

A photograph of a modern, multi-story building at dusk. The building features a curved facade with a grid of vertical and horizontal panels. The interior lights are on, and the sky is a deep blue. The building's design is contemporary, with a mix of materials and colors.

CORPORATE PRESENTATION

flatexDEGIRO AG | October 2020

First and leading pan-European online brokerage

flatexDEGIRO

At a glance

flatex = DEGIRO

Investment highlights



Online Brokerage Including Credit and Treasury

- Leading European online broker serving highly active private investors and traders in 18 countries
- Operating under German banking license with EU passport enhances customer monetization and provides ancillary services to core online brokerage business
- Strong positioning in Germany, Netherlands and Austria with enormous potential to increase significantly European market share of currently approx. 8%

Revenue Model and Contribution

- Online brokerage
(Commission income from clients and intelligent exchange and product partner partnerships)



- Credit and treasury
(Interest income on collateralized margin loans and low-risk treasury investments)



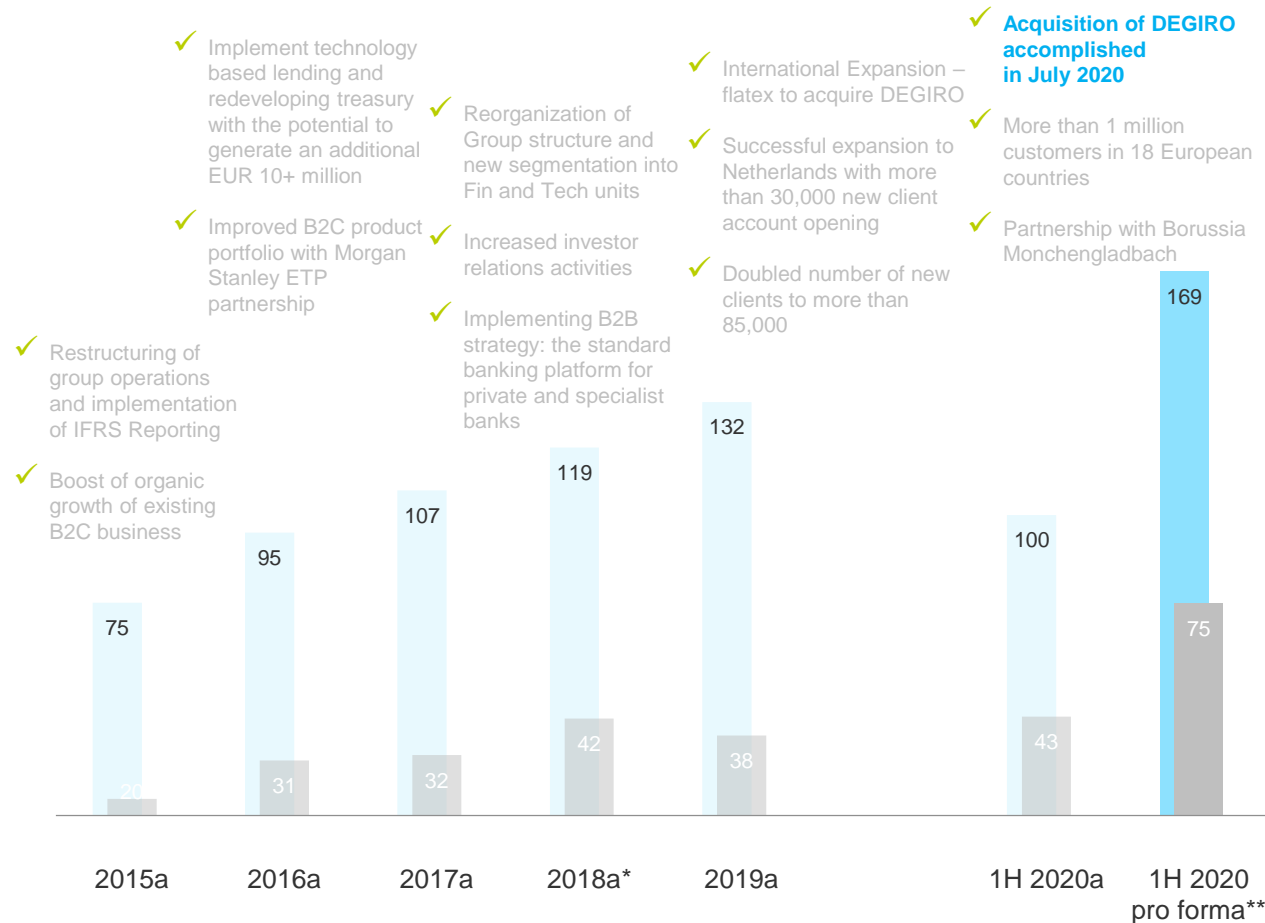
Key Operating Metrics (flatex and DEGIRO pro forma)

<p>Number of B2C Customers</p> <p>>1,0 m</p>	<p>Number of exchanges and OTC-partners</p> <p>>60</p>	<p>Annualized Executed Trades</p> <p>>70 m</p>	<p>Annualized Executed Trade Volume</p> <p>>EUR 300 bn</p>	<p>Securities under Custody</p> <p>>EUR 20 bn</p>	<p>Customer Cash Deposits</p> <p>>EUR 2 bn</p>
<p>Credit Book (collateralized)</p> <p>>EUR 700 m</p>	<p>Average Interest Rate (Loan Book)</p> <p>>3% p.a.</p>	<p>Balance Sheet Equity*</p> <p>>EUR 200 m</p>	<p>Return on Equity (before Tax)*</p> <p>>20 %</p>	<p>Markets</p> <p>18 countries</p>	<p>Employees</p> <p>>800</p>

Note: figures as of 1H 2020

* excluding DEGIRO, figures as of 1H 2020

Track record and mid-term ambition



Note: Historical financial data (until 1H 2020a) exclude DEGIRO
 * Adjusted for non-operational and non-EBITDA revenue accounting effect of 6m EUR in 2018
 ** Pro forma financial information including DEGIRO (preliminary)

flatexDEGIRO mid term ambition

- Building Europe's leading online brokerage business flatexDEGIRO
- More than 2 million clients
- More than 60 million transactions p.a.

