TRANSCRIPT

Earnings Call - Q3 2026

HomeToGo SE

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SPEAKERS



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Co-founder & CEO



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CFO

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Presentation

Operator 00:00:01

Good morning, ladies and gentlemen, and a warm welcome to HomeToGo's earnings call following the publication of the Q3 figures of 2026. I'm delighted to welcome Co-Founder and CEO, Patrick Andrae, and CFO, Sebastian Bielski, who will speak in a moment. After the presentation, we will move on to a Q&A session, in which you will be able to ask your questions directly to the management. Let's dive straight into the presentation.

Sebastian, the stage is yours.

Dr. Patrick Andrae Co-founder & CEO 00:00:29

Yes, Patrick. Good morning, everyone, and thank you for joining HomeToGo's Q3 2026 earnings call. As you have seen in the report we published this morning, the first nine months of 2026 were strong, shaped by the disciplined and successful execution of our strategic roadmap. Similar to the first half of the year, our nine-month results show that our strategic evolution and scale transformation are fully underway and are delivering tangible results. Now let me briefly walk you through the structure of today's call to give you a comprehensive view of our performance and the progress we made.

We will start with a short summary of our nine-month highlights followed by an update on the progress of our strategic goals for 2026. After that, we will take you through our financial results for the first nine months of 2026 in detail and review our financial guidance for the full year 2026. Finally, we will sum up our key takeaways before we open up the floor for your questions. So let's get started. To begin, let's look at the key highlights for the first nine months of 2026 on a statutory basis.

First, we significantly improved both group profitability and free cash flow with plus 182.9% our adjusted EBITDA almost tripled year-over-year reaching more than EUR 62m in the first nine months. Q3 alone is up plus 80.2% year-over-year reaching a record EUR 77.4m in adjusted EBITDA. On top of that, our free cash flow jumped to EUR 31.9m in the first nine months of 2026, an improvement of more than EUR 57m year-over-year and a clear evidence of our continued progress in profitability. Second, HomeToGo_Pro kept up its positive momentum. Our B2B segment posted swift growth with IFRS revenue rising to EUR 237.3m, an increase of 193.1% year-over-year, primarily driven by the consolidation of Interhome.

Third, our disciplined strategy in the Marketplace segment continued to drive profitability. Marketplace adjusted EBITDA grew by 63.9% year-over-year while simultaneously achieving a new booking revenue backlog record for the end of Q3 and IFRS revenues growth of more than 4% for the Marketplace in Q3/26 despite the lower marketing spend. This is, and again, confirming our strategic pivot toward high-margin conversion and marketing efficiency. Fourth, we have fully realized the target of EUR 10m in cost synergies from the Interhome acquisition ahead of schedule. We added EUR 4m in incremental run-rate synergies throughout the closure of our Dreieich site and the restructuring in Paris, reaching our EUR 10m annualized synergy target already.

And finally, backed by a solid summer peak season in our core vacation rental business, we are lifting our financial year '26 outlook. We now expect adjusted EBITDA of between EUR 48m to EUR 50m up from EUR 45m to EUR 47m, and we reiterate our IFRS revenue guidance of between EUR 400m to EUR 410m. Let's now take a detailed look at the concrete progress we have made in our strategic goals for

2026. At the beginning of the year, as you know, we introduced our 2026 strategic roadmap as a clear and transparent framework to track and discuss our progress throughout the year. We are continuing to execute successfully across all five pillars that we laid out.

So now let me give you an overview of our year-to-date progress. First, on finalizing the Interhome integration. We have realized the targeted EUR 10m, as just mentioned, in annualized cost synergies from the Interhome acquisition ahead of schedule. We also have exited 12 transitional service agreements so far and the remaining exits are fully on track. Second, on strategic M&A in HomeToGo Pro, we are currently in advanced negotiations for portfolio add-ons comprising more than 1,200 vacation rental units across Europe.

And we are evaluating a pipeline of approximately 1,000 additional units in more than five countries. Third, on harmonizing our group-wide brands, for HomeToGo originals, the new umbrella brand for our core property management businesses, including Interhome, we have prepared the rebranding of our local presence. We plan to rebrand more than 30 local service offices in top vacation destinations in 2027, strengthening our brand recognition. This unified market presence will help to build trust across our ecosystem, enable cross-company switching and, by that, reduce customer acquisition costs and increase lifetime values.

Fourth,

on driving operational excellence in the Marketplace. Our decision to put profitability ahead of top-line growth continues to pay off. Despite a significant cut in marketing spend, we achieved a record end of Q3 booking revenue backlog of EUR 32.1m up 1% year-over-year, while Marketplace adjusted EBITDA for the first nine months increased by 63.9% compared to the first nine months of 2025. Finally, on maintaining our AI leadership, we are early adopters offering integrated AI-powered travel planning since 2023. And today, we distribute our inventory to AI agents and third-party LLMs via the HomeToGo Model Context Protocol, MCP.

Despite benefiting from new distribution channels offered by AI, our core profitability remains insulated by physical moats, the hard-to-replicate on-the-ground services of our property management business. So all in all, our disciplined execution across all five strategic priorities keeps strengthening our foundation and driving sustainable profitability across the group. Let's now take a closer look at some of our strategic pillars, starting with the first one, the integration of Interhome and the value creation it unlocks for the group. As a reminder, at closing, we set an initial target of EUR 10m in annual cost synergies to be realized within the first 12 to 18 months. As laid out, we are very pleased to report that we have now captured the full target EUR 10m of cost synergies on an annualized basis and that ahead of schedule.

This was primarily driven by the execution of two large restructuring projects in Germany and France. In parallel, we further accelerate our TSA exits. In Q3, we exited four additional transitional service agreements, bringing the total number of terminated TSAs to 12 today. Importantly, we remain fully on schedule to exit all remaining TSAs, especially including the migration of Interhome's SAP system. Beyond these initial cost savings, our mid-term value creation roadmap adds approximately EUR 20m of additional upside, bringing our total midterm synergy and value creation potential to approximately EUR 30m.

