

Recommendation: Buy

Price target: 14.00 Euro

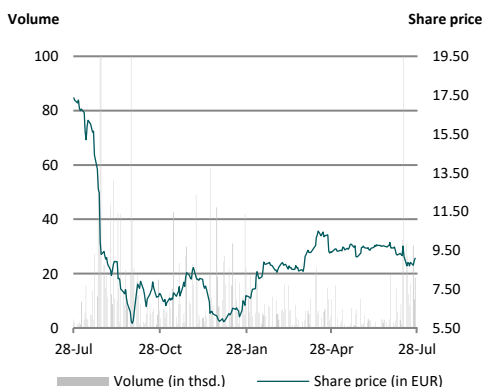
Upside potential: +54 percent

Share data

Share price	9.08 Euro (XETRA)
Number of shares (in m)	15.68
Market cap. (in EUR m)	142.4
Enterprise Value (in EUR m)	129.9
Code	SB1
ISIN	DE000A2GS609

Performance

52 week high (in EUR)	17.24
52 week low (in EUR)	5.39
3 m relative to CDAX	-7.3%
6 m relative to CDAX	+25.8%



Source: Capital IQ

Shareholder structure

Free float	32.3%
André Kolbinger	59.8%
Other Executive and Supervisory Board	7.9%

Calendar

H1 Report	September 2023
Annual Meeting	17 October 2023

Changes in estimates

	2023e	2024e	2025e
Sales (old)	54.1	70.9	83.0
Δ in %	-	-	-
EBIT (old)	-2.3	7.3	19.4
Δ in %	-	-	-
EPS (old)	-0.25	0.30	0.84
Δ in %	-	-	-

Analyst

Christoph Hoffmann
+49 40 41111 37 85
c.hoffmann@montega.de

Publication

Comment 31 July 2023

SB presents design and functionalities of the SMARTBROKER+

Smartbroker recently has started the awareness phase for the fully redesigned version of its online broker and released its 2022 AR which confirmed the preliminary results.

Product presentation of the SMARTBROKER+: A few days ago, the company presented extensive information as well as the design of the new web and mobile interfaces ([website](#)). In our view, they have a very modern and clean look (black & white and neon green color scheme). The app also appears to have an intuitive handling and to be user-friendly – this is decisive for a high customer satisfaction and, eventually, a low churn rate.

Trading with SMARTBROKER+ seems to be possible already from August; migration in October: According to the company, the first customers should already be able to trade on SMARTBROKER+ at the end of August in an early access phase. The existing portfolio holdings will then be digitally transferred at the end of October. Following a phase of almost 1.5 years during which the acquisition of new customers has mostly paused, we expect the marketing activities to be resumed after the migration of the accounts is completed at the latest.

Communication of further details on the initial & future product range Right from the start, the brokerage customers will benefit from the extensive range of information of the financial portals as well as from the knowledge of the big financial community which can be accessed in the apps. The range of savings plans (free of charge) and tradeable ETFs will also be significantly expanded, which should make the product even more attractive in our view. In the near term, the company aims to implement direct stock trading via its four own financial portals. Following the launch of the SMARTBROKER+, it should also be possible to take out margin loans, and to trade crypto at a later point in time. Whilst we assume that crypto trading will only play a subordinate role in commercial terms, we see significant potential for margin loans, which we have not yet included in our forecasts for cautionary reasons. Smartbroker is likely to benefit from the high AuC and the average account size of its customers here (Ø assets: EUR 34,300; AuC: EUR 9.2bn). Competitor flatexDEGIRO has an extremely stable margin loan portfolio of EUR 0.9bn at AuC of EUR 47.8bn (as of June 2023; c. 2% of AuC), which carried an average interest of 5% in 2023. The assumption of comparable conditions and utilization levels would lead to an additional earnings potential of c. EUR 9.2m p.a. for Smartbroker. However, it should be considered that the partner bank is likely to receive a substantial portion of the proceeds.

Conclusion: We believe that Smartbroker has created an extremely competitive solution with its app and web surface, which eliminates the main weaknesses of its brokerage platform. The outlined possible expansion of the company's product range (margin loans) also underlines the attractiveness of the investment case in our view. We confirm our buy rating and our price target of EUR 14.00.

FYend: 31.12.	2021	2022	2023e	2024e	2025e
Sales	48.2	52.8	54.1	70.9	83.0
Growth yoy	70.9%	9.5%	2.5%	31.1%	17.0%
EBITDA	3.6	8.8	2.4	15.1	26.5
EBIT	0.3	-8.4	-2.5	7.0	19.2
Net income	-0.5	-10.1	-4.1	4.5	13.0
Gross profit margin	48.2%	64.6%	70.5%	70.4%	73.2%
EBITDA margin	7.4%	16.6%	4.5%	21.3%	31.9%
EBIT margin	0.7%	-15.9%	-4.7%	9.9%	23.1%
Net Debt	-19.8	-12.5	-5.5	-15.1	-32.6
Net Debt/EBITDA	-5.6	-1.4	-2.2	-1.0	-1.2
ROCE	1.3%	-25.3%	-6.6%	18.9%	59.1%
EPS	-0.03	-0.64	-0.26	0.29	0.83
FCF per share	0.10	-0.99	-0.45	0.61	1.12
Dividend	0.00	0.00	0.00	0.00	0.00
Dividend yield	0.0%	0.0%	0.0%	0.0%	0.0%
EV/Sales	2.7	2.5	2.4	1.8	1.6
EV/EBITDA	36.6	14.8	53.4	8.6	4.9
EV/EBIT	376.1	n.m.	n.m.	18.4	6.8
PER	n.m.	n.m.	n.m.	31.3	10.9
P/B	2.9	2.9	3.1	2.9	2.3

