

Smartbroker Holding

The Profitable Innovator of Germany's Personal Savings & Investment Sector

May 2023



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We Offer a Comprehensive Digital Finance and Investment Platform for Private Investors

Transaction platforms for private savers & investors

Smartbroker operates a comprehensive next generation broker

Launched 2019



Media platforms comprising websites, apps, forums

The largest publisher-independent financial portal operator

Host of the largest finance community across German-speaking Europe

Launched 1998

25+yrs market experience | 100% digital | Comprehensive product offering | In-house development

Introduction to the Smartbroker Team

Founder-led Team with combined 95+ Years Relevant Sector Experience



André Kolbinger
CEO & Founder

- Founded the group in 1998
- 25+ yrs digital media & content experience
- Solid track record of organic and M&A driven business growth
- Returned as CEO in August 2022, previously SB Chairman

wallstreet:online



Roland Nicklaus
Chief Financial Officer

- Assumed role in April 2021
- Joined as non-executive in 2008
- 23yrs banking & finance experience

Salomon Brothers



Oliver Haugk
CTO



Stefan Zmojda
CRO



Michael Bulgrin
CCO



Thomas Soltau
Board Member
Markets & Customers
Smartbroker AG

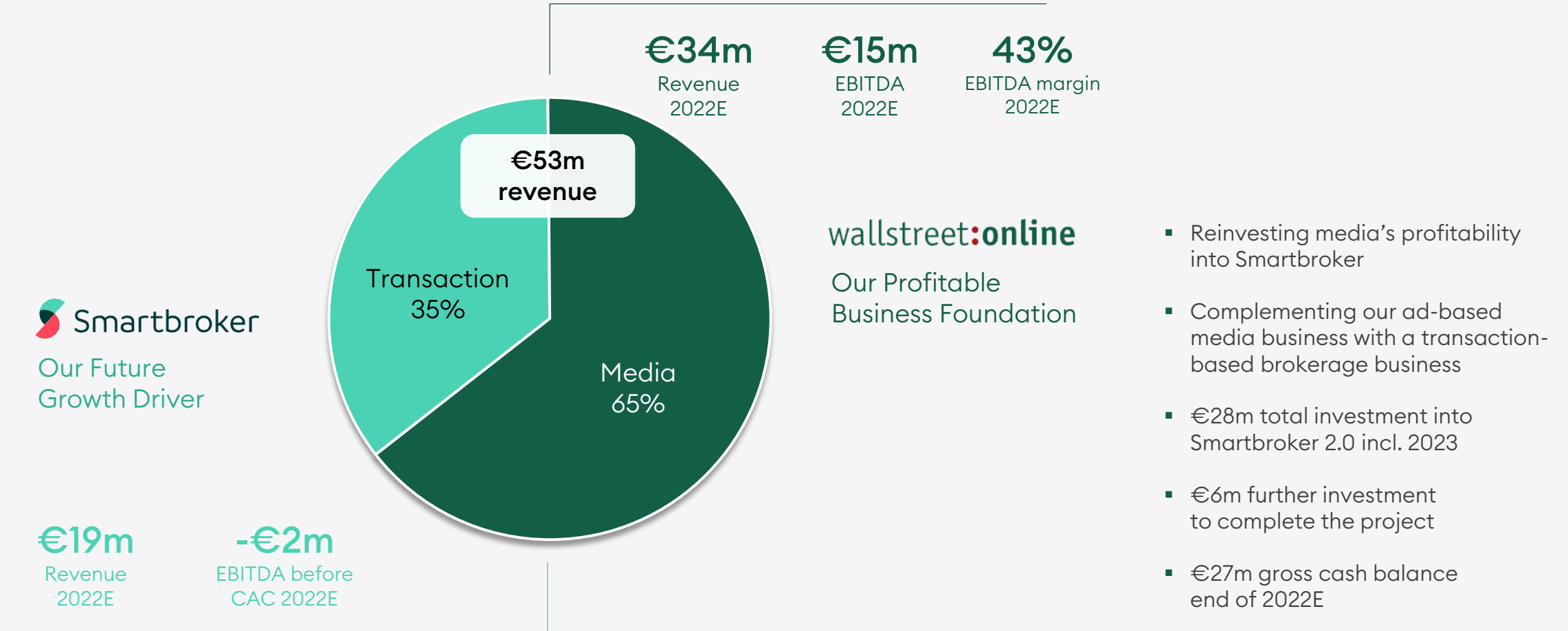


Uwe Lüders
Board Member
Risk & Operation
Smartbroker AG

Comprehensive second management layer with relevant experience in banking, IT, UI/UX, operations, content, online marketing

Balanced Revenue Base & Positive Operating Cash Flow

Enable Self-Financed Development of New Products



More than a Decade of Profitable Growth

2012 - 2016

Single-site internet media business

wallstreet:online

2016 - 2019

Active media expansion (M&A)

