

Year-end report

January-December 2023

“Strong ARPL growth of 37% for the full year – despite challenging market conditions – driven by high demand for value-added services”

Net sales growth, %

13.0%

ARPL growth, %

37.1%

EBITDA-margin, %

52.3%



Summary for the period October-December 2023

- ▶ **Net sales** increased by 36.8 percent to SEK 275.0m (201.0)
- ▶ **EBITDA** increased 59.5 percent to SEK 141.6m (88.8)
- ▶ **Operating profit** increased 70.4 percent to SEK 121.5m (71.3)
- ▶ **ARPL, average revenue per published listing**, increased 46.2 percent to SEK 5,911 (4,044)

Summary for the period January-December 2023

- ▶ **Net sales** increased by 13.0 percent to SEK 1,004.7m (889.2)
- ▶ **EBITDA** increased 17.3 percent to SEK 525.5m (448.1)
- ▶ **Operating profit** increased 18.7 percent to SEK 448.2m (377.5)
- ▶ **ARPL, average revenue per published listing**, increased 37.1 percent to SEK 4,490 (3,275)
- ▶ **Total distribution to shareholders** of SEK 374.0m, from dividend and share repurchases
- ▶ **The board of directors proposes a dividend of SEK 1.20** (1.00) per share, in line with the company's dividend policy and corresponding to approximately one third of earnings per share and an increase of +20.0 percent

(SEK million, unless stated otherwise)	Oct-Dec			Jan-Dec		
	2023	2022	Change	2023	2022	Change
Net sales	275.0	201.0	36.8%	1,004.7	889.2	13.0%
EBITDA*	141.6	88.8	59.5%	525.5	448.1	17.3%
EBITDA margin*, %	51.5%	44.2%	7.3 pp	52.3%	50.4%	1.9 pp
Operating profit*	121.5	71.3	70.4%	448.2	377.5	18.7%
Net profit for the period	93.3	54.5	71.2%	338.7	293.8	15.3%
Earnings per share, basic, SEK ¹	0.96	0.55	74.5%	3.47	2.93	18.4%
Earnings per share, diluted, SEK ¹	0.96	0.55	74.5%	3.47	2.93	18.4%
Cash flow from operating activities	67.6	31.5	114.6%	395.9	356.0	11.2%

* Alternative Performance Measure, see pages 17-19 for derivation and definitions.

¹ The calculation of dilution of shares is made based on the number of days that the warrant programmes that have been active during each respective period.

Chief Executive's comments

Operational highlights

- **Net sales increased** 36.8 percent and amounted to SEK 275.0 million (201.0) for the fourth quarter. For the full year revenue reached SEK 1,004.7 million (889.2).
- **Average revenue per published listing (ARPL) increased** 46.2 percent to SEK 5,911 (4,044) for the quarter. For the full year ARPL increased 37.1 percent to SEK 4,490 (3,275). This increase was driven by continued growing interest for our value added services.
- **EBITDA increased** 59.5 percent to SEK 141.6 million (88.8) for the quarter and 17.3 percent for the full year to SEK 525.5 million (448.1). The EBITDA margin for the quarter was 51.5 percent (44.2) and 52.3 percent (50.4) for the full year.

Comments

Hemnet's full year results demonstrate our growth capabilities also in challenging market conditions with fewer listings compared to 2022. The main driver behind our growth is an increased demand for our value-added services along with product development and work around packaging and pricing.

In the quarter, revenue from property sellers increased by 55.2 percent, and the average revenue per published listing (ARPL) increased by 46.2 percent. ARPL from our value-added services notably nearly doubled for the fourth quarter compared to last year. Looking at the full year, revenue from property sellers grew 22.2 percent and ARPL with 37.1 percent. A large part of the growth can be attributed to the increasing demand for Hemnet Premium, as more agents and property sellers want to tap into the increased audience engagement that comes with our value-added services. The recovery of property market activity

that we began to see in the third quarter has continued, and during the fourth quarter, the number of listings exceeded last year's volumes for the first time in 2023, with a 5.3 percent YoY increase.

The current market and other macroeconomic factors have continued to impact our B2B customers, particularly property developers, resulting in lower net sales in this segment compared to 2022. Over the past year, we have continued to experience high demand from real estate agents for our unique Hemnet products such as Mäklartipset and Hemnet Business. These types of products align well with our strategy to develop integrated advertising solutions that create value for both our customers and users.

Throughout the year we have released several new features and products and the fourth quarter was no exception. In October we launched 'Pay when listing is removed' that allows our customers to choose whether to pay for the Hemnet listing as it is published or when it is removed. This new flexibility has been very well received by real estate agents as well as property sellers.

We are proud of our unique partnership with real estate agents, where a substantial portion of our revenue is reinvested into the industry. In 2024 we look forward to further strengthen this partnership with more value-creating products and a revised commission model that aims to more effectively reward agents who are proactive in recommending and advising on our products.

With 9 out of 10 sold properties in Sweden being advertised on our platforms* and with the largest audience among Swedish property portals by far, Hemnet is the natural go-to-place for anyone buying or selling a home. Coupled with a high product

development pace, strong organisation and an ambitious sustainability agenda, this positions us for another year of growth, driven by our passionate team dedicated to lead the market.

Cecilia Beck-Friis, CEO

January 2024



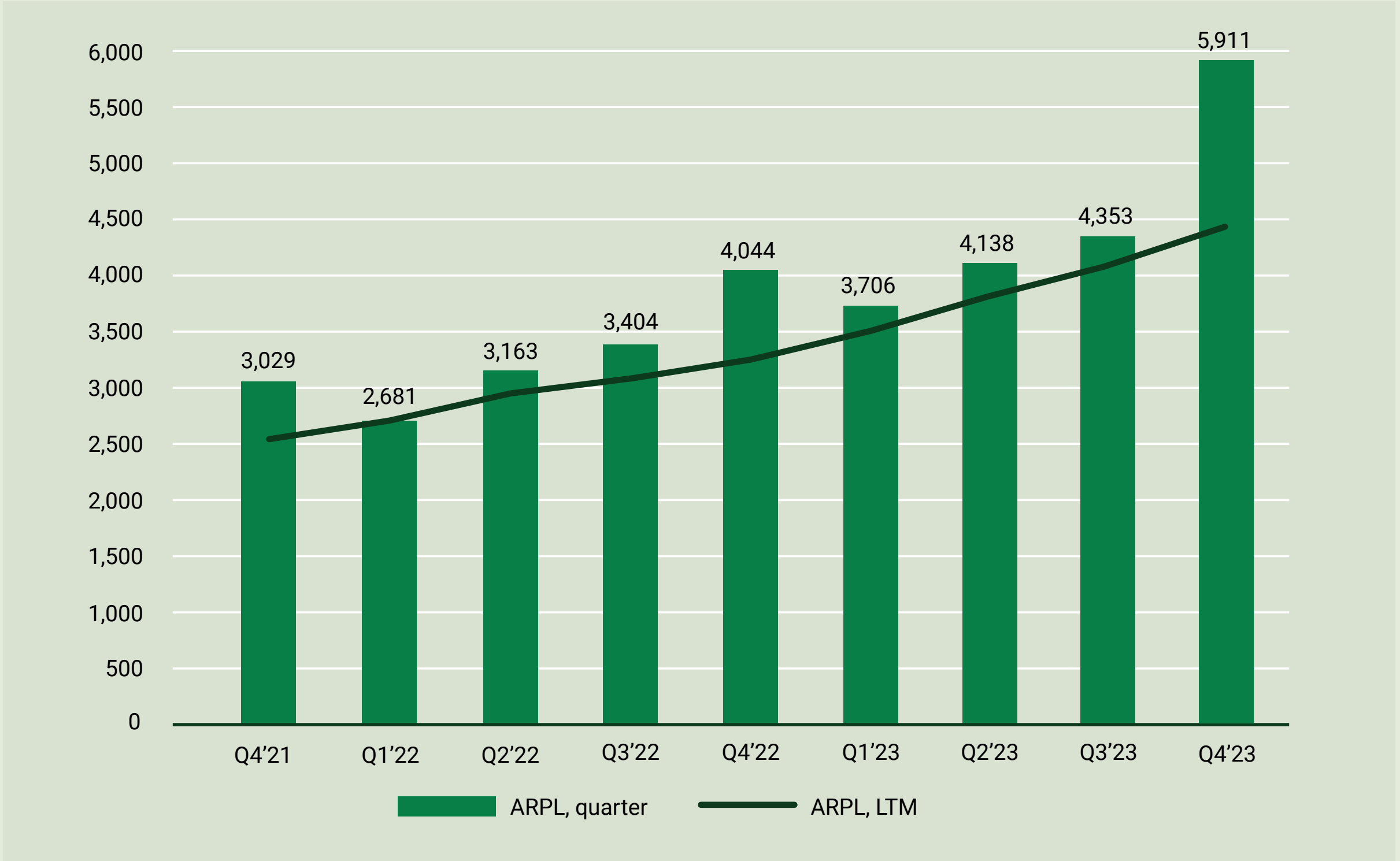
*Data of sold homes in Sweden 2022 from Statistics Sweden, released in July 2023, and Hemnet.