Source: Company data, Montega, Capital IQ

Figures in EUR m, EPS in EUR Price: 9.08

COMPANY BACKGROUND

Smartbroker Holding AG is a financial services provider specialised in commercialising financial websites and providing brokerage services. As the largest publisher-independent financial portal operator in the German-speaking countries, the company has four online platforms with 2.6bn page impressions in 2022 and almost 1m registered users, which represent the largest financial community in Germany. Whilst the media segment is the company's traditional core business, the focus will increasingly shift towards the brokerage business which has been started at the end of 2019. The management systematically re-invests the cash flows generated in the media segment into the customer growth of the Smartbroker and will continue to pursue this strategy after the launch of the new, improved product version, Smartbroker 2.0, which is envisaged for mid-2023. In December 2022, Smartbroker supported over 269,000 securities accounts and assets under custody of over EUR 9.2bn.

Key Facts

Ticker	SB1	Revenue	EUR 52.8m
Sector	Financial Technology	EBIT	EUR -8.4m
Employees	239	EBIT margin	-15.9%
Core competence	Operation and commercialisation of financial portals, provision of digital brokerage services		
Locations	Berlin (headquarters), Kiel, Leipzig, Munich, Zurich		
Customer structure	<ul style="list-style-type: none"> • Media segment: Companies from a wide range of industries, with a focus on financial institutions and listed small and mid caps • Transaction segment: Private investors 		

Source: Company

As of FY 2022

Major events in the company's history

1998	Foundation of GIS Wirtschaftsdaten GmbH Operation of wallstreet-online.de
1999	Implementation of a first capital increase (net.IPO as investor)
2000	Change of name to wallstreet:online GmbH and change of form to Aktiengesellschaft (joint-stock company) Implementation of two capital increases (including 3i and T Venture as investors)
2003	Acquisition of all shares of the external investors by the Kolbinger family
2006	Listing of wallstreet:online AG (Open Market Frankfurt stock exchange)
2007	Acquisition of 50.10% of the shares by Axel Springer SE
2009	Stake increased to 75.01% of the shares by Axel Springer SE
2010	André Kolbinger reacquires 75.01% of the shares from Axel Springer SE
2018	Acquisition of Markets Inside Media GmbH, a German financial portal operator (boersennews.de) Implementation of a capital increase (issuing volume EUR 5.9m)
2019	Acquisition of the operating companies of the ariva.de and finanznachrichten.de financial portals and of the Smart Investor magazine Acquisition of 30% of the shares in Smartbroker AG (previously wallstreet:online capital AG) and call option secured to increase stake to a majority share Implementation of a capital increase (issuing volume EUR 5.9m)

Launch of the Smartbroker (as a white label product in cooperation with a partner bank)

2020 Smartbroker reaches 80,000 securities accounts

2021 Stake in Smartbroker AG increased to over 95%

Implementation of a capital increase (issuing volume EUR 19.1m)

Start of development work on Smartbroker 2.0 (deepening of the value chain, independence from the previous partner bank)

Smartbroker reaches over 200,000 securities accounts

2022 Implementation of a capital increase (issuing volume: EUR 10.0m).

Acquisition of the remaining shares of Smartbroker AG by way of a squeeze-out

Change of name to Smartbroker Holding AG

Continuation of development work on Smartbroker 2.0

Cooperation agreement with Baader for the implementation of Smartbroker 2.0

Development stages of Smartbroker Holding AG

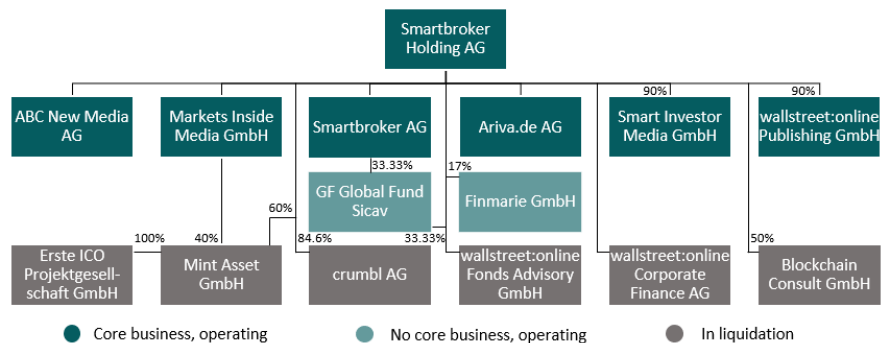


Source: Company

Scope of Consolidation

Smartbroker Holding AG is the holding company in the group’s organisation structure. The operating business activities of the transaction segment are controlled by the Smartbroker AG, whilst there are five separate subsidiaries in the media segment which bundle the respective activities of the individual financial portals and are responsible for the editorial work of the group. Smartbroker Holding AG currently works on simplifying its organisational structure, which is why six subsidiaries are being liquidated. Furthermore, the company group has two shareholdings, whose commercial relevance can rather be neglected.

Organizational structure of Smartbroker Holding AG



Source: Company

Business model and individual segments

Smartbroker Holding AG divides its business activities into two segments:

The **transaction segment (revenue share in 2022: 35%)** comprises all digital brokerage services of the company. This includes mainly the Smartbroker, which combines the advantages of a low-cost neo broker and a classical digital broker with a broad product assortment. On the one hand, Smartbroker offers trading via gettex and Lang & Schwarz at either zero cost or at one euro but is also connected to all other German trading platforms where clients can trade at fees of four and/or five euros. The Smartbroker also stands out for its free securities accounts, four optional currency accounts and a wide variety of international trading venues. In addition to shares, the clients can choose between over 1.5 million derivatives of 16 companies, numerous funds and ETFs as well as savings plans. The online broker primarily generates revenues with **transaction fees** and, to a smaller extent, with **rebates** and other fees which are paid by derivative providers and stock exchange operators.