And we are continuing to make good progress here as well. So overall, Interhome has not only delivered on its cost reduction commitments ahead of plan, but is also quickly becoming a major high-margin

profit driver for HomeToGo as a whole. Let's now move to our fourth pillar: the HomeToGo B2C Marketplace. Our focus here remains unchanged: prioritizing profitability over increasing top-line volume. On the left side of the slide, you can see how the strategy is reflected in our numbers.

Despite the cut in marketing spend, Q3 IFRS revenues for the Marketplace grew by 4.2% year-over-year, showcasing tremendous efficiency improvements. In the first nine months, Marketplace IFRS revenues declined by only 3.2% to EUR 123.2m. At the same time, our booking revenues backlog increased by 1% year-over-year to EUR 32.1m, reaching a new record. And that's all, again, to remind you despite lower marketing spend. So as a result, and most importantly, segment profitability expanded substantially. Across the nine months, Marketplace adjusted EBITDA grew by 63.9% year-over-year to EUR 16.4m, up from EUR 10m in the first nine months of last year.

This progress is driven by our clear focus on marketing efficiency across the group. Shown on the right, group marketing and sales expenses as a percentage of IFRS revenues decreased to just 40% in the first nine months of 2026, a reduction of approximately 17 percentage points compared to 57% in the first nine months of 2025. By keeping strict discipline in our B2C marketing spend, we continue to reallocate capital from the Marketplace into HomeToGo Pro, where we see stronger growth potential and more attractive risk-adjusted returns. So for 2026, this keeps meaning lower marketing investments, higher marketing efficiency, and increased profitability. While this also implies a reset of Marketplace revenue base, it positions the segment as an efficient and now high-margin cash generator for the group.

Now, let's take a look at the underlying metrics of Marketplace: our regional booking mix and the development of our average basket sizes. Starting on the left with our regional booking revenue share for Q3. The DACH region remains our core foundation, accounting for 58% of total Marketplace booking revenues, down 5 percentage points year-over-year. The rest of Europe contributed 23%, up 1 percentage point year-over-year, reflecting healthy demand across European destinations. North America accounted for 18% of our mix, up 4 percentage points year-over-year.

This is the market where we continue to operate selectively under the advertising model. And rest of world remains stable at under 1%. Now we turn to the right side of the chart and our basket size evolution. Customer demand continues to remain resilient across all geographies. Our overall basket size in Q3 grew by 9% year-over-year to EUR 1,002.

In line with the overall development, basket size continued to increase across all regions as well. More specifically, in DACH, the average basket size increased by 5% year-over-year to EUR 852. Excluding our short-term business, it rose by 5% to EUR 1,222. And in the rest of Europe, basket sizes grew by 12% year-over-year to EUR 1,109. And North America continues to show our highest absolute order values, with average basket sizes of EUR 1,704 and also the biggest gain with 15% year-over-year, driven by an increased length of stay.

The basket size development demonstrates our continued ability to attract high-value, longer-stay travelers and further supports our high-margin strategy across all key markets. This concludes the first part of our presentation on the strategic and operational highlights of the first nine months of 2026. We continue to showcase our successful transformation into a B2B-led group, complemented by strict Marketplace efficiency and AI leadership. This combination already delivers attractive growth and profitability, as well as continued progress in both sectors. For a now more detailed look at how this progress

translates into our nine-month financial performance and segment dynamics, I will now hand over to our CFO Sebastian.

Thank you. Sebastian, over to you.



Sebastian Bielski CFO 00:13:05

Thank you, Patrick, and also warm welcome to everyone from my side. I am pleased to take you through our financial results for the first nine months of 2026. Similarly to the rest of the year, this period was characterized by strong top-line expansion, a significant step up in profitability supported by a solid summer peak season in the third quarter and a substantial improvement in our free cash flow generation. Let's go straight into the financial results for the first nine months of 2026. Before we go to the details of the first nine months, let me also remind you of the very seasonal nature of our business, which you can see both in our historical quarterly IFRS revenue and also the adjusted EBITDA development.

In Q1, we generally invest in customer acquisition to capture a large portion of our yearly bookings. In Q2, revenues start to come in as more people begin to travel and profitability increases. Q3 is by far our strongest quarter every year in which we generate the majority of our revenue and earnings. This year has followed exactly the same pattern. At the same time, this chart also clearly shows the progress we've made on this level.

Q3 2026 and also the first nine months of this year see record highs for both IFRS revenues and also adjusted EBITDA. Let's also take a step back and look at our top and bottom line development on a rolling 12-month basis. On the left-hand side, you can see our LTM IFRS revenues and, on the right side, our LTM adjusted EBITDA together with the LTM adjusted EBITDA margin, each from Q1 2025 up to and including Q3 2026. Both charts show the same trends. HomeToGo has consistently improved both its revenue and its profitability with our adjusted EBITDA margin expanding alongside our revenue base.

In our view, this is a significant achievement given the uncertain global economic and political situation that has affected the travel industry over the past few years. Let's now look at our statutory P&L for the first nine months of this year. To be clear, this comparison shows our nine-month 2026 performance against the figures as reported for the nine-month 2025, which included Interhome only for a few weeks after the closing of the acquisition, which took place on August 28, 2025. I will start with IFRS revenues, which grew significantly by 72.6% to EUR 347.4m. This growth was driven by the consolidation of Interhome as 2026, as I said, included a full nine-month contribution compared with only a few post-acquisition weeks last year. Secondly, cost of revenues increased by EUR 74.6m. This reflects the inclusion of Interhome's tour operator business model, including direct property management costs such as cleaning and laundry.