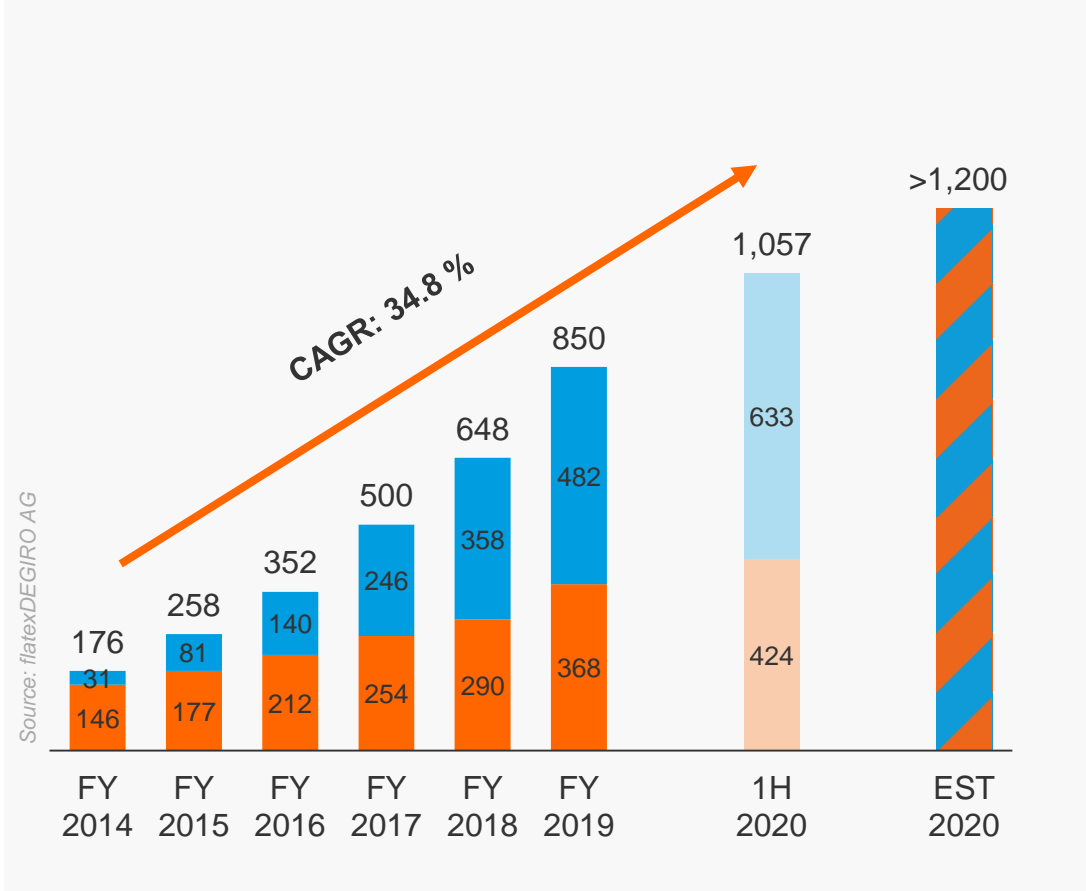
EUR million

Metric	Value (EUR million)
Net Sales	150
EBITDA	80
Net Profit	300

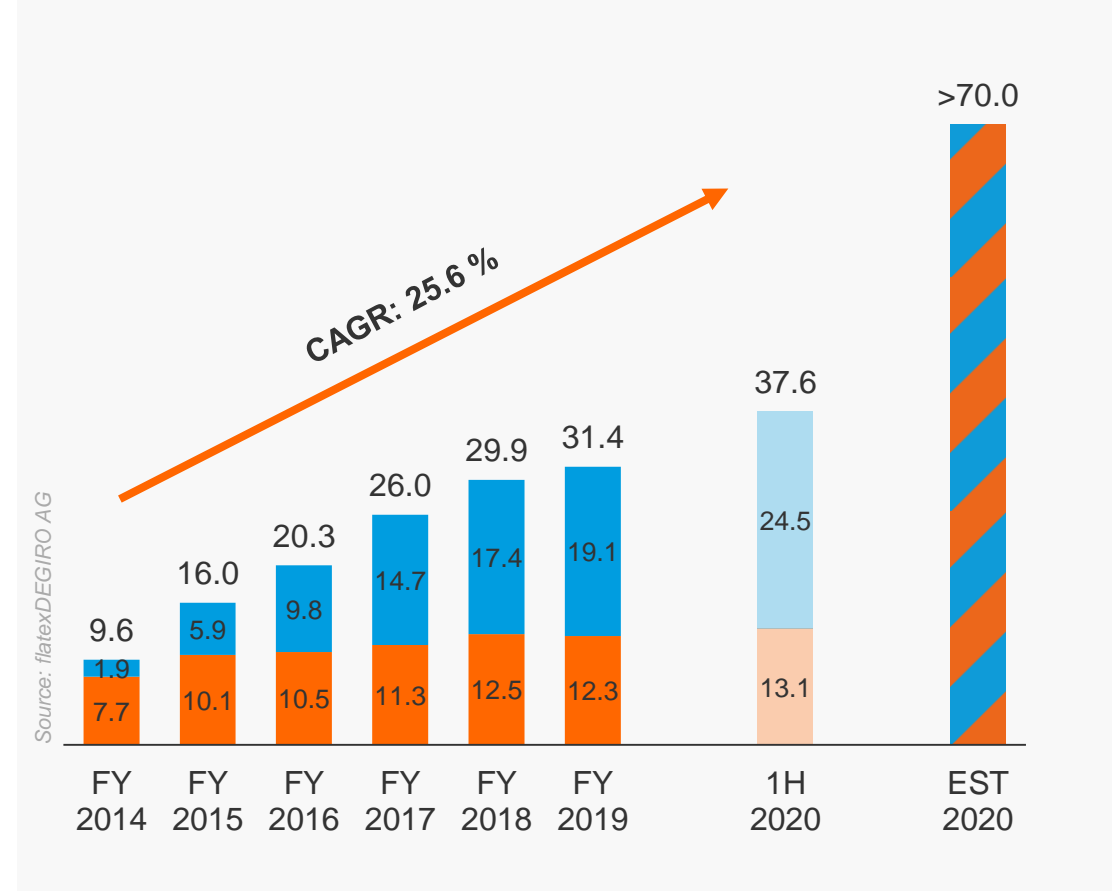
Strong sustainable growth of clients and trades