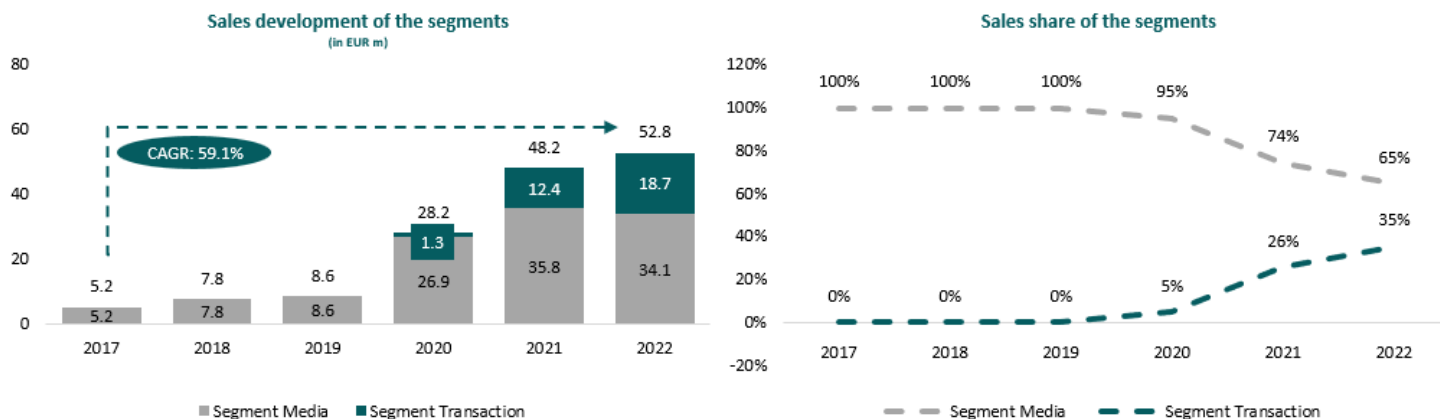
Smartbroker Holding also operates Fondsdiscout, a digital brokerage platform, and investment broker wallstreet:online capital. The former enables private investors to buy over 24,000 funds without issue premium. The latter exclusively caters to the client base (some 23,000 securities accounts of VW employees) acquired from Volkswagen Bank. The two products are of subordinate commercial relevance, which is expected to continue to decline going forward since the growth strategy is focused on the Smartbroker.

The **media segment (revenue share in 2022: 65%)** combines the four digital financial portals wallstreet:online, börsennews, ariva, finanznachrichten as well as the Smart Investor magazine. In addition to financial data and comprehensive reporting on current economic and stock market news, the portals also include a variety of thematic member's forums, where users can discuss with other users. In addition to the individual web presence, every financial portal has an own mobile app. The group monetarises the reach of the online platform in a B2B model with the four levels below.

- Some **40%** of segment revenues are generated by advertising contracts which are signed with longstanding **key accounts** (mostly banks or other financial services providers). Smartbroker Holding has its own sales team, which usually signs agreements with the relevant clients, which guarantee a certain number of advertising impressions. Based on the homogeneous users of the financial portals, which are mainly German-speaking private investors, the advertising inventory is very attractive, e.g. for issuers of financial products such as derivatives, funds and ETFs.
- Investor Relations marketing accounts for another **40%** of segment revenues. It is often booked by foreign small and midcaps through specialised agencies to exclusively sell the own equity story on financial portals. This offer is very interesting from an advertiser's point of view, not only because of the nature of the users but also because of the vast reach of the media portals. Smartbroker Holding regularly reaches some 40% of the German private investors so that the clients can cover a majority of the relevant German market with only one advertising partner.
- Some **5%** of segment revenues result from programmatic advertising (**real-time bidding**), where the remaining advertising space is auctioned in real time to advertisers of various industries with the help of a partner.
- **Paid content offers** (e.g. market letters), which were launched in the autumn of 2022, make up a fourth pillar of the monetarisation strategy. Smartbroker Holding started to actively sell this product in January 2023. Therefore, the historic revenue contribution is still **0%**.

To complement this, the group also has a B2B business which develops individual **software and financial data solutions** for clients from the financial industry. It accounts for **15%** of segment revenues.

Segment Reporting of Smartbroker Holding AG



Source: Company

Acquisition history

Smartbroker Holding AG acquired various companies in the past few years, primarily with the aim to strengthen the media business.

Acquisition	Date	Purchase price	Stake
Markets Inside Media GmbH	31.01.2018	520,000 shares	100.00%
Markets Inside Media GmbH operates the boersennews.de financial portal and the app of the same name. The company was transferred by way of a contribution in kind in exchange for new shares.			
Trade Republic UG	05.07.2018	EUR 0.885m	c. 2.00%
Trade Republic UG is a German neo broker which pursues a mobile-only strategy. The shareholding was sold in April 2020 for an amount in the low to medium single-digit million area.			
wallstreet:online capital AG	17.10.2018	MONE: EUR 3.00m	30.00%
wallstreet:online capital AG acts as distributor of financial products and was authorised by the Federal Financial Supervisory Authority (BaFin) as financial services provider in 2006. As part of the entry into the company, the parties agreed on a call option providing for an increase to >50%. The company was fully taken over in April 2022 and changed its name to Smartbroker AG.			
ABC New Media AG	27.02.2019	MONE: EUR 2.800m	100.00%
The acquired company operates the finanznachrichten.de financial portal.			
Ariva AG	24.06.2019	MONE: 7,500 Mio. Euro	100,00%
The company operates the financial portal ariva.de.			
Smart Investor Media GmbH	21.08.2019	n.a.	90.00%
The company operates the Smart Investor print and digital magazine.			
FinMarie GmbH	2021	EUR 0.533m	17.00%
According to own statements, FinMarie is the first European financial platform from women for women.			