Operational indicators

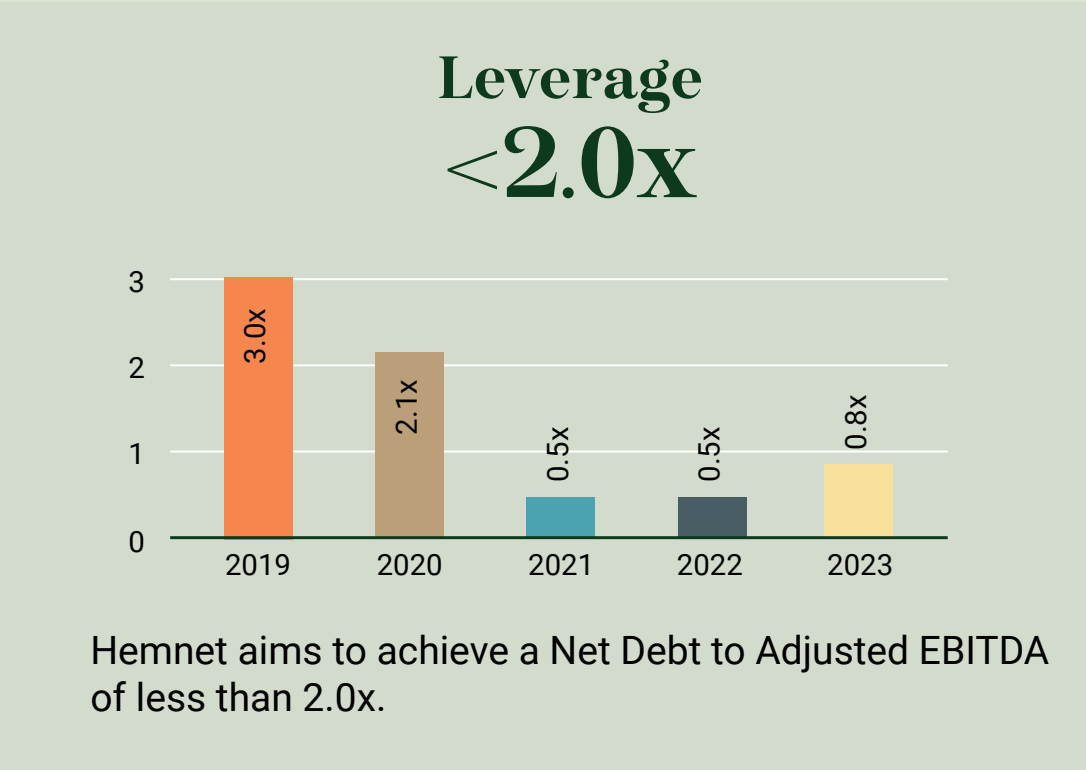
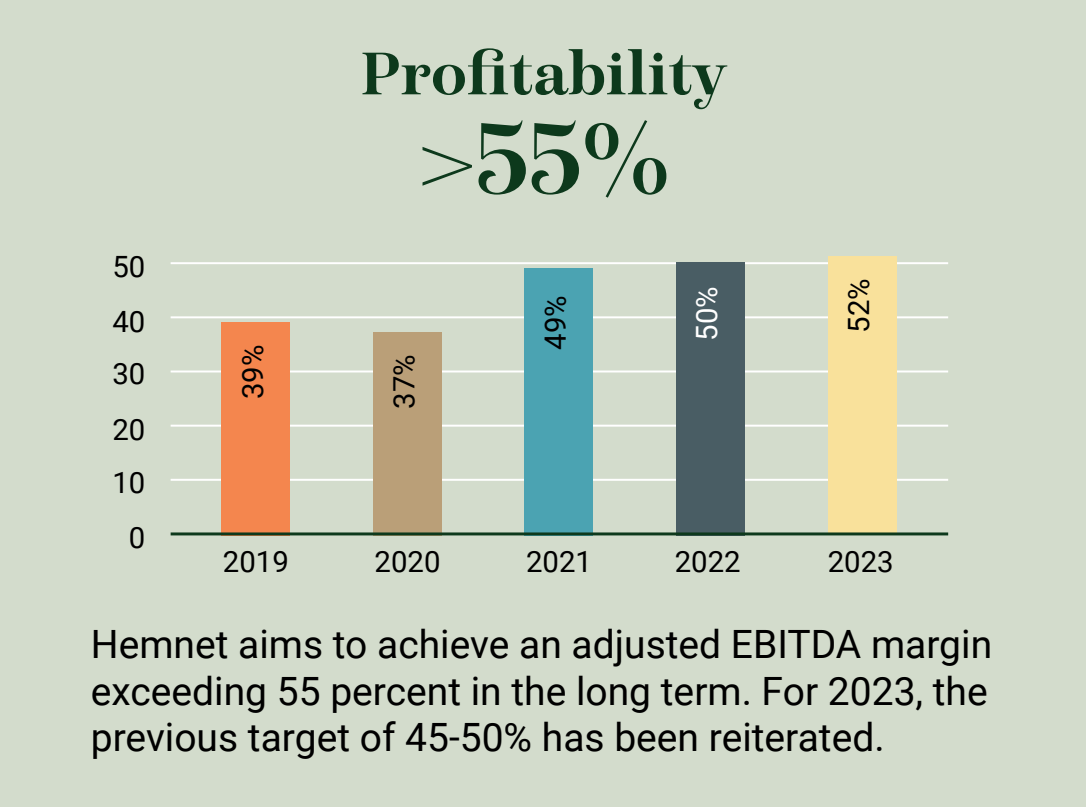
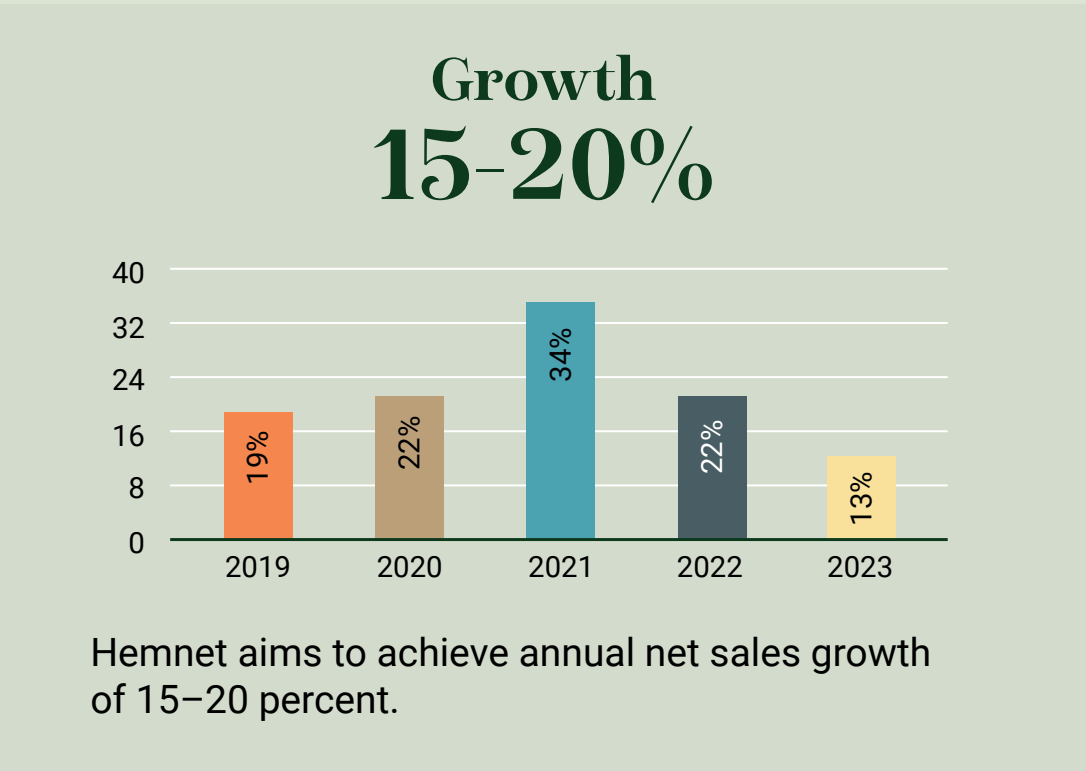
KPI	Oct-Dec			Jan-Dec		
	2023	2022	Change	2023	2022	Change
ARPL (average revenue per published listing), SEK	5,911	4,044	46.2%	4,490	3,275	37.1%
Number of published listings, thousand	37.7	35.8	5.3%	175.3	198.3	-11.6%

ARPL

The below graph shows Hemnets ARPL development during the last nine quarters, both as isolated quarters and on LTM basis.



