real Estate & Mortgage Platforms and Insurance Platforms segments, increased by 15 per cent year on year to €241.5 million (2023: €209.1 million).

Own work capitalised, which largely relates to the pro rata personnel expenses and operating costs incurred in the development and refinement of internally generated platforms, saw a slight decrease of 3 per cent to €22.4 million. In the reporting year, 50 per cent of total development costs were therefore capitalised as internally generated intangible assets (2023: 50 per cent).

Other operating income mainly comprised income of €2.2 million (2023: €1.8 million) from subletting office space that had been rented but was temporarily not being used by the Group, income of €1.9 million (2023: €2.5 million) from the reversal of provisions and income of €1.4 million (2023: €1.5 million) from employees' contributions for the use of their company car. The high figure for other income in 2023 had largely comprised the reversal of a purchase price liability (€20 million). Adjusted for this non-recurring item, other income did not change materially year on year.

Personnel expenses went up by €12.1 million from €159.6 million to €171.7 million while the number of employees changed only marginally. The main drivers behind this rise were higher provisions for bonuses (€8.3 million, compared with €3.5 million in 2023) due to the positive business performance and salary increases.

Other expenses remained unchanged at €48.1 million and mainly comprised slightly higher administrative expenses and selling expenses as a result of the positive business performance as well as slightly lower sundry expenses.

Despite the strong performance, EBITDA only edged up from €52 million in 2023 to €54 million in 2024. This was due to the fact that the prior-year figure had been boosted by the reversal of a purchase price liability of €20 million.

Depreciation, amortisation expense and impairment losses fell slightly to €36.5 million (2023: €37.9 million). The bulk of this item was made up of €19.3 million (2023: €19.8 million) on capitalised intangible assets for the platforms and internally generated software solutions as well as €10.4 million (2023: €10.1 million) on rental-related right-of-use assets (mostly office space).

EBIT consequently increased by a substantial 26 per cent to €17.9 million (2023: €14.3 million).

Net financial income includes interest expense and similar charges and interest income. Interest expense and similar charges of €2.5 million (2023: €1.8 million) mainly relate to bank loans. The rise in interest expense and similar charges was attributable to an impairment loss of €0.6 million that was recognised on an equity investment. Interest income increased year on year to €2.2 million (2023: €1.6 million) and was generated mostly on short-term investments.

The Group's EBT advanced by 23 per cent thanks to the encouraging business performance, reaching €15.9 million (2023: €13.0 million).

A tax expense of €2.8 million was incurred in 2024, whereas tax income of €8.2 million had been recorded in 2023. The positive performance in 2024 drove up the current income tax expense significantly. For the income from the dissolution of a debtor warrant for purchase price liabilities amounting to €20 million, no tax expenses or tax income were recorded in the previous year. Net profit for the year fell by 38 per cent to €13.1 million (2023: €21.2 million), partly due to this tax effect.

For 2024, the Management Board of Hypoport SE had projected consolidated revenue of at least €400 million and EBIT of between €10 million and €20 million. Both of these targets were achieved. Excluding the adjustments for changes to the recognition of revenue, the revenue target would still have been met (consolidated revenue before adjustment for changes to the recognition policy: €459 million). The Management Board thus takes the view that the Group's earnings performance can be deemed satisfactory.

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4. Net assets

The following information on the structure of the Hypoport Group's assets, equity and liabilities as at 31 December 2024 is based on the balance sheet figures aggregated according to liquidity.

Receivables and liabilities falling due less than twelve months after the balance sheet date are reported as 'current', while all others – unless shown separately – are reported as 'non-current'.

Assets	2024 €'000	%	2023 €'000	%	Change €'000
Intangible assets	354,232	50.7	351,094	52.9	3,138
Property plant and equipment	68,004	9.8	67,272	10.1	732
Financial assets	751	0.1	1,207	0.2	-456
Investments accounted for using the equity method	5,759	0.8	5,474	0.8	285
Trade receivables	2,489	0.4	4,254	0.6	-1,765
Other assets	244	0.0	213	0.0	31
Deferred tax assets	27,144	3.9	21,996	3.3	5,148
Non-current assets	**458,623**	**65.8**	**451,510**	**68.0**	**7,113**
Inventories	522	0.1	935	0.1	-413
Trade receivables	137,188	19.7	103,692	15.6	33,496
Other current items	8,166	1.2	7,179	1.1	987
Income tax assets	6,122	0.9	3,904	0.6	2,218
Cash and cash equivalents	86,252	12.4	96,658	14.6	-10,406
Current assets	**238,250**	**34.2**	**212,368**	**32.0**	**25,882**
Total assets	**696,873**	**100.0**	**663,878**	**100.0**	**32,995**

* The comparative figures were adjusted due to error corrections (see note 2.1)

Equity and liabilities	2024 €'000	%	2023 €'000	%	Change €'000
Subscribed capital	6,872	1.0	6,872	1.0	0
Treasury shares	-184	0.0	-184	0.0	0
Reserves	347,348	49.8	332,917	50.1	14,431
	354,036	**50.8**	**339,605**	**51.2**	**14,431**
Non-controlling interest	3,756	0.5	3,039	0.5	717
Equity	**357,792**	**51.4**	**342,644**	**51.6**	**15,148**
Financial liabilities	108,333	15.5	108,805	16.4	-472
Rental charges and operating lease expenses	46,327	6.5	44,686	6.7	1,641
Other non-current liabilities	800	0.1	220	0.0	580
Deferred tax liabilities	15,944	2.3	18,060	2.7	-2,116
Non-current liabilities	**171,404**	**24.5**	**171,771**	**25.9**	**-367**
Provisions	0	0.0	497	0.1	-497
Financial liabilities	20,486	2.9	20,748	3.1	-262
Rental charges and operating lease expenses	9,576	1.4	9,333	1.4	243
Trade payables	100,797	14.4	79,936	12.0	20,861
Liabilities towards joint ventures	3,882	0.5	2,487	0.4	1,395
Liabilities towards shareholders	750	0.0	750	0.1	0
Current income tax liabilities	6,842	1.0	2,825	0.4	4,017
Other current liabilities	25,344	3.6	32,887	5.0	-7,543
Current liabilities	**167,677**	**24.1**	**149,463**	**22.5**	**18,214**
Total equity and liabilities	**696,873**	**100.0**	**663,878**	**100.0**	**32,995**

* The comparative figures were adjusted due to error corrections (see note 2.1)

The Hypoport Group's consolidated total assets as at 31 December 2024 amounted to €696.9 million, which was a 5 per cent increase on the total as at 31 December 2023 (€663.9 million).

Non-current assets amounted to €458.6 million (31 December 2023: €451.5 million). Of this total, €354.2 million was attributable to intangible assets (31 December 2023: €351.1 million). They largely consisted of goodwill, which was unchanged at €229.1 million (31 December 2023: €229.1 million), and development costs for the platforms of €103.2 million (31 December 2023: €96.7 million).

Most of the €0.7 million increase in property, plant and equipment to €68.0 million is attributable to right-of-use assets relating to office leases and motor vehicles in accordance with IFRS 16.

Current assets increased to €238.3 million (31 December 2023: €212.4 million) due to expansion of the business and primarily comprised receivables from clients as well as cash and cash equivalents.

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The equity attributable to Hypoport SE shareholders increased by €14.4 million, or 4.2 per cent, to €354.0 million as at 31 December 2024, primarily due to the net profit for the year of €13.1 million. As a result of the rise in total assets, the equity ratio (excluding non-controlling interests) edged down from 51.6 per cent to 51.3 per cent.

The decrease in non-current liabilities to €171.4 million stemmed primarily from the €2.1 million fall in deferred tax liabilities. The bulk of the deferred tax liabilities relate to capitalised internally generated software.

By contrast, long-term financial commitments related to rentals and leases went up by €1.6 million.

Other current liabilities mainly comprised higher bonus commitments of €7.6 million due to the positive business performance (31 December 2023: €4.6 million) and tax liabilities of €4.5 million (31 December 2023: €3.6 million).

Total current and non-current liabilities to banks were virtually unchanged at €128.8 million (31 December 2023: €129.6 million). The marginal increase resulted from the difference between repayments of €20.7 million as scheduled under existing loan agreements and a total of €20.0 million from two new loans taken out.

5. Financial position

The changes in the Company's liquidity position at the balance sheet date are shown in the table below.

Liquidity position at the balance sheet date	31.12.2024 €'000	31.12.2023 €'000	Change €'000
Cash and cash equivalents	86,252	96,658	-10,406
Other current assets	151,998	115,710	36,288
Current assets	**238,250**	**212,368**	**25,882**
Current liabilities	167,677	149,463	18,214
Surplus cover	**70,573**	**62,905**	**7,668**

* The comparative figures were adjusted due to error corrections (see note 2.1)

The cover ratio of non-current assets to non-current equity and liabilities is shown in the table below.

Cover ratio	31.12.2024 €'000	31.12.2023 €'000	Change €'000
Non-current assets	458,623	451,510	7,113
Equity	357,792	342,644	15,148
	100,831	**108,866**	**-8,035**
Non-current liabilities	171,404	171,771	-367
Surplus cover	**70,573**	**62,905**	**7,668**

* The comparative figures were adjusted due to error corrections (see note 2.1)

The Company's current assets of €238.3 million (31 December 2023: €212.4 million) cover 142 per cent (31 December 2023: 142 per cent) of the current liabilities of €167.7 million (31 December 2023: €149.5 million). This means that the Hypoport Group was able to meet its financial obligations at all times.

78 per cent (31 December 2023: 76 per cent) of non-current assets are funded by equity.

The year-on-year changes in the key figures from the Company's balance sheet, income statement and cash flow statement are shown below.

Ratios	31.12.2024	31.12.2023
Return on investment = EBIT / (equity + non-current liabilities)	3.4%	2.8%
Cash flow (CF) return on equity = CF from operating activities / equity	11.2%	10.7%
EBIT margin = EBIT / gross profit	7.4%	6.8%
Tier-1 liquidity = cash and cash equivalents / current liabilities	51.4%	64.7%
Equity ratio = equity / total equity and liabilities	51.4%	51.6%
Gearing = liabilities / total equity and liabilities	48.7%	48.4%
Tier-1 capital ratio = equity / (Intangible assets + Property, plant and equipment)	84.7%	81.9%

* The comparative figures were adjusted due to error corrections (see note 2.1)

We have used the consolidated cash flow statement to show the sources and application of funds and to disclose the changes in the Company's financial position during the year under review. It presents the net cash inflows and outflows broken down by type of activity (operating activities, investing activities and financing activities). Positive amounts denote a net cash inflow, while negative amounts stand for a net cash outflow.

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Thanks to the Group's robust operating performance, cash flow before changes in working capital during the reporting period rose by 48 per cent, or €14.4 million, year on year to €44.5 million (2023: €30.2 million). The cash used for working capital increased by €11.0 million to minus €4.3 million (2023: €6.6 million). Total net cash generated by operating activities in 2024 thus amounted to €40.2 million (2023: €36.8 million).

The net cash of €38.5 million used for investing activities (2023: €31.2 million) mainly consisted of €27.0 million for capital expenditure on intangible assets (2023: €29.2 million) and a total of €9.2 million for the acquisition of the remaining 49 per cent of the shares in epension GmbH and E & P Pensionsmanagement GmbH.

The net cash of €12.1 million used for financing activities (2023: net cash inflow of €61.1 million) largely related to new borrowing from banks of €20.0 million (2023: €40.0 million), repayments of €20.7 million as scheduled under existing loan agreements with banks (2023: €18.0 million) and the scheduled repayment of lease liabilities in an amount of €10.2 million (2023: €10.0 million).

Cash and cash equivalents as at 31 December 2024 totalled €86.2 million – down by €10.4 million compared with the beginning of the year – and consisted mainly of credit balances with banks. In addition, the parent company had unutilised credit lines of €14.9 million as at the balance sheet date.

Overall statement on the Hypoport Group's economic position

The business performance of the Hypoport Group was shaped by the more positive environment in the private mortgage finance market in 2024, helping the Group to achieve its EBIT and revenue expectations. The Management Board takes the view that the Group's financial performance is satisfactory due to the improvement in EBIT. The financial position can be considered robust and stable in view of the equity ratio and level of liquidity.

6. Capital expenditure and finance

Capital expenditure in 2024 largely related to internally generated software (€25.2 million).
Capital expenditure was financed by operating cash flow, existing liquidity and new borrowing from banks.

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7. Unrecognised assets

As at 31 December 2024, Hypoport SE held 183,665 treasury shares that, on that date, had a total market value of around €30.9 million. These shares can be used to service employee share ownership programmes or to fund acquisitions. Alternatively they can be sold or recalled.

One asset that is only partially recognised in our subsidiaries is internally generated software, e.g. for the processing of loan brokerage transactions, the administration of insurance portfolios, or the sale, management and valuation of properties. By giving clients the right to use the software, income will be generated in the future by the Group's subsidiaries and thus by Hypoport SE through its income from long-term equity investments and profit transfer agreements.

In the course of their brokerage activities, some subsidiaries obtain information on their clients' assets and income and on the financial products sold to them. This client base and transaction portfolio constitute an unrecognised asset because this information can be used to sell further suitable financial products and follow-up financing to the same client in future. This means that Dr. Klein Privatkunden AG in particular can also offer advice on the renewal or refinancing of existing mortgage deals well in advance of the end of the original fixed-interest period, for which it may receive another commission from the product supplier. This also gives rise to further potential for fee and commission income.

Across all segments, the subsidiaries provide several thousand financial advisors with platforms through which they can operate their business in mortgages, building finance, personal loans and insurance. These platforms together provide distribution capability, which in turn exerts an appeal for further product suppliers that offer either the same or similar products. This potential future extension of the product range enables additional transactions to be processed on the marketplaces and constitutes a significant unrecognised asset. It also makes it easy for affiliated loan brokerage advisors and insurance advisors to participate in renewals, increases in premiums, refinancing or cover changes relating to financial products that have already been brokered on the marketplaces, and allows them to benefit financially in the form of additional agency commission.

[The Dr. Klein Privatkunden AG subsidiary possesses a well-known brand with a positive reputation. Dr. Klein regularly comes top in a range of product tests and reviews conducted by various independent consumer organisations, and its regional franchisees and advisors are helping to raise its profile beyond the internet. New clients are increasing the brand's recognition by recommending Dr. Klein to others after having received good advice from it. The Management Board is of the opinion that this constitutes a significant unrecognised asset, because a trusted brand provides a valuable competitive advantage in the sale of financial products.][1]

1) This paragraph was not reviewed as part of the audit of the financial statements.

8. Employees

The average number of employees in the Hypoport Group increased by 1 per cent to 2,222 employees (2023: 2,199 employees). As at 31 December 2024, 2,199 people were employed by the Hypoport Group (31 December 2023: 2,209).

In today's business environment, which is dominated by myriad social and economic changes, a company's workforce is the key competitive factor. The lasting success and ongoing evolution of a company's business are essentially guaranteed by a suitably qualified and highly motivated workforce. The expertise, interdisciplinary skills, creativity and motivation of these employees determine the ability of the entire Hypoport Group to compete and adapt for the future. In order to achieve these goals, Hypoport is constantly taking steps to ensure that it provides each and every member of staff with the necessary training and development opportunities and to enhance its corporate culture.

To this end, Hypoport has defined six groupwide principles to be applied by the Hypoport companies:

- Network
- Team spirit
- Diversity
- Leadership
- Self-management
- Learning

A functioning network (1) depends on good team spirit (2); a deep-seated sense of group identity that promotes and maintains diversity (3). In order for our Company to operate successfully in all of it markets, it needs to reflect the diversity of our potential clients. A successful network requires conscientious leadership (4) that defines decision-making processes and determines the degree of self-management (5) in order to facilitate sound and swift decision-making. And because embracing the principles is a continually evolving work in progress when they are put into practice in daily working life, the Hypoport principles are rounded off by the principle of learning (6).

More detailed information about the workforce can be found in the non-financial statement (sustainability report), on the corporate website and on the Group's careers webpage.

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9. Disclosures under German takeover law

Composition of subscribed capital
The Company's subscribed capital amounted to €6,872,164 at the end of 2024. It is divided into 6,872,164 no-par-value registered shares.

As at 31 December 2024, Hypoport SE held 183,665 treasury shares that, on that date, had a total market value of around €30.9 million. These shares can be used to service employee share ownership programmes or to fund acquisitions. Alternatively they can be sold or recalled. See note 4.1 of the notes to the consolidated financial statements for more disclosures required by section 160 (1) no. 2 AktG.

All shares confer the same rights and obligations. Each share confers one vote at the Annual Shareholders' Meeting and determines shareholders' entitlement to the Company's profits. Shareholders' rights and obligations are defined in detail by the provisions of the German Stock Corporation Act, in particular by sections 12, 53a et seq., 118 et seq. and 186 AktG.

Restrictions on voting rights and the transfer of shares
The Management Board is not aware of any restrictions on voting rights or the transfer of shares.

Shareholdings exceeding 10 per cent of the Company's voting rights
The following shareholding in Hypoport SE was known to us at the time this management report was prepared:

Ronald Slabke, Berlin, holds 32.4 per cent of Hypoport's shares. Of these, the 31.0 per cent of the voting shares held by Revenia GmbH, Berlin, are attributable to him pursuant to section 34 (1) sentence 1 no. 1 of the German Securities Trading Act (WpHG).

There are no further direct or indirect shareholdings exceeding 10 per cent of the Company's voting rights.

Shares with special rights conferring powers of control
There are no shares with special rights conferring powers of control. In particular, there are no powers to appoint Supervisory Board members pursuant to section 101 (2) AktG.

Type of control over voting rights in cases where employees are shareholders in the Company but do not directly exercise their control rights
In cases where employees of Hypoport SE are shareholders in the Company, they directly exercise their control over voting rights.

Statutory regulations and provisions of the statutes concerning the appointment and dismissal of Management Board members and amendments to the statutes
The members of the Management Board are appointed by the Supervisory Board pursuant to sections 84 and 85 AktG and section 5 (2) of the Company's statutes. The Management Board comprises at least two persons pursuant to section 5 (1) of the Company's statutes; the number of Management Board members is determined by the Supervisory Board. If the Management Board is short of a member, this member is appointed by the courts in urgent cases at the request of an interested party pursuant to section 85 AktG.

Section 179 AktG states that amendments to the Company's statutes require a resolution to be passed by the Annual Shareholders' Meeting; section 16 of the statutes states that, unless mandatory legal provisions specify otherwise, amendments to the statutes are adopted by a simple majority of votes cast. The Supervisory Board has the authority to make amendments concerning the wording only pursuant to section 19 of the Company's statutes.

Powers of the Management Board to issue and repurchase shares
The Annual Shareholders' Meeting held on 4 June 2024 voted to set aside the existing authorisation that had been adopted by the Company's Annual Shareholders' Meeting on 9 June 2020 that had authorised the Management Board – subject to the consent of the Supervisory Board – to increase the Company's subscribed capital by up to a total of €2,799,061 by issuing new registered no-par-value shares for cash or non-cash capital contribution on one or more occasions on or before 8 June 2025. The Annual Shareholders' Meeting held on 4 June 2024 authorised the Management Board – subject to the consent of the Supervisory Board – to increase the Company's subscribed capital by up to a total of €2,748,865.00 by issuing up to 2,748,865 new registered no-par-value shares for cash or non-cash capital contribution on one or more occasions in the period up to 3 June 2029 ('2024/I authorised capital'). The Management Board can decide – subject to the consent of the Supervisory Board – to potentially disapply the shareholders' statutory pre-emption rights.

The Annual Shareholders' Meeting held on 9 June 2020 adopted a resolution authorising the Management Board to purchase treasury shares amounting to a total of up to 10 per cent of the subscribed capital in existence at the time the resolution was adopted. The shares thus purchased, together with other treasury shares that are in the possession of Hypoport SE or are attributable to it pursuant to sections 71d and 71e AktG, must at no time account for more than 10 per cent of the Company's subscribed capital in existence at that time. The authorisation may be utilised either in full or partially, on one or more occasions, in pursuit of one or more objectives by Hypoport SE or by its Group companies or for its or their account by third parties. The authorisation is valid until 8 June 2025. The Management Board may determine whether the shares are purchased through the stock market or by means of a public purchase offer or by means of a public invitation to submit such an offer.

Material agreements by the Company that are conditional upon a change of control resulting from a takeover bid
Hypoport SE has entered into a loan agreement with a bank that gives the lender a right of termination in the event that one or more persons obtain control over Hypoport SE or hold more than 30 per cent of the Company's issued capital, and agreement cannot be reached on continuing the loan, on the same or amended terms and conditions.

The agreement of such a right is customary in the market. If this right under the aforementioned agreement were exercised in the event of a change of control that meets the above criteria, there could be a very small impact on the Company's financial position or financial performance.

Compensation agreements between the Company and Management Board members or employees in the event of a takeover bid
There are no compensation agreements between Hypoport SE and Management Board members or employees in the event of a takeover bid.

10. Corporate governance declaration

Hypoport SE has issued the declaration required by sections 289f (1) and 315d (1) HGB and has made it permanently available to the public on the Company's website at www.hypoport.com/investor-relations/corporate-governance/. The corporate governance declaration includes the declaration of conformity with the recommendations of the German Corporate Governance Code pursuant to section 161 of the German Stock Corporation Act (AktG).

11. Non-financial report

The Company has prepared a separate non-financial report for the 2024 financial year as required by section 315b (3) HGB. This report does not form part of the management report but is published on the Company's website under www.hypoport.com/investor-relations/corporate-governance/.

II. Opportunities and risks report

Business activities always entail the assumption of risk and exploitation of opportunities. Consequently, risks and opportunities can have both a negative and a positive impact on the Hypoport Group's financial position and financial performance. For Hypoport, risk means the threat of potential losses or opportunity costs. Opportunities are possibilities for increasing consolidated revenue and the Group's earnings from its operating activities (EBIT). Internal or external events can give rise to risks and opportunities. Hypoport SE's risk and opportunity policy is focused on three primary objectives:

- Continuously and enduringly increasing the value of the Company
- Achieving the medium-term financial targets, i.e. the forecast for the year (see the 'Outlook' section)
- Safeguarding the Company as a long-term going concern

Consequently, we see risk and opportunity management first and foremost as an entrepreneurial function that consists of exploiting opportunities in good time, identifying risks as quickly as possible and weighing up both sides in a responsible manner and with shareholder value in mind in order to achieve the three primary objectives of the risk and opportunity policy. The task of the Management Board, managers and all employees is to use continuous processes to optimise the likelihood of either of these factors occurring in order to safeguard the Company's interests.

1. Integrated opportunity and risk management system

Hypoport has a structured risk management and early-warning system as required by section 91 (2) and (3) AktG.

Risk management system
The risk management system is a core component of our business processes. It takes account of the legal requirements arising from legislation, case law, the German Corporate Governance Code and international financial reporting standards.

The Management Board of Hypoport SE is responsible for the management of risks while the Audit Committee of the Supervisory Board of Hypoport SE monitors the risk management. The internal audit function acts as an independent body to check the effectiveness of the risk management.

The Management Board has delegated the risk management process to the central risk management function.

The risk management organisation as well as the methods used and the processes implemented to manage risk are documented in writing in the Hypoport Group's risk management manual. This manual is made available to all staff members with relevant responsibilities.

The risk strategy, which is derived from the corporate strategy, sets out key parameters for the assessment of the Company's risk-bearing capacity and risk tolerance. When calculating the available risk-bearing capacity, certain defined balance sheet line items are compared with the total expected losses from all identified individual risks. The expected loss of a risk is calculated by multiplying the probability of occurrence with the potential loss amount.

The risk identification and assessment process involves risk owners from various functions and the central risk management function.

A risk analysis is conducted for identified risks in order to examine their causes and effects and assess their probability of occurrence and their impact on the Company's financial position and financial performance. First, any risk is assessed on a gross basis, i.e. before the implementation of mitigating measures. Then, the risk is assessed on a net basis, taking account of established measures to reduce the relevant risk.

The risk strategy is used as a starting point to derive both the Company's specific risk tolerance and its risk-bearing capacity. Analyses are also carried out to review the extent to which individual risks that, in and of themselves, do not pose a threat to the Company's ability to continue as a going concern may pose such a threat collectively. To this end, the existing risk assessments produced by the business segments are used to define meaningful groups to which to assign the individual risks. Quantitative and stochastic risk aggregation methods were not used for this purpose. Based on our long-standing experience and the simplicity and clear focus of our business models, the described approach seems more useful to us than a quantitative or stochastic assessment. The analysis did not identify any risks that, individually or in combination with other risks, pose a threat to the Company's ability to continue as a going concern.

Identified risks are managed in accordance with the Hypoport risk strategy. Risks may be managed by implementing appropriate measures to avoid, control or reduce the risk, by transferring risk or by consciously accepting risk. Adherence to measures implemented to limit risk is monitored by the risk owner.

The Hypoport Group reviews and enhances its risk management system on an ongoing basis in order to respond to changes in external conditions in a timely manner.

Within the Hypoport Group, defined communication structures have been established for both regular and ad hoc reporting on the risk situation. The Management Board receives quarterly risk reports. If risks are identified at other times, they must be promptly reported to the central risk management function or directly to the Management Board, depending on their significance. This ensures that the risk situation is assessed comprehensively and on the basis of up-to-date information at all times. Once per year, the Management Board reports comprehensively to the Audit Committee on the risk situation of Hypoport SE. In the event of any unexpected material changes to the risk situation, the Management Board must inform the Audit Committee of the Supervisory Board as soon as possible.

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Internal monitoring system

The central feature of the internal monitoring system at Hypoport is the separation of functions. This is ensured by our organisational structures, job specifications, and processes, which are laid down in the Company's electronic manual and are reviewed for compliance. In addition to these provisions and as part of its monitoring role, Group internal audit carries out audits to ensure that the system is effective and functions properly.

The internal audit department carries out audit activities and produces audit reports in consultation with Hypoport SE's Management Board and Supervisory Board and at their request. Should risks arise, Hypoport SE's internal auditors can also conduct special audits at short notice. As service providers to their clients, Group subsidiaries are required to take precautions to ensure the continuity and quality of the processes outsourced by banks and insurance companies. This also means that the Hypoport Group has to comply with the regulatory requirements that apply to its partners and uphold their rights of inspection, examination and access and their right to receive information.

Data protection is a particularly high priority for Hypoport, whose business depends on trust. In addition to the appointment of external data protection officers, data protection is assured internally by data protection training for employees and by the deployment of employees in the data protection department who have been certified by German product standards regulator TÜV. Other data protection tasks include establishing and monitoring processes that comply with data protection legislation and dealing with requests made by clients, partners and employees.

Financial planning and reporting and control system

With the aid of strategic planning and an internal reporting system, a financial planning and reporting process helps with the early detection of relevant risks and opportunities.

As part of its strategic planning process, Hypoport assesses potential risks and opportunities in advance of key business decisions. This results in the systematic formulation of long-term and short-term business targets and objectives right down to each segment and cost centre.

Alongside the management of risks and opportunities, the market and competitive environment is continually monitored from the different perspectives relevant to Hypoport. The achievement of targets and objectives (plan/actual comparison) is analysed at all managerial levels during regular meetings at which control measures are agreed and their effectiveness is reviewed. The reporting system enables such risks to be monitored in the context of business activities.

Early-warning systems

Information on future developments and trends is exchanged across all levels in the Company in regular meetings, reports and protocols and is assessed by the appropriate unit. This ensures that internal and external information can be analysed on a timely basis for its relevance to risk and that the findings are implemented throughout the Hypoport Group.

From the full range of risks to which the Hypoport Group is exposed, the types of risk considered to be material at present are described below.

2. Types of risk

Macroeconomic risk
Hypoport's business environment is affected by changes in economic and political conditions, so we continuously monitor political, economic, regulatory and business developments in the markets in which we operate (see the 'Sectoral performance' section). When assessing their target markets, management and product distributors constantly use the internal and external information sources available so that they can identify imminent changes in these markets as early as possible and adjust their strategic and operational focus in line with these developments.

Sectoral and industry risks
Sectoral risks to the Hypoport Group largely arise in connection with changes in the markets for housing, loans and insurance. Fiscal and socio-political parameters, the influence of the capital markets and regulatory requirements for intermediaries play a key role.

If several major product suppliers were to simultaneously withdraw competitive terms and conditions or products from the Hypoport Group, terminate collaborative arrangements or reduce remuneration, or if one or more relevant distribution partners were to restrict or end their relationship with the Hypoport Group, this could result in a contraction in revenue. Given the large number and diversity of its product suppliers and distribution partners, the Hypoport Group's reliance on individual partners is limited and so is the risk to which it is exposed. Overall, the Hypoport Group has a broad range of strong partners. The Group companies broker financial products supplied by more than 800 banks, insurance companies and building finance associations. The risks associated with the product range are mitigated by working with respected product suppliers with whom we maintain long-lasting relationships. The Hypoport Group carries out extensive market research to identify market trends and client preferences, which it meets by working with its product partners to provide competitive products tailored to clients' requirements. By doing so, we may even face lower margins due to the stiff competition in our markets. Hypoport maintains a constant dialogue with its partners to ensure that its products are competitive and high quality. In spite of the diverse range of product partners, if the majority of them were to tighten their lending criteria in view of macroeconomic or regulatory influences, the number of loans might decline and thereby adversely affect consolidated revenue.

A weakening of demand for mortgage finance is an important sectoral risk, because this product group accounts for a significant proportion of the Hypoport Group's activities. The main triggers for such a downturn could be the housing market or long-term interest rates.

The housing market in Germany has been experiencing a growth phase for many years because of ongoing net inward migration, higher life expectancy, an increase in the number of one-person households and a growing need for space, for example due to more people working from home (see the 'Sectoral performance' section). Against the backdrop of the factors described in the 'Sectoral performance' section, institutional housing companies remained temporarily hesitant about entering into transactions in 2024, while consumers showed a greater willingness to enter into transactions than in 2023. Hypoport mitigated this risk several years ago by diversifying its business model, for example by establishing the Financing Platforms and Insurance Platforms segments. In view of the steadily reducing supply of rental properties combined with rising rental prices, growing construction costs and the continued gradual diminishing of the negative factors that affected 2022 and 2023, Hypoport is expecting its mortgage finance volume to continue to recover in Germany.

The trend in long-term capital market interest rates, which serve as the benchmark rate for mortgage finance, could also have a significant impact on the demand for finance and, consequently, on the performance of several Group companies. As interest rates came down in the reporting year compared with 2023, consumers began to feel more willing again to do business, as described above. Given that the economic and sovereign debt situation in the eurozone remains challenging and that – on balance – inflationary pressures are easing, we currently do not expect long-term interest rates to go up.

Furthermore, competition could become fiercer because there are more mortgage finance providers with comparable business models. Hypoport is mitigating this risk by maintaining close dialogue with its clients, product suppliers and franchisees in order to highlight the advantages and added value of its business model.

Because the internet is used intensively by financial product distributors to acquire new business and by financial marketplaces to communicate and execute transactions, the Hypoport Group is especially reliant on the fact that the internet continues to be available to and accepted by its clients and partners. Any impairment of its acceptance or technical availability could have serious consequences for the financial performance of several subsidiaries. The occasional recurrence of critical debate about the security of the internet and the data it transmits has not curbed its growing use in recent years. The internet's increasing importance for the entire economy and the high level of capital spending by the telecommunications industry on network infrastructure mean that we are unlikely to see lasting global technical disruptions to the internet's availability. Competition for highly qualified financial advisors also remains stiff. Transparent contractual conditions, competitive pay, the quality of our advisors and our non-captive status mean that we have had the edge on the market for years.

