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FinTech Group achieved next record year; sales and EBITDA forecast exceeded

- **Sales in 2018 at EUR 126 million (+18% year-on-year)**
- **2018 EBITDA at EUR 43 million (+34% year-on-year)**
- **Net income for 2018 at EUR 22 million (+28% year-on-year)**
- **36,000 new B2C customers (+14% year-on-year) and over 12.5 million transactions (+11% year-on-year)**
- **Collateralized loan book increased to EUR 260 million (+30% year-on-year)**

Frankfurt/Main - For the fourth year in succession, the management of FinTech Group AG (WKN: FTG111, ISIN: DE000FTG1111, Ticker: FTK.GR) achieved a record year, exceeding its key targets. Strong revenue growth (+18%) driven by the successful acquisition of 36,000 new B2C customers (+14%) resulted in even stronger EBITDA growth (+34%). In 2018, EBITDA of the FinTech Group benefited from economies of scale in the B2C business and significantly higher volatility - the so-called "hidden reserve" - on the capital markets in Q1 and Q4 of the preceding year.

Preliminary and as yet unaudited key financials for the FinTech Group show that the Group is once again posting strong and profitable growth. The focus on the high-margin B2C business in Germany and Austria, essentially the highly scalable online brokerage platform flatex, resulted in corresponding growth in operating KPIs and key financials. The total number of B2C customers rose by 36,000 new customers (+14%) to around 290,000 at the end of 2018. At the same time, the number of settled securities transactions increased by around 11%, to reach 12.5 million. The low-risk, fully collateralised loan book increased by 30% to around EUR 260 million, generating net interest income of approximately EUR 12 million (+13% year-on-year).

The operating success resulted in a record financial year. Sales of EUR 126 million exceeded the forecast by 5%, and EBITDA amounting to EUR 43 million exceeded the forecast by approx. 7.5%. The EBITDA margin thus came to around 34%. Net income for the year rose by 28% to EUR 22 million but is down in relation to the forecast (EUR 24 million) due to increased ECB deposits and higher deferred taxes.

"Due to a lack of investment opportunities proportionate with the risk involved, our ECB deposits rose to over EUR 500 million. Accordingly, despite of the outstanding operating performance in the year under review, the net income forecast for the year was not quite achieved due to the weaker financial result. However, we have repeatedly stressed the fact that we will not pursue any risky investment strategies solely for the sake of interest margins or avoiding negative interest rates," said Muhamad Chahrour, CFO of FinTech Group AG and MD of flatex Bank AG, once again emphasising the active management strategy of limiting credit risk.

Based on the solid financial and growth performance, the Management Board confirms its guidance for the current year: Management expects sales of more than EUR 138 million, with an EBITDA margin of 34% before and 27% after growth investments, respectively.

"We're proud to have already recorded profitable growth for the fourth year in a row with hard and focused work, an extraordinary performance delivered by the whole team. The Group is net debt-free and – even after a EUR 15 million equity increase at flatex Bank AG – has over EUR 50 million in free net liquidity, an outstanding basis for our further growth programme in the B2C business. As we are ideally equipped for our internationalisation strategy "flatex goes Europe", we are now preparing for European expansion into The

Netherlands – and cost control remains essential to us. We will continue to focus and work continually toward achieving our long-term goal of building a highly profitable pan-European online broker,” said Frank Niehage, CEO of FinTech Group AG and flatex Bank AG, explaining the preparations for market entry in The Netherlands in the second quarter.

The final audited and certified Group Annual Report for 2018 is expected to be published at the end of May.

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About FinTech Group AG

FinTech Group AG (WKN: FTG111, ISIN: DE000FTG1111, Ticker: FTK.GR) operates with flatex one of the leading and fastest growing online brokerage businesses in Europe. Executing round about 12.5 million customer’s securities transactions paperless per annum. Offering their more than 290,000 B2C customers top services at a competitive pricing based on their modern, self-developed state-of-the-art technology.

Many B2B customers, the state infrastructure and established financial services companies as well as disruptive business ideas benefit from FinTech Group’s white label banking technology and become quickly successful businesses due to the self-developed core banking system (FTG:CBS) that belongs to the most modern and most modular systems in the market – the standard platform for private and specialist banks. In times of bank consolidation, low interest rates and digitalisation, FinTech Group is ideally positioned for further growth and well on its way to becoming Europe’s leading provider of financial technology.

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