



SMARTBROKERHOLDING

H1 2023 Interim Report

13 Sep 2023

RESULTS PRESENTATION

TODAY'S PRESENTERS



**ANDRÉ
KOLBINGER**

CEO, Founder



**ROLAND
NICKLAUS**

CFO



**OLIVER
HAUGK**

Co-CEO, CPO

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01 | INTRO

RECENT NEWS

SMARTBROKER+ is live as Early Access Product | Onboarding of new clients started | Move of existing clients imminent

SMARTBROKER+

- SMARTBROKER+ product launched in August 2023 (Early Access)
- Move of existing client base planned for end of October 2023 → But new account opening & KYC required

wallstreet
ONLINE

- Rebrush of wallstreet-online.de completed
- Continuous roll-out of new video content

SMARTBROKERHOLDING

- Updated guidance for the full year 2023
- Andre Kolbinger's CEO contract prolonged until 2027
- CPO Oliver Haugk promoted to Co-CEO, contract prolonged until 2026

MARKET NEWS

Payment for Order Flow ("PFOF") to be implemented EU-wide

- Ban of PFOF to be introduced into EU law
- Process in finalization – certain details may still shift
- Germany likely to implement the new system in 2026
- Proactive approach to adapt to the changed regulatory environment, once all details are clear
- We are in a strong position to adapt based on our diversified revenue base and broad product setup including the investors' choice to trade on all domestic and a large number of international trading venues

WHAT'S NEW ABOUT THE NEW SMARTBROKER?

CURRENT CAPABILITIES

- Trade on web & app (iOS, Android)
- Fully digital account opening process
- Most innovative and user-friendly interface
- Further decrease in pricing
- Real-time price data, watchlist and sub-accounts

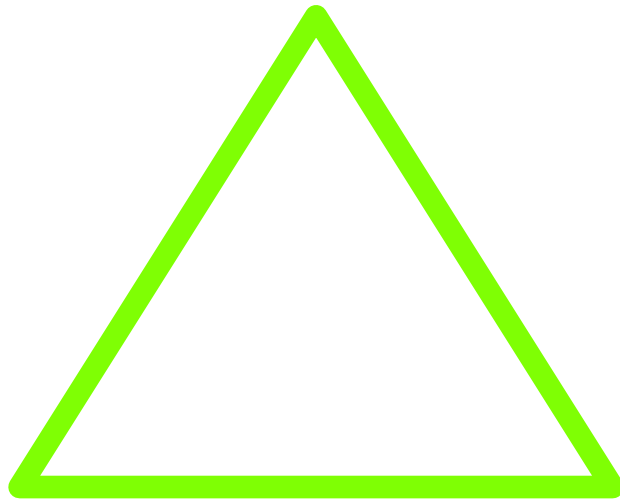
COMING SOON

- More saving plans & ETFs (end of October)
- International trading venues (end of October)
- Margin loan (*Lombardkredit*)
- News, key figures and analyst ratings
- Discover new trends and assets
- Integration with our media offering & social communities
- Wider selection of structured products by partner banks