Financial targets



Financial summary, October-December 2023

Net sales increased from a strong growth of average revenue per published listing (ARPL), and a higher number of published listings. Continued strong growth of value-added services have contributed to the increase in average revenue per published listing (ARPL). EBITDA increased 59.5 percent to SEK 141.6m (88.8).

Net sales and profit

Net sales increased by 36.8 percent to SEK 275.0m (201.0).

Net sales from property sellers increased by 55.2 percent to SEK 222.0 (143.0). Number of published listings increased with 5.3 percent compared to the same quarter last year. ARPL growth have a positive effect from longer listing duration compared to same period last year, with more revenue periodized from Q3 to Q4. Revenues from value added services for property sellers increased about 100%, mainly from higher conversion to Hemnet Premium. This in combination with price adjustments for all products led to ARPL growing by 46.2 percent to SEK 5,911 (4,044).

Net sales from other customers decreased by 8.6 percent to SEK 53.0m (58.0). Display revenue decreased, with decreased display revenue from property developers as one of the major drivers. Revenue from banks continued to increase along with revenue from value-added services to real estate agents, partly from our new products to help agents find sellers.

Capitalised development of employees was SEK 4.1m (3.3) and related to our continued investments in product development. Investments were made in new products for property sellers, as

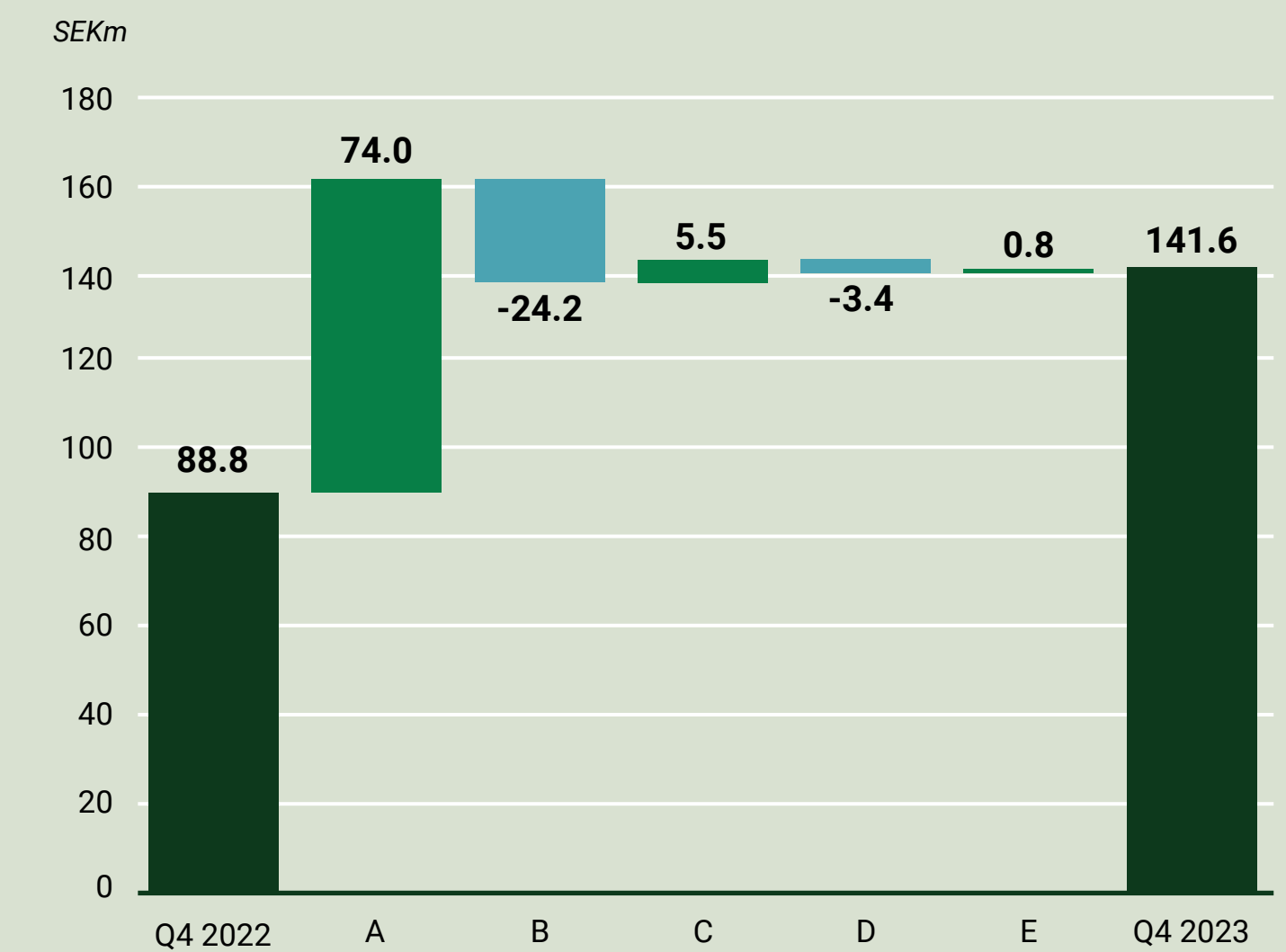
well as new products for real estate agents. A total of SEK 8.3m (5.4) was capitalised during the quarter, the underlying reason for the increase is partly due to a modernization of Hemnet's technical platform.

Other external expenses increased by 25.4 percent to SEK 92.8m (74.0). SEK 65.4m (41.2) of other external expenses were administration and commission expenses to real estate agents, which increased by 58.7 percent because of increasing revenue from property sellers. The remaining part decreased by 16.5 percent to SEK 27.4m (32.8) mainly related to lower costs for consultants but also marketing.

Personnel costs increased by 8.1 percent to SEK 45.1m (41.7), as the company continued to invest in skills and capacity for future growth.

EBITDA increased 59.5 percent to SEK 141.6m (88.8), corresponding to an EBITDA-margin of 51.5 (44.2) percent.

EBITDA



- A Net sales
- B Compensation to real estate agents
- C Other external expenses excl. comp. to real estate agents
- D Personnel costs
- E Other

Depreciation & amortisation amounted to SEK 20.1m (17.5), whereof amortisation of intangible assets, mainly from the acquisition of Hemnet, amounted to SEK 16.2m (15.4) and depreciation of right-of-use assets amounted to SEK 2.8m (1.9).

Operating profit increased 70.4 percent to SEK 121.5m (71.3), corresponding to an operating margin of 44.2 (35.5) percent.

Net financial items, decreased from negative SEK 2.6m to negative SEK 3.6m, mainly due to higher interest costs on bank loans following higher market rates and increased borrowing. Interest costs on bank loans amounted to SEK 7.0m (2.9).

Tax expense for the period amounted to SEK 24.6m (14.2), corresponding to an effective tax rate of 20.9 (20.8) percent.

Net profit for the period increased by SEK 38.8m and amounted to SEK 93.3m (54.5).

Cash flow and financial position

Cash flow from operating activities increased by SEK 36.1m and amounted to SEK 67.6m (31.5). The change in working capital was negative at SEK -51.3m (-11.9), this mainly due to timing of payments from customers as well as higher deferred income following longer listing durations in 2023. Taxes paid during the quarter amounted to SEK -18.4m (-43.0).

Cash flow from investing activities amounted to SEK -8.5m (-5.1) mainly related to capitalised development expenses of SEK -8.3m (-4.9), as well as -0.2m (-0.3) in investment in tangible assets.

