



# flatexDEGIRO - Leading investment platform to build wealth in Europe

March 2025

flatexDEGIRO

**Disclaimer****Non-IFRS measures (APMs)**

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**Forward-looking statements**

This release may contain forward-looking statements and information, which may be identified by formulations using terms such as "expects", "aims", "anticipates", "intends", "plans", "believes", "seeks", "estimates" or "will". Such forward-looking statements are based on our current expectations and certain assumptions, which may be subject to variety of risks and uncertainties. The results actually achieved by flatexDEGIRO AG may substantially differ from these forward-looking statements. flatexDEGIRO assumes no obligation to update these forward-looking statements or to correct them in case of developments, which differ from those anticipated.

# Agenda

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- 2 Outlook 2025**
- 3 Strategic Priorities**
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# flatexDEGIRO at a glance

## flatexDEGIRO – Europe's leading investment platform to build wealth

**We prioritize our customers' needs**

**We ensure the highest security for our customers' assets**

**We ensure superior market access at low costs**

flatex=DEGIRO

**We strive to support our communities**

**We offer local reach but global access**

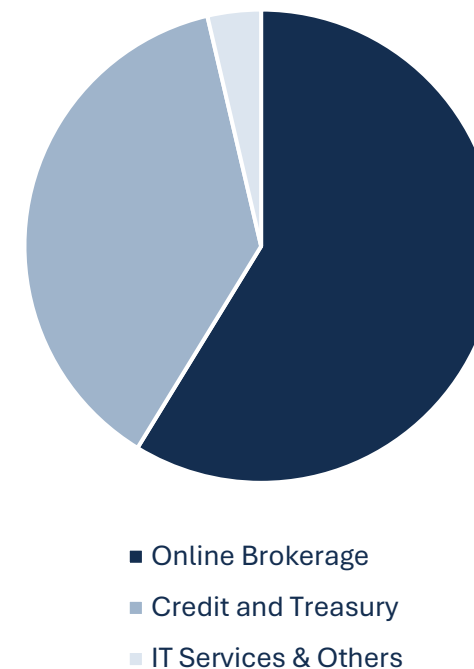
**We are dedicated to enhance financial literacy**

## flatexDEGIRO at a glance

### Key Operating Metrics 2024



### Revenue Model and Contribution



## Highly experienced and committed Management team

### Management Board flatexDEGIRO AG



Oliver Behrens  
CEO  
joined: 2024



Dr. Benon Janos  
CFO  
joined: 2016



Stephan Simmang  
CTO  
joined: 2016



Christiane Strubel  
Chief HR Officer  
joined: 2016

### Additional members of the Management Board flatexDEGIRO Bank AG



Dr. Matthias Heinrich  
Chief Risk Officer  
joined: 2022



Steffen Jentsch  
Chief Customer Officer  
joined: 2017

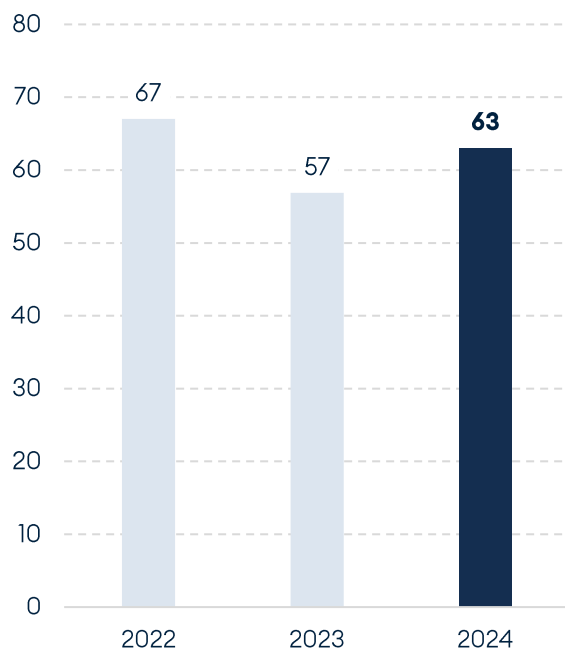


Jens Möbitz  
Chief Operating Officer  
joined: 2001

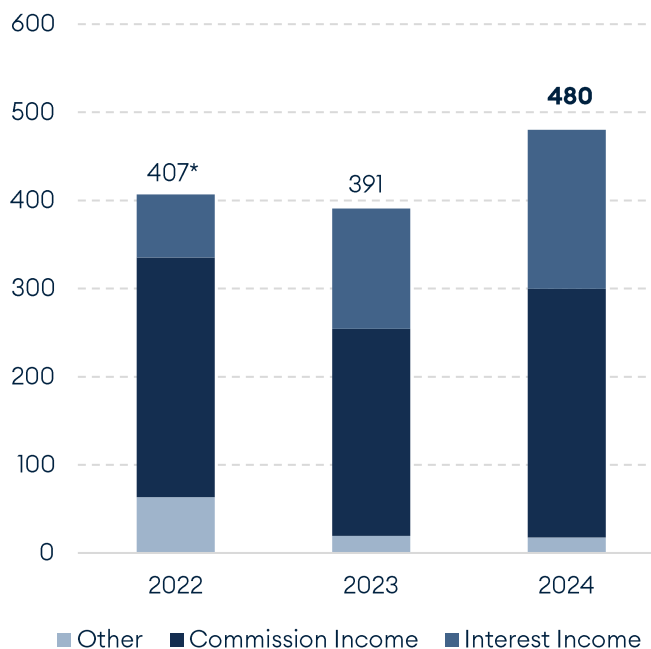
## We were able to close another record year in 2024

Growing customer base drives increase in Settled Transactions (+11 %)  
 Revenue growth of 23 % to 480 m EUR, surpassing previous record of the Covid-/Meme-Stock-Year 2021 (415 m EUR) by 15%  
 Record Net Income achieved, despite some one-time cost effects

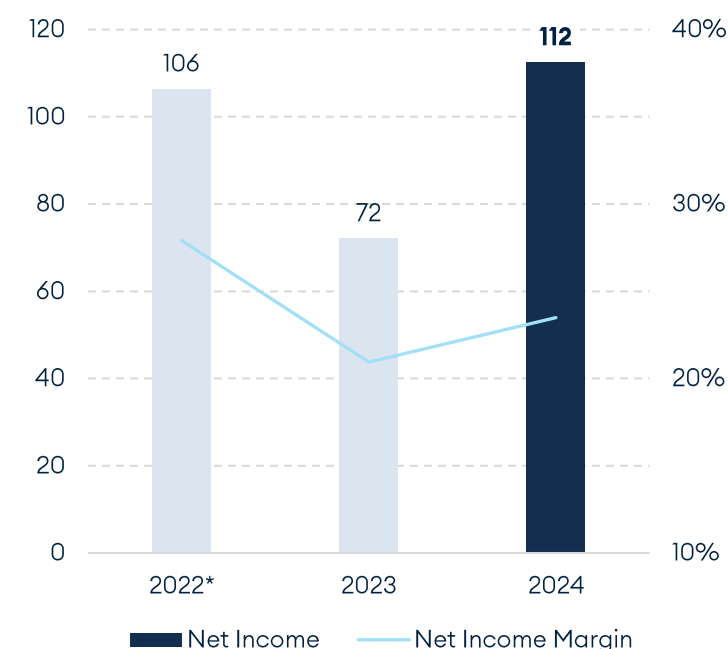
### Settled Transactions (m)



### Revenue split (m EUR)



### Net Income (m EUR) and Net Income margin (%)



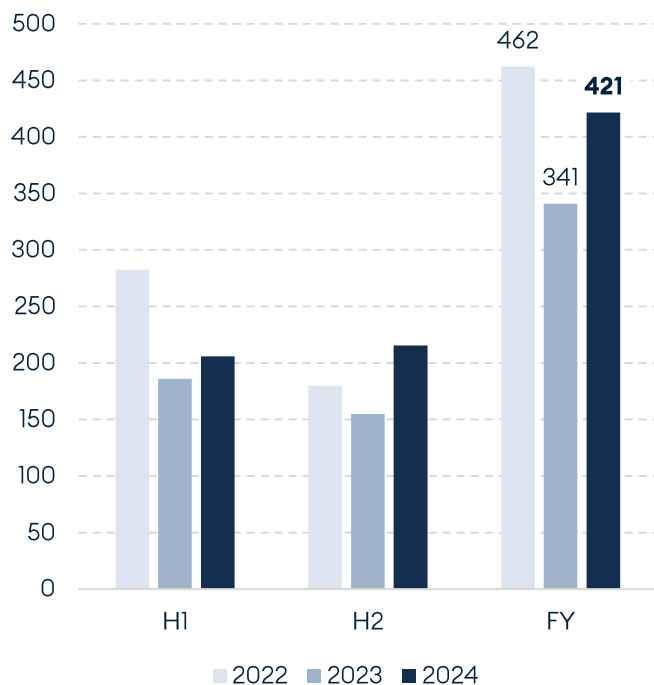
\* 2022: Including reversal of provisions for long-term variable compensation: 38 m EUR in Revenues (Other) and 28 m EUR in Net Income