börsenNEWS.de ARIVA.DE

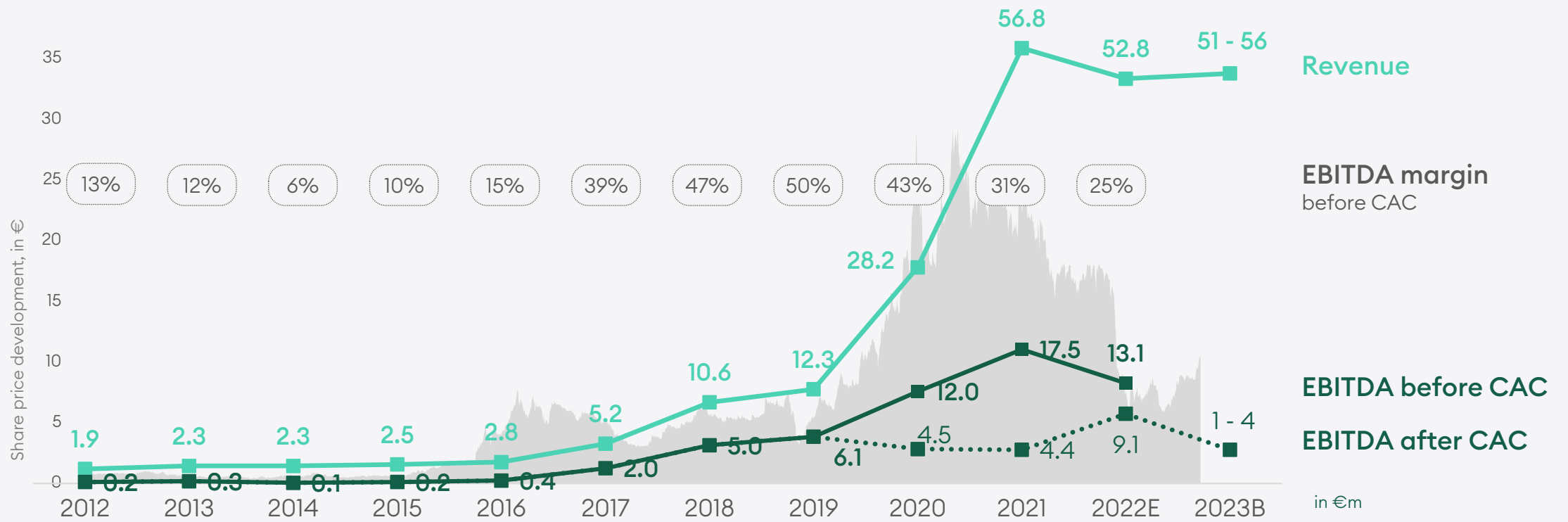
2019 - 2023

Smartbroker investment

Smartbroker

2023+

Smartbroker 2.0



CAC: client acquisition cost | EBITDA margin calculated for EBITDA before CAC | E = estimate, preliminary, unaudited | B = budgeted
 * Please note: 2021 pro forma HGB revenue, incl. Smartbroker AG fully consolidated from 1 Jan 2021; In accordance with the management information system, the FY2021 pro forma revenue would have amounted to €51.4m, without material effect on the EBITDA.



Recent News

Smartbroker 2.0 Remains Top Priority to Set Us Up for Further Growth



- **Smartbroker 2.0** in advanced stages of development
- Cooperation agreement with **Baader Bank** in place



- New editorial news team & **premium products** launched
- Refreshing of **wallstreet-online.de** kicked-off

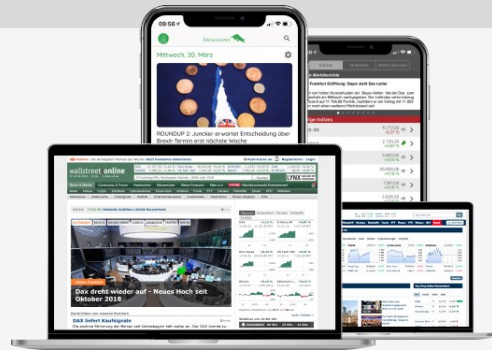


- Celebrated **25 years in business** this January
- **Fully financed** to complete Smartbroker 2.0 launch