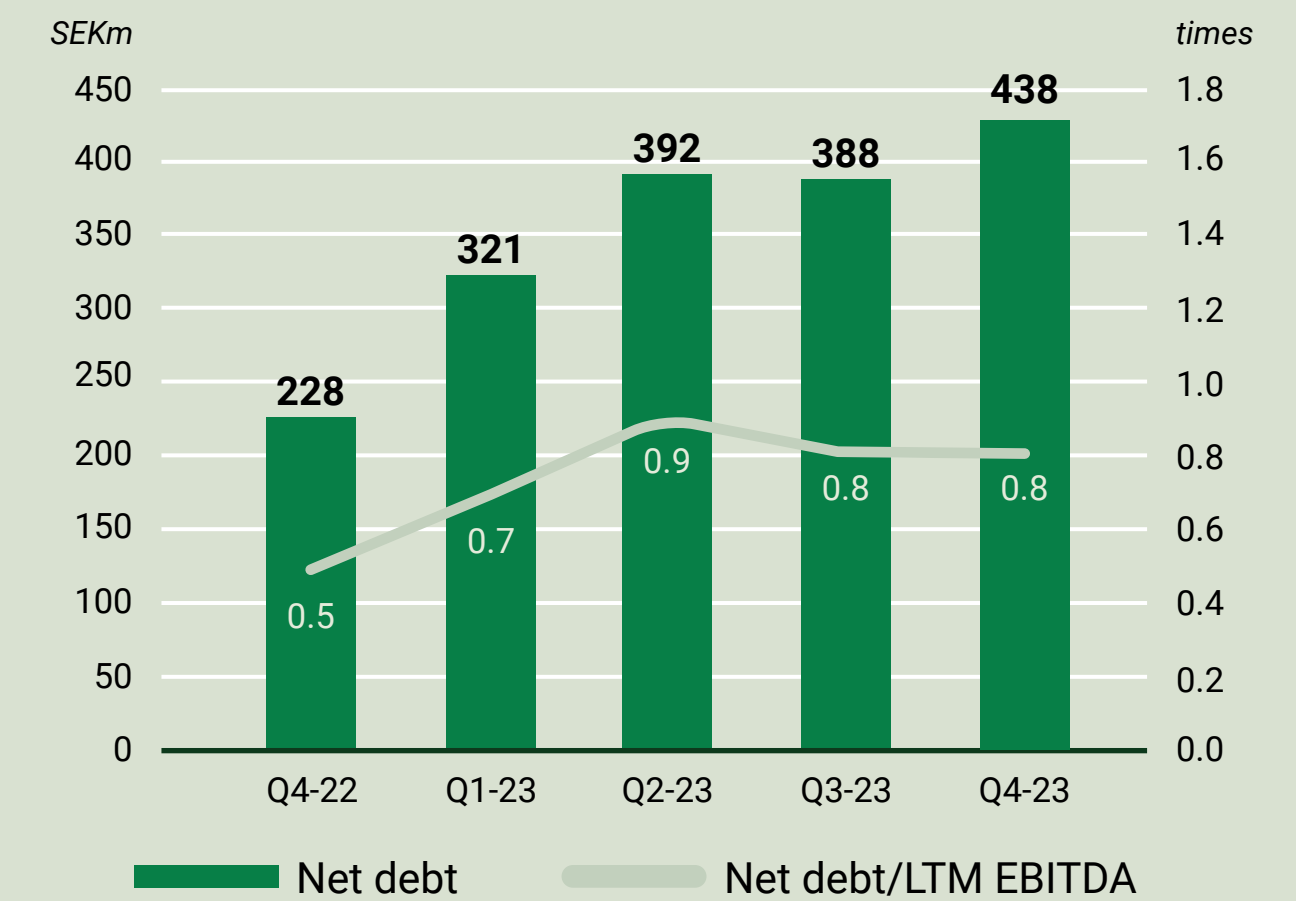
Cash flow from financing activities totalled SEK -112.5m (-50,0), mainly as a result of share buybacks of SEK -109.7m. Amortisation of lease liabilities resulted in a cash flow of SEK

-2.8m. During the same period last year, financing activities resulted in a cash flow of SEK -50.0m, mainly consisting of repurchase of own shares SEK -80.3m and an increase of SEK 30.0m of the drawn amount of the credit facility.

Cash and cash equivalents amounted to SEK 102.6m (100.4) and total interest-bearing liabilities amounted to SEK 540.7m (328.5). Net debt thus amounted to SEK 438.1m (228.1), which corresponds to 0.8 (0.5) times adjusted EBITDA for the last twelve months.

Total shareholders' equity amounted to SEK 1,259.6m (1,432.7), corresponding to an equity-to-assets ratio of 58.4 (68.4) percent. The decrease of the equity-to-assets ratio is mainly an effect of the cancellation of 2,780,428 treasury shares approved by the Annual General Meeting.

Financial position



Historical development of the Group's net debt and net debt in relation to rolling twelve months EBITDA.

Financial summary, January-December 2023

Net sales increased 13.0 percent, despite a decrease of number of published listings compared to the same period last year (-11.6 percent). Strong growth for value-added services have contributed to a high increase in average revenue per published listing (ARPL). EBITDA increased 17.3 percent to SEK 525.5m (448.1).

Net sales and profit

Net sales increased by 13.0 percent to SEK 1,004.7m (889.2).

Revenue from property sellers increased by 22.2 percent to SEK 781.8 (639.6). This despite that the number of published listings decreased by -11.6 percent compared to last year. The sales of value-added services for property sellers continued to increase which in combination with price adjustments across all products led to ARPL growing by 37.1 percent to SEK 4,490 (3,275).

Net sales from other customers decreased by 10.7 percent to SEK 222.9m (249.6). Display revenue decreased, with lower display revenue from property developers as one of the major causes. Revenue from banks continued to increase along with revenue from value-added services to real estate agents, partly from our new products to help agents find sellers.

Capitalised development of employees was SEK 13.0m (10.0) and related to our continued investments in product development. Investments were made in new products for property sellers and buyers, as well as new products for property developers and real estate agents. A total of SEK 31.5m (14.2) was capitalised during the year, the underlying reason for the increase is partly due to a modernization of

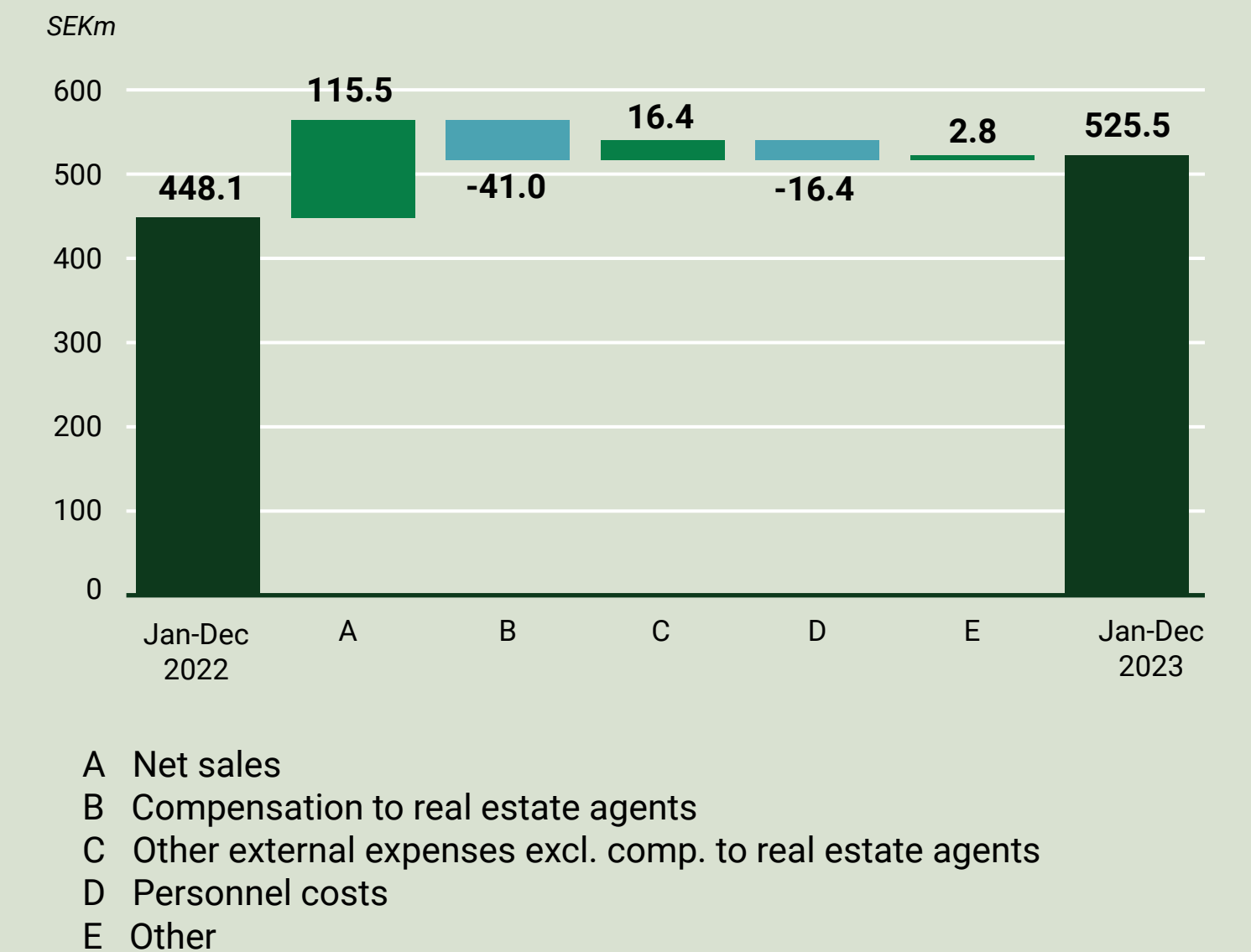
Hemnet's technical platform.

