

Smartbroker Holding

H1 2022

Results Presentation

21 September 2022



Disclaimer

This presentation has been prepared by Smartbroker Holding AG (“Smartbroker Holding”) and comprises the written materials/slides for a presentation concerning Smartbroker Holding, its group companies and the product Smartbroker. By attending this presentation and/or reviewing the slides you agree to be bound by the following conditions. The distribution of this document in certain jurisdictions may be restricted by law and persons into whose possession this document comes should inform themselves about, and observe, any such restrictions. This presentation is for information purposes only and the information contained herein (unless otherwise indicated) has been provided by Smartbroker Holding. It does not constitute an offer to sell or the solicitation, inducement or an offer to buy shares in Smartbroker Holding or any other securities. Further, it does not constitute a recommendation by Smartbroker Holding or any other party to sell or buy shares in Smartbroker Holding or any other securities and should not be treated as giving investment, legal, accounting, regulatory, taxation or other advice. This presentation has been prepared without reference to any particular investment objectives, financial situation, taxation position and particular needs. In case of any doubt in relation to these matters, you should consult your stockbroker, bank manager, legal adviser, accountant, taxation adviser or other independent financial adviser. The information contained in this presentation has not been independently verified, and no representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information contained herein and no reliance should be placed on it. To the extent permitted by applicable law, none of Smartbroker Holding or any of its affiliates, advisers, connected persons or any other person accept any liability for any loss howsoever arising (in negligence or otherwise), directly or indirectly, from this presentation or its contents or otherwise arising in connection with this presentation. No representation or warranty, either express or implied, is provided in relation to the accuracy, completeness or reliability of the information contained herein. This presentation contains forward-looking statements that are subject to risks and uncertainties. Statements contained herein that are not statements of historical fact may be deemed to be forward-looking information. When we use words such as “plan,” “believe,” “expect,” “anticipate,” “intend,” “estimate,” “may” or similar expressions, we are making forward-looking statements. You should not rely on forward-looking statements because they are subject to a number of assumptions concerning future events, and are subject to a number of uncertainties and other factors, many of which are outside of our control, that could cause actual results to differ materially from those indicated. These factors include, but are not limited to, the following: (i) market risks: principally economic price and volume developments; (ii) dependence on performance of major customers and industries, (iii) our level of debt, management of interest rate risk; (iv) costs associated with regulation relating to providing financial services; (v) inflation, interest rate levels and fluctuations in exchange rates; (vi) general economic, political and business conditions and existing and future governmental regulation; and (vii) the effects of competition. Any assumptions, views or opinions (including statements, projections, forecasts or other forward-looking statements) contained in this presentation represent the assumptions, views or opinions of Smartbroker Holding as of the date indicated and are subject to change without notice. Smartbroker Holding neither intends, nor assumes any obligation, unless required by law, to update or revise these assumptions, views or opinions in light of developments which differ from those anticipated. All information not separately sourced is from internal company data and estimates. Any data relating to past performance contained herein is no indication as to future performance. The information in this presentation is not intended to predict actual results, and no assurances are given with respect thereto.

Recent News

- Name changes completed:
wallstreet:online AG → **Smartbroker Holding AG**
wallstreet:online capital AG → **Smartbroker AG**
- Founder André Kolbinger takes over as CEO
- Smartbroker 2.0 to be launched mid 2023 – **Strategy unchanged**
- Revised revenue guidance 2022 | EBITDA goal after client acquisition cost unchanged