Connecting All Spheres of Private Investing & Saving

User-centric Product & Business Model Approach

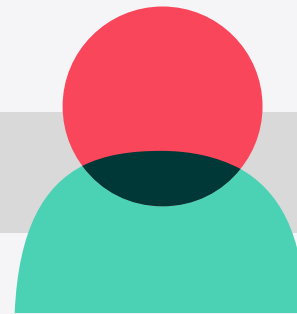
Media & Community



40%+ reach on the German market

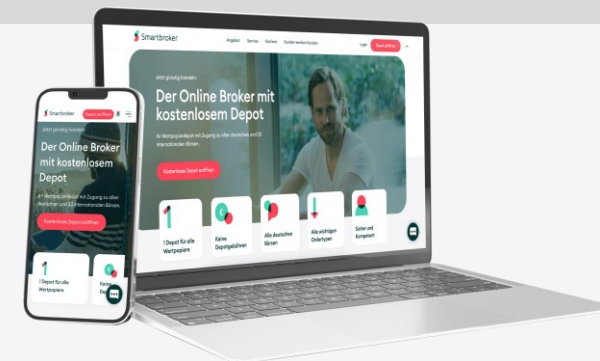
SBH
BUSINESS MODELL

- Digital advertising
- Subscription fees
- B2B client commissions



Investors & Savers

Transaction & Optimization



1%+ market share on the German market

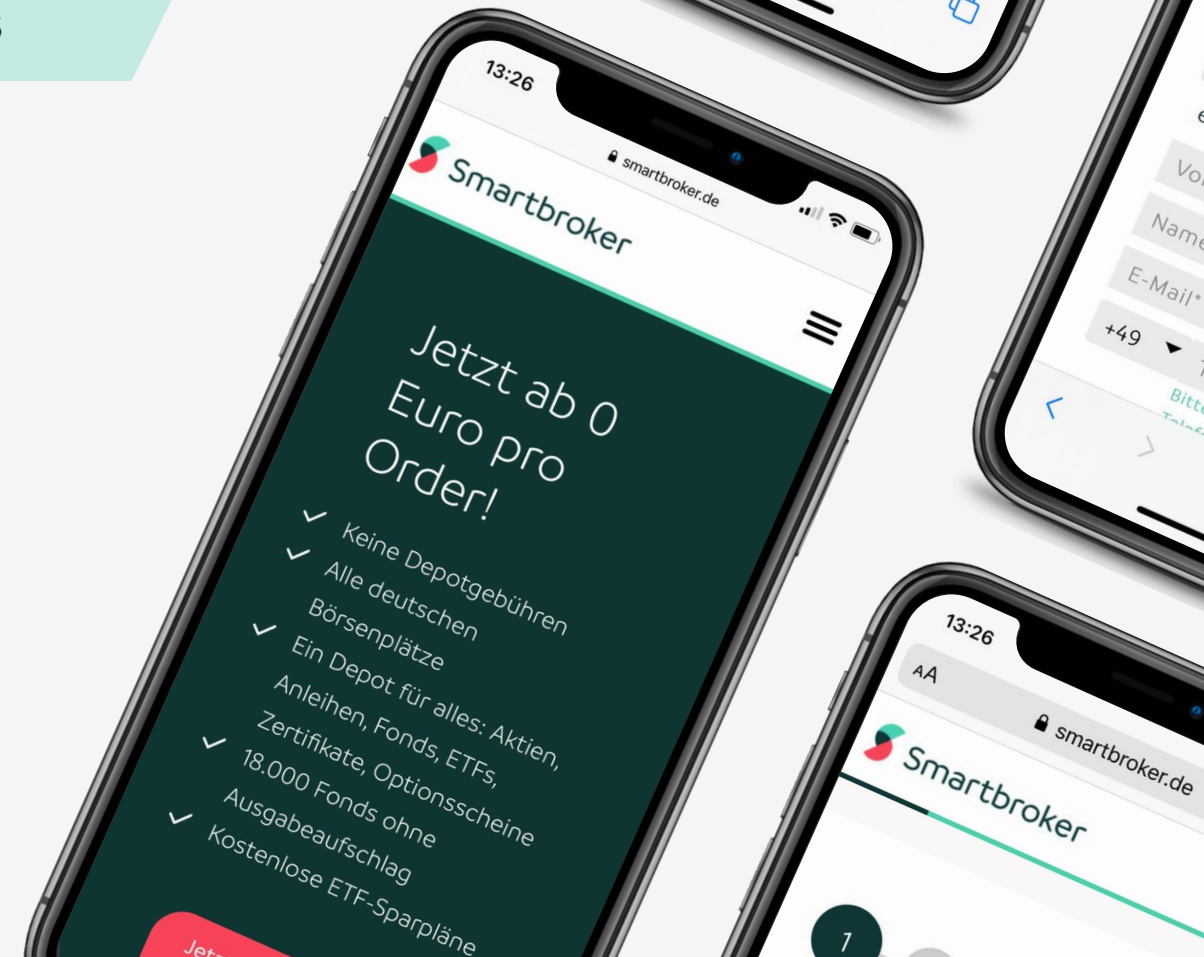
- Retail commissions
- Sponsoring, trading venues
- Digital advertising



Smartbroker

Germany's *ONLY* full-service broker with zero fees

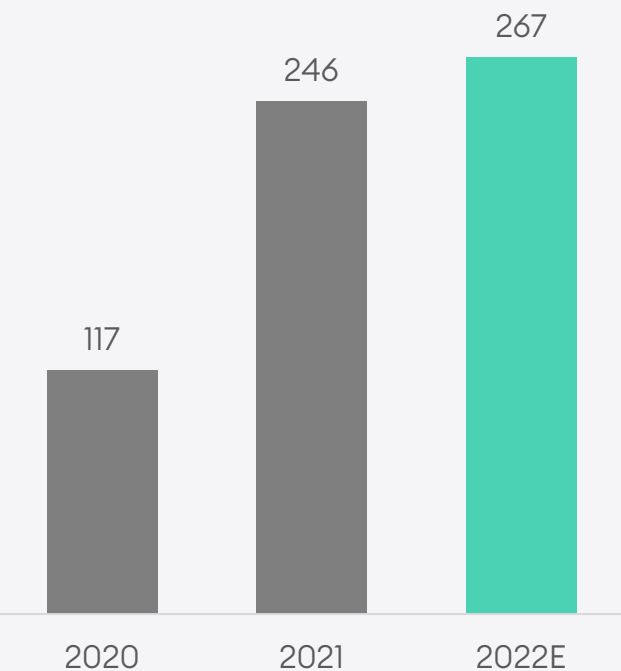
- Trade *virtually all* securities licensed in Germany on *all* German exchanges
- Permanently from €0 transaction fees
- Zero** securities account fee, **free** savings plans
- Virtually all funds **without issue premium**
- Large selection of international trading venues, incl. Nasdaq, NYSE, LSE



2022 | Further Growth Despite Challenging Environment

Setting up Smartbroker to become the Main Growth Driver by 2024

Brokerage accounts, in k



Assets under custody, in €bn



- Ø €34k client account volume
- 18 trades p.a. (2021: 29 trades)
- Ø €5k trade size
- <3% churn
- CAC ~€100 per account | Returned in <2yrs
- Positive unit economics from year 1
- **Plan: add 75k accounts p.a. from 2024**