Source: Company

Management

Smartbroker Holding AG is managed by five Board members.



André Kolbinger (CEO) is the founder of the company group and took over as Chief Executive Officer in August 2022. In the past, he developed the company into one of the leading financial media and brokerage companies in Germany during his almost twenty years as CEO, before he moved to the Supervisory Board and became its chairman. Mr. Kolbinger is also majority shareholder of Smartbroker Holding AG.



Roland Nicklaus was appointed to the Board of Smartbroker Holding AG as Chief Financial Officer in April 2021, after he had been a member of the company's Supervisory Board for almost 13 years. Previously, Mr. Nicklaus had been working in various senior management positions of investment banks Salomon Brothers, Rothschild and HSBC in London and thus has an excellent network and extensive experience in the financial industry.



Oliver Haugk (CTO) has been a member of the Management Board of Smartbroker Holding AG since November 2017. A graduate in business administration, he was head of the acquired portal boersennews.de while he worked for the Unister group. This provided him with many years of experience in online financial media and online marketing.



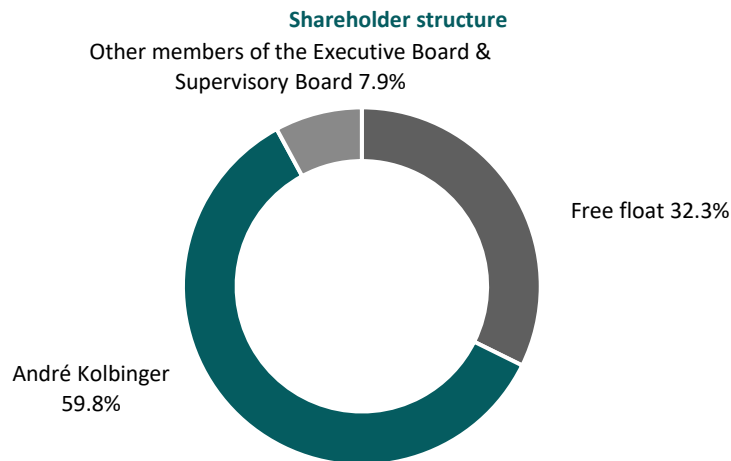
Michael Bulgrin has been a member of the Management Board since November 2017 and is responsible for the control of the produced media content in his role as Chief Content Officer. Following his studies in business administration, Mr. Bulgrin had also worked as public and investor relations consultant before he joined Smartbroker Holding in August 2015 and assumed the management of Corporate Communications.



Stefan Zmojda has been responsible for sales and market since April 2021 as Chief Revenue Officer. He joined Smartbroker Holding AG in 2013 where he held various positions including the position of CEO between 2019 and 2021. A graduate in business administration, he previously worked as product and project manager in different companies specialised in financial media.

Shareholder structure

Smartbroker Holding AG issued 15,681,252 bearer shares. Founder and CEO André Kolbinger holds the majority of the shares with a stake of 59.8%. The remaining members of the Management and Supervisory Boards account for 7.9%. Free float is 32.3%.



Source: Company

APPENDIX

DCF Model

Figures in m	2023e	2024e	2025e	2026e	2027e	2028e	2029e	Terminal Value
Sales	54.1	70.9	83.0	88.8	98.0	107.7	115.3	117.6
<i>Change yoy</i>	2.5%	31.1%	17.0%	7.0%	10.4%	9.9%	7.0%	2.0%
EBIT	-2.5	7.0	19.2	21.9	27.5	32.3	31.7	29.4
<i>EBIT margin</i>	-4.7%	9.9%	23.1%	24.6%	28.1%	30.0%	27.5%	25.0%
NOPAT	-3.3	4.9	13.4	15.3	19.3	22.6	22.2	20.6
Depreciation	5.0	8.0	7.3	6.7	6.3	5.9	5.3	2.0
<i>in % of Sales</i>	9.2%	11.3%	8.8%	7.5%	6.4%	5.5%	4.6%	1.7%
Change in Liquidity from								
- Working Capital	0.1	-1.0	-0.7	-0.3	-0.7	-0.6	-0.4	-0.1
- Capex	-8.0	-2.0	-2.0	-2.0	-2.0	-2.0	-2.0	-2.0
<i>Capex in % of Sales</i>	14.7%	2.8%	2.4%	2.3%	2.0%	1.9%	1.7%	1.7%
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Free Cash Flow (WACC model)	-6.3	10.0	18.0	19.7	22.9	25.9	25.1	20.4
WACC	9.4%	9.4%	9.4%	9.4%	9.4%	9.4%	9.4%	9.4%
Present value	-6.0	8.7	14.4	14.4	15.3	15.8	14.0	140.8
Total present value	-6.0	2.8	17.1	31.5	46.8	62.6	76.6	217.4

Valuation

Total present value (Tpv)	217.4
Terminal Value	140.8
Share of TV on Tpv	65%
Liabilities	18.5
Liquidity	27.4
Equity value	226.3

Number of shares (mln)

15.68

Value per share (EUR)

14.43

+Upside / -Downside

59%

Share price

9.08

Model parameter

Debt ratio	25.0%
Costs of Debt	4.0%
Market return	9.0%
Risk free rate	2.50%
Beta	1.40
WACC	9.40%
Terminal Growth	2.0%

