



SMARTBROKERHOLDING

22 FEBRUARY 2024

RESULTS PRESENTATION

Preliminary Results FY2023

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TODAY'S PRESENTERS



ANDRÉ KOLBINGER

CEO, Founder



ROLAND NICKLAUS

CFO

01 | INTRO

EXECUTIVE SUMMARY

2023 was our last full transition year

ACCOMPLISHMENTS

- Launch of SMARTBROKER+ in August 2023
- Migration of SB 1.0 clients in October 2023
- Retention of non-migrated customers
- New S+ commercial model and tech stack
- Team and organisational structures in place for further product innovation and growth
- S+ received multiple awards (Stiftung Warentest Finanztest Dec. 2023)
- Delivered on revised financial guidance 2023

CRITICAL ISSUES THAT WE ARE ADDRESSING

- Temporary customer services issues following the migration
- Resulting in poor customer reviews and currently low online ratings for S+, although reasons are unrelated to S+ product (but to migration)
- Temporary increase in churn rates
- Delayed resumption of new customer acquisition initiatives

SMARTBROKER+ DEVELOPMENT PIPELINE 2024

OKT 2023

Move of existing SB1.0 clients onto the SMARTBROKER+ platform (after receipt of customer consent, opening of new securities account, new KYC)

Q4 2023

- Savings plans
- International Stock Exchanges
- Sub Accounts
- Shares CH

Q1 2024

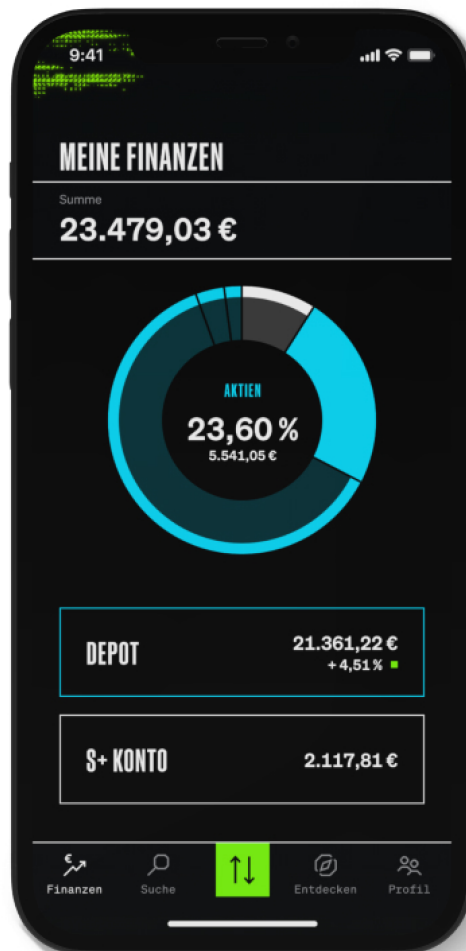
- Margin Loans
- Expansion of S+ Filtering and Trading Functionalities in particular on Web Version
- Foreign Currency Accounts
- RFQ-Orders
- Bonds

Q3 2024

- Crypto
- Enhanced Integration of our Media Offerings and Community Content into S+

Q4 2024

Integration of S+ Trading into our Digital Media Offerings/ Web Portals



PRELIMINARY RESULTS 2023

2023 FINANCIAL STATEMENTS

Basis of Preparation – Smartbroker Holding AG Consolidated Accounts

- Consolidated, preliminary, unaudited accounts based on German HGB
- **2023:** No material changes in the composition of the Group versus 2022 – all year-on-year development organic
- **2022:** First year with full twelve months consolidation of Smartbroker AG
- First-time audit by *Dohm Schmidt Janka Revision und Treuhand AG Wirtschaftsprüfungsgesellschaft*, Berlin, who were appointed as auditors for the group and all main group entities, replacing BDO who audited the same group scope in FY 2022
- Introduction of monthly reporting of operational KPIs in January 2024
- Final, audited results to be published in June 2024

