

### **Homes & Holiday AG opens up significant sales and earnings potential with the acquisition of holiday rental company Top Villas Mallorca**

- Becoming one of the leading finca and holiday rental companies on Mallorca
- Porta Holiday increases property portfolio from 220 to around 1,000 in the current year
- From 2019, holiday rentals will make a significant contribution to the sales and earnings situation of the entire Group

Munich/Palma de Mallorca, 1st October 2018. Homes & Holiday AG, the specialist for holiday real estate in Spain and Germany, is acquiring Top Villas Mallorca S.L., which specialises in finca and holiday home rentals on Mallorca. Together with the subsidiary Porta Holiday, which is also active in this area, the new group will be one of the leading holiday rental companies in Mallorca with a letting portfolio of almost 1,000 properties. Janine Sabrina Klein, founder and managing director of Top Villas Mallorca, will also take over the management of Porta Holiday in the future.

Janine Sabrina Klein: "Through our merger with Porta Holiday, we will strengthen the company marketing via our own successful website and increase our independence from booking portals. Our customers will benefit from one of the largest holiday property portfolios at attractive prices. The growth in bookings will make us the second largest provider of holiday rentals on Mallorca and projections indicate we are on a good way to become the market leader in the medium term.

"Top Villas Mallorca has been firmly established on Mallorca for many years, is profitable and has a clear growth strategy. We are therefore very pleased to have Janine Sabrina Klein and her team join our group," says Joachim Semrau, founder and CEO of Homes & Holiday AG. "The market for high-quality finca holidays on Mallorca is booming and our collaboration presents excellent opportunities for expansion. At present, around 13,000 properties on Mallorca have a holiday rental licence from the tourism authority, and the granting of a further 6,000 licenses is planned.

Top Villas Mallorca plans a gross booking volume of more than EUR 4 million and net commission revenues of more than EUR 700,000 for 2018. This is Porta Holiday's second acquisition in the current year, with easyFinca's portfolio taken over in May. Porta Holiday has thus increased its portfolio in 2018

from 220 to around 1,000 properties. This significantly increases the attractiveness and visibility of the company's own booking portal: <https://www.portaholiday.de>

Joachim Semrau: "With Porta Mallorquina Real Estate we are the leading online broker for holiday real estate on Mallorca. Within holiday rentals we also want to be a market leader and with the Top Villas Mallorca purchase we are one big step closer to this goal. With around 1,000 properties, we have reached an important milestone in order to increase the booking volume significantly and exploit economies of scale. We have thus created the conditions for the holiday rental segment to make a significant positive contribution to sales and earnings of the entire Homes & Holiday Group from 2019 onwards."

Part of the purchase price for Top Villas Mallorca will be made with shares of Homes & Holiday AG in order to preserve liquidity. For this, it is planned to carry out a non-cash capital increase of 195,888 new shares in Homes & Holiday AG. The share capital of Homes & Holiday AG currently stands at 12,614,724 shares. The valuation of the new shares at EUR 2.50 per share corresponds to the issue price at the IPO in July 2018. There is also an obligation (lockup) to hold the new shares for a minimum period of one year. The parties have agreed not to disclose the amount of the cash component of the purchase price, which is roughly 54% linked to defined earnings targets for 2018 and 2019.

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**About Homes & Holiday AG**

The Homes & Holiday AG is based in Munich and was the first franchise system, together with its subsidiaries Porta Mondial, Porta Mallorquina and Porta Holiday, to specialise in holiday real estate. Within an integrated business model the group offers all services including classic real estate brokerage (Porta Mondial/Porta Mallorquina), holiday rental (Porta Holiday), and property management (via external service providers). Thereby the group concentrates with its 21 locations, on Spain and Germany, Europe's most attractive real estate markets. In 2017 the Homes & Holiday group increased its sales and booking turnover by more than 47% up to over 139 million euros.