Growing number of B2C customers (thousand)*



Total number of trades (million)*



* Pro forma for DEGIRO ■ DEGIRO ■ flatex ■ flatexDEGIRO

Business Model

flatex = DEGIRO

Fastest growing online brokerage with excellent risk-return profile



Market Leader with High Value Clients

- Fastest growing online brokerage business in Europe with **more than 1.2m retail clients** doing **more than 70m transactions** expected in 2020*
- **Market share** of >20% in Germany, >40% in Austria and >35% in Netherlands in terms of online brokerage transactions* (total est. # of transactions: 60m in Germany, 15m in Austria, 35m in Netherlands**)
- Most **trading-active client pool** in the brokerage market (our clients: avg. 40-50 trades p.a. vs. market: avg. 8-12 trades p.a.**)
- Dedicated brokerage offering with **focused marketing strategy** minimizes operating expenses (cost per client acquisition less than **EUR 100** vs. EUR 300-500 CPA at competitors)

Fully Independent Platform and Banking License

- Only major **bank-independent broker** German **banking license and European passport**
- Full **value chain under one roof**, thus highly **scalable platform** at low additional costs
- **Homegrown core banking system** with outstanding expertise in transaction banking

Excellent Risk Profile

- Brokerage agency only with **no “black swan risks”** (WTI, SFR unpeg) due to no market making, no trading book and no trading liquidity risk
- Positively **geared to volatility** with **natural profit hedge** to downturns

Our competitive edge: the triple „P“

Product

- **Top notch product offering** including equities, bonds, ETPs, ETFs and mutual funds
- **Market leading ETP offering** of Goldman Sachs, Morgan Stanley, Société Générale, UBS, BNP Paribas, HSBC, Vontobel and other products

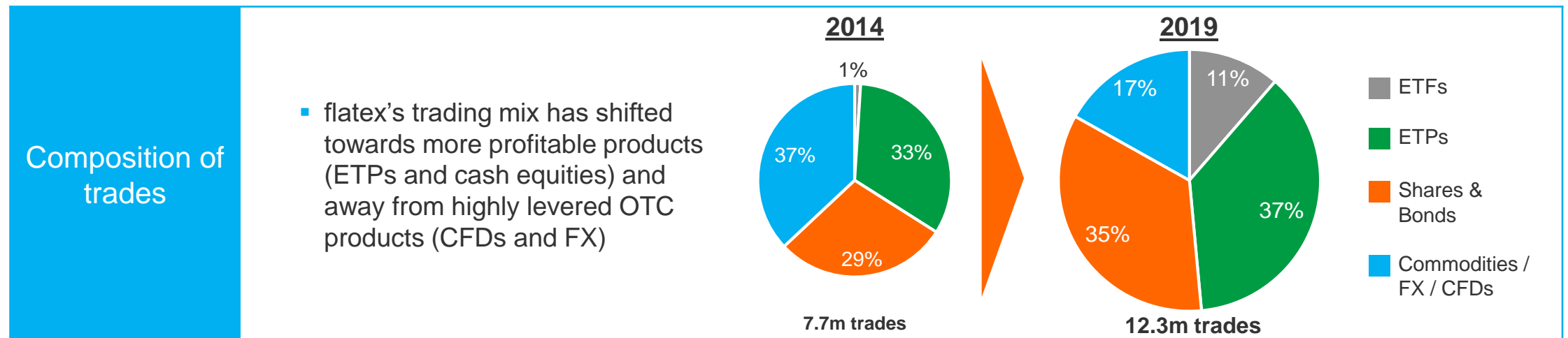
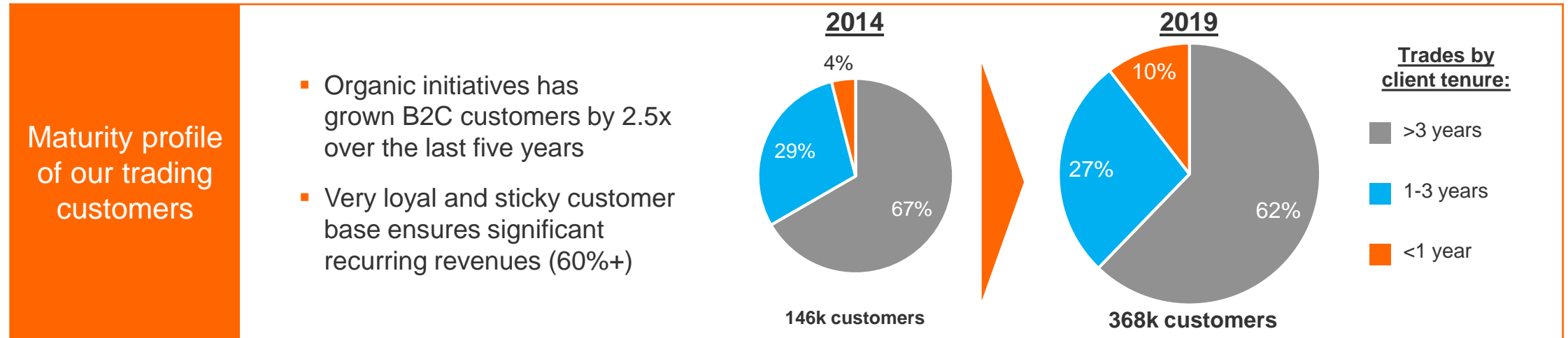
Platform

- **Trading platform only** – no research, recommendation or intelligence – avoiding regulatory administration and costs
- Originally **designed by traders** for traders and has migrated to a platform that caters to a wide range of investors
- **Economies of scale**: each additional trade reduces cost per trade settlement – doubling the # of transactions reduces CPT by >40% from currently 1.44 EUR to ~0.80 EUR

Pricing

- **Unlimited trading possibilities** with a flat pricing model of **max. EUR 5.90 per transaction** – regardless of type of asset (stocks, bonds, ETPs, ETFs, etc.) and transaction amount
- **Competitive technology edge** due to self-developed, highly scalable security ordering/settlement infrastructure ensures **sustainable cost leadership** with cost per trade (CPT) of currently less than EUR 1.44