Growth: sales and margin

Short term: Sales growth	2023-2026	17.9%
Mid term: Sales growth	2023-2029	13.4%
Long term: Sales growth	from 2030	2.0%
EBIT margin	2023-2026	13.3%
EBIT margin	2023-2029	19.8%
Long term EBIT margin	from 2030	25.0%

Sensitivity Value per Share (EUR)

WACC	Terminal Growth				
	1.25%	1.75%	2.00%	2.25%	2.75%
9.90%	12.78	13.23	13.48	13.75	14.34
9.65%	13.18	13.67	13.94	14.23	14.87
9.40%	13.61	14.14	14.43	14.75	15.45
9.15%	14.06	14.64	14.96	15.30	16.07
8.90%	14.54	15.17	15.52	15.90	16.74

Sensitivity Value per Share (EUR)

WACC	EBIT-margin from 2030e				
	20.00%	22.50%	25.00%	27.50%	30.00%
9.90%	11.85	12.66	13.48	14.30	15.12
9.65%	12.22	13.08	13.94	14.80	15.66
9.40%	12.62	13.53	14.43	15.34	16.24
9.15%	13.05	14.01	14.96	15.91	16.86
8.90%	13.51	14.52	15.52	16.52	17.53

P&L (in Euro m) Smartbroker Holding AG	2020	2021	2022	2023e	2024e	2025e
Sales	28.2	48.2	52.8	54.1	70.9	83.0
Increase / decrease in inventory	0.0	0.0	0.0	0.0	0.0	0.0
Own work capitalised	0.0	0.9	2.4	3.0	0.0	0.0
Total sales	28.2	49.1	55.2	57.1	70.9	83.0
Material Expenses	13.5	25.9	21.1	19.0	21.0	22.2
Gross profit	14.8	23.2	34.1	38.1	49.9	60.8
Personnel expenses	8.0	12.6	18.7	21.6	23.1	24.7
Other operating expenses	2.5	7.7	8.0	14.6	12.4	10.4
Other operating income	0.3	0.6	1.4	0.5	0.7	0.8
EBITDA	4.5	3.6	8.8	2.4	15.1	26.5
Depreciation on fixed assets	0.4	0.3	0.7	0.7	0.7	0.8
EBITA	4.1	3.2	8.1	1.7	14.3	25.7
Amortisation of intangible assets	0.7	1.1	13.8	1.6	4.7	3.8
Impairment charges and Amortisation of goodwill	1.3	1.8	2.7	2.6	2.6	2.6
EBIT	2.0	0.3	-8.4	-2.5	7.0	19.2
Financial result	2.5	-0.3	-1.5	-0.6	-0.6	-0.6
Result from ordinary operations	4.6	0.0	-9.9	-3.1	6.5	18.6
Extraordinary result	0.0	0.0	0.0	0.0	0.0	0.0
EBT	4.6	0.0	-9.9	-3.1	6.5	18.6
Taxes	1.0	0.6	0.1	1.0	1.9	5.6
Net Profit of continued operations	3.6	-0.5	-10.1	-4.1	4.5	13.0
Net Profit of discontinued operations	0.0	0.0	0.0	0.0	0.0	0.0
Net profit before minorities	3.6	-0.5	-10.1	-4.1	4.5	13.0
Minority interests	0.0	0.0	0.0	0.0	0.0	0.0
Net profit	3.5	-0.5	-10.1	-4.1	4.5	13.0

Source: Company (reported results), Montega (forecast)

P&L (in % of Sales) Smartbroker Holding AG	2020	2021	2022	2023e	2024e	2025e
Sales	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Increase / decrease in inventory	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Own work capitalised	0.0%	1.8%	4.5%	5.5%	0.0%	0.0%
Total sales	100.0%	101.8%	104.5%	105.5%	100.0%	100.0%
Material Expenses	47.7%	53.6%	39.9%	35.1%	29.6%	26.8%
Gross profit	52.3%	48.2%	64.6%	70.5%	70.4%	73.2%
Personnel expenses	28.3%	26.2%	35.5%	40.0%	32.6%	29.8%
Other operating expenses	8.9%	15.9%	15.1%	27.0%	17.5%	12.5%
Other operating income	0.9%	1.3%	2.6%	1.0%	1.0%	1.0%
EBITDA	16.0%	7.4%	16.6%	4.5%	21.3%	31.9%
Depreciation on fixed assets	1.6%	0.7%	1.3%	1.3%	1.1%	0.9%
EBITA	14.5%	6.7%	15.3%	3.2%	20.2%	30.9%
Amortisation of intangible assets	2.6%	2.3%	26.2%	3.0%	6.6%	4.6%
Impairment charges and Amortisation of goodwill	4.7%	3.7%	5.1%	4.9%	3.7%	3.2%
EBIT	7.2%	0.7%	-15.9%	-4.7%	9.9%	23.1%
Financial result	9.0%	-0.6%	-2.9%	-1.1%	-0.8%	-0.7%
Result from ordinary operations	16.2%	0.1%	-18.8%	-5.8%	9.1%	22.4%
Extraordinary result	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
EBT	16.2%	0.1%	-18.8%	-5.8%	9.1%	22.4%
Taxes	3.6%	1.2%	0.3%	1.8%	2.7%	6.7%
Net Profit of continued operations	12.6%	-1.1%	-19.1%	-7.6%	6.4%	15.7%
Net Profit of discontinued operations	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Net profit before minorities	12.6%	-1.1%	-19.1%	-7.6%	6.4%	15.7%
Minority interests	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%
Net profit	12.4%	-1.1%	-19.1%	-7.6%	6.4%	15.7%