Smartbroker 2.0

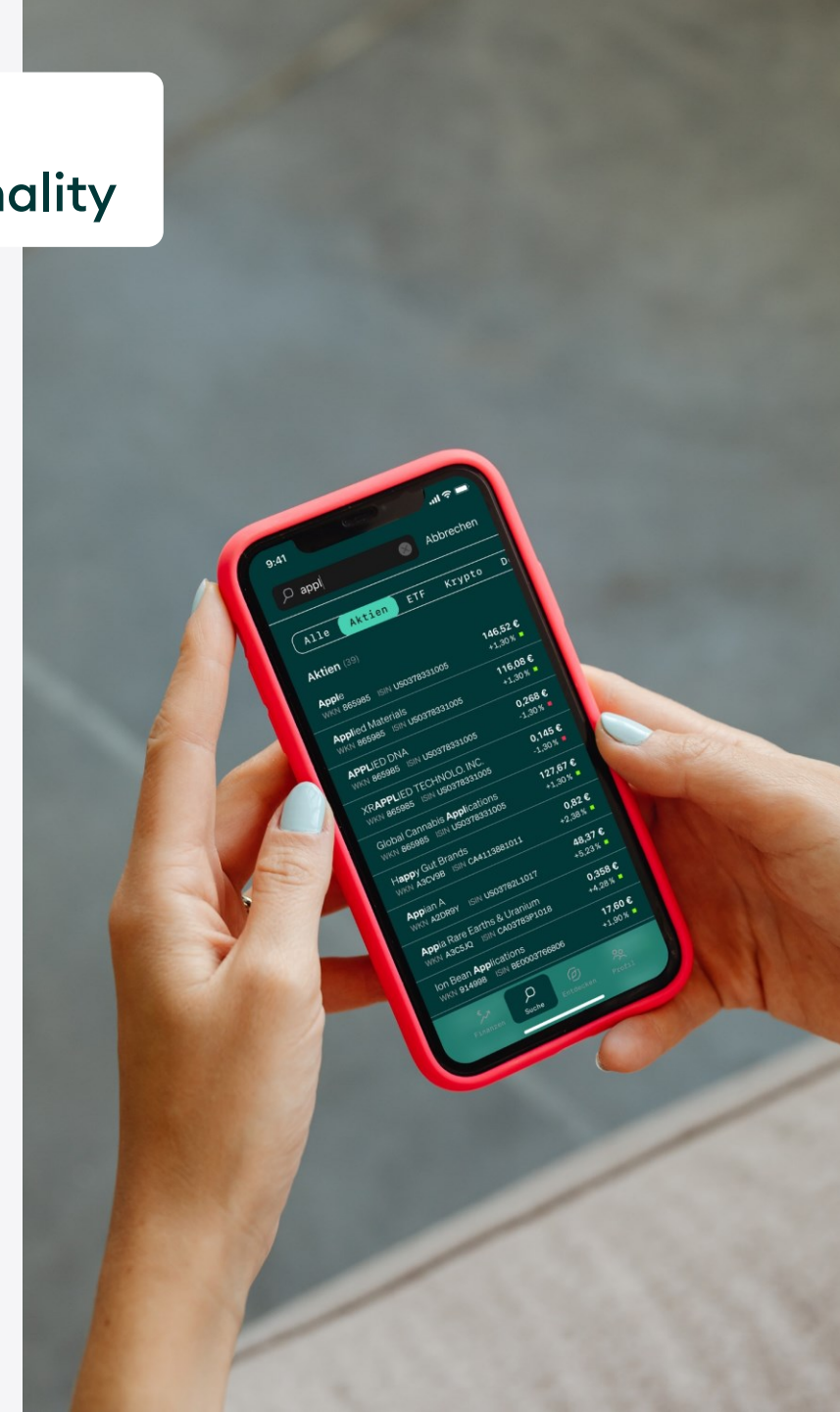
Brand New Customer Experience & State-of-the-Art Functionality

For Clients

- All shares, all ETFs, all funds, all derivatives, most stock exchanges
- Trading app & new user interface for web trading
- New products & account types
- Unique combination with relevant media offering
- Faster sign-up process & extended customer support service hours