Increasingly restrictive legal requirements in respect of financial advisory services, financial products and technological innovations demand that companies operate on an efficient scale. The financial services market is in the process of consolidating and becoming more concentrated. The need to achieve critical mass is currently driving the market in mergers and acquisitions. Given its current shareholder structure, a hostile takeover of the Company can be regarded as highly unlikely. Nonetheless, its shareholder structure is constantly and carefully reviewed to detect any changes.

The overall impact of industry-specific and macroeconomic risks on the Company's financial position and financial performance is deemed to be low, as had been the case in the previous year.

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Operational risk

The availability of existing and new expertise is particularly important in a growth company. With this in mind, a loss of personnel would potentially pose an operational risk for the Hypoport Group. Hypoport regularly conducts HR planning to ensure that the necessary resources are available either inhouse or from external partners. In addition, it conducts regular staff development and performance appraisal reviews at all levels as a means of staff retention. Staff training and development, career prospects, employee benefits and remuneration models encourage staff loyalty. For further information please refer to the non-financial statement. Together, these measures mitigate the risk of losing personnel.

Information technology (IT) is key to all the Hypoport Group's business models. If the platforms were to fail, this would reduce the revenue generated by the transaction-based and management-based business models of our subsidiaries and impair the work of entities such as our financial product distributor Dr. Klein Privatkunden AG – as well as that of product partners and distribution partners – and could damage Hypoport SE's general reputation as a technology partner.

The Company therefore pursues a groupwide IT strategy to mitigate its IT risks. When selecting our IT systems and IT service providers we usually opt for standard software packages from reputable suppliers and service providers. Proprietary software developed specifically for Hypoport to supplement standard software solutions undergoes continuous quality control. To ensure that they work properly, we subject all IT systems to rigorous testing before they go live. State-of-the-art data centres with off-site contingency premises, back-up systems and mirror databases are used to protect the data held by the Hypoport Group. Special access and authorisation systems monitored by data protection officers protect the Hypoport Group's IT systems against unauthorised access. Its IT systems are also protected by comprehensive virus protection and effective IT security.

Every year, substantial amounts are spent on upgrading the IT infrastructure and IT application systems to ensure that our IT systems are efficient.

Building and enhancing a brand image forms an integral part of any successful product strategy. Where possible, the names and logos used by Hypoport SE and its subsidiaries are registered as trademarks and, as such, are protected against unauthorised use.

Changes to regulatory parameters are accompanied by new requirements and, perhaps, new risks. The Hypoport Group constantly monitors all efforts to introduce far-reaching regulation of the financial services market in Germany, particularly those with the aim of increased consumer protection, and it promptly analyses their impact on its business model and strategic positioning in the markets. To comply with more stringent requirements, combined with increasing supervision by the regulatory authorities, Hypoport will take measures such as the systematic expansion of its staff training and development and the enhancement of its risk and compliance management.

Hypoport has taken out insurance policies covering potential liability risks and compensation claims in order to limit and provide cover for the Group's operational risk. The insurance cover is reviewed regularly and amended if general parameters change.

The overall impact of operational risks on the Company's financial position and financial performance is deemed to be low, as had been the case in the previous year.

Financial risk

Hypoport SE is exposed to a number of financial risks. Because of its growth, the Company's need for capital is constantly increasing. It meets this demand for capital by working closely with its lenders and investors. Its shareholders help to increase the Company's financial strength and mitigate its financial risks by retaining its profits.

To ensure that it can secure sufficient borrowing, Hypoport SE maintains business relationships with several banks. It discusses its future borrowing requirements with these institutions in a timely fashion. We subject our banking partners to rigorous selection criteria, assessments and ongoing reviews to ensure that they are reliable lenders and suitable partners. In doing so, we reduce the risk that such banks – which are subject to frequent strategic changes – call in their loans at short notice.

The loan agreements with banks include covenants linked to defined financial KPIs. There is a fundamental risk of non-compliance with these covenants, which would entitle the banks to immediately call in the disbursed loan amounts. The financial planning and reporting and treasury units monitor compliance with the covenants and provide evidence to the banks as agreed. All covenants were complied with at the relevant reference date in 2024.

Liquidity management is one of the core functions of the Treasury business unit. Liquidity is managed and surplus liquidity is invested by the Hypoport Group's central cash management unit with the involvement of all of its major Group companies. In addition, Hypoport can draw on credit lines from several partner banks.

Commission is the Hypoport Group's most important source of income and cash flow. Its financial planning and reporting units constantly analyse the impact that potential changes to existing commission models and to regulatory and fiscal parameters would have on the products that are sold.

A further aspect of the Company's financial risk is the credit risk attaching to its receivables. The Management Board centrally approves the credit terms it allows as part of its operating activities and these terms are documented in the Company's electronic manual. Most of the Hypoport Group's receivables are owed by medium-sized and large financial service providers, banks and insurance companies. Credit risk stems primarily from commissions receivable from product partners and, in a small number of cases, from distribution partners and clients. In brokerage business, product partners can sometimes take several weeks to pay commission, resulting in commission that has been earned but not received occasionally being paid to distribution partners in advance. The Hypoport Group mitigates these risks by means of thorough receivables management and by imposing strict criteria on its selection of counterparties. Appropriate provisions are recognised for receivables when they appear at risk, taking account of the latest information about the credit standing of the debtor, anticipated commission income and the age structure of the receivables.

The Hypoport Group provides for cancellation risk in its insurance business by retaining appropriate amounts of the commission due to agents and by recognising cancellation provisions. The provisioning level is based on the commission income received during the liability period and the claims for reimbursement of commission anticipated on the basis of past experience.

The Group's interest-rate risk stems from non-current interest-bearing liabilities. Floating-rate liabilities expose the Group to interest-related cash flow risks. Under its financial risk policy, the vast majority of liabilities it assumes have to be subject to fixed interest rates.

The Company's transparent financial reporting system and the healthy structure of its balance sheet also help to minimise its financial risks. They are supported by an early-warning system in the form of Group planning across all segments. This enables the Company to discuss its financial requirements with its lenders in a timely manner.

The overall impact of financial risks on the Company's financial position and financial performance is deemed to be low, as had been the case in the previous year.

Strategic risk

Strategic risks can arise if the Company's management misjudges significant developments and trends in the financial services sector or fails to identify them at a sufficiently early stage. This can result in key decisions being made which, in terms of the achievement of the Company's long-term objectives and targets, prove with hindsight to be disadvantageous and may be difficult to reverse. Strategic risks also result from unexpected changes in individual market and macroeconomic conditions that have an adverse impact on financial performance. The Group's business activities are distributed across a large number of client groups and a wide range of products, which tends to mitigate risk.

The management of strategic risk forms part of the overall coordination of the Company and is the responsibility of the Management Board.

The Group Management Board regularly reviews the strategy adopted for the Hypoport Group as part of the long-term planning process. Corporate and segment strategies form the basis on which the five-year plan and the budget for the following year are compiled. To this end, we continuously monitor the political, economic and legal/regulatory environment and keep our strategic market position under constant review. All of the key value drivers for the Hypoport business model are analysed and managed on an ongoing basis by means of comprehensive financial planning and reporting activities at head office and in the segments. This enables us, where necessary, to respond to changing market conditions by adjusting our business model or processes. When formulating such strategic initiatives, the Management Board liaises closely with the Supervisory Board.

This system enables strategic risk to be identified on a timely basis and preventive action to be taken at a sufficiently early stage.

Impartial advice and financial optimisation for retail and corporate clients are the cornerstones of the Hypoport Group business model. A wide range of products is essential to supplying advice that is tailored to clients' needs. The Hypoport Group constantly reviews the distribution of its product groups across suppliers in order to monitor the risk of losing its operational independence as a result of one product supplier dominating its revenue streams.

The overall impact of strategic risks on the Company's financial position and financial performance is deemed to be low, as had been the case in the previous year.

Other risks

Reputational risk is the risk arising from damage to the image of the entire sector, the Hypoport Group or one or more of its operational units as perceived by clients, employees, business partners or the general public. We are particularly exposed to the risk that media reporting of a transaction or business practice involving one of our clients could damage public confidence in our Group. We minimise potential advisory risk by ensuring that we provide high-quality advice at all times. The use of IT-based advisory tools is one of the ways in which we ensure that this is the case. Full documentation of client meetings and strict criteria for selecting new product suppliers and products help us to achieve this goal.

The Hypoport Group mitigates legal risk by making use of inhouse legal counsel, but also uses external advisors when required. The Group's legal departments constantly track and assess ongoing legal cases and support the Management Board of Hypoport and the senior management of its subsidiaries with business decisions.

Hypoport constantly monitors changes in tax law and analyses any impact they may have on the Group. Internal and external experts review compliance with fiscal legislation in accordance with tax regulations and the administrative instructions issued by the tax authorities.

The types of business carried out by service providers such as the Hypoport Group have little adverse impact on the environment. No material environmental risks arise from the Hypoport Group's operational activities.

In addition to the risks described above, general risks exist which cannot be foreseen and are consequently difficult to manage. They include political changes and risk factors such as natural disasters and terrorist attacks. Such factors may have a negative impact on the economic situation and may indirectly impair the future financial performance of the Hypoport Group.

The overall impact of other risks on the Company's financial position and financial performance is deemed to be low, as had been the case in the previous year.

Aggregate risk

Hypoport maintains a risk management system that enables it to address the risks relevant to our Company in an appropriate manner. We review the structure of the risk management system on an annual basis to ensure we can react promptly to changes in risk positions and to new legislation. All risks currently identified and weighted according to the likelihood of their occurrence have been compensated for by preventive measures and do not present any evident threat to the continued existence of the Company. The most significant risks are a renewed slump in demand for mortgage finance, intensifying competition in all markets and the potential loss of key distribution partners and clients. The cumulative expected value of the ten material risks is €8.9 million (2023: €11.3 million), while risk-bearing capacity has been calculated at €27.7 million (2023: €29.2 million). At present, we have not identified any additional risks that might jeopardise the Company as a going concern. The risks described, and those of which we are not yet aware or have currently assessed as immaterial, could have a negative impact on the forecasts we expressed in the outlook. Despite the use of a proven risk management system, the possibility cannot be entirely ruled out that risks that are as yet unidentified or classed as immaterial could arise in the future and have a material impact on the Company's financial position and financial performance. The overall assessment of the risk position has not changed significantly compared with 2022, i.e. it is still considered to be low. No significant risks that could have a material effect on the continued existence of Hypoport SE as a going concern have arisen since the balance sheet date.

3. Material features of the internal control and risk management system

3.1. Internal control system (ICS)

The internal control system used in the Hypoport Group incorporates all the principles, procedures, measures and controls needed to minimise the risks affecting the business processes of the different business units of Hypoport SE and thus to achieve the core economic objective of Hypoport SE. The ICS comprises the principles, procedures and measures (rules) that have been introduced in the Company by its management and that aim to implement at organisational level decisions made by the management.

- to secure the effectiveness and profitability of business activities,
- to ensure the appropriateness and reliability of the business processes and the internal and external reporting (accounts, financial statements and management report), and
- to ensure compliance with all laws and regulations that apply to the Company.

The Management Board is responsible for defining the scope and design of an appropriate and effective ICS and is authorised to do so as it sees fit.
Material features of the internal control system include:

- clear leadership and corporate structures – company-wide key functions are managed centrally by Hypoport SE, while individual companies within the Group enjoy a high degree of independence;
- definition of a proper division of functions and compliance with the principle of checking by a second person as a fundamental principle;
- all contracts forming part of a business relationship are signed by two people and are subject to a signatures policy that defines powers of representation and that is implemented in the Company and updated as necessary;
- the provision of appropriate capacity and the use of software applications in compliance with statutory provisions and internal Company requirements form the basis for orderly, consistent and continuous business processes;
- a clear delineation and allocation of responsibilities across the Accounting, Tax, Finance and Controlling functions and the operating segments – especially with regard to accounting-related processes – by means of defined schedules of responsibilities and rules of procedures;
- protection against unauthorised access to the IT systems in use;
- the implementation of a state-of-the-art IT security concept (regular system backups, battery systems to cover power outages);
- use of standard software for the finance systems in use;
- 'accounting-related internal control system' as a focus topic, see section '4. Disclosures pursuant to section 315 (4) HGB';
- supervisory bodies (Audit Committee of the Supervisory Board) and internal functions responsible for monitoring corporate governance (Risk Management, Compliance Management, Internal Audit);
- systematic, risk-oriented, scheduled review and evaluation of the appropriateness and effectiveness of the cross-functional ICS by Internal Audit as a process-independent reviewer.

The Audit Committee of the Supervisory Board of Hypoport SE monitors the effectiveness of the ICS.

The ICS is updated and adapted to procedural changes on an ongoing basis. Internal Audit is responsible for monitoring the integrity and effectiveness of the ICS at Group level and at Hypoport SE independently of other processes as part of a multi-year audit plan in order to promote the continuous and timely optimisation of business processes.

3.2. Risk management system

The appropriateness of the risk management system implemented at Hypoport is underpinned by tools such as a risk catalogue and the Hypoport Group's risk management manual. The risk catalogue comprises the risks affecting all parts of Hypoport's business. The risk management manual is the rule book for the Group and sets out groupwide requirements for assessing and communicating risks, among other aspects. As part of the risk inventories that are conducted at regular intervals, information is collected on risk mitigation measures at Hypoport SE and at the Group companies. The decentralised risk owners are responsible for updating implemented measures on a regular basis and conducting individual assessments of relevant risks as a follow-up. Subsequently, the risks are consolidated at Group level. For a description of the material features of the risk management system, please refer to the 'Risk management system' section under 'Integrated opportunity and risk management system'.

The measures specified by the risk owners are subject to regular spot checks conducted by the central risk management function in order to review effectiveness.

Continuous optimisation of the risk management system is an important prerequisite for the ability to respond swiftly to changes in external conditions that may have a direct or indirect impact on the financial position and financial performance of Hypoport SE and the Hypoport Group.

Regular information sharing between the central risk management function and the risk owners ensures that new insights are incorporated into the risk management, thereby guaranteeing its ongoing development. In addition, training measures are key for keeping the knowledge of those involved in the process up to date at all times.

Internal Audit regularly reviews material features of certain elements of the risk management system regarding their appropriateness and effectiveness in accordance with relevant standards such as audit standard no. 2, ‘Review of the risk management system by Internal Audit’, of the German Institute for Internal Audit (Deutsches Institut für Interne Revision – DIIR). These reviews form part of the continuous monitoring of the risk management system and provide insights that can be used to improve the quality of the risk management and promote its further development.

3.3. Unaudited information on the appropriateness and effectiveness of the internal control system and risk management system

The Management Board of Hypoport SE thoroughly reviewed the appropriateness and effectiveness of the internal control system and risk management system as recommended by the German Corporate Governance Code (GCGC 2022). Based on the insights gained from the monitoring measures described above, the Management Board did not become aware of any circumstances in 2024 that would cast doubt on the appropriateness and effectiveness of the internal control and risk management system.

The GCGC contains recommendations on the disclosure of the internal control system and risk management system that go beyond the statutory requirements for the management report. The disclosures made in this note 3.3 in accordance with these recommendations thus do not form part of the audit of the contents of the combined management report carried out by the independent auditors.

4. Disclosures pursuant to section 315 (4) HGB

The following description of the material features of the internal control and risk management systems used for the financial reporting process is required by section 315 (4) HGB.

Material features of the internal control and risk management systems used by Hypoport SE and the Hypoport Group for the financial reporting process
The material features of Hypoport SE’s existing internal control system applicable to the (consolidated) financial reporting process are described below.

The internal control system used in the Hypoport Group incorporates all the principles, procedures and measures needed to ensure that its financial reporting is effective, efficient and carried out correctly and to ensure that it complies with the relevant legislation.

The Company and the Group have a clear management and organisational structure in which key interdepartmental functions are managed centrally by the Company while individual companies within the Group enjoy a high degree of independence.

Accounting, financial control and financial reporting – the areas primarily involved in the financial reporting process – have clearly segregated roles in order to prevent fraudulent acts and abuse. Their areas of responsibility have been clearly allocated.

By employing specialists, offering training and continuing professional development and adhering strictly to the double-checking principle in accounting and finance, Hypoport makes it possible to comply with local (HGB and national tax law) and international financial reporting standards (IFRS) in both the separate and the consolidated financial statements.

Centralised key functions that report directly to the Management Board are designed to ensure that there is integrity and accountability in respect of the finance function and financial reporting.

A system of standards and policies (e.g. accounting standards, payment guidelines, travel policy) is in place and constantly updated. Various checklists and descriptions of procedures are also available.

The areas involved in the financial reporting process are equipped with the necessary resources in terms of both quality and quantity.

Specific training and professional development courses generate a high degree of quality awareness among all those involved in the process throughout the Group network.

Incoming and outgoing accounting data is subject to regular random checks to ensure that it is complete and accurate. Software is used to carry out in-built validation checks, for example as part of payment runs.

Controls have been integrated into the important processes relevant to financial reporting (e.g. checking by a second member of staff, analytical checks).

The Company’s clearly defined work processes and the way in which it documents and follows up on all matters that have to be posted make it possible for all items to be entered in the bookkeeping system and properly checked in terms of calculation and content.

The Group reporting system is updated and continually enhanced centrally at holding company level, where ongoing contact with the finance directors or chief financial officers at the Group subsidiaries is also maintained. Interim Group reporting in accordance with IFRS, including the reconciliation of intercompany charges in accordance with HGB, AktG and WpHG, is consolidated on a quarterly basis.

The finance function, which acts as a direct point of contact for financial reporting and Group financial statements for the Management Board and the directors/managing directors of the subsidiaries, prepares and compiles the consolidated financial statements in accordance with IFRS. The finance function also acts as a central contact point at Group level for special issues in the Group, such as specific accounting questions. Ad hoc analysis requested by the Management Board during the year is also carried out by the finance function.

Because all Group companies are required to report their financial results to the Group parent company in a standard format every month of the year, deviations of actual figures from the budget during the year are identified quickly and it is possible to take appropriate swift action.

Processes connected with financial reporting are regularly reviewed for efficiency and effectiveness.

As far as possible, standard software is used for the Company's financial systems.

The IT systems used for financial reporting purposes are protected by special security devices against unauthorised access in order to ensure that accounting-related data cannot be accessed, used or altered by non-approved persons. Access authorisations are issued for specific functions. Only those areas that are responsible for recording the transactions concerned are given write access. Functions that process information use read-only access.

We centrally manage and monitor the relevant IT systems used in our financial reporting process, and we carry out regular system back-ups to prevent any data loss and system malfunctions as far as possible.

The material features of Hypoport SE's existing internal risk management system applicable to the (consolidated) financial reporting process are described below.

The objective of the risk management system is to identify potential risks at an early stage and, where possible, to take appropriate action to counter them as quickly as possible. The Management Board is responsible for setting up and monitoring the system. The risk management system is part of the Group's planning, control and reporting process.

The principles on which the risk management system is based include the responsibility of each employee to prevent losses to the Company, and they lay down certain procedures and aids for fulfilling this responsibility. This applies in particular to financial reporting.

Risk is assessed by comparing the likelihood of risks occurring with the potential losses they may cause, and outcomes of individual risks are collated to form a risk portfolio.

The risk management system includes quarterly reports that all departments, including financial reporting, are required to submit and a procedure for reacting quickly to sudden negative developments. Actions to avert or minimise risk are defined and categorised.

Notes on the material features of the internal control and risk management systems used by Hypoport SE and the Hypoport Group for the financial reporting process

Clearly defined areas of responsibility, in both financial reporting itself and in risk management and internal audit, as well as ensuring that the accounting function is adequately equipped with the necessary human and material resources, enable all areas involved in the financial reporting process to work efficiently. Precise statutory and corporate rules and guidelines ensure that the financial reporting process is conducted consistently and properly. Clearly defined checking mechanisms (particularly checking by a second person) within the areas involved in the financial reporting process and the early identification of risk by the risk management function are designed to ensure that financial reports are error-free and coherent.

In particular, this ensures that financial reporting at Hypoport SE and across the Hypoport Group is carried out uniformly and in line with statutory requirements, generally accepted accounting principles, international accounting standards and Group policy. It also ensures that transactions are recorded, recognised and evaluated uniformly and accurately in all the Group financial reports that are published, so that the public is provided with complete, accurate information that is reliable and timely.

5. Opportunities

We assess and exploit the opportunities that arise for us and our business activities at all levels of the Group. We monitor trends and developments in our subsidiaries' markets, which enables us to identify operational opportunities. Our decentralised structures shorten our decision-making channels and, thanks to the individual subsidiaries' high level of autonomy, allow us to respond quickly to client preferences and market trends.

The level of excess demand in the German housing market has been rising for a number of years. Higher life expectancy, the growing number of one-person households, the now structural net inward migration to Germany over a number of years and a rise in the amount of living space per occupant of a property mean that there will be no let-up in the high level of demand for housing in the years ahead. The low proportion of home ownership (under 50 per cent) compared with other countries also creates a large group of prospective clients among current tenants who wish to escape the rental market, which is becoming ever narrower and more unattractive. Still moderate property prices in large parts of Germany compared with other European countries and rising rental prices could also encourage tenants to become owners. Given the situation in the mortgage finance market, the business models of the Hypoport Group offer growth opportunities for 2025, provided that this key market picks up more strongly than anticipated by the Management Board. Moreover, supply remains too inelastic, both in the rental accommodation market and in terms of the homes available to buy. This is a result of the lack of land for development, lengthy approval processes and capacity shortfalls in the construction industry.

Different experts put the housing shortfall at up to two million homes, above all in large metropolitan areas. Demand exceeds supply in all categories, from public housing to luxury apartments.

This has caused property prices all over Germany, but particularly in metropolitan areas, to rise for many years. The drop in prices from summer 2022 until the end of 2023 has made conditions for residential property purchases more attractive again over the medium term. Completions lag so far behind actual demand – particularly in metropolitan areas – that, all other things being equal, satisfying the pent-up demand would take several more years even in the unlikely event of a rise in construction activity. Prices for residential properties are therefore likely to go up in the years ahead.

Measures to improve the energy efficiency of the existing housing stock on the journey to climate-neutrality by 2045 in Germany also offer Hypoport companies significant potential for growth. A study by the German Housing and Property Companies Association (GdW) puts the need for investment in Germany's existing housing stock at around €3,000 billion.

In all the individual markets, the Group occupies a promising position from which to benefit from the expected market growth.

Further opportunities for the distribution of mortgage finance products will arise if we manage to increase the number of our advisors and/or enhance their productivity to a greater extent than planned. In recent years, we have made significant improvements in our sales support, particularly with regard to IT systems. We are constantly increasing the digitalisation of our distribution processes using new algorithms (artificial intelligence) and our wealth of data. End-to-end electronic processes along our entire value chain should allow us to continue making our advisors more productive, cut unit costs and enhance our attractiveness as a partner company.

The importance of innovative, professional financial product distributors who offer impartial advice and allow clients to select the best product for them will continue to grow. The successful sale of financial products and services will involve growing levels of complexity for all market participants, which will make it increasingly necessary for them to have automated, technologically advanced platforms like the ones that we offer to financial product distributors.

The highly fragmented market for financial advisors in Germany will continue to consolidate as a result of the minimum standards introduced for training, transparency and record keeping. Small independent brokers, in particular, are finding it increasingly difficult to implement the new requirements in a manner that is commercially viable for them, and are looking for bigger, more efficient and more powerful partners. Thanks to our digital platforms and our non-captive status, we remain in a good position in the market.

While continuously monitoring the market and competitive environment from the Company's various perspectives, Hypoport examines the market for potential acquisition targets, including among fintech, insurtech and proptech companies. An acquisition could create opportunities for enhanced revenue potential.

The opportunities described, and those of which we are not yet aware or have currently assessed as immaterial, could result in a positive deviation from the figures provided in our forecast.

Group Management Report
Hypoport SE annual report for 2024

III. Outlook

With regard to the outlook for the **market environments of the individual segments**, we anticipate the following:

We expect the industry-specific environment for the Real Estate & Mortgage Platforms segment to continue to improve as the long-term drivers of growth in the residential mortgage lending market in Germany remain intact. As described in the 'Sectoral performance – Housing market in Germany' section, demand for housing in Germany has exceeded supply in recent years. Given the upward trajectory of rents and a lack of rental properties being built, Hypoport therefore believes that demand will only be able to be met in the market for residential property ownership due to a lack of alternatives for consumers. In addition, factors such as the anticipated rises in household incomes and net inward migration to Germany, both driven by the shortage of skilled workers, remain intact. The upward trend in prices in the German housing market and the associated rise in the financing volume that began in 2024 should continue in 2025 in this environment.

Current interest rates, the second factor of relevance for the residential mortgage lending market, have stabilised in 2024 after trending downwards in 2023. Lower interest rates directly improve the affordability of residential properties. Hypoport believes that this trend should persist in 2025. Against the backdrop of the factors described above, we expect the volume of financing transactions for owner-occupied residential properties in Germany to rise noticeably in 2025. The overall market volume is likely to grow by around 10 per cent year on year to around €220 billion.

For the three markets of relevance to the Financing Platforms segment (the social housing sector, corporate finance and personal loans), Hypoport anticipates a sidewards trend following the weakness seen in 2023. At the time of preparation of this report, the outcome of the process for the formation of a new government following the general election in Germany on 23 February is still unclear. Consequently, the design of an attractive funding support landscape for sub-markets such as social housing and corporate finance is likely to be further delayed, impeding a recovery in these markets. In the prevailing environment of stagnating economic growth, consumers' demand for credit is likely to meet with limited risk appetite in the credit industry. Consequently, we do not expect this market to grow either in 2025.

The insurance market, which is of relevance for the Insurance Platforms segment, is expected to continue to trend sideways or slightly upward. In light of higher insurance premiums due to an inflation-induced rise in the cost of settling claims, the German Insurance Association (GDV) anticipates that premiums will go up by 5 per cent in 2025 compared with 2024.

Based on these sector-specific expectations for the relevant markets, the **outlook** for the three segments of the Hypoport Group and for the entire Group **in 2025** is as follows:

The focus in the Real Estate & Mortgage Platforms segment will be on gaining further market share. Especially in the mortgage finance business, this expansion will be both qualitative in nature, i.e. centred around the further development of existing partnerships, and quantitative with an increase in the number of partners. As a substantial number of partners have already been brought on board, the focus will increasingly shift towards the qualitative development of existing partnerships. Its transaction-based fee model makes the Europace platform very attractive in the current market environment compared with the high fixed IT costs of banks. The use of an external platform and the added flexibility associated with this also enables banks to tackle their more urgent problem of maturity transformation amid volatile interest rates. Moreover, we expect growth in the volume of transactions attributable to non-captive brokers using Europace to outstrip that of the market in 2025. This is because it is very beneficial for consumers to be able to have a non-captive advisor compare various finance options – particularly in a market where household budgets are tighter than before the rise in interest rates in 2022 and where property prices are likely to continue to climb.

For 2025, we therefore expect the overall Europace marketplace and the FINMAS (savings banks) and GENOPACE (cooperative banks) sub-marketplaces to make further gains in market share.

All in all, the Real Estate & Mortgage Platforms segment is expected to achieve double-digit percentage rates of growth in revenue and gross profit thanks to the upturn in the mortgage finance business. Moreover, the scalability of the platform business model and the reduction of losses in the property valuation business of Value AG are expected to unlock EBIT growth at a higher rate than revenue.

The Financing Platforms segment should benefit from acquisitions of new clients and the further qualitative development of relationships with existing clients, even though the market environment is not expected to provide any significant stimulus. Revenue and gross profit for the segment as a whole are expected to grow at double-digit percentage rates. The ERP solution for the housing sector is expected to generate the strongest revenue growth in percentage terms. Growth rates in the corporate finance product group will likely be low for the time being, due to the political environment. EBIT in the segment is projected to rise at a faster rate than revenue and gross profit.

Following the successful implementation of the strategic realignment in 2022 and 2023 and some early wins in 2024, the Company continues to project modest growth in revenue and gross profit and stable or slightly rising EBIT for the Insurance Platforms segment in 2025.

For 2025 as a whole, Hypoport projects revenue of at least €640 million, gross profit of at least €270 million and EBIT between €30 million and €36 million. These figures equate to year-on-year growth at double-digit percentage rates. This management report contains statements about macroeconomic and political developments as well as the future performance of Hypoport SE and its subsidiaries. These statements are assessments that we have reached on the basis of the information available to us at the present time. If the assumptions underlying these assessments do not prove to be correct or if risks occur, the actual results could deviate from the outcome we currently expect.

Lübeck, 11 March 2025

Hypoport SE – The Management Board

Ronald Slabke Stephan Gawarecki

Responsibility statement

“We assure that, to the best of our knowledge and in accordance with the accounting standards applied, the consolidated financial statements give a fair presentation of the Company’s financial position and financial performance, the group management report gives a fair presentation of the Hypoport Group’s business, profits and position and that the material opportunities and risks of its expected development are described.”

Lübeck, 11 March 2025

Hypoport SE – The Management Board

Ronald Slabke

Stephan Gawarecki

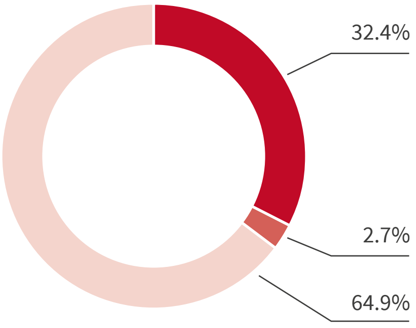
Shares and investor relations

Share price performance

Over the course of the 2024 trading year, Hypoport shares weakened by around 5 per cent in trading on Xetra and thus performed in line with the capital market environment for medium-sized companies in Germany (MDAX down by 6 per cent year on year, SDAX down by 2 per cent). The significant volatility of Hypoport’s share price (highest closing price: €345.40, lowest closing price: €158.40) reflects a typical response pattern for shares of a company whose key market is undergoing a turnaround (see the ‘Sectoral performance’ section). The daily volume of Hypoport shares traded on all German stock exchanges averaged €2.7 million in 2024 and was thus on a par with the previous year.

Performance of Hypoport shares (daily closing prices, Xetra, €) in 2024

Hypoport SE shareholder structure as at 28 February 2025:



Fixed ownership
Ronald Slabke (CEO)
Treasury shares

Free float
(more than 5% by Baillie Gifford,
more than 5% by BlackRock,
more than 3% by Allianz Global Investors,
more than 3% by Union Investment,
more than 3% by N. Schulmann, founder of FIO)

Research

Hypoport shares were covered by six professional banking institutions (Bankhaus Metzler, Berenberg, BNP Paribas Exane, Deutsche Bank, Pareto Securities and Warburg Research) in 2024. The analysts' latest assessments can be found at https://www.hypoport.com/investor-relations/research.

Activities in the capital markets

In addition to virtual meetings and investor meetings at Hypoport SE's offices, face-to-face discussions with institutional investors were also held at the roadshows and conferences listed below in 2024.

Location	Year
Chicago, Frankfurt (4x), Hamburg (2x), London (2x), Lyon, Mailand, Munich (2x), New York, Paris	2024
Boston, Frankfurt (3x), Ger/Aus/Swi, Hamburg, London (2x), Lyon, Munich (2x), New York, Paris, USA (Eastcost)	2023
Boston, Frankfurt (3x), Ger/Aus/Swi, Hamburg, London (2x), Lyon, Munich (2x), New York, Paris, USA (Eastcost)	2022

Designated Sponsoring

Designated sponsors enhance a share's liquidity by quoting binding prices at which they will buy and sell the share. As at 31 December 2024, the designated sponsor for Hypoport SE was ODDO BHF Corporates & Markets AG, Frankfurt am Main.