Launched Smartbroker Dec 2019

Smartbroker Holding

CAC = client acquisition cost



Smartbroker 2.0

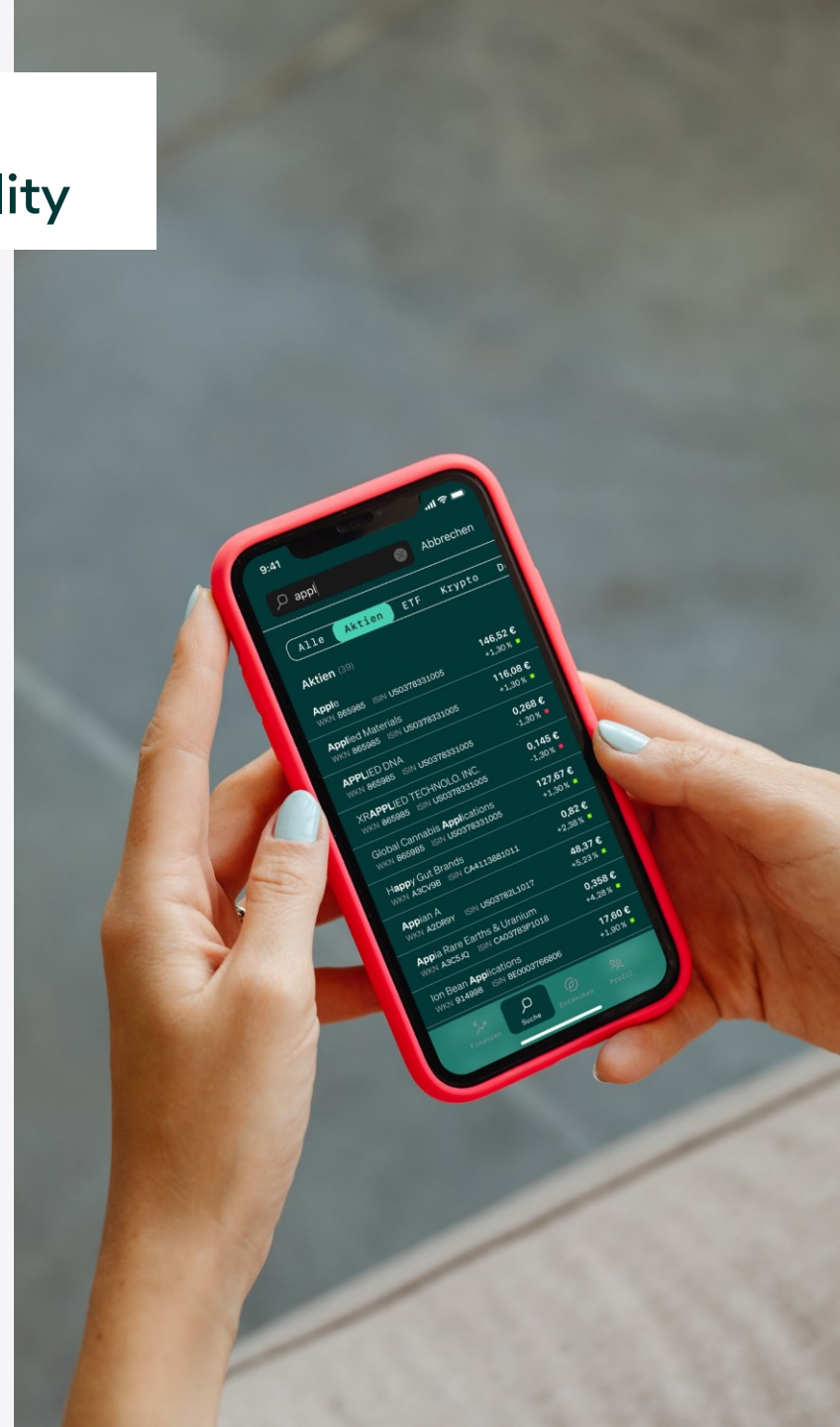
Extended Customer Experience & State-of-the-Art Functionality

Additions & Innovations

- Smartbroker app & new web interface
- New products: e. g. crypto trading
- New client groups

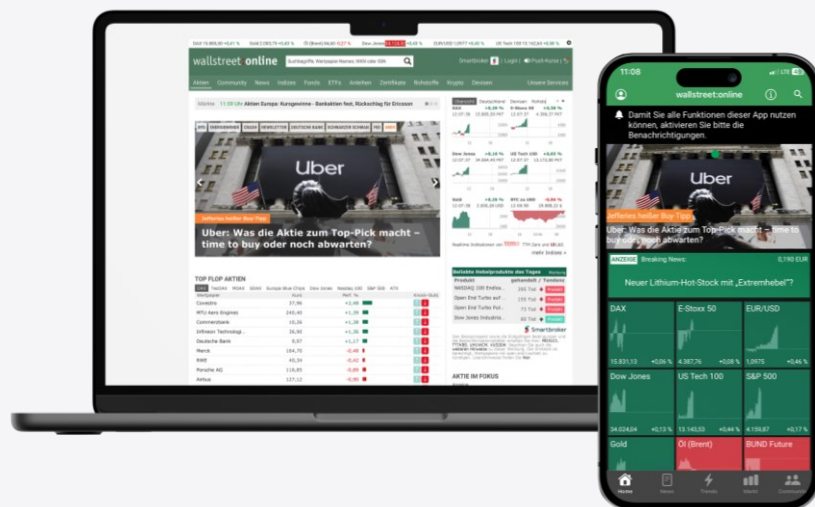
Benefits

- **First provider** to combine transaction with content & community in one product
- **Optimized** business model
- **Profit contribution** from 2024 onwards



Normalized Media Activity in 2022

Leading Market Position Makes Us a Staple for Advertisers



3 million+
Monthly Active Users

2 million+
App Installs

970 thousand+
Registered Users on
our Discussion Forums

680 thousand+
Qualified Newsletter
Recipients

Our Brands

wallstreet:online

börsenNEWS.de 

 FinanzNachrichten.de





Diversified Media Revenue Streams

Largely Ad-based Business Extended by Paid Content & B2B Data

Key Account Advertising

Direct-deal partnerships with banks, funds, ETP-providers addressing potential clients

Investor Relations Advertising

Direct-deal partnerships with listed companies addressing potential investors

Programmatic Advertising

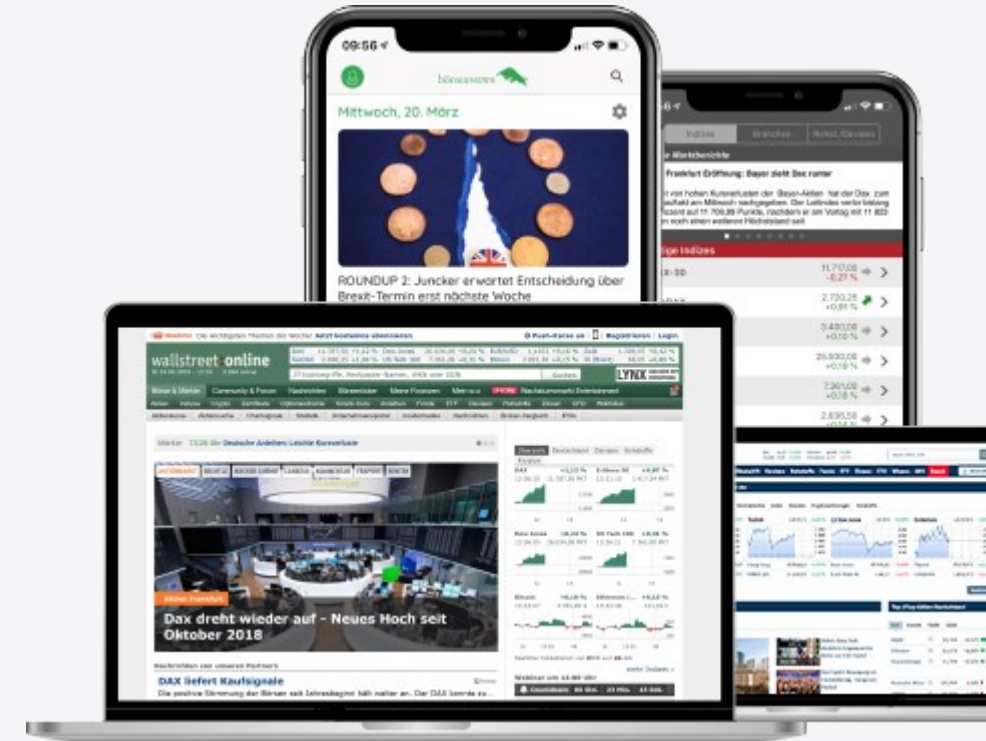
Offering our premium inventory via open auction to leading RTB partners