Other external expenses increased by 8.3 percent to SEK 323.7m (299.0). SEK 225.3m (184.3) of other external expenses were administration and commission expenses to real estate agents, which increased by 22.2 percent because of the increasing revenue from property sellers. The remaining part decreased by 14.2 percent to SEK 98.4m (114.7) mainly related to lower costs for consultants and marketing.

Personnel costs increased by 10.7 percent to SEK 169.6m (153.2), as the company continued to invest in new and existing personnel.

EBITDA increased 17.3 percent to SEK 525.5m (448.1), corresponding to an EBITDA-margin of 52.3 (50.4) percent.

EBITDA



Depreciation & amortisation amounted to SEK 77.3m (70.6), whereof amortisation of intangible assets, mainly from the acquisition of Hemnet, amounted to SEK 63.0m (61.9) and depreciation of right-of-use assets amounted to SEK 11.9m (7.5).

Operating profit increased 18.7 percent to SEK 448.2m (377.5), corresponding to an operating margin of 44.6 (42.5) percent.

Net financial items, decreased from negative SEK 6.8m to negative SEK 20.8m, mainly due to higher interest costs on bank loans following both increased borrowing and higher interest rates on bank loans. Interest costs on bank loans amounted to SEK 22.4m (6.6).

Tax expense for the year amounted to SEK 88.7m (76.9), corresponding to an effective tax rate of 20.7 (20.8) percent.

Net profit for the year increased by SEK 44.9m and amounted to SEK 338.7m (293.8).

Cash flow and financial position

Cash flow from operating activities increased by SEK 39.9m and amounted to SEK 395.9m (356.0). The increase was primarily driven by the increased profit, but somewhat offset by mainly higher interest payments. The change in working capital was negative at SEK -4.2m (8.2). Taxes paid during the year amounted to SEK -103.2m (-94.2).

Cash flow from investing activities amounted to SEK -38.8m (-15.5) and related to capitalised development expenses of SEK -31.5m (-13.7) as well as investments tangible assets of SEK -7.3m (-1.7), mainly related to Hemnet's new office premises.

Cash flow from financing activities totalled SEK -354.9m

(-334.6), mainly following share buybacks of SEK 418.5m and paid dividend of SEK -98.0m, and partly offset by an increased utilisation of the credit facility of, net, SEK +170.0m. Amortisation of lease liabilities resulted in a cash flow of SEK -13.0m. During the last year, financing activities resulted in a cash flow of SEK -334.6m, consisting of share buybacks of SEK -326.1m and paid dividend of SEK -55.6m, partly offset by an increased utilisation of the credit facility of, net, SEK +115.0m.

Cash and cash equivalents amounted to SEK 102.6m (100.4) and total interest-bearing liabilities amounted to SEK 540.7m (328.5). Net debt thus amounted to SEK 438.1m (228.1), which corresponds to 0.8 (0.5) times adjusted EBITDA for the last twelve months.

Total shareholders' equity amounted to SEK 1,259.6m (1,432.7), corresponding to an equity-to-assets ratio of 58.4 (68.4) percent. The decrease of the equity-to-assets ratio is mainly an effect of the cancellation of 2,780,428 treasury shares approved by the Annual General Meeting.

Parent company, financial development January-December

Net sales of the Parent company amounted to SEK 8.9m (9.2). All revenue refers to services to other Group companies. Operating profit/loss was SEK -10.0m (-10.9).

During the period, changes in the group structure, where passive subsidiaries were merged and liquidated in order to simplify administration, resulted in a profit from shares in group companies of SEK 382.9m (-). The Parent company has received a group contribution of SEK 492.7m (435.0) from subsidiaries in the period.

The assets of the Parent company consist mainly of investments in Group companies and Group receivables.

The operations are financed by equity, bank loans and Group liabilities. The Parent company equity at the end of the period amounted to SEK 1,186.5m (949.6) and the equity ratio was 70.0 (56.4) percent.

Other information

Current macro environment

There are a number of macro factors that can have an impact on Hemnet financial results. The main issue is high inflation which leads to higher mortgage interest rates, but also an uncertain security situation with the war in Ukraine. The market uncertainty and slower market affects property transactions with a shift from a seller's market to more of a buyers' market. This also affect Hemnets B2B customers who are reviewing their cost spend, not least the property developers who are making significant cost reductions.

Employees

The number of employees at the end of the period was 154 compared to 135 at the end of December 2022. The increase is primarily in the area of product development.

Repurchase and holding of treasury shares

The Annual General Meeting 2023 authorized the Board of Directors to cancel 2,780,428 shares repurchased in 2022-2023, as well as on one or more occasions during the period until the next Annual General Meeting, decide on the repurchase of own shares to such an extent that the Company holds no more than ten (10) percent of all shares in the Company at any time after the acquisition. The maximum amount for repurchases during the period shall be SEK 450 million. Acquisitions shall be made on Nasdaq Stockholm at a price per share within the price interval registered at any given time. The purpose of the authorization is to adjust the Company's capital structure by reducing the share capital. The Board of Directors therefore intends to propose to the Annual General Meeting 2024 that

the repurchased shares be cancelled.

The repurchase program is implemented in accordance with the Market Abuse Regulation (EU) No 596/2014 ("MAR") and Commission Delegated Regulation (EU) No 2016/1052 (the "Safe Harbour Regulation"). The repurchase program is managed by Carnegie Investment Bank AB (publ). which makes its trading decisions regarding the timing of the repurchases of Hemnet shares independently of Hemnet.

See further information in note 4.

Seasonality

Hemnet's sales and earnings are partly affected by seasonal fluctuations, mainly linked to vacation seasons and major holidays, as the number of listings and activity on Hemnets platforms tend to be lower during these periods than during other periods of the year. Seen over a financial year, the year begins with low volumes that gradually increase until the summer months where volumes decrease to lower levels and then increase again after the summer holiday period, before they decrease again ahead of the Christmas holidays.

Overall, the first quarter in particular tends to be weaker seasonally, both in terms of sales and earnings, while the second quarter tends to be the strongest.

Average revenue per published listing, ARPL, is affected by certain seasonal effects. Listing revenue and revenue from listing related value-added services is, in accordance with IFRS, recognised over the average duration of a listing on Hemnet. The effect is that quarters that are preceded by

a month with a high volume of listings and value-added services benefit. Historically, March and September have been such months with high volume of listings, giving a positive contribution to revenue and ARPL in the following month and therefore the second and the fourth quarter respectively.

Risks and uncertainties

Hemnet is through its operations exposed to risks and uncertainties. The income from listing fees is a significant part of sales. Hemnet's operations are therefore dependent on an efficient, well-functioning housing market with high mobility. Hemnet's advertising business has continued to develop positively, and we offer advertising both through direct sales and through programmatic trading. The development and trends for advertising purchases in the market can affect Hemnet's revenue both positively and negatively. For Hemnet, it is of great importance to have a good relationship with the real estate agents and to have a substantial range of listings. Hemnet's future business may be threatened if a deteriorating agent relationship would result in a reduction in the number of listings.

In addition to its own funds, the Group's operations are also financed through borrowing. As a result, the business is exposed to financing risks and interest rate risk. The Group's overall risk management policy focuses on the unpredictability of the financial markets and strives to minimise potential adverse effects on the Group's financial results.

For a detailed description of the risk factors and how they are managed, please refer to Hemnet's Annual Report 2022, page 62-63. Hemnet's assessment is that no other significant risks or uncertainties have arisen during the period.

Annual General Meeting 2024

Hemnet Group AB's Annual General Meeting 2024 will be held on 25 April, 2024. Additional information about Hemnet's Annual General Meeting will be available on Hemnet's website, www.hemnetgroup.se. Hemnet's audited Annual Report for 2023 will be made available at the company's head office and website during week 14, 2024.

Proposed distribution of earnings

The Board of Directors' proposal to the Annual General Meeting is a dividend of SEK 1.20 per share for the fiscal year 2023. The dividend is proposed to be paid out with proposed record date 29 April, 2024, and proposed payment date 3 May, 2024.

Proposed share buy-back program

The Board of Directors propose to the Annual General Meeting to resolve on a share buy-back program of in total maximum ten percent of the outstanding volume of shares, to be carried out during the period up until the date of the following Annual General Meeting. The purpose is to cancel the repurchased shares and reduce the share capital. The reduction of the share capital will be met by a corresponding bonus issue of shares so that the size of the share capital is restored.

About Hemnet

Hemnet operates the leading property platform in Sweden. The Company emerged as an industry initiative in 1998 and has since transformed into a "win-win" value proposition for the housing market. By offering a unique combination of relevant products, insights and inspiration, Hemnet has built lasting relationships with buyers, sellers, and agents for more than 20 years. Hemnet shares a mutual passion for homes with its stakeholders and is driven by being an independent go-to-place for people to turn to for the various housing needs that arise through life. This is mirrored in the Company's vision to be the key to your property journey, supplying products and services to improve efficiency, transparency and mobility on the housing market.