Product composition and customer demographics

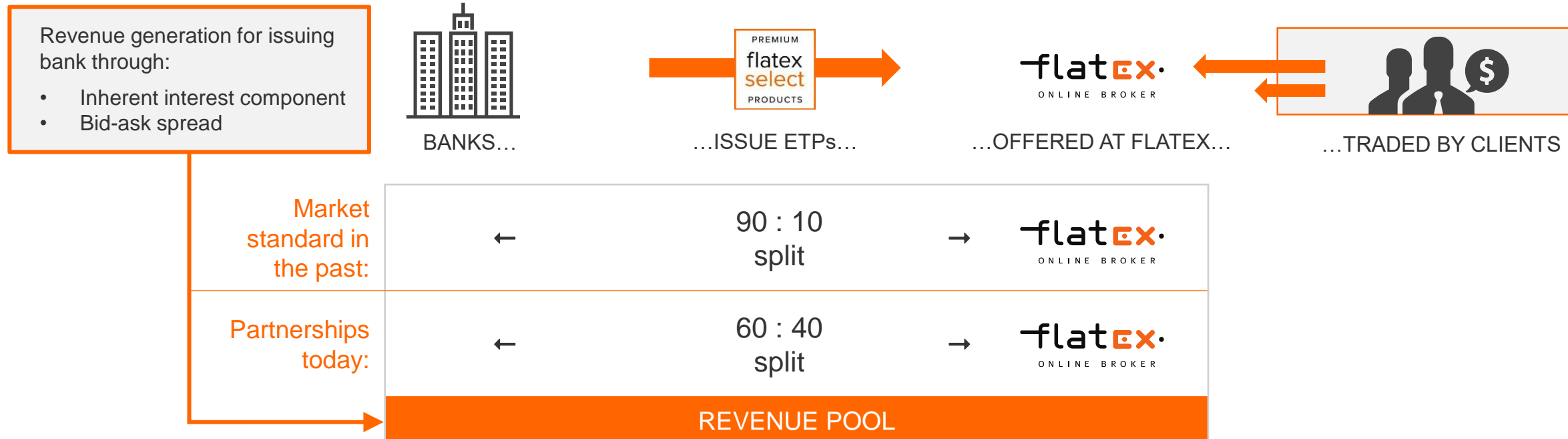


Note: Data excludes DEGIRO

Highly profitable ETP distribution model

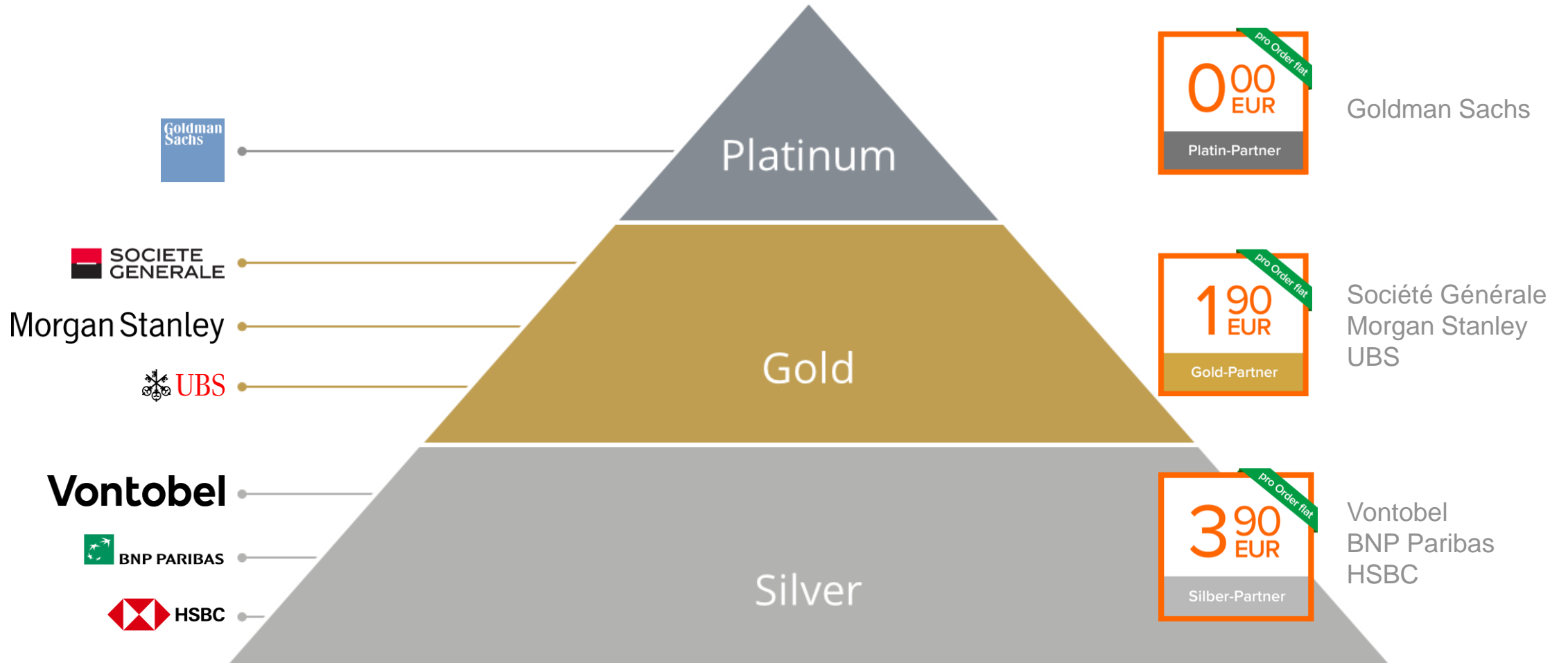
For trades with ETP partners, flatex participates in the partner's revenue pool

- flatexDEGIRO AG has >15% market share in the distribution of Germany's EUR ~70 billion ETP market
- flatex's growth has driven economies of scale and significantly improved economics from issuing banks – 10% historically increasing to 40%+
- Clients can trade almost 140,000 flatex-select products issued by Goldman Sachs at zero fee