2023: FINAL TRANSITION YEAR

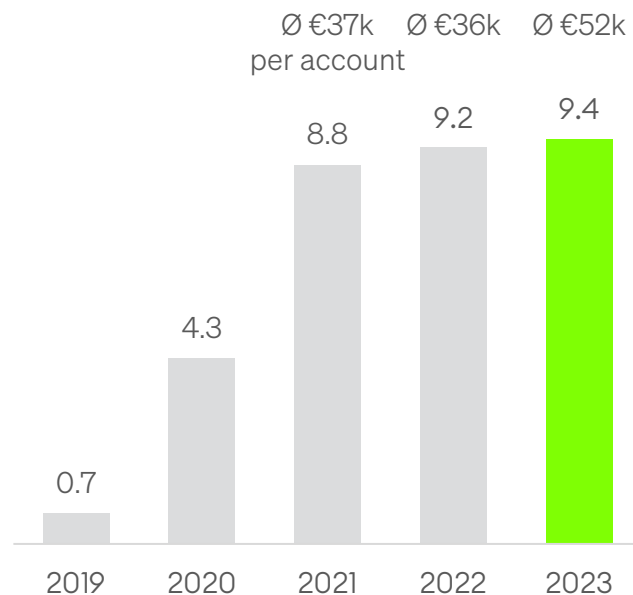
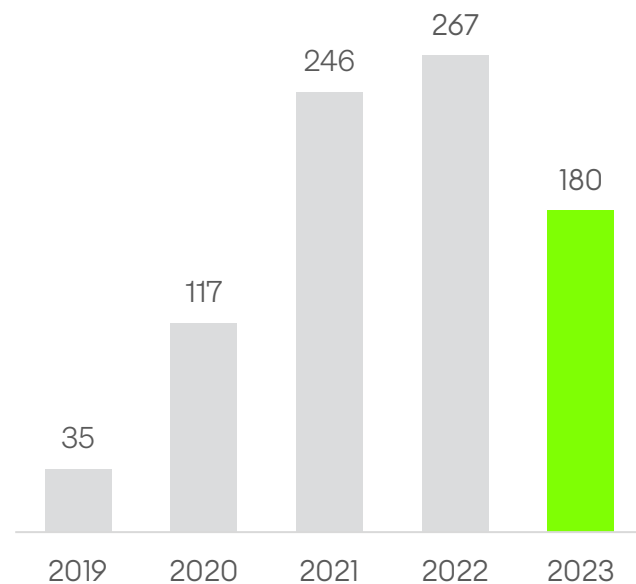
TRANSACTION

Launch of S+, Migration of Existing Customers and Elimination of Zero-Balance Accounts