Third, product development and operations expenses rose by EUR 37.4m reflecting the full period inclusion of Interhome's personnel costs. This was partly offset by integration synergies from the migration of Interhome's tech infrastructure and by the realization of cost synergies. Fourth, marketing and sales expenses came in at EUR 139.1m. The increase reflects the full period inclusion of Interhome once again, while the cost ratio improved significantly, supported by sustained marketing efficiency and Interhome's strong repeat customer base. Fifth, general and admin expenses amounted to EUR 33.5m. The increase is mainly driven by higher personnel-related expenses from the full integration of Interhome and the in-housing of external services into group headquarters.

Finally, adjusted EBITDA surged by 182.9% to EUR 62.3m. Our adjusted EBITDA margin expanded by 7 percentage points from 10.9% last year to 17.9% this year, reflecting cost discipline, the realization of cost synergies from Interhome, economies of scale and improved marketing efficiency supported by Interhome's strong peak season contribution. This shows how we are delivering on our 2026 targets both strategically and also financially driving both group profitability and scale. Next up, let's look at the composition of our IFRS revenues and adjusted EBITDA by segment for the first nine months, again on a statutory basis comparing our current scale to the prior year period in which Interhome was not yet included for the full period. Let me start with IFRS revenues. At the group level, revenues grew by 73% to an all-time high of EUR 347.4m.

For HomeToGo Pro, volume-based revenues was the main driver, growing by 249% to EUR 260m and reflecting the full impact of the Interhome acquisition. Subscription revenues also grew by a strong 12% to EUR 21.3m. At the Marketplace, overall IFRS revenues declined by approximately 3%. This is the expected outcome of our strategic shift from top-line growth towards growing profitability. Within Marketplace revenues, the shift from advertising to on-site continues. Advertising revenues declined by 22%, while on-site revenues grew by 9%.

As a reminder, for HomeToGo,

Operator 00:18:44

We cannot hear you at the moment. You are unmuted, but we cannot hear you.



Sebastian Bielski CFO 00:18:55

Can you hear me now? Hello?

Operator 00:18:56

Yes. Perfect. You're back.



Sebastian Bielski CFO 00:18:58

Okay. When did I cut out?

Operator 00:19:03

Like two sentences ago?



Sebastian Bielski CFO 00:19:07

Okay. So I'll start talking about the marketplace again.



Dr. Patrick Andrae Co-founder & CEO 00:19:10

Yes. Thank you.



Sebastian Bielski CFO 00:19:11

At the marketplace, overall IFRS revenue declined by approximately 3%. This is the expected outcome of our strategic shift from top-line growth towards growing profitability. Within marketplace revenues, the shift from advertising to on-site continues. Advertising revenues declined by 22%, while on-site

revenue grew by 9%. As a reminder, for HomeToGo, on-site revenue is of much higher strategic value as it offers a better customer experience along the entire booking journey and allows us to build customer ownership, fostering long-term relationships and repeat business.

We therefore continue to actively move our partners from the advertising model to the on-site booking model. Now over to adjusted EBITDA. At the group level, EBITDA increased by 183% also reaching an all-time high of EUR 62.3m. HomeToGo_Pro delivered an adjusted EBITDA of EUR 45.9m, up 282% from EUR 12.0m for the first nine months last year, driven by the Interhome acquisition and underlying profitability improvements. And at the marketplace, adjusted EBITDA improved by 64% year-over-year to EUR 16.4m, a proof point of our operational discipline and well-executed strategic shift from a focus on top-line growth to a focus on growing earnings. Let me now give you more transparency on the main items below adjusted EBITDA in our statutory P&L for the first nine months.

First, share-based payments amounted to EUR 10.1m compared to EUR 10.6m for the first nine months of last year. As discussed in previous presentations, these are non-cash expenses related to our long-term incentive programs. For further details regarding setup and accounting treatments, please refer either to our old presentations or also the appendix. For the full year, we expect share-based compensation to be in line with last year. Second, one-off items amounted to EUR 14.2m for nine months of this year compared to EUR 4.9m for last year.

They were mainly driven by reorganization and restructuring costs related to the integration and realization of cost synergies at Interhome and also a provision for some legacy tax issues which relate to the period 2018 to 2025. Third, amortization and depreciation. Amortization of fair value step-ups from M&A increased to EUR 15.6m, up from EUR 7.9m last year. These again are non-cash charges for M&A-related intangibles recognized as part of the purchase price allocation with the increase driven by the acquisition of Interhome. Regular amortization of intangible assets came in at EUR 5.8m. Overall, we expect depreciation and amortization charges of about EUR 37.0m for this year.

Fourth, the net financial result came in at a negative EUR 15.9m, consisting of EUR 3.3m in interest income and EUR 19.1m in interest expense. I'm sorry this will be lengthy now, but there are many, many components that I have to go through which make up the different items. So there is EUR 5.7m in interest on the Nordic bond, which we issued in March. There is EUR 3.9m relating to deferred consideration for Interhome, EUR 3.2m for the full amortization of transaction costs related to the old loan which was fully repaid. There is EUR 1.4m in interest on the old loan.

There is EUR 1.9m revaluation of the call option for our remaining stake in Getaway Group. There is EUR 0.8m for the embedded early prepayment option of the Nordic Bond and EUR 1.0m of interest in relation to leases. It is important to note that there is a lot of non-cash and accounting-driven items in here. The only actual cash items are interest on our old loan, interest on the bond, and interest in relation to leasing. Everything else is just accounting and it's non-cash.

Interest income consists of EUR 1.9m in FX gains on the deferred consideration for Interhome, EUR 0.6m for the revaluation of the interest hedge for the Nordic bond and EUR 0.7m in interest earned on bank deposits. Of these items, only the interest earned on bank deposits is a cash item. Again, everything else is non-cash and just accounting-related. Taking all of this into account, we report a negative statutory net income of EUR 8.2m for the first nine months of this year compared to a net loss of EUR 11.4m for the same period of last year. Let's now turn to our like-for-like P&L for the first nine months.