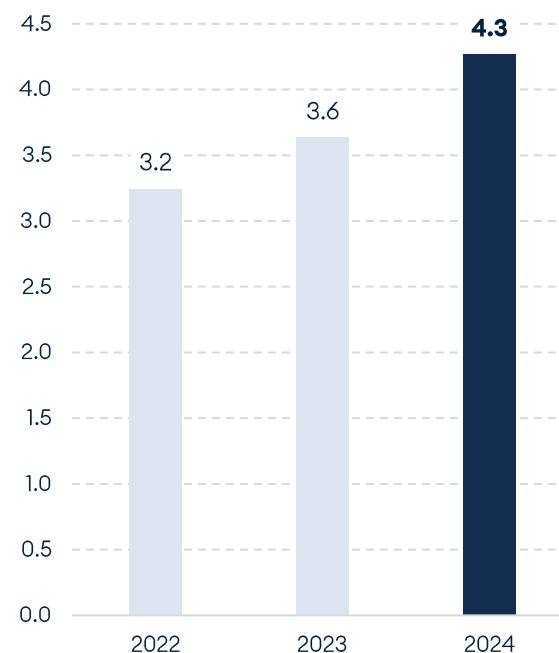
## Strong commercial performance

Monthly customer growth 2024 constantly above 2023 with significant acceleration in Q4 2024  
 Full-year growth of 421 k (+24 %) close to 2022-level, customer acquisition costs of 75 Euro (reduction of 24 % vs. 2023)  
 Total Assets under Custody surpassing 70 bn EUR in 2024

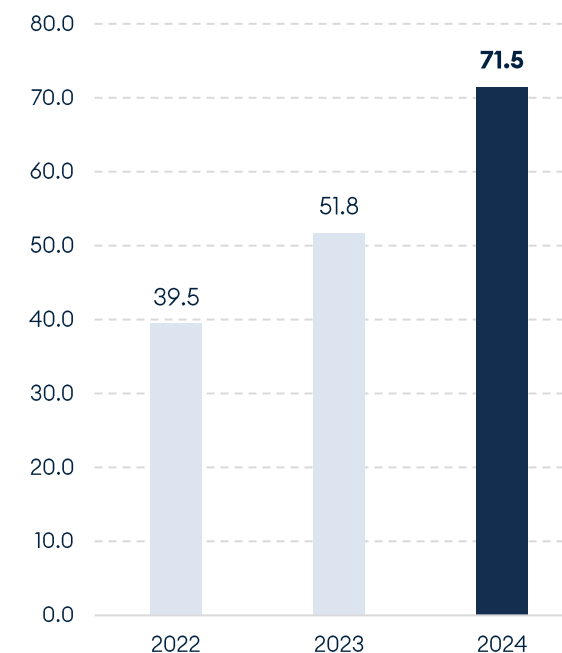
### Annual Customer additions (k)



### Customer Cash under Custody (bn EUR)



### Total Assets under Custody (bn EUR)



## flatexDEGIRO provides its services to mature and well-situated clients



**75% of customers  
between 23-49 years old**



**22 trades in 2024**



**Increasing share of female  
customers per cohort,  
standing at 26% in 2024**



**~ 5,000 EUR  
transaction volume  
in 2024**



**Majority of customers  
with academic  
background and  
previous trading  
experience**



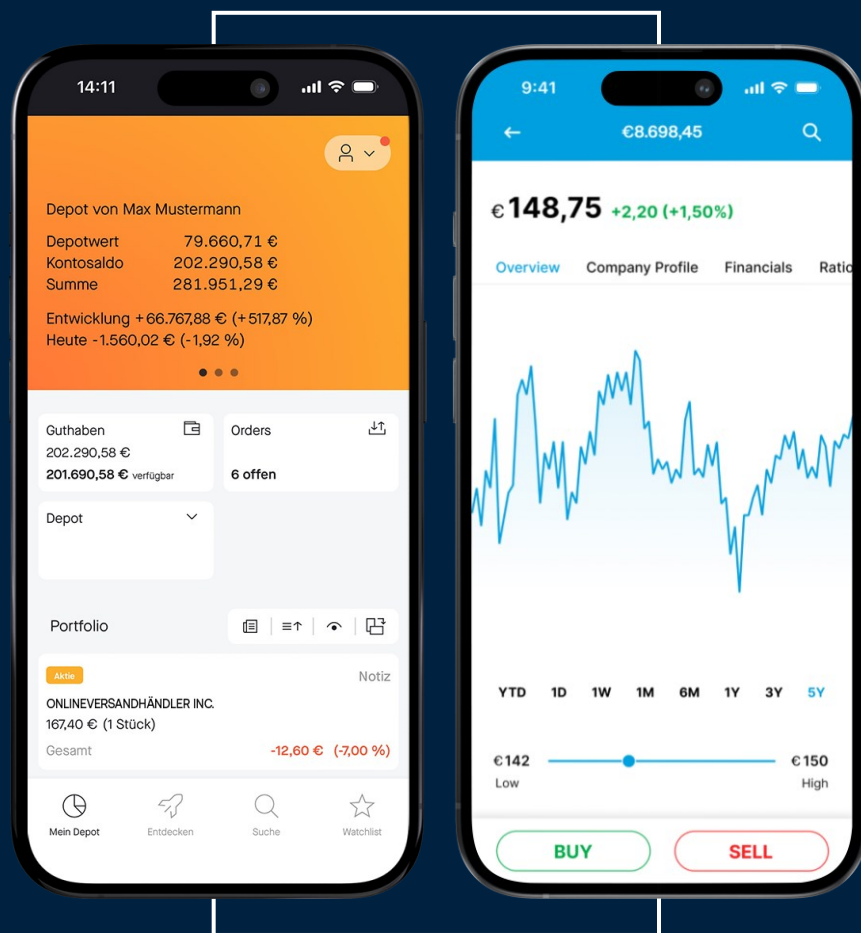
**~ 25,000 EUR  
Assets under Custody**

**Average  
customer  
flatex=DEGIRO**

Note: All figures as per 31 Dec 2024, if not mentioned otherwise

# Leading user experience on an award-winning platform

flatex and DEGIRO with some of the highest app ratings in the industry

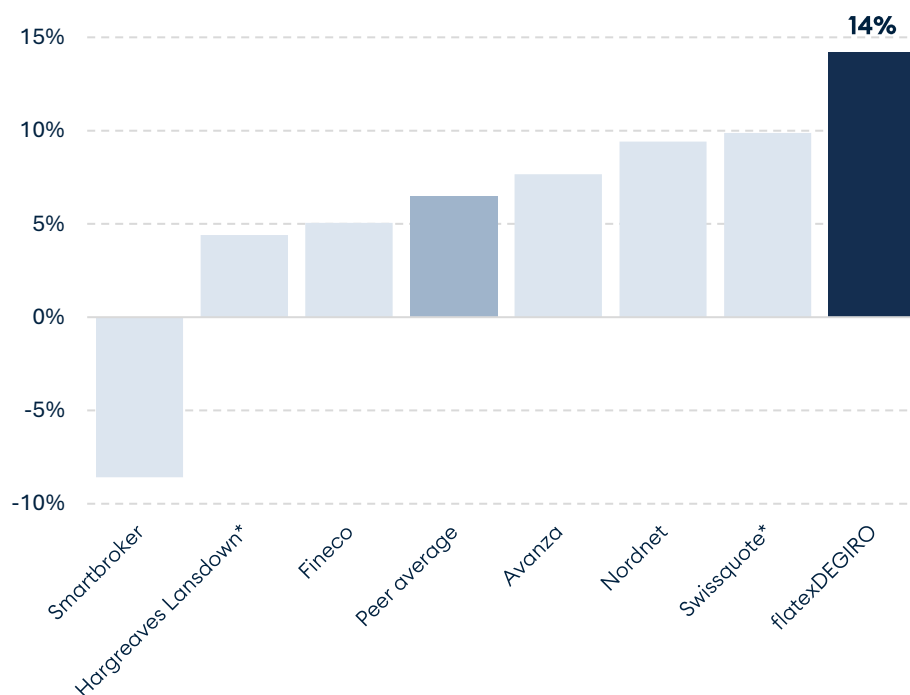


## Industry-leading customer growth

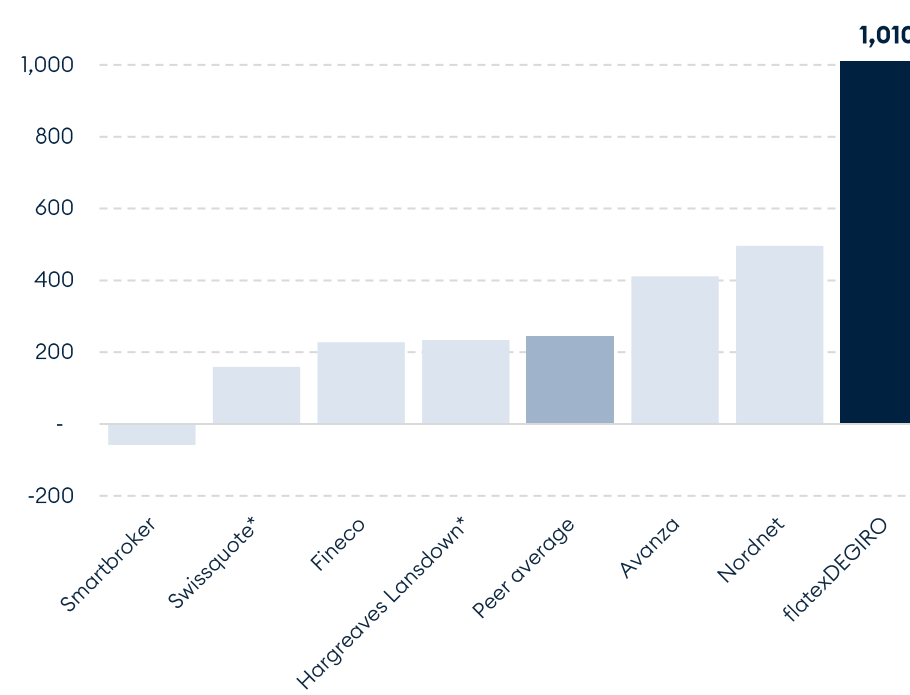
Leading customer growth over the last 3 years with CAGR of 14 %