For the Company

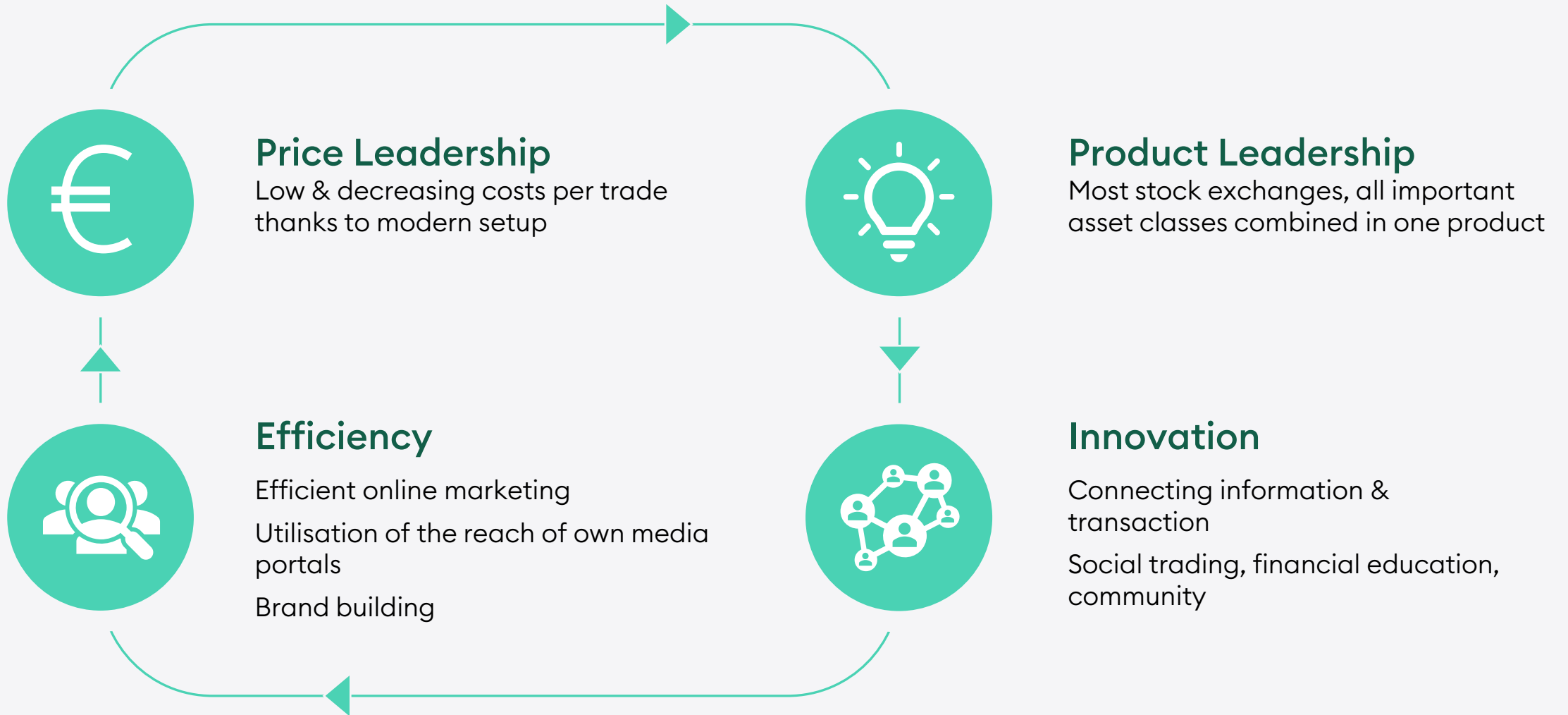
- Optimized business model, increased revenue per trade, higher margins
- New revenue opportunities (crypto, interest)
- New client groups



2022 & 2023 Plans

- Launch Smartbroker 2.0 & new brand experience mid 2023
- Initiate migration of current customer base – realize full effect of increased revenue
- Bring client acquisition efforts back to previous levels
- **Future revenue growth based on:** Smartbroker 2.0 business model, new products, new clients, increased trading activity
- **Future client growth based on:** Price & product leadership, trading app, digital sign-up process