The like-for-like view compares our statutory results of this year with pro forma results for the first nine months of 2025, including Interhome. So this removes the distortions from the timing of the acquisition and it provides really an apples-to-apples comparison. I will start with IFRS revenue again. It grew by 2.1% year-over-year to EUR 347.4m, also reaching an all-time high on a pro forma basis. This performance was driven by solid HomeToGo Pro revenues growth of 5.8% to EUR 237.3m. At the same time, revenues for the marketplace declined by about 3% due to our deliberate prioritization of profitability over volume for the marketplace segment.

However, I would also like to point out that revenue for the marketplace actually grew by 4% when you only look at Q3. Second, cost of revenues rose by 7.2% to EUR 74.6m. This is mainly driven by direct property management costs such as cleaning and laundry in our vacation rental property management businesses as well as EUR 1.3m from higher partner adoption of HomeToGo Payments. Third, product development and operations expenses decreased by 4.5% to EUR 37.4m, thanks to our fast realization of cost synergies from the integration of Interhome and the early exit of several transitional services agreements. Fourth, marketing and sales expenses decreased by 5.7% to EUR 139.1m, primarily driven by EUR 9.0m lower performance marketing expenses within the marketplace segment to focus on operational efficiency and margin improvement. As a result, our marketing and sales cost ratio improved by 3 percentage points to reach 40% of IFRS revenues.

Fifth, general and admin expenses decreased by about 1% to EUR 33.5m as higher personnel costs were more than offset by disciplined costs in external consulting and third-party fees. Overall, on a like-for-like basis, adjusted EBITDA increased by EUR 11.3m or 22.2%. This expanded our adjusted EBITDA margin by 2.9 percentage points to 17.9%, again driven by disciplined marketing execution and also the realization of Interhome integration synergies. This like-for-like development showcases the effects of our group strategy and confirms that we're able to scale our B2B segment while keeping strict marketing discipline in our B2C business. Now to our IFRS revenues and adjusted EBITDA development by segment for the first nine months, again on a like-for-like basis, so comparing apples to apples.

I'll start again with IFRS revenues. At the group level, revenues grew by 2% to EUR 347.4m, up from EUR 340.1m last year. HomeToGo_Pro grew across both revenue streams. Volume-based revenue increased by 5% to EUR 260.0m and subscription revenue grew by a strong 12% year-on-year to EUR 21.3m. For the marketplace overall, IFRS revenues declined by about 3% as expected, reflecting our shift from top-line growth towards growing earnings on the back of a significant reduction in marketing spend. The strategic shift in our revenue mix is also clearly visible on a like-for-like basis.

Advertising revenue declined by 22%, while on-site revenue grew by 9%. Turning to the adjusted EBITDA. At the group level, adjusted EBITDA increased significantly by EUR 11.3m or 22% year-on-year to EUR 62.3m. HomeToGo_Pro delivered double-digit growth with adjusted EBITDA up 12% to EUR 45.9m compared to EUR 41.0m in the pro forma period last year. This reflects the strong underlying earnings power and also the realization of cost synergies for our B2B business. In the marketplace segment, segment adjusted EBITDA improved by 64% year-over-year, and this is fully organic, to EUR 16.4m, a direct result of our profitability-first strategy and disciplined marketing execution.

And I really want to highlight this again because I have many, many conversations with investors, and there seems to be a sticking point for investors who continue to assume that our marketplace is losing money and a drag on earnings. This is absolutely not the case. Our marketplace is profitable, strongly

profitable and also strongly cash flow generative. It is a very, very important massive net contributor to earnings and cash flow for the business. It is not a drag on our business.

I want to highlight this again because really in every second conversation I have, I'm being asked this question. Let's now turn to our liquidity development and cash generation. Over the last nine months, HomeToGo generated EUR 43.3m in positive operating cash flow. On the left-hand side, you can see our cash bridge from December 31 through September 30 of this year. In the first nine months of 2026, our net operating cash flow was driven by a very strong second quarter with EUR 52.7m following EUR 2.6m in Q1, while the third quarter showed a seasonally typical net operating cash outflow of EUR 12.1m. Including net investing and financing cash flows, our cash and cash equivalents increased from EUR 91.6m at year-end to EUR 112.1m as of September 30, 2026.

On the right-hand side, we bridge our operating earnings to our underlying unlevered free cash flow for the first nine months. The starting point is our adjusted EBITDA of EUR 62.3m which, by the way, again, is an improvement of EUR 40.3m year-over-year. From this, we deduct CapEx payments for intangible assets of EUR 9.3m. This mainly relates to capitalized internal software development as well as CapEx for PP&E of EUR 2.1m. We then deduct interest and principal payments for leasing of EUR 4.7m and income tax paid of EUR 9.0m. Finally, the change in net working capital came in at a positive EUR 4.3m, an improvement of EUR 36.2m compared to the same period last year. We showed a noticeable expansion in trade and other payables, so EUR 24.2m higher, reflecting the inherent cash generation characteristics of the Interhome managed service model. Upfront customer proceeds and deposits are collected well in advance of guest stays, while supplier and homeowner payouts are settled post-stay according to agreed payment terms, creating a structurally positive working capital tailwind across peak travel periods.

This effect is partly offset by EUR 15.8m increase in trade and other receivables and a EUR 4.1m net decrease in other liabilities and other net working capital items. As a result, our underlying unlevered free cash flow came in at EUR 41.4m for the first nine months of this year. This again underlines our strengthened cash conversion and the successful optimization of all operational cash cycles. Moving on, we provide an overview of our debt structure and net debt position where our current metrics place us well within the thresholds defined by our Nordic bond covenants. Total gross debt amounted to EUR 206.5m, consisting of EUR 101.0m face value for the Nordic bond, EUR 79.1m in deferred payments related to the Interhome acquisition and EUR 26.3m in lease liabilities.