Stronger growth only observed at one non-listed peer with currently strong pivot from neo-brokerage towards neo-banking

**Customer growth CAGR of listed peers (Dec 2021- Dec 2024)**



**Absolut customer growth of listed peers 2022-2024 (k)**

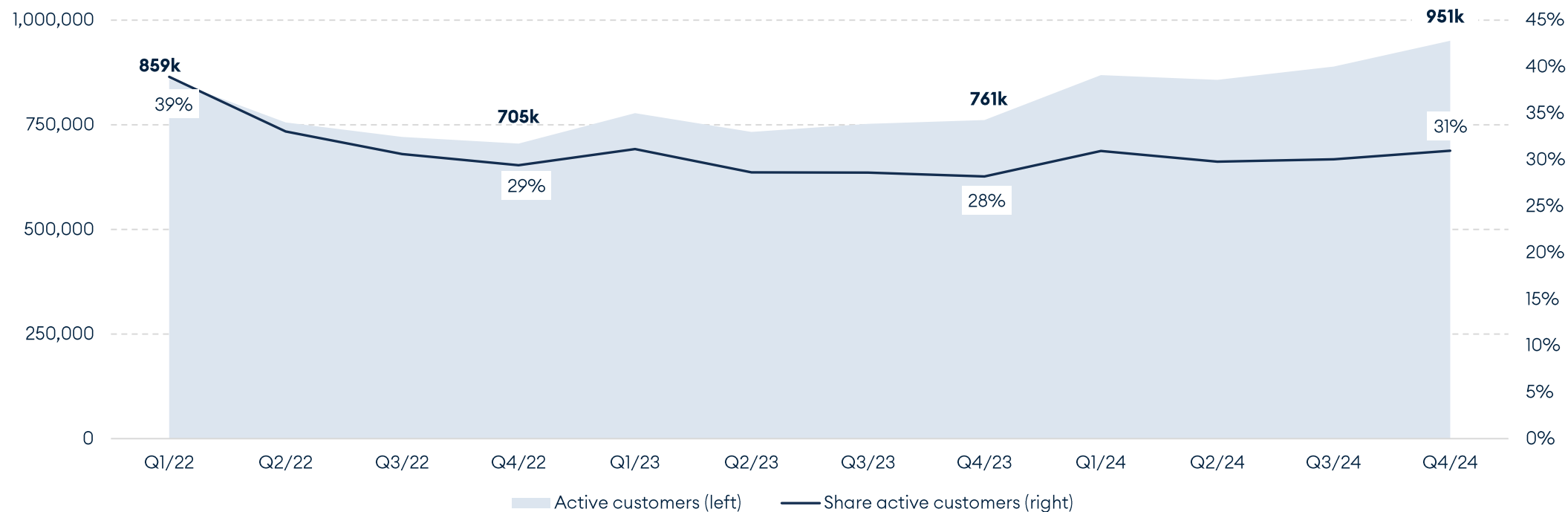


\* Hargreaves Lansdown and Swissquote: growth in 2024 extrapolated based on last published numbers

## Stable share of active customers on a growing basis

Largest active customer base with close to 1 m customers trading in Q4/2024  
 Share of active customers (per quarter) slightly up in 2024 to > 30 %, with relative stable development over the last 2.5 years

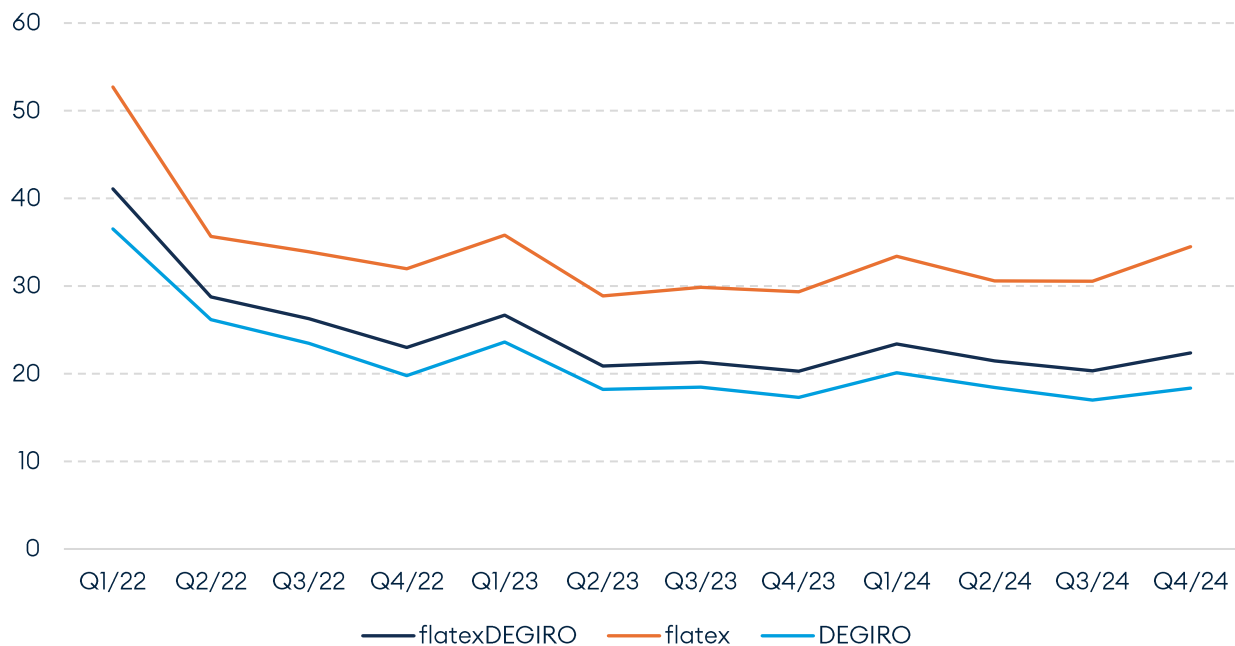
### Active Customers (at least 1 trade per quarter)



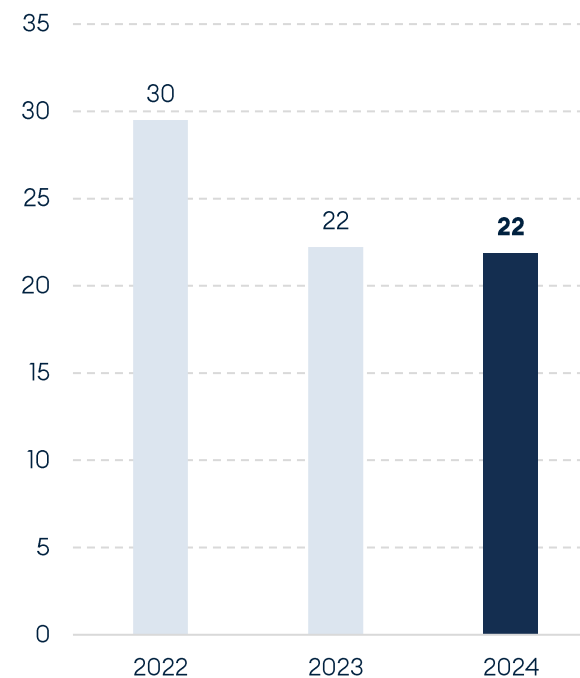
## Stabilized trading activity per customer

Range of 20-25 trades per customer p.a. on average stable for the last 2.5 years  
 Trading activity higher at flatex, with very similar trends at both brands

Quarterly trading activity (average number of trades per customer, annualized)



