

flatexDEGIRO achieves record result and aims for further significant Revenue and earnings growth by 2027

- Net Income increases by 55% to EUR 112 m - guidance exceeded
- Commission Income up 20% to EUR 282 m, Interest Income up 32% to EUR 180 m
- 421,000 new customer accounts lead to customer base of 3.1 m customers - net cash inflows of EUR 6.6 bn
- Strategic priorities: customer growth, new products and services paired with operational efficiency
- Revenues to increase to around EUR 650 m by 2027, Net Income to around EUR 200 m

flatexDEGIRO, one of the leading and fastest growing online brokers in Europe, significantly increased Revenues and earnings in 2024 and achieved the best annual result in the company's almost 20-year history. Bottom line, the company shows Net Income of EUR 112 m (2023: EUR 72 m), thereby slightly exceeding its own growth forecast.

Together with the preliminary results, CEO Oliver Behrens named three strategic priorities that should support the company's sustainable development: customer growth, new products and services as well as higher operational efficiency. Implementing these priorities, the Management Board aims to increase Revenues by around a third to around EUR 650 m and Net Income by around 75 percent to around EUR 200 m by 2027.

The good results in 2024 were driven by a significant increase in Revenues of 23% to EUR 480 m (2023: EUR 391 m). This was boosted by higher Commission Income from Brokerage activities as well as higher Interest Income from the investment of liquidity that customers had not invested in securities. Commission Income increased by 20% to EUR 282 m (2023: EUR 235 m), while Interest Income rose by 32% to EUR 180 m (2023: EUR 136 m).

CEO **Oliver Behrens** said: "Thanks to increased income from Brokerage and support from still high interest rates, we achieved a record result in 2024. We aim to build on this good result in the current financial year and significantly increase Revenues and earnings by 2027. Our ambition is to be the leading investment platform for building wealth in Europe."

1. STRATEGIC PRIORITIES

flatexDEGIRO intends to achieve the targeted growth with a series of measures based on three strategic priorities. The online broker wants to **expand and strengthen its existing business**. flatexDEGIRO aims to acquire new customers and to activate customers who currently do not trade or show lower trading activity. In its key growth markets, the company intends to expand its local presence in order to better recognize trends and implement them more quickly. Finally, the company intends to optimize the use of deposits and, in this context, plans to offer its customers term deposits.

Additionally, the **product and service offerings** will be broadened and diversified. Against this backdrop, flatexDEGIRO intends to broaden its Brokerage offering. Trading in crypto assets, which was launched in Germany in December 2024, will be offered in all of the Group's key markets in the coming months. Furthermore, DEGIRO customers will be able to lend their securities, generating additional income. flatexDEGIRO also sees significant future potential in the area of retirement savings accounts. Beyond Brokerage, flatexDEGIRO intends to expand its so-called "Business Process Outsourcing", providing deposit business services to other banks.

Furthermore, flatexDEGIRO intends to **increase operational efficiency** by finalizing the harmonization of its IT platforms, reducing organizational complexity and consistently managing costs.

These growth measures are expected to increase Revenues by around a third to around EUR 650 m and Net Income by around 75% to around EUR 200 m by 2027.

2. THE YEAR 2024 - KEY FIGURES / INCOME STATEMENT

Key metrics showed positive developments

flatexDEGIRO processed 63.0 m **Transactions** via its brokerage platforms in 2024, compared to 56.9 m Transactions in the previous year. This was driven by an increase in the number of customers by 421,000 to 3.1 m **Customer Accounts** at year end (2023: 341,000 new customers; 2.7 m Customer Accounts). With an average annual growth rate of 14% since the end of 2021, flatexDEGIRO continues to outperform its listed European competitors, who achieved average customer growth rates of 7%. Customer **trading activity** at flatexDEGIRO remained stable at 22 transactions per customer per year.