Against this, we hold EUR 112.0m in cash on our balance sheet plus EUR 9.8m in cash held in escrow resulting in a total net debt of EUR 84.6m. On the right, you can see the two main covenants HomeToGo has to adhere to under the documentation for the Nordic Bond. First, the leverage ratio defined as net debt to LTM adjusted EBITDA must be below 4.5. Based on a net debt of EUR 84.6m and an adjusted EBITDA of EUR 52.9m, our leverage ratio stands at 1.6, well below the threshold. Second, the minimum cash requirement is EUR 20.0m. As of September 30, our cash position, including cash held in escrow, stood at EUR 121.8m, providing a substantial liquidity buffer. In short, all maintenance covenants for the Nordic bonds are well met with very comfortable headroom underlying the group's financial stability and strong balance sheet.

After reviewing the strong financial performance and operational execution for the first nine months, let's now turn to our outlook and financial guidance for the rest of this year.

Backed by a solid summer peak season in our core vacation rental businesses, faster than expected realization of cost synergies from the integration of Interhome as well as the good growth of IFRS revenues for the marketplace business in the third quarter despite lower marketing spend, we are raising our financial guidance for adjusted EBITDA for the full year. We now expect adjusted EBITDA of between EUR 48m and EUR 50m, up from our previous guidance of EUR 45m to EUR 47m. This represents an increase of more than 264% on a statutory basis and a 14% increase on a pro forma basis. At the same time, we reiterate our target for IFRS revenues of between EUR 400m and EUR 410m, and we continue to guide to the lower end of this range. Our clear focus on sustainable growth in the B2B segment, the full realization of our targeted Interhome cost synergies ahead of schedule and our profitability-first approach in the HomeToGo marketplace bring in substantial results, showing our strategy is working as intended and giving us increased confidence in our bottom-line performance evidenced by the guidance increase. To close our presentation, let's sum up the four key takeaways from our performance in the first nine months.

Here are the key takeaways for the first nine months. First, record top line and highest profitability to date. Group IFRS revenues grew by almost 73% year on year to almost EUR 348m. Group adjusted EBITDA reached an all-time high by growing 183% year over year to EUR 62.3m, and our adjusted EBITDA margin expanded by 7 percentage points to 17.9%. Second, HomeToGo_Pro continues to scale as the group's main revenue and profit driver.

Our B2B segment nearly tripled its IFRS revenues by 193% year over year to EUR 237.3m, with segment adjusted EBITDA increasing to EUR 45.9m. Third, strong free cash flow generation. Free cash flow reached an all-time high of EUR 31.9m for the first nine months, driven by strong operational earnings, seasonal working capital inflows and disciplined cash management, bringing total liquidity to EUR 112.1m. Fourth and last, we increased our guidance for financial year 2026 for adjusted EBITDA. Backed by a solid summer peak season in our core vacation rental business, fast synergy realization, as well as a very good Q3 for our B2C marketplace, we are raising our full year target for adjusted EBITDA to EUR 48m to EUR 50m. This represents an increase of 264% on a statutory and 14% on a pro forma basis.

That ends our presentation for today. Thank you very much for your attention. We are now happy to take your questions.

Operator 00:36:09

Yes, thank you very much also from my side. We will now move on to the Q&A session and for an engaging conversation, we kindly request to ask your questions in person via audio line. To do so, please click on the raise hand button below. If you have dialed in via phone, you can raise your hand by pressing star key 9 and unmute yourself by pressing star key 6. Additionally, you're also able to place your questions in our chat, and I will read them out loud for you.

I can already see that we have received some raised hands, one by Mr. Kruse. You may unmute yourself now. I just sent you an invite to do so.

Analyst 1 Sell-side analyst 00:36:47

Yes. Thank you. Good morning. Couple of questions from my side. Firstly, on Google traffic and CPCs, could you maybe comment how you see that traffic developing and the CPC development if that may be also part of the lower spending?

Or is that just sort of on volume you had in the marketplace? And in that context, maybe also comment on the lower take rates you had on the marketplace and the on-site bookings. That would be interesting.

Dr. Patrick Andrae Co-founder & CEO 00:37:23

Yeah. So, like, CPC development is always something that is going up and going down. In general, what we see, obviously, when we spend less, we also usually tend to spend less on a CPC basis. Right? Like, and so it's hard to, like, compare it.

Generally, we don't see, like, the trend that we continuing that CPCs goes up. But, like, in general, as you alluded to, right, like, so the savings are simply driven by our, like, way how we steer, like, what we want to get in terms of marketing efficiency, and that's the result. Yeah.

Sebastian Bielski CFO 00:38:07

Then on a lower take rate, so we have to differentiate between our core marketplace. So that is the HomeToGo marketplace for vacation rentals and the Getaway business, which is the short trip business. So for the core HomeToGo marketplace, we actually see stable take rates. As we have discussed before, the Getaway business, which is the short trip business, is the one business within the group, which is at the moment suffering from a reduction in customer demand, and that is also visible in lower take rates for that part of the marketplace.

Analyst 1 Sell-side analyst 00:38:43

Okay. Thanks. And then on the guidance increase and the earlier synergies, can you confirm that these are just sort of realized earlier now and you're not seeing these short-term synergies above EUR 10m? That would be the first question. And also on these restructuring charges, when you expect those to be cash effective, and that would bridge the question to the free cash flow outlook.

I know you don't give an exact outlook for free cash flow for the year, but maybe sort of a more qualitative outlook what we can expect from the pattern in Q4. And then the final question for now would be on the, yeah, the tax one-off you had in Q3. Yeah. Could you comment on that? Because I presume this is on the HomeToGo core and not Interhome because if I remember correctly, you have an indemnification for these tax topics for Interhome from the former owner.