WHAT TO LOOK FOR IN A DIGITAL BROKER

Pricing



Customer
Service

Product
Offering



WHAT TO LOOK FOR IN A DIGITAL BROKER

SMARTBROKER+



INVESTMENT CASE

Investing into the long-term value creation of our business

Defensible Competitive Position

Reaching 40%+ of XO investors in
Germany with own media assets

Profitable Media Unit

High margin business

Experienced and Invested Management Team

Focused on long-term value creation

Clear Product Differentiation & Unique Selling Point

Best prices for a full-service broker

Expanding Share in a Huge Market

30m investment accounts in Germany
13m private investors and savers

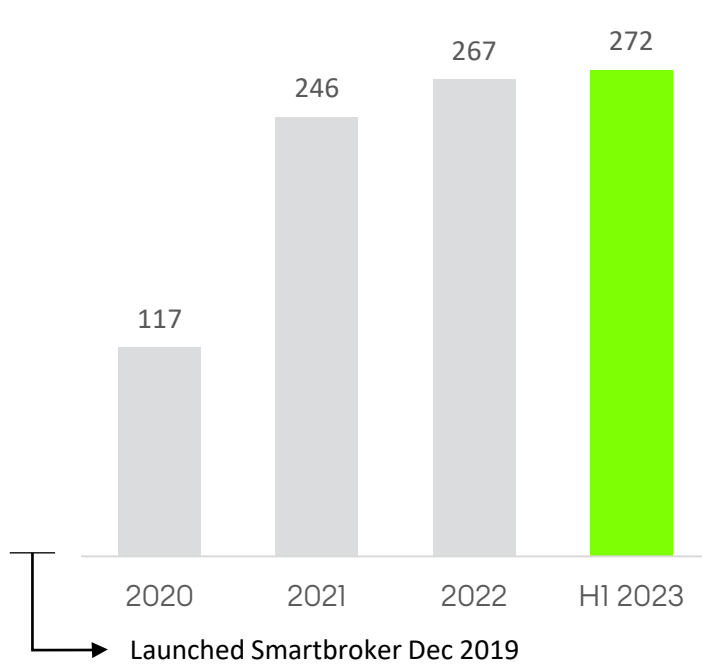
02 | H1 2023

FINANCIALS

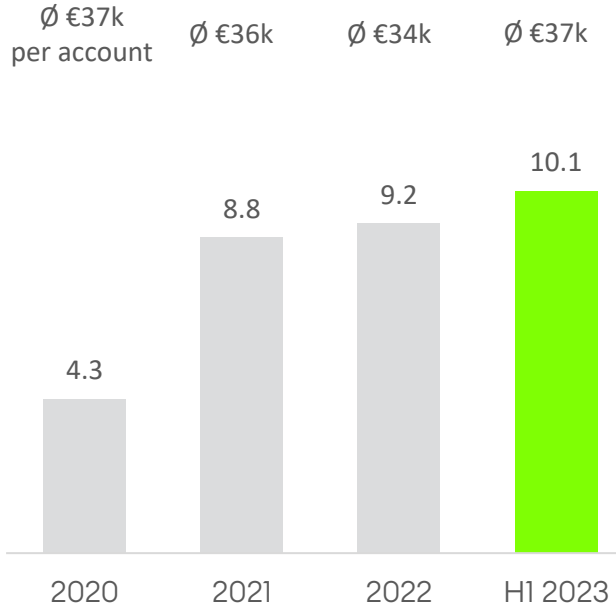
SOME GROWTH DESPITE CHALLENGING ENVIRONMENT

Setting up SMARTBROKER+ to become the main growth driver by 2024

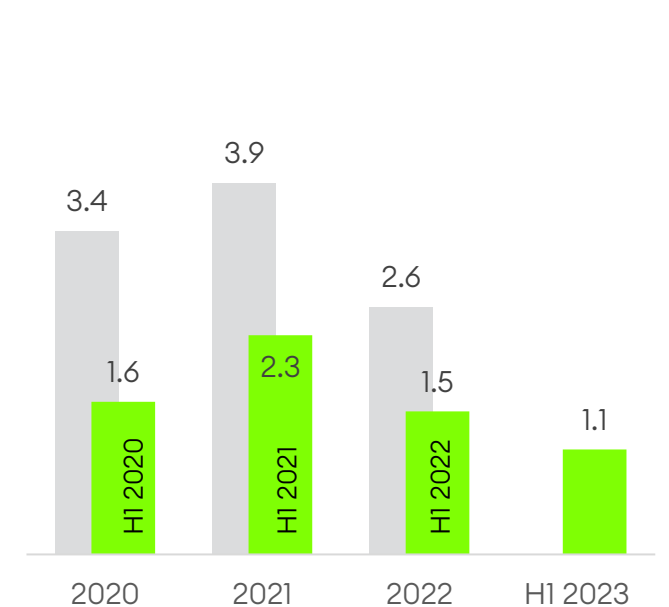
Brokerage accounts, in k



Assets under custody, in €bn



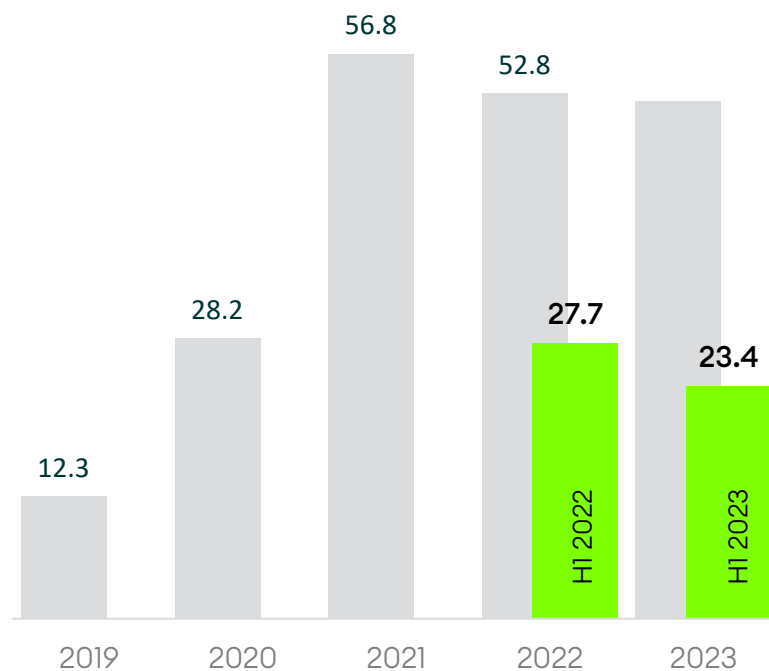
Page impressions, in bn



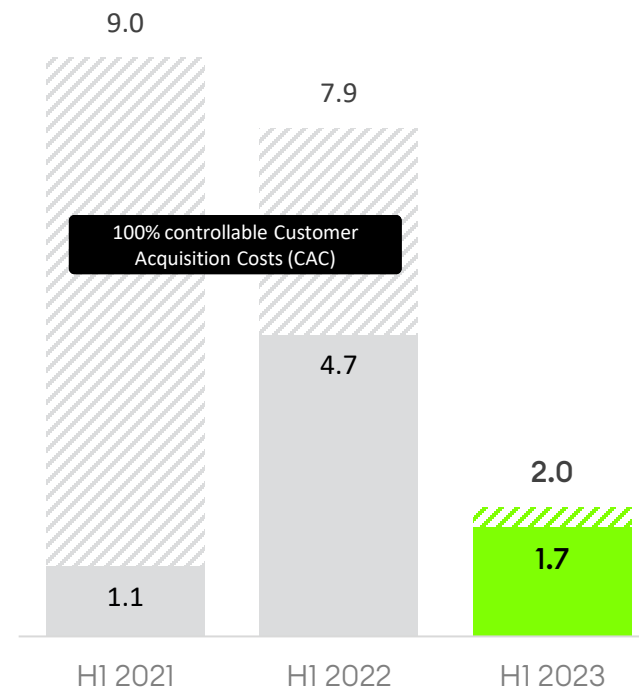
H1 RESULTS OVERVIEW

H1 2023 marked by weak macro environment, subdued markets activity, and operational transition