Future Success Factors



H1 2022 Financials

H1 2022 Financial Statements

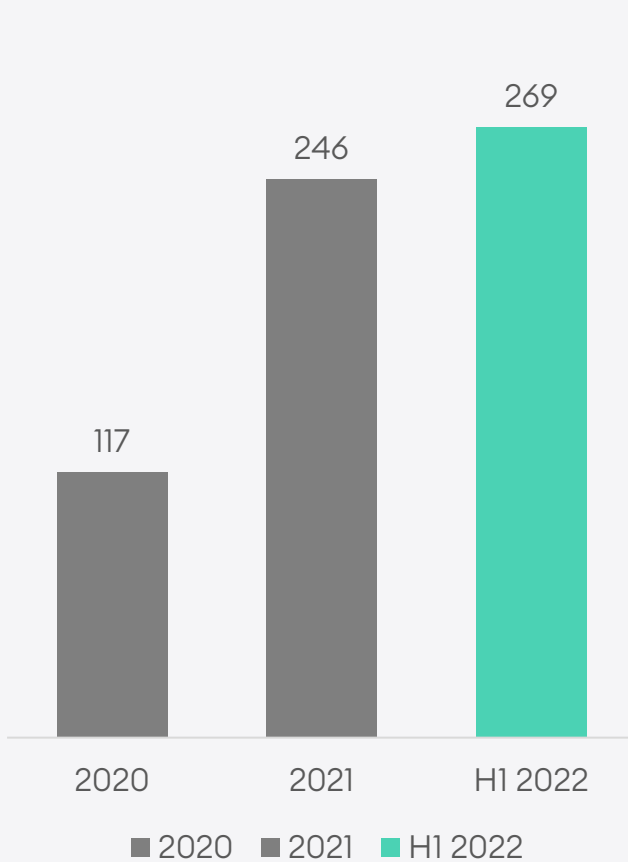
Basis of Preparation – Smartbroker Holding AG Accounts

- Consolidated, unaudited accounts based on German HGB
- **2022:** Smartbroker AG (former wallstreet:online capital AG) fully consolidated as of 1 January 2022
First year with full twelve months consolidation of Smartbroker AG
- **2021:** Smartbroker AG fully consolidated as of 1 January 2021 on pro forma basis
Audited financial statements: Smartbroker AG fully consolidated as of 1 August 2021
- No material changes in the composition of the Group – all year-on-year development entirely organic
- BDO AG Wirtschaftsprüfungsgesellschaft appointed as new auditor for the group and main group entities from FY2022 onwards

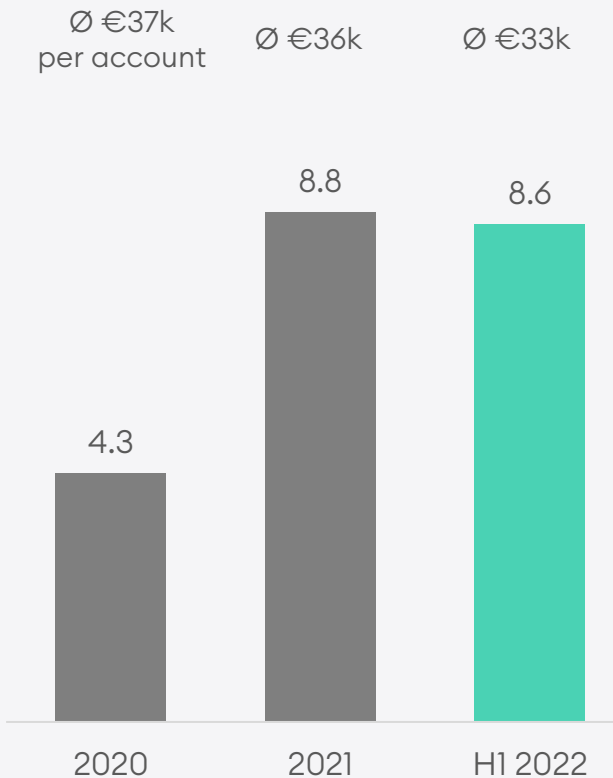
Further Operational Growth Despite Challenging Environment