Thank you.

Sebastian Bielski CFO 00:39:51

Yes. So starting with the synergies, yes, they were realized faster, so a couple of months faster. The two last big steps that we took is to close down a part of the Interhome business that is based in Fribourg. So there were quite a few redundancies there. And we also relatively heavily restructured our business in France.

So these were the last two big steps in terms of cost synergies. So we had a cost synergy target of EUR 10 million that we reached. So in terms of the cost synergies, yes, we've reached our targets. That doesn't mean that we continue to drive cost efficiency in Interhome, right? So that will be an ongoing task for us, but that is exactly the same as in all other parts of our business, right?

So we continue to drive our costs very, very conservatively. In terms of the restructuring charges, I would expect a fair bit of that to become cash relevant next year, to be honest. So it depends a little bit, but quite a bit of that is cash relevant next year. Then in terms of free cash flow, so what I want to discuss is the underlying unlevered free cash flow, right? So that is the way that we look at our cash flow in the business.

And I can walk you through that a little bit. So this is not official guidance, but it's more an outlook that I can give. So as you know, we've increased the adjusted EBITDA to 48 to 50. So from that, we should deduct CapEx for intangibles. On a full year basis, I would expect EUR 11,000,000 to EUR 12,000,000 there.

CapEx for PP&E on a full year basis, EUR 3,000,000, leasing payments on a full year basis about EUR 6,000,000, and then tax maybe EUR 9,000,000 to EUR 10,000,000. So before change in net working capital, that would give you about EUR 20,000,000 of underlying unlevered free cash flow. For the change in net working capital, generally speaking, I expect a positive cash contribution for that. Exactly where we end up on December 31 is a little bit hard to say because it will be driven by snowfall in the Alps, to be honest. So I hope for an early and cold winter because then we get a lot more bookings in, so that's a little bit harder to say.

But I expect again at least EUR 20,000,000 in underlying unlevered free cash flow, also a positive contribution from the change in net working capital. Then the last question you had was in relation to the EUR 3,500,000 in one-off in taxes. Yes, you're right, this does not relate to Interhome. It relates to a business that we owned for a couple of years. And of the 3,500,000, there will probably be about 800,000 which should be covered by the prior owners of this business.

So on a net basis, it's a little bit less than EUR 3,000,000 that we would expect to have the pleasure of



Dr. Patrick Andrae Co-founder & CEO 00:42:56

paying ourselves.

A1 **Analyst 1** Sell-side analyst 00:42:58

Okay. Can you maybe point out when you think that will be cash effective or is that hard to say at the moment? And thank you.



Sebastian Bielski CFO 00:43:05

A part of that was already cash effective because for '24 and '25, we already paid it in October. When the cash effect will come for the remaining years, which is 2018 to 2025, will depend on our further interest, just how we deal with the tax authorities. Right? So we're in contact with them and we have proactively notified this tax issue. So it wasn't discovered by the tax authorities, it was discovered by ourselves and we are in dialogue with them, so we need to see how long that takes.

A1 **Analyst 1** Sell-side analyst 00:43:44

Okay. Thanks. All the best.



Dr. Patrick Andrae Co-founder & CEO 00:43:47

Thank you very much.

Operator 00:43:48

We have another question by Mr. Bosse. You may unmute yourself now. I just sent you an invitation to do so.

Dr. Patrick Andrae Co-founder & CEO 00:43:58

Okay. Now you should

Analyst 2 Sell-side analyst 00:44:00

hear me. Bosse. Yes, perfect. Congratulations on the great results. Well done.

I have a couple of questions. I would like to start with the growth of the core segment. So like-for-like growth was here 5.8% in the third quarter. Can we expect going forward that this is an organic growth to continue? So question is about organic growth in the Pro segment going forward.

And within the Pro segment, there is this subscription part. Here, growth slowed down in the third quarter to 4.9% after 11.7% here in nine months. Question is here, what is the reason for the slowdown? Is it seasonality based, tougher comps based? Or, yeah, I mean, what to expect from the subscription part within Pro going forward here in regards to growth for the modeling?

And the last one, I'm just wondering, you stated basket sizes increased. That's great. You also mentioned longer stays as one of the reasons. But confused as the consumer shopping habits is not at its best, as we all know. And this statement stands in contrast to consumers' overall cautiousness driven by higher oil price, blah, blah, we all know that.

So just a bit more background to also mention your quality approach. How do you explain yourself this trend to longer stays and basket size increased on your booking side, which is contrary to what we hear from other sites?

Sebastian Bielski CFO 00:45:57

So, Volker, hi. I will answer the first one, and then Patrick will answer the second and third one. So in terms of growth for Pro, the 5.8%, yes. So that is fully organic growth. Yep.

We expect to see fully organic growth of at least that, to be honest, right? So we I mean, we're targeting for more than that. Our ambition is definitely for more than that, but it is fully organic growth and that should the 6% should be more on the lower end rather than at the upper end for the next couple of years.

Dr. Patrick Andrae Co-founder & CEO 00:46:28

Yeah. And to your question around subscription, so, like, there is a large part that is driven by Smoobu, our all-in-one software, like, for small hosts. Right? But the other part is some subscription listing businesses that we have in our group. And, basically, this like, we simplified and keep simplifying the subscription model for this legacy business, and that's part of the change there in subscription revenues.

But especially Smoobu grows very nicely. To your question around, like, ADR and length of stay, so, like, generally, with our marketing, as we pointed out this time, but also before, like, with changing the way we do, like, marketing for the marketplace. So steering for marketing efficiency. With this also means our targeting regarding customers is affected by it. Yeah.