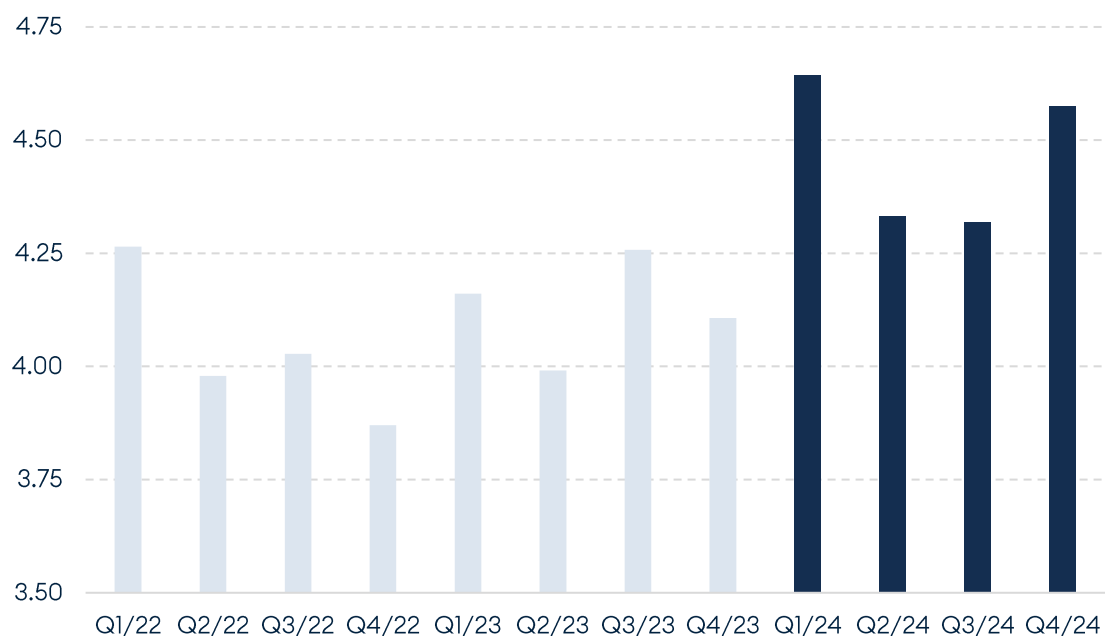
Annual trading activity



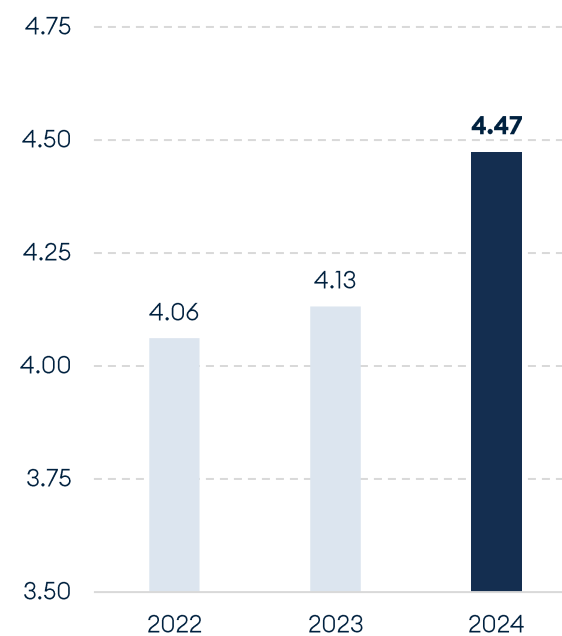
## Average commission per transaction further improved

Increase in 2024 (+8 %) driven by price adjustments in May 2023, positive product mix and higher share of US trades  
First quarter usually with higher commission per transaction due to booking of annual fees

### Average commission per transaction (EUR) per quarter



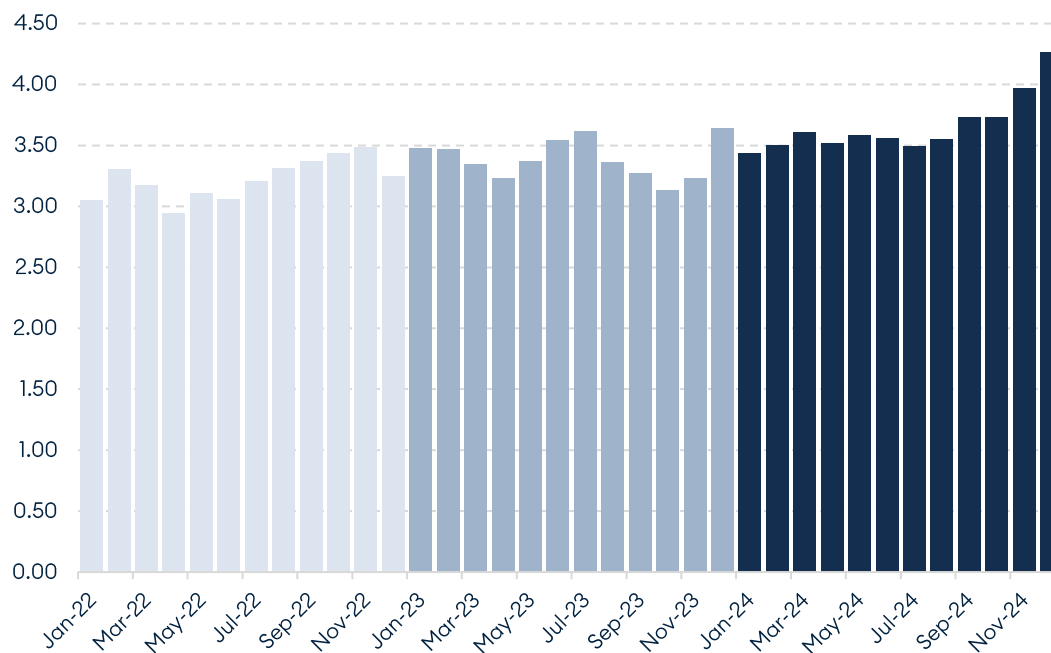
### Average commission per transaction (EUR)



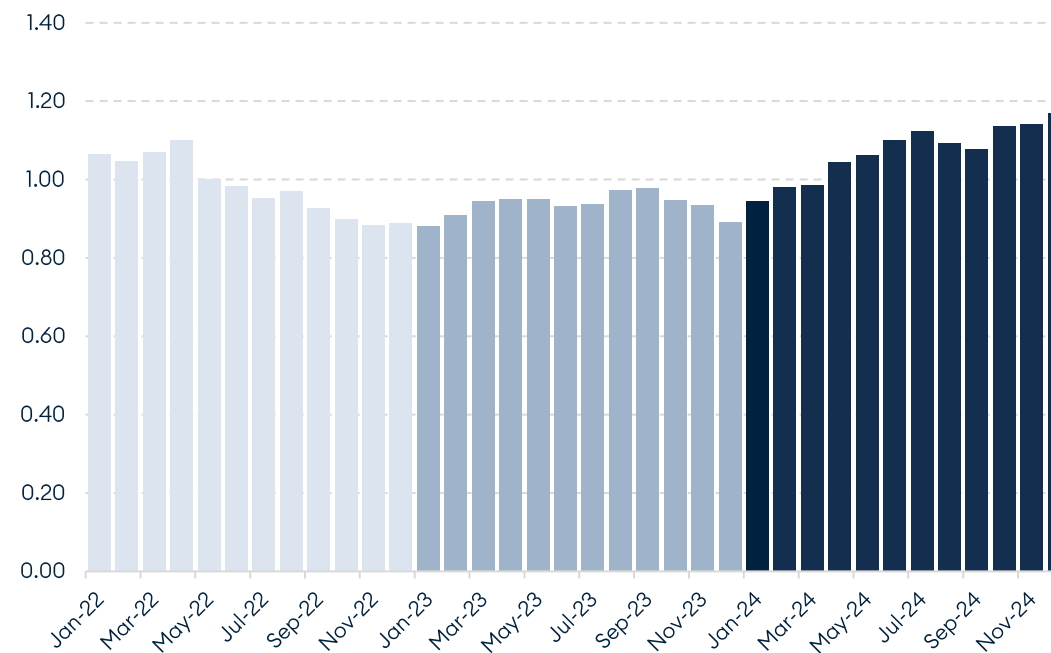
## Underlying basis of Interest Income with solid growth

Cash under Custody has grown over the last 3 years by more than 1 bn EUR (37%) from 3 bn EUR to > 4 bn EUR  
Margin Loan Book has benefitted from customer growth and additional access of DEGIRO customers

### Cash under Custody (bn EUR)



### Margin Loan Book (bn EUR)







# Outlook 2025

## Outlook 2025

### Commission income to grow:

- Customer growth of at least 10 %
- Stable trading activity
- Stable commission per trade
- New products such as Crypto

### Interest income to decline:

- Lower average ECB rates
- Lower average Margin Loan rates
- Stable average levels of Cash under Custody and slightly growing Margin Loan book

### Cost base to be brought down:

- Personnel expenses below 2024
- Marketing stable at CAC of ~ 75 EUR
- Admin expense to be reduced by up to ~ 10 m EUR

**Revenues**

**-5 % to +5 % YoY (~ 455 m EUR to ~ 505 m EUR)**

**Net Income**

**-5 % to +10 % YoY (~ 106 m EUR to ~ 123 m EUR)**



# Strategic Priorities

## flatexDEGIRO has reached a pivotal stage

### Last 3 years

Challenging market environment for trading:

- Uncertainty due to war in Ukraine
- High inflation and rapid interest rate hikes

Offset by increased interest income

2022

2023

2024

- Working on regulatory findings required to shift focus and resources
- Governance & Management changes

### Today

Financial record-year with solid growth

Improving trading environment:

- Inflation normalizing
- Interest rates falling
- Equity markets at record highs

Today

- Major BaFin findings solved, mandate of special commissioner terminated, SREP reduced
- Refocusing on business and customers, launch of crypto trading in Germany
- New CEO in place

### Next 3 years

Re-set of interest rate environment in 2025

Increasing retail appetite for investment

2025

2026

2027

- Scaling the business, accelerating growth and activating clients
- Shifting focus to enhance commercial and organizational setup
- Achieve operational leverage by increasing efficiency and lowering admin expenses

## Strategic priorities for the next three years

Unlocking potential by switching gears, focusing on commercial projects and achieving scalability on one platform  
Measures based on leveraging opportunities that are under our control

### Increase Efficiency

- Realize efficiency gains and manage costs tightly
- Finalize platform harmonization
- Reduce complexity

### Grow and Strengthen Existing Business

- Increase trading activity and reactivate a higher share of (currently) inactive customers
- Ensure ongoing long-term growth across a more diverse set of customers
- Increase local presence in key markets
- Optimize use of deposits

### Diversify Product and Service Offering

- Launch of new products/services
  - Crypto
  - Securities Lending
  - Savings Plans / Fractional Shares
  - Products tailored to lower-risk categories
  - Term Deposits
- Strengthen “Business Process Outsourcing” activities
- Increase share of recurring revenues



**Increase Efficiency**

## Realize efficiency gains and cost control

Acquisition of DEGIRO, strong organic growth and regulatory challenges have led to increased organizational complexity. Initiated cost reductions to be stringently continued

### Operational efficiency: Catching-up to most relevant peers

		Revenues per Employee	Net Income per Employee
Peer average*	EUR	~ 575,000	~ 280,000
flatexDEGIRO	EUR	~ 380,000	~ 90,000
<b>Delta</b>		<b>~ 34 %</b>	<b>~ 68 %</b>

- Fully closing the gap on Revenues per Employee based on increased revenues and efficient workforce
- Reducing the gap on Net Income per Employee based on operating leverage, but not fully closing due to:
  - Higher operational complexity due to pan-European footprint
  - Marketing spent to foster growth across 16 markets
  - Less favorable taxation in Germany and the Netherlands, compared to some peers

\*Including Avanza, Fineco, Hargreaves Lansdown, Nordnet and Swissquote; Source: Company data and Visible Alpha

## Reduce complexity and increase focus

Simplifying organizational structure by moving to a European “SE”  
Ongoing divestment of non-core financial engagements

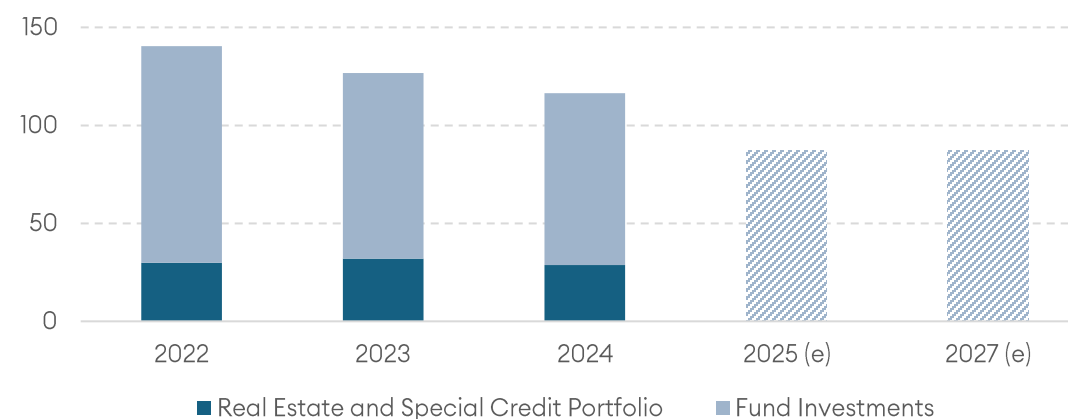
### Organizational changes

- Adapt legal entity from German “Aktiengesellschaft” to European “Societas Europea (SE)”
  - Reflect European DNA and provide future flexibility
  - To become effective in H2/2025 after approval of next AGM
- This will not affect geographic footprint, locations, legal headquarters in Germany or listing at the Frankfurt Stock Exchange

### Divesting alternative credit and investing portfolio

- Alternative portfolio mostly built during negative ECB rate environment
- Ongoing divestments of these non-core activities without pressure

### Balance sheet value of alternative credit and investing portfolio (m EUR)







# **Grow and Strengthen Existing Business**

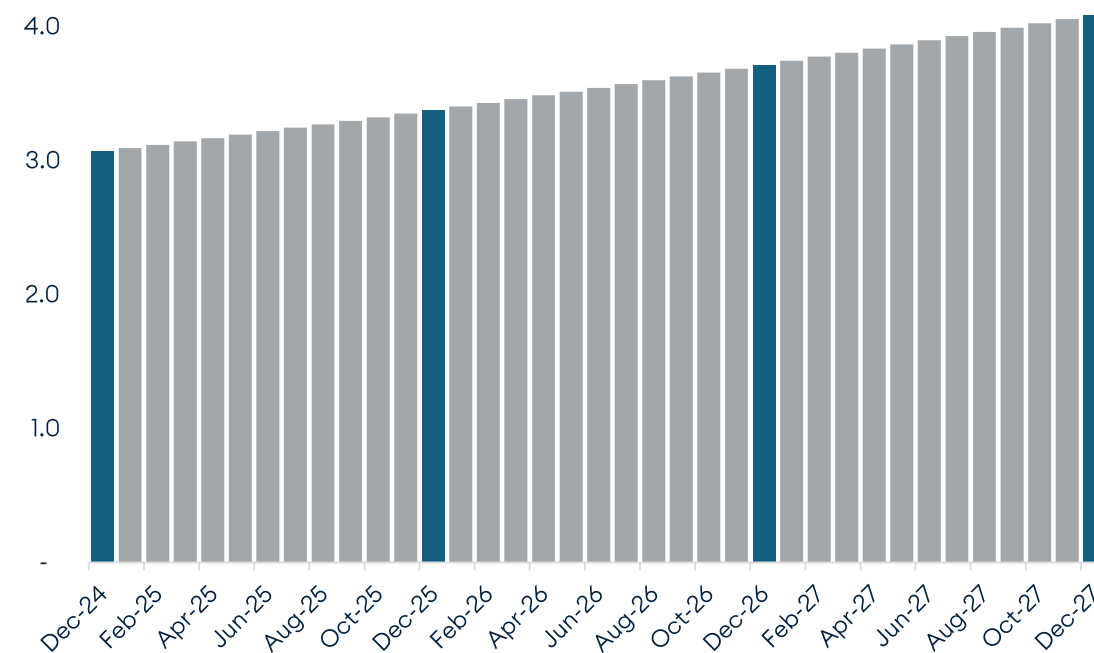
## Building on a strong and growing customer base

Continuing to grow our customer base by a CAGR of at least 10 %, crossing 4 million by end of 2027  
Better supporting trading active customers and reactivating inactive customers

### Concrete measures

- Continuously improve product offering
- Improve customer experience in the app
- Optimizing provided market data
- Enhance portfolio analysis and charting tools
- Attractive offerings for young customers
- Enhance tax services
- Customized advertising per target audience

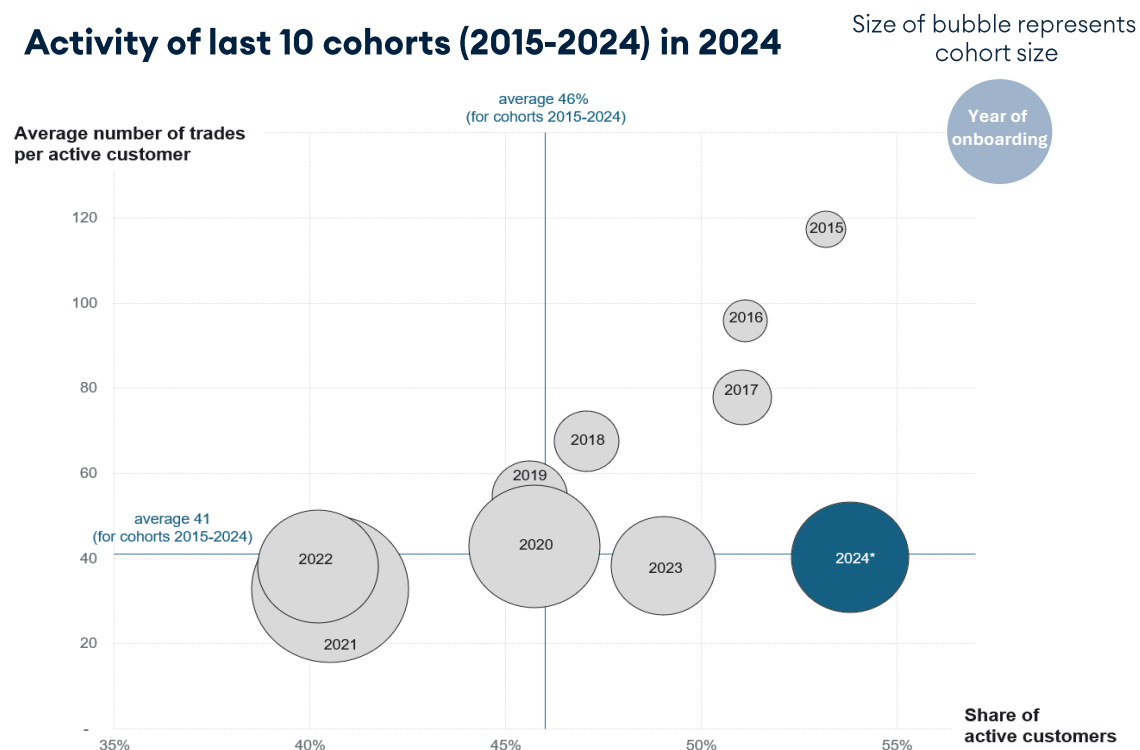
### Indicative 3-year customer growth (m)