Revenue, in €m



EBITDA before and after CAC, in €m



REVENUE SPLIT & OPERATIONAL KPIS

Entire business focused on the roll-out of SMARTBROKER+

<i>in €m</i>	H1 2023	H1 2022	Change in %	2022
Revenue	23.4	27.7	-16%	52.8
of which Transaction	8.7	10.4	-16%	18.7
of which Media	14.8	17.4	-15%	34.1

	End of H1 2023	End of H1 2022	Change in %	End of 2022
Brokerage accounts (in k)	272	269	+1%	267
Assets under custody (in €bn)	10.1	8.6	+17%	9.2
Ø Assets under custody per account (in €k)	37	33	+12%	34
Ø Trades per account (annualized)	17	22	-29%	18

H1 2023 SEGMENT REVENUE AND EBITDA

Reduced levels of profitability reflect changed market sentiment in the media segment & continued investment phase in the brokerage segment

<i>in €m</i>	Group	Media	Transaction
Revenue	23.4	14.8	8.7
EBITDA before CAC	2.0	3.4	(1.4)
<i>Margin</i>	<i>9%</i>	<i>23%</i>	<i>neg.</i>
Client acquisition cost (CAC)	(0.3)	-	(0.3)
EBITDA after CAC	1.7	3.4	(1.7)
<i>Margin</i>	<i>7%</i>	<i>23%</i>	<i>neg.</i>

H1 2023 EXPENSES

Tight cost control whilst concurrently implementing SMARTBROKER+; further reduction in CAC

<i>in €m</i>	H1 2023	H1 2022	Change in %	2022
Revenue	23.4	27.7	-16%	52.8
Capitalized own contribution	1.4	1.3	8%	2.4
Other operating income	0.4	0.3	33%	1.4
Data, IT & other materials	(8.9)	(8.3)	7%	(15.6)
Marketing & CAC	(0.9)	(3.2)	-72%	(5.5)
Personnel	(9.9)	(9.5)	4%	(18.7)
Other	(3.8)	(3.6)	6%	(8.0)
<i>Total OPEX</i>	<i>(23.5)</i>	<i>(24.6)</i>	<i>-4%</i>	<i>(47.8)</i>
Non-recurring items	-	-		-
EBITDA	1.7	4.7	-64%	8.8
Operational EBITDA	1.7	4.7	-64%	8.8
Add back: Smartbroker Customer Acquisition Cost	0.3	3.2	-91%	4.0
Operational EBITDA before CAC	2.0	7.9	-75%	12.8

H1 2023 EXPENSES (CONT'D)

All non-operating expenditure have returned to regular levels

<i>in €m</i>	H1 2023	H1 2022	Change in %	2022
EBITDA	1.7	4.7	-64%	8.8
Depreciation	(2.2)	(2.2)	-	(17.2)
of which non-recurring	-	-	-	(12.6)
of which firm value (HGB)	(1.3)	(1.3)	-	(2.7)
of which fixed and intangible assets	(0.6)	(0.6)	-	(1.9)
EBIT	(0.5)	2.5	-120%	(8.4)
Financial result	<(0.1)	(0.2)	n/a	(1.5)
of which interest	<(0.1)	(0.2)	n/a	(0.3)
of which impairment	-	-		(1.2)
EBT	(0.5)	2.3	n/a	(9.9)

H1 2023 CONSOLIDATED CASH FLOW

<i>in €m</i>	H1 2023	H1 2022	Change in %	2022
Profit (Loss)	(1.7)	1.2	n/a	(10.1)
Taxes	(0.7)	(0.9)	-22%	(1.3)
Depreciation and impairment	2.2	2.2	-	18.4
Changes in balance sheet items	(0.4)	1.1	n/a	(3.7)
Non-cash P&L items	1.6	1.2	33%	3.4
Non-recurring Items	-	-	-	0.0
Operating Cash Flow	1.0	4.8	-79%	5.1
of which Smartbroker CAC	(0.3)	(3.2)	-91%	(4.0)
Capital Expenditure	(4.8)	(18.6)	-74%	(22.0)
Total pre-financing Cash Flow	(3.8)	(13.9)	-73%	(17.0)
Financing Cash Flow	(2.3)	11.0	n/a	18.7
Total Cash Flow	(6.1)	(2.8)	118%	1.9
Cash at the beginning of the period	27.4	25.5	7%	25.5
Cash at the end of the period	21.3	22.8	-7%	27.4

H1 2023 CONSOLIDATED BALANCE SHEET

Cash and equity respectively represent 30% and 66% of balance sheet total

Assets				Equity & Liabilities			
<i>in €m</i>	30.06.2023	31.12.2022	% of total	<i>in €m</i>	30.06.2023	31.12.2022	% of total
Fixed Assets	40.2	36.9	56%	Equity	47.8	49.4	66%
Intangible Assets	36.8	33.6	51%	Provisions	4.7	4.0	7%
Tangible Assets	1.9	1.8	3%	Financial debt	12.6	14.9	18%
Financial Assets	1.5	1.5	2%	Trade payables	3.1	3.0	4%
Current Assets	31.2	36.3	43%	Other liabilities	0.4	0.6	1%
Inventories	0.0	0.0	0%	Deferred Income	1.5	1.2	2%
Trade Receivables	7.6	6.2	11%	Deferred Taxes	1.8	0.8	3%
Other	2.3	2.7	3%	Total Liabilities	72.0	73.9	100%
Cash & Equivalents	21.3	27.4	30%				
Prepaid Expenses	0.6	0.7	1%				
Total Assets	72.0	73.9	100%				