The key to your property journey

We increase efficiency, transparency and mobility on the housing market.



This report has not been subject to a review by Hemnet’s auditor.

Stockholm, 31 January, 2024
Hemnet Group AB (publ)

Anders Nilsson
Chair

Cecilia Beck-Friis
CEO

Anders Edmark
Member of the board

Tracey Fellows
Member of the board

Håkan Hellström
Member of the board

Nick McKittrick
Member of the board

Maria Redin
Member of the board

Pierre Siri
Member of the board

Condensed consolidated income statement

(SEK million)		Oct-Dec		Jan-Dec	
		2023	2022	2023	2022
Net sales	2	275.0	201.0	1,004.7	889.2
Other operating income		0.8	0.6	2.7	2.6
Total revenue		275.8	201.6	1,007.4	891.8
Capitalised development		4.1	3.3	13.0	10.0
Other external expenses	3	-92.8	-74.0	-323.7	-299.0
Personnel costs		-45.1	-41.7	-169.6	-153.2
Depreciation & amortisation		-20.1	-17.5	-77.3	-70.6
Other operating costs		-0.4	-0.4	-1.6	-1.5
Total operating expenses		-158.4	-133.6	-572.2	-524.3
Operating profit		121.5	71.3	448.2	377.5
Net financial items		-3.6	-2.6	-20.8	-6.8
Profit before taxes		117.9	68.7	427.4	370.7
Income tax		-24.6	-14.2	-88.7	-76.9
Net profit for the period		93.3	54.5	338.7	293.8
<i>Net profit attributable to controlling interest</i>		93.3	54.5	338.7	293.8
Other comprehensive income		-	-	-	-
Total comprehensive income		93.3	54.5	338.7	293.8
Earnings per share¹					
before dilution, SEK		0.96	0.55	3.47	2.93
after dilution, SEK		0.96	0.55	3.47	2.93
Number of shares					
Average before dilution		96,748,082	99,116,984	97,638,241	100,345,982
Average after dilution		96,943,775	99,116,985	97,740,840	100,346,151
At period end		96,535,933	98,838,795	96,535,933	98,838,795

Condensed consolidated statement of financial position

(SEK million)		2023-12-31	2022-12-31
ASSETS			
Goodwill		902.8	902.8
Customer relationships		703.9	759.3
Right-of-use assets		45.2	0.6
Other non-current assets		292.5	263.3
Total non-current assets		1,944.4	1,926.0
Accounts receivables		38.3	31.5
Other current assets		70.7	36.7
Cash and cash equivalents		102.6	100.4
Total current assets		211.6	168.6
TOTAL ASSETS		2,156.0	2,094.6
EQUITY AND LIABILITIES			
Total equity (attributable to controlling interest)	4	1,259.6	1,432.7
Liabilities to credit institutions		497.1	328.5
Lease liabilities		35.5	-
Deferred tax liabilities		203.7	210.2
Total non-current liabilities		736.3	538.7
Lease liabilities		8.1	-
Accrued expenses and deferred income		110.9	81.1
Other current liabilities		41.1	42.1
Total current liabilities		160.1	123.2
Total liabilities		896.4	661.9
TOTAL EQUITY AND LIABILITIES		2,156.0	2,094.6

¹The calculation of dilution of shares is made based on the number of days that the warrant programmes that have been active during each respective period.

Condensed consolidated statement of changes in equity

(SEK million)	Jan-Dec	
	2023	2022
Equity, opening balance	1,432.7	1,516.9
Net profit for the period	338.7	293.8
Other comprehensive income	-	-
Total comprehensive income	338.7	293.8
Dividend distribution	-98.0	-55.6
Repurchase of shares	4	-326.1
Warrant issues	5.0	4.7
Warrant redemption	-0.4	-0.8
Issue expenses	-	-0.2
Total transactions with shareholders	-511.8	-378.0
Equity, closing balance	1,259.6	1,432.7

Condensed consolidated statement of cash flow

(SEK million)	Oct-Dec		Jan-Dec	
	2023	2022	2023	2022
Operating activities				
Operating profit	121.4	71.3	448.2	377.5
Adjustments for non-cash items	20.1	17.5	77.3	70.6
Interest paid and received	-4.3	-2.5	-22.2	-6.1
Paid income tax	-18.4	-43.0	-103.2	-94.2
Cash flow from operating activities before changes in working capital	118.9	43.4	400.1	347.8
Changes in working capital, net	-51.3	-11.9	-4.2	8.2
Cash flow from operating activities	67.6	31.5	395.9	356.0
Investing activities				
Investments in intangible assets	-8.3	-4.9	-31.5	-13.7
Investments in tangible assets	-0.2	-0.2	-7.3	-1.8
Cash flow from investing activities	-8.5	-5.1	-38.8	-15.5
Financing activities				
Borrowings	-	30.0	185.0	115.0
Repayment of loans	-	-	-15.0	-65.0
Amortisation of lease liabilities	-2.8	-0.7	-13.0	-6.5
Issue of warrants	-	1.1	5.0	4.6
Issue expenses	-	-	-	-0.2
Warrant redemption	-	-0.1	-0.4	-0.8
Repurchase of shares	4	-80.3	-418.5	-326.1
Paid dividend	-	-	-98.0	-55.6
Cash flow from financing activities	-112.5	-50.0	-354.9	-334.6
Net change in cash and cash equivalents	-53.4	-23.6	2.2	5.9
Cash and cash equivalents, beginning of period	156.0	124.0	100.4	94.5
Cash and cash equivalents, end of period	102.6	100.4	102.6	100.4

Condensed parent company income statement

(SEK million)	Oct-Dec		Jan-Dec	
	2023	2022	2023	2022
Net sales	2.0	2.2	8.9	9.2
Total revenue	2.0	2.2	8.9	9.2
Other external costs	-2.9	-3.3	-7.5	-11.3
Personnel costs	-1.9	-4.5	-11.4	-8.8
Total operating expenses	-4.8	-7.8	-18.9	-20.1
Operating profit/loss	-2.8	-5.6	-10.0	-10.9
Profit/loss from shares in group companies	382.9	-	382.9	-
Net financial items	-6.2	-2.9	-22.2	-7.3
Appropriations - Group contributions received	492.7	435.0	492.7	435.0
Profit before taxes	866.6	426.5	843.4	416.8
Income tax	-94.9	-85.8	-94.9	-85.8
Net income (loss)	771.7	340.7	748.5	331.0

Parent company statement of comprehensive income

(SEK million)	Oct-Dec		Jan-Dec	
	2023	2022	2023	2022
Net income (loss)	771.7	340.7	748.5	331.0
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	771.7	340.7	748.5	331.0

Condensed parent company balance sheet

(SEK million)	2023-12-31	2022-12-31
ASSETS		
Non-current assets	1,678.4	1,644.5
Current assets	17.4	38.0
TOTAL ASSETS	1,695.8	1,682.5
EQUITY AND LIABILITIES		
Equity	4	
Restricted equity	77.4	77.4
Non-restricted equity	1,109.1	872.5
Total equity	1,186.5	949.9
Non-current liabilities	497.2	328.5
Current liabilities	12.1	404.1
Total liabilities	509.3	732.6
TOTAL EQUITY AND LIABILITIES	1,695.8	1,682.5

Notes

Note 1 Accounting principles

This report has been prepared in accordance with IAS 34. Interim Financial Reporting. International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and Interpretation Statements of the International Financial Reporting Interpretations Committee (IFRIC) as adopted by the EU. The Group applies the same accounting principles as described in Note 1 in the annual report for 2022 and no new or IFRS or IFRIC interpretations that have not yet come into force are expected to have a material impact on the Group.

The Parent company, Hemnet Group AB (publ), applies the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's recommendation (RFR 2). accounting for legal entities. The accounting principles are consistent with those of the previous year and, where applicable, with the Group's accounting principles.

Amounts are expressed in SEK million unless stated otherwise. Amounts and figures in brackets refer to comparative figures for the corresponding period last year. In some cases roundings have been made, which means that tables and calculations do not always sum up exactly.

Note 2 Net sales

Net sales from external customers by customer category and service category:

Net sales by customer category (SEK million)	Oct-Dec		Jan-Dec	
	2023	2022	2023	2022
Property sellers	222.0	143.0	781.8	639.6
Real estate agents	24.6	25.4	110.4	113.2
Real estate developers	9.0	10.3	36.7	48.3
Advertisers	19.4	22.3	75.8	88.1
Total net sales	275.0	201.0	1,004.7	889.2

Net sales by service category (SEK million)	Oct-Dec		Jan-Dec	
	2023	2022	2023	2022
Listing related services	228.3	149.4	808.7	668.4
Other services	46.7	51.6	196.0	220.8
Total net sales	275.0	201.0	1,004.7	889.2

Revenues are in their entirety attributable to services rendered to private individuals and companies. Property sellers revenue consists of sales to consumers, while Real estate agents, Real estate developers and Advertisers represent sales to business customers. Revenue is recognized over time as performance obligations are fulfilled. The revenues are almost entirely attributable to Swedish customers.