Note: Data excludes DEGIRO

Market leading ETP offering is a differentiator



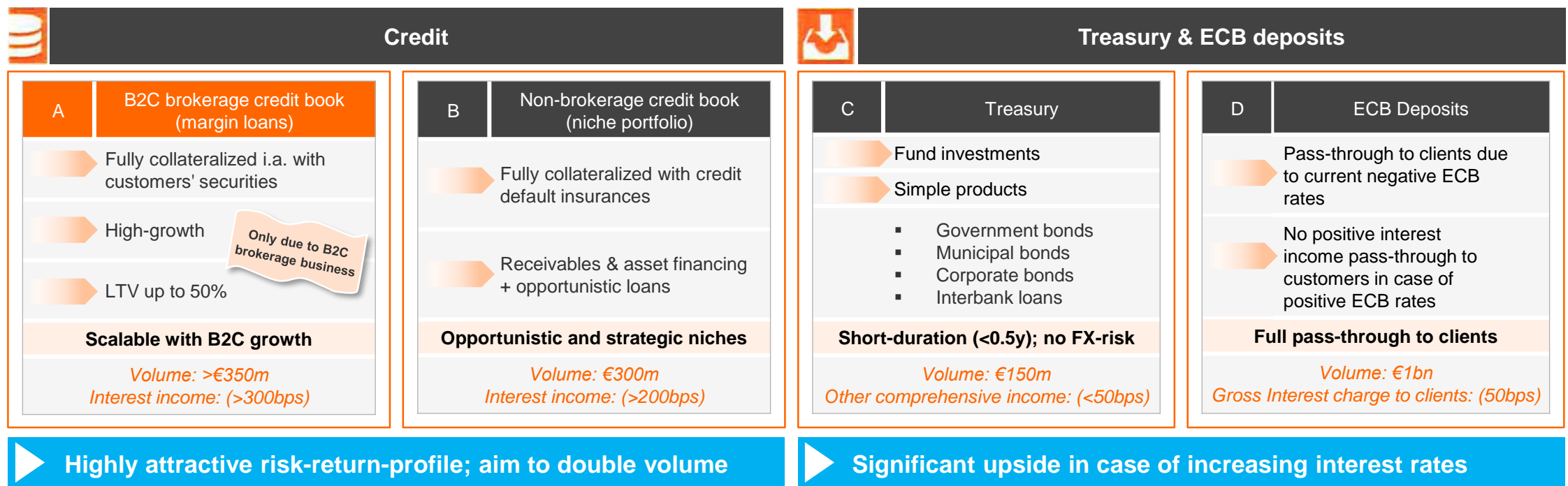
Note: Data excludes DEGIRO

Collateralized credit products provide profitable revenue contribution at minimized risk profile

~€1bn of customer cash deposits @ zero cost of funding*
Generated >€22m of revenue in 2019

Only due to B2C brokerage business

Use of customer cash deposits



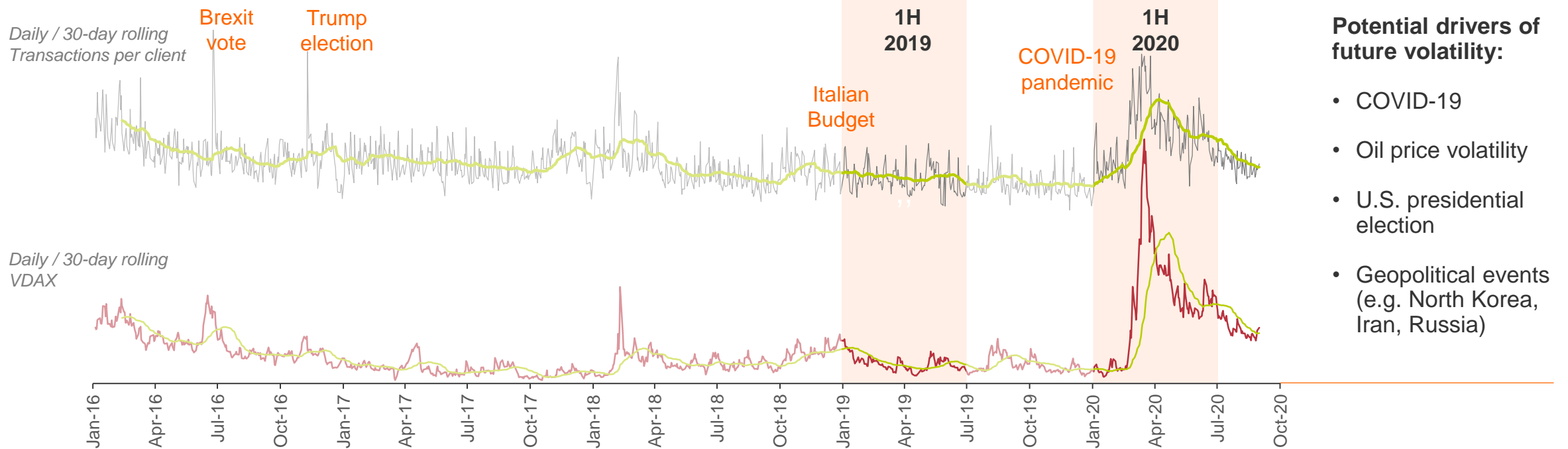
Note: Figures as per 2019A, including DEGIRO pro forma

* Primarily non-invested trading money of B2C clients

Volatility drives transactions and revenue

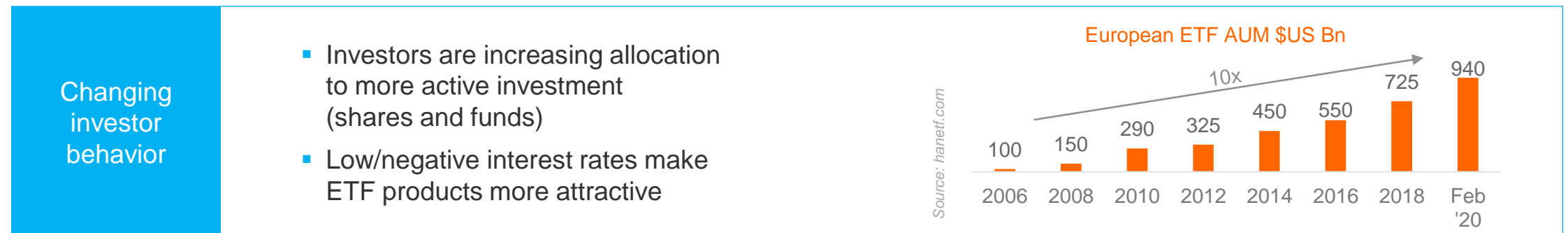
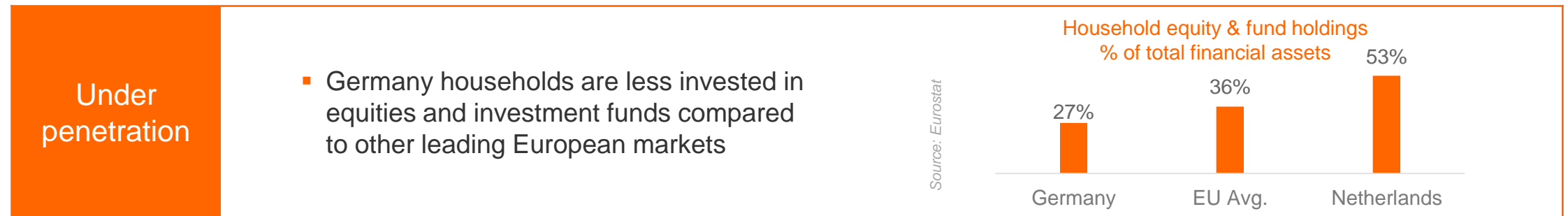
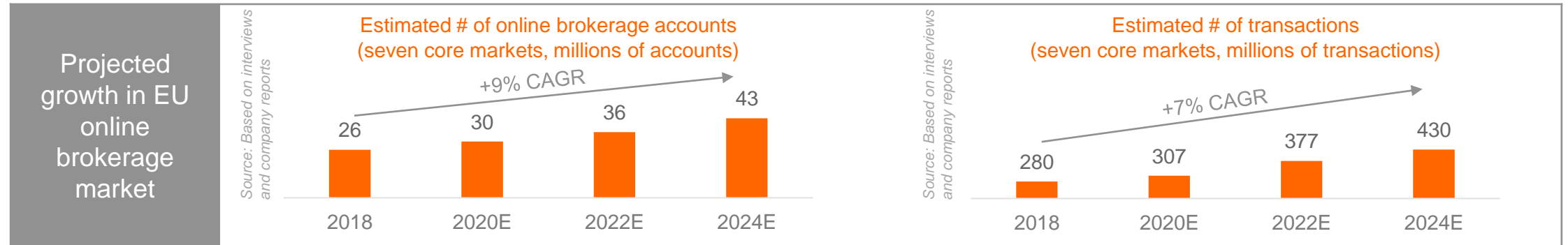
In H1 2020, volatility in the capital markets was higher than ever before, which in turn led to **an all-time record** in 1H 2020 (+127% **transactions** compared to H1 2019). This **trend is currently continuing** and is reflected in **outstanding transaction and revenue figures**.