OUTLOOK 2023

PLANNING ASSUMPTIONS

TRANSACTION

- Trading activity to remain stable, albeit on the lower levels recorded during the first two quarters
- Double cost base, plus one-off migration costs in H2

MEDIA

- Advertising market to remain stable, albeit on the lower levels recorded during the first two quarters
- Maintaining our established market position; recent rates of decline were similar to the overall market
- Diversify media revenue with new income sources

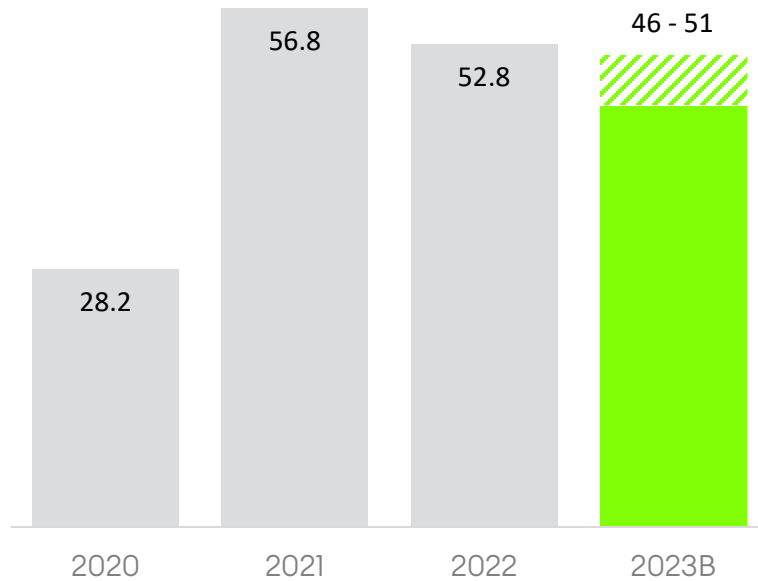
CURRENT UNCERTAINTIES

- Move of existing customers to SMARTBROKER+
- Next steps for customers who refuse to move
- Timing of the increased focus on new customer marketing

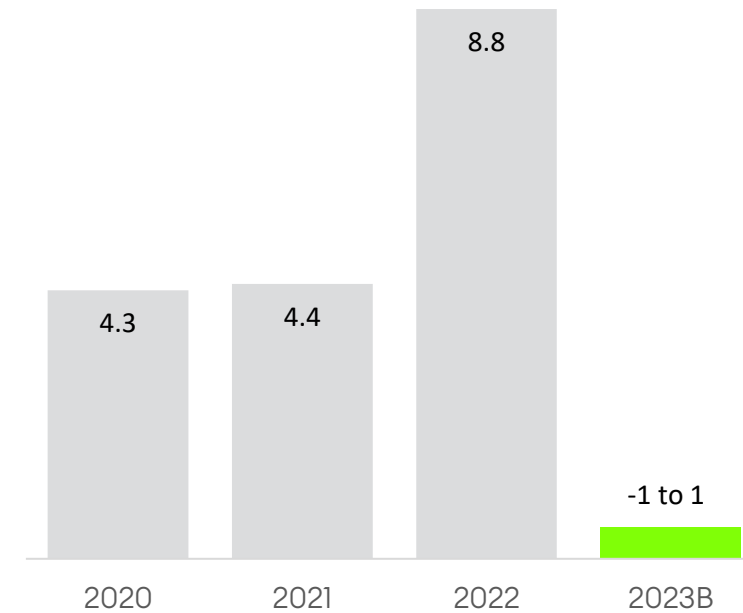
GUIDANCE 2023

Last transition year before SMARTBROKER+ will provide full year contribution

Revenue, in €m



EBITDA after CAC, in €m



MID-TERM GOALS

Transaction segment likely to become the main revenue contributor

Smartbroker AG moving towards EBITDA break even

Increase in market share | 75k new accounts p.a. from 2024

Maintain price leadership and leading customer value proposition

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

UPCOMING EVENTS

17 Oct 2023 | Annual general meeting of shareholders

Nov 2023 | Communication on outcome of the move of existing clients onto the SMARTBROKER+ platform