Key data on Hypoport's shares

WKN	549 336
ISIN	DE 000 549 3365
Stock exchange symbol	HYQ
Type	No-par-value shares
Number of shares	6,872,164 (as at 31.12.2024)
Subscribed capital	6,872,164.00 Euro (as at 31.12.2024)
Stock exchanges	XETRA, Frankfurt
Market segment	Regulated Market
Transparency level	Prime Standard
Membership of indices in 2024	SDAX / MDAX

Consolidated financial statements

IFRS consolidated income statement for the year ended 31 December 2024

	Notes	2024 €'000	2023 adjusted* €'000
Revenue	(3.1)	**560,684**	**493,891**
Commissions and lead costs	(3.2)	- 319,234	- 284,757
Gross profit		**241,450**	**209,134**
Own work capitalised	(3.3)	22,389	23,156
Other operating income	(3.4)	8,590	28,098
Personnel expenses	(3.5)	- 171,692	- 159,570
Other operating expenses	(3.6)	- 48,051	- 48,127
Income from companies accounted for using the equity method	(3.7)	1,700	- 549
Earnings before interest, tax, depreciation and amortisation (EBITDA)		**54,386**	**52,142**
Depreciation, amortisation expense and impairment losses	(3.8)	- 36,483	- 37,886
Earnings before interest and tax (EBIT)		**17,903**	**14,256**
Financial income	(3.9)	2,261	1,763
Finance costs	(3.9)	- 4,247	- 3,031
Earnings before tax (EBT)		**15,917**	**12,988**
Income taxes and deferred taxes	(3.10)	- 2,805	8,176
Net profit for the year		**13,112**	**21,164**
attributable to non-controlling interest	(4.13)	707	690
attributable to Hypoport SE shareholders	(3.11)	**12,405**	**20,474**
Earnings per share (€) (basic / diluted)	(3.11)	**1.85**	**3.07**

* The comparative figures were adjusted due to error corrections (see note 2.1)

Consilidated statement of comprehensive income for the period 1 January to 31 December 2024

	2024 €'000	2023 adjusted** €'000
Net profit (loss) for the year	13,112	21,164
Total income and expenses recognized in equity*	0	0
Total comprehensive income	13,112	21,164
attributable to non-controlling interest	707	690
attributable to Hypoport SE shareholders	12,405	20,474

* There was no income or expense to be recognized directly in equity during the reporting period.
** The comparative figures were adjusted due to error corrections (see note 2.1).

IFRS consolidated balance sheet as at 31 December 2024

Assets	Notes	31.12.2024 €'000	31.12.2023 adjusted* €'000	01.01.2023 adjusted* €'000
Non-current assets				
Intangible assets	(4.1)	354,232	351,094	347,128
Property, plant and equipment	(4.1)	68,004	67,272	95,582
Financial assets	(4.2)	751	1,207	961
Investments accounted for using the equity method	(4.3)	5,759	5,474	5,272
Trade receivables	(4.5)	2,489	4,254	6,844
Other assets	(4.6)	244	213	320
Deferred tax assets	(4.8)	27,144	21,996	15,819
		458,623	**451,510**	**471,926**
Current assets				
Inventories	(4.4)	522	935	1,065
Trade receivables	(4.5)	137,188	102,392	98,520
Trade receivables from joint ventures	(4.5)	0	1,300	1,683
Other assets	(4.6)	8,166	7,179	6,440
Current income tax assets	(4.7)	6,122	3,904	4,276
Cash and cash equivalents	(4.9)	86,252	96,658	29,947
		238,250	**212,368**	**141,931**
		696,873	**663,878**	**613,857**
Equity and Liabilities				
Equity				
Subscribed capital	(4.10)	6,872	6,872	6,493
Treasury shares	(4.12)	-184	-184	-189
Capital reserves	(4.13)	116,919	116,843	67,508
Revenue reserves	(4.14)	230,429	216,074	197,958
Equity attributable to non-controlling interests	(4.15)	3,756	3,039	2,298
		357,792	**342,644**	**274,068**
Non-current liabilities				
Financial liabilities	(4.16)	108,333	108,805	90,664
Rental charges and operating lease expenses	(4.16)	46,327	44,686	71,529
Provisions		0	0	47
Other liabilities	(4.17)	800	220	20,220
Deferred tax liabilities	(4.8)	15,944	18,060	23,901
		171,404	**171,771**	**206,361**
Current liabilities				
Provisions		0	497	533
Financial liabilities	(4.16)	20,486	20,748	16,924
Rental charges and operating lease expenses	(4.16)	9,576	9,333	8,545
Trade payables	(7.10)	100,797	79,936	71,251
Liabilities towards joint ventures	(7.3)	3,882	2,487	1,782
Liabilities towards shareholders	(7.3)	750	750	0
Current income tax liabilities	(4.8)	6,842	2,825	481
Other liabilities	(4.17)	25,344	32,887	33,912
		167,677	**149,463**	**133,428**
		696,873	**663,878**	**613,857**

* The comparative figures were adjusted due to error corrections (see note 2.1)

Consolidated financial
Hypoport SE annual report for 2024

Consolidated statement of changes in equity for 2023 and 2024

2023 €'000	Subscribed capital	Treasury shares	Capital reserves	Retained earnings	Equity attributable to Hypoport SE shareholders	Equity attributable to non–controlling interest	Equity
	(4.10)	(4.12)	(4.13)	(4.14)		(4.15)	
Equity 1 Jan 2023 as reported	6,493	-189	67,508	197,293	271,105	1,633	272,738
Changes due to error corrections*	0	0	0	665	665	665	1,330
Equity 1 Jan. 2023 adjustet	6,493	-189	67,508	197,958	271,770	2,298	274,068
Capital increase	379	0	48,863	0	49,242	0	49,242
Sales of own shares	0	5	472	55	532	0	532
Capital contributions	0	0	0	0	0	2,200	2,200
Change in scope of consilidation	0	0	0	-2,413	-2,413	2,413	0
Payouts	0	0	0	0	0	-4,562	-4,562
Total comprehensive income	0	0	0	20,474	20,474	690	21,164
Equity 31 Dec 2023 adjusted	**6,872**	**-184**	**116,843**	**216,074**	**339,605**	**3,039**	**342,644**

* The comparative information was adjusted due to error corrections (see note 2.1)

2024 €'000	Subscribed capital	Treasury shares	Capital reserves	Retained earnings	Equity attributable to Hypoport SE shareholders	Equity attributable to non–controlling interest	Equity
	(4.10)	(4.12)	(4.13)	(4.14)		(4.15)	
Equity as at 1 Jan 2024	6,872	-184	116,843	216,074	339,605	3,039	342,644
Sale of own shares	0	0	76	4	80	0	80
Share-based remuneration for employee	0	0	0	1,946	1,946	0	1,946
Capital transactions with minority shareholders	0	0	0	0	0	10	10
Total comprehensive income	0	0	0	12,405	12,405	707	13,112
Equity as at 31 Dec 2024	**6,872**	**-184**	**116,919**	**230,429**	**354,036**	**3,756**	**357,792**

Consolidated cash flow statement

	2024 €'000	2023 adjusted* €'000
Earnings before interest and tax (EBIT)	17,903	14,256
Non– cash income / expense	-7,334	-30,994
Interest received	2,261	1,762
Interest paid	-3,273	-1,936
Income taxes paid	-8,423	-3,495
Change in deferred taxes	7,265	12,018
Income from companies accounted for using the equity method	-1,700	548
Payouts from companies accounted for using the equity method	1,415	0
Depreciation and amortisation on non– current assets	36,483	37,886
Profit / loss from the disposal of non– current assets	-67	125
Cashflow	**44,530**	**30,170**
Increase / decrease in current provisions	-497	-36
Increase / decrease in inventories, trade receivables and other assets not attributable to investing or financing activities	-32,336	3,982
Increase / decrease in liabilities not attributable to investing or financing activities	28,502	2,696
Change in working capital	**-4,331**	**6,642**
Cash flows from operating activities	**40,199**	**36,812**
Payments to acquire property, plant and equipment / intangible assets	-28,585	-30,185
Proceeds from disposals of property, plant and equipment / intangible assets	184	261
Cash outflows for acquisitions less acquired cash	0	-750
Purchase of financial assets	-9,922	-419
Payments for investments in financial assets	-145	-80
Cash flows from investing activities	**-38,468**	**-31,173**
Repayment of lease liabilities	-10,165	-9,956
Proceeds from the drawdown of financial loans	20,000	40,000
Redemption of bonds and loans	-20,734	-18,046
Payments to non-controlling shareholders	-1,248	-2,027
Payments received from non-controlling shareholders	10	2,200
Proceeds from capital increases	0	50,000
Payments for issue costs	0	-1,099
Cash flows from financing activities	**-12,137**	**61,072**
Net change in cash and cash equivalents	-10,406	66,711
Cash and cash equivalents at the beginning of the period	96,658	29,947
Cash and cash equivalents at the end of the period	**86,252**	**96,658**

* The comparative figures were adjusted due to error corrections (see note 2.1)

Notes to the IFRS consolidated Financial Statements
Hypoport SE annual report for 2024

Notes to the IFRS consolidated Financial Statements

1. Basis of presentation

1.1 Business background and company-law information
Hypoport SE (referred to below as 'Hypoport'), whose registered office is located in Lübeck, Germany, is entered in the commercial register of the Lübeck local court under HRB 19859 HL. The Company's business address is Heidestrasse 8, 10557 Berlin, Germany.

As the parent company of the Hypoport Group, Hypoport SE is required by section 290 of the German Commercial Code (HGB) to prepare consolidated financial statements and a group management report. These consolidated financial statements cover the greatest and smallest group of companies for which consolidated financial statements are prepared that include Hypoport SE as the parent company. Because the Company's shares are listed in the Prime Standard segment of the Frankfurt Stock Exchange (WKN 549336), this obligation applies irrespective of whether certain minimum size criteria are met. As a parent entity that is listed on a stock exchange, the Company is obliged to prepare its consolidated financial statements in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union (EU). Pursuant to section 315e (1) HGB, it must also comply with supplementary provisions of the German Commercial Code.

Furthermore, a group management report has been added to the IFRS consolidated financial statements to meet the HGB requirements. The IFRS consolidated financial statements comprise the consolidated income statement, the consolidated statement of comprehensive income, the consolidated balance sheet, the consolidated statement of changes in equity, the consolidated cash flow statement and the notes to the consolidated financial statements. The disclosures required by section 315e (1) HGB are presented in the notes to the consolidated financial statements. The consolidated financial statements were completed on 11 March 2025 and are expected to be submitted to the Supervisory Board on 18 March 2025.

The consolidated balance sheet is broken down into current and non-current items in accordance with IAS 1.51 et seq.

The consolidated income statement is presented under the nature-of-expense method. In the consolidated income statement, selling expenses are stated as a separate line item and 'gross profit' has been added as a line item in order to account for the particular characteristics of the Hypoport Group's brokerage business.

The consolidated financial statements and the material separate financial statements for the entities included in the IFRS consolidated financial statements have been prepared in euros.

To improve clarity, all figures in the IFRS consolidated financial statements and the group management report are presented in thousands or millions of euros. We wish to point out that the application and aggregation of rounded amounts and percentages and the use of automated calculation methods may give rise to rounding discrepancies.

The financial year for all consolidated Group companies, including the joint ventures and associates, and the parent company is the same as the calendar year.

The Hypoport Group's presence in the market is based on various business models involving the development and marketing of technology platforms for the credit, property and insurance industries as well as advice on and brokerage of loans, insurance policies and investment products that do not constitute financial instruments pursuant to section 1 (11) of the German Banking Act (KWG).

These consolidated financial statements have been prepared on a going-concern basis.

1.2 Application of IFRS
All pronouncements by the International Accounting Standards Board (IASB) that were required to be applied in the EU as at 31 December 2024 have been adopted. All the principles of the Framework, the interpretations of the International Financial Reporting Standards Interpretations Committee (IFRS IC) and the earlier interpretations of the Standing Interpretations Committee (SIC) applicable at the balance sheet date have been applied.

Of the new requirements listed below that apply as of 2024, none materially impact the Group:

- Non-current Liabilities with Covenants (Amendments to IAS 1)
- Classification of Liabilities as Current or Non-current (Amendments to IAS 1)
- Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)
- Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)

Various new financial reporting standards, amendments to standards and interpretations have been published but their application is not mandatory for the year ended 31 December 2024 or they have not yet been adopted by the EU, and the Group has not chosen to adopt them early. With the exception of IFRS 18, the Group believes that these new requirements will not have a material impact on the current or future reporting periods and on foreseeable future transactions.

IFRS Standards

First-time Application	New or Amended Standards	Effect on the group
January 1, 2025	Lack of Exchangeability – Amendments to IAS 21	Insignificant
January 1, 2026	Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)	Insignificant
January 1, 2027	IFRS 18 Presentation and Disclosure in Financial Statements	Significant
January 1, 2027	IFRS 19 Subsidiaries that are not subject to public accountability: Disclosure	Insignificant
Still Open	Sale or Contribution of Assets between an Investor and an Associate or Joint Venture – Amendments to IFRS 10 and IAS 28	Insignificant

IFRS 18 will replace 'IAS 1 Presentation of Financial Statements' and will become applicable for reporting years beginning on or after 1 January 2027. The new standard introduces the following material new requirements:

- Companies are required to classify all items of income and expenses in the income statement into one of the five categories of operating, investing, financing, income taxes and discontinued operations. They are also required to present a subtotal for 'operating profit or loss'. There will be no change to the presentation of net profit for the period.
- Certain company-specific measures (so-called management-defined performance measures, MPMs) are presented in a separate disclosure in the notes to the financial statements.
- Better guidance is being provided on the aggregation of information within the financial statements.

Moreover, companies are required to use the new operating profit subtotal as the starting point for the indirect method of reporting cash flows from operating activities.

The Group is currently assessing the possible impact of the new standard, especially regarding the structure of the consolidated income statement, the cash flow statement and the additional disclosure requirements relating to MPMs. It is also reviewing the implications of the new standard for the way in which information is aggregated in financial statements, including items currently being referred to as 'other'.

1.3 Basis of consolidation

In addition to the parent company, Hypoport SE, the IFRS consolidated financial statements include 49 (2023: 51) domestic and international subsidiaries in which the Company directly or indirectly holds the majority of voting rights, three (2023: three) joint ventures and five (2023: five) associates.

The following table shows the entities included in the consolidated financial statements in addition to Hypoport SE.

Subsidiary	2024 Holding in %	2023 Holding in %
1blick GmbH, Lübeck[1)]	100.00	100.00
AmexPool AG, Buggingen[1)]	100.00	100.00
Ampr Software GmbH, Berlin[1)]	100.00	100.00
Baloise Service GmbH, Bayreuth	70.00	70.00
Bayreuth Am Pfaffenfleck 15 Objektgesellschaft mbH, Bayreuth[1)]	100.00	100.00
Bestkredit-Service GmbH, Lübeck[1)]	100.00	100.00
Corify GmbH, Berlin[1)]	100.00	100.00
Dr. Klein Finance S.L.U., Santa Ponca (Spain)	100.00	100.00
Dr. Klein Wowi Finanz AG, Lübeck[1)]	100.00	100.00
Dr. Klein Privatkunden AG, Lübeck[1)]	100.00	100.00
Dr. Klein Ratenkredit GmbH, Lübeck[1)]	100.00	100.00
Dr. Klein Wowi Digital AG, Berlin[1)]	100.00	100.00
epension GmbH, Berlin (formerly: ePension Holding GmbH, Berlin)[1)]	100.00	100.00
E&P Pensionsmanagement GmbH, Hamburg[1)]	100.00	100.00
Europace AG, Berlin[1)]	100.00	100.00
Europace Ratenkredit GmbH, Berlin (formerly: Hypoport Pluto Vorratsgesellschaft mbH, Berlin)	100.00	100.00
FIO SYSTEMS AG, Leipzig[1)]	100.00	100.00
FIO SYSTEMS Bulgaria EOOD, Sofia (Bulgaria)	100.00	100.00
FUNDINGPORT GmbH, Hamburg	60.00	70.00
Fundingport Sofia EOOD, Sofia (Bulgaria)	60.00	70.00
Future Finance SE, Lübeck[1)]	100.00	100.00
GENOPACE GmbH, Berlin	45.025	45.025
Growth Real Estate EOOD, Sofia (Bulgaria)	100.00	100.00
Hypoport B.V., Amsterdam (Netherlands)	100.00	100.00
Hypoport Financing Bündelungs-GmbH, Lübeck (formerly: Vergleich.de Versicherungsservice GmbH, Lübeck)[1)]	100.00	100.00
Hypoport Grundstücksmanagement GmbH, Berlin[1)]	100.00	100.00
Hypoport Holding GmbH, Berlin[1)]	100.00	100.00
Hypoport hub SE, Berlin[1)]	100.00	100.00
Hypoport InsurTech AG, Berlin (formerly: Hypoport Insurance AG, Berlin)[1)]	100.00	100.00
Hypoport I&P GmbH, Berlin[1)]	100.00	100.00
Hypoport Mortgage Market GmbH, Berlin (formerly: Hypoport Mortgage Market Ltd., Westport (Ireland))[1)]	100.00	100.00
Hypoport Real Estate & Mortgage AG, Berlin (formerly: Value AG the valuation group, Berlin)[1)]	100.00	100.00
Hypoport Sofia EOOD, Sofia (Bulgaria)	100.00	100.00
Maklaro GmbH, Hamburg[1)]	100.00	100.00
Maklaro NewCo GmbH, Hamburg[1)]	100.00	100.00
OASIS Software GmbH, Berlin[1)]	100.00	100.00

Subsidiary	2024 Holding in %	2023 Holding in %
Primstal - Alte Eiweiler Straße 38 Objektgesellschaft mbH, Nonnweiler[1)]	100.00	100.00
Qualitypool GmbH, Lübeck[1)]	100.00	100.00
REM CAPITAL AG, Stuttgart[1)]	100.00	100.00
sia digital GmbH, Berlin[1)]	100.00	100.00
Smart InsurTech AG, Berlin[1)]	100.00	100.00
source.kitchen GmbH, Leipzig[1)]	100.00	100.00
Starpool Finanz GmbH, Berlin[1)]	50.025	50.025
trinance GmbH, Lübeck[1)]	100.00	100.00
Value AG the valuation group, Berlin (formerly: Profit NewCo AG, Berlin)[1)]	100.00	100.00
Vergleich.de Gesellschaft für Verbraucherinformation mbH, Berlin[1)]	100.00	100.00
VS Direkt Versicherungsmakler GmbH, Bayreuth[1)]	100.00	100.00
Volz Vertriebsservice GmbH, Ulm[1)]	100.00	100.00
Winzer - Kneippstraße 7 Objektgesellschaft mbH, Berlin[1)]	100.00	100.00
Joint ventures		
Dutch Residential Mortgage Index B.V., Amsterdam (Netherlands)	50.00	50.00
FINMAS GmbH, Berlin	50.00	50.00
LBL Data Services B.V., Amsterdam (Netherlands)	50.00	50.00
Associated company		
BAUFINEX GmbH, Schwäbisch Hall	30.00	30.00
BAUFINEX Service GmbH, Berlin	50.00	50.00
ESG Screen17 GmbH, Frankfurt on the Main	25.10	25.10
finconomy AG, Munich	25.10	25.10
GENOFLEX GmbH, Nuremberg	30.00	30.00

1) These companies take advantage of the exemption provisions of Section 264 (3) of the German Commercial Code (HGB) regarding the preparation, audit, and disclosure of annual financial statements and management reports.

Despite a shareholding of less than 50 per cent, GENOPACE GmbH remains fully consolidated because it continues to have a profit-and-loss transfer agreement with Hypoport SE and is entirely dependent on the technology of the latter, meaning that Hypoport has control over significant activities of GENOPACE.

With the exception of the aforementioned joint ventures and associates (all accounted for under the equity method owing to lack of control) and two subsidiaries that are not consolidated on grounds of immateriality, all major Hypoport Group companies are fully consolidated. The entities that are not consolidated on grounds of immateriality are measured at amortised cost.

1.4 Principles of consolidation

The separate financial statements for the entities included in the Hypoport IFRS consolidated financial statements and the separate financial statements for the parent are prepared to the same balance sheet date using uniform accounting policies.

The consolidated financial statements include Hypoport SE and the subsidiaries over which it exerts direct or indirect control. Control is generally deemed to be exerted by the entity that holds a majority of voting rights. Subsidiaries are fully consolidated from the date of acquisition, i.e. the date on which the Group acquires control. They are deconsolidated as soon as control by the parent comes to an end.

The Group uses the acquisition method for the recognition of business combinations if the acquired set of activities and assets meets the definition of a business and the Group obtains control as part of the transaction. When determining whether a certain set of activities and assets qualify as a business, the Group examines whether the acquired set of assets and activities has at least one input of resource and one substantive process and whether the acquired set is able to generate outputs.

The consideration provided as part of the acquisition and the acquired identifiable assets and liabilities are generally measured at fair value. Goodwill arising from the transaction is tested for impairment annually. Any profit resulting from an acquisition at a price below the market value is recognised in the income statement on the acquisition date. Transaction costs are recognised as an expense when they arise, unless they relate to the issuance of debt instruments or shares.

Any contingent consideration is measured at fair value as at the date of acquisition. If contingent consideration is classified as equity, it is not remeasured and settlement of the equity-classified contingent consideration is accounted for within equity. Otherwise, any other contingent consideration is measured at fair value at each reporting date and changes in the fair value of the contingent consideration must be recorded in profit or loss.

Subsidiaries are companies that are being controlled by the Group. The Group controls an investee company when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The financial statements of subsidiaries are incorporated into the consolidated financial statements from the point in time when the Group gains control of the subsidiary and until such time as the control ends.

Non-controlling interests are initially measured at their proportionate share of the fair value of identifiable net assets of the acquired subsidiary as at the date of acquisition. Any change in the Group's ownership interest in a subsidiary that does not result in a loss of control is accounted for as an equity transaction. Non-controlling interests in the equity and profit or loss of companies controlled by the parent company are shown separately in the consolidated financial statements. If the Group loses control of a subsidiary, it derecognises the assets and liabilities of the former subsidiary from the consolidated balance sheet along with any associated non-controlling interests and other equity components. Any gain or loss associated with the loss of control is recognised in profit or loss. Any investment retained in the former subsidiary is measured at fair value as at the date of the loss of control.

Investments of the Group that are accounted for under the equity method include investments in associates and in one joint venture. Associates are companies over which the Group has significant influence but which are not controlled by the Group or being managed jointly in terms their financial and operating policies. A joint venture is a joint arrangement whereby the Group has joint control of the arrangement and rights to the net assets of the arrangement, rather than having rights to the assets and obligations for the liabilities relating to the arrangement. Investments in associates and in the joint venture are accounted for under the equity method. They are initially recorded at acquisition cost including transaction costs. After their initial recognition, the Group records its proportionate share of its equity-accounted investees' comprehensive income in its consolidated financial statements until such time as the significant influence or joint management ends. Changes in the proportion of equity, including write-downs on goodwill, are recognised in profit (loss) from equity-accounted long-term equity investments. If the Group's share in a loss relating to a joint venture is equivalent to or exceeds its original interest in the entity (including other unsecured receivables), no further losses are reported. Further losses are only reported if obligations have been assumed for the joint venture or payments have been made on its behalf.

Long-term equity investments that have a minor impact on the Group's financial position and financial performance individually and whose impact is immaterial overall, are included in the consolidated financial statements at acquisition cost minus impairment losses.

The assets and liabilities in step acquisitions are recognised at their fair value at the acquisition date. Existing investments are measured at fair value through profit or loss. Goodwill is determined at the acquisition date.

Trade receivables, loans and other receivables are fully offset against the corresponding liabilities and provisions as part of the elimination of intercompany balances between the subsidiaries included in consolidation.

Intercompany balances and transactions and all unrealised income and expenses (except expenses or income from foreign-currency transactions) from intercompany transactions are eliminated when preparing the consolidated financial statements. Material intercompany profits and losses resulting from goods supplied or services rendered within the Hypoport Group are fully eliminated.

1.5 Currency translation

Transactions in foreign currencies are translated into the relevant Group company's functional currency at the spot rate on the day of the transaction. Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated into the functional currency as at the closing rate. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated at the exchange rate as at the date of calculation of the fair value. Non-monetary items that are measured at historical cost in a foreign currency are translated at

the exchange rate as at the date of the transaction. Exchange differences are generally recorded in the profit or loss for the period and reported under finance costs.

1.6 Use of judgement and estimates and determination of fair values

As part of the preparation of the consolidated financial statements, the Management Board is required to use its judgement and estimates in relation to the future. These judgements and estimates have an impact on the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The actual results may diverge from these estimates. Estimates and the assumptions that underlie them are reviewed on an ongoing basis.

Use of judgement

Information on the instances where the use of judgement in the application of accounting policies had the most material impact on the amounts recorded in the financial statements is provided in the following notes to the financial statements:

Note 2.18: Judgement that Hypoport companies act as a principal in relation to certain types of revenue from commission-based business and judgement relating to the point of recognition of such revenue.
Note 2.2: Capitalisation and useful life of development costs for internally generated intangible assets.
Note 1.3: Consolidation: determination whether de facto control is being exerted over a subsidiary.
Note 2.9: Lease term: determination whether it is reasonably certain that an extension option will be exercised.

Assumptions and estimation uncertainties

Information on assumptions and estimation uncertainties as at the reporting date that may give rise to a significant risk of material adjustments to the carrying amounts of stated assets and liabilities becoming necessary within the next reporting year is provided in the following notes to the financial statements:

Note 2.18: Revenue recognition: estimation of variable compensation for certain types of revenue from commission-based business.
Note 2.8: Recognition and measurement of deferred tax assets: availability of future taxable profit against which deductible temporary differences and tax loss carryforwards can be utilised.
Note 2.2: Impairment test for intangible assets and goodwill: material assumptions underlying the calculation of the recoverable amount, including the recoverability of development costs.
Note 2.7: Valuation of impairment loss to be recognised on expected credit losses from trade receivables and contract assets: key assumptions used to determine the weighted average loss rate.
Note 1.4: Acquisition of subsidiaries: determination of the fair value of the consideration provided (including contingent consideration) and determination of the fair value of identifiable acquired assets and assumed liabilities.

Determination of fair values

A number of the Group's accounting policies and disclosures require the determination of the fair value of financial and non-financial assets and liabilities. The Group has defined a control framework for the determination of fair values. This includes a measurement team that bears the overall responsibility for monitoring all material fair value measurements, including level three fair values, and reports directly to the Chief Financial Officer.

Material aspects of the measurement process are reported to the Audit Committee.

As far as possible, the Group uses data observable in the market when determining the fair value of an asset or liability. Based on the input factors used in the valuation techniques, the fair values are allocated to different levels of the fair value hierarchy:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities
Level 2: Measurement parameters other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as a price) or indirectly (i.e. as an input derived from prices)
Level 3: Measurement parameters for assets or liabilities that are not based on data observable in the market

Further information on assumptions used to determine fair values can be found in the following notes to the financial statements:

Note 7.7: Share-based payment agreement (Level 1)
Note 7.11: Financial instruments (Level 3)
Notes 1.7, 7.11: Acquisition of subsidiaries (Level 3)

1.7 Changes to the basis of consolidation; corporate transactions

In 2024, the scope of consolidation changed as follows:

Hypoport Real Estate & Mortgage Bündelungs GmbH, Berlin, merged with Hypoport Real Estate & Mortgage AG, Berlin.

ePension GmbH & Co. KG, Hamburg, was dissolved by accrual of the limited partner's shares to ePension GmbH, Berlin.

ePension Verwaltungs-GmbH, Hamburg, merged with ePension GmbH, Berlin.
Maklaro NewCo. GmbH, Hamburg, was founded. The purpose of this company is trading and brokerage of real estate and related services and the development and distribution of software products in the housing and real estate sectors.

In the reporting period, a payment of €0.8 million was made under a debtor warrant in connection with the acquisition in prior years of REM CAPITAL AG. No business combinations within the meaning of IFRS 3 took place in 2024.

2 Accounting policies

2.1 Correction of errors

As part of the preparation of the consolidated financial statements for the year ended 31 December 2024, the need to correct the errors described below was identified in accordance with IAS 8. The errors have been corrected with retrospective effect in accordance with the provisions of IAS 8.42, 8.43 and 8.46:

1. As part of a detailed analysis of the recognition of revenue under IFRS 15 in connection with requirements for consistent groupwide measurement (IFRS 10.19), it was identified that Starpool Finanz GmbH (part of the Real Estate & Mortgage Platforms segment) – taking account of the indicators defined in IFRS 15.B37 for performance obligations for which payment has been made – had not separately reported commission income for loan brokerage and the corresponding expense for commission to other distribution partners (net method), despite the requirements for use of the gross method of accounting being met. Likewise, trade receivables (from product partners) and trade payables (to distribution partners) were not being separately reported. The subsidiary in question had also previously not recorded revenue from commission for loan brokerage for fulfilled performance obligations for which payment by the client was outstanding as at the reporting date. These errors have been corrected. As a result of the corrections, revenue (from commission for loan brokerage) for the period from 1 January to 31 December 2023 increased by €134.0 million and expenses for commissions and lead costs (commissions to other distribution partners) for the period from 1 January to 31 December 2023 increased by €133.0 million (adjustment from net method to gross method of accounting). Trade receivables as at 31 December 2023 increased by €27.4 million and trade receivables as at 1 January 2023 by €21.6 million, while trade payables as at 31 December 2023 increased by €24.4 million and trade payables as at 1 January 2023 by €19.6 million. The effect of the correction of errors amounts to an increase of €1.0 million in gross profit and €1.0 million in earnings before interest and tax (EBIT) for the period from 1 January to 31 December 2023. Taking into account the tax effects of €0.3 million, net profit for the year was corrected upward by €0.7 million. Approximately half of this increase in net profit is attributable to non-controlling interests.

2. At the subsidiaries Dr. Klein Privatkunden AG and Qualitypool GmbH (both part of the Real Estate & Mortgage Platforms segment), it was identified that receivables and liabilities for fulfilled performance obligations in connection with revenue from loan brokerage were being offset despite the requirements for offsetting in accordance with IAS 1.32 not being met. This error has been corrected. As a result of the correction of this error, trade receivables and trade payables as at 31 December 2023 each increased by €10.8 million and trade receivables and trade payables as at 1 January 2023 each increased by €8.7 million. The correction of this error has no impact on earnings before interest and tax (EBIT).