Exclusive Paid Content

Own editorial team providing market and asset analysis, recommendations

B2B Data & Media

Offering high-quality financial data, regulatory documents and web operations to B2B clients (e.g. Börse Frankfurt)



We Know Our Media Users

Advertisers Value our Targeted, High-value User Groups

Engaged

8 min session length

Well-versed

Active traders

Above-average
income

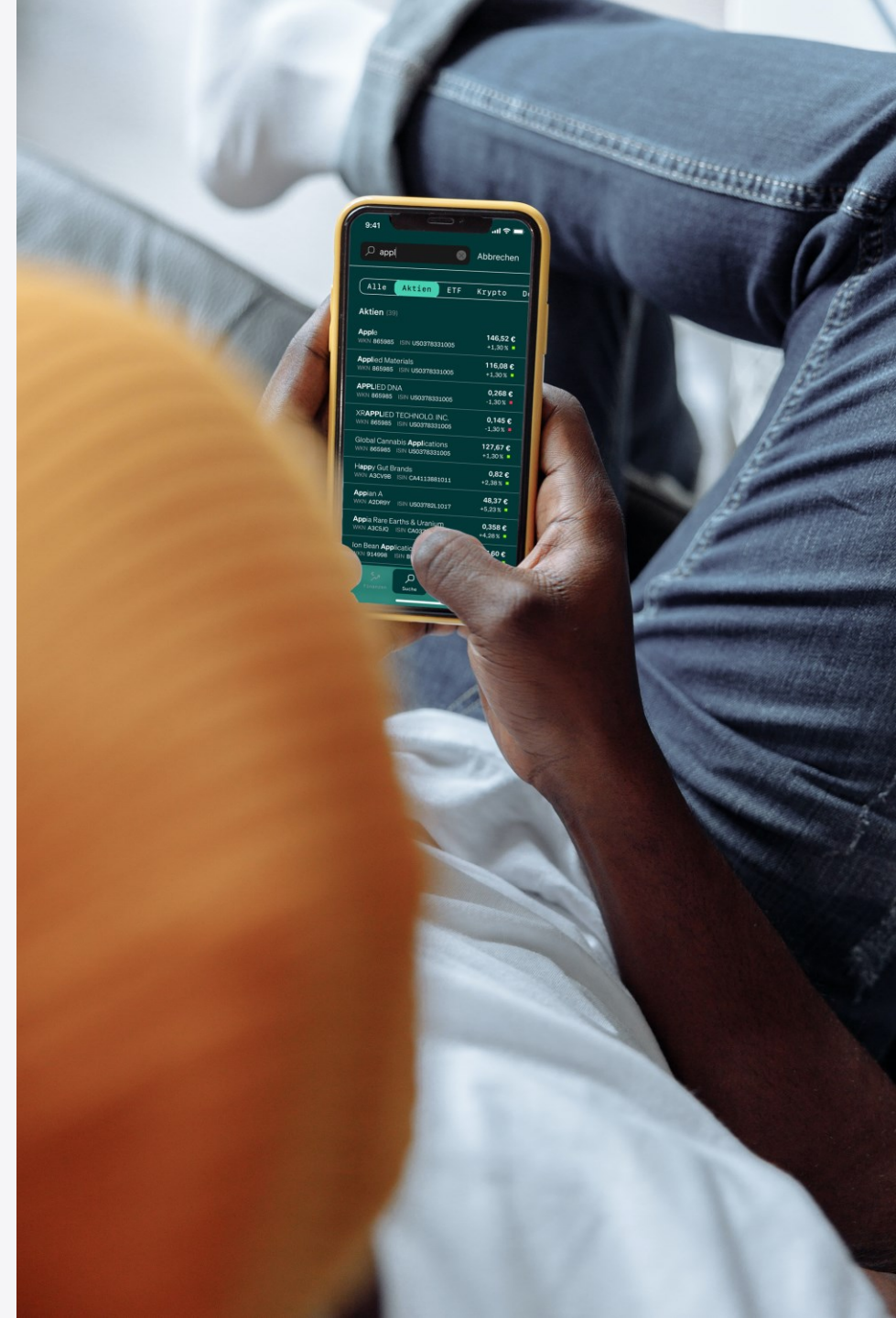


- Private investors & savers
- Above-average affinity for finance, private pension provision, economics, consumer goods
- **7% of visitors are institutional investors**
- 15 trades per month
- Typical trade size between €500 and €10k
- **€150k avg. securities account volume**
- Valuable target group for technology, automotive, travel, sports and high-priced consumer goods
- **50% of user have more than €3k monthly net income**

