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# Letter to the Shareholders

📍 Colorado (USA)



# Dear Shareholders,

2022 was a year of outstanding accomplishments and milestones. The post-pandemic travel rebound proved to deliver record performance across all parts of our business amidst global macroeconomic uncertainty, proving that vacation rentals remain one of the most resilient travel verticals.

We recognize this is contrasted with a series of challenging events in 2022 that affected the global landscape at an unforeseen pace. The war in Ukraine captured the world's attention and was a devastation to many. We continue to stand in solidarity with Ukraine and hope for a peaceful resolution as soon as possible.

The impact of the halting of gas supplies from Russia to the European Union resulted in rising energy prices and high inflation, rapidly increasing global interest rates, and a drop in global stock markets.

Despite the complex, dynamic situation and global impact, our perseverance and performance proves that we operate in a highly resilient growth market. This is underlined by the minimal to no direct impact the difficult year had on our business performance, whilst continuing to selectively grow our team in contrast to the layoffs running rampant through the tech sector.

## People always travel.

The mainstreaming of vacation rentals was accelerated by the pandemic and persists even in a crisis, only further driving repeat demand. This can be traced back to its high flexibility by nature, the often convenient and short distances to domestic locations, the offering of maximum independence and seclusion, as well as a wide range of amenities that help travelers control their budget. In 2022, once again, HomeToGo has proven that we are exactly the right marketplace for this: to offer the widest choice and be the first choice for travelers, again and again.

The development of HomeToGo's share price remains unsatisfactory despite our record business performance. Looking at comparable peer groups, this is a market trend that is not limited to our sector. We are confident as we move into the new year that we will continue to prove resilient in our operating performance. We began 2023 with a strong trading and a **Booking Revenues Backlog<sup>1</sup> of EUR 32.5 million at the start of 2023 (72% YoY vs. EUR 18.9 million at the start of 2022).**

Overall for 2022 we have generated a record of **EUR 163.7 million in Booking Revenues**, the highest value in HomeToGo's history, growing by **32% YoY in 2022 (vs. EUR 123.6 million in 2021)**, resulting in an **IFRS Revenues growth of 55% YoY to EUR 146.8 million**. In Q3/22, we delivered a record quarter with the highest profit ever, which prompted us to raise our full-year guidance for the second time this year, having already updated it together with our Q1/22 reporting.

On the demand side, our product and efficient marketing approach has led to incredible performance in core regions such as the DACH market – a playbook we aim to replicate globally. We are delivering an unparalleled traveler experience with an intuitive product that smartly matches demand with any travel use case, tapping into our **15 million+ offers**. Our travelers increasingly come back to book again, driving efficient repeat demand. This gives us confidence in our strategic focus on repeat purchases, supported by a tailored content and recommendation strategy that leverages traveler insights.

On the supply side, we demonstrated how we are fueling growth and continued performance for our **60,000+ partners**, delivering tangible solutions for the large and fragmented accommodation market. Our partners value both the large and diverse traveler base as well as the advanced software solutions we offer. With a growth in **CPA Take Rate to 9.6%** and an **Onsite Share of 54%** – with the **DACH region having a notably**

<sup>1</sup> Booking Revenues generated in 2022 or prior with IFRS Revenues recognition in FY2023, incl. SECRA and e-domizil



**high Onsite Share around 75%** – we continue to successfully execute on growing our global footprint.

The core of our business – Technology & Data – continues to solve key pain points of the market to match the right travelers with the right partners. We are an early adopter when it comes to creating new products based on our wealth of traveler insights and data. Our data-driven recommendation engine enhances the booking experience and ensures conversion-optimized demand, which is in turn driving growth for our valued partners.

Our innovative technology, data and supply solutions – such as our all-in-one SaaS solution Smoobu that connects self-service focused hosts more easily to our partners – underlines our commitment to enable the whole industry by building the operating system that will help the entire alternative accommodation ecosystem be more successful. Our **Subscriptions & Services IFRS Revenues grew 169% YoY in 2022 to EUR 23.7 million.**

In addition, our targeted M&A activity has underlined our strategy of acquiring and scaling healthy, profitable businesses that contribute directly to HomeToGo's operational and financial performance. During the year, we successfully completed the ac-

quisition of AMIVAC, a leading provider of vacation rentals in France, e-domizil, one of our core and trusted partners primarily operating in Germany and Switzerland, and acquired the remaining 81% stake of SECRA, taking full ownership of a key software and service solution provider for the industry.

**For 2023, we have taken great strides towards another major goal on our path to profitability: to break-even on an Adjusted EBITDA basis.**

The resilient travel sector, strong market, our healthy cash position and strong backlog heading into 2023 makes us very confident to reach this milestone.

The year 2022 is one of which we are particularly proud and we thank everyone who has greatly contributed to this tremendous success: To our current and former colleagues, shareholders, partners and travelers – we appreciate your tireless commitment, dedication and feedback.

The enormous opportunities that lie ahead give us strong motivation to reach new heights in 2023 as we embark on this next chapter in our journey.

**Dr. Patrick Andrae**  
Co-founder & CEO

**Wolfgang Heigl**  
Co-founder & CSO

**Valentin Gruber**  
COO

**Steffen Schneider**  
CFO