The table below summarises the indirect and direct effects of all corrections of errors:

Adjustments of previous year figures

	Effects of Error Correction		
Consolidated Balance Sheet **January 1, 2023**	**As reported €'000**	**Adjustments €'000**	**Adjusted €'000**
Trade receivables (current)	68,279	30,241	98,520
thereof Dr. Klein Privatkunden AG and Qualitypool GmbH		8.750	
Trade payables (current)	42,910	28,341	71,251
thereof Dr. Klein Privatkunden AG and Qualitypool GmbH		8.750	
Deferred tax liabilities	23,331	570	23,901
Retained earnings	197,293	665	197,958
Non-controlling interests	1,633	665	2,298
Equity	272,738	1,330	274,068
December 31, 2023			
Trade receivables (current)	64,288	38,104	102,392
thereof Dr. Klein Privatkunden AG and Qualitypool GmbH		10.762	
Trade payables (current)	44,690	35,246	79,936
thereof Dr. Klein Privatkunden AG and Qualitypool GmbH		10.762	
Deferred tax liabilities	17,203	857	18,060
Retained earnings	215,073	1,001	216,074
Non-controlling interests	2,039	1,000	3,039
Equity	340,643	2,001	342,644
Consolidated Statement of Comprehensive Income **January 1 to December 31, 2023**			
Revenue	359,893	133,998	493,891
Commissions and lead costs	151,717	133,040	284,757
Earnings before interest, taxes, depreciation (EBITDA)	51,184	958	52,142
Earnings before interest and taxes (EBIT)	13,298	958	14,256
Earnings before taxes (EBT)	12,030	958	12,988
Income taxes and deferred taxes	8,463	-287	8,176
Consolidated net income and total income	20,493	671	21,164
of which attributable to non-controlling interests	355	335	690
of which attributable to the shareholders of Hypoport SE	20,138	336	20,474
Earnings per share in EUR (basic/diluted)	3.02	0.05	3.07
Consolidated Cash Flow Statement **January 1 to December 31, 2023**			
Cash flow before working capital	29,212	958	30,170
Change in working capital	7,600	-958	6,642

2.2 Intangible assets

Goodwill arising on the consolidation of subsidiaries, capitalised development costs in connection with the development and refinement of transaction platforms, patents, software, licences and similar rights are reported under intangible assets. Any intangible assets acquired are reported at cost at the date of acquisition.

All intangible assets, with the exception of goodwill, have a finite useful life. They are amortised on a straight-line basis over the period of their use. The useful lives applied to these assets range from three to 15 years. If there are any indications of impairment, amortisable intangible assets are subjected to an impairment test and, where required, an impairment loss is recognised to ensure that the carrying amount of the asset is reduced to the recoverable amount in accordance with IAS 36.

All amortisation expense and impairment losses on intangible assets are reported in the income statement under depreciation, amortisation expense and impairment losses.

Goodwill is not amortised. Instead, an impairment test is carried out in accordance with IAS 36 once a year (or in the intervening period if there are indications of impairment) and, where required, an impairment loss is recognised to ensure that the carrying amount of the asset is reduced to its recoverable amount (impairment-only approach).

An impairment loss is recognised in income if the recoverable amount for the asset is below the carrying amount. The recoverable amount is based on the value in use. The cash flows are derived from the Company's five-year strategic plan. This plan is based on expertise gained in the past, the latest financial results, and the strategic plan adopted. It takes appropriate account of sectoral and macroeconomic trends (such as developments in the housing market, movements in interest rates, regulation of the financial markets, changes in state pension and healthcare systems, etc.) as well as historical developments. The annual plans are based on certain bottom-up assumptions for the entire Hypoport Group. Certain cash flow parameters (such as depreciation, amortisation, impairment and taxes) are determined on the basis of defined criteria. Cash flows for post-planning periods are calculated using the annuity method; a growth rate of 1.0 per cent was applied under this method in 2024 (2023: 1.0 per cent). The cash flows are then discounted back to the balance sheet date using a discount rate that reflects the risks specific to the asset. The discount rate is based on the weighted average cost of capital (WACC). This interest rate reflects current market assessments of the effect of the time value of money as well as the risks specific to the cash-generating unit (CGU). As required by IAS 36, the Company determines the applicable WACC by using market information that is based on a peer group of Hypoport. This market information consists of beta factors, gearing levels, and market interest rates on loans.

In order to calculate the WACC, the Company also performs sensitivity analysis in which it makes assumptions that differ from its original estimates; Hypoport considers these assumptions to be improbable but still possible. In doing so, the Company factors in uncertainty in the form of estimates and carries out additional impairment tests for scenarios that are less favourable than estimated. These scenarios verified the recoverability of goodwill in particular in each case. The continued validity of the parameters used was monitored by the Management Board between the end of the reporting year and the date on which the consolidated financial statements were prepared.

If impairment is identified, an impairment loss is first recognised for any available goodwill in the cash-generating unit concerned. Any residual amount is then allocated pro rata to the other assets in the cash-generating unit concerned. If the reasons for a previously recognised impairment loss no longer exist, the impairment loss is reversed (except in the case of goodwill), but the reversal cannot result in a carrying amount that is higher than the amortised carrying amount that would have applied if the impairment loss had never been recognised.

Provided the criteria under IAS 38 are met, development costs are capitalised at cost if the development costs can be measured reliably, the product or process is suitable from a technical and commercial perspective, there is a strong prospect of future economic benefits and the Group has both the intention and the resources required to complete the development and use or sell the asset. If the criteria for capitalisation are not satisfied, the costs are expensed as incurred.

The capitalised development costs comprise all costs directly attributable to the development process plus an appropriate portion of development-related overheads. Software platforms are amortised on a straight-line basis from the point at which they come into operation over an estimated useful life of ten years if they are being used for the first time or five years in the case of enhancements. Capitalised development costs that are not yet amortised are tested for impairment annually in accordance with IAS 36.

At the start of the year, the Group reviewed the useful life of the WOWICONTROL and WOWIFIN software applications in the Financing Platforms segment. In the past, the estimated useful life had been assumed to end on 31 December 2028. Based on market experience, it is now expected that these software applications can be used until 31 December 2032 and 31 December 2033 respectively. The resulting lower amortisation expense in 2024 was €460 thousand. The impact of this change on the actual and expected amortisation expense for future years is as follows:

Depreciation in €'000	2024	2025	2026	2027	2028	Later
(Reduction) increase in depreciation and amortisation	(460)	(269)	(64)	21	148	624

2.3 Property, plant and equipment

Property, plant and equipment is recognised at cost net of accumulated depreciation and accumulated impairment losses. Property, plant and equipment is depreciated on a straight-line basis over its estimated useful life. Useful lives of between three and 15 years are applied to these assets.

If there are any indications of impairment, an impairment test is carried out. If the recoverable amount of an asset is less than its carrying amount, an impairment loss is recognised to reduce the carrying amount to the recoverable amount in accordance with IAS 36. If the reason for a previously recognised impairment loss no longer exists, the impairment loss is reversed such that the carrying amount of the asset is restored to the amount that would have been determined (net of depreciation) had no impairment loss been recognised for the asset in prior years.

2.4 Inventories

Inventories are measured at the lower of cost and net realisable value. In the case of manufactured goods, their cost includes the directly attributable production costs and an appropriate share of the production overheads at normal operating capacity.

The cost of performance of certain services that fall under the requirements of IFRS 15 for revenue recognition (see 2.18) are also recognised under inventories by the Group.

2.5 Borrowing costs

Borrowing costs that are directly allocable to the acquisition, construction or manufacture of a qualifying asset are capitalised as part of acquisition and manufacturing costs. All other borrowing costs are expensed as incurred.

2.6 Financial assets

Financial assets include trade receivables, receivables from banks, cash on hand and marketable securities.

Trade receivables are recognised from the date on which they arise. All other financial assets are initially recognised on the trading day when the Company becomes a party to the contract under the contractual terms of the relevant instrument. A financial asset (except a trade receivable without a significant financing component) is measured at fair value upon initial recognition. For any item that is not measured at fair value through profit or loss (FVTPL), the transaction costs directly attributable to its acquisition or disposal are added or deducted as appropriate. Trade receivables without a significant financing component are measured at the transaction price upon initial recognition.

The Group's financial assets are classified as either measured at amortised cost or at FVTPL.
Financial assets are not reclassified after their initial recognition unless the Group changes its business model for the management of financial assets. In this event, all affected financial assets are reclassified on the first day of the reporting period following the change in business model.
A financial asset is measured at amortised cost if it has not been classified as measured at FVTPL and the following two conditions are met:

- It is being held under a business model aimed at holding financial assets to collect contractual cash flows.
- The contractual terms of the financial asset trigger cash flows at specific points in time that constitute solely payments of principal and interest (SPPI criterion) on the total principal outstanding.
- All financial assets of the Group that do not meet the aforementioned criteria are classified as measured at FVTPL and currently include equity investments in companies that do not involve control or significant influence.

2.7 Impairment of financial assets

The Group recognises impairment losses for expected credit losses (ECL) on financial assets measured at amortised cost ('cash and cash equivalents' and 'trade receivables and other receivables'), on contract assets and on lease receivables. The expected credit loss is the probability-weighted estimate of the credit loss. The dominant factor for the Group's credit risk exposure is the default risk associated with the industry in which its clients operate.

The Group measures the size of impairment losses based on the amount of the expected credit loss over the term to maturity, except for the following impairment losses, which are measured by the amount of the twelve-month expected credit loss:

Debt instruments with a low default risk as at the balance sheet date.

Other debt instruments and bank balances whose default risk (e.g. the credit default risk over the expected term to maturity of the financial instrument) has not increased significantly since their initial recognition.

Impairment losses on trade receivables (including lease receivables) and on contract assets are always measured on the basis of the amount of the expected credit loss over the term to maturity. The twelve-month expected credit loss is the proportion of the expected credit loss resulting from defaults that may occur within twelve months from the balance sheet date (or a shorter period of time if the expected term to maturity of the relevant instrument is less than twelve months).

In the event of a significant rise in credit risk or the default of a financial asset, the impairment loss is measured on the basis of the amount of the expected credit loss over the entire term to maturity. The Group deems the default risk of a financial asset to have risen significantly if it is more than 30 days overdue. The Group treats a financial asset as in default if it is unlikely that the debtor will be able to repay its credit obligation to the Group in full without the Group needing to resort to measures such as using collateral (if available), or if the financial asset in question is more than 90 days overdue.

At every balance sheet date, the Group assesses whether a financial asset held at amortised cost has become impaired. A financial asset is deemed to be impaired if one or multiple incidents have occurred that adversely affect the expected future cash flows in respect of the financial asset. Indicators for impairment of a financial asset include the following observable data:

- Significant financial difficulties experienced by the debtor,
- A breach of contract such as a default or a payment being overdue by more than 90 days,
- A high likelihood of the debtor entering insolvency proceedings or another form of financial reorganisation.

2.8 Recoverability of deferred tax assets

The Company reviews its deferred tax assets at each reporting date to identify any impairment. This assessment requires the senior management team to make assumptions about the level of future taxable profit as well as further positive and negative influencing factors. The actual utilisation of deferred tax assets depends, among other factors, on the Company's ability to generate the necessary taxable profit in future so that it can take advantage of tax loss carryforwards and tax allowances before they expire. Although loss carryforwards can still be carried forward indefinitely in Germany, annual utilisation in Germany is restricted by minimum taxation requirements. In the year under review, the existing limit on offsetting losses imposed by the minimum taxation requirement meant that capitalisation restrictions for deferred taxes relating to losses were taken into account when offsetting deferred tax assets against deferred tax liabilities.

Having conducted this review, the Group recognised deferred tax assets worth €27.144 million as at 31 December 2024 (31 December 2023: €21.996 million). Because of the minimum taxation stipulations in Germany, no reduction in deferred tax assets needed to be recognised in 2024 or 2023.

The total amount of deferred tax assets recognised might be reduced if future taxable profit or income turns out to be lower than expected or if amendments to tax legislation limit the utilisation of tax loss carryforwards or tax allowances in terms of their timing or amount. Conversely, the total amount of deferred tax assets recognised would have to be increased if future taxable profit or income turned out to be higher than expected.

2.9 Leases

The IFRS 16 standard on leases includes a uniform lease accounting model for lessees, in which assets for the right to use an underlying asset and the corresponding lease liabilities have to be recognised. Lessees do not have to distinguish between operating leases, for which assets and liabilities are not recognised, and finance leases. IFRS 16 gives the option of an exemption from the requirement to recognise short-term leases and leases for low-value leased assets. For short-term leases (defined as leases that have a term of twelve months or less) and leases for low-value leased assets (such as tablets and PCs, small items of office equipment and telephones), Hypoport recognises the lease payments under other expenses on a straight-line basis over the lease term. Lessors have to distinguish between operating leases and finance leases. The Hypoport Group acts as lessor in subleases, which are classified as operating leases, as they do not entail the transfer of essentially all risks and opportunities associated with ownership.

Lease liabilities are recognised at the present value of the remaining payment obligation. They are subsequently recognised using the effective interest method. To determine their present value, the lease payments are discounted using an incremental borrowing rate of interest with similar risk and a similar term if it is not possible to determine the implicit interest rate. The short-term component of the lease liability, which has to be recognised separately on the balance sheet, is determined at the amount of the repayment portion for the next twelve months contained in the lease payments.

The initial value of the liability is also the basis for determining the cost of the right-of-use asset, which is shown under property, plant and equipment on the Hypoport Group's balance sheet. The cost of the right-of-use asset also takes account of any initial direct costs and costs expected in connection with restoration obligations, provided the costs do not relate to property, plant and equipment. Prepayments increase the initial value, while any lease incentives received reduce it. The Hypoport Group measures all right-of-use assets at amortised cost. The assets are depreciated under the straight-line method over the shorter of the lease term and the useful life of the identified asset. If events or changes in circumstances suggest that the assets might be impaired, they are tested for impairment in accordance with IAS 36.

When entering into leasing arrangements, the Hypoport Group draws on extension and termination options to ensure the necessary flexibility for its business. The accounting treatment of a lease largely depends on the estimated lease term. Lease terms are determined using all facts and circumstances that create an economic incentive to exercise existing options. The estimated term therefore also includes periods covered by extension options, provided the exercise of these options is reasonably certain. A change to the term is taken into account if there is a change in whether it is reasonably certain that an existing option will be exercised or not.

The Hypoport Group regularly enters into property leases and vehicle leases as a lessee. To ensure it has the necessary flexibility for its business, it agrees extension and termination options, particularly in the case of property leases. If the exercise of these options is reasonably certain, their exercise is factored into the determination of the lease term. Prescribed end dates for lease terms are taken into account in the case of vehicle leases. All material cash outflows are therefore taken into account in the measurement of the lease liability, corresponding to the right-of-use assets. Variable lease payments occur, and only on a small scale, in connection with property leases and take the form of index-linked lease instalments; the Hypoport Group does not provide any residual value guarantees. There were no material leasing arrangements that had been contractually agreed but where the lease had not yet commenced. The existing financial liabilities include covenants linked to financial key figures. The accounting treatment of leasing arrangements under the right-of-use asset model therefore affects the covenants, which are adjusted for the relevant effects resulting from IFRS 16.

The following amounts were incurred in connection with the Hypoport Group's leasing activities in 2024:

Nature of amount (€ million)	2024	2023
Depreciation for the right-of-use asset, according to the class of the underlying asset	10.4	10.1
thereof properties	7.7	7.4
thereof vehicles	2.5	2.3
thereof IT	0.2	0.4
Interest expenses for lease liabilities	1.0	1.1
Expense for short-term lease liabilities	10.2	10.0
Expense for lease liabilities involving low-value assets (contained in operating expences)	1.5	1.6
Total cash outflows for leases	11.4	11.7
Additions (previous year: disposals) to right-of-use assets	11.9	-16.3
Carrying amount after depreciation, impairment, and any reversals of impairment losses and after remeasurements and modifications	**51.9**	**50.4**
thereof properties	48.7	45.9
thereof vehicles	2.8	3.8
thereof IT	0.4	0.7

As at 31 December 2024, there were right-of-use assets amounting to €51.9 million (31 December 2023: €50.4 million) and, on the other side of the balance sheet, lease liabilities with a present value of €55.8 million (31 December 2023: €53.9 million). The short-term component of the lease liability stood at €9.6 million (31 December 2023: €9.3 million). The payment obligations were due as follows as at the reporting date:

	Minimum lease payments (without discounting)		Included interest component		Present values	
Payment Obligations (€ million)	2024	2023	2024	2023	2024	2023
Due in <= 1 year	10.6	10.3	1.0	1.0	9.6	9.3
Due in > 1 year and <= 5 years	33.4	30.0	2.0	2.1	31.4	27.9
Due in > 5 years	16.4	18.2	1.6	1.5	14.8	16.7
Total	**60.4**	**58.5**	**4.6**	**4.6**	**55.8**	**53.9**

2.10 Trade receivables and other assets

Trade receivables and other assets are recognised at amortised cost. Appropriate impairment losses are recognised to account for expected losses. Irrecoverable receivables are derecognised. Expenses for impairment losses recognised and for the derecognition of irrecoverable receivables are recognised in the other operating expenses line item in the consolidated income statement. Payments subsequently received for amounts that have already been derecognised are taken to income and offset against the impairment losses on trade receivables reported in the income statement.

All receivables due for payment in more than one year are classified in the Group as non-current. These receivables do not include a financing component and are therefore not discounted.

2.11 Cash and cash equivalents

Cash and cash equivalents comprise cash, demand deposits and overdraft facilities. Utilised overdraft facilities are shown on the balance sheet as liabilities to banks under current financial liabilities.

2.12 Treasury shares

Treasury shares in the parent purchased within the Group are deducted from equity at cost. Income or expense related to the purchase, sale, issue or recall of treasury shares is recognised directly in equity under reserves.

2.13 Provisions

A provision is recognised when an entity has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at their expected settlement value in accordance with IAS 37. The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation. Estimates of the outcome and financial impact of the obligation depend on management's assessment as well as empirical values obtained from similar transactions and, where necessary, appraisals provided by independent experts (such as lawyers). The underlying information includes information obtained as a result of events that occur between the end of the reporting period and the date on which the consolidated financial statements are prepared. Where the provision being measured involves a large population of events, the obligation is estimated by weighting all possible outcomes by their associated probabilities. Where there is a continuous range of possible outcomes, and each point in that range is as likely as any other, the mid-point of the range is used.

In cases where an obligation is expected to result in an outflow of resources after more than one year and if the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the liability. When estimating the future outflow of economic benefits, the Company factors in inflation assumptions where appropriate. Provisions for onerous contracts are measured at the lower of the expected cost of performing the contract and the expected cost of terminating it. Additions to provisions are recognised in profit or loss.

Accruals are reported under other liabilities.

If the amount of the obligation is reduced as a result of a change in assessments, the provision is reversed pro rata and recognised as income.

2.14 Financial liabilities

Financial liabilities include trade payables, liabilities to banks, contingent consideration and other liabilities.

As at 31 December 2024, contingent consideration from acquisitions amounted to €1.9 million (31 December 2023: €13.1 million).

Once they have been initially recognised, financial liabilities are measured at amortised cost under the effective interest method or at fair value through profit or loss.

Interest expense is recognised under the effective interest method.

2.15 Trade payables and other liabilities

Liabilities are recognised when Hypoport becomes a party to a contract and thus becomes legally obligated to deliver payment.

Other current liabilities are recognised at their repayment or settlement value. Non-current liabilities are generally recognised at amortised cost using the effective interest method. Liabilities are classified as non-current if the agreement concerned does not require repayment within twelve months.

2.16 Contingent liabilities

In accordance with IAS 37.27, contingent liabilities are not recognised on the balance sheet. However, contingent liabilities are disclosed in the notes unless the possibility of an outflow of resources embodying economic benefits is remote.

2.17 Employee benefits

The employees in the Group are for the most part insured under the mandatory statutory pension insurance scheme and therefore pay into a government defined-contribution plan. The Group does not have any legal or constructive obligation under this pension entitlement to make any contributions over and above those required by the scheme. Contributions to defined-contribution plans are made in the year in which employees perform the work with which the contributions are earned. The Company also pays contributions to private pension insurance providers in line with statutory or contractual requirements or on a voluntary basis under a defined-contribution pension plan. Once the Company has paid these contributions it is not obliged to provide any further benefits. The regular contribution payments are recognised as personnel expenses for the respective year within EBIT.

When share-based payment agreements are granted to employees, their fair value as at the grant date is recognised as an equity-settled expense and equity is increased accordingly for the period during which the employees acquire an unrestricted entitlement to the instruments.

2.18 Recognition of revenue and expense

Revenue recognition

The Group generates revenue mainly from the provision of the following services:

- Brokerage of loans, insurance policies and support grants and loans (commission),
- Services including use of software, software development and valuation services,
- Generation and referral of leads (business contacts).

Revenue is measured on the basis of the consideration specified in the contract with the client. Revenue is recognised by the Group at the point when control over the services is transferred to the client. Performance obligations are deemed to be fulfilled and material payment obligations due at the points in time specified below.

Hypoport recognises revenue (commissions) from the brokerage of loans when the relevant loan agreement is signed. Special volume-related commissions are generally recognised when the relevant target figure is achieved.

Hypoport recognises revenue (commissions) from the brokerage of insurance contracts when the policy is issued. The Company recognises adequate provisions to cover its obligation to repay part of the commissions it has received in the event that brokered insurance contracts are terminated before they mature; these provisions for such cancellation risks are based on empirical values.

Hypoport recognises revenue (commissions) from the brokerage of support grants and loans when the relevant support agreement is signed. Advisory fees from the brokerage of support grants and loans are also recognised.

Hypoport acts as a principal when brokering loans, insurance products and support grants and loans.

Revenue arising on service transactions is recognised in proportion to the transaction's percentage of completion at the balance sheet date, provided that the amount of income and the percentage of completion at the balance sheet date are relatively certain. In the case of fixed-price contracts, revenue is recognised pro rata according to the proportion of the total services that have actually been rendered by the end of the reporting period. This is determined on the basis of the actual number of hours worked relative to the total number of hours expected to be worked. If the contract provides for a fixed hourly rate, the revenue is recognised in the amount that Hypoport is entitled to invoice. Clients are invoiced monthly, and the invoices are payable on receipt.

We recognise software revenue over the period of time during which the services are rendered. If our performance obligations include the granting of a right to continual access to our software and to the use of such software over a particular period, we recognise the revenue pro rata according to the time that has elapsed, i.e. in instalments over this period. As a rule, software support revenue is recognised pro rata according to the time that has elapsed and in instalments over the term of the support agreement. Hypoport recognises software service revenue over a particular period of time. In the case of services that are available at all times, Hypoport recognises the revenue pro rata according to the time that has elapsed, i.e. in instalments over the period of service provision.

Revenue from the generation and referral of leads is recognised as appropriate when the leads are supplied.

Expense
Commission, lead costs and other operating expenses are recognised when a service is used or at the point the expense is incurred.

The cost of fulfilling a contract is capitalised if it relates directly to a contract and future performance obligations and the cost is expected to be recovered in the future. The asset recognised in respect of the capitalised cost for the initiation or fulfilment of a contract is systematically amortised in line with the transfer of the services to which the asset relates. Assets recognised in respect of the capitalised cost for the initiation or fulfilment of a contract are subject to impairment testing.

2.19 Income taxes and deferred taxes
Current income taxes are calculated on the basis of the taxable income determined by the Company using the tax rates applicable at the balance sheet date.

Deferred taxes are determined using the comprehensive balance sheet method in accordance with IAS 12. Deferred income taxes represent the net tax expense/income in respect of temporary differences between the carrying amount of an asset or liability on the balance sheet and its tax base. Deferred taxes are recognised to account for timing differences between the carrying amount of assets and liabilities on the IFRS consolidated balance sheet and the corresponding balance sheet for tax purposes as a result of consolidation processes (with the exception of goodwill) and for recoverable loss carryforwards.

The accounting treatment of deferred tax assets on loss carryforwards still takes account of the minimum taxation requirement in circumstances where, in the absence of the expectation of future taxable earnings, deferred tax assets are only recognised in the amount of any excess of deferred tax liabilities over deferred tax assets.

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. At each balance sheet date, the Group reviews the carrying amount of deferred tax assets and reassesses unrecognised deferred tax assets; the amounts are remeasured, where required.

Hitherto unrecognised deferred tax assets are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered. On the other hand, the carrying amount of a deferred tax asset is reduced to the extent that it is no longer probable that sufficient taxable profit will be available against which the deductible temporary difference can be utilised, either as a whole or in part.

In accordance with IAS 12, deferred taxes are measured using the tax rates that are expected to apply to the period when the asset is realised or the liability is settled. The impact on deferred taxes of changes to tax legislation is recognised in income in the period in which the relevant tax law comes into force. Currently, the German companies in the Group are subject to an overall tax rate of 31 per cent, comprising the corporation tax rate, solidarity surcharge and an average trade tax rate. Non-German subsidiaries are currently subject to tax rates of between 10.0 per cent and 25.5 per cent.

Where there is any uncertainty concerning the tax circumstances of individual companies in the Group, deferred taxes on as yet unused tax loss carryforwards are determined on the basis of a limited planning horizon of five years. Tax provisions that limit the use of loss carryforwards in individual companies are also taken into account.

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3. Disclosures for individual items in the consolidated income statement

3.1 Revenue

The breakdown of revenue by segment is as follows:

Revenue by segment	2024 € million	2023* adjusted € million
Real Estate & Mortgage Platforms	419.1	357.3
Financing Platforms	74.8	70.6
Insurance Platforms	65.6	65.0
Holding	1.2	1.0
	560.7	**493.9**

* The comparative figures were adjusted due to error corrections (see note 2.1)

Brokerage of loans accounted for €389.4 million in 2024 (2023: €326.7 million).

Contractual balances

The table below provides an overview of receivables, contract assets and contract liabilities arising from contracts with clients:

Contracts	Notes	31.12.2024 €'000	31.12.2023 adjusted* €'000
Accounts Receivable (Long-term)	(4.5)	2,489	4,254
Accounts Receivable (Short-term)	(4.5)	137,288	102,392
Prepaid Commissions	(4.6)	1,281	314
Work in Progress	(4.4)	522	935
Commissions to be forwarded	(4.17)	1,152	473
Accrued Income	(4.17)	1,070	1,166
Received Advance Payments on Orders	(4.17)	354	874

* The comparative figures were adjusted due to error corrections (see note 2.1)

The amount of €2.040 million reported under contract liabilities as at 31 December 2023 was recognised as revenue in 2024.

As permitted by IFRS 15, no disclosures are made in respect of performance obligations outstanding as at 31 December 2024 or 31 December 2023 that have an expected original term of one year or less.

3.2 Commissions and lead costs

The table below shows the breakdown of commissions and lead costs.

Commissions and lead costs	2024 €'000	2023* adjusted €'000
Commissions	309,856	273,915
Lead costs	9,378	10,842
	319,234	**284,757**

* The comparative figures were adjusted due to error corrections (see note 2.1)

Commissions for brokerage of loans amounted to an expense of €274.6 million (2023: €207.0 million).

These commissions mainly included commission and other remuneration components for distribution partners. Lead costs represent the direct costs associated with lead business. Gross profit as reported in the income statement equates to revenue net of commissions and lead costs.

3.3 Own work capitalised

Own work capitalised of €22.4 million (2023: €23.2 million) comprises work on the development and enhancement of internally generated financial marketplaces. Of the total development costs of €45.2 million reported for 2024 (2023: €46.4 million) €22.8 million was expensed as incurred (2023: €23.2 million).

3.4 Other income

Other income mainly comprised income of €2.2 million (2023: €1.8 million) from subleases, income of €1.9 million (2023: €2.5 million) from the reversal of liabilities and income of €1.4 million (2023: €1.5 million) from employees' contributions for the use of their company car.

The following table provides a maturity analysis of receivables from subleases and lists the undiscounted sublease payments receivable after the balance sheet date:

Due dates for receivables from subleases	31.12.2024 €'000	31.12.2023 €'000
Less than one year	1,627	1,772
One to two years	938	1,520
Two to three years	427	829
Three to four years	69	341
More than four years	0	0
Total	**3,061**	**4,462**

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3.5 Personnel expenses

Personnel expenses are broken down as follows:

Personnel expenses	2024 €'000	2023 €'000
Wages and salaries	146,246	135,502
Social security contributions	24,730	23,344
Post-employment and other employee benefits	716	724
	171,692	**159,570**

Social security contributions include an expense of €10.9 million (2023: €10.3 million) for defined contribution pension plans.

3.6 Other expenses

The breakdown of other expenses is shown in the table below.

Other expenses	2024 €'000	2023 €'000
Operating expenses	9,108	9,839
Other selling expenses	6,152	5,480
Administrative expenses	27,852	26,525
Other personnel expenses	1,878	1,628
Other expenses	3,061	4,655
	48,051	**48,127**

The operating expenses consisted mainly of ancillary rental costs of €2.835 million (2023: €3.002 million) and vehicle-related costs of €2.719 million (2023: €2.894 million). Selling expenses related to advertising costs and travel expenses of €6.152 million (2023: €5.480 million). The administrative expenses largely comprised IT-related costs of €17.771 million (2023: €18.092 million) and legal and consultancy expenses of €4.749 million (2023: €3.247 million). The other personnel expenses mainly consisted of training costs of €1.415 million (2023: €1.089 million).

3.7 Profit (loss) from equity-accounted long-term equity investments

Profit (loss) from equity-accounted long-term equity investments relates to the pro rata net profit (loss) for the year of the three joint ventures FINMAS GmbH, LBL Data Services B.V. and Dutch Residential Mortgage Index B.V. as well as the five associates BAUFINEX GmbH, BAUFINEX Service GmbH, finconomy AG, ESG Screen 17 GmbH and GENOFLEX GmbH. As had also been the case in 2023, no impairment losses were recognised in the share of profit (loss) of equity-accounted investments.

Further disclosures regarding equity-accounted long-term equity investments can be found in note 4.3 'Equity-accounted long-term investments'.

3.8 Depreciation, amortisation expense and impairment losses

Of the depreciation, amortisation expense and impairment losses of €36.483 million (2023: €37.886 million), €23.842 million (2023: €25.005 million) was attributable to intangible assets and €12.641 million (2023: €12.881 million) to property, plant and equipment.

3.9 Net finance costs

The breakdown of net finance costs is as follows:

Net finance costs	2024 €'000	2023 €'000	Change €'000
Financial income			
Other interest and similar income	2,258	1,739	519
Income from other securities and lending of financial assets	2	23	-21
	2,260	**1,762**	**498**
Finance costs			
Interest expense and similar charges	3,643	3,030	613
Loss from investments	603	0	603
	4,246	**3,030**	**1,216**
	-1,986	**-1,268**	**-718**

The finance costs mainly comprise interest expense and similar charges of €2.508 million (2023: €1.769 million) incurred by the drawdown of loans and use of credit lines, and interest expense and similar charges of €973 thousand (2023: €1.095 million) from the unwinding of the discount on lease liabilities under IFRS 16. Other interest and similar income largely consists of interest income from investments totalling €1.977 million (2023: €1.518 million).

3.10 Income taxes and deferred taxes

This item includes current and deferred tax income and expense in the following amounts:

Income taxes and deferred taxes	2024 €'000	2023* €'000
Income taxes and deferred taxes	2,805	-8,176
thereof current income taxes	10,070	3,842
thereof deferred taxes	-7,265	-12,018
in respect of timing differences	1,460	-4,584
in respect of tax loss carryforwards	-8,725	-7,434

* The comparative figures were adjusted due to error corrections (see note 2.1)

Income taxes are recognised by the individual Group companies in accordance with applicable local legislation.

The current income tax expense increased year on year as a result of the stronger financial performance. A current income tax benefit of €43 thousand (2023: €1.141 million) relates to tax income from previous years.