## Reactivating existing customers

Activity rate slightly below 50 % in 2024, leaving significant potential with known but inactive customers  
New customer quality increasing in 2023 and 2024, after dilution in particular in 2021

### Activity of last 10 cohorts (2015-2024) in 2024



\* Number of trades extrapolated in 2024

### Potential

- Approx. 250,000 inactive customers have more than 1,000 EUR in assets on our platform
- Each additional “1 trade per customer p.a.” would increase Revenues by approx. 1 m EUR

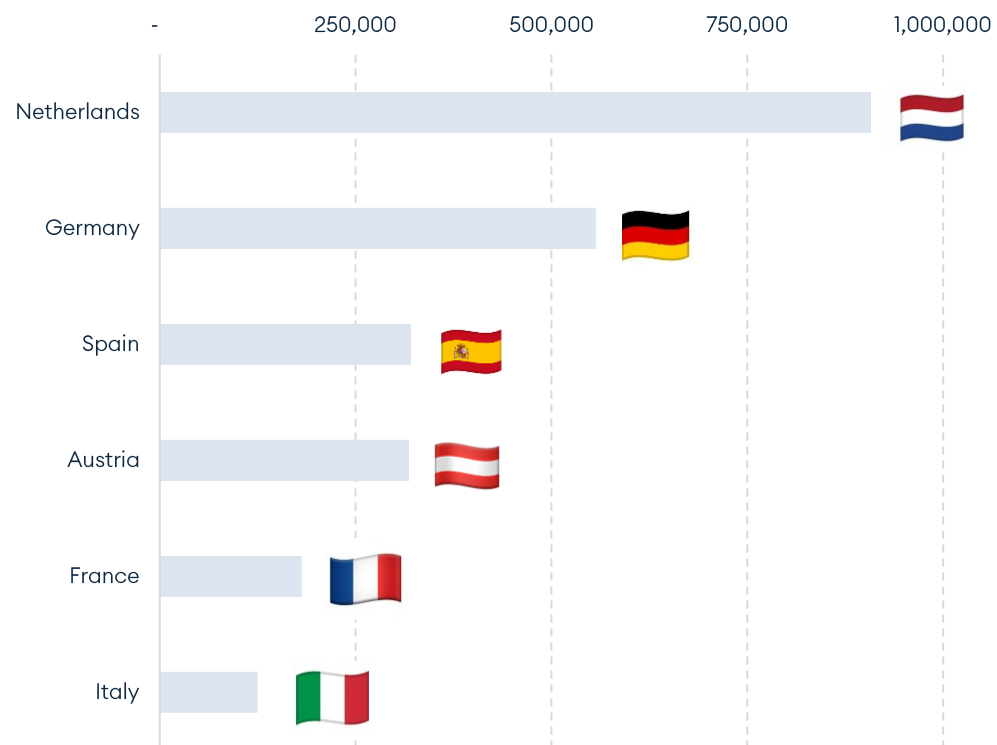
### Concrete Actions

- Marketing-automatization with focus on content and education
- Personalized engagement flows
- Alerts and news based on existing portfolios and watchlists

## Increasing local presence in key markets

Top 6 countries account for ~ 80 % of total customer base. Next to home markets Netherlands and Germany, more countries have meanwhile reached critical size of well > 100 k customers

### Largest countries by number of customers



### Getting closer to local markets

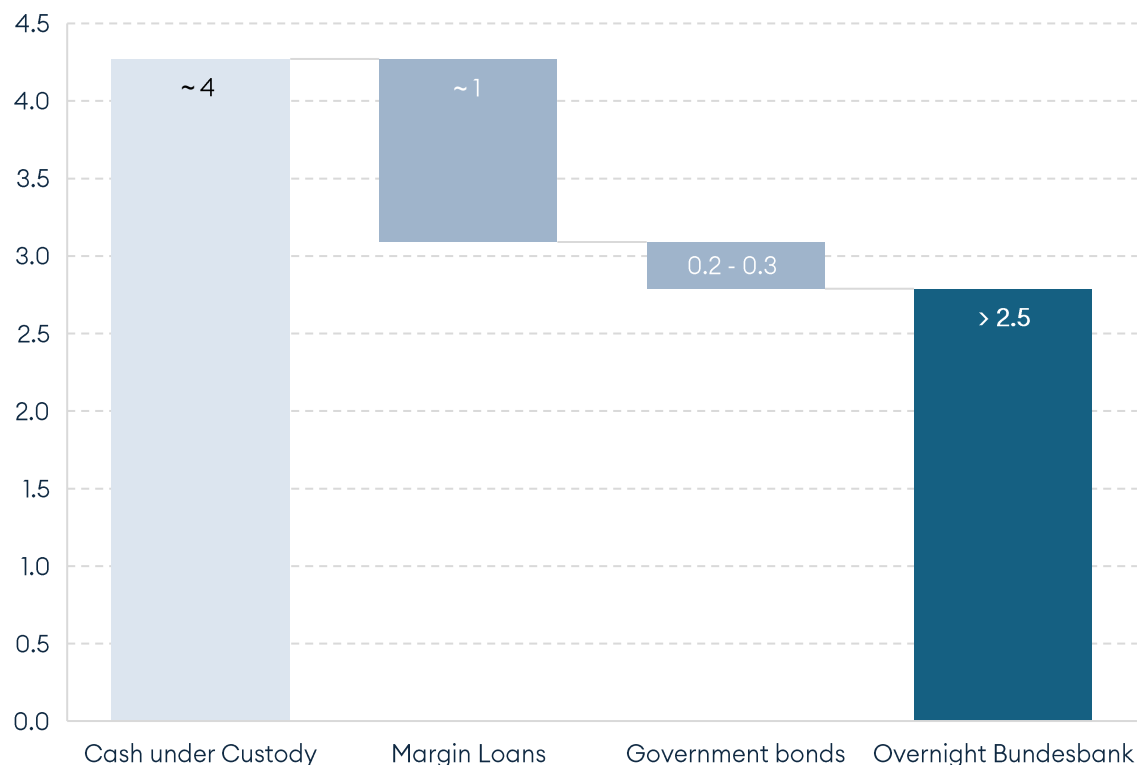
- Offering global access on a local level requires higher market proximity in key markets
- Fostering relationship with local partner and regulators
- Evolving local product and service offering
- Tailoring marketing to local preferences
- Limited local staff representation
- Highest market growth potential 2023 – 2028 in France, Italy and Spain with CAGRs of 6 % to 12 %\*

\*Source: Oliver Wyman: „Online Securities Brokerage 2024“; <https://www.oliverwyman.de/content/dam/oliver-wyman/v2-de/publications/2024/Online-Wertpapier-Brokerage-2024.pdf>

## Optimizing use of deposits

Current Treasury strategy leaves room for more active strategy without abandoning the fundamentally risk-averse approach  
Limited offering of Term Deposits adds investment opportunities for customers and strengthens deposit base

### Simplified deployment of Customer Cash under Custody (bn EUR)



- flatexDEGIRO uses customer cash deposits as funding for its Margin Loan business – excess liquidity is mostly kept overnight at Bundesbank
- Limited future offering of Term Deposits to be used as a leverage for aligned Treasury strategy
- A slightly more active Treasury strategy will contribute to Interest Income without compromising on risk assessment
- Every 1 basis point improvement on overnight deposits would result in 250 k EUR in additional revenues and EBT
- Customers benefit from expansion of product portfolio



# **Diversify Product and Service Offering**

## Crypto Trading – High transparency & attractive fees define new industry standard

Successful launch in Germany in December 2024 to be followed by a European-wide roll-out in 2025  
 German offering: Fixed total cost of 0.6 % (Majors) to 0.7 % (Minors), including spread & full cost transparency

### Our USP in Germany

- Reference prices calculated as mid-point average from several liquid trading venues
- Fixed spreads up to significant volumes exceeding average retail order size
- Fixed low total costs of 0.6 % for Majors, such as Bitcoin, and 0.7 % for Minors
- All-in-fee comprises: commission (0.5%), spread and custody; no additional costs
- Already fully compliant with MiCAR requirements - only such offering in Germany

### Scientifically proven: flatex is always the cheapest!

Test purchases by the Frankfurt School of Finance & Management show the real total costs (order fees and spreads) incurred during a round trip (purchase and subsequent sale). The cheapest provider in all scenarios in the academic study was flatex, with an average price advantage of just under EUR 50 per transaction.