HIGH CORRELATION BETWEEN MARKET VOLATILITY AND CLIENTS' ACTIVITY WITH STRONG UPSIDE POTENTIAL



Note: Data excludes DEGIRO

Changing investor behavior in Europe supports long-term opportunities and growth



Leading European brokerage

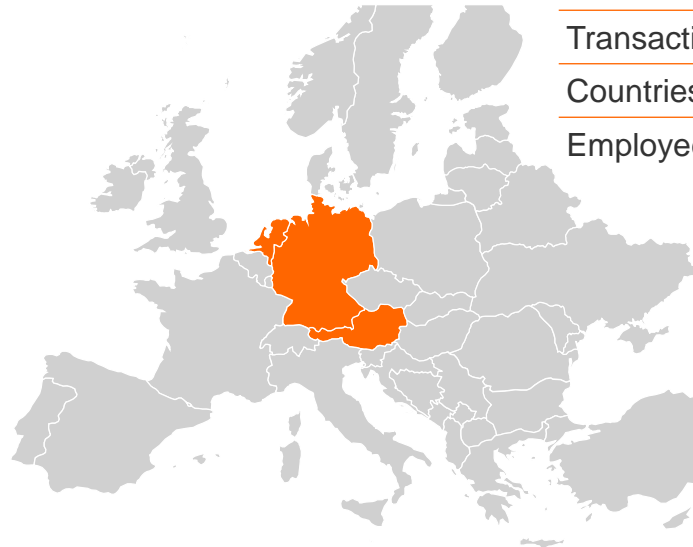
flatex = DEGIRO

- **Executes on strategy to expand client reach beyond Germany and Austria faster, cheaper and with lower operational risk than what could be achieved organically**
 - Immediately creates the largest pan-European retail broker in 18 countries and positions flatexDEGIRO as a credible, scaled consolidator in the highly fragmented European brokerage industry
 - Addition of significant non-German clients diversifies revenue by geography
 - DEGIRO's active customer base is a natural fit with flatex's target customer profile (similar trading activity and asset levels)
 - Enhances growth profile and trajectory in Europe of undermanaged asset potential with that generated an average annual client growth of close to 50% over the last 3 years
- **Improved product offering for both brands**
 - DEGIRO offers futures & options and flatex does not
 - flatex offers extended trading (8:00am – 10:30pm) and DEGIRO does not
- **Highly achievable, low-hanging fruit synergies with limited integration risk**
 - Economies of scale around IT, trading costs and other operating expenses
 - Increases bargaining power with suppliers, product partners and exchanges
 - Leveraging of flatex's banking and regulatory infrastructure

Two brands – one strategy

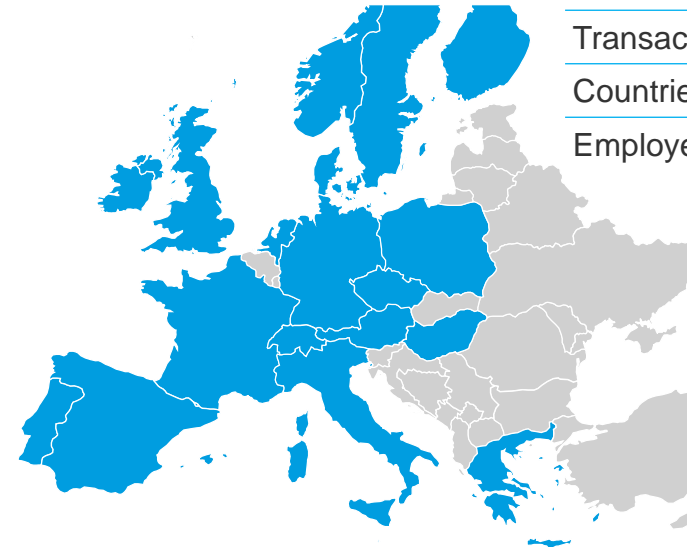
flatEX DEGIRO

flatEX



	2019	1H 20
Clients	>310k	+70k new
Transactions	12.3 million	13.1 million
Countries	3	3
Employees	>500	>500

DEGIRO



	2019	1H 20
Clients	>480k	+218k new
Transactions	19.1 million	24.5 million
Countries	18	18
Employees	>250	>300

- Founded in 2005 in Germany
- Exchange listed in Germany (ISIN DE000FTG1111)
- Since 2006: flatex retail brokerage
- Since 2014: new management team
- 2014: Acquisition of IT provider and bank
- German bank with EU passport
- Proprietary IT bank system, highly vertically integrated