Brokerage Accounts & Assets More Than Doubled in 2021

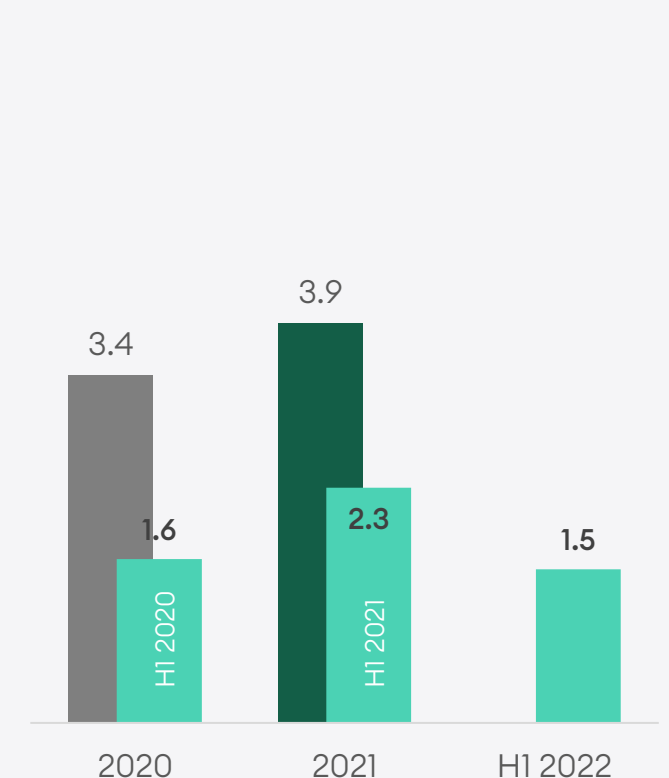
Brokerage accounts, in k



Assets under custody, in €bn



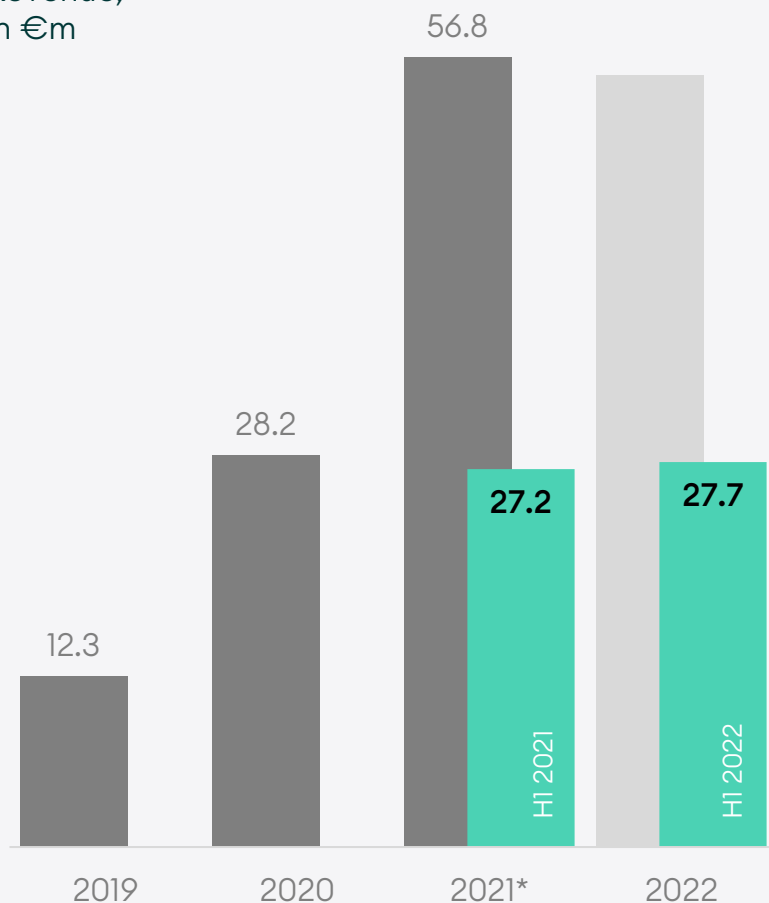
Page impressions, in bn



H1 2022 Results - Overview

H1 in Line with Expectations Despite Challenging Market Environment

Revenue,
in €m



EBITDA before and after CAC,
in €m



- Changed market environment: inflation, Ukraine war, increased interest rates
- Transition period 2022/2023: temporarily increased cost base due to development of Smartbroker 2.0

* Please note: 2021 values are HGB pro forma revenues, incl. Smartbroker AG (previously wallstreet:online capital AG) fully consolidated from 1 January 2021; In accordance with the management information system (MIS), the FY2021 proforma revenue would amount to €51.4m, the H1 2021 value to €23.8m, without any material effect on the EBITDA. MIS, as shown in the H1 2021 and FY 2022 results presentations | Change solely due to the net to gross reporting of a specific revenue category
CAC = client acquisition cost for Smartbroker

H1 2022 Revenue Split & Operational KPIs

Continued Operational Performance – Moderated Revenue Growth

<i>in €m, HGB</i>	H1 2022	H1 2021	Change in %
Revenue	27.7	27.2	2%
thereof Transaction	10.7	9.7	+10%
thereof Media	17.0	17.7	-4%