	500 EUR	2,000 EUR	10,000 EUR
	₿ BTC	₿ ETH	₿ DOGE
online broker	Total costs in %	Total costs in EUR	Difference in %
flatex	1.1%	23.10 EUR	-
Trade Republic	5.0%	100.05 EUR	+333%
Bitpanda	4.9%	98.55 EUR	+327%
N26	5.0%	99.27 EUR	+330%
bison	2.4%	48.89 EUR	+112%
Smartbroker+	2.1%	42.51 EUR	+84%

This comparison between six well-known crypto providers was compiled through structured test purchases as part of a scientific study by the Frankfurt School of Finance & Management. It is based on the real total costs of a round trip, i.e., a purchase and sale of the respective crypto asset executed immediately one after the other. The two liquid and largest crypto assets by market capitalization, Bitcoin and Ethereum, as well as the less liquid Dogecoin, were bought and sold. The order sizes for the test purchases were approximately EUR 500, EUR 2,000, and EUR 10,000. The costs represent the average of three weekly test rounds from February 17, 2025, to March 6, 2025; the order size of EUR 10,000 was traded only once during this period.

# Crypto Trading – Teaming up with partners to provide best-in-class solutions

flatexDEGIRO’s brokerage platforms serve as the single interface to customers  
Specialized partners ensure highest quality standards and minimize risk & time to market

## 3 integrated partners



Liquidity Provider

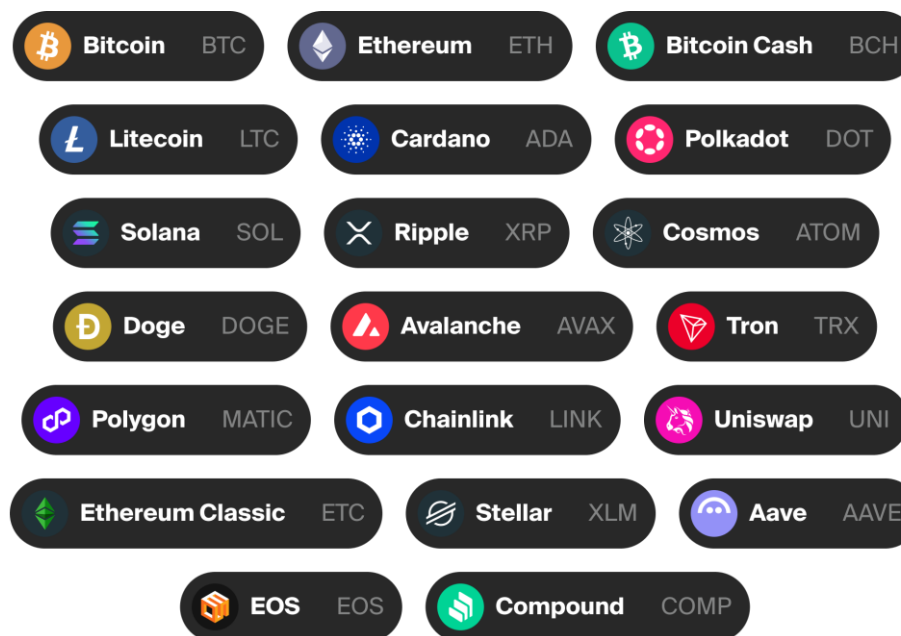


Order Routing

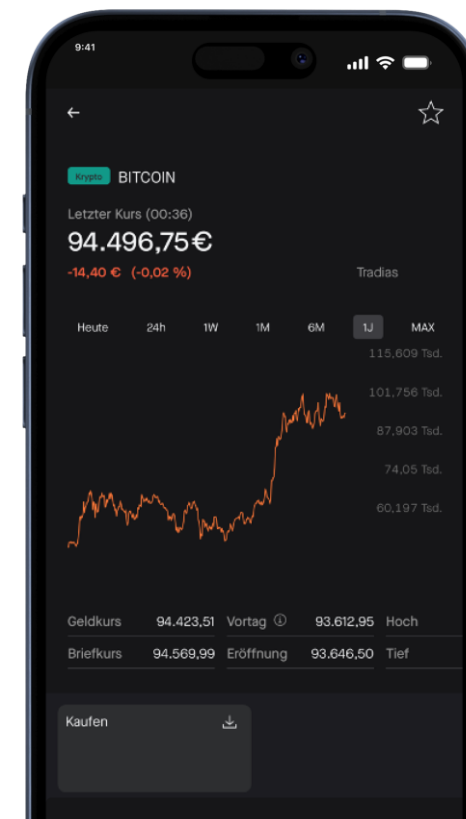


Custody

## 20 most relevant coins



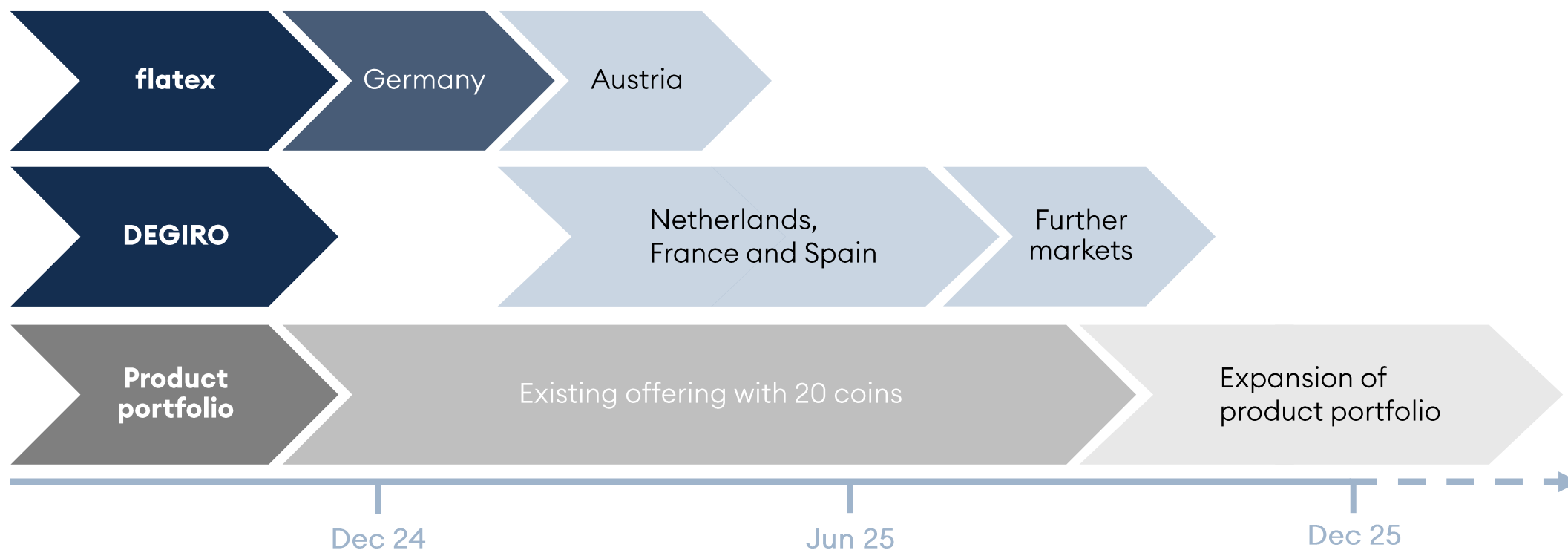
## Seamlessly integrated in flatex app





## Crypto Trading – Expanding local reach and range of products

Roll-out of crypto trading to flatex Austria and across Europe via DEGIRO in 2025  
Passporting using MiCAR license from BaFin (application submitted)



## Unlocking recurring revenue potential via Securities Lending

Valuable enhancement to our product offering, enabling the generation of additional income for our customers and us  
European retail asset portfolio highly interesting for institutional lending desks