- Founded in 2007 in Netherlands as a fund management company
- Private, non-listed Dutch company
- Since 2011: DEGIRO brokerage to professional clients
- Since 2013: DEGIRO retail brokerage
- Asset-light model, no banking license
- Proprietary IT and trading engine

A pan-European powerhouse

#1

38m+ trades
in 1H 2020

*in 18 European
countries*

Largest pan-
European retail
broker



Full value chain in-house



Cost and innovation leadership



Highly comprehensive product/exchange portfolio



Germany

>20% market share



Austria

>40% market share



Netherlands

>35% market share



*Further countries
with a leading and
rapidly growing
market position*

...and presence in further 11 European countries

Joint client growth rate of over 288.000 clients in 1H 2020
(both DEGIRO and flatex each with strong organic
client growth rate of greater 30%)

Full product range with access to ~60 foreign
exchanges: stocks, bonds, ETPs, ETFs, funds,
options & futures, CFDs, FX

Synergies delivering operational leverage

One flow

Stronger product partner economics and lower transaction costs

Synergies: €15-20m

EUR 200b annually

One banking license and one corporate infrastructure

Two brands

One bank

Synergies: €3-5m

One IT

Central architecture (based on Java /C++)

Combined data center

Synergies: €10-15m

Access to 1m customers

Combined marketing/ bargaining power

One firm

Synergies: €3-5m

Annual synergies of **EUR >30m**

Combined financial metrics

Standalone 2019

DEGIRO flatEX

EUR 59m EUR 132m

EUR 11.0m EUR 37.6m

EUR 8m EUR 15m

EUR 24m EUR 182m

482k 368k

19.1m 12.3m

combined

FY 2019 illustrative,
pro forma

1H 2020 illustrative,
pro forma

Revenue EUR 191m EUR 169m

EBITDA EUR 49m EUR 75m

Net Profit EUR 23m EUR 46m

Equity EUR 207m EUR 255m

Brokerage Clients 850k 1.0m

Transactions 31.4m 37.6m

flatEX DEGIRO

Mid term ambition

2m clients
60m trades p.a.

Revenue	EBITDA	EPS
EUR 300m	EUR 150m	EUR 3.00

5-yr Vision

3m clients
100m trades p.a.

Annex

flatex = DEGIRO

Corporate information

flatex = DEGIRO



Frank Niehage, LL.M.

Chief Executive Officer (CEO)
flatexDEGIRO AG & flatex Bank AG

Muhamad Said Chahrour, M.Sc.

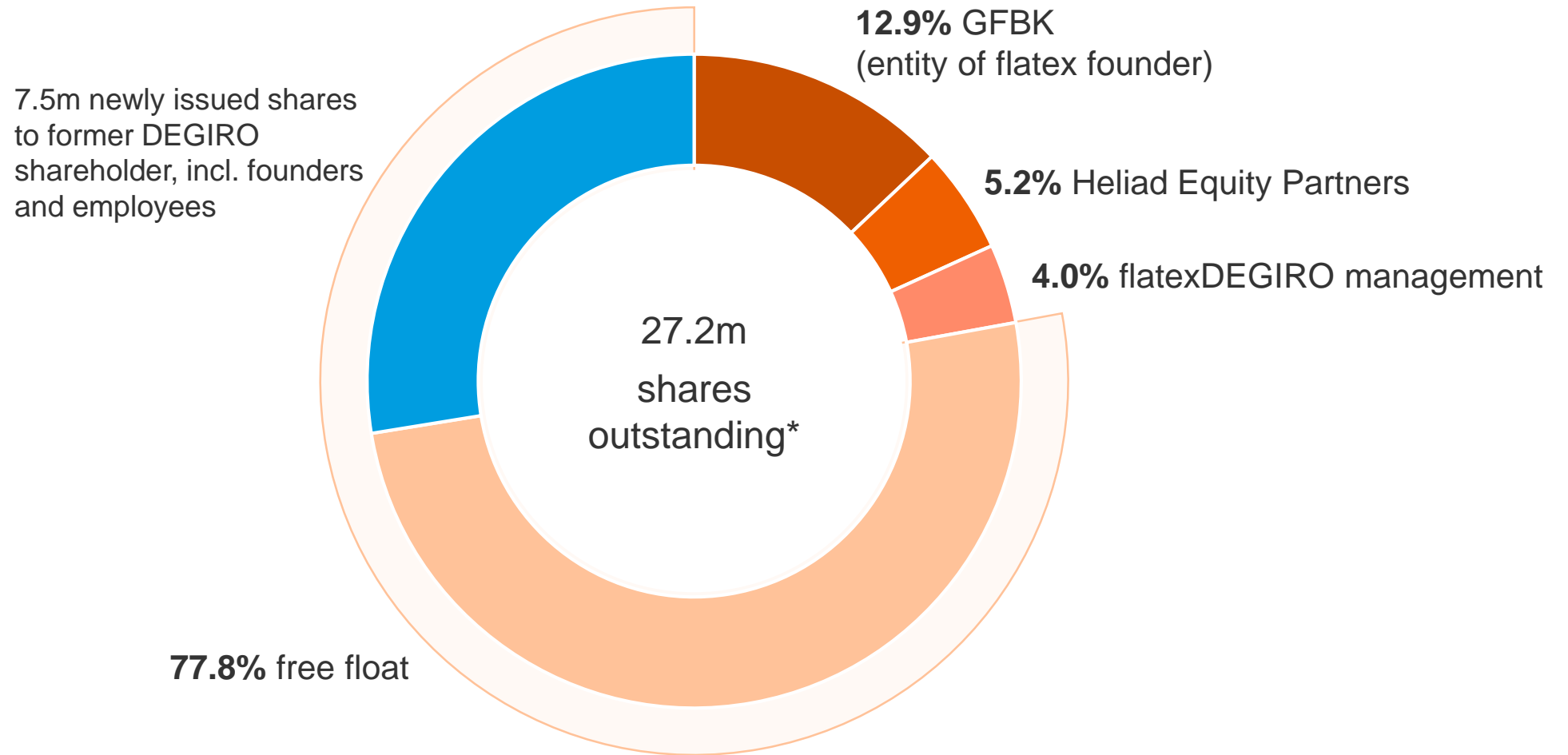
Chief Financial Officer (CFO)
flatexDEGIRO AG
Managing Director flatex Bank AG

Frank Niehage has vast experience across all segments of retail and commercial banking, working as Managing Director at Goldman Sachs until August 2014 when he joined flatexDEGIRO AG. In previous positions, he was instrumental in the growth of Bank Sarasin AG as CEO in Germany. Prior to this he had served in various senior positions at Commerzbank, Credit Suisse, UBS and international law firm Beiten Burkhardt, both in Germany and internationally, especially in Asia. Frank is an attorney at law in Germany and has received his Master of Laws majoring in international economics from the University of Houston Law Center.