Key Tailwinds

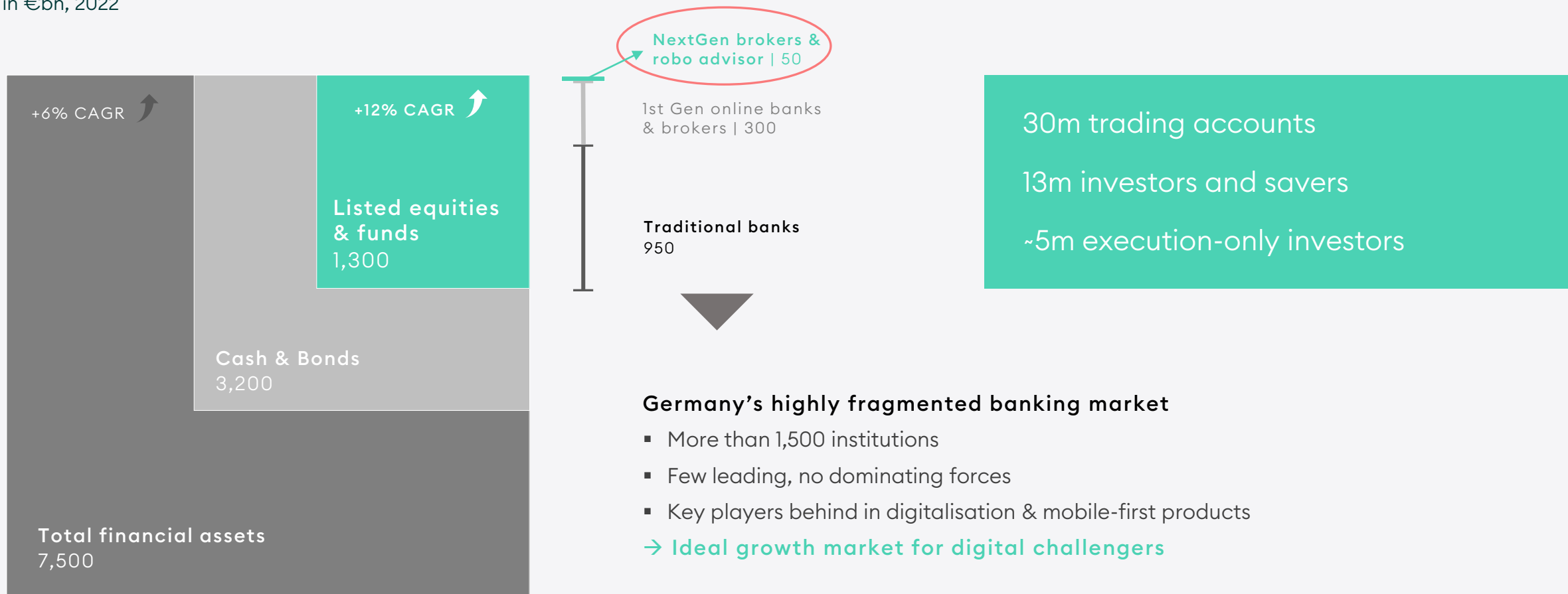
Expanding our Addressable Market

- Digitization
- User-friendly technology
- New (retail commission free) business models
- Free access to reliable financial information and education
- Pensions gap
- Wealth transfer through inheritance
- New generation of digital-first savers & investors



German Households' Financial Assets Grow by 6% p.a. Investments in Listed Equities & Funds Growing at Double this Rate

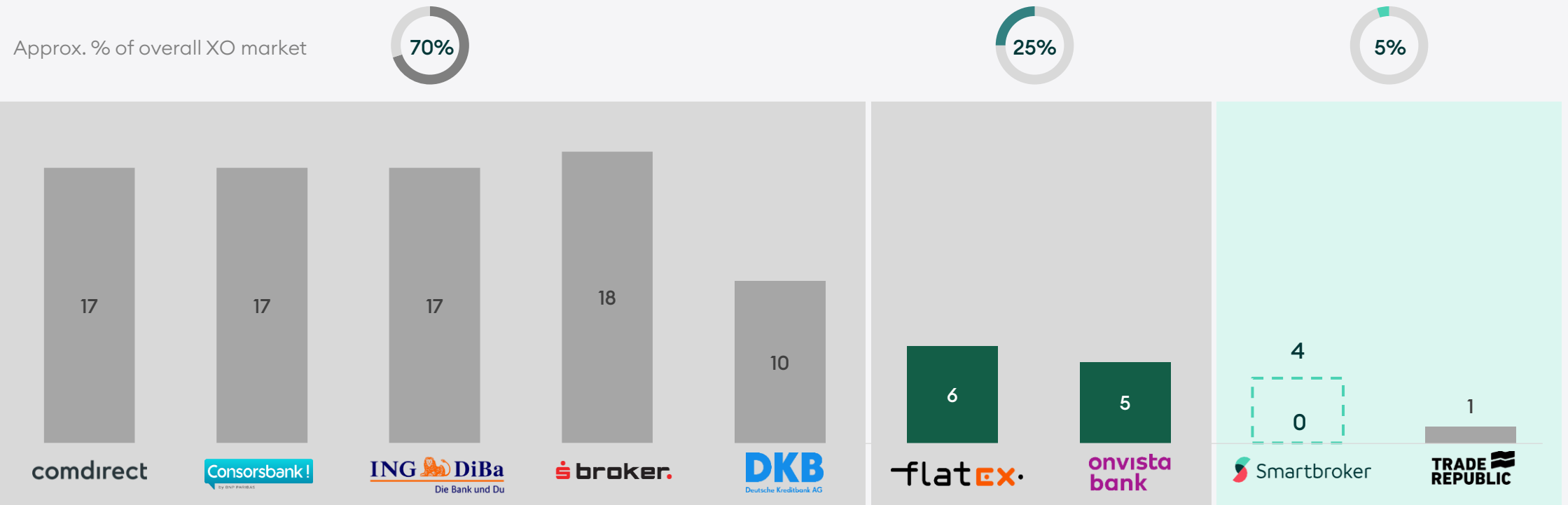
Total financial assets of German households,
in €bn, 2022