The total losses carried forward for corporation tax and trade tax purposes at the reporting date amounted to €120.682 million (2023: €104.470 million) and €121.369 million (2023: €108.590 million) respectively. The loss carryforwards can be carried forward indefinitely in Germany and will be utilised within the Group during the forecast period. In 2024, no deferred tax assets were recognised on the losses carried forward for corporation tax and trade tax purposes. These losses amounted to €21.697 million (2023: €24.640 million) and €16.986 million (2023: €23.715 million) respectively. Restructuring within the Group is resulting in holding companies reporting high loss carryforwards that can increasingly be applied to the profits generated by the subsidiaries.

The tax rates computed on the basis of current legislation are unchanged year on year at 31.0 per cent for companies in Germany and between 10.0 per cent and 25.5 per cent for subsidiaries outside Germany. The average tax rate applied is 31.0 per cent.

Any payment of dividends to the parent companies' shareholders has no impact on income taxes. The table below reconciles the tax expense anticipated for 2023 and 2024 to the tax expense actually reported for those years.

Reconciliation of Expected to Actual Income Tax Expense	2024 €'000	2023* €'000
Earnings before tax	15,918	12,988
Tax rate to be applied	31.0%	31.0%
Expected tax expense	-4,935	-4,026
Effect of non-deductible expenses	-2,210	2,624
Effect of differing tax rates	229	808
Effect of using the equity method	228	-165
Tax expense / income for previous years	-43	1,141
Tax-related effect of loss carryforwards not previously recognised	4,136	1,624
Tax non-deductible business transactions	0	6,200
Other tax-related effects	-210	-30
Current tax expense	-2,805	8,176
Tax rate for the Group	17.6%	-62.9%

* The comparative figures were adjusted due to error corrections (see note 2.1)

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3.11 Earnings per share

The figure for earnings per share is determined in accordance with IAS 33. Basic earnings (loss) per share is calculated by dividing the net profit (loss) for the year attributable to the shareholders of Hypoport SE by the weighted average number of outstanding shares. Diluted earnings (loss) per share is calculated by dividing the net profit (loss) for the year by the total weighted average number of outstanding shares, adjusted for the dilutive effect of potential new shares. The figure for the earnings (loss) per share becomes diluted if the average number of shares is increased as a result of adding in the issue of potential shares in connection with options.

There was no dilutive effect in the current reporting period or in the previous year. The weighted number of outstanding shares is calculated on the basis of a daily balance.

Earnings Per Share	2024 €'000	2023* €'000
Net income for the year (€'000)	13,112	21,164
of which attributable to Hypoport SE stockholders	12,405	20,474
Basic weighted number of outstanding shares ('000)	6,688	6,668
Earnings per share (€) diluted / non diluted	**1.85**	**3.07**

* The comparative figures were adjusted due to error corrections (see note 2.1)

As a result of the issue of new shares and the release of treasury shares to employees, the number of shares in issue rose by 290 shares from 6,688,209 as at 31 December 2023 to 6,688,499 as at 31 December 2024.

3. Disclosures for individual items in the consolidated balance sheet

4.1 Intangible assets and property, plant and equipment

For information on the change in intangible assets and property, plant and equipment in the year under review, please see the consolidated statement of changes in non-current assets in the appendix to these notes.

Most of the intangible assets – with a carrying amount of €103.2 million (31 December 2023: €96.7 million) – related to internally generated financial marketplaces (development costs). Their remaining useful lives amounted to between one and ten years. The intangible assets are tested for impairment as part of the relevant cash-generating unit unless the intangible assets are no longer being used. In the latter case, they cease to form part of the cash-generating unit and impairment losses are recognised individually for these assets. Impairment losses of this type in an amount of €1.8 million (2023: €3.8 million) were recognised in the Real Estate & Mortgage Platforms segment.

The carrying amounts for goodwill as at 31 December 2024 related to goodwill arising on the first-time consolidation of subsidiaries. For the purposes of impairment testing, the goodwill has been assigned to the following cash-generating units, which reflect the operating segments in the Group:

Acquired goodwill €'000	Real Estate & Mortgage Platforms	Financing Platforms	Insurance Platforms	Holding	Total
Cost of acquisitions as at 1 January 2024	32,520	108,185	88,378	0	229,083
Additions	0	0	0	0	0
Cost of acquisitions as at 31 December 2024	32,520	108,185	88,378	0	229,083

Acquired goodwill €'000	Real Estate & Mortgage Platforms	Financing Platforms	Insurance Platforms	Holding	Total
Cost of acquisitions as at 1 January 2023	32,520	108,185	88,378	0	229,083
Additions	0	0	0	0	0
Cost of acquisitions as at 31 December 2023	32,520	108,185	88,378	0	229,083

The value in use of the segments is calculated as the present value of future cash inflows and outflows. These cash flows are discounted using an interest rate prevailing at the balance sheet date. The growth rates for external revenue for the detailed planning period 2025 to 2029 used in the discounted cash flow calculations were between 9.5 per cent and 18.9 per cent (2023: 10.3 per cent and 17.7 per cent) for the Real Estate & Mortgage Platforms segment, between 14.9 per cent and 24.2 per cent (2023: 13.3 per cent and 16.8 per cent) for the Financing Platforms segment and between 5.8 per cent and 14.0 per cent (2023: 7.0 per cent and 17.6 per cent) for the Insurance Platforms segment. The growth rates for segment earnings before interest and tax (EBIT) for the detailed planning period 2025 to 2029 used in the discounted cash flow calculations were between 16.5 per cent and 41.6 per cent (2023: 10.2 per cent and 459.1 per cent) for the Real Estate & Mortgage Platforms segment, between 27.6 per cent and 98.9 per cent (2023: 17.8 per cent and 70.1 per cent) for the Financing Platforms segment and between 19.5 per cent and 140.5 per cent (2023: 21.8 per cent and 187.0 per cent) for the Insurance Platforms segment. A growth rate of 1.0 per cent was used for cash flows beyond the planning period (2023: 1.0 per cent). The post-tax discount rates used to reflect the risks specific to the assets in 2024 were 9.14 per cent (2023: 8.57 per cent) for the Real Estate & Mortgage Platforms segment, 9.87 per cent (2023:9.27 per cent) for the Financing Platforms segment and 8.04 per cent (2023: 8.84 per cent) for the Insurance Platforms segment. The pre-tax discount rates used to reflect the risks specific to the assets in 2024 were 9.29 per cent (2023: 9.91 per cent) for the Real Estate & Mortgage Platforms segment, 10.05 per cent (2023: 9.74 per cent) for the Financing Platforms segment and 8.09 per cent (2023: 9.01 per cent) for the Insurance Platforms segment.

When the expected cash flows in the detailed planning period were determined, it was assumed that there would be no tangible constraints on the business models of the CGUs in the Hypoport Group over the course of 2024.

The impairment tests carried out did not identify any impairment.

The sensitivity analysis we conducted revealed that there was no need for any impairment charges on goodwill even if our key underlying assumptions varied within a realistic range. This sensitivity analysis assumed a 10 per cent reduction in future segment EBIT and a 1 percentage point increase in the weighted cost of capital, as variances of this magnitude are realistically possible. In our experience, greater variances than this are unlikely.

An impairment test was also performed before goodwill was reallocated in connection with the reorganisation of the Group's segments. The impairment tests carried out gave no indication of any impairment.

4.2 Financial assets

The table below gives a breakdown of non-current financial assets:

Financial Assets	2024 €'000	2023 €'000
Loan to employees	337	214
Other shareholdings	278	857
Other assets	136	136
	751	**1,207**

Of the other long-term equity investments, €260 thousand relate to Auxxo Catalyst Fund I (2023: €237 thousand), €12 thousand to Hypoport Africa Proprietary Ltd. (2023: €12 thousand) and €0 thousand to Hypoport Asia Pte. Ltd. (2023: €0 thousand). The long-term equity investment in Helvengo AG of €601 thousand was written off in its entirety in 2024 due to the very negative performance of the business.

4.3 Equity-accounted investments

In the consolidated financial statements, three joint ventures (2023: three) and five associates (2023: five) are accounted for using the equity method. They include the joint ventures FINMAS GmbH, Berlin (Hypoport's interest: 50 per cent), LBL Data Services B.V., Amsterdam, Netherlands (Hypoport's interest: 50 per cent) and Dutch Residential Mortgage Index B.V., Amsterdam, Netherlands (Hypoport's interest: 50 per cent) as well as the associates BAUFINEX GmbH, Schwäbisch Hall (Hypoport's interest: 30 per cent), BAUFINEX Service GmbH, Berlin (Hypoport's interest: 50 per cent), finconomy AG, Munich (Hypoport's interest: 25 per cent), ESG Screen17 GmbH, Frankfurt am Main (Hypoport's interest: 25.1 per cent) and Genoflex GmbH, Nuremberg (Hypoport's interest: 30 per cent). All of these interests are held directly by the Group.

While the Group holds 50 per cent of the shares in BAUFINEX Service GmbH, it exerts only a significant influence and does not have joint control over the business.

None of the joint ventures and associates individually qualifies as material. The table below provides a summary of information relating to these entities:

Equity method investments	2024 €'000	2024 €'000
Joint Ventures		
Investment book value at beginning of year	918	767
Distributions	-125	0
Proportional Share of Annual Result	576	151
Investment book value of joint ventures atend of year	**1,369**	**918**
Associated Companies		
Investment Book Value at Beginning of Year	4,556	4,506
Additions	0	750
Distributions	-1,290	0
Proportional Share of Annual Result	1,124	-700
Investment Book Value of Associated Companies at End of Year	**4,390**	**4,556**
Investment Book Value of Equity Method Investments at End of Year	**5,759**	**5,474**

The additions to associates in the previous year relate to capital increases at Baufinex GmbH and Genoflex GmbH. There are no obligations or contingent liabilities relating to the investments in joint ventures.

4.4 Inventories

Inventories	31.12.2024 €'000	31.12.2023 €'000
Unfinished products	522	935
	522	935

Work in progress primarily consisted of applications for support grants and loans in an amount of €436 thousand (31 December 2023: €440 thousand). An amount of €522 thousand (2023: €935 thousand) was recognised as an expense.

4.5 Trade receivables and receivables from long-term equity investments

Trade receivables	31.12.2024 €'000	31.12.2023* €'000
non-current		
Trade receivables		
third parties	2,489	4,254
	2,489	4,254
current		
Trade receivables		
third parties	137,188	102,392
associated companies or joint ventures	0	1,300
	137,188	**103,692**

* The comparative figures were adjusted due to error corrections (see note 2.1)

Impairment losses of €1.9 million (2023: €1.5 million) are attributable to cancellations and discounts.

Credit risk-related impairment losses were negligible in the reporting year, as they had been in the year before.

The Hypoport Group usually grants its clients a credit period of 30 days, although some Group companies grant up to 90 days.

4.6 Other assets

The breakdown of other assets is as follows:

Current assets	31.12.2024 €'000	31.12.2023 €'000
Financial assets		
Wertpapiere	89	37
	89	**37**
Non-Financial Assets		
Prepaid Expenses	5,263	5,193
Value Added Tax (VAT) Receivables	271	456
Advance Payments	226	105
Receivables from Employees	32	71
Prepaid Commissions	1,281	314
Other	1,004	1,003
	8,077	**7,142**
	8,166	**7,179**

As had been the case in 2023, prepaid expenses in the reporting year mainly comprised prepayments made in respect of time-limited licence fees.

Prepaid commissions relate to prepayments made to distribution partners and are subsequently recognised as commission expenses (see note 3.2).

The following asset amounts are only recoverable after one year and are therefore reported as non-current assets:

Non-current assets	31.12.2024 €'000	31.12.2023 €'000
Financial assets		
Rental deposits	244	213
	244	**213**

Specific write-downs on other assets of €0.8 million (2023: €1.1 million) were recognised. There are no material overdue receivables.

4.7 Current income tax assets

The breakdown of current income tax assets is as follows:

Income tax assets	31.12.2024 €'000	31.12.2023 €'000
Current income tax assets	6,122	3,904
	6,122	**3,904**

4.8 Deferred tax assets and deferred tax liabilities

The breakdown of deferred tax assets and deferred tax liabilities (including comparison with prior-year figures) is as follows:

Deferred tax assets	31.12.2024 €'000	31.12.2023 €'000
Deferred tax assets		
In respect of tax loss carryforwards	30,593	21,868
Rental and lease obligations	11	235
Other temporary differences	5,265	5,659
Consolidation	3,591	1,752
Offsetting	12,316	7,518
	27,144	**21,996**

Deferred tax liabilities	31.12.2024 €'000	31.12.2023* €'000
Deferred tax liabilities		
Intangible assets	23,434	21,952
Receivables	3,838	3,068
Other temporary differences	988	558
Offsetting	12,316	7,518
	15,944	**18,060**

* The comparative figures were adjusted due to error corrections (see note 2.1)

4.9 Cash and cash equivalents

The breakdown of cash and cash equivalents (including comparison with prior-year figures) is as follows:

Cash and cash equivalents	31.12.2024 €'000	31.12.2023 €'000
Cash at banks	86,249	96,654
Cash on hand	3	4
Balance sheet = Financial resources according to cash flow statement	**86,252**	**96,658**

4.10 Subscribed capital

The Company's subscribed capital as at 31 December 2024 was unchanged at €6,872,164.00 (31 December 2023: €6,872,164.00) and was divided into 6,872,164 (31 December 2023: 6,872,164) fully paid-up, registered no-par-value shares, each with a notional value of €1.

The Annual Shareholders' Meeting held on 4 June 2024 voted to carry forward Hypoport SE's distributable profit of €109,618,174.14 to the next accounting period.

4.11 Authorised capital

The Annual Shareholders' Meeting held on 4 June 2024 voted to set aside the existing authorisation that had been adopted by the Company's Annual Shareholders' Meeting on 9 June 2020 that had authorised the Management Board – subject to the consent of the Supervisory Board – to increase the Company's subscribed capital by up to a total of €2,799,061.00 by issuing new registered no-par-value shares for cash and/or non-cash capital contribution on one or more occasions on or before 8 June 2025.

The Annual Shareholders' Meeting held on 4 June 2024 further authorised the Management Board – subject to the consent of the Supervisory Board – to increase the Company's subscribed capital by up to a total of €2,748,865.00 by issuing up to 2,748,865 new registered no-par-value shares for cash or non-cash capital contribution on one or more occasions in the period up to 3 June 2029 ('2024/I authorised capital').

4.12 Treasury shares

Hypoport held 183,665 treasury shares as at 31 December 2024 (equivalent to €183,665.00, or 2.7 per cent, of the subscribed capital of Hypoport SE), which are intended to be issued to employees or used to purchase companies. The change in the balance of treasury shares and the main data relating to transactions in 2024 and 2023 are shown in the following table.

Change in the balance of treasury shares in 2024	Number of shares	Amount of share capital €	Proportion of subscribed capital %	Cost of purchase €	Sale price €	Gain or loss on sale €
Opening balance as at 1 January 2024	183,955		2.611	9,164,433.32		
Dissemination in January 2024	5	5.00	0.000	67.50	783.50	716.00
Dissemination in April 2024	85	85.00	0.001	1,147.50	20,043.00	18,895.50
Dissemination in July 2024	81	81.00	0.001	1,093.50	24,235.20	23,141.70
Dissemination in October 2024	119	119.00	0.002	1,606.50	35,152.60	33,546.10
Balance as at 31 Dec 2024	**183,665**	**290.00**	**2.673**	**9,160,518.32**	**80,214.30**	**76,299.30**

Change in the balance of treasury shares in 2023	Number of shares	Amount of share capital €	Proportion of subscribed capital %	Cost of purchase €	Sale price €	Gain or loss on sale €
Opening balance as at 1 January 2024	188,511		2.903	9,224,552.07		
Dissemination in January 2023	3,050	3,050.00	0.044	39,568.25	320,636.80	281,068.55
Dissemination in April 2023	438	438.00	0.006	6,000.60	55,626.00	49.,625.40
Dissemination in July 2023	305	305.00	0.004	4,176.65	51,026.50	46,849.85
Dissemination in October 2023	495	495.00	0.007	6,755.25	62,164.50	55,409.25
Dissemination in December 2023	268	268.00	0.004	3,618.00	41,995.60	38,377.60
Balance as at 31 Dec 2023	**183,955**	**4,556.00**	**2.677**	**9,164,433.32**	**531,449.40**	**471,330.65**

The release of treasury shares was recognised directly in equity and offset against retained earnings.

4.13 Capital reserves

Capital reserves include the premiums from the capital increases carried out (2001: €400 thousand; 2018: €46.9 million; 2023: €48.9 million), the premium from the issuance of shares under the 2002–2004 employee share ownership programme from 2006 to 2009 (€1.187 million), amounts equivalent to the par value of the treasury shares recalled in 2006 (€99 thousand), an amount equivalent to the imputed share of subscribed capital for the treasury shares recalled in 2007 (€247 thousand), income from the sale of shares (€14.062 million) and income from the transfer of shares to employees (€5.150 million, of which €76 thousand relates to 2024). The transaction costs of €1.099 million incurred in connection with the capital increase of €50,000 thousand carried out in the year under review were deducted from capital reserves.

4.14 Retained earnings

Retained earnings include the profits generated by the entities included in the consolidated financial statements prior to the first-time consolidation on 1 January 2004, the capital gains on the sale of treasury shares, the losses on the recall of treasury shares, equity-settled share-based payment and three bargain purchase gains arising from business combinations. These bargain purchase gains are reported under retained earnings, because profits had been retained after the acquisition but before the date of first-time consolidation.

All the remaining adjustments made under the first-time adoption of IFRS on 1 January 2004 and recognised directly in equity, together with a statutory reserve of €7 thousand (31 December 2023: €7 thousand), are also reported under this item.

4.15 Non-controlling interests and financial information for non-controlling interests in subsidiaries

Total non-controlling interests amounted to €3.756 million as at 31 December 2024 (31 December 2023: €3.038 million) and break down as follows:

	Minority Interest %		Book Value Share €'000		Share of Profit €'000	
Non-controlling Interests	**31.12.2024**	**31.12.2023**	**31.12.2024**	**31.12.2023***	**31.12.2024**	**31.12.2023***
Starpool Finanz GmbH, Berlin	49.975	49.975	2,821	1,900	921	429
GENOPACE GmbH, Berlin	54.975	54.975	110	110	0	0
Baloise Service GmbH, Bayreuth	30.0	30.0	6	5	1	3
Fundingport Sofia EOOD, Bulgaria	40.0	30.0	-1,425	-1,317	-108	-536
FUNDINGPORT GmbH, Hamburg	40.0	30.0	819	1,023	-215	-585
ePension Group, Hamburg	0.0	49.0	0	0	0	843
			3,756	**3,038**	**707**	**690**

* The comparative figures were adjusted due to error corrections (see note 2.1)

There is a profit-and-loss transfer agreement between Hypoport SE and GENOPACE GmbH, as a result of which the entire net profit for 2024 of GENOPACE GmbH amounting to €116 thousand (2023: net loss of €101 thousand) remained within the Group. In 2023, the remaining 49 per cent of the shares in ePension GmbH & Co. KG ('ePension'), Hamburg, were acquired. During the overall assessment of the contractual arrangements for the acquisition of the initial 51 per cent of the shares it acquired in 2020, Hypoport decided to apply the acquisition method at the acquisition date for the remaining 49 per cent of the shares to be acquired in 2023. Full consolidation will therefore take place without recognising non-controlling interests. In 2023, a share of €4.6 million in the profit of the ePension Group was distributed.

At FUNDINGPORT GmbH, a capital increase of €2.2 million had been conducted in 2023. An overview of financial information relating to Starpool Finanz GmbH, the Group's subsidiary with material non-controlling interests, is presented below.

Starpool Finanz GmbH (Non-controlling Interest 49.975%)	2024 €'000	2023 €'000
Long-term assets	188	244
Current assets	47,019	40,331
Long-term liabilities	(247)	(969)
Current liabilities	(41,318)	(35,805)
Net assets	5,642	3,801
Net Assets of non-controlling interests	2,820	1,900
Revenue	135,857	166,871
Profit	1,841	858
Other comprehensive income	0	0
Total comprehensive income	**1,841**	**858**
Total comprehensive Income attributable to non-controlling interests	920	429
Other comprehensive income attributable to non-controlling interests	0	0
Cash flow from operating activities	(4,465)	(7,222)
Cash flow from investing activities	4,054	3,942
Cash flow from financing activities	0	0
Net decrease in cash and cash equivalents	(411)	(3,280)

The information listed above relates to amounts before the elimination of intercompany profits and losses.

4.16 Financial liabilities

The table below gives a breakdown of financial liabilities.

Financial liabilities	31.12.2024 €'000	31.12.2023 €'000
Non-current		
Liabilities to banks		
Loans	107,862	108,287
Mortgage	471	518
Rental and lease obligations	46,327	44,686
	154,660	**153,491**
Current		
Liabilities to banks		
Loans	20,439	20,690
Mortgage	47	58
Rental and lease obligations	9,576	9,333
	30,062	**30,081**
	184,722	**183,572**

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All liabilities to banks have fixed interest rates. The interest rates varied between 0.59 per cent and 5.04 per cent (2023: between 0.59 per cent and 5.04 per cent). These interest rates are the normal market rates for the financial liabilities and the companies concerned.

The table below shows the cash changes to financial liabilities at the balance sheet date.

Reconciliation of financial liabilities (€'000)	31.12.2023	Cash changes	Non-cash-changes		31.12.2024
			Additions	Reclassification of terms	
Long-term loans	108,287	20,000	0	-20,425	107,862
Long-term mortgages	518	0	0	-47	471
Long-term lease liabilities	44,686	0	11,885	-10,244	46,327
Short-term loans	20,690	-20,676	0	20,425	20,439
Short-term mortgages	58	-58	0	47	47
Short-term lease liabilities	9,333	-10,165	164	10,244	9,576
	183,572	**-10,899**	**12,049**	**0**	**184,722**

Reconciliation of financial liabilities (€'000)	31.12.2022	Cash changes	Non-cash-changes		31.12.2023
			Additions	Reclassification of terms	
Long-term loans	90,098	40,000	0	-21,811	108,287
Long-term mortgages	565	0	0	-47	518
Long-term lease liabilities	71,528	0	-16,098	-10,744	44,686
Short-term loans	16,877	-17,998	0	21,811	20,690
Short-term mortgages	47	-36	0	47	58
Short-term lease liabilities	8,545	-9,956	0	10,744	9,333
	187,660	**12,010**	**-16,098**	**0**	**183,572**

The Hypoport Group has various credit lines with German banks. The table below shows all overdraft facilities and the amounts utilised at the relevant balance sheet dates:

Credit line	31.12.2024 €'000	31.12.2023 €'000
Credit line	16,000	15,000
Amount utilised	1,127	1,973
Credit line available	**14,873**	**13,027**

4.17 Other liabilities

The breakdown of other liabilities is as follows:

Current other liabilities	31.12.2024 €'000	31.12.2023 €'000
Tax liabilities		
Value-added tax	2,402	1,605
Wage tax and church tax	2,106	1,971
	4,508	**3,576**
Personnel		
Non-financial assets		
Outstanding holiday entitlements	2,413	2,142
Wages and salaries	255	1,418
Compensations	1,047	1,003
Royalties	7,611	4,570
Partial retirement	203	114
Disabled persons levy	81	49
Social security contributions	205	387
Employers' liability insurance association	74	16
	11,889	**9,699**
Other		
Financial assets		
Commissions to be passed on	1,152	473
Auditor fee	859	615
Loan	725	0
Outstanding invoices	1,480	1.,665
Purchase Price Liabilities	1,923	13,144
Non-financial assets		
Deferred Income	1,070	1,166
Advance payment received	354	874
Other	1,384	1,455
	8,947	**19,392**
	25,344	**32,667**

Deferred income and advance payments received in 2024 mainly comprised downpayments received for time-limited software services, as had been the case in the previous year.

In 2024, commissions to be passed on comprised agency commission received from product suppliers to be passed on to the brokers, as had been the case in 2023.

The contract liabilities of €2.6 million (2023: €2.5 million) reflect the Group's obligation towards clients to perform contractual duties for which payment has already been received.

The following liability amounts are only recoverable after one year and are therefore reported as non-current liabilities:

Non-current other liabilities	31.12.2024 €'000	31.12.2023 €'000
Financial assets		
Loans	570	0
Rental Deposits	230	220
	800	**220**

5. Consolidated cash flow statement disclosures

Cash flows from investing and financing activities are determined directly on the basis of the cash inflows and outflows. In contrast, cash flows from operating activities are determined indirectly from the Group's EBIT. To this end, EBIT is adjusted for non-cash items and changes in working capital.

Apart from income tax payments, interest receipts and payments are also assigned to the cash flows from operating activities because they are primarily used to finance operating activities.

Investing activities include additions to property, plant and equipment, financial assets and intangible assets, as well as additions in respect of the capitalisation of development costs.

Cash and cash equivalents, as reported in the cash flow statement, comprises all liquid funds recognised on the balance sheet, i.e. cash on hand and at banks.

The composition and reconciliation of cash and cash equivalents with the balance sheet is explained in note 4.9.

6. Segment reporting for the Group

The Hypoport Group prepares its segment reporting by segment in line with its internal organisational and reporting structure. Until the end of 2023, this organisational structure broke the Group down into four target-group-oriented segments (Credit Platform, Private Clients, Real Estate Platform and Insurance Platform) and one function-oriented segment (administration). As at 31 December 2023 and effective from January 2024, the Group's segmentation was adjusted. Hypoport subsidiaries are now organised in three target-group-oriented segments – Real Estate & Mortgage Platforms, Insurance Platforms and Financing Platforms – and one function-oriented segment (administration). The target-group-oriented segments bring together different business lines with similar opportunities and risks.

The companies within the Real Estate & Mortgage Platforms segment are primarily involved in the development of technology platforms for brokering, financing and valuing private residential properties.

The Financing Platforms segment comprises all technology and distribution companies of the Hypoport Group that cover finance products outside the mortgage finance sector, with a particular focus on finance for the housing industry, corporate finance and personal loans.

The Insurance Platforms segment (formerly the Insurance Platform segment) develops integrated software solutions for insurance product distributors and B2C insurtech companies in the market for insurance products with variable pricing for private individuals and (small) businesses, in the industrial insurance market and in the occupational insurance market.

The holding company's expenses for management, administration, accounting and human resources are aggregated in the Holding segment.

Consolidation effects are shown under Reconciliation.

The disclosures for the individual segments are all based on the same standard accounting policies applicable to the consolidated amounts in the consolidated financial statements.

Earnings at segment level (EBIT) and total revenue, which represent the aggregate business performance of the individual operating segments, are the key performance indicators.

Where a segment comprises several companies, the effects of intercompany transactions are eliminated in the course of consolidation. The supply of goods and services between segments is always invoiced at market prices. In cost transfers within the Group, the direct costs actually incurred are transferred between the relevant entities.

The segment disclosures are derived directly from the internal reporting used by the top level of operating decision-makers in the Company for management purposes. Financial liabilities and the corresponding interest expense and similar charges are not determined for individual segments for internal control purposes. Financial liabilities and the corresponding interest expense and similar charges are shown in the reconciliation table.

Segment assets are deemed to comprise direct operating receivables and non-current assets used for the relevant segment's operating activities.

Segment liabilities comprise the trade payables and provisions attributable to the operating activities concerned.

Non-cash expenses include additions to provisions in accordance with German commercial law, which under IFRS are mainly reported under trade liabilities and other liabilities.

The following table shows revenue from contracts with clients, broken down by the timing of revenue recognition.

Time reference of revenue recognition €'000	Real Estate & Mortgage Platforms		Financing Platforms		Insurance Platforms	
	2024	2023*	2024	2023	2024	2023
Goods and services transferred at a given time	410,238	350,122	54,654	53,747	49,187	48,934
Goods and services transferred over a period of time	8,851	7,213	20,153	16,848	16,359	16,025
Total	**419,089**	**357,335**	**74,807**	**70,595**	**65,546**	**64,959**

* The comparative figures were adjusted due to error corrections (see note 2.1)

Time reference of revenue recognition €'000	Holding		Reconciliation		Group	
	2024	2023	2024	2023	2024	2023*
Goods and services transferred at a given time	1,242	1,002	0	0	515,321	453,805
Goods and services transferred over a period of time	0	0	0	0	45,363	40,086
Total	**1,242**	**1,002**	**0**	**0**	**560,684**	**493,891**

* The comparative figures were adjusted due to error corrections (see note 2.1)

The reported revenue of €560.7 million (2023: €493.9 million) included €7.9 million (2023: €8.3 million) generated by clients domiciled in European countries other than Germany, and the remaining revenue was generated by clients in Germany.

No individual product partner accounted for a share of more than 10 per cent of the revenue generated by the Group or any of its operating segments in 2024 or 2023.

The external revenue in the Holding segment mainly related to rental income and income from services provided for joint ventures and associates.

The segment breakdown of business performance in 2024 was as follows:

2024 (€'000)	Real Estate & Mortgage Platforms*	Financing Platforms	Insurance Platforms	Holding	Reconciliation	Group*
Segment revenue in respect of third parties	**419,089**	**74,807**	**65,546**	**1,242**	**0**	**560,684**
2023	357,335	70,595	64,959	1,002	0	493,891
Segment revenue in respect of other segments	**1,654**	**596**	**1,426**	**27,083**	**-30,759**	**0**
2023	1,462	513	411	27,089	-29,475	0
Total segment revenue	**420,743**	**75,403**	**66,972**	**28,325**	**-30,759**	**560,684**
2023	358,797	71,108	65,370	28,091	-29,475	493,891
Gross profit	**145,834**	**61,598**	**32,776**	**28,325**	**-27,083**	**241,450**
2023	115,530	59,435	33,167	28,091	-27,089	209,134
Segment earnings before interest, tax, depreciation and amortisation (EBITDA)	**44,939**	**12,686**	**8,067**	**-11,306**	**0**	**54,386**
2023	20,651	11,758	7,053	12,680	0	52,142
Segment earnings before interest and tax (EBIT)	**28,869**	**6,831**	**2,009**	**-19,806**	**0**	**17,903**
2023	3,176	5,877	1,457	3,746	0	14,256
Segment assets	**264,068**	**197,536**	**162,653**	**334,907**	**-262,291**	**696,873**
2023	207,983	182,593	164,036	347,700	-238,434	663,878
Segment liabilities	**162,774**	**50,815**	**150,661**	**237,122**	**-262,291**	**339,081**
2023	133,500	48,862	166,006	211,300	-238,434	321,234
Segment capital expenditure	**12,748**	**6,292**	**8,077**	**1,468**	**0**	**28,585**
2023	17,207	5,924	6,465	589	0	30,185
Segment depreciation/amortisation expense, impairment losses	**16,070**	**5,855**	**6,058**	**8,500**	**0**	**36,483**
2023	17,475	5,881	5,596	8,934	0	37,886
Significant non– cash expenses	**6,206**	**4,081**	**1,710**	**3,002**	**0**	**14,999**
2023	4,355	4,390	1,634	2,063	0	12,442

* The comparative figures were adjusted due to error corrections (see note 2.1)

Of the Group's total non-current assets of €458.6 million (31 December 2023: €451.5 million), €9.8 million (31 December 2023: €59.3 million) was located in European countries other than Germany, €6.1 million (31 December 2023: €6.5 million) of which was located in Bulgaria. Non-current assets located in Germany amounted to €448.8 million (31 December 2023: €392.3 million).