Source: Company (reported results), Montega (forecast)

Balance sheet (in Euro m) Smartbroker Holding AG	2020	2021	2022	2023e	2024e	2025e
ASSETS						
Intangible assets	20.5	37.5	33.6	36.8	30.9	25.8
Property, plant & equipment	0.4	0.9	1.8	1.6	1.4	1.3
Financial assets	7.9	2.2	1.5	1.5	1.5	1.5
Fixed assets	28.8	40.6	36.9	39.9	33.8	28.6
Inventories	0.1	0.0	0.0	0.0	0.0	0.0
Accounts receivable	2.8	7.0	6.1	6.2	8.2	9.6
Liquid assets	14.1	25.5	27.4	20.3	29.9	47.5
Other assets	5.5	2.3	3.5	3.5	3.5	3.5
Current assets	22.4	34.8	37.0	30.0	41.6	60.6
Total assets	51.2	75.4	73.9	69.9	75.5	89.2
LIABILITIES AND SHAREHOLDERS' EQUITY						
Shareholders' equity	30.2	49.1	49.4	45.3	49.8	62.8
Minority Interest	0.0	0.4	0.0	0.0	0.0	0.0
Provisions	2.7	6.1	4.0	4.0	4.0	4.0
Financial liabilities	7.5	5.7	14.9	14.9	14.9	14.9
Accounts payable	1.6	8.9	3.0	3.1	4.1	4.8
Other liabilities	9.1	5.2	2.6	2.6	2.6	2.6
Liabilities	20.9	25.9	24.5	24.6	25.6	26.3
Total liabilities and shareholders' equity	51.2	75.4	73.9	69.9	75.5	89.2

Source: Company (reported results), Montega (forecast)

Balance sheet (in %) Smartbroker Holding AG	2020	2021	2022	2023e	2024e	2025e
ASSETS						
Intangible assets	40.0%	49.7%	45.5%	52.6%	40.9%	28.9%
Property, plant & equipment	0.8%	1.2%	2.4%	2.3%	1.9%	1.4%
Financial assets	15.5%	3.0%	2.0%	2.2%	2.0%	1.7%
Fixed assets	56.2%	53.8%	50.0%	57.1%	44.8%	32.0%
Inventories	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%
Accounts receivable	5.5%	9.2%	8.3%	8.9%	10.9%	10.8%
Liquid assets	27.5%	33.9%	37.0%	29.1%	39.6%	53.3%
Other assets	10.7%	3.0%	4.7%	5.0%	4.6%	3.9%
Current assets	43.8%	46.2%	50.1%	43.0%	55.1%	67.9%
Total Assets	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
LIABILITIES AND SHAREHOLDERS' EQUITY						
Shareholders' equity	59.0%	65.1%	66.8%	64.8%	66.0%	70.4%
Minority Interest	0.0%	0.5%	0.0%	0.1%	0.0%	0.0%
Provisions	5.3%	8.1%	5.4%	5.7%	5.3%	4.5%
Financial liabilities	14.7%	7.6%	20.1%	21.3%	19.7%	16.7%
Accounts payable	3.1%	11.8%	4.0%	4.4%	5.4%	5.4%
Other liabilities	17.8%	6.9%	3.6%	3.8%	3.5%	3.0%
Total Liabilities	40.9%	34.4%	33.2%	35.2%	33.9%	29.5%
Total Liabilities and Shareholders' Equity	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: Company (reported results), Montega (forecast)

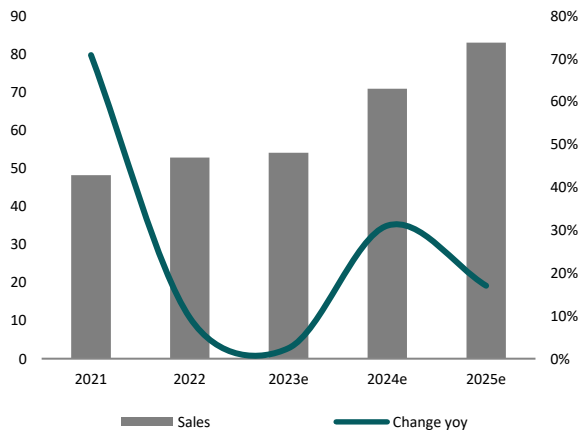
Statement of cash flows (in Euro m) Smartbroker Holding AG	2020	2021	2022	2023e	2024e	2025e
Net income	3.6	-0.5	-10.1	-4.1	4.5	13.0
Depreciation of fixed assets	0.4	0.3	0.7	0.7	0.7	0.8
Amortisation of intangible assets	2.5	3.5	16.5	4.2	7.3	6.5
Increase/decrease in long-term provisions	0.3	3.3	0.0	0.0	0.0	0.0
Other non-cash related payments	-4.7	4.2	2.9	0.0	0.0	0.0
Cash flow	2.1	10.7	10.0	0.8	12.6	20.3
Increase / decrease in working capital	-0.9	3.2	-4.9	0.1	-1.0	-0.7
Cash flow from operating activities	1.2	13.9	5.0	0.9	11.6	19.6
CAPEX	-0.5	-12.5	-20.6	-8.0	-2.0	-2.0
Other	-0.8	-7.3	-1.4	0.0	0.0	0.0
Cash flow from investing activities	-1.3	-19.8	-22.0	-8.0	-2.0	-2.0
Dividends paid	0.0	0.0	0.0	0.0	0.0	0.0
Change in financial liabilities	-2.8	-1.8	9.0	0.0	0.0	0.0
Other	7.3	19.0	9.7	0.0	0.0	0.0
Cash flow from financing activities	4.5	17.2	18.7	0.0	0.0	0.0
Effects of exchange rate changes on cash	0.0	0.2	0.1	0.0	0.0	0.0
Change in liquid funds	4.4	11.3	1.7	-7.0	9.6	17.6
Liquid assets at end of period	14.1	25.5	27.4	20.3	29.9	47.5