28 Nov 2023 | Equity Forum Frankfurt

Feb 2024 | Financial and operational plans for 2024

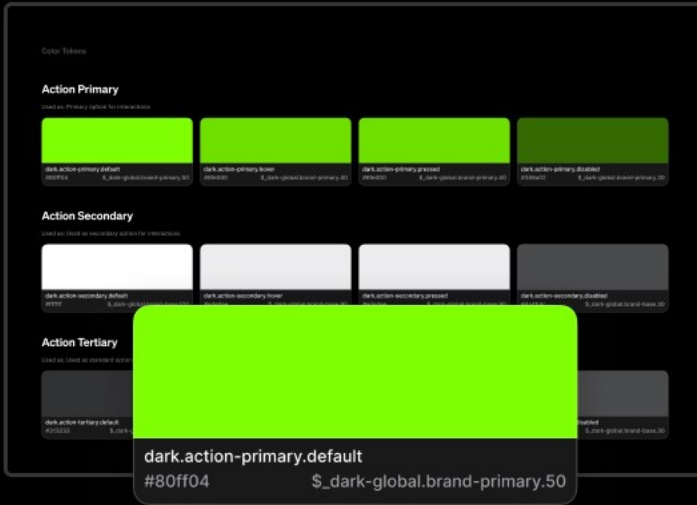


03 | SMARTBROKER+ PRODUCT DEEP DIVE

□ **Typography Tokens**

Söhne Mono
Button Medium