The carrying amounts of equity-accounted joint ventures and associates in the Real Estate & Mortgage Platforms segment totalled €1.711 million (2023: €1.024 million) and their contribution to profits amounted to €686 thousand (2023: loss of €407 thousand). In the Financing Platforms segment, equity-accounted joint ventures and associates had a carrying amount of €236 thousand (2023: €344 thousand) and contributed a profit of €16 thousand (2023: loss of €65 thousand). In the Insurance Platforms segment, equity-accounted joint ventures and associates had a carrying amount of €3.813 million (2023: €4.105 million) and contributed a profit of €998 thousand (2023: loss of €76 thousand).

7. Other disclosures

7.1 Contingent liabilities
There were no reportable contingent liabilities as at 31 December 2024, nor had there been any as at 31 December 2023.

7.2 Legal disputes
Hypoport SE or one of its subsidiaries was involved in court proceedings or arbitration proceedings as at 31 December 2024. As at 31 December 2024, this was not deemed to have a material impact on the Company's financial position and no proceedings with a material impact on the financial position are foreseeable at present.

7.3 Related parties
Related parties include relationships that involve direct or indirect control, joint control or significant influence. A person and close family members of that person are related parties if it can be assumed that they influence or are influenced by the person in their dealings with the Company. Significant influence, as defined in IAS 28, refers to a relationship between a company and its senior management.

IAS 24 requires disclosure of the names of persons or entities that control, or are controlled by, Hypoport SE. Transactions between Hypoport SE and its subsidiaries are eliminated during consolidation and therefore do not have to be reported in this note.

The parties covered by the requirements also include key management personnel, their close family members and other entities via which a named person exercises control, joint control or significant influence over Hypoport SE. The parties covered by this requirement during the reporting period were the members of the Group Management Board and Supervisory Board of Hypoport SE and their close family members. 32.6 per cent of Hypoport's shares are being directly or indirectly held by Mr. Ronald Slabke, member of the Group Management Board, who thus exerts a significant influence on the Group.

The total remuneration of the members of the Group Management Board for 2024 amounted to €1.9 million (2023: €1.3 million). The total remuneration of the members of the Supervisory Board came to €300 thousand (2023: €300 thousand). In all cases, all the benefits were due for payment within one year. For further information on the remuneration paid to the governing bodies, please refer to the remuneration report, which is available on the Company's website (www.hypoport.com/investor-relations/corporate-governance/).

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The table below shows the number of shares in Hypoport SE directly or indirectly held by the members of the Group Management Board and Supervisory Board as at 31 December 2024.

	Shares (number) 31.12.24	Shares (number) 31.12.23
Group Management Board		
Ronald Slabke	2,227,381	2,240,381
Stephan Gawarecki	101,802	101,802
Supervisory Board		
Dieter Pfeiffenberger	2,000	2,000
Roland Adams	0	0
Martin Krebs	115	115

Ronald Slabke, Berlin, holds 32.4 per cent of Hypoport's shares. Of these, the 31.0 per cent of the voting shares held by Revenia GmbH, Berlin, are attributable to him pursuant to section 34 (1) sentence 1 no. 1 of the German Securities Trading Act (WpHG). All the shares in Revenia GmbH are held by Ronald Slabke, the Chief Executive Officer of Hypoport SE.

Stephan Gawarecki, Preetz, holds 1.5 per cent of Hypoport's shares. Of these, the 1.5 per cent of the voting shares held by Gawarecki GmbH, Schlesen, are attributable to him pursuant to section 34 (1) sentence 1 no. 1 WpHG.

The companies in the Hypoport Group have not carried out any further reportable transactions with members of either the Supervisory Board or the Group Management Board or with companies on whose management or supervisory bodies these persons are represented. This also applies to close family members related to these persons.

In 2024, revenue of €840 thousand was generated with joint ventures (2023: €893 thousand) and revenue of €229 thousand with associates (2023: €370 thousand). As at 31 December 2024, receivables from joint ventures amounted to €0 thousand (31 December 2023: €1.277 million) and liabilities to such companies amounted to €2.452 million (31 December 2023: €1.488 million). Receivables from associates amounted to €0 thousand as at 31 December 2024 (31 December 2023: €23 thousand) and liabilities to such companies amounted to €1.430 million (31 December 2023: €996 thousand).

Liabilities to shareholders totalling €750 thousand (2023: €750 thousand) relate to a loan extended by a subsidiary to its non-controlling shareholders who exert a significant influence.

In 2024, one subsidiary generated revenue of €21.5 million (2023: €53.5 million) from business with a non-controlling shareholder. Receivables from this non-controlling shareholder amounted to €11.6 million as at 31 December 2024 (2023: €10.3 million).

7.4 Management Board

The members of the Management Board were as follows:

- Ronald Slabke (Chief Executive Officer), graduate in business administration, responsible for the Real Estate & Mortgage Platforms segment and for capital, IT, new markets and strategic investments, member of the supervisory boards of Dr. Klein Privatkunden AG, Dr. Klein Wowi Finanz AG, Europace AG, FIO SYSTEMS AG, Future Finance SE, Hypoport Insurance AG, REM CAPITAL AG and Value AG and member of the University Council of Dresden University of Technology
- Stephan Gawarecki, graduate in business administration, responsible for the Financing Platforms and Insurance Platforms segments and for human resources and administration, member of the supervisory boards of Dr. Klein Privatkunden AG, Dr. Klein Wowi Finanz AG, Dr. Klein Wowi Digital AG and Smart InsurTech AG

The total remuneration of the members of the Management Board for 2024 amounted to €1.9 million (2023: €1.3 million).

7.5 Supervisory Board

The following persons were members of the Company's Supervisory Board in 2024:

- Dieter Pfeiffenberger (chairman of the Supervisory Board), management consultant, self-employed
- Roland Adams (deputy chairman of the Supervisory Board), management consultant, company: Roland Adams Top Management Consulting, member of the supervisory board of Kretschmar Familienstiftung
- Martin Krebs, chairman of the Audit Committee, Chief Financial Officer at Scalable GmbH and Scalable Capital GmbH

The total remuneration of the members of the Supervisory Board for 2024 amounted to €300 thousand (2023: €300 thousand).

7.6 Investments pursuant to section 33 (1) WpHG (until 2 January 2018: section 21 (1) WpHG)

Pursuant to section 21 (1a) WpHG, Mr Ronald Slabke, Lübeck, Germany, informed us on 1 November 2007 that his voting share in our Company stood at 36.03 per cent on 26 October 2007 (2,177,433 voting rights). Of these, 35.17 per cent of the voting shares held by Revenia GmbH (2,125,825 voting rights) are attributable to him pursuant to section 22 (1) sentence 1 no. 1 WpHG. Pursuant to section 21 (1) WpHG, Deutsche Postbank AG, Bonn, Germany informed us on 6 April 2017 that its voting share in Hypoport AG, Berlin, Germany had fallen below the 3 per cent threshold on 4 April 2017 and stood at 2.93 per cent (181,600 voting rights) on that date.

Pursuant to section 21 (1) WpHG, Mr Stephan Gawarecki, Preetz, Germany, informed us on 4 August 2016 that his voting share in our Company had fallen below the 3 per cent threshold on 2 August 2016 and that he had a total of 2.31 per cent (142,800 voting rights) at his disposal. These voting rights are fully attributable to him via Gawarecki GmbH pursuant to section 22 (1) sentence 1 no. 1 WpHG.

Pursuant to section 33 (1) WpHG, Mr Nicolas Schulmann, Leipzig, Germany, informed us on 28 May 2018 that his voting share in our Company stood at 4.595 per cent on 22 May 2018 (298,418 voting rights). Of these, 4.299 per cent of the voting shares held by Exformer GmbH (279,203 voting rights) are attributable to him pursuant to section 34 (1) sentence 1 no. 1 WpHG.

Pursuant to section 21 (1) WpHG, Hypoport SE, Berlin, Germany informed us on 4 April 2020 that its voting share in Hypoport SE, Berlin, Germany had fallen below the 3 per cent threshold on 2 April 2020 and stood at 2.99 per cent (194,707 voting rights) on that date.

Pursuant to section 21 (1) WpHG, Sparta AG, Hamburg informed us on 27 April 2015 that its voting share in Hypoport AG, Berlin, Germany had fallen below the 3 per cent threshold on 22 April 2015 and stood at 2.99 per cent (equivalent to 185,000 voting rights) on that date.

Pursuant to section 21 (1) WpHG, Kretschmar Familienstiftung, Berlin, whose Chief Executive Officer is Professor Thomas Kretschmar, informed us on 9 December 2015 that its voting share in Hypoport AG, Berlin, Germany had fallen below the 3 per cent threshold on 9 December 2015 and stood at 2.863 per cent (equivalent to 177,366 voting rights) on that date.

Pursuant to section 21 (1) WpHG, Wallberg Invest S.A., Luxembourg, Luxembourg informed us on 5 October 2015 that its voting share in Hypoport AG, Berlin, Germany had fallen below the 3 per cent threshold on 30 September 2015 and stood at 2.47 per cent (equivalent to 152,921 voting rights) on that date.

Pursuant to section 21 (1) WpHG, FAS S.A., Luxembourg, Luxembourg informed us on 7 October 2015 that its voting share in Hypoport AG, Berlin, Germany had fallen below the 3 per cent threshold on 30 September 2015 and stood at 2.47 per cent (equivalent to 152,921 voting rights) on that date. The 2.47 per cent of the voting rights (equivalent to 152,921 voting rights) are attributable to the company pursuant to section 22 (1) sentence 1 no. 1 WpHG.

Pursuant to section 21 (1) WpHG, Mr Marcel Ernzer, Luxembourg also informed us on 7 October 2015 that his voting share in Hypoport AG, Berlin, Germany had fallen below the 3 per cent threshold on 30 September 2015 and stood at 2.47 per cent (equivalent to 152,921 voting rights) on that date. The 2.47 per cent of the voting rights (equivalent to 152,921 voting rights) are attributable to Mr Ernzer pursuant to section 22 (1) sentence 1 no. 1 WpHG.

Pursuant to section 21 (1) WpHG, Deutsche Balaton Aktiengesellschaft, Heidelberg, Germany informed us on 10 June 2015 that its voting share in Hypoport AG, Berlin, Germany had fallen below the 3 per cent threshold on 9 June 2015 and stood at 2.98 per cent (equivalent to 184,844 voting rights) on that date.

Pursuant to section 21 (1) WpHG, VV Beteiligungen Aktiengesellschaft, Heidelberg, Germany also informed us on 10 June 2015 that its voting share in Hypoport AG, Berlin, Germany had fallen below the 3 per cent threshold on 9 June 2015 and stood at 2.98 per cent (equivalent to 184,844 voting rights) on that date. The 2.98 per cent of the voting rights (equivalent to 184,844 voting rights) are attributable to the company pursuant to section 22 (1) sentence 1 no. 1 WpHG.

Pursuant to section 21 (1) WpHG, Delphi Unternehmensberatung Aktiengesellschaft, Heidelberg, Germany also informed us on 10 June 2015 that its voting share in Hypoport AG, Berlin, Germany had fallen below the 3 per cent threshold on 9 June 2015 and stood at 2.98 per cent (equivalent to 184,844 voting rights) on that date. The 2.98 per cent of the voting rights (equivalent to 184,844 voting rights) are attributable to the company pursuant to section 22 (1) sentence 1 no. 1 WpHG.

Pursuant to section 21 (1) WpHG, Mr Wilhelm Konrad Thomas Zours, Germany also informed us on 10 June 2015 that his voting share in Hypoport AG, Berlin, Germany had fallen below the 3 per cent threshold on 9 June 2015 and stood at 2.98 per cent (equivalent to 184,844 voting rights) on that date. The 2.98 per cent of these voting rights (equivalent to 184,844 voting rights) are attributable to Mr Zours pursuant to section 22 (1) sentence 1 no. 1 WpHG.

Pursuant to section 33 (1) WpHG, KBC Asset Management NV, Brussels, Belgium informed us on 25 April 2018 that its voting share in Hypoport AG, Berlin, Germany had fallen below the 3 per cent threshold on 20 April 2018 and stood at 2.98 per cent (184,670 voting rights) on that date.

Pursuant to section 33 (1) WpHG, Wasatch Advisors Holdings, Inc., Salt Lake City, Utah, United States of America informed us on 16 January 2020 that its voting share in Hypoport AG, Berlin, Germany had fallen below the 3 per cent threshold on 13 January 2020 and stood at 2.99 per cent (194,089 voting rights) on that date.

Pursuant to section 33 (1) WpHG, Joh. Berenberg, Gossler & Co. KG, Hamburg, Germany, informed us on 27 January 2023 that its voting share in Hypoport SE, Berlin, Germany, stood at 0.0 per cent on 27 January 2023 (0 voting rights).

Pursuant to section 33 (1) WpHG, Ameriprise Financial, Inc., Wilmington, Delaware, United States of America, informed us on 30 January 2023 that its voting share in Hypoport SE, Berlin, Germany, stood at 2.73 per cent on 24 January 2023 (187,516 voting rights).

Pursuant to section 33 (1) WpHG, Virtus Investment Partners, Inc., Wilmington, Delaware, United States of America, informed us on 25 May 2023 that its voting share in Hypoport SE, Berlin, Germany, stood at 2.90 per cent on 23 May 2023 (199,071 voting rights).

Pursuant to section 33 (1) WpHG, Premier Milton Group plc, Guildford, UK, informed us on 7 September 2023 that its voting share in Hypoport SE, Berlin, Germany, stood at 2.96 per cent on 6 September 2023 (203,154 voting rights).

Pursuant to section 33 (1) WpHG, Union Investment Privatfonds GmbH, Frankfurt am Main, Germany, informed us on 24 July 2024 that its voting share in Hypoport SE, Lübeck, Germany, stood at 3.21 per cent on 23 July 2024 (220,443 voting rights).

Pursuant to section 33 (1) WpHG, Baillie Gifford & Co, Edinburgh, UK, informed us on 17 September 2024 that its voting share in Hypoport SE, Berlin, Germany, stood at 2.99 per cent on 12 September 2024 (205,517 voting rights).

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Pursuant to section 33 (1) WpHG, Allianz Global Investors GmbH, Frankfurt am Main, Germany, informed us on 6 December 2024 that its voting share in Hypoport SE, Berlin, Germany, stood at 3.02 per cent on 5 December 2024 (207,363 voting rights).

Pursuant to section 33 (1) WpHG, BlackRock, Inc., Wilmington, Delaware, United States of America, informed us on 2 January 2025 that its voting share in Hypoport SE, Berlin, Germany, stood at 5.95 per cent on 27 December 2024 (408,868 voting rights).

This information was taken from the most recent notification received by the Company from each party subject to disclosure requirements. All published notifications from investors in the reporting year and other years are available on the Hypoport Group's website at https://www.hypoport.com/investor-relations/corporate-governance/. It should be noted that the details of shareholding percentages and number of voting rights may now be out of date.

7.7 Share-based payment

The Company's employees receive an annual bonus if certain performance targets are met. Bonuses are paid in shares in the Company and the number of shares awarded on the day of the disbursement is determined on the basis of the share price on that day. The resulting expense amounted to €1.068 million in 2024 (2023: €0 thousand). In addition, employees receive anniversary shares every five years if they have stayed at the Hypoport Group for five years. The anniversary-related expense amounted to €451 thousand in 2024 (2023: €0 thousand). In 2023, expenses that had previously been recognised for share-based payments were reversed, resulting in income totalling €327 thousand. As these share-based payments are equity-settled, they are recognised directly in equity.

7.8 Auditors' fees and services

The total fee incurred for services rendered by the auditors Rödl & Partner GmbH Wirtschaftsprüfungsgesellschaft in 2024 amounted to €347 thousand and comprised €337 thousand for audit services and €10 thousand for audit-related services. In 2023, the total fee incurred for services rendered by the auditors BDO AG Wirtschaftsprüfungsgesellschaft amounted to €248 thousand and comprised €241 thousand for audit services and €7 thousand for audit-related services.

7.9 Average number of persons employed during the financial year

In 2024, the Company employed an average of 2,222 (2023: 2,199) people in addition to the members of the Management Board.

The table below gives a breakdown of the average numbers of employees by segment.

Average number of persons employed during the financial year	2024 Number	%	2023 Number	%	Change Number	%
Real Estate & Mortgage Platforms	1,128	51	1,147	52	-19	-2
Financing Plattforms	538	24	510	23	28	5
Insurance Platforms	330	15	337	15	-7	-2
Holding	226	10	205	10	21	10
	2,222		**2,199**		**23**	**1**

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7.10 Financial risk management

As a result of its business activities, the Hypoport Group is exposed to various financial risks; these include credit risk, liquidity risk, interest-related cash flow risk and, to a lesser extent, market risk in connection with investments in equity instruments. It does not use any derivative financial instruments to hedge against these risks.

The Hypoport Group is exposed to only a very limited currency risk because only very small amounts of its assets and liabilities are denominated in currencies other than its subsidiaries' functional currency.

Credit risk
The Hypoport Group's credit risk stems primarily from its trade receivables, advance commissions, and other financial assets.

The credit risk relating to cash and cash equivalents is limited because these are all held at investment-grade banks.

There is no significant concentration of credit risk in the Group because this risk is spread across a large number of counterparties and clients. As most of these are financial institutions and insurance companies with a low credit risk, the expected credit risk is not deemed material.

The maximum credit risk is shown by the carrying amount of each financial asset reported on the balance sheet.

Liquidity risk
Liquidity risk refers to the risk that Hypoport may not be able to meet payment obligations on time and in full.

Monitoring and supplying liquidity is the number one priority of the Group Treasury function. To this end, it oversees daily cash management and a rolling liquidity planning system that involves continuous monitoring and management of cash inflows and outflows across the Group. Overall, the Hypoport Group had sufficient liquidity available during the reporting year to guarantee its solvency at all times.

Liquidity risk is currently not a significant factor given the high level of liquidity and excellent equity ratio in the Group.

The table below gives a breakdown of the contractual residual maturities of the Hypoport Group's financial liabilities. It shows the non-discounted cash flows of financial liabilities based on the earliest date on which the Hypoport Group can be obliged to pay. The table contains payments of both interest and principal.

Liquidität	Maturities					
€'000	Less than 1 month	1 to 3 months	3 months to 1 year	1 to 5 years	more than 5 years	Total
Fixed-rate financial liabilities	240	5,575	17,322	98,224	15,289	136,650
previous year	213	5,520	17,073	88,799	25,951	137,556
Rental and lease obligations	886	1,772	7,973	33,391	16,395	60,418
previous year	859	1,719	7,735	29,994	18,206	58,513
Trade payables	8,400	16,800	75,598	0	0	100,797
previous year	6,661	13,323	59,952	0	0	79,936
other financial liabilities	512	1,023	4,604	800	0	6,939
previous year	1,367	2,734	12,302	220	0	16,622
2024 total	**10,037**	**25,169**	**105,497**	**132,415**	**31,684**	**304,804**
previous year	9,101	23,295	97,061	119,013	44,157	292,627

The bank loans taken out by the Group are subject to various covenants. A future violation of one of these covenants could result in the relevant loan having to be repaid earlier than stated in the table.

Interest-rate risk
The Group takes out non-current liabilities to banks exclusively at fixed interest rates. Interest-rate changes on fixed-interest liabilities to banks have an impact on earnings only if these liabilities are measured at fair value. However, these liabilities are always measured at amortised cost. Consequently, non-current fixed-rate liabilities to banks are not subject to interest-rate risk within the meaning of IFRS 7.

In 2024 and 2023, only its unutilised credit lines carried floating interest rates.

7.11 Additional information on financial instruments

In the Hypoport Group, financial instruments are assigned to the following IFRS 9 categories: amortised cost (AC), other financial commitments (AC) or fair value through profit and loss (FVTPL).

The table below shows the carrying amounts and fair values of individual financial assets and liabilities for each category of financial instrument:

Classes of Financial Instruments €'000	IFRS 9 valuation category	Carrying amount 31.12.2024	Amortised cost	Fair value recognized in income	Fair value as at 31.12.2024
Trade receivables	AC	139,677	139,677	-	139,677
Financial assets	FVtPL	260	-	260	260
Other assets	AC	806	806		806
Cash and cash equivalents	AC	86,252	86,252	-	86,252
Total financial assets		**226,995**	**226,735**	**260**	**226,995**
Liabilities to credit institutions	AC	128,819	128,819	-	130,692
Trade payables	AC	100,797	-	-	100,797
Other liabilities					
Loans	AC	1,295	1,295	-	1,295
Other financial liabilities	AC	3,721	3,721	-	3,721
Earnout	FVtPL	1,923		1,923	1,923
Total financial liabilities		**236,555**	**133,835**	**1,923**	**238,428**

Classes of Financial Instruments €'000	IFRS 9 valuation category	Carrying amount 31.12.2023	Amortised cost	Fair value recognized in income	Fair value as at 31.12.2023
Trade receivables	AC	107,946	107,946	-	107,946
Financial assets	FVtPL	839	-	839	839
Other assets	AC	600	600		600
Cash and cash equivalents	AC	96,658	96,658	-	96,658
Total financial assets		**206,043**	**205,204**	**839**	**206,043**
Liabilities to credit institutions	AC	129,553	129,553	-	134,225
Trade payables	AC	79,936	-	-	79,936
Other liabilities					
Loans	AC	725	725	-	725
Other financial liabilities	AC	2,753	2,753	-	2,753
Earnout	FVtPL	13,144		13,144	13,144
Total financial liabilities		**226,111**	**133,031**	**13,144**	**230,783**

The fair values of all financial instruments correspond to Level 3. The fair value of receivables and liabilities is the same as their book value and the fair value of cash and cash equivalents is the same as their nominal value.

The fair values of non-current financial liabilities are based on discounted cash flows, which were calculated using interbank swap rates plus a risk and liquidity margin.
The valuation model for contingent purchase price liabilities (earn-outs) takes account of the present value of the expected payments.

The fair value of the investment in the Auxxo Catalyst Fund I, which is included in financial assets, is the same as the acquisition cost. Given that Helvengo AG has entered into liquidation, the investment in this company has been written down to zero.

The table below reconciles the opening balance to the closing balance for Level 3 fair values:

Fair Value Measurement Level 3	Investments €'000	Contingent Purchase Liabilities €'000
Balance as of January 1, 2023	**775**	**23,114**
Net change in fair value (unrealized)	0	-20,000
Additions / Disposals	64	-419
Balance as of December 31, 2023	**839**	**2,695**
Balance as of January 1, 2024	**839**	**2,695**
Net change in fair value (unrealized)	-601	0
Additions / Disposals	22	-772
Balance as of December 31, 2024	**260**	**1,923**

7.12 Capital risk management

Hypoport SE's statutes do not specify any capital requirements. The Hypoport Group pursues two main objectives in terms of its capital management: firstly, to ensure that the Company continues to operate as a going concern so that it can continue to generate returns for its shareholders and provide its other stakeholders with the services they require; and secondly, to maintain the optimum capital structure so that it can lower its cost of capital and meet the minimum capital requirements resulting from its borrowings. The agreed key performance indicator, calculated as the ratio of net debt to EBIT before depreciation, amortisation expense and impairment losses, was met for all loans.

The Hypoport Group monitors its capital in terms of its level of gearing, which is the ratio of net debt to equity. Net debt consists of total financial liabilities less cash and cash equivalents. Equity comprises the total shares in issue plus reserves.

The table below shows the Company’s gearing as at 31 December 2024 and 31 December 2023:

Company’s gearing	31.12.2024 €’000	31.12.2023* €’000
Financial liabilities	184,722	183,572
Minus cash and cash equivalents	86,252	96,658
Net debt	98,470	86,914
Equity	357,792	342,644
Gearing	28%	25%

* The comparative figures were adjusted due to error corrections (see note 2.1)

7.13 Corporate governance declaration

Hypoport SE has issued its corporate governance declaration, including the declaration of conformity required by section 161 of the German Stock Corporation Act (AktG). The declaration can be viewed online at www.hypoport.com/investor-relations/corporate-governance/.

7.14 Events after the reporting period

Since the balance sheet date, no significant events have occurred in the Group’s market environment compared with the reporting year.

Lübeck, 11 March 2025

Hypoport SE – The Management Board


Ronald Slabke Stephan Gawarecki

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Consolidated statement of changes in non-current assets 2024

	Cost						Cumulative depreciation, amortisation and impairment				Carrying amount	
	Balance 01.01.24 €'000	Additions €'000	Disposals €'000	Reclassification €'000	Changes in consolidation €'000	Balance 31.12.24 €'000	Balance 01.01.24 €'000	Additions €'000	Disposals €'000	Balance 31.12.24 €'000	Balance 31.12.24 €'000	31.12.23 €'000
I. Intangible assets												
1. Licences, trademarks and similar rights and assets, including licences for such rights and assets	51,824	1,793	1	946	0	54,562	30,207	4,510	0	34,717	19,845	21,617
2. Development costs	199,330	22,366	0	3,499	0	225,195	102,632	19,331	0	121,963	103,232	96,698
3. Goodwill	229,083	0	0	0	0	229,083	0	0	0	0	229,083	229,083
4. Advance payments and development costs in progress	3,697	2,803	0	-4,427	0	2,073	0	1	0	1	2,072	3,697
	483,934	**26,962**	**1**	**18**	**0**	**510,913**	**132,839**	**23,842**	**0**	**156,681**	**354,232**	**351,095**
II. Property. plant and equipment												
1. Land, leasehold improvements and buildings, including buildings on land owned by others	11,756	244	0	-206	0	11,794	1,828	302	0	2,130	9,664	9,928
2. Other facilities, office furniture and equipment	30,298	1,037	116	421	0	31,640	24,028	1,967	0	25,995	5,645	6,270
3. Use rights	83,543	11,128	5,219	0	757	90,209	33,110	10,372	5,219	38,263	51,946	50,433
4. Advanced payments and constructions in progress	640	342	0	-233	0	749	0	0	0	0	749	640
	126,237	**12,751**	**5,335**	**-18**	**757**	**134,392**	**58,966**	**12,641**	**5,219**	**66,388**	**68,004**	**67,271**
	610,171	**39,713**	**5,336**	**0**	**757**	**645,305**	**191,805**	**36,483**	**5,219**	**223,069**	**422,236**	**418,366**

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Consolidated statement of changes in non-current assets 2023

	Cost						Cumulative depreciation, amortisation and impairment				Carrying amount	
	Balance 01.01.23 €'000	Additions €'000	Disposals €'000	Reclassification €'000	Changes in consolidation €'000	Balance 31.12.23 €'000	Balance 01.01.23 €'000	Additions €'000	Disposals €'000	Balance 31.12.23 €'000	Balance 31.12.23 €'000	31.12.22 €'000
I. Intangible assets												
1. Licences, trademarks and similar rights and assets, including licences for such rights and assets	49,140	1,849	181	1,016	0	51,824	24,969	5,238	0	30,207	21,617	24,171
2. Development costs	167,613	23,284	0	8,433	0	199,330	82,865	19,767	0	102,632	96,698	84,748
3. Goodwill	229,083	0	0	0	0	229,083	0	0	0	0	229,083	229,083
4. Advance payments and development costs in progress	9,126	4,020	0	-9,449	0	3,697	0	0	0	0	3,697	9,126
	454,962	**29,153**	**181**	**0**	**0**	**483,934**	**107,834**	**25,005**	**0**	**132,839**	**351,095**	**347,128**
II. Property. plant and equipment												
1. Land, leasehold improvements and buildings, including buildings on land owned by others	11,755	1	0	0	0	11,756	1,527	301	0	1,828	9,928	10,228
2. Other facilities, office furniture and equipment	29,401	1,001	202	98	0	30,298	21,541	2,487	0	24,028	6,270	7,860
3. Use rights	111,695	3,373	11,892	0	-19,633	83,543	34,909	10,093	11,892	33,110	50,433	76,786
4. Advanced payments and constructions in progress	708	30	0	-98	0	640	0	0	0	0	640	708
	153,559	**4,405**	**12,094**	**0**	**-19,633**	**126,237**	**57,977**	**12,881**	**11,892**	**58,966**	**67,271**	**95,582**
	608,521	**33,558**	**12,275**	**0**	**-19,633**	**610,171**	**165,811**	**37,886**	**11,892**	**191,805**	**418,366**	**442,710**

Report of the Supervisory Board
of Hypoport SE for 2024

The Supervisory Board hereby reports on the discharge of its responsibilities at Hypoport SE ('Company') in the 2024 financial year.

In 2024, the Supervisory Board continued to apply due care and diligence in discharging the responsibilities incumbent upon it under the law, the Company's statutes, its rules of procedure and the German Corporate Governance Code. The Supervisory Board monitored the Management Board in its running of the Company and supported it in an advisory capacity. It consistently found the work of the Management Board to be lawful, proper and expedient. This support function was based on the detailed written and oral reports submitted by the Management Board, which informed the Supervisory Board in a regular, comprehensive and timely fashion about the Company's strategic planning and budgeting, changes in its business performance and financial position, its strategic development, the risk situation, risk management and relevant compliance matters, important transactions and the current position of the Company and the Hypoport Group. The Supervisory Board was informed at regular intervals either during or in advance of Supervisory Board meetings. The members of the Supervisory Board had sufficient opportunity to thoroughly review the reports and proposed resolutions of the Management Board and to make their own suggestions. The Management Board and the Supervisory Board were also in regular contact outside the meetings, so the Supervisory Board was kept abreast of particularly important events at all times. The Supervisory Board also obtained information about key developments for itself. All decisions and actions of fundamental importance that required approval were discussed with the Supervisory Board at an early stage and submitted to the Supervisory Board for approval.

The Supervisory Board held five scheduled meetings in 2024. Four meetings were held as video conferences and one meeting was held in person. Furthermore, resolutions were adopted in writing (by email) on 19 April 2024, 27/29 June 2024 and 3 July 2024 and on 10 October 2024, 19 November 2024, and 12/14 December 2024 at the request of the Supervisory Board chairman following detailed preparation and dissemination of information in each case. All members of the Supervisory Board, who are also members of the Audit Committee in accordance with section 107 (4) sentence 2 of the German Stock Corporation Act (AktG), attended every scheduled meeting and took part in the resolutions adopted in writing. As the agendas of some scheduled meetings of the Supervisory Board included items that also related to work of the Audit Committee, the latter also convened – with all members in attendance – five times in 2024.

No members of the Management Board and/or the Supervisory Board were subject to conflicts of interest that would have had to be disclosed to the Supervisory Board without undue delay and also reported to the Annual Shareholders' Meeting.

Key points of the Supervisory Board's deliberations

In 2024, the deliberations of the Supervisory Board focused primarily on the business performance and financial position of the Company, the individual segments and the Group, their development, including from a strategic perspective, in respect of developments in their respective markets and the progress made with restructuring certain particularly challenging business activities. The risk situation, risk management and compliance-related matters, as well as decisions and action taken by the Management Board that required approval, were also discussed in detail.

At the meeting held on **23 January 2024**, the Chief Executive Officer of Corify GmbH delivered a presentation on the company. He talked about the current conditions in the industrial insurance market, about Corify GmbH's positioning in terms of the solutions offered in this market, and about the current competitive situation. He also answered the Supervisory Board's questions.

The Management Board then gave a progress report on the restructuring within the Hypoport Group, focusing on key developments in the market and in the performance of the business in the fourth quarter of 2023 and at the start of 2024. The Management Board also compared the current developments with the planning forecast for 2023, set out its expectations for 2024 and answered the Audit Committee/Supervisory Board's questions.

In addition, the Management Board reported on developments in the fourth quarter of 2023, with a particular focus on the overall financial performance of the Group including the individual segments.