Before joining flatexDEGIRO AG in 2015, Muhamad Said Chahrour was CFO at Lamudi, one of Rocket Internet SE's core ventures, and primarily responsible for the financial funding and investor relations of the global entities. He previously worked in M&A and Transaction Services at UBS and pwc. Muhamad has a strong track record of excellent work results and exceptional expertise and experience across the sectors of corporate finance, credit and investment management, and business development. Muhamad holds a Master of Science degree in quantitative finance from the University of Bath School of Management.



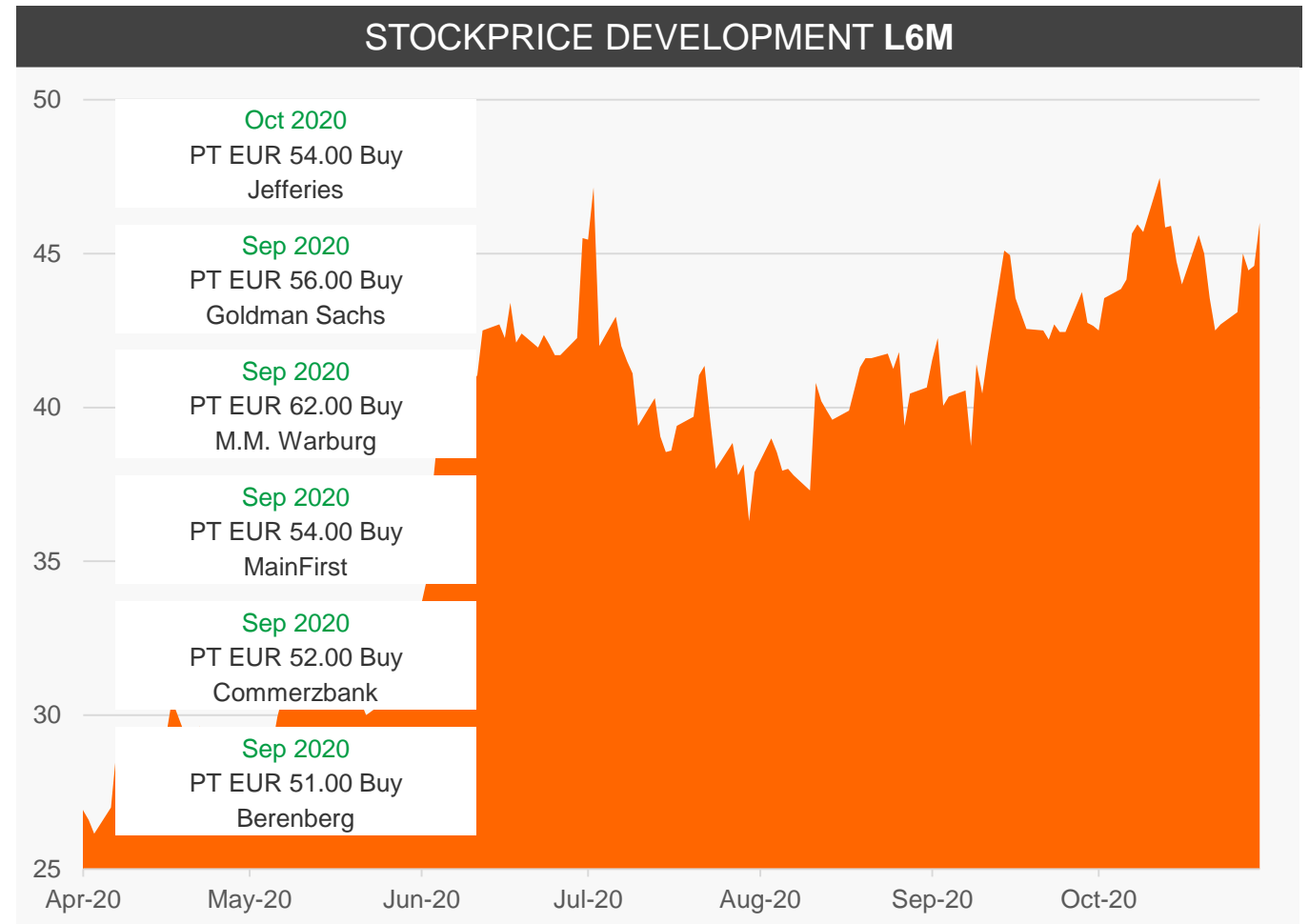
flatexDEGIRO AG – our shareholder structure



* as of 2020-10-23
excluding additional approx. 450k management options exercisable over next three years

flatexDEGIRO AG – our stock

Shares outstanding:	27,273,137
Options outstanding:	max. 0.5m
Market capitalisation:	EUR 1,281m (as of 2020-10-26)
Listed:	Regulated market / PRIME Standard / Frankfurt Stock Exchange
ISIN:	DE000FTG1111
Bloomberg:	FTK GR Equity
Stock covered by	



flatexDEGIRO AG – key milestones



1988



Company founded in Langen

1997



Full BPO IT provider for Bankenverband ever since

2001



Development and full BPO provider for pan-European expansion (core bank system FTG:CBS:R1 is born)

2006



Best German online broker goes live

2009



L.O.X. OTC certificate platform developed (limit order system connects DB/Coba flow to 22 pan-European brokers)

2010



Full white label Retail Bank operations begins (full BPO)

2015



Migration of mwb Fairtrade from CACEIS to FinTech Group Bank for order routing and securities settlement (1.4 m trades/year)

2017



Large Austrian bank selected FinTech Group as full BPO for Austrian and German digital expansion

2019



FinTech Group Bank AG renamed to flatex Bank AG and FinTech Group AG renamed to flatex AG

2020



flatex acquires 100% of DEGIRO to become Europe's online brokerage champion

Financial calendar 2020/2021

Upcoming Investors' Conferences & Roadshows

Nov 2020	Deutsches Eigenkapitalforum (EKF) 2020, Frankfurt (virtual)
Jan 2021	UniCredit/Kepler Cheuvreux German Corporate Conference 2021, Frankfurt Oddo BHF Forum 2021, Lyon (FR)

Contact

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