Source: Company (reported results), Montega (forecast)

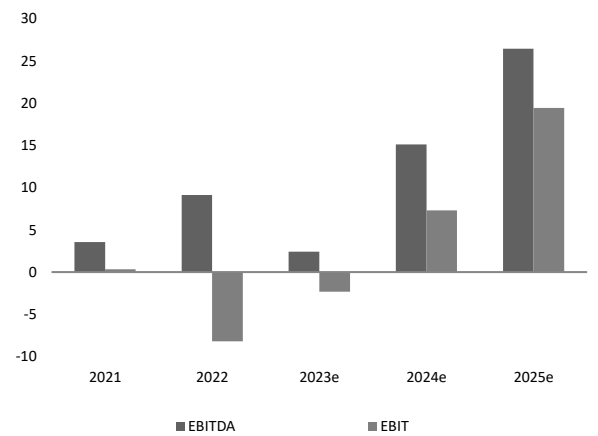
Key figures Smartbroker Holding AG	2020	2021	2022	2023e	2024e	2025e
Earnings margins						
Gross margin (%)	52.3%	48.2%	64.6%	70.5%	70.4%	73.2%
EBITDA margin (%)	16.0%	7.4%	16.6%	4.5%	21.3%	31.9%
EBIT margin (%)	7.2%	0.7%	-15.9%	-4.7%	9.9%	23.1%
EBT margin (%)	16.2%	0.1%	-18.8%	-5.8%	9.1%	22.4%
Net income margin (%)	12.6%	-1.1%	-19.1%	-7.6%	6.4%	15.7%
Return on capital						
ROCE (%)	8.4%	1.3%	-25.3%	-6.6%	18.9%	59.1%
ROE (%)	12.9%	-1.7%	-20.4%	-8.3%	10.0%	26.1%
ROA (%)	6.9%	-0.7%	-13.7%	-5.9%	6.0%	14.6%
Solvency						
YE net debt (in EUR)	-6.6	-19.8	-12.5	-5.5	-15.1	-32.6
Net debt / EBITDA	-1.5	-5.6	-1.4	-2.2	-1.0	-1.2
Net gearing (Net debt/equity)	-0.2	-0.4	-0.3	-0.1	-0.3	-0.5
Cash Flow						
Free cash flow (EUR m)	0.7	1.4	-15.5	-7.0	9.6	17.6
Capex / sales (%)	14.0%	27.0%	39.9%	14.7%	2.8%	2.4%
Working capital / sales (%)	7%	1%	1%	5%	5%	5%
Valuation						
EV/Sales	4.6	2.7	2.5	2.4	1.8	1.6
EV/EBITDA	28.7	36.6	14.8	53.4	8.6	4.9
EV/EBIT	64.0	376.1	-	-	18.4	6.8
EV/FCF	195.7	89.8	-	-	13.5	7.4
PE	37.8	-	-	-	31.3	10.9
KBV	4.7	2.9	2.9	3.1	2.9	2.3
Dividend yield	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Source: Company (reported results), Montega (forecast)