Disrupting the Market with €0 Retail Commissions

Zero-fee Commissions Enable Broad Access to Capital Markets

Approximate commissions of select German brokers, in €



Broad Banks

Maintain high commissions as long as possible

XO-Focused

Wait and see what happens to customer base before lowering fees

Start-ups

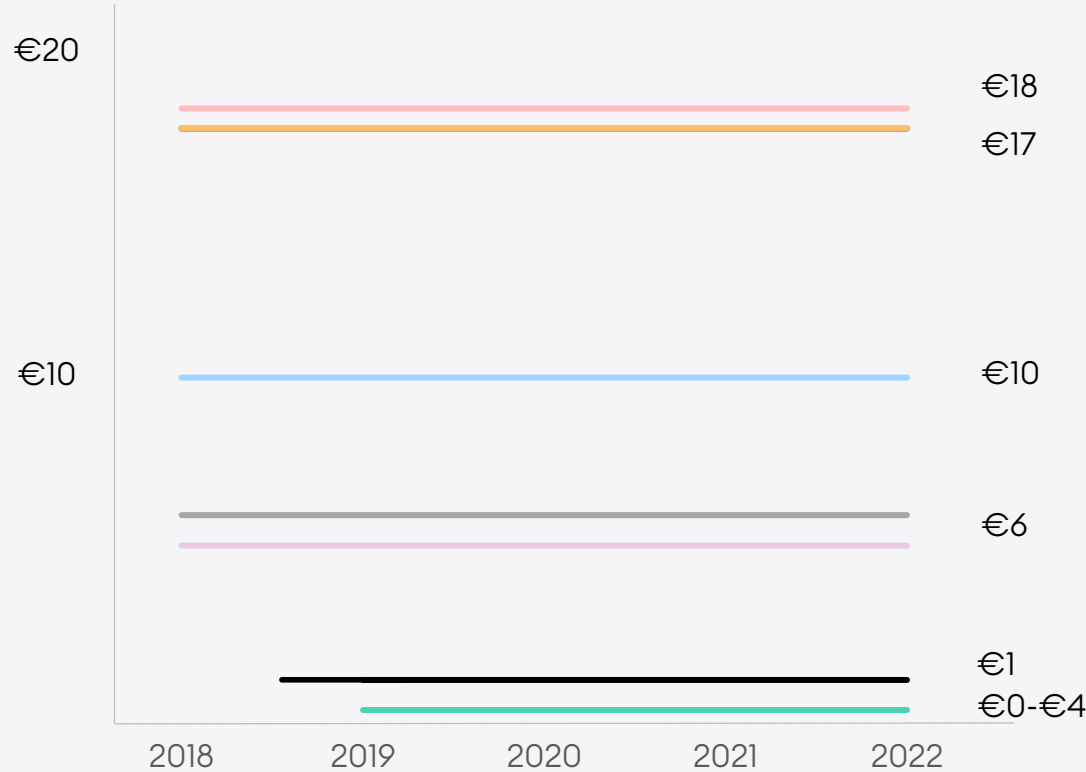
Disrupt market by charging low (zero) commissions, and earning revenue from other sources

Commissions based on hypothetical investment of EUR 5,000 | Source: ExtraETF 2022, broker websites
Market share based on number of securities accounts (own estimation)

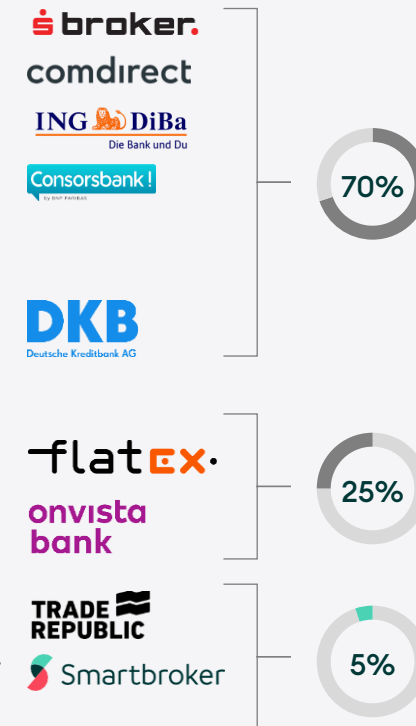
Stable Market Environment for More Than Half a Decade

Established Players Have Not Changed Their Pricing

Approx. commissions per trade



Approx. market share



Largely stable price development also before 2018

Neo broker enter the German market

Smartbroker combines €0-fee pricing with full product spectrum

New market entries leverage

- Lean operations & cost structure
- Targeted product design
- Digital-first concept for product & go-to-market strategy
- New approaches on pricing & sharing cost advantages with clients

→ Barriers for traditional brokers to adopt next gen broker pricing remain high

Market share based on number of securities accounts (own estimation)

We Are Covering the Entire Retail Investment Value Chain

Specific Growth Initiatives for Each Value Contributor

Consumers

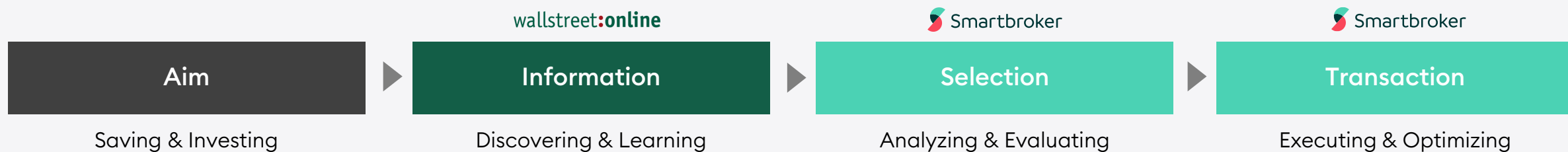
engage with financial news media, educational content and social platforms to