	H1 2022	H1 2021	Change in %
Brokerage accounts (in k)	269	187	+44%
Assets under custody (in €bn)	8.6	6.8	+26%
Ø Assets under custody per account (in €k)	33	36	-8%
Ø Trades per account (annualised)	22	29*	-

All 2021 financials are pro forma, incl. Smartbroker AG (former wallstreet:online capital AG) from 1 January 2021

In accordance with the MIS, the H1 2021 revenue would amount to €23.8m, without any material effect on the EBITDA.

* Based on FY2021

H1 2022 Expenses (HGB)

<i>in €m</i>	H1 2022	H1 2021	Change in %
Revenue	27.7	27.2	+2%
Capitalized own contribution	1.3	-	n/a
Other operating income	0.3	0.2	+50%
Data, IT & other materials	(8.3)	(7.5)	11%
Smartbroker client acquisition cost	(3.2)	(7.9)	-59%
Personnel	(9.5)	(7.3)	30%
Other	(3.6)	(3.6)	-
Non-recurring items	-	(0.5)	n/a
EBITDA	4.7	0.6	+683%
add back/ (deduct): Non-recurring items	-	0.5	n/a
Operational EBITDA	4.7	1.1	+327%
Add back: Smartbroker Customer Acquisition Cost	3.2	7.9	-59%
Operational EBITDA before CAC	7.9	9.0	-12%

All 2021 financials are pro forma, incl. Smartbroker AG (former wallstreet:online capital AG) from 1 January 2021

H1 2022 Consolidated Profit & Loss Highlights (HGB)

Smartbroker AG Fully Consolidated as of 1 August 2021

<i>in €m</i>	H1 2022	H1 2021	Change in %
EBITDA	4.7	0.6	+683%
Depreciation	(2.2)	(1.3)	+69%
EBIT	2.5	(0.8)	n/a
Interest	(0.2)	(0.3)*	+33%
Taxes	(1.1)	(0.1)	n/a
Profit (Loss)	1.2	(1.2)	n/a

H1 2022 Consolidated Cash Flow (HGB)

<i>in €m</i>	H1 2022	H1 2021	Change in %
Profit (Loss)	1.2	(1.1)	n/a
Taxes	(0.9)	(0.8)	-13%
Depreciation	2.2	1.3	+69%
Changes in balance sheet items	1.1	0.4	+175%
Non-cash P&L items	1.2	1.0	+20%
Non-recurring Items	0.0	(0.7)	n/a
Operating Cash Flow	4.8	0.1	n/a
of which Smartbroker CAC	3.2	7.9	-59%
Capital Expenditure	(18.6)	(1.3)	n/a
Total pre-financing Cash Flow	(13.9)	(1.2)	n/a
Financing Cash Flow	11.0	18.1	-39%
Total Cash Flow	(2.8)	16.9	n/a
Cash at the beginning of the period	25.5	14.1	+81%
Cash at the end of the period	22.8	30.9	-26%

H1 2022 Consolidated Balance Sheet (HGB)

Cash and equity respectively represent 28% and 62% of balance sheet total

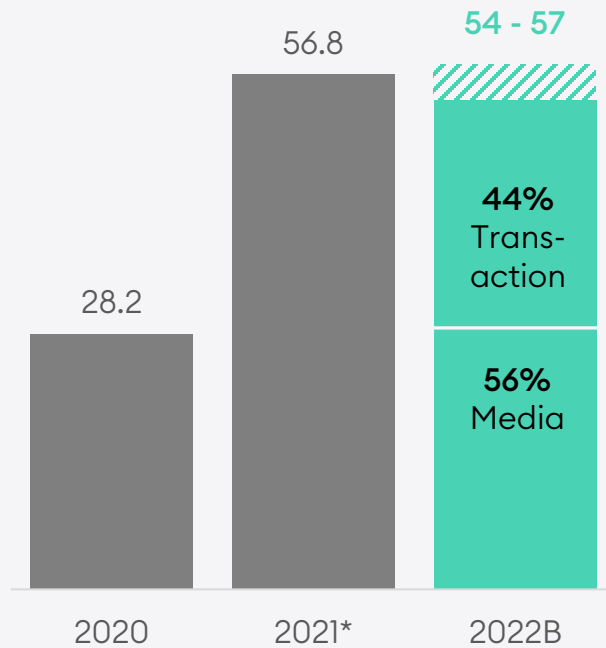
Assets			
<i>in €m</i>	30.6.2022	31.12.2021	% of total
Fixed Assets	49.9	40.6	61%
Intangible Assets	45.3	37.5	55%
Tangible Assets	2.1	0.9	3%
Financial Assets	2.5	2.2	3%
Current Assets	31.8	34.4	39%
Inventories	0.0	0.0	0%
Trade Receivables	7.2	7.0	9%
Other	1.8	1.9	2%
Cash & Equivalentents	22.8	25.5	28%
Prepaid Expenses	0.5	0.4	1%
Total Assets	82.2	75.4	100%