Brokerage accounts, in k

Assets under custody, in €bn

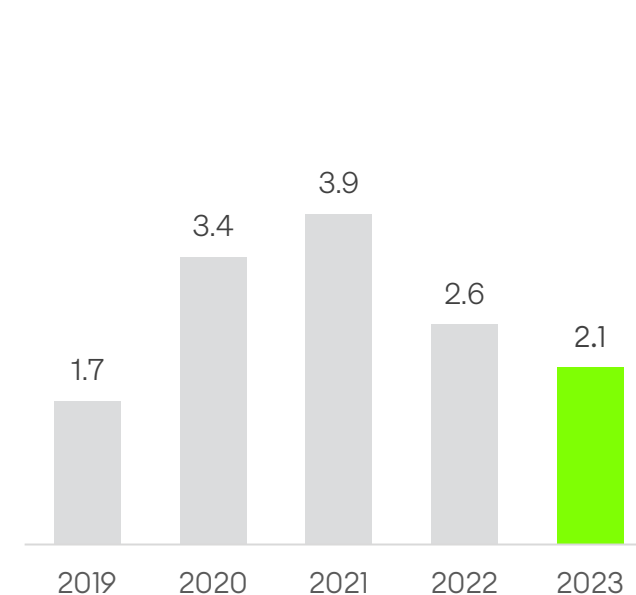
Ø €37k
per account



MEDIA

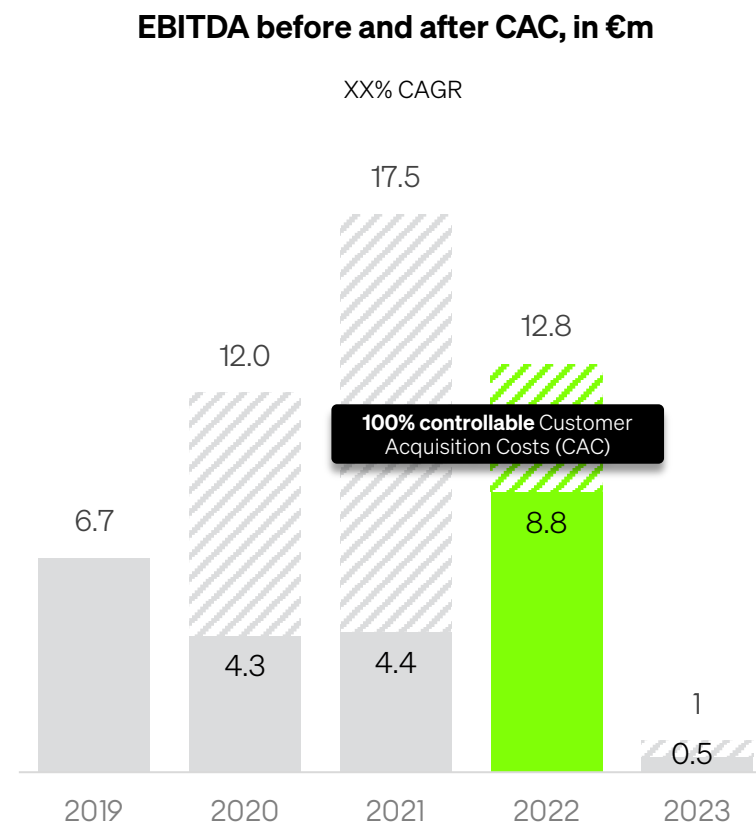
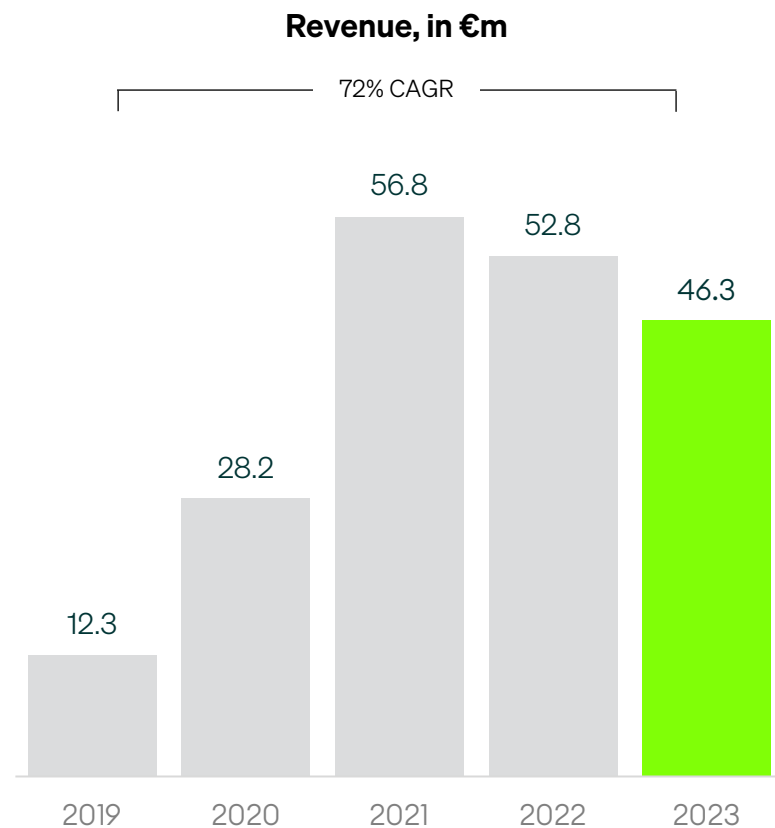
Low retail trading activity, little interest in relevant news, reduction in reach