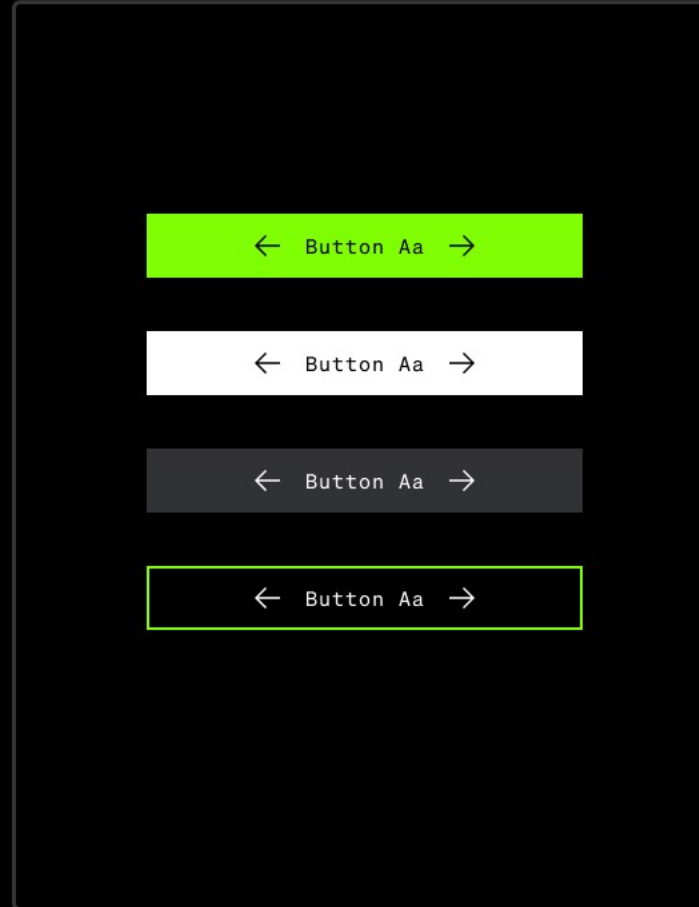
□ **Color Tokens**



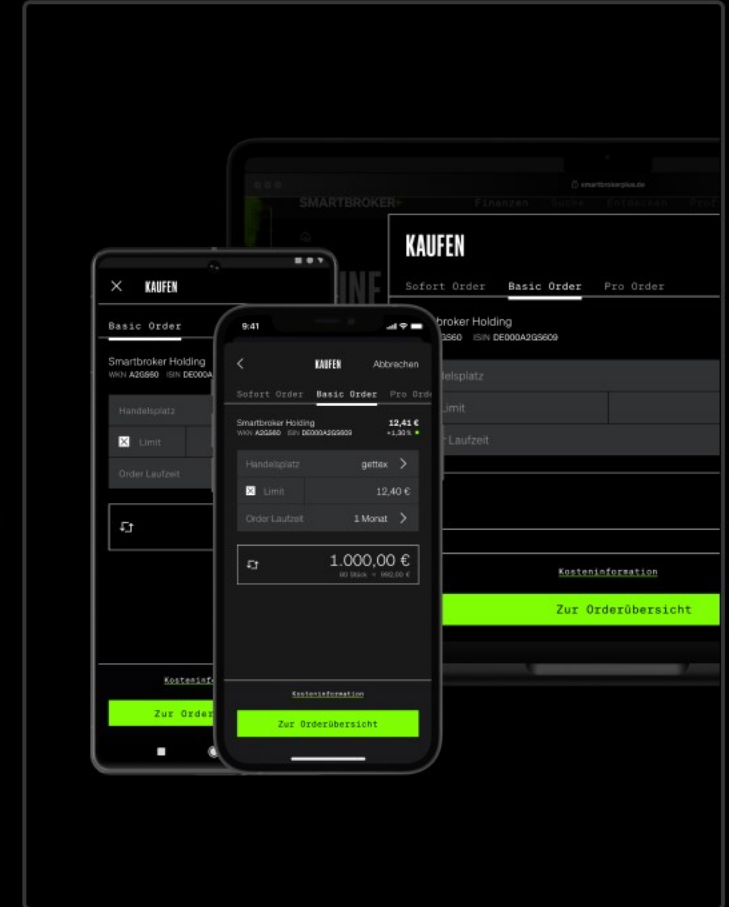
□ **Global Spacing Tokens**

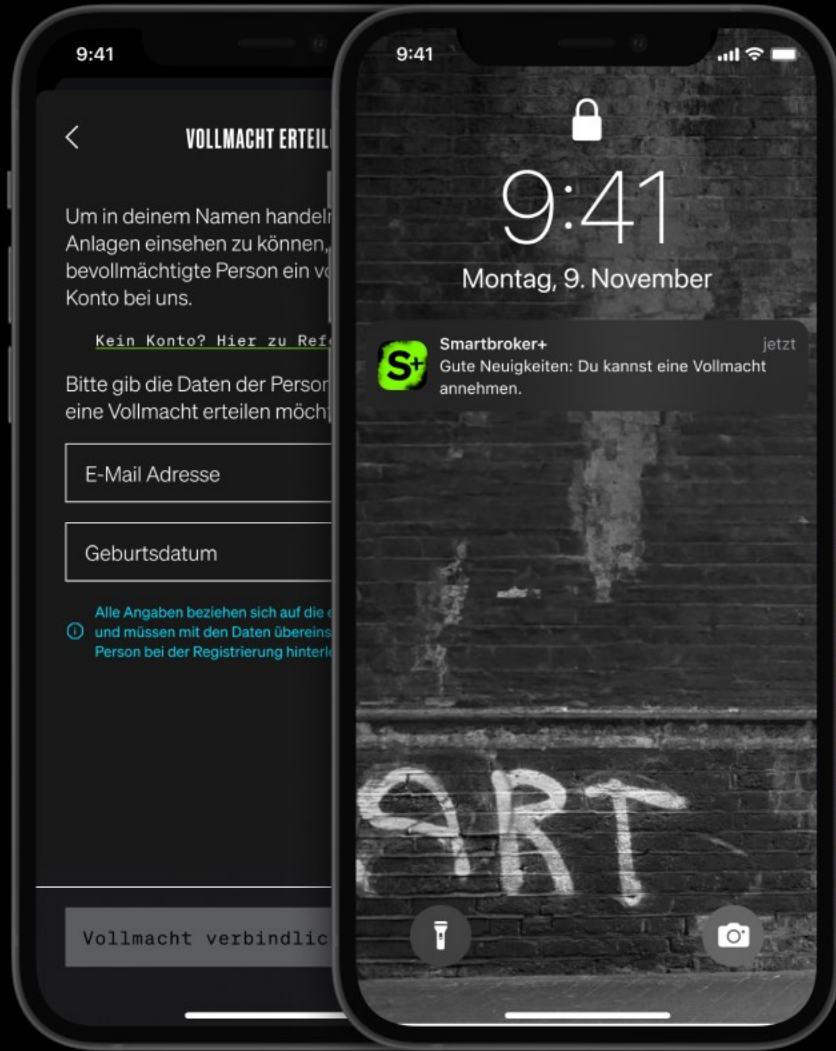
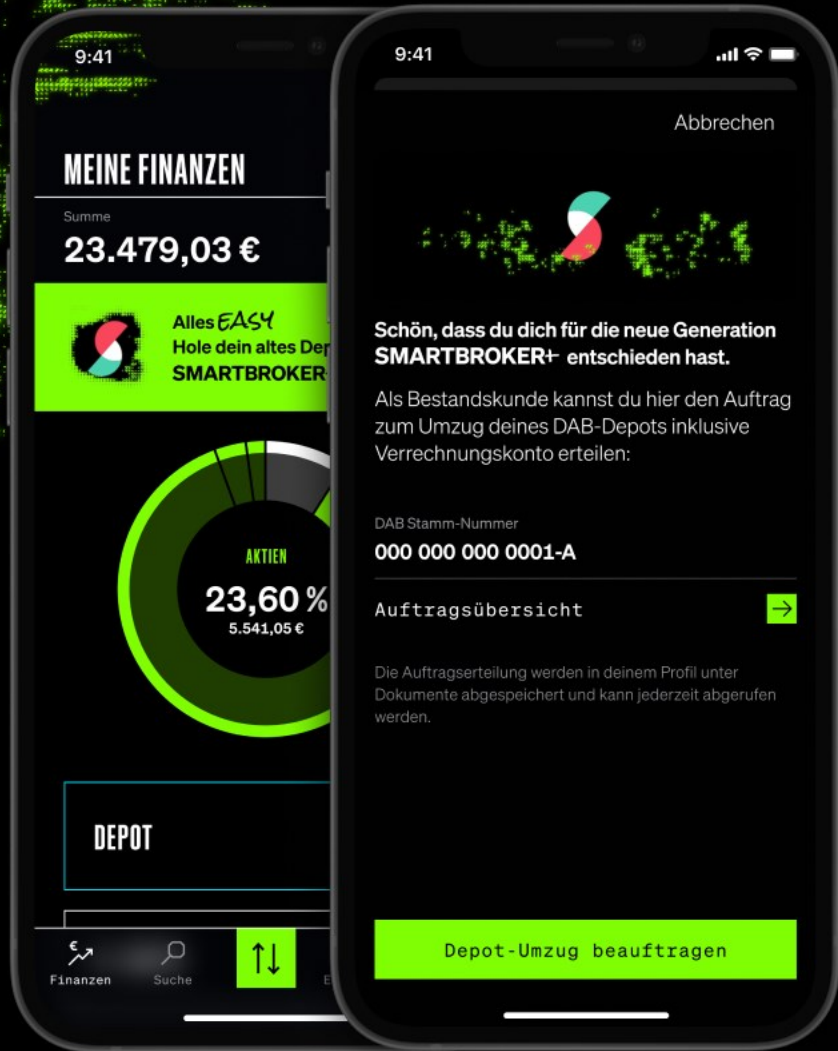
□ **Semantic Spacing Tokens**