Equity & Liabilities			
<i>in €m</i>	30.6.2022	31.12.2021	% of total
Equity	50.6	49.5	62%
Provisions	7.4	6.1	9%
Financial debt	16.9	5.7	21%
Trade payables	4.3	8.9	5%
Other liabilities	0.3	1.9	0%
Deferred Income	1.8	2.3	2%
Deferred Taxes	0.8	0.9	1%
Total Liabilities	82.2	75.4	100%

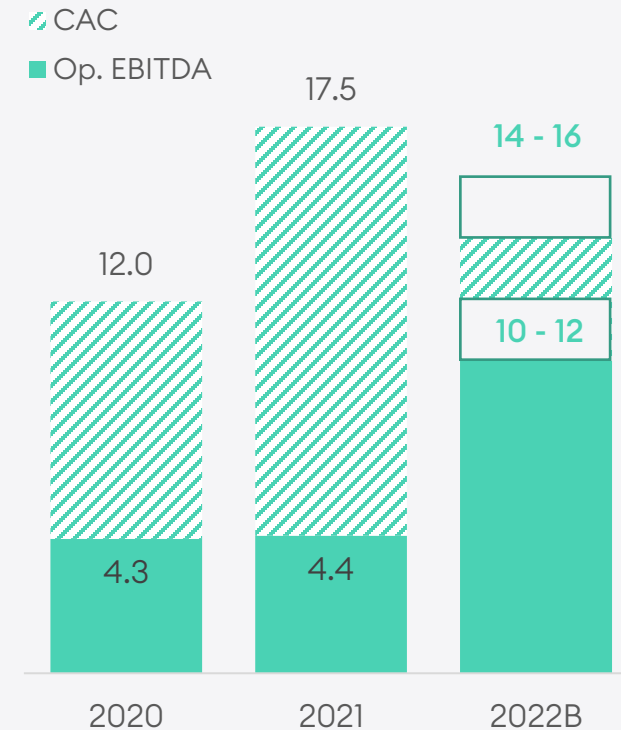
Revised Guidance 2022

Solid Business Model Weathers A Challenging Market Environment

Revenues, in €m



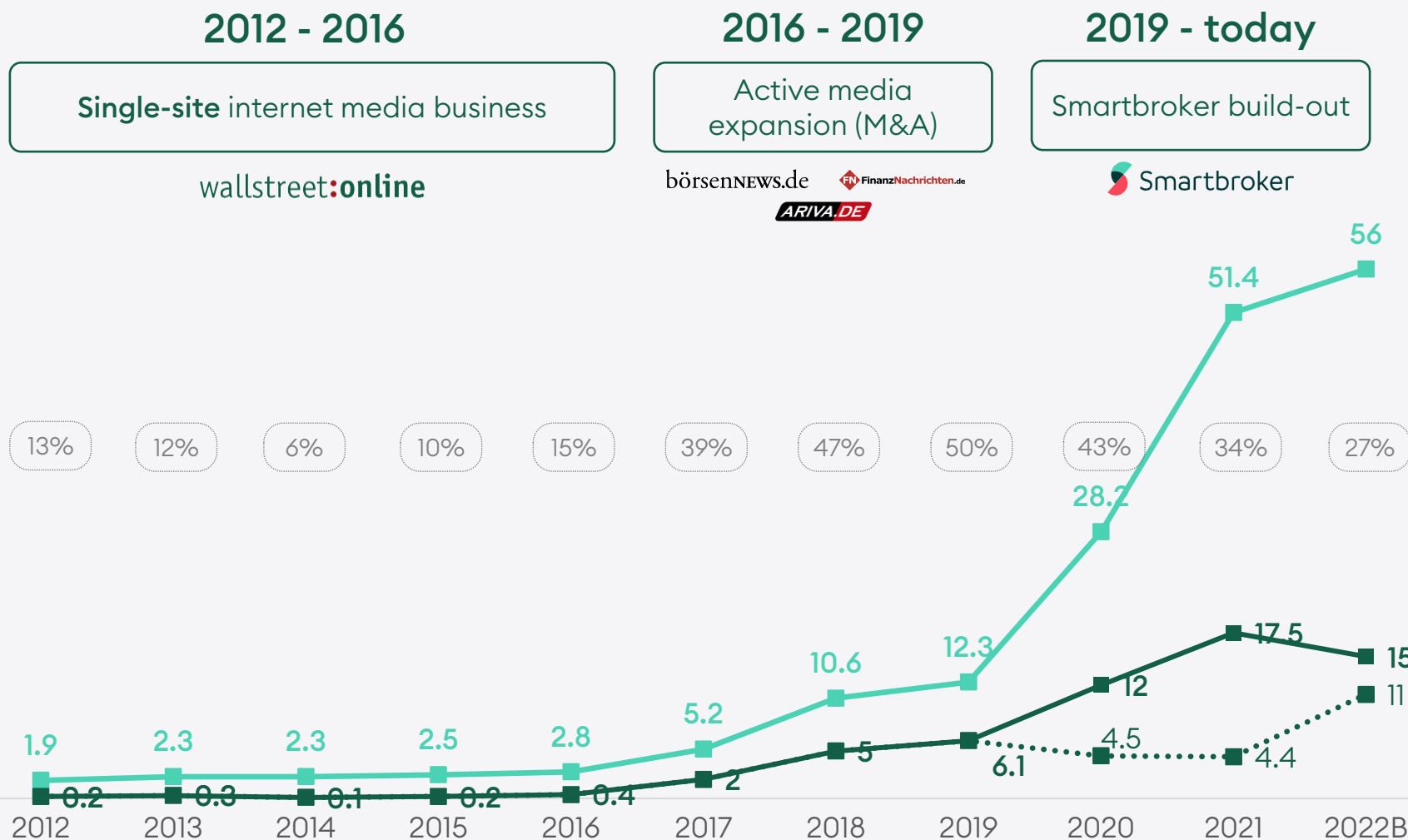
EBITDA before and after Smartbroker CAC, in €m



Laying foundations for vastly improved business model

* Please note: 2021 pro forma HGB (German commercial code) revenue, incl. Smartbroker AG (previously wallstreet:online capital AG) fully consolidated from 1 January 2021; In accordance with the management information system HGB the FY2021 pro forma revenue would amount to €51.4m, without material effect on the EBITDA.
B: budgeted, according to current company guidance | CAC: client acquisition cost

Consistent Profitability and Growth for More than a Decade



Our Current Investor Relations Initiatives

INITIATIVES

- Regular in-depth investor newsletters
- Regular non-deal roadshows in Germany, UK, Nordics
- Active investor outreach based on peer analysis
- Bilingual releases (English – German)
- Financial reporting to be refined in 2023

UPCOMING EVENTS

- **Sep – Oct:** Roadshow Milan, London, Hamburg
- **28 Nov:** Eigenkapitalforum 2022, Frankfurt



Smartbroker Holding AG

Ritterstr. 11 | 10969 Berlin

ir@smartbroker-holding.de

About | The Smartbroker Group operates Smartbroker - a multiple award-winning online broker, which is the only provider in Germany to combine the extensive product range of traditional brokers with the extremely favourable conditions of next generation brokers. At the same time, the Group operates four high-reach stock market portals (wallstreet-online.de, boersenNews.de, FinanzNachrichten.de and ARIVA.de). With several hundred million monthly page impressions, the Group is the by far largest publisher-independent financial portal operator in German-speaking countries and hosts the largest finance community.