The Management Board also set forth the Group's strategy and strategic planning. The focus here was on the current and anticipated market trends, what was expected of the business as a result, and the strategic considerations for the Hypoport Group based on the experiences of the previous year. Key considerations, keeping in mind the Hypoport Group's segment strategy, were stability, profitability and controllability. The Management Board then answered the Supervisory Board's questions.

After the Management Board had answered the Supervisory Board's questions, the Supervisory Board noted, with approval, the updated multi-year plans in aggregate and for each segment, taking into account the strategic planning and the highlighted market trends.

The Management Board also presented the risk-bearing capacity of the Hypoport Group as at 31 December 2023 at this meeting and answered the Audit Committee/Supervisory Board's questions.

Furthermore, the Supervisory Board unanimously voted to approve the submission of the corporate governance declaration pursuant to sections 289f and 315d HGB. The Audit Committee/Supervisory Board then reviewed the invitation to tender for the audit of the separate and consolidated financial statements of the Company and of the Hypoport Group for 2024. In line with the Audit Committee's identical motion, the Supervisory Board unanimously passed a resolution on the invitation to tender for the audit of the separate and consolidated financial statements for 2024 and determined the next steps.

Two representatives of the Company's auditors, BDO AG Wirtschaftsprüfungsgesellschaft, Hamburg, attended the meeting held on **19 March 2024** and presented a comprehensive report on BDO's audit of the separate financial statements for 2023 and the consolidated financial statements for 2023. The representatives also answered the Audit Committee/Supervisory Board's questions. As required by section 171 AktG – and in line with the recommendation of the Audit Committee – the Supervisory Board reviewed and approved the separate and consolidated financial statements for 2023 as well as both management reports.

Two potential auditing firms then gave a presentation as part of the tendering process for the audit of the separate and consolidated financial statements for 2024. On the basis of the predefined selection criteria, which reflect the Audit Committee/Supervisory Board's requirements and their expectations of the auditing firms, the Audit Committee/Supervisory Board assessed the submitted bids and then the conclusions that were drawn as a result of the tendering process. The Supervisory Board decided, in line with the recommendation of the Audit Committee, to propose to the Company's Annual Shareholder's Meeting that Rödl & Partner GmbH Wirtschaftsprüfungsgesellschaft, Nuremberg, be engaged as the auditor for 2024 and for an eventual review of the condensed financial statements and the interim management report and for an eventual limited assurance review of additional interim financial information.

In addition, the Management Board reported on the fourth quarter of 2023, focusing on the performance of the individual segments and on certain particularly challenging business activities. The Management Board answered the Audit Committee/Supervisory Board's questions.

The individual components of the Management Board's updated remuneration were presented and it was confirmed that all of them comply with the current rules on management board remuneration. Following approval of the separate and consolidated financial statements for 2023, the Supervisory Board also approved the Management Board's proposed remuneration for 2023 and set the Management Board's remuneration for 2024. The Supervisory Board noted with approval the remuneration report for 2023.

Also at this meeting, the Audit Committee discussed the report that it received on the non-audit services that were actually performed by the auditor. The Supervisory Board noted this with approval in line with the recommendation of the Audit Committee. The Supervisory Board then discussed the report of the Supervisory Board for 2023.

In addition, the Management Board presented a provisional proposal for the agenda of the 2024 Annual Shareholders' Meeting, which the Supervisory Board acknowledged. Furthermore, the Supervisory Board agreed to the Management Board's proposal that the Company's distributable profit of €109,618,174.14 be carried forward to the next accounting period and no dividend be paid, and that this proposal be put to the Annual Shareholders' Meeting.

The Audit Committee finished by discussing the internal audit function's compliance management summary report on events in 2023. The Audit Committee/Supervisory Board noted that no compliance incidents had to be investigated in the Hypoport Group in 2023. The declaration regarding the review of the 2023 non-financial report was also noted with approval by the Audit Committee/Supervisory Board.

On **19 April 2024**, after making appropriate preparations and discussing the draft agenda for the 2024 Annual Shareholders' Meeting, the Supervisory Board adopted a written resolution on convening the Annual Shareholders' Meeting on 4 June 2024 and on the motions for this meeting, with the exception of the motion on the appropriation of profit and on the election of the auditor, which had been approved at the meeting on 19 March 2024. In the same written resolution, the Supervisory Board resolved to apply a new remuneration system for the Company's Management Board with effect from 1 July 2024 and to submit for approval to the Annual Shareholders' Meeting on 4 June 2024 this remuneration system and the remuneration report for 2023 pursuant to section 162 AktG, together with the independent auditor's report.

At the Supervisory Board meeting on **4 June 2024**, held immediately after the Annual Shareholders' Meeting, the Management Board gave a report on the first quarter of 2024 and on certain particularly challenging business activities. The Management Board also reported on the risk management system, the risk inventory as at 31 March 2024 and the risk-bearing capacity of the Hypoport Group as at the same reporting date. The Management Board answered the Audit Committee/Supervisory Board's questions.

In addition, the Management Board reported on progress with the restructuring of Value AG and its impact on earnings.

The Supervisory Board then received updates on the Company's holding functions, on the capital function and its sub-functions, responsible persons and key projects. The Supervisory Board's resulting questions were then answered.

Also at this meeting, the Supervisory Board approved the conclusion of a contact between Hypoport hub SE and Microsoft Deutschland GmbH, which, in accordance with internal rules, required the approval of the Company's Supervisory Board because of the volume of business involved.

On **29 June 2024**, the Supervisory Board adopted a written resolution on the reappointment of the two members of the Company's Management Board and approved the conclusion of their Management Board employment contracts and respective supplemental agreements in accordance with the remuneration system for the Management Board that had been approved by the Supervisory Board on 19 April 2024 and by the Annual Shareholders' Meeting on 4 June 2024.

On the basis of the written resolution adopted on **3 July 2024**, the Supervisory Board determined that the conditions for prepayment of the short-term bonus had been met and decided to grant the members of the Company's Management Board a non-repayable prepayment under the short-term bonus in accordance with the provisions of the remuneration system for the Management Board and the Management Board employment contracts.

In the Supervisory Board meeting on **27 August 2024**, the members of the Management Board of REM Capital AG gave a presentation on previous and current developments at REM Capital AG and on its positioning within the Financing Platforms segment. A SWOT analysis, key figures and the expected business performance for 2024 were described and discussed at length. The members of the Management Board of REM Capital AG answered the Supervisory Board's subsequent questions.

The Company's Management Board then reported on developments in the second quarter of 2024, focusing on the performance of the individual segments and on certain particularly challenging business activities. The Management Board also reported on the risk management system, the risk inventory as at 30 June 2024 and the risk-bearing capacity of the Hypoport Group as at the same reporting date. The Management Board then answered the resulting questions of the Audit Committee/Supervisory Board.

Also at this meeting, the Management Board reported on current developments in relation to the Hypoport Group's structure, management and organisation as well as the current make-up of the key management roles. In this context, the Management Board gave a progress report on the implementation of the Hypoport Group's segment strategy.

The Audit Committee/Supervisory Board further received a presentation on the current situation regarding the project to implement the Corporate Sustainability Reporting Directive (CSRD) and the sustainability reporting system, including the necessary steps to achieve this. In light of the resulting requirements for control mechanisms and control bodies, the role of the Audit Committee/Supervisory Board was also discussed. The Management Board answered the Audit Committee/Supervisory Board's questions.

The Management Board then reported on the results of the review submitted by the internal audit function into IT security, which focused on the IT infrastructure operated in the Hypoport Group by Hypoport hub SE. The Management Board answered the Audit Committee/Supervisory Board's questions.

In a written resolution on **10 October 2024**, the Supervisory Board approved the conclusion of a loan agreement with Commerzbank AG for a loan of €10,000,000.00.

In a further written resolution on **19 November 2024**, the Supervisory Board approved the conclusion of a loan agreement with Deutsche Bank AG for a loan of €10,000,000.00.

At the Supervisory Board meeting on **6 December 2024**, the managing directors of FINMAS GmbH presented the Real Estate & Mortgage Platforms segment, with a particular focus on FINMAS GmbH. They talked about key market developments, end customer expectations and the company's plans for the future, among other things, and answered the Supervisory Board's questions.

The Company's Management Board then reported on developments in the third quarter of 2024, focusing on the performance of the individual segments and on certain particularly challenging business activities. The Management Board confirmed the outlook submitted for 2024 and answered the questions of the Audit Committee/Supervisory Board.

The Management Board also reported on funding policy, financing, capital investment – particularly in relation to the Company's strategic goals – the current debt finance situation, the investment principles in place and the tax impact of the new segmentation. The Management Board answered the Supervisory Board's subsequent questions.

Under another agenda item, the Management Board presented the risk management system and the early-warning system pursuant to section 91 (2) AktG, focusing on how the early-warning system functions. Detailed information was provided on the risk inventory (quantitative and qualitative) and the principles behind the Hypoport Group's risk-bearing capacity as at 30 September 2024. The questions of the Audit Committee/Supervisory Board were then answered.

The Supervisory Board also approved the submission of the declaration of conformity, which was published in December 2024 in accordance with section 161 AktG.

In addition, the Supervisory Board reviewed the effectiveness of its own work and that of the Audit Committee over the past year.

The Audit Committee/Supervisory Board were also provided with, and noted, the internal audit function's follow-up report on the follow-up measures resulting from the IT security audit.

In a further agenda item, the Management Board reported on the progress of Corify GmbH's development in the current year and answered the Supervisory Board's questions.

Finally, the meeting saw the Supervisory Board approve the proposed amendments to the policy on authority levels and the termination of the company agreements in place with the Company as part of the implementation of the Hypoport Group's segment strategy.

In a written resolution on **14 December 2024**, in connection with the implementation of the Hypoport Group's segment strategy, the Supervisory Board approved the conclusion of a share purchase agreement between the Company and Qualitypool GmbH covering all shares in AmexPool AG.

Committees

With the exception of the mandatory formation of an Audit Committee, the Supervisory Board of the Company has not set up any committees because it consists of only three members. More information can be found in the declaration of conformity pursuant to section 161 AktG.

German Corporate Governance Code

Last year, the Supervisory Board also discussed the content of the German Corporate Governance Code and adopted corresponding resolutions on individual deviations from it. More information about corporate governance at the Company can be found in the corporate governance declaration pursuant to sections 289f and 315d HGB. Detailed information on the level and structure of remuneration for the Supervisory Board and Management Board can be found in the remuneration report pursuant to section 162 AktG, in the remuneration system for the Supervisory Board that was adopted by the Annual Shareholders' Meeting on 3 June 2022 in accordance with section 113 (3) AktG and in the remuneration system for the Management Board that was adopted by the Annual Shareholders' Meeting on 4 June 2024 in accordance with section 120a (1) AktG. Information on the remuneration systems can be accessed on the Company's website. The Management Board and Supervisory Board voted to issue the declaration of conformity required by section 161 AktG and have made it available on the Company's website.

The Supervisory Board and Management Board are aware that good corporate governance that safeguards the interests of shareholders and the capital markets is essential for the Company's success. The Management Board and Supervisory Board regard the recommendations and suggestions of the German Corporate Governance Code and the pertinent statutory legislation as an integral part of the function that they perform for the Company. They examine compliance with these standards at regular intervals, thereby ensuring that the Company's shareholders and employees and, not least, the Company itself take due account of the standards.

In 2024, no additional training and development activities were required to enable the existing members of the Supervisory Board to carry out their duties. However, the Supervisory Board will review on an ongoing basis whether such activities are required in future in relation to their work for the Company. The Supervisory Board is supported by the Company's Management Board in this regard.

Separate and consolidated financial statements

The Management Board submitted to the Audit Committee/Supervisory Board the 2024 separate financial statements that it had prepared in accordance with HGB, the 2024 consolidated financial statements prepared in accordance with International Financial Reporting Standards (IFRS), both management reports including the separate non-financial Group report, the proposal for the appropriation of profit and the corresponding independent auditor's reports. The Management Board and the Supervisory Board jointly prepared the remuneration report pursuant to section 162 AktG and will present it to the independent auditor for audit.

Rödl & Partner GmbH Wirtschaftsprüfungsgesellschaft, Nuremberg, the auditor appointed by the Company, audited the separate financial statements, the consolidated financial statements and both management reports for the year ended 31 December 2024 and issued an unqualified opinion in each case. The independent auditor also has the task of auditing the remuneration report pursuant to section 162 AktG and issuing a separate opinion on the audit of the remuneration report. As required by section 171 AktG, the Audit Committee/Supervisory Board reviewed and discussed the separate and consolidated financial statements for 2024 and both management reports. At the Supervisory Board meeting held on 18 March 2025 to discuss the Company's financial statements, the auditor reported in person to the Audit Committee/Supervisory Board and provided exhaustive answers to the questions put to them by the Audit Committee/Supervisory Board. The Supervisory Board also examined the Management Board's proposal for the appropriation of profit.

In line with recommendation of the Audit Committee, the Supervisory Board agreed with the auditor's findings. Having completed its own examination, the Supervisory Board had no objections to raise. The Supervisory Board reviewed and approved the separate and consolidated financial statements for 2024 prepared by the Management Board. The financial statements for 2024 have thus been adopted. In addition, the Supervisory Board reviewed the separate non-financial Group report for 2024 and approved it in line with the recommendation of the Audit Committee. After itself examining the Management Board's explanation of its proposed appropriation of profit, and after considering all the arguments, the Supervisory Board approved the proposal.

The Supervisory Board discussed this report of the Supervisory Board for 2024 at the meeting held to discuss the Company's financial statements on 18 March 2025 and unanimously voted to adopt it.

Last but not least, the Supervisory Board would like to thank the Management Board of the Company, the Hypoport Group's senior managers and all employees for their hard work and valuable support in 2024.

Barsbüttel, 18 March 2025

Dieter Pfeiffenberger
Chairman of the Supervisory Board

Corporate Governance

Corporate governance declaration pursuant to sections 289f and 315d HGB

The Management Board and Supervisory Board of Hypoport SE (the Company) are committed to the principles of responsible corporate governance. Hypoport SE firmly believes that transparent corporate governance adds value to the Company over the long term. It is also essential if Hypoport SE is to honour the trust placed in it by investors, financial markets, business partners, clients, employees and the public at large. The Management Board and Supervisory Board therefore regard the recommendations and suggestions of the German Corporate Governance Code and the pertinent statutory legislation as an integral part of the function that they perform for the Company. They examine the implementation of these standards at regular intervals in order to ensure full compliance with them for the benefit of shareholders, employees and, not least, Hypoport SE itself.

Declaration of conformity with the German Corporate Governance Code

The Management Board and Supervisory Board have carefully examined the German Corporate Governance Code as amended on 28 April 2022, which was published in the German Federal Gazette on 27 June 2022. The declaration of conformity was submitted by the Management Board and Supervisory Board of Hypoport SE on 6 December 2024 and has been made permanently available to the public at www.hypoport.com/investor-relations/corporate-governance/.

Declaration of conformity with the recommendations of the German Corporate Governance Code pursuant to section 161 of the German Stock Corporation Act (AktG)

The Management Board and Supervisory Board of Hypoport SE, Berlin, hereby declare the following:

"Since the most recent regular declaration of conformity was submitted in December 2023, Hypoport SE has complied – with the exception of the recommendations listed below – with all the recommendations made by the German government commission on the German Corporate Governance Code in the version as amended on 28 April 2022, which were publicly announced by the German Federal Ministry of Justice in the official section of the German Federal Gazette and became effective upon their publication in the German Federal Gazette on 27 June 2022 ('2022 Code'). In future, Hypoport SE will continue to comply with the recommendations, with the exception of those listed below:

1. Paragraph B.5 of the 2022 Code recommends that an upper age limit be specified for management board members and that it be disclosed in the corporate governance declaration. Paragraph C.2 of the 2022 Code makes the same recommendation for supervisory board members. To date, no upper age limit has been specified for members of the Management Board or the Supervisory Board of Hypoport SE. Hypoport SE believes that setting such an age limit would be an inappropriate general restriction on the Supervisory Board's selection of suitable members of the Management Board and would restrict shareholders in their selection of members of the Supervisory Board. This is because a director's experience and personal and professional skills, rather than his or her age, are the relevant factors for recruiting members of the Management Board or Supervisory Board. The next corporate governance declaration will therefore not include any disclosures on age limits for members of the Management Board and Supervisory Board.

2. Paragraph C.1 of the 2022 Code recommends that the supervisory board set specific targets for its composition and draw up a profile of skills and expertise for the supervisory board as a whole, including expertise on sustainability issues relevant to the company, whereby due regard should be given to diversity. The supervisory board should take these targets into account in its proposals to the annual shareholders' meeting and, at the same time, aim to fulfil the requirements of the profile of skills and expertise for the supervisory board as a whole. Progress towards implementation should be published in the form of a qualification matrix in the corporate governance declaration.

   The Supervisory Board has not set such targets for its composition and has not drawn up a profile of skills and expertise or a qualification matrix. The current members of the Supervisory Board were re-elected at the Annual Shareholders' Meeting on 21 May 2021 until the end of the Annual Shareholders' Meeting that votes on the formal approval of their actions for the 2025 financial year. The Supervisory Board is of the opinion that its current composition continues to take full and proper account of the Company's particular situation and believes that this is corroborated by the re-election of the Supervisory Board candidates that it had proposed. In view of the skills and expertise of its members, the Supervisory Board as a whole also completely fulfils the professional requirements that arise from the business activities of Hypoport SE and its specific requirements. The Supervisory Board is therefore of the opinion that specific written targets for its composition and the development of a separate profile of skills and expertise and a qualification matrix are inappropriate at the present time and offer no additional benefit. In particular, such binding targets risk unduly restricting its flexibility to elect suitable candidates. Due to the size of the Supervisory Board, the Supervisory Board also believes that each vacant position should be filled first and foremost on the basis of candidates' professional suitability and skills, taking due account of the Company's particular situation. Consequently, the Supervisory Board is of the view that, at this time, there is still no need to set specific targets for its composition or to draw up a separate profile of skills and expertise as recommended by paragraph C.1 of the 2022 Code. The Supervisory Board will continuously and properly examine whether to comply with the recommendation in paragraph C.1 of the 2022 Code in future or whether to retain the current model. For the time being, the corporate governance declaration will therefore not include any disclosures on a profile of skills and expertise or a qualification matrix. It does, however, include disclosures on the number of shareholder representatives on the Supervisory Board, their independence and their skills and expertise in accounting and auditing.

3. Paragraph D.4 of the 2022 Code recommends that the supervisory board form a nominations committee that consists exclusively of shareholder representatives and that nominates suitable candidates whom the supervisory board then recommends to the annual shareholders' meeting for election as supervisory board members.

   To date, the Supervisory Board has not formed a nominations committee as described in paragraph D.4 of the 2022 Code. Because the Supervisory Board consists of only three members, as specified in the Company's statutes, all aspects of its work will for now continue to be carried out by the entire Supervisory Board, with the exception of those matters pertaining to the remit of the Audit Committee as described in principle 14 of the 2022 Code. Consequently, the Supervisory Board does not consider it necessary to form further committees, including a nominations committee, at this point in time. The Supervisory Board in particular believes that the formation of committees would unnecessarily impede its work because it has such a small number of members. However, the Supervisory Board will review on an ongoing basis whether the formation of a nominations committee may be helpful in the future.

4. Paragraph G.3 of the 2022 Code recommends that the supervisory board determine and disclose an appropriate peer group of other companies in order to assess whether the specific total remuneration of management board members is in line with usual levels at other companies. The peer group comparison should be used with care in order to prevent a ratcheting up of remuneration.

   Under the applicable remuneration system for the Management Board, the factors taken into account to determine the Management Board's remuneration include the duties and performance of the Management Board and the economic position, success and long-term performance of Hypoport SE. It is also taken into consideration whether the level of remuneration is customary. The Supervisory Board does not conduct a formal a peer group comparison as it considers the creation of a truly meaningful peer group to be unrealistic given the nature of business and the structure of the Hypoport Group, and given variations in the remuneration practices of different companies. Nonetheless, the Supervisory Board does consider market data from similar companies in the same industry when reviewing whether the remuneration of the Management Board is customary.

5. Pursuant to paragraph G.4 of the 2022 Code, the Supervisory Board should compare the remuneration of the Management Board with the remuneration paid to the senior management and the overall workforce, including over time, in order to assess whether the remuneration is customary.

   For the purpose of assessing whether the remuneration is customary, the remuneration of the Management Board is compared with the remuneration of the overall workforce of Hypoport SE in an internal vertical comparison spanning the last few years. However, no specific distinction is made between the overall workforce and senior management in this context because Hypoport SE merely performs the role of a strategic and management holding company. The Supervisory Board is therefore of the opinion that the total workforce is representative for the purposes of this vertical comparison.

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6. Paragraph G.6 of the 2022 Code recommends that the variable remuneration resulting from achievement of long-term targets exceed the variable remuneration resulting from achievement of short-term targets.

   Under the applicable remuneration system for the Management Board, the target amount for the short-term bonus comes to no more than €400,000.00 gross per financial year if the targets are achieved in full. The target amount for the long-term bonus comes to no more than €1,000,000.00 gross if the targets are achieved in full over a measurement period of three to five years. This equates to a pro-rata share of the long-term bonus of up to €333,333.33 gross per annum over a three-year measurement period or up to €200,000.00 gross per annum over a five-year measurement period.

   The Management Board employment contracts of the current members of the Management Board stipulate a target figure for the short-term bonus of €300,000,00 gross per financial year and a target figure for the long-term bonus of €1,000,000.00 over a measurement period of five years, in each case subject to the full achievement of the agreed targets and sub-targets. This means that a pro rata payment of €200,000.00 gross would be awarded for each financial year under the long-term bonus scheme in the event of full achievement of the relevant sub-target.

   The financial performance in recent years highlights that it is also important to focus on short-term targets. Although the short-term bonus accounts for a higher share of the total variable remuneration than the long-term bonus, the long-term bonus still constitutes a substantial share of the overall remuneration. The Supervisory Board believes that the design of the variable remuneration components provides an appropriate incentive structure that strikes the right balance between necessary short-term success and the performance of the Company over the long term.

7. Paragraph G.10 of the 2022 Code recommends that, taking account of management board members' individual tax expense, the variable remuneration granted to them be predominantly invested in the company's shares or be granted as share-based remuneration. Management board members should receive their long-term variable remuneration only after four years.

   The remuneration system for the Management Board and the employment contracts of the current members of the Management Board do not require members of the Management Board to invest in the Company's stock and do not specify share-based variable remuneration as the Supervisory Board believes that this would not be a meaningful incentive given the existing personal shareholdings of the members of the Management Board. For as long as members of the Management Board have personal shareholdings, the Supervisory Board considers such remuneration unnecessary.

   The remuneration system for the Management Board and the employment contracts of the current members of the Management Board provide for a long-term bonus that is contingent on the achievement of a specific target over a measurement period of no less than three and up to five years. Subject to achievement of the relevant sub-target, partial payments of the long-term bonus may be made to the members of the Management Board for each financial year. Such payments are made no later than by the end of the calendar month following the calendar month in which the Hypoport Group's IFRS consolidated financial statements for the financial year in question are adopted. If the relevant sub-target is not achieved, no partial payment is made. In this case, however, the potential partial payment for the next relevant sub-target will be increased by the amount of the (undisbursed) partial payment for the previous year. However, the partial payment will never be higher than the percentage share of full target achievement for the relevant sub-target.

Structuring the long-term bonus in a way that facilitates annual partial payments takes account of the fact that long-term goals are often achieved in stages. It rewards progress but also provides incentives to remain focused on achieving the target in full, especially as it is possible to make up for missed sub-targets by catching up on progress in subsequent years of the same measurement period. The full payment of the long-term bonus always remains contingent upon the full achievement of the relevant target over the multi-year measurement period, protecting the long-term character of this remuneration component. The Supervisory Board believes that this system strikes an appropriate balance between incentivisation and long-term thinking."

Management Board remuneration

In line with the resolution adopted as required by section 120a (4) sentence 1 AktG, the remuneration report pursuant to section 162 AktG for 2023 and the independent auditors' report are available at www.hypoport.com/investor-relations/publications/. Information about the remuneration system and the most recent resolution on remuneration are also available at www.hypoport.com/investor-relations/corporate-governance/.

Disclosures of corporate governance practices

Hypoport Group Compliance Code of Conduct
The Hypoport Group Compliance Code of Conduct sets out basic rules and principles for the conduct of the Hypoport Group's senior management and employees towards each other and towards clients, business partners and other third parties. It provides a frame of reference, including standards regarding compliance with legal requirements (in particular relating to data protection, insider trading and money laundering), and expectations regarding business relationships and conduct towards employees (in particular relating to equal treatment and prevention of discrimination). The Hypoport Group Compliance Code of Conduct is available on Hypoport SE's website at www.hypoport.com/investor-relations/corporate-governance/.

The modus operandi and composition of the Management Board and Supervisory Board

Composition and modus operandi of the Management Board
The Management Board is responsible for running the Company. Its remit includes formulating the Company's targets, objectives and strategy; managing and monitoring its business activities; and establishing and monitoring an effective risk management system. The statutes of Hypoport SE lay down rules on the composition of the Management Board. Hypoport SE's current statutes can be accessed online at www.hypoport.com/investor-relations/corporate-governance/. They specify that the Management Board of Hypoport SE should comprise a minimum of two persons. Apart from this stipulation, the Supervisory Board can specify a higher number of Management Board members. It currently consists of two members. The Management Board informs the Supervisory Board in a regular, comprehensive and timely fashion about the Company's strategic planning and budgeting, changes in its business performance and financial position, its strategic development, its risk management, important transactions, and the current position of the Company and the Hypoport Group.

The Supervisory Board has appointed a chairman of the Management Board. The Supervisory Board approved the latest version of the rules of procedure for the Management Board on 15 January 2020 and they came into force on 24 March 2020 when the change of legal form became effective. These rules of procedure govern the internal workings of the Management Board, the allocation of its responsibilities and its cooperation with the Supervisory Board. As specified by the Management Board's rules of procedure and schedule of responsibilities, each member of the Management Board has their own area of responsibility. However, the members of the Management Board are collectively responsible for the overall day-to-day management of the Hypoport Group. Moreover, certain material acts can only be carried out on the basis of a decision taken by the Management Board as a whole. As it currently consists of only two members, the Management Board is quorate if all members of the Management Board participate in voting. Decisions are taken by a simple majority of the votes cast. In practice, the Management Board often takes decisions by reaching a consensus. As the Management Board is made up of only two members, it does not have any separate committees.

In accordance with its statutes, Hypoport SE is represented in court and out of court either by two Management Board members jointly or by one Management Board member in conjunction with one person with full commercial power of attorney (Prokurist). If the appointment of one Management Board member is terminated prematurely for cause or if one Management Board member dies, leaving only one member of the Management Board, this remaining member is authorised to represent the Company on their own until another Management Board member is appointed. If two or more persons have been appointed to the Management Board, the Supervisory Board can authorise one or more Management Board members to represent the Company on their own. The Supervisory Board can exempt members of the Management Board from the restrictions under section 181 of the German Civil Code (BGB) within the limits specified by section 112 AktG. To date, the Supervisory Board has not given individual power of representation to any member of the Management Board.

Corporate Governance
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Composition and modus operandi of the Supervisory Board

The Supervisory Board discharges the responsibilities incumbent upon it under the law, the Company's statutes, its rules of procedure and the German Corporate Governance Code. It regularly advises the Management Board on the running of the Company and monitors its actions. This advisory and monitoring function is based on detailed written and oral reports submitted by the Management Board, which inform the Supervisory Board in a regular, comprehensive and timely manner about the Company's planning and budgeting, its business performance, its strategic development, its risk management, important transactions, and the current position of the Company and the Hypoport Group. Decisions of fundamental importance are discussed with and submitted to the Supervisory Board for approval. Material decisions taken by the Management Board – as defined in the Company's statutes and the rules of procedure for the Company's Management Board – must be approved by the Supervisory Board, as must the decisions for which approval by the Supervisory Board is specified in law.

The Supervisory Board appoints the members of the Management Board, adopts the remuneration system for the Management Board and determines the remuneration in accordance with this system. It reviews and approves the separate and consolidated financial statements prepared by the Management Board, thereby adopting the separate financial statements.

Once a year, the Supervisory Board reviews the efficiency of its work and the proper fulfilment of the duties incumbent upon it under the law, the Company's statutes and the rules of procedure. It uses a recommended, standardised questionnaire for this purpose. The efficiency review examines qualitative criteria and, in particular, the Supervisory Board's procedures and whether the Supervisory Board is supplied with sufficient information. At least once a year, the Supervisory Board and Management Board jointly evaluate the structure, size, composition and performance of the Management Board and Supervisory Board and, if necessary, make related recommendations. The Audit Committee also conducts a self-assessment using a questionnaire developed specifically for its activities. The questionnaire covers the composition and modus operandi of the Audit Committee and its cooperation with the independent auditor.

The Supervisory Board holds at least two meetings per calendar half-year, preferably with one meeting in each quarter. If necessary, it meets without the Management Board or individual members of the Management Board being present. The Supervisory Board held five scheduled meetings in 2024. Furthermore, six resolutions were adopted in writing.

The provisions of section 12 (3) of the statutes state that the Supervisory Board is quorate if all its members participate in voting. The Supervisory Board provides itself with rules of procedure pursuant to section 10 (3) of the statutes. The currently applicable rules of procedure were issued on the basis of a resolution adopted by the Supervisory Board on 31 August 2021. They can be accessed online at www.hypoport.com/investor-relations/corporate-governance/ and contain additional information on the modus operandi of the Supervisory Board.

The Supervisory Board of Hypoport SE consists of three members, all of whom are shareholder representatives. The current members of the Supervisory Board were re-elected by the Annual Shareholders' Meeting on 21 May 2021 as members of the Supervisory Board of Hypoport SE.

The chairman of the Supervisory Board, Mr Dieter Pfeiffenberger, was elected from among the members of this body. The Supervisory Board believes that all of its members, namely Mr Dieter Pfeiffenberger, Mr Roland Adams and Mr Martin Krebs, can be considered independent under the definition provided in paragraphs C.6 to C.12 of the 2022 Code).

To date, the Supervisory Board of Hypoport SE has not set any targets for its composition and has not drawn up a profile of skills and expertise (see the declaration of conformity).

As the Supervisory Board consists of only three members, its current members – Mr Martin Krebs, Mr Dieter Pfeiffenberger and Mr Roland Adams – also form the Audit Committee pursuant to section 107 (4) sentence 2 AktG. Mr Martin Krebs is the chairman of the Audit Committee.

Mr Martin Krebs has special knowledge of the auditing of financial statements, as well as knowledge of sustainability reporting and the auditing thereof, within the meaning of section 100 (5) AktG and paragraph D.3 of the 2022 Code. He is also familiar with the sector in which Hypoport SE operates. His knowledge in these areas stems from his roles as Chief Financial Officer at Scalable GmbH and Scalable Capital GmbH, as a member of the Management Board of ING-DiBa AG and as an advisor at Goldman Sachs Group, Inc.

Mr Dieter Pfeiffenberger has the required expertise in accounting within the meaning of section 100 (5) AktG, including special knowledge and experience in the application of accounting principles and internal control and risk management systems, as well as knowledge of sustainability reporting and the auditing thereof within the meaning of paragraph D.3 of the 2022 Code. He is also familiar with the sector in which Hypoport SE operates. His knowledge in these areas stems from the many roles he has held in the past as a supervisory board or management board member at various banks.

To date, the Supervisory Board has not set up any committees, with the exception of the mandatory formation of an Audit Committee (see the declaration of conformity).