Components



Cross-platform development driven by UX/UI

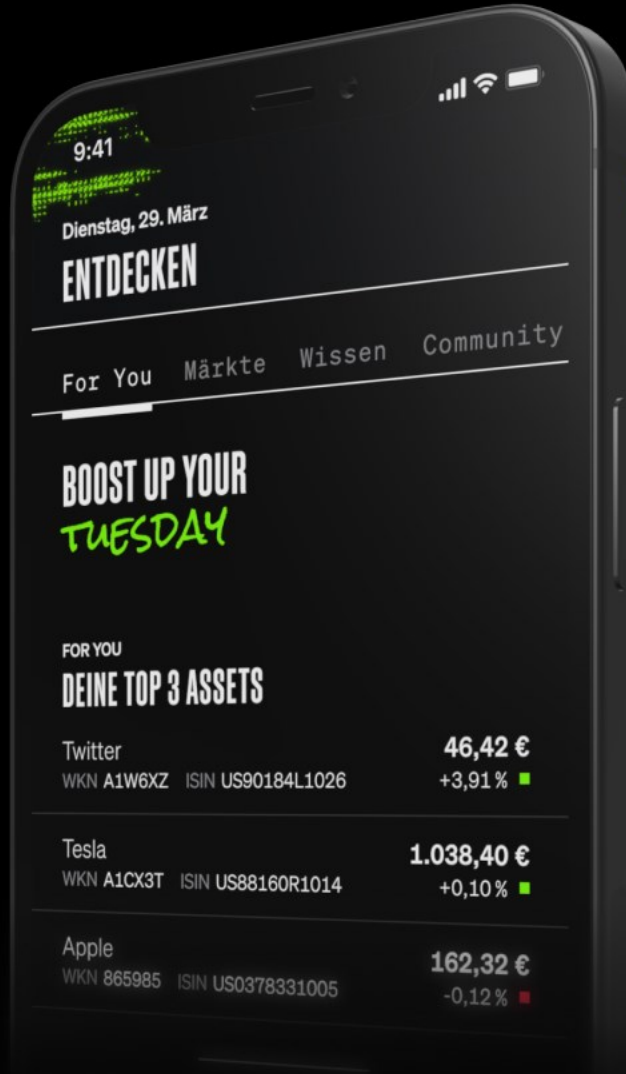


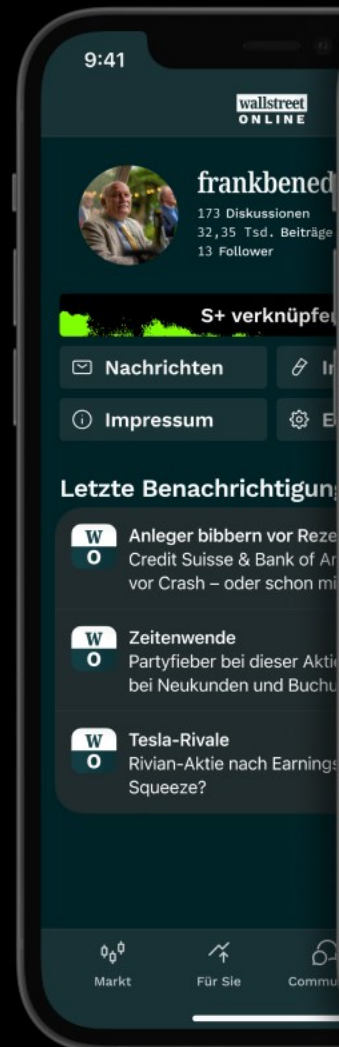
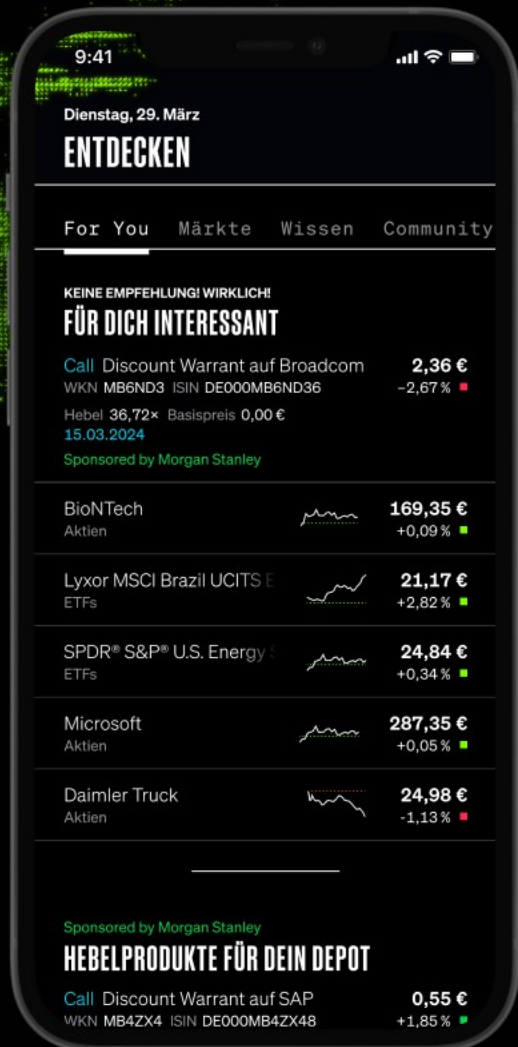


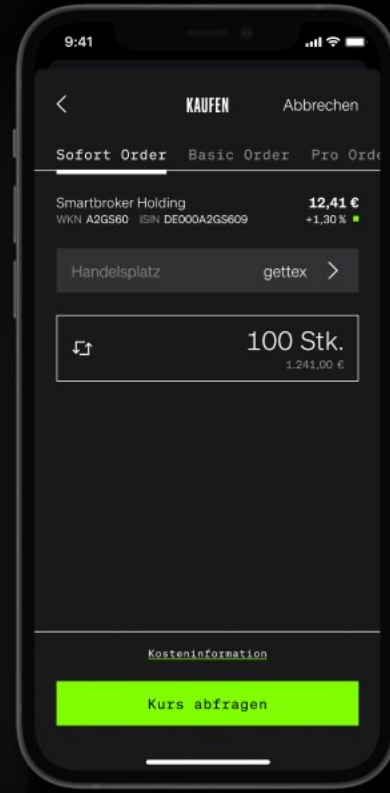


Prospects als potentielle Kunden mit Zugriff auf zahlreiche wesentliche Funktionen der App.
Wiederkehrende Einladung als Banner bei Auslösung von Transaktionen.