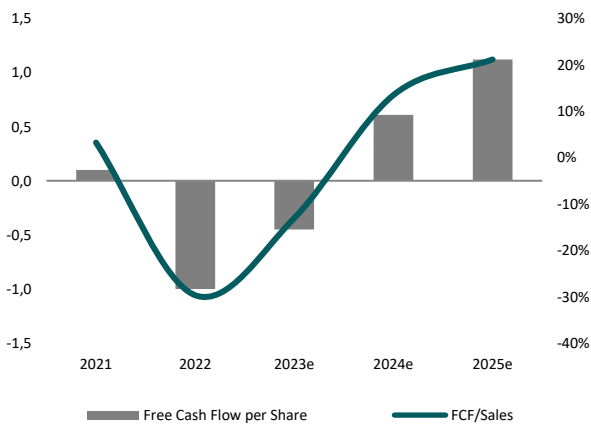
Sales development



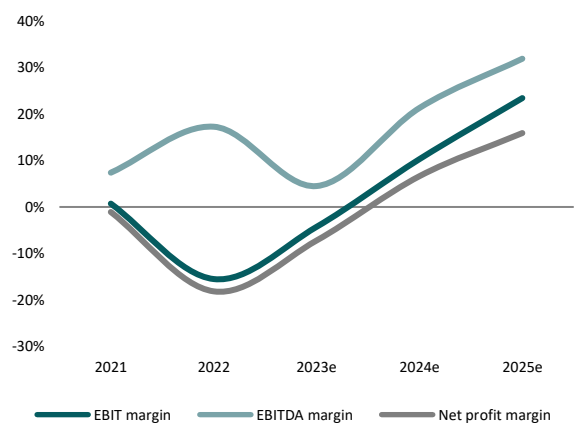
Earnings development



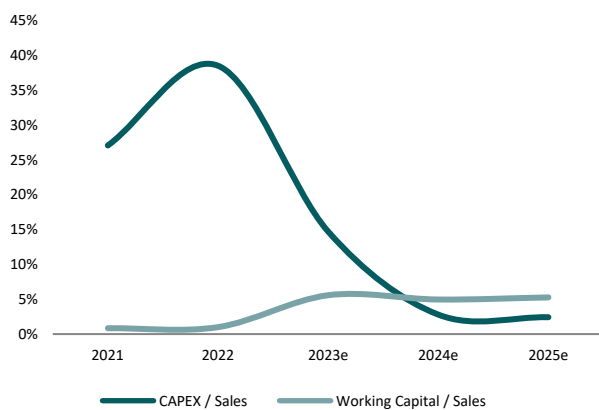
Free-Cash-Flow development



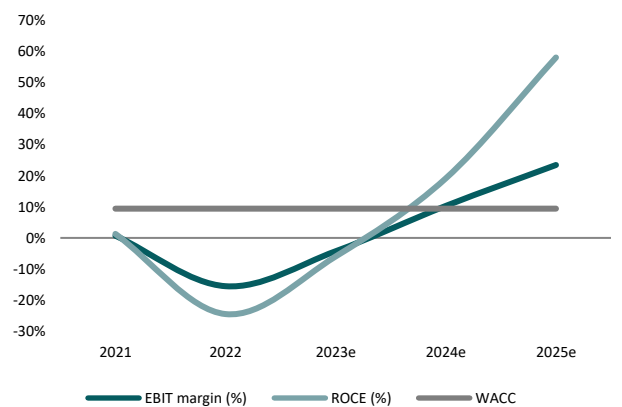
Margin development



Capex / Working Capital



EBIT-Yield / ROCE



DISCLAIMER

This document does not represent any offer or invitation to buy or sell any kind of securities or financial instruments. The document serves for information purposes only. This document only contains a non-binding opinion on the investment instruments concerned and non-binding judgments on market conditions at the time of publication. Due to its content, which serves for general information purposes only, this document may not replace personal, investor- or issue-specific advice and does also not provide basic information required for an investment decision that are formulated and expressed in other sources, especially in properly authorised prospectuses. All data, statements and conclusions drawn in this document are based on sources believed to be reliable but we do not guarantee their correctness or their completeness. The expressed statements reflect the personal judgement of the author at a certain point in time. These judgements may be changed at any time and without prior announcement. No liability for direct and indirect damages is assumed by either the analyst or the institution employing the analyst. This confidential report is made available to a limited audience only. This publication and its contents may only be disseminated or distributed to third parties following the prior consent of Montega. All capital market rules and regulations governing the compilation, content, and distribution of research in force in the different national legal systems apply and are to be complied with by both suppliers and recipients. Distribution within the United Kingdom: this document is allotted exclusively to persons who are authorized or appointed in the sense of the Financial Services Act of 1986 or on any valid resolution on the basis of this act. Recipients also include persons described in para 11(3) of the Financial Act 1986 (Investments Advertisements) (Exemptions) Order 1996 (in each currently valid amendment). It is not intended to remit information directly or indirectly to any other groups or recipients. It is not allowed to transmit, distribute, or to make this document or a copy thereof available to persons within the United States of America, Canada, and Japan or to their overseas territories.

Declaration according to Section 85 of the German Securities Trading Act (WpHG) and Art. 20 Regulation (EU) No. 596/2014 in conjunction with Commission Delegated Regulation (Delegierte Verordnung) 2016/958 (as of 31 July, 2023): Montega has made an agreement with this company about the preparation of a financial analysis. The research report has been made available to the company prior to its publication / dissemination. Thereafter, only factual changes have been made to the report. A company affiliated with Montega may hold an interest in the issuer's share capital or other financial instruments.

Prices of financial instruments mentioned in this analysis are closing prices of the publishing date (respectively the previous day) if not explicitly mentioned otherwise. Any updating of this publication will be made in the case of events that Montega considers to be possibly relevant to the stocks' price performance. The end of regular comments on events in context with the issuer (coverage) will be announced beforehand.

Sources of information: The main sources of information for the preparation of this financial analysis are publications of the issuer as well as publicly available information of national and international media, which Montega regards as reliable. There have also been discussions with members of the management team or the investor relations division of the company concerned when preparing this analysis.

Reference pursuant to MiFID II (as of 31 July, 2023): This publication was prepared on the basis of a contract between Montega AG and the issuer and will be paid by the issuer. This document has been widely published and Montega AG makes it simultaneously available for all interested parties. Its receipt therefore is considered a permissible minor non-monetary benefit in the sense of section 64 Paragraph 7 Sentence 2 No. 1 and 2 of the German Securities Trading Act (WpHG).

Fundamental basics and principles of the evaluative judgements contained in this document: Assessments and valuations leading to ratings and judgements given by Montega AG are generally based on acknowledged and broadly approved methods of analysis i.e. a DCF model, a peer group comparison, or sum-of-the-parts model.

Our ratings:

Buy: The analysts at Montega AG believe the share price will rise during the next twelve months.

Hold: Upside/downside potential limited. No immediate catalyst visible.

Sell: The analysts at Montega AG believe the share price will fall during the next twelve months.

Authority responsible for supervision:

Bundesanstalt für Finanzdienstleistungsaufsicht
Graurheindorfer Str. 108 and Marie-Curie-Str. 24-28
53117 Bonn 60439 Frankfurt

Contact Montega AG:

Schauenburgerstraße 10
20095 Hamburg
www.montega.de
Tel: +49 40 4 1111 37 80

SMARTBROKER HOLDING AG

Share price and recommendation history

Recommendation	Date	Price (EUR)	Price target (EUR)	Potential
Buy (Initiation)	07.02.2023	7.52	14.00	+86%
Buy	16.03.2023	8.60	14.00	+63%
Buy	19.06.2023	9.76	14.00	+43%
Buy	03.07.2023	9.62	14.00	+46%
Buy	31.07.2023	9.08	14.00	+54%