Page impressions, in bn



RESULTS OVERVIEW

Top line and EBITDA impacted by S+ transition and challenging market environment



REVENUE SPLIT & OPERATIONAL KPIS

Operational KPIs impacted by move of customers to S+ and elimination of zero-balance brokerage accounts

<i>in €m</i>	2023	2022	Change in %
Revenue	46.3	52.8	(12 %)
of which Transaction	18.2	18.7	(3 %)
of which Media	28.1	34.1	(18 %)

	End of 2023	End of 2022	Change in %
Brokerage accounts (in k)	180	267	(32 %)
Assets under custody (in €bn)	9.4	9.2	3 %
Ø Assets under custody per account (in €k)	52	34	52 %
Ø Trades per account (annualized)	25	18	38 %

2023 SEGMENT REVENUE AND EBITDA

Media profitability suffered due to challenging market environment; Transaction affected by S+ development costs

<i>in €m</i>	Group	Media	Transaction
Revenue	46.3	28.1	18.2
EBITDA before CAC	1.0	5.7	(4.7)
<i>Margin</i>	2 %	20 %	<i>neg.</i>
Customer acquisition cost (CAC)	(0.5)	0.0	(0.5)
EBITDA after CAC	0.5	5.7	(5.2)
<i>Margin</i>	1 %	20 %	<i>neg.</i>

2023 EXPENSES

Operating items: managed expansion due to S+ development and S+ infrastructure requirements

<i>in €m</i>	2023	2022	Change in %
Revenue	46.3	52.8	(12 %)
Capitalized own contribution	2.5	2.4	4 %
Other operating income	0.9	1.4	(36 %)
Data, IT & other materials	(19.6)	(15.6)	26 %
Marketing	(1.6)	(5.5)	(71 %)
Personnel	(20.3)	(18.7)	9 %
Other	(7.8)	(8.0)	(3 %)
<i>Total OPEX</i>	<i>(49.3)</i>	<i>(47.8)</i>	<i>3 %</i>
Non-recurring items	-	-	-
EBITDA	0.5	8.8	(94 %)
add back/ (deduct): Non-recurring items	-	-	-
Operational EBITDA	0.5	8.8	(94 %)
Add back: Smartbroker Customer Acquisition Cost	0.5	4.0	(88 %)
Operational EBITDA before CAC	1.0	12.8	(92 %)

NON-OPERATING EXPENSES AND CASH FLOW

Non-operating items dominated by depreciation. Last year of significant S+ capital expenditure

in €m	2023	2022	Change in %
EBITDA	0.5	8.8	(94 %)
Depreciation	(6.4)	(17.2)	(63 %)
of which non-recurring	0.0	(12.6)	
of which firm value (HGB)	(3.2)	(2.7)	
of which fixed and intangible assets	(3.2)	(1.9)	
EBIT	(5.8)	(8.4)	31 %
Financial result	0.1	(1.5)	nm
of which interest	0.0	(0.3)	
of which other	0.1	(1.2)	
EBT	(5.7)	(9.9)	42 %

2023 CONSOLIDATED BALANCE SHEET

Cash and equity respectively represent 19% and 69% of balance sheet total

	Assets		
<i>in €m</i>	31.12.2023	31.12.2022	% of total
Fixed Assets	41.8	36.9	66 %
Intangible Assets	38.9	33.6	61 %
Tangible Assets	1.8	1.8	3 %
Financial Assets	1.1	1.5	2 %
Current Assets	20.8	36.3	33 %
Inventories	0.0	0.0	0 %
Trade Receivables	7.1	6.2	11 %
Other	1.4	2.7	2 %
Cash & Equivalents	12.3	27.4	19 %
Prepaid Expenses	0.9	0.7	1 %
Total Assets	63.5	73.9	100 %