Note 3 Other external expenses

(SEK million)	Oct-Dec		Jan-Dec	
	2023	2022	2023	2022
Administration and commission compensation	-65.4	-41.2	-225.3	-184.3
Other external expenses	-27.4	-32.8	-98.4	-114.7
Total	-92.8	-74.0	-323.7	-299.0

Administration and commission compensation refers to compensation to real estate agent offices regarding administration of property listings on Hemnet's platform and for real estate agent offices having entered into a commission agreement regarding sale of Hemnet's value-added services. commission.

Note 4 Repurchase program and treasury shares

During the quarter 506,278 shares were repurchased for a total of SEK 109.6m, excluding transaction costs, under the 2023/2024 Share repurchase program of SEK 450 million. Under the 2023/2024 Share repurchase program, a total of 1,480,996 shares have been repurchased for a total amount of SEK 287.2m, excluding transaction costs. The total number of treasury shares at the end of the quarter thus amounts to 1,815,117. In total during 2023, under both share repurchase programs, 2,302,862 shares were repurchased for SEK 418.1m. The number of shares outstanding, excluding treasury shares, as of December 31, 2023, is 96,535,933. The total number of shares in the Company is 98,351,050.

The Board of Directors proposed that the Annual General Meeting resolves to reduce the Company's share capital by an amount of SEK 2,129,178 through cancellation of the 2,780,428 treasury shares that as of March 15, 2023 have been repurchased by the Company through the 2022/2023 Share repurchase program. The amount of the reduction was reported in unrestricted equity.

In order to restore the share capital following the proposed reduction of the share capital in accordance with the paragraph above, the Board of Directors proposed that the Annual General Meeting simultaneously resolves on an increase in the share capital through a bonus issue by

an amount of SEK 2,129,178, which corresponds to the amount by which the share capital was reduced by cancellation of shares in accordance with the paragraph above.

Note 5 Financial instruments

Hemnet's financial instruments consist mainly of accounts receivables, other current receivables, liabilities to credit institutions, accounts payable and accrued expenses.

Liabilities to credit institutions carries a floating interest that is estimated in all material respects to correspond to current market rate, whereby fair value is deemed to approximately correspond to booked value adjusted for accrued borrowing costs. For other financial assets and liabilities, their book values are an approximation of fair value, why these items are not split according to the fair value hierarchy.

Note 6 Related party transactions

Transactions with related parties and management incentive program are described in notes G28 and G8 in the annual report for 2022.

In other respects, the scope and focus of these transactions did not change significantly during the period.

Note 7 Significant events after the end of the period

On 25 January, 2024, Hemnet announced that its targets set with the overall aim of achieving net-zero greenhouse gas emissions by no later than 2050 have been approved by the Science Based Targets initiative (SBTi).

Group key ratios

(SEK million, unless stated otherwise)	Oct-Dec		Jan-Dec	
	2023	2022	2023	2022
EBITDA	141.6	88.8	525.5	448.1
EBITDA margin, %	51.5%	44.2%	52.3%	50.4%
Operating profit	121.5	71.3	448.2	377.5
Operating margin, %	44.2%	35.5%	44.6%	42.5%
Net profit for the period	93.3	54.5	338.7	293.8
Profit margin %	33.9%	27.1%	33.7%	33.0%
Earnings per share, basic, SEK	0.96	0.55	3.47	2.93
Earnings per share, diluted, SEK	0.96	0.55	3.47	2.93
ARPL (average revenue per published listing), SEK	5,911	4,044	4,490	3,275
Net debt	438.1	228.1	438.1	228.1
Net debt/EBITDA (LTM), times	0.8	0.5	0.8	0.5
Debt/Equity ratio, times	0.4	0.2	0.4	0.2
Equity/Assets ratio, %	58.4%	68.4%	58.4%	68.4%
Cash conversion, %	91.8%	98.4%	91.8%	98.4%
Number of published listings during the period, thousand	37.7	35.8	175.3	198.3
Number of employees at period end	154	135	154	135

See pages 17-19 for derivation and definitions.

Derivation of alternative performance measures

Certain statements and analyses presented in this interim report include alternative performance measures (APMs) that are not defined by IFRS. The company believes that this information, together with comparable defined IFRS metrics, are useful to investors as they provide a basis for measuring operating profit and ability to repay debt and invest in operations. Corporate management use these financial measurements, along with the most directly comparable financial metrics under IFRS, to evaluate operational results and value added. The APMs should not be assessed in isolation from, or as a substitute for, financial information presented in the financial statements in accordance with IFRS. The APMs reported need not necessarily be comparable to similar metrics presented by other companies. The reconciliations are presented in the tables below.

(SEK million, unless stated otherwise)	Oct-Dec		Jan-Dec	
	2023	2022	2023	2022
Operating profit	121.5	71.3	448.2	377.5
Depreciation & amortisation	20.1	17.5	77.3	70.6
EBITDA	141.6	88.8	525.5	448.1
Net sales	275.0	201.0	1,004.7	889.2
EBITDA margin, %	51.5%	44.2%	52.3%	50.4%
EBITDA	141.6	88.8	525.5	448.1
Adjusted EBITDA	141.6	88.8	525.5	448.1
Net sales	275.0	201.0	1,004.7	889.2
Adjusted EBITDA-margin, %	51.5%	44.2%	52.3%	50.4%
Operating profit	121.5	71.3	448.2	377.5
Net sales	275.0	201.0	1,004.7	889.2
Operating margin, %	44.2%	35.5%	44.6%	42.5%

(SEK million, unless stated otherwise)	Oct-Dec		Jan-Dec	
	2023	2022	2023	2022
Net sales	275.0	201.0	1,004.7	889.2
Revenue not arising from published listings	-52.1	-56.2	-217.4	-240.0
Revenue from published listings	222.9	144.8	787.3	649.2
Number of published listings, thousands	37.7	35.8	175.3	198.3
ARPL, SEK	5,911	4,044	4,490	3,275
Non-current interest-bearing liabilities	532.6	328.5	532.6	328.5
Current interest-bearing liabilities	8.1	-	8.1	-
Cash and cash equivalents, including current interest-bearing securities	102.6	100.4	102.6	100.4
Net debt	438.1	228.1	438.1	228.1
EBITDA, LTM	525.5	448.1	525.5	448.1
Net debt/ LTM EBITDA, times	0.8	0.5	0.8	0.5
Equity	1,259.6	1,432.7	1,259.6	1,432.7
Total assets	2,156.0	2,094.6	2,156.0	2,094.6
Equity/Assets ratio, %	58.4%	68.4%	58.4%	68.4%
Non-current interest-bearing liabilities	532.6	328.5	532.6	328.5
Current interest-bearing liabilities	8.1	-	8.1	-
Total interest-bearing liabilities	540.7	328.5	540.7	328.5
Equity	1,259.6	1,432.7	1,259.6	1,432.7
Debt/Equity ratio, times	0.4	0.2	0.4	0.2
Adjusted EBITDA, LTM	525.5	448.1	525.5	448.1
Decrease / (Increase) in net working capital, LTM	-4.2	8.2	-4.2	8.2
Capital expenditures, LTM	-38.8	-15.5	-38.8	-15.5
Free cash flow, LTM	482.5	440.8	482.5	440.8
Adjusted EBITDA, LTM	525.5	448.1	525.5	448.1
Cash conversion, %	91.8%	98.4%	91.8%	98.4%

Definitions

Alternative Performance Measures (APMs) are financial measures of historical or future financial performance, financial position or cash flows that are not defined in applicable accounting regulations (IFRS). These measures are not directly comparable to similar key ratios presented by other companies.