### Asset Scope

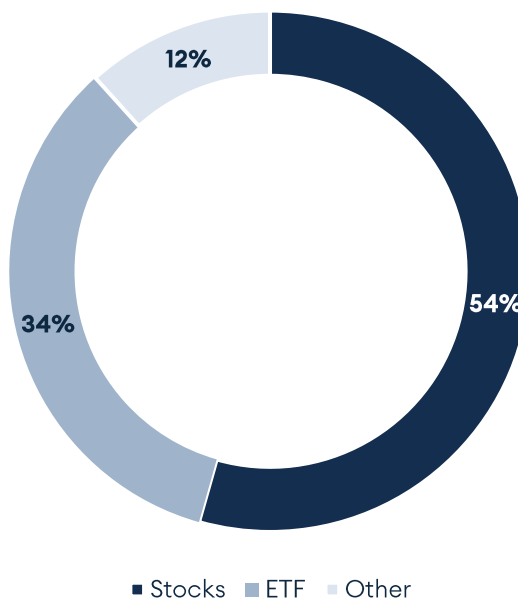
Stocks and ETFs at DEGIRO



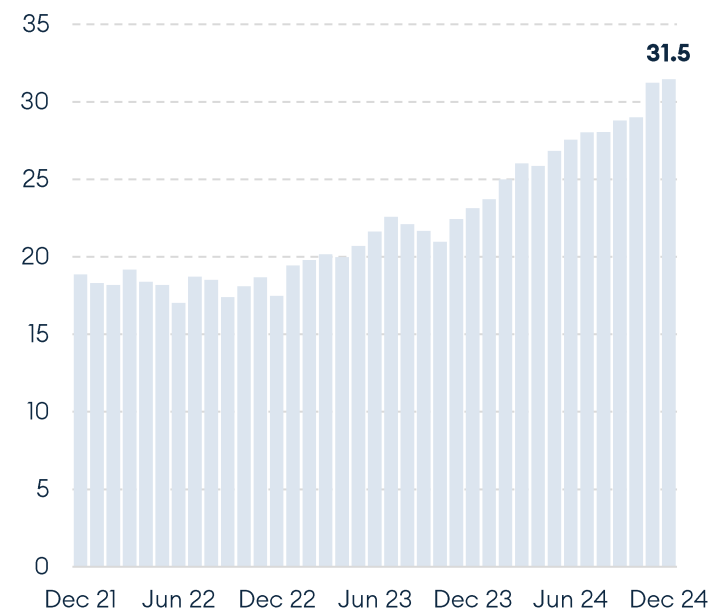
### Relevant Portfolio

Around 20-30% of DEGIRO's total Assets under Custody

Product Split DEGIRO Assets under Custody



DEGIRO Assets under Custody (bn EUR)



## Saving Plans and Fractional Shares – preparing for pension reforms

Enhancing Saving Plans offering to ensure state-of-the-art product choice  
Increasing need to address the pension gap across Europe

### Enhancing Savings Plans in Germany

- Addition of stock saving plans (fractional shares)
- Increasing flexibility of system allowing for shorter intervals / higher number of execution days
- Introduction of products tailored to lower-risk categories

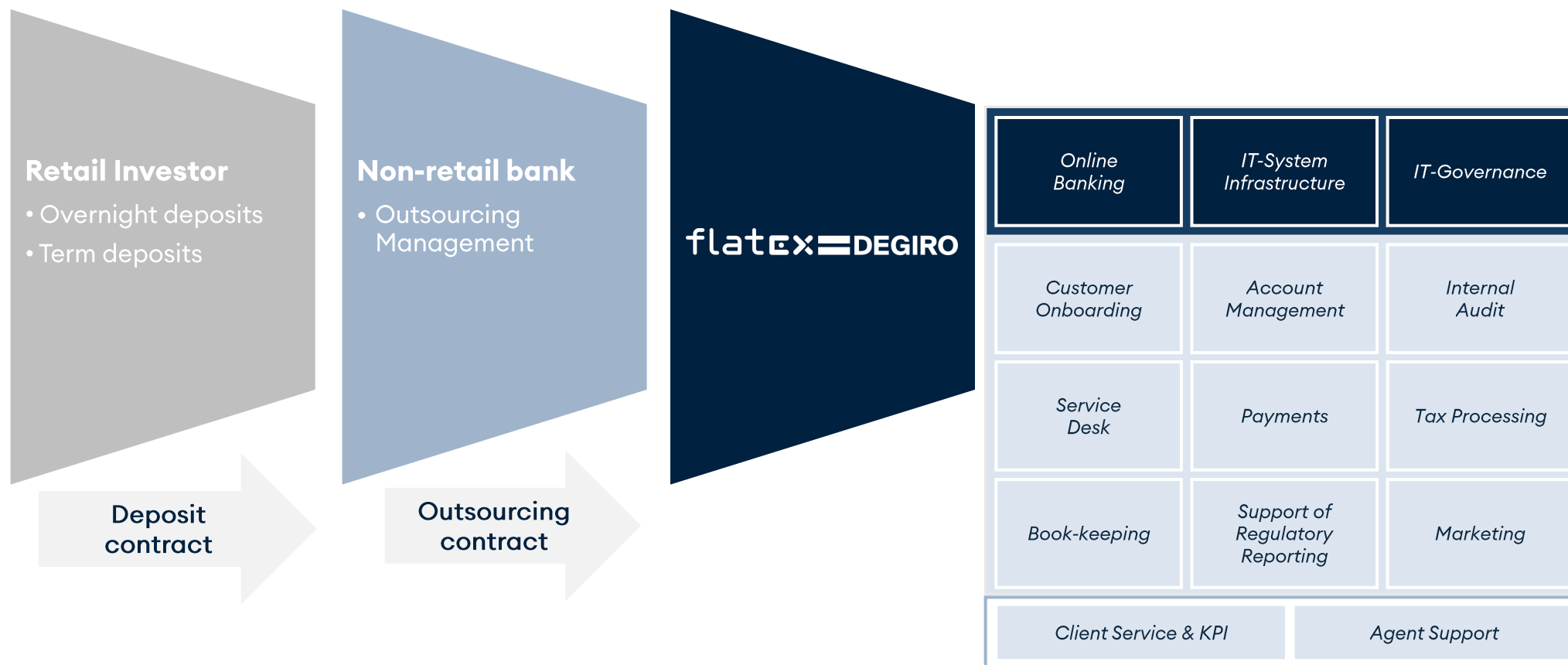


### German pension reforms

- General need in Europe, especially in Germany
- Long-term attractiveness of online brokerage platforms driven by growing interest in capital markets and expected retail stickiness
- Mid-term impact depending on speed of implementation and specific design of state subsidies and permitted products

# Business Process Outsourcing – full-service offering seamlessly integrated as white-label solution into partner bank's market presence

Proven track record since 2013



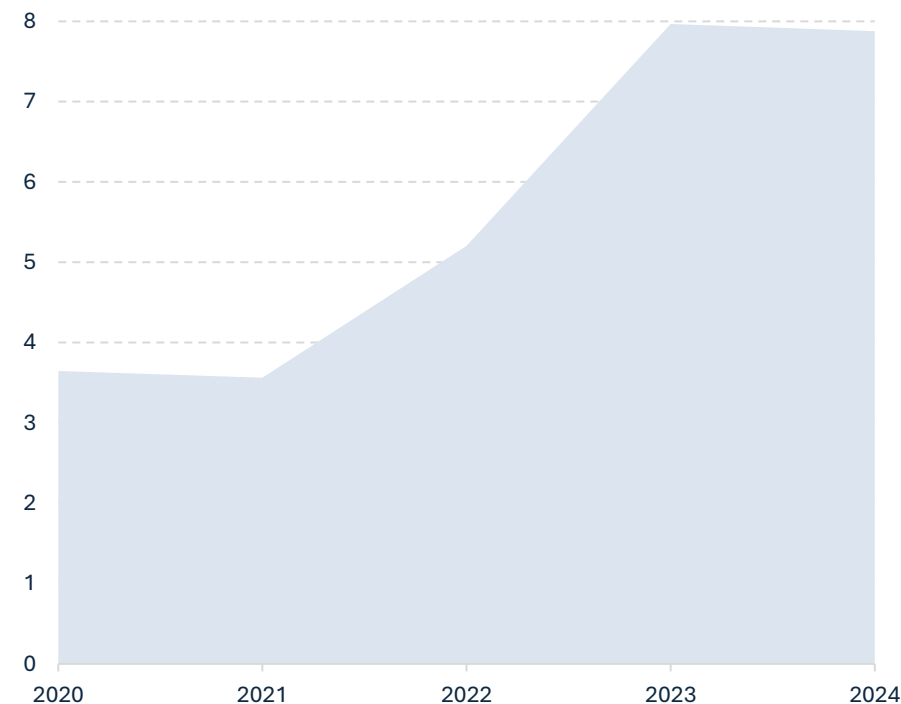
## Business Process Outsourcing – offering “Deposits as a Service” in an attractive market

Positive interest rate environment and regulatory changes create an attractive market opportunity  
Leveraging existing B2B business to diversify business model and increase share of recurring revenues

### Building on a tried and tested ancillary business

- Proven track record as Business Process Outsourcing provider for investments platforms with currently two clients using flatexDEGIRO’s white label banking solutions to originate deposits
- Demand for deposits to diversify funding sources is growing in the banking industry
- Opportunity to create meaningful AuC-based recurring revenues, priced at basis points, without own capital requirements

### AuC development BPO (bn EUR)





# Mid-term Guidance

## Ambition for 2027

### Accelerate topline growth:

- Constantly increase customer base and gradually improve trading activity
- **Brokerage:** Crypto, Securities Lending, saving plans enhancements
- **Non-Brokerage:** Business Process Outsourcing (“Deposits as a Service”)

### Deliver operational leverage:

- Increase share of recurring revenues
- Maintain initiated cost discipline
- Bring organizational efficiency to peer level
- Harmonize IT platform to reduce complexity, costs and time to market

### Close valuation gap to peers:

- Deliver on commercial and financial goals
- Be prepared to take advantage of M&A opportunities should they arise
- Further improve key elements of good corporate governance

**Revenues 2027(e)**

**~ 650 m EUR (+35 % versus 2024); 3-year-CAGR of ~ 10%**

**Net Income 2027(e)**

**~ 200 m EUR (+78 % versus 2024); 3-year-CAGR of ~ 20 %**

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