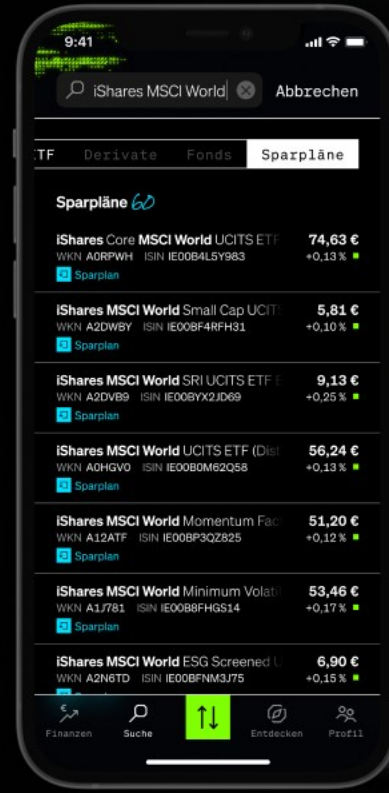
SMARTBROKER+





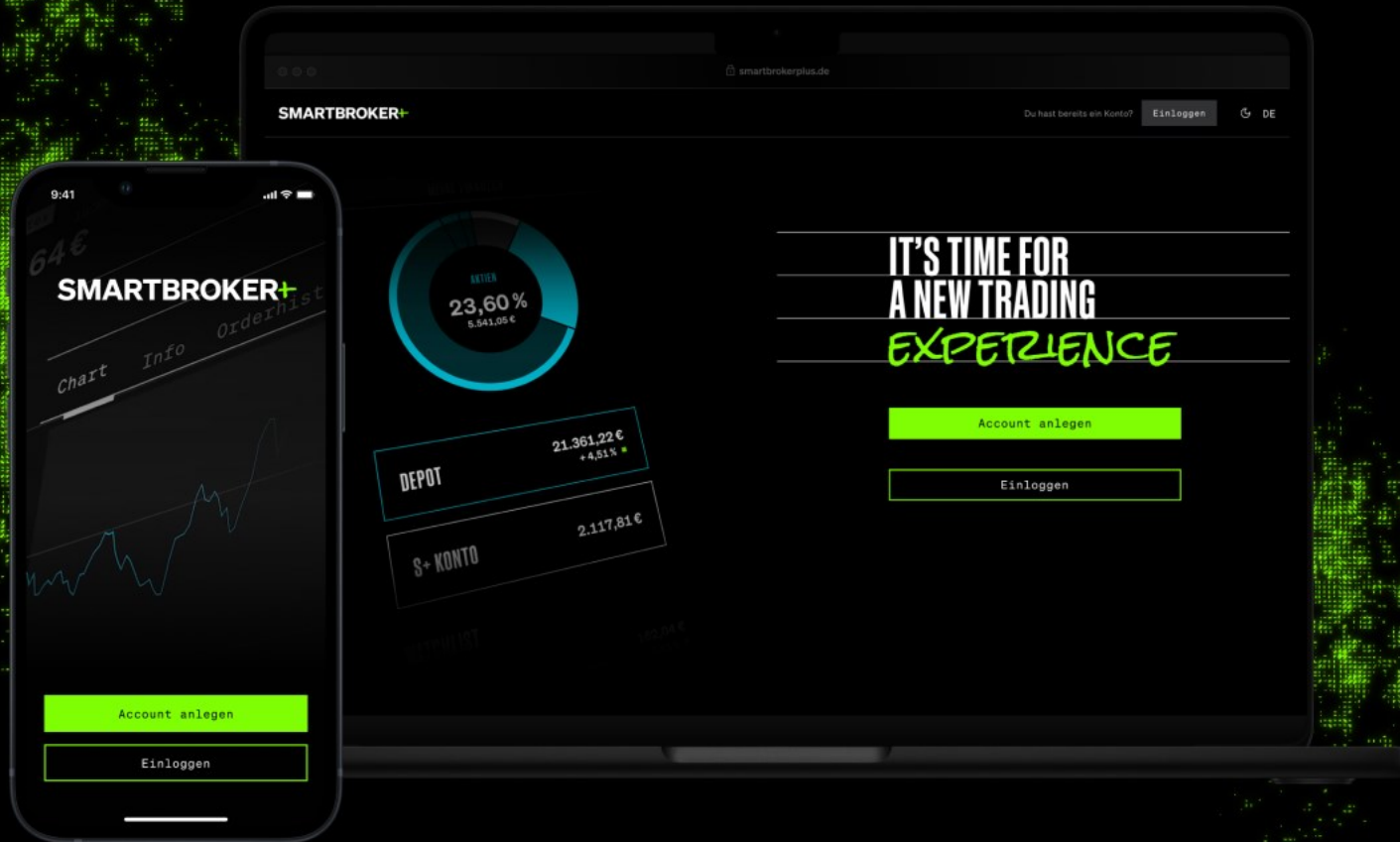


Sofort-Order



Sparpläne





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THANK YOU

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