Alternative key ratio	Definition
ARPL (Average revenue per published listing)	<p>Average revenue per published listing, calculated as revenue from home sellers published listings including related value-added products during the period, in relation to the number of published listings during the period.</p> <p>It is a measure that shows the company's earning capacity per published listing.</p>
Adjusted EBITDA	<p>EBITDA adjusted for items affecting comparability.</p> <p>This measure enables comparison of profitability over time, regardless of depreciation of tangible and right-of-use assets as well as amortisation of intangible assets, and independent of taxes and the company's financing structure. The measure is also adjusted for the impact of items affecting comparability to increase comparability over time.</p>
Adjusted EBITDA-margin	<p>Adjusted EBITDA in relation to net sales.</p> <p>The measure reflects the business's operating profitability before depreciation of tangible and right-of-use assets as well as amortisation of intangible assets. The measure is an important component, together with net sales growth, to follow the company's value creation. The measure is also adjusted for the impact of items affecting comparability to increase comparability over time.</p>
Cash conversion	<p>Free cash flow in relation to EBITDA. Free cash flow is defined as EBITDA, adjusted for changes in working capital and reduced with investments in tangible and intangible assets. The measure is always calculated for the last twelve month period.</p> <p>This measure shows the percentage of profit that is converted into cash flow. The purpose is to analyse what percentage of earnings can be converted into cash and cash equivalents and, in the longer term, the opportunity for investments, acquisitions and dividends, with the exception of interest-related cash flows.</p>
Debt/Equity ratio	<p>Interest-bearing liabilities in relation to total equity.</p> <p>The measure shows the relation between the Company's two forms of financing. The measure shows how large a share the debt financing has in relation to the owners' invested capital. The measure reflects the financial strength, but also the leverage effect of the debt. A higher debt/equity ratio means a higher financial risk and a higher financial leverage on invested capital.</p>
EBITDA (earnings before interest, taxes, depreciation and amortisation)	<p>Operating profit plus depreciation of tangible and right-of-use assets as well as amortisation of intangible assets.</p> <p>The measure enables comparison of profitability over time, regardless of depreciation of tangible and right-of-use assets as well as amortisation of intangible assets, as well as independent of taxes and the company's financing structure.</p>

Alternative key ratio	Definition
EBITDA-margin	EBITDA in relation to net sales. The measure reflects the business's operating profitability before depreciation of tangible and right-of-use assets as well as amortisation of intangible assets. The measure is an important component, together with net sales growth, to follow the company's value creation.
Equity/Assets ratio	Total equity in relation to total assets. The measure reflects the Company's financial position. A high equity/assets ratio provides a readiness to be able to handle periods of weak economic growth. At the same time, a higher equity/assets ratio creates a lower financial leverage.
Interest-bearing liabilities	Interest-bearing liabilities consists of debt to credit institutions and leasing debt.
Items affecting comparability	Items affecting comparability include revenue and expenses that do not arise regularly in the operating activities. A separate disclosure of items affecting comparability clarifies the development of the underlying business.
Net financial items	Financial income less financial expenses. The measure reflects the company's financial activities.
Net debt	Interest-bearing liabilities less cash and cash equivalents and current interest-bearing securities. Net debt is a measure used to follow the development of debt and the size of the refinancing need. Since cash and cash equivalents can be used to pay off debt at short notice, net debt is used instead of gross debt as a measure of the total loan financing.
Net debt/EBITDA Net debt/adjusted EBITDA	Interest-bearing liabilities less cash and cash equivalents and current interest-bearing securities in relation to EBITDA or adjusted EBITDA. The measure is a debt ratio that shows how many years it would take to pay off the company's debt, provided that its net debt and EBITDA or adjusted EBITDA are constant and without taking into account the cash flows regarding interest, taxes and investments.
Operating margin	Operating profit/loss in relation to net sales. The measure reflects the operational profitability of the business. The measure is an important component, together with net sales growth, to follow the company's value creation.
Operating profit/loss	Total revenue less total operating expenses. The measure indicates the company's operation profit/loss before financing and taxes and is used to measure the profit generated by operating activities.
Profit margin	Net profit in relation to net sales. The measure indicates the company's profit after financing and taxes and is used to measure the profit generated by operating activities.

Consolidated quarterly financial information

The table below presents the Group's condensed financial performance for the last nine quarters.

(SEK million)	2021	2022				2023			
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Net sales	177.3	179.6	269.7	238.9	201.0	190.1	267.6	272.0	275.0
Other operating income	0.5	0.5	0.8	0.7	0.6	0.4	0.8	0.7	0.8
Total revenue	177.8	180.1	270.5	239.6	201.6	190.5	268.4	272.7	275.8
Capitalised development	0.5	2.5	2.9	1.3	3.3	3.4	2.3	3.2	4.1
Other external costs	-60.7	-59.0	-86.8	-79.2	-74.0	-63.2	-85.2	-82.5	-92.8
Personnel costs	-32.9	-37.8	-41.0	-32.7	-41.7	-43.1	-44.4	-37.0	-45.1
Other operating expenses	-0.3	-0.3	-0.3	-0.5	-0.4	-0.4	-0.4	-0.4	-0.4
EBITDA	84.4	85.5	145.3	128.5	88.8	87.2	140.7	156.0	141.6
Depreciation & amortisation	-19.7	-17.7	-17.8	-17.6	-17.5	-19.1	-19.0	-19.1	-20.1
Operating profit	64.7	67.8	127.5	110.9	71.3	68.1	121.7	136.9	121.5
Net financial items	-1.6	-1.6	-1.2	-1.4	-2.6	-4.1	-5.7	-7.4	-3.6
Profit before taxes	63.1	66.2	126.3	109.5	68.7	64.0	116.0	129.5	117.9
Taxes	-13.1	-13.7	-26.3	-22.7	-14.2	-13.3	-24.1	-26.7	-24.6
Net profit for the period	50.0	52.5	100.0	86.8	54.5	50.7	91.9	102.8	93.3
Other comprehensive income	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	50.0	52.5	100.0	86.8	54.5	50.7	91.9	102.8	93.3

Group key ratios by quarter

(SEK million, unless stated otherwise)	2021	2022				2023			
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Net sales	177.3	179.6	269.7	238.9	201.0	190.1	267.6	272.0	275.0
Net sales growth YoY, %	24.2%	26.0%	26.9%	22.0%	13.4%	5.8%	-0.8%	13.9%	36.8%
EBITDA	84.4	85.5	145.3	128.5	88.8	87.2	140.7	156.0	141.6
EBITDA margin, %	47.6%	47.6%	53.9%	53.8%	44.2%	45.9%	52.6%	57.4%	51.5%
Adjusted EBITDA	84.6	85.5	145.3	128.5	88.8	87.2	140.7	156.0	141.6
Adjusted EBITDA margin, %	47.7%	47.6%	53.9%	53.8%	44.2%	45.9%	52.6%	57.4%	51.5%
Adjusted EBITDA growth, %	76.3%	49.5%	31.0%	25.6%	5.0%	2.0%	-3.2%	21.4%	59.5%
Operating profit	64.7	67.8	127.5	110.9	71.3	68.1	121.7	136.9	121.5
Operating margin, %	36.5%	37.8%	47.3%	46.4%	35.5%	35.8%	45.5%	50.3%	44.2%
Net profit for the period	50.0	52.5	100.0	86.8	54.5	50.7	91.9	102.8	93.3
Profit margin, %	28.2%	29.2%	37.1%	36.3%	27.1%	26.7%	34.3%	37.8%	33.9%
Earnings per share, basic, SEK	0.49	0.52	0.99	0.87	0.55	0.51	0.94	1.06	0.96
Earnings per share, diluted, SEK	0.49	0.52	0.99	0.87	0.55	0.51	0.94	1.05	0.96
ARPL (average revenue per published listing), SEK	3,029	2,681	3,163	3,404	4,044	3,706	4,138	4,353	5,911
Net debt	188.6	121.5	77.9	175.1	228.1	320.7	391.5	388.2	438.1
Net debt/EBITDA LTM, times	0.6	0.3	0.2	0.4	0.5	0.7	0.9	0.8	0.8
Net debt/ Adjusted EBITDA (LTM), times	0.5	0.3	0.2	0.4	0.5	0.7	0.9	0.8	0.8
Debt/Equity ratio, times	0.2	0.1	0.1	0.2	0.2	0.3	0.4	0.4	0.4
Equity/Assets ratio, %	71.1%	73.8%	72.5%	67.7%	68.4%	65.4%	58.5%	57.6%	58.4%
Cash conversion, %	97.1%	101.8%	102.5%	103.8%	98.4%	97.7%	98.5%	100.0%	91.8%
Number of published listings during the period, thousand	39.8	45.7	64.5	52.2	35.8	36.9	50.6	50.1	37.7
Number of employees at period end	112	121	121	124	135	141	148	154	154

Presentation of the year-end report

Hemnet invites analysts, investors and media to participate in the results presentation of the fourth quarter on 31 January, 2024 at 10:00 CET. The results will be presented by CEO Cecilia Beck-Friis and CFO Anders Örnulf. The presentation will be held in English, followed by a Q&A session. Participants are welcome to join via the link or phone, see details below.

If you wish to participate via webcast please use the link below. Via the webcast you are able to ask written questions.

<https://ir.financialhearings.com/hemnet-q4-report-2023>

If you wish to participate via teleconference please register on the link below. After registration you will be provided phone numbers and a conference ID to access the conference. You can ask questions verbally via the teleconference.

<https://conference.financialhearings.com/teleconference/?id=5004527>

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Financial calendar

Week 14, 2024	Annual report 2023
23 April, 2024	Quarterly report, Q1 2024
25 April, 2024	Annual general meeting 2024
18 July, 2024	Quarterly report, Q2 2024

Publication

This is information that Hemnet Group AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, on 31 January, 2024 at 08:00 CET.