Net Cash Inflows from existing and new customers rose to EUR 6.6 bn in 2024 (2023: EUR 4.5 bn). Customers invested the majority of these funds in securities, leading to an investment ratio of 95%. **Total Customer Assets under Custody** including cash positions rose to EUR 71.5 bn (12/23: EUR 51.7 bn) of which securities accounted for EUR 67.2 bn (12/23: EUR 48.1 bn).

Income grew at a much higher rate than expenses

The significant increase in **Commission Income** to EUR 282 m in 2024 resulted both from the surge of settled transactions driven by customer growth, as well as from higher average commissions per transaction. The latter increased by 8% to EUR 4.47 (2023: EUR 4.13), driven by a positive product mix.

The increase in **Interest Income** to EUR 180 m benefited from higher average customer cash positions, which grew by 17% to EUR 4.3 bn (2023: EUR 3.6 bn). flatexDEGIRO invests this cash or uses it to fund margin loans to customers. The average utilization of margin loans increased by 31% to EUR 1.2 bn in 2024 (2023: EUR 0.9 bn). Besides the growing customer base, the expansion of margin loans to all DEGIRO customers at the end of 2023 also contributed positively.

Operating Expenses increased to EUR 208 m (2023: EUR 181 m). Current Personnel Expenses included in this figure rose to EUR 108 m (2023: EUR 83 m), among others as a result of salary increases and new hires over the course of 2023. Other Administrative Expenses amounted to EUR 61 m (2023: EUR 49 m). This was impacted by higher IT costs and additional legal and consulting costs in connection with regulatory requirements, as well as expenses for product launches such as cryptocurrency trading. In contrast, flatexDEGIRO reduced its Marketing Expenses by 7% to EUR 32 m (2023: EUR 34 m), leading to a decline in the average customer acquisition cost to EUR 75 per customer (2023: EUR 100).

3. OUTLOOK 2025

In the current financial year, flatexDEGIRO aims to build on the very good results achieved in 2024. Higher Commission Income from Brokerage and further customer growth are expected to offset significantly lower Interest Income as a result of the overall decline in the interest rate environment. The online broker expects **Revenues of between EUR 455 m and EUR 505 m** and **Net Income of between EUR 107 m and EUR 124 m**.

Dr. Benon Janos, CFO of flatexDEGIRO, said: "We exceeded the targets we set ourselves at the beginning of 2024, achieving new records in both, revenues and net income. We aim to sustain this high level throughout the current financial year, before accelerating earnings growth again in the following years towards a net income of EUR 200 m in 2027."

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flatexDEGIRO AG is one of the leading and fastest growing online brokers in Europe and offers its services in 16 countries. The company most recently held assets of around EUR 70 bn in more than 3 m customer accounts and processed an average of over 60 m securities transactions per year for its customers in recent years.

Via three brokerage platforms - DEGIRO, flatex and ViTrade - flatexDEGIRO offers access to trading on around 50 stock exchanges in Europe, North America and the Asia-Pacific region as well as over-the-counter trading. Customers are active and well-informed traders who trade without investment advice. With ViTrade, flatexDEGIRO also serves particularly active traders.

Brokerage and the banking business associated with securities trading are handled by flatexDEGIRO Bank AG, a subsidiary with a full banking license. flatexDEGIRO has proprietary technology with very high availability along the entire value chain and thus sets standards in platform and service quality.