gather information

on markets, trends, assets, investment strategies

and invest

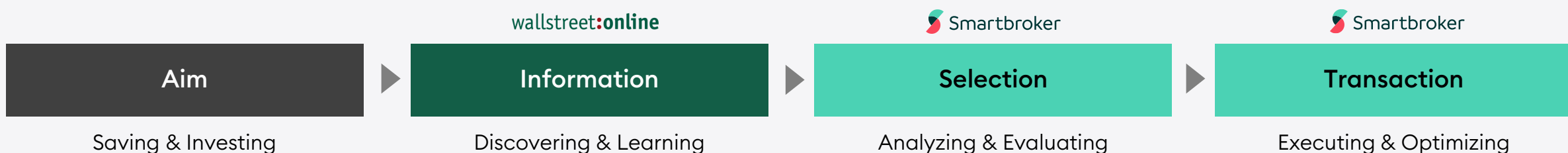
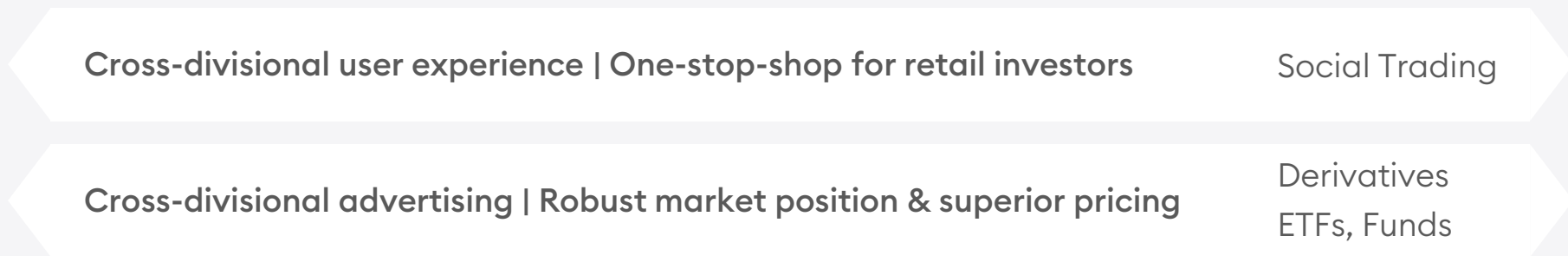
in shares, ETFs, funds, crypto etc. to build up savings over time



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Specific Growth Initiatives for Each Value Contributor

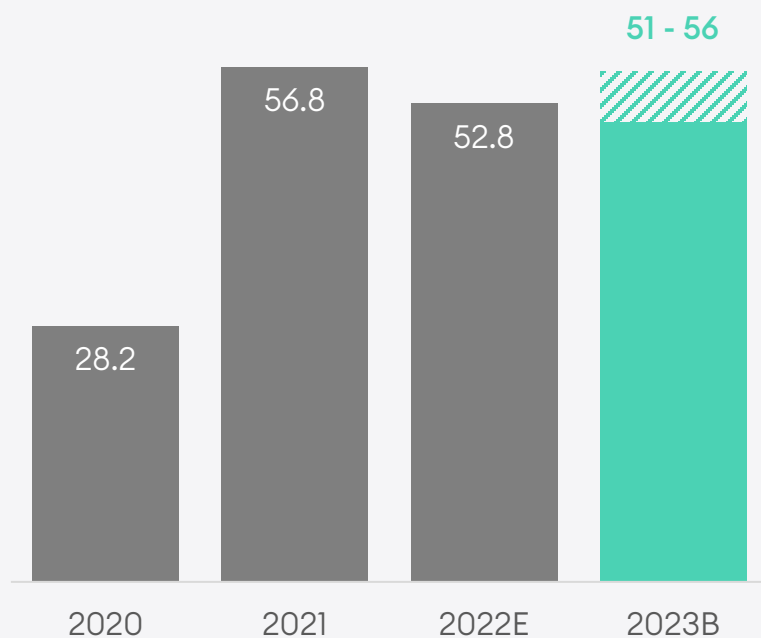
Synergies Potential



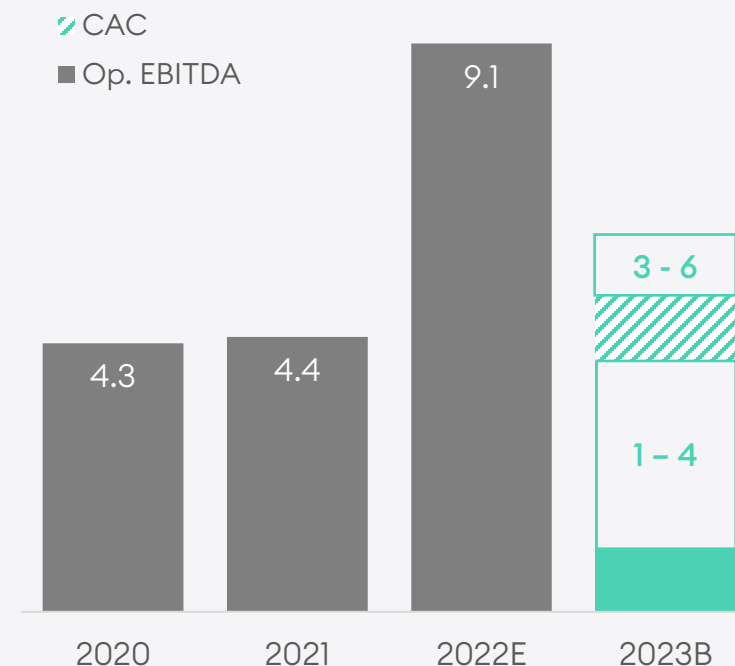
Guidance 2023

Last Transition Year Before Smartbroker 2.0 will Provide Full Year Contribution

Revenue, in €m



EBITDA before and after CAC, in €m



* 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 MIS the FY2021 pro forma revenue would amount to €51.4m, without material effect on the EBITDA.
E: estimate | B: budgeted, according to current company guidance | CAC: client acquisition cost

Investment Case

Moving from Investment Phase towards Harvest Period

Clear Product Differentiation & Unique Selling Point

Trade virtually all licensed securities on any German venue permanently from €0 commission

Expanding Share of a Growing Market

c. 1% of total German brokerage accounts
c. 4% of new accounts in Germany in 2021

Proven Track-Record of Profitable Growth

Defensible Competitive Position

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

Experienced and Invested Management Team

Focused on long-term value creation



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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.