So meaning, like, targeting also, like, as we pointed out, customers with higher basket sizes, customers with longer stays. And this is reflected basically then in the overall results. As it is not 1-to-1 comparable to last year because we had this big change in marketing spend. So we definitely have a little bit of a different, like, trajectory here than maybe the overall market. But it also shows very nicely how well we can steer, like, marketing, not only in general on the efficiency side, but also on the underlying strategy to have the right customers for our marketplace.

A2 **Analyst 2** Sell-side analyst 00:48:17

Coming back to the subscription growth, as you—it was not clear what to expect here going forward. Is it more than 5%, which we saw in the third quarter as underlying? Or is it more the double-digit, 11%, whatever percent, then, which we saw in nine months, just purely on subscription with Smoobu?

 **Dr. Patrick Andrae** Co-founder & CEO 00:48:37

Yes. Generally, we target that double-digit growth.

A2 **Analyst 2** Sell-side analyst 00:48:43

Yeah. That's what I mean. Okay. Cool. Thank you.

Thank you very much and all the best. Thanks.

 **Dr. Patrick Andrae** Co-founder & CEO 00:48:48

Thanks.

O **Operator** 00:48:49

Thanks a lot. Excuse me. Thanks a lot. Also from my side, we have another raised hand by Mr. Nagaraj. I just sent you an invite.

You unmute yourself.

A3 **Analyst 3** Sell-side analyst 00:48:58

Yes. Thank you. Thanks for the presentation. My first question is around the vacation rentals. When you have a full-service contract, as an example of a $100 booking, how much are you currently taking in that full-service contract?

And what can it potentially get to? And what's the range of, like, operating margins that you make per, vacation rental booking approximately? That's the first one. And the second one is, given you're focusing less on growing the marketplace business, what's the driving force for the booking backlog to remain stable or slightly improving? And, secondly, what are the product areas that you're focusing on once, product development areas you're focusing on once the Interhome-related integration kind of finishes up?

Thanks.

 **Dr. Patrick Andrae** Co-founder & CEO 00:49:47

Hi,

Sebastian Bielski CFO 00:49:47

Bharat. I'll take the first one and then Patrick will answer the second and third question. So the take rate in the margin for the vacation rental business. So when we look at the Interhome full-service model, right, so where an owner hands over the entire operation of the vacation property, so guest communication, marketing, cleaning, all of that to Interhome. The split is roughly of the 100, 55 would go to the owner and 45 would go to Interhome.

After deducting all of the operational expenses that we have, so running the local service offerings, offices, cleaning, but also marketing, customer acquisition, there is about 25% then margin remaining for us.

Analyst 3 Sell-side analyst 00:50:42

Amazing.

Dr. Patrick Andrae Co-founder & CEO 00:50:43

Thank you. Can you please repeat the first question regarding the marketplace? I didn't fully get it, I think.

Analyst 3 Sell-side analyst 00:50:50

Yes, yes, sure. Given that the marketplace business is kind of the backlog—sorry, you're less—you're focusing less on the marketplace business, but still the backlog continues to be stable and or slightly improving by 1% year on year. Just wondering what's the main driving force for that given your de-emphasis on that? Is it, like, repeat customers coming back and things like that? Second question is around the product development and focus areas for the future.

Dr. Patrick Andrae Co-founder & CEO 00:51:17

Yeah. Yeah. So, like, you rightly pointed that out. Right? Like, so the share of, you can say, like, non-paid traffic or customers by this is going up.

So meaning, like, brand, direct, repeat, and so on, and that's basically, like, then driving this. Plus, we have—we are still very good in, like, as pointed out before, like, steering to the right customers. Right? Like, so and and this combination leads to the fact that we not only are only slightly declining in the marketplace, but also, like, could deliver a Q3 that was above last year with 4.2% in IFRS revenues and also, like, gives us, like, good confidence that this way how we steer it is a good new basis in in the reset of the marketplace revenues from which we can grow them next year. And your question regarding product development, is it a general question for the whole group or specific to one segment?

Analyst 3 Sell-side analyst 00:52:24

No. Just just generally for the whole group, given that given that you're de-emphasizing the marketplace business and the and the and the vacation rental business is more more physical kind of business. Obviously, you have you still have the marketplace, but what's the focus area for software development in the future?

Dr. Patrick Andrae Co-founder & CEO 00:52:43

Yeah.

So we

need to distinguish a little bit between our our segments and and between our businesses. But on the marketplace, as you know, we are investing into distribution as well as especially around, like, AI distribution. Right? Like, that is something that we will continue. And and also, like, utilizing the marketplace technology not only for ourselves, but also for third parties.

Right? Like, because we built this marketplace, like, kind of website and checkout and payment on scale, and we can very nicely use it for ourselves for other parts of the business. So we will continue on that part. Also, simplifying and modularizing it. So that is one of the parts, and AI would play a big role in that.

Secondly, on on the Interhome side, we have also, like, the host-facing, like, kind of environment where we will invest once, like, the integration and and TSAs are exited, making it also they connect better to our distribution systems to then better distribute also the inventory throughout the market. And then lastly, we have the software businesses where we will focus on adding new features, adding new ways, and we will talk about that probably in the next earnings call what we are up to, especially, also for next year. But these are the bigger three areas that all have their own product development goals.

Analyst 3 Sell-side analyst 00:54:21

Sure. Sure. Thank you. That's very helpful. May I just ask one more?

On the vacation rental units that you're looking to acquire, any color on the geographical distribution of them or any other commentary on them which could—the reason as to why you're looking at them or why it looks attractive?



Dr. Patrick Andrae Co-founder & CEO 00:54:35

Thank you.



Sebastian Bielski CFO 00:54:40

Sorry, I—can you repeat the question? Sorry, it was hard to understand.

Analyst 3 Sell-side analyst 00:54:44

Apologies, maybe I'm being a bit unclear here because of some noise here. So the vacation rental units that you're looking to acquire, any color on the geographic distribution of that and why it looks attractive to you?