As a rule, the members of the Supervisory Board are elected for the period up to the end of the Annual Shareholders' Meeting that votes on the formal approval of the acts of management for the fourth financial year after the term of appointment commences. The Annual Shareholders' Meeting may stipulate a shorter term of appointment. The current members of the Supervisory Board were elected at the Annual Shareholders' Meeting on 21 May 2021 for the period up to the end of the Annual Shareholders' Meeting that votes on the formal approval of the actions of the Supervisory Board members for the 2025 financial year. The next elections to the Supervisory Board are therefore scheduled to be held at the 2026 Annual Shareholders' Meeting.

Long-term succession planning for Management Board positions, as recommended by the German Corporate Governance Code, is carried out during regular meetings between the Supervisory Board and Management Board. They discuss the term of, and options for extending, the contracts of the current Management Board members and, if necessary, deliberate on the need for potential successors.

Management Board and Supervisory Board shareholdings and directors' dealings

The members of the Management Board and Supervisory Board hold a considerable number of shares in Hypoport SE. The table below shows the numbers of shares in Hypoport SE directly or indirectly held by the members of the Management Board and Supervisory Board as at 31 December 2024.

	Shares (number)
Group Management Board	
Ronald Slabke	2,227,381
Stephan Gawarecki	101,802
Supervisory Board	
Dieter Pfeiffenberger	2,000
Roland Adams	0
Martin Krebs	115

In accordance with article 19 (3) MAR, notifications of managers' transactions are published at www.hypoport.com/investor-relations/corporate-governance/ as soon as notification has been received. Notification of one managers' transaction as defined in article 19 MAR was received in 2024. This notification can be accessed online at www.hypoport.com/investor-relations/corporate-governance/.

Financial reporting and auditing of financial statements

Since 2005 the Company's consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). Once the consolidated financial statements have been prepared by the Management Board, they are audited by the independent auditors and then reviewed and approved by the Supervisory Board. Following their audit by the independent auditors, the Supervisory Board also reviews and approves the separate financial statements prepared by the Management Board, which are thus adopted. The consolidated financial statements are published within 90 days after the end of the financial year and made permanently available in the German Federal Gazette and Company Register.

The Audit Committee discusses the assessment of audit risk, the audit strategy, the audit planning and the audit findings with the independent auditors. Where necessary, these discussions take place without the Management Board being present. The independent auditors notify the Audit Committee immediately of any findings or events of material importance to the Supervisory Board's or Audit Committee's work that arise during the course of the audit. The chairman of the Audit Committee regularly discusses the progress of the audit with the independent auditors and reports on these discussions to the Audit Committee. Furthermore, it has been agreed with the Company's independent auditors that the Supervisory Board, or the Audit Committee, be notified immediately of any reasons for exclusions or exemptions or of any misrepresentations in the declaration of conformity that are identified during the course of the audit and that any such incident be noted in the auditors' report. The Audit Committee periodically reviews the quality of the audit of the financial statements.

Setting targets for the proportion of women on the Management Board and Supervisory Board and in managerial positions

The Company's Supervisory Board is not bound by the gender quotas in section 17 (2) of the German SE Implementation Act (SEAG), nor is the Company's Management Board bound by the requirements of section 16 (2) SEAG. Against this backdrop, the Supervisory Board, in accordance with section 111 (5) AktG, and the Management Board, in accordance with section 76 (4) AktG, have decided on the following targets for the proportion of women and men on the Supervisory Board and Management Board and at the two management levels below the Management Board:

Targets for the Management Board and Supervisory Board

In a resolution dated 3 June 2022, the Supervisory Board set targets of 0 per cent for the proportion of women and men on both the Supervisory Board and the Board of Management. The new deadline for achieving the targets is 30 June 2027.

The Supervisory Board's justification for these targets is as follows:

The Supervisory Board is of the opinion that setting a target of more than 0 per cent for the proportion of women or men on the Supervisory Board would not be helpful, because the selection of any member of the Supervisory Board should focus purely on the independence and the professional and personal suitability of the candidate. The definition of specific gender targets would undermine the appropriate consideration of these essential criteria when it comes to proposing candidates.

Furthermore, the Supervisory Board is also of the opinion that setting a target of more than 0 per cent for the proportion of women or men on the Management Board would also not be helpful, because the selection of any member of the Management Board should focus purely on the professional and personal suitability of the candidate. The definition of specific gender targets would undermine the appropriate consideration of these criteria when it comes to selecting and appointing members of the Management Board. In any case, there is currently no intention to expand the Management Board or to make any personnel changes as the current membership has proved to be successful.

Targets for senior management levels

In a resolution dated 27/28 June 2022, the Management Board redefined the first level below the Management Board. It now comprises the management roles (known as 'lead links') of the circles below the Hypoport anchor circle (organisational circle encompassing the entire Hypoport SE organisation). There is no second level of management below the Management Board. The Management Board set targets of 20 per cent for the proportion of women and men at the first level of management below the Management Board. No targets were set for the proportion of women and men at the second level of management below the Management Board because there is no second level of management. The deadline for achieving the targets for the first level of management below the Management Board is 30 June 2027.

The Management Board's justification for these targets is as follows:
Within the Hypoport Group, Hypoport SE solely performs the role of a strategic and management holding company and only has an average of around 60 employees. The Company promotes the concept of self-management on the basis of a holacratic organisational structure that does not rely on conventional hierarchies and instead uses so-called 'circles' that are not led by traditional managers. The aforementioned target for the first level of management below the Management Board was set – and a second level of management was not defined – for this reason and in order to ensure that it remains possible for vacancies to be filled exclusively based on aspects of professional and personal suitability while also ensuring that staffing at the first level of management below the Management Board complies with the provision under section 76 (4) sentence 5 AktG, which prohibits companies from dropping below a target quota once it has been reached. The Management Board firmly believes that management vacancies should be filled on the basis of professional and personal suitability alone, irrespective of gender. In addition, the Management Board remains committed to promoting an equal opportunities culture. It prohibits and will not tolerate discrimination on the grounds of personal characteristics such as age, disability, ethnic origin, family status, race, religion, gender, sexual orientation or social origin, particularly in connection with recruitment practices, promotion, pay and access to further training and development.

Diversity concept for the composition of the Management Board and Supervisory Board

Hypoport SE's strategy for the composition of the Management Board and Supervisory Board is that the most suitable person for the particular position should be selected for posts on the Management Board and Supervisory Board. The Company does not seek to comply with strict age limits or fixed quotas. The professional and personal suitability of the candidate are the decisive criteria. More information about how members of the two boards are chosen can be found in the declaration of conformity pursuant to section 161 AktG, which is reproduced above, and in the information on the setting of targets for the proportion of women on the Management Board and Supervisory Board and in managerial positions.

Informative corporate communications

Open and informative corporate communications form an integral part of good corporate governance. This requires all content to be clearly expressed and readily understandable and, in particular, all target groups to have equal access to the information provided by the Company. Hypoport SE therefore attaches great importance to the dissemination of uniform, comprehensive and timely information. Information on the Company's business situation and financial results is published in its annual report, quarterly statements and half-year report. Information is also published in the form of ad hoc announcements and press releases. In addition, these announcements – which include notifications of voting rights, notifications of managers' transactions in accordance with article 19 (3) MAR and presentations of results – are made permanently available in the Press and Investor Relations sections of the Company's website. The scheduled dates of major recurring events – i.e. the dates on which the annual report, quarterly statements and half-year report are published and the date on which the Annual Shareholders' Meeting is held – are disclosed in a financial calendar, which is published sufficiently far in advance of these dates and is made available on the Company's website under https://www.hypoport.com/investor-relations/financial-calendar/.

Where necessary, Hypoport SE maintains an insider list in the manner prescribed by article 18 of Regulation (EU) No. 596/2014 (Market Abuse Regulation, MAR). The persons concerned have been, and are, informed about their legal obligations and the potential sanctions in this connection.

Shareholders and the Annual Shareholders' Meeting

The shareholders of Hypoport SE exercise their rights at the Company's Annual Shareholders' Meeting. This meeting provides the Company's shareholders with a forum in which to exercise their voting rights, obtain information and conduct a dialogue with the Management Board and Supervisory Board. The Annual Shareholders' Meeting is held within the first six months of each financial year. The Annual Shareholders' Meeting is usually chaired by the chairman of the Supervisory Board or by another member of the Supervisory Board appointed by this chairman. The Annual Shareholders' Meeting decides on all matters assigned to it by law.

The Company organises and runs its Annual Shareholders' Meetings in such a way that all shareholders are informed in a timely, comprehensive and effective manner both prior to and during the meeting. The aim is to make it as easy as possible for shareholders to participate in the meeting. All documentation to be made available is published on the Company's website (https://www.hypoport.de/investor-relations/hauptversammlung/) as required by law. Shareholders who are unable to attend an in-person Annual Shareholders' Meeting have the option of appointing in writing or by email an intermediary, a shareholder association or another person as a proxy – or of having a proxy appointed by the Company – to exercise their voting rights in accordance with their instructions. Furthermore, the Management Board is authorised to enable shareholders to cast their vote in writing or by email (postal vote) without attending the Annual Shareholders' Meeting.

The Annual Shareholders' Meeting on 2 June 2023 voted to authorise the Management Board until 30 June 2025 to be able to hold Annual Shareholders' Meetings without shareholders or their proxies being physically present at the place at which the meeting is being held (virtual Annual Shareholders' Meeting pursuant to section 118a AktG). Members of the Supervisory Board – with the exception of the person chairing the meeting if that person is a member of the Supervisory Board – may participate in the Annual Shareholders' Meeting via remote video or audio connection in certain exceptional cases, e.g. if an Annual Shareholders' Meeting is being held as a virtual event.

Lübeck and Barsbüttel, January 2025

Hypoport SE

The Management Board   The Supervisory Board

Independent auditors' report

Note: This auditors report is available in German and English. Only the German version is legally binding.

To Hypoport SE, Lübeck

REPORT ON THE AUDIT OF CONSOLIDATEDFINANCIAL STATEMENTS AND GROUP MANAGEMENT REPORT

Audit opinions

We have audited the consolidated financial statements of Hypoport SE, Lübeck, and its subsidiaries (the Group), which comprise the consolidated balance sheet as of 31 December 2024, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the financial year from 1 January to 31 December 2024, as well as the notes to the consolidated financial statements, including the presentation of the recognition and measurement policies. In addition, we have audited the group management report of Hypoport SE, Lübeck, for the financial year from 1 January to 31 December 2024. In accordance with the German legal requirements, we have not audited the content of those parts of the group management report specified in the „Other information" section of our auditor's report.

In our opinion, on the basis of the knowledge obtained in the audit

- the accompanying consolidated financial statements comply, in all material respects, with the IFRS Accounting Standards (further „IFRS Accounting Standards") issued by the International Accounting Standards Board in the version applicable in the EU, and the requirements of German law supplementarily applicable as per § 315e (1) HGB, and give a true and fair view of the assets, liabilities, and financial position of the Group as at 31 December 2024, and of its financial performance for the financial year from 1 January to 31 December 2024 in compliance with these principles, and
- the accompanying group management report as a whole provides an appropriate view of the Group's position. In all material respects, this group management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion on the group management report does not cover the content of the non-audited elements of the group management report listed above.

Pursuant to § 322 (3) sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the group management report.

Basis for the Audit Opinions

We conducted our audit of the consolidated financial statements and of the group management report in accordance with § 317 HGB and in compliance with the EU Audit Regulation (No. 537/2014; further „EU-AR") and German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Group Management Report" section of our auditor's report. We are independent of the group entities in accordance with the EU laws and the requirements of German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In accordance with Article 10 (2) (f) of the EU-AR we also declare that the prohibited non-audit services referred to in Article 5(1) of the EU-AR were not provided. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the consolidated financial statements and on the group management report.

Key audit matters identified during the audit of the consolidated financial statements

Key audit matters are matters that we, based on our significant professional judgment, identified as most significant during our audit of the consolidated financial statements for the financial year from 1 January to 31 December 2024. We considered these matters in connection with our audit of the consolidated financial statements as a whole and when forming our audit opinion on this; we do not express any separate audit opinion on those matters.

Determination and recognition of revenue from brokerage of loans

Reasons for being classified as a key audit matter

In the consolidated financial statements of Hypoport SE, the Company reported revenue from the brokerage of loans of EUR 389.4 million (previous year: EUR 326.7 million) as of 31 December 2024.

The Hypoport Group generates sales from the brokerage of loans when the respective loan agreement between the borrower and the lending institution is signed. In addition, the Hypoport Group earns volume-related special bonuses when certain transaction volumes are achieved.

Due to complexity and high volume of transactions, the risk for the consolidated financial statements lies in particular in that the claim on account of commissions from the brokerage of loans will not be recognised in accordance with the contractual or legal basis in terms of reason or amount.

Furthermore, due to the complexity of the contract, there is a risk for the consolidated financial statements that the legal representatives of the parent company have made an incorrect estimate of the revenue (principal-agent consideration) with regard to gross or net recognition.

With regard to error corrections made in these consolidated financial statements in accordance with IAS 8, the risk for the consolidated financial statements and the group management report concerning the recognition of revenue in the reference period is that these were made not in accordance with the provisions of the IFRS Accounting Standards or inaccurately and that the disclosures in the notes to the consolidated financial statements and in the group management report are incomplete.

Due to the absolute amount of revenue, its significance for the Group's results of operations, and the risks described above, this matter was key for our audit.

Audit procedures

We first gained an understanding of the accounting-related processes related to revenue recognition, the contracts, as well as commission models and billing terms by conducting tests of design.

Based on our understanding of the processes for reporting and calculating revenue from the brokerage of loans, we conducted a test of controls and substantive procedures.

As part of the test of controls, we assessed the effectiveness of the controls implemented by the legal representatives, including IT application controls.

Within the scope of substantive procedures, we verified the existence, the proper calculation and the recognition of revenue in the accounts on the basis of the contractual and legal bases. For this, we inspected contracts and verified brokerage transactions and incoming payments.

We assessed the estimates of the legal representatives of the parent company for appropriateness with regard to gross and net recognition (principal-agent consideration) as part of a contract analysis. For this purpose, we applied the indicators as per IFRS 15.B37.

We assessed the ground for and the amount of the error corrections implemented in the financial statements in accordance with IAS 8 based on contractual and legal bases, and examined the completeness and accuracy of the disclosures in the notes and the group management report.

Reference to related information

Information on revenues and expenses on commissions is presented in the notes, section „2.1 Error corrections", „2.18 Revenue and expense realisation" and „3.1 Revenues", as well as in the group management report, section „I.2 Group's business development", and „I.3 Results of operations".

Impairment of goodwill

Reasons for being classified as a key audit matter

As of 31 December 2024, the Hypoport Group reported under „Intangible assets" goodwill totalling EUR 229.1 million (previous year: EUR 229.1 million). This corresponds to 33% (previous year: 37 %) of the balance sheet total.

The goodwill is subject to an impairment test annually or whenever there is a reason for performing such a test. Performing the impairment test requires a range of judgment-based decisions of the legal representatives. The assessment is based on the present value of the future cash flows of the cash-generating unit to which respective goodwill was allocated. The future cash flows are derived from the planning calculations prepared by the legal representatives. Expectations regarding the future market development, sales increases and cost trends are also taken into account. The present values are calculated using discounted cash flow models. They depend to a large extent on the assumptions made by the legal representatives with regard to the discount rates and their assessment of future cash inflows.

Due to the uncertainty associated with judgements and estimates and the amount of the balance sheet item, the impairment of goodwill was a key audit matter for us.

Audit procedures

We reviewed the estimates made by the legal representatives regarding the impairment of goodwill. Firstly, we assessed the appropriateness of the valuation method used for impairment tests. We then critically assessed the assumptions underlying the planning and analysed the calculation. To this end, we recorded the planning process, assessed the accuracy of the planning and reviewed the existing plans for consistency, taking into account the economic conditions of the market environment. As even small changes in the discount rate used can have a significant impact on the recoverable amount of the respective cash-generating unit, we consulted valuation specialists being part of the audit team to assess the discount rate and checked the appropriateness of the parameters used, including market risk premiums and beta factors, using market data. In addition, we checked the completeness of the disclosures required by IAS 36 in the notes, including the sensitivity analyses, using checklists.

Reference to related information

The disclosures made by Hypoport SE on goodwill are presented in section „2.2 Intangible assets" and „4.1 Intangible assets and property, plant and equipment" of the notes to the consolidated financial statements and in the group management report, section „I.4 Net assets".

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Hypoport SE annual report for 2024

Recognition and initial measurement of internally generated intangible assets

Reasons for being classified as a key audit matter

In the consolidated financial statements of Hypoport SE, internally generated intangible assets of EUR 103.2 million (previous year: EUR 96.7 million) were recognised under „Development services" as of 31 December 2024. In the financial year ended, the Group capitalised internally generated intangible assets of EUR 22.4 million.

The Hypoport Group capitalises internally generated intangible assets when the IAS 38 recognition criteria are met. The internally generated intangible assets capitalised include internally developed software and software components, which are identified as separate assets. Expenses for in-house developers and external consultants are incurred for the generation of internally generated intangible assets, which are allocated to the identified internally generated intangible assets.

The risks for the financial statements are that the IAS 38.57 recognition requirements for internally generated intangible assets will not be cumulatively met or it will not be possible to evidence their meeting at the time of capitalisation or that the cost in accordance with IAS 38.66 et seq. has not been correctly determined.

Due to these risks, the recognition and initial measurement of internally generated intangible assets were of particular importance to us in our audit and a key audit matter.

Audit procedures

While applying a risk-oriented audit approach, we based our audit opinion largely on substantive audit procedures.

First, we gained an understanding of the process of capitalising internally generated intangible assets and their valuation. To assess the appropriateness of the initial recognition and initial measurement, we conducted observations and inquiries. Our audit procedures included, in particular, discussions with the legal representative and employees of the development department as well as inspecting the written regulations.

In addition, we assessed based on samples taken as part of substantive procedures whether the recognition criteria were met at the time of addition and whether the amount of the addition was measured correctly.

For the internally generated intangible assets thus selected, we performed tests of details to check the fulfilment of the recognition criteria on the basis of the documented project descriptions, further inquiries and inspecting additional documents, which, among other things, specified the objective and purpose of the individual projects and the specific benefits for the Hypoport Group.

We verified the amount of the cost components included in the cost of the assets by performing tests of details. In essence, we verified the client's calculations and reconciled them with other audit evidence, such as documents from the personnel accounting department. In this regard, we assessed in particular whether the cost components included in the cost of the assets are appropriate.

In addition, we checked the completeness of the disclosures required by IAS 38 in the notes using checklists.

Reference to related information

Disclosures on internally generated intangible assets are presented in the notes, section „2.2 Intangible assets" and „4.1 Intangible assets and property, plant and equipment", and in the group management report, section „I.6. Investments and financing", and „I.3 Results of operations".

Other information

The legal representatives or the supervisory board are responsible for other information. Other information includes:

1. Non-audited elements of the group management report
   - The separate statement on corporate governance to which reference is made in section I.10 of the group management report
   - The separate non-financial report to which reference is made in section I.11 of the group management report
   - Disclosures extraneous to management reports regarding the appropriateness and effectiveness of the internal control system and the risk management system in section II. 3.3 of the group management report
   - the non-audited information regarding unrecognised assets of Dr. Klein Privatkunden AG in the last paragraph of section I.7 of the group management report

2. Other matters disclosed under other information (further parts of the business report)
   - Foreword by the management board
   - The supervisory board report
   - Statement on responsibility of the legal representatives for the consolidated financial statements pursuant to § 297 (2) sentence 4 HGB and for the group management report pursuant to § 315 (1) sentence 5 HGB
   - The other parts of the „Annual Report" that do not comprise the consolidated financial statements, the group management report and our Auditor's Report thereon
   - Remuneration report according to § 162 of the German Stock Corporation Act [AktG]

The supervisory board is responsible for preparing the supervisory board report. The legal representatives and the supervisory board are responsible for making the statement pursuant to § 161AktG regarding the German Corporate Governance Code, which is part of the statement on corporate governance contained in section I. 10. 'Statement on Corporate Governance' of the group management report and for the remuneration report according to § 162 AktG. Other than that, the legal representatives are responsible for the other information.

Our audit opinions on the consolidated financial statements and on the group management report do not extend to other information and, therefore, we do not issue any audit opinion or any other form of audit findings about it.

With reference to our audit of the consolidated financial statements, we are responsible for reading the above-mentioned other information and consider whether

- there is a material inconsistency between the other information and the consolidated financial statements, the audited disclosures in the group management report or the auditor's knowledge obtained in the audit; or
- it appears to be materially misstated.

If, based on the procedures performed by us, we conclude that other information contains material misstatement, we are required to include a note about this fact in the report. No such misstatements have been identified, though.

Responsibility of the legal representatives and the supervisory board for the consolidated financial statements and the group management report

The legal representatives are responsible for the preparation of the consolidated financial statements that comply, in all material respects, with the IFRS Accounting Standards in the version applicable in the EU, and the requirements of German law supplementarily applicable as per § 315e (1) HGB and that give a true and fair view of the net assets, financial position and results of operations in accordance with these principles. In addition, the legal representatives are responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e. manipulation of accounts and misappropriation of assets) or error.

In preparing the consolidated financial statements, the legal representatives are responsible for assessing the Group's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for using the going concern basis of accounting, unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, the legal representatives are responsible for the preparation of the group management report that, as a whole, provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the legal representatives are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a group management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the group management report.

The supervisory board is responsible for monitoring the Group's accounting process relating to the preparation of the consolidated financial statements and the group management report.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements and the Group Management Report

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the consolidated management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our audit opinions on the consolidated financial statements and on the consolidated management report.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with § 317 HGB and the EU-AR and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this group management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and of the group management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures (systems) relevant to the audit of the group management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of these systems.
- Evaluate the appropriateness of accounting policies used by the legal representatives and the reasonableness of estimates made by the legal representatives and related disclosures.
- Conclude on the appropriateness of the legal representatives' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the group management report or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with the IFRS Accounting Standards in the version applicable in the EU, and the requirements of German law supplementarily applicable as per § 315e (1) HGB.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express audit opinions on the consolidated financial statements and on the group management report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinions.
- Evaluate the consistency of the group management report with the consolidated financial statements, its conformity with [German] law, and the view of the Group's position it provides.
- Perform audit procedures on the prospective information presented by the legal representatives in the group management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the legal representatives as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We declare to those charged with governance that we have complied with the relevant independence requirements, and informed them of all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the actions taken or safeguards applied to address independence risks.

From the matters communicated with those charged with governance, we determine those matters that were most significant in the audit of the consolidated financial statements for the current reporting period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

OTHER STATUTORY AND OTHER LEGAL REQUIREMENTS

Report on the audit of the electronic reproduction of the consolidated financial statements and the group management report prepared for publication purposes in accordance with § 317 (3a) HGB

Audit opinion

Pursuant to § 317 (3a) HGB, we audited with reasonable assurance whether the information contained in the submitted file "Hypoport_SE_KAuKLB_ESEF-2024-31-12.zip" (SHA-256-Audit Sum: 85640fb1b70ec6dbc64e0439f51551b31efffb60f7c48064331bfd9c6f7dab95) and the reproductions of the consolidated financial statements and group management report (further also „ESEF reports") prepared for publication purposes meet the requirements of § 328 (1) HGB concerning the electronic report format („ESEF format") in all material respects. In accordance with German legal requirements, this audit only extends to the conversion of the information contained in the consolidated financial statements and the group management report into the ESEF format and therefore does not extend to the information contained in these reproductions or any other information contained in the above-mentioned file.

In our opinion, the reproductions of the consolidated financial statements and the group management report contained in the above-mentioned file and prepared for publication purposes comply in all material respects with the requirements of § 328 (1) HGB concerning the electronic reporting format. Beyond this audit opinion and our audit opinions on the accompanying consolidated financial statements and on the accompanying group management report for the financial year from 1 January to 31 December 2024 contained in the 'Report on the Audit of the Consolidated Financial Statements and the Group Management Report' above, we do not express any audit opinion on the information contained in these reproductions or on the other information contained in the above-mentioned file.

Basis for the audit opinion

We conducted our audit of the reproductions of the consolidated financial statements and the group management report contained in the above mentioned submitted file in accordance with § 317 HGB and the IDW standard of auditing: Audit of the electronic reproductions of financial statements and management reports prepared for publication purposes according to § 317 (3a) HGB (IDW PS 410 (06.2022)). Our responsibilities under those requirements are further described in section „Auditor's responsibility for the audit of the ESEF documents". Our audit firm has applied the quality management system requirements of the IDW Standard on Quality Management: Requirements for Quality Management in Audit Firms (IDW QMS 1 (09.2022)).

Responsibility of the legal representatives and the supervisory board for the audit of the ESEF documents

The legal representatives of the Company are responsible for the preparation of the ESEF documents including the electronic reproduction of the consolidated financial statements and the group management report in accordance with § 328 (1) sentence 4 no. 1 HGB and for the presentation of the consolidated financial statements in accordance with § 328 (1) sentence 4 no. 2 HGB.

Furthermore, the legal representatives of the Company are also responsible for the internal controls that they consider necessary to enable the preparation of ESEF documents that are free from material – intentional or unintentional – non-compliance with the requirements of § 328 (1) HGB for the electronic reporting format.

The supervisory board is responsible for overseeing the process of preparing the ESEF documents as part of the financial reporting process.

Responsibility of the auditor for the audit of the ESEF documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material - intentional or unintentional - non-compliance with the requirements of § 328 (1) HGB. We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material non-compliance with the requirements of § 328 (1) HGB, whether due to fraud or error, at the consolidated financial statement and group management report level, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinion.
- Obtain an understanding of internal control relevant to the audit of the ESEF documents in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of these systems.
- Assess the technical validity of the ESEF documents, i.e. whether the submitted file containing the ESEF documents complies with the requirements of the Delegated Regulation (EU) 2019/815 in the version applicable as of the reporting date in terms of the technical specification for this file.
- Evaluate whether the ESEF documents enable an XHTML reproduction with content equivalent to the audited consolidated financial statements and the audited group management report.
- Assess whether the presentation of the ESEF documents marked up with Inline XBRL technology (iXBRL) in accordance with Articles 4 and 6 of the Delegated Regulation (EU) 2019/815 in the version applicable on the reporting date provides an adequate and complete machine-readable XBRL copy of the XHTML reproduction.

Other disclosures as per Article 10 EU-AR

We were elected as group auditor by the General Meeting of Shareholders on 4 June 2024. We were engaged by the Supervisory Board on 14 June 2024. We have been the group auditor of the Hypoport SE, Lübeck, since the financial year 2024.

We declare that the audit opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation, EU-AR (audit report).

We have provided the following services, which are not disclosed in the consolidated financial statements or in the group management report, in addition to the audit of the financial statements of the Group companies:

- Formal audit of the remuneration report pursuant to § 162 (3) AktG of Hypoport SE, Lübeck.
- Assurance services for the Europace platform user programme in accordance with ISAE 3000.

Independent auditors' report
Hypoport SE annual report for 2024

OTHER MATTER - INITIAL AUDIT

The consolidated financial statements and the group management report for the previous financial year ended 31 December 2023 were audited by a different auditor who issued unmodified audit opinions dated 22 March 2024 on these consolidated financial statements and the group management report.

OTHER MATTER - USE OF THE AUDITOR'S REPORT

Our auditor's report should always be read together with the audited consolidated financial statements and the audited group management report as well as the audited ESEF documents. The consolidated financial statements and group management report converted into ESEF format – including the versions to be entered in the company register – are merely electronic reproductions of the audited consolidated financial statements and the audited group management report and do not replace them. In particular, the ESEF report and our audit opinion contained therein can only be used in conjunction with the audited ESEF documents provided in electronic form.

RESPONSIBLE AUDITOR

The auditor responsible for the engagement is Fred Przymusinski.

Berlin, 21 March 2025

Rödl & Partner GmbH
Wirtschaftsprüfungsgesellschaft

signed by: Fehlauer	signed by: Przymusinski
Wirtschaftsprüfer	Wirtschaftsprüfer
[German Public Auditor]	[German Public Auditor]

Single-entity financial statements
Hypoport SE annual report for 2024

Single-entity financial statements
(abgridged version)

The single-entity financial statements and the management report of Hypoport SE have been prepared in accordance with German generally accepted accounting principles (German Commercial Code [HGB]) and the provisions of the German Stock Corporation Act (AktG).

The balance sheet and the income statement meet the classification criteria prescribed in sections 266 and 275 HGB. The income statement is presented under the nature-of-expense method pursuant to section 275 (2) HGB.

The full version of the single-entity financial statements, which have received the unqualified opinion of Hypoport SE's auditors, is published in the electronic Federal Gazette under no. HRB 19859 HL.

Income statement for the year ended 31 December 2024

	2024 €'000	2023 €'000
Revenue	7,946	7,647
Other operating income	366	530
Personnel expenses	-12,449	-9,546
Depreciation, amortisation and write-downs on intangible fixed assets and on property, plant and equipment	-475	-466
Other operating expenses	-15,660	-16,418
Income from long-term equity investments	1,069	2,002
Income from profit transfer agreements	9,042	15,331
Income from loans from financial assets	2,494	2,011
Other interest and similar income	4,515	2,372
Expense in respect of loss transfers	-9,208	-26,154
Interest expense and similar charges	-3,880	-2,058
Profit from ordinary activities	**-16,240**	**-24,749**
Income taxes	136	1,142
Other taxes	-80	-6
Deferred taxes	502	2,578
Net profit for the year	**-15,682**	**-21,035**
Profit brought forward	109,618	130,598
Settlement purchase of treasury shares	4	55
Distributable profit	**93,940**	**109,618**

Balance sheet as at 31 December 2024

Assets	31.12.2024 €'000	31.12.2023 €'000
Fixed assets		
Intangible assets	0	2
Property, plant and equipment	3,120	3,215
Financial assets	301,311	268,028
	304,431	**271,245**
Current assets		
Trade receivables	48	10
Receivables from affiliated companies	30,862	44,118
Receivables from other long-term investees and investors	500	508
Other assets	5,656	3,462
Cash and cash equivalents	49,004	63,068
	86,070	**111,166**
Prepaid expenses	66	67
	390,567	**382,478**
Equity and liabilities		
Equity		
Issued capital	6,872	6,872
Thereof treasury shares	-184	-184
Thereof subscribed capital	6,688	6,688
Capital reserves	117,677	117,601
Retained earnings	7	7
Distributable profit	93,940	109,618
	218,312	**233,914**
Provisions	**4,914**	**2,438**
Liabilities		
Liabilities to banks	127,557	128,139
Liabilities to affiliated companies	252	278
Liabilities to companies	30,265	10,750
with which an investment relationship exists	2,357	500
Other liabilities	2,129	1,176
	162,560	**140,843**
Deferred tax liabilities	**4,781**	**5,283**
	390,567	**382,478**

Note: This report is available in German and English. The German version is always authoritative. The report can be found online at www.hypoport.com. This report contains forward-looking statements that are based on the current experience, assumptions and forecasts of the Management Board and on currently available information. The forward-looking statements are not a guarantee that any future developments or results mentioned will actually materialise. Future developments and results are dependent on a number of factors, subject to various risks and uncertainties, and based on assumptions that may not prove to be correct. These risk factors include, but are not limited to, the risk factors set forth in the risk report in the most recent annual report. We do not undertake to update the forward-looking statements made in this report.

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PRIME STANDARD