Key financial figures

		Q4 2024	Q4 2023	Change in %	2024	2023	Change in %
Revenues	EUR m	127	100	+26	480	391	+23
Commission income	EUR m	77	55	+39	282	235	+20
<i>Commissions per transaction</i>	<i>EUR</i>	<i>4.57</i>	<i>4.11</i>	<i>+11</i>	<i>4.47</i>	<i>4.13</i>	<i>+8</i>
Interest income	EUR m	45	39	+15	180	136	+32
Other operating income	EUR m	5	6	-15	18	19	-10
Raw materials and consumables	EUR m	18	18	0	69	69	0
Gross margin	%	86	82	+5	86	82	+4
Operating expenses	EUR m	59	31	+92	208	181	+15
Current personnel expenses	EUR m	34	19	+81	108	83	+30
Personnel expenses for long-term variable compensation	EUR m	3	-3	n/a	7	14	-47
Marketing expenses	EUR m	7	4	+85	32	34	-7
<i>Average customer acquisition costs</i>	<i>EUR</i>	<i>60</i>	<i>52</i>	<i>+16</i>	<i>75</i>	<i>100</i>	<i>-25</i>
Other administrative expenses	EUR m	14	10	+36	61	49	23
EBITDA	EUR m	50	52	-3	202	140	+44
EBITDA margin	%	40	52	-23	42	36	+17
Net Income	EUR m	26	31	-17	112	72	+55
Net Income margin	%	20	31	-35	23	18	+26

Commercial key figures

		12/2024	12/2023	Change in %	2024	2023	Change in %
Customer accounts at the end of the reporting period ¹⁾	m	3.1	2.7	+14	3.1	2.7	+14
- of which: "flatex" segment	m	0.8	0.7	+14	0.8	0.7	+14
- of which: "DEGIRO" segment	m	2.3	2.0	+14	2.3	2.0	+14
		Q4 2024	Q4 2023	Change in %	2024	2023	Change in %
New customer accounts	k	124	77	+60	421	341	+24
- of which: "flatex" segment	k	34	17	+94	111	69	+60
- of which: "DEGIRO" segment	k	90	60	+50	310	271	+14
		Q4 2024	Q4 2023	Change in %	2024	2023	Change in %
Transactions settled	m	16.8	13.5	+25	63.1	56.9	+11
- of which: "flatex" segment	m	6.5	4.8	+33	23.0	19.8	+17
- of which: "DEGIRO" segment	m	10.4	8.7	+20	40.0	37.1	+8
		12/2024	12/2023	Change in %	2024	2023	Change in %
Assets under custody at the end of the reporting period ¹⁾	EUR bn	71.5	51.7	+38	71.5	51.7	+38
- of which: Securities	EUR bn	67.2	48.1	+40	67.2	48.1	+40
- of which: Deposits	EUR bn	4.3	3.6	+17	4.3	3.6	+17

1) These numbers refer to December 31 in each case and are therefore identical.

DISCLAIMER

Preliminary results

This communication contains preliminary information that is subject to change and does not claim to be complete.

Non-IFRS key figures (APMs)

This communication contains non-IFRS measures. These measures are alternative performance measures as defined by the European Securities and Markets Authority ("ESMA"). flatexDEGIRO presents these non-IFRS measures because (i) they are used by management to measure performance, including in presentations to the Management Board and members of the Supervisory Board and as a basis for strategic planning and forecasting; and (ii) they represent measures that flatexDEGIRO believes are widely used by certain investors, securities analysts and other parties as supplemental measures of operating and financial performance. These non-IFRS measures may not be comparable to similarly titled measures of other companies and have limitations as analytical tools and should not be considered a substitute for analysis of flatexDEGIRO's results of operations as reported under IFRS. Non-IFRS measures are not a measure of flatexDEGIRO's performance or liquidity under IFRS and should not be considered as an alternative to net income or other performance measures derived in accordance with IFRS or other generally accepted accounting principles or as an alternative to cash flows from operating, investing or financing activities.

Forward-looking statements

This release may contain forward-looking statements and information, which are characterized by formulations such as "expect", "aim", "anticipate", "intend", "plan", "believe", "aim", "estimate" or "will". Such forward-looking statements are based on our current expectations and certain assumptions, which may be subject to a variety of risks and uncertainties. The results actually achieved by flatexDEGIRO AG may differ materially from these forward-looking statements. flatexDEGIRO assumes no obligation to update these forward-looking statements or to correct them in the event of developments that differ from those anticipated.