Sebastian Bielski CFO 00:54:58

Yes. So we're looking at things especially at the moment in Spain, Germany, France and the Nordics. So Nordics are a like a strategic growth area for us. We saw that for the first time really in the summer of this year. Right?

So it was very, very hot already, very early in June. And when it's already 38 degrees in Berlin early June, you probably are rather thinking about going somewhere in Sweden than at the Côte d'Azur.

we saw a lot of demand for this. And for the vacation rental property management part of our business, we have a super limited footprint there. I think we have like one LSO in Sweden. So the Nordic region, which is a a very traditional holiday house region, is is definitely a very, very important strategic growth

area for us both organically as well as through M&A. And then in terms of Spain, Germany and and so forth, these are just good bolt-on acquisitions.

They're effectively priced. They're in areas where we already have operations, so they're just good synergistic targets.

Operator 00:56:17

From my side. We have another question by Mrs. Jørgensen. You may unmute yourself now. Yes.

Dr. Patrick Andrae Co-founder & CEO 00:56:24

I hope you can hear me.

Operator 00:56:26

Hello.

Dr. Patrick Andrae Co-founder & CEO 00:56:27

You cannot hear me or?

Operator 00:56:28

We can.

Dr. Patrick Andrae Co-founder & CEO 00:56:30

Perfect. Thank you. Thank you so much for a very nice presentation. I just have one question from my side. To what extent, if any, did the geopolitical tensions contribute to the strong results you had this quarter?

Sebastian Bielski CFO 00:56:49

I think this quarter really kind of like proved our underlying hypothesis, right? So when we presented the the outlook, like, we were cautious, right, around especially oil price and what that does to to households, disposable income, and so forth. But our hypothesis was also that we should be a net beneficiary of this situation because what oftentimes happens is that when households have left—are left with less money at the end of month, they still want to go for that big summer holiday. Right? It's—it's something, especially for families, that they're looking forward to the whole year.

It's that big two or three-week summer holiday. It's emotionally super important, and they definitely want to go on holiday. And what they rather do is they don't go on the expensive, all-inclusive holiday including flying to Turkey or Egypt or something and then all-inclusive, which is really expensive, but they rather trade down and they take their own car and they rent a house, maybe in Italy with a pool so you still have that emotional summer holiday feeling, but you save money because you drive yourself, you cook yourself, and so it's really good value for money, and so that exactly played out as we thought it would both in the marketplace and the property management business, right? So both actually benefited from that. Again, the one outlier is the short-trip business, which is much more a thing that you can do but you don't have to do, and so we see that part of our business suffering, but the core vacation rental business really a net beneficiary.

Dr. Patrick Andrae Co-founder & CEO 00:58:26

No. That makes a lot of sense. Thank you so much.

Operator 00:58:29

Thanks a lot. We do have some questions in our chat box as well. The first one would be, dear management, congratulations on the strong set of results. Can you please elaborate on the like-for-like figures as if Interhome had been consolidated for the full previous year? Second question, please give an update on operational and financial impacts of the cyber incident.

Thank you.

Sebastian Bielski CFO 00:58:55

Yeah. For the first part of the question, I would just point to the presentation that we gave. So I walked through the like-for-like P&L in detail and also the revenue and EBITDA by segment in detail. So I would just ask for those slides to be read or the—I think there will also be a playback of the call so you can listen to that. In terms of the cyber incident, speaking with the knowledge that we have today and things may change, but with the knowledge that we have today, we do not see really any material negative impact neither operationally nor financially on our business.

So the—the cyber incidents that we had was that one of our subsidiaries was hacked. There was data stolen. We realized that very quickly. We closed the attack—the—the—the kind of, like, attack vector that was used very quickly. There was never an operational outage, so all of the systems continued to run.

We notified all of the customers that were affected, both travelers as well as agency partners, and we also, in the timeframe that we're legally required to, notified the—the data protection officer that is—that is concerned. So we did all of the stuff that we had to do. Obviously, there is work involved in answering questions from travelers and from partners, but so far, we do not see any material negative financial impact nor operational nor reputational.

Operator 01:00:34

Thanks a lot for answering the question. Our second question is, are you guiding for a year-on-year EBITDA decline in Q4 2026? I see your LTM EBITDA at EUR 52.9m, but your guidance only at EUR 48.0m to 50.0m. That means your Q4 2026 EBITDA must be EUR 3.0m to 5.0m down versus Q4 2025. What is driving this?

Sebastian Bielski CFO 01:01:03

Yes. So all of the observations are correct. LTM EBITDA stands higher than the upper end of our guidance. So you're also mathematically absolutely correct. That means that we are guiding for a lower EBITDA in the fourth quarter.

The reason for that is timing of investments. So we're not playing just a one-year game, but we are playing a multiyear game. And when we see good opportunity to do high investments as we are seeing right now, especially in customer acquisition, so we've made the strategic decision to actually invest more into customer acquisition than we thought we could a couple of months ago because we're seeing really, really good ROI on that. We will do that because it actually benefits the business going forward.

So our job as management team is not maximizing EBITDA in just one year, but we want to maximize EBITDA going forward.

And so at the moment, we see really good opportunity to reinvest into our business and that's what we're doing. And so that will have a negative impact when you look at Q4 in isolation, but overall it will also benefit next year and the coming years.

Operator 01:02:14

Thank you very much. Well, ladies and gentlemen, we have not received any further questions nor do we have any raised hands. So I would say we will come to the end of today's earnings call as we have not received anything else. As I can see, you will find the presentation on HomeToGo's website and also at the Airtime platform by clicking in today's event. Dear participants, thank you for joining and your interest in HomeToGo.

Should any further questions arise at a later time, please feel free to contact Investor Relations. Thanks once again. Have a nice day, and goodbye.