	Equity & Liabilities		
<i>in €m</i>	31.12.2023	31.12.2022	% of total
Equity	43.6	49.4	69 %
Provisions	4.3	4.0	7 %
Financial debt	10.4	14.9	16 %
Trade payables	3.0	3.0	5 %
Other liabilities	0.5	0.6	1 %
Deferred Income	0.9	1.2	1 %
Deferred Taxes	0.8	0.8	1 %
Total Liabilities	63.5	73.9	100 %

OUTLOOK 2024

PLANNING ASSUMPTIONS

One story with two parts

TRANSACTION

- First year with full contribution from S+
 - Broader revenue base
- Mixed market sentiment persists
- Ongoing investment in S+ product and customer care
- New customer acquisition to start in the middle of the year
 - 20-30,000 gross customer additions
- Material increase in revenues

MEDIA

- Difficult market environment persists
- Tight cost control but no major cost reduction
- Controlled ongoing investment in the media assets and their integration into S+
- Further double-digit revenue decline

GUIDANCE 2024 – CONSOLIDATED GROUP

Revenues expected to grow by 13% based on the middle of the guidance range

<i>in €m</i>	Low	High
Revenues	50	55
EBITDA	minus 1	plus 3

Current risks

- Impact of EU Payment for Order Flow Ban
- Impact of EU Digital Services Act
- Further adverse macro-economic or geo-political developments
- Material, unexpected changes in the interest rate environment, in particular policy rates
- Timing of resumption of new customer acquisition activities, velocity of ramp-up

MID-TERM GOALS

Transaction segment to become the **main revenue contributor**

S+ moving towards **profitability**

Increase market share

Maintain **price leadership** and leading customer value proposition

Drive **innovation for Transaction & Media**
One-stop-shop for private investors to inform, learn & invest

MONTHLY KPI REPORTING

January 2024

Angaben nicht HBG, ungeprüft und vorläufig

	2023		2024											
	Nov ⁽¹⁾	Dez	Jan	Feb	Mar	Apr	Mai	Juni	Juli	Aug	Sep	Okt	Nov	Dez
Geschäftsbereich Transaktion														
Anzahl Kunden (in Tsd.) ⁽²⁾	178	180	175											
Betreutes Kundenvermögen (in € Mio.)	9.205	9.400	8.901											
Ø betreutes Vermögen je Kunde (in T€)	52	52	51											
Anzahl Trades (in Mio.)	0,35	0,35	0,36	Zukünftige Informationen werden bis zur Mitte des Folgemonats veröffentlicht										
Ø Anzahl Trades je Kunde p.a.	24	23	25											
Anzahl Handelstage	22	19	22											
Geschäftsbereich Media														
Seitenaufrufe Finanzportale (in Mio.)	178	213	227											
Anzahl Unique User (in Mio.)	3,0	3,0	3,8											

Sämtliche Angaben beziehen sich auf den letzten Werktag des Monats. Durchschnittsangaben sind das arithmetische Mittel der Monatsanfangs- und Endwerte.

(1) Angaben per 1.11.2023, dem dritten Werktag nach der Migration von SB1.0 auf S+. Anzahl Trades monatlicher Durchschnittswert Jan.-Okt. 2023. Für weitere Details siehe Unternehmenspräsentation vom 17.11.2023.

(2) Ohne die im Laufe des 1. Halbjahres 2024 zu kündigenden Smartbroker-1.0-Leerdepots

UPCOMING EVENTS

May 2024 | Equity Forum Frühjahrskonferenz Frankfurt

June 2024 | Publication of 2023 Annual Report

July/ August 2024 | Annual General Meeting

September 2024 | Publication of H1 2024 Results

November 2024 | Eigenkapitalforum Frankfurt



SMARTBROKER HOLDING

22 FEBRUARY 2024

THANK YOU

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