

ALL FIGURES BASED ON PRELIMINARY NUMBERS (UNAUDITED)

# PRELIMINARY RESULTS 2024



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## Executive Summary - Preliminary Results for 2024

flatexDEGIRO has continued its commercial growth in 2024, winning around 421.000 new customer accounts and thereby increasing its customer base by 14 percent to 3.1 million. With a growing number of transactions and improved monetization Commission Income increased by 20 percent to EUR 282 million. Interest income benefitted from higher Cash under Custody, stronger demand for margin loans and increased average interest rates, resulting in a 32 percent increase of interest income to EUR 180 million.

Revenues increased by 23 percent to a new record level of EUR 480 million, while consolidated Net Income increased by 55 percent to EUR 112 million, also a record figure for flatexDEGIRO.

The Management Board is confident to keep Revenues and Consolidated Net Income at these record levels in 2025, despite the expected significant reduction of interest income due to lower interest rates. Ongoing customer growth and the launch of new products is expected to support growth in the brokerage business. Operating expenses are expected to decline.

The Management Board has agreed on a number of strategic measures to accelerate growth until 2027. The online broker wants to expand and strengthen its existing business, broaden and diversify its product and service offerings and increase operational efficiency. By 2027, these growth measures are expected to increase Revenues compared to the 2024 record-levels by around a third to around EUR 650 million and consolidated net income by around 75 percent to around EUR 200 million.

## Operational development

The increase in customer accounts (gross) in 2024 amounted to around 421,000 (2023: around 341,000). This acceleration of growth was achieved while at the same time marketing expenses were reduced during the year and overall customer acquisition costs fell to EUR 75 in 2024 (2023: EUR 100). The customer base amounted to 3.1 million at the end of 2024, which corresponds to an increase of 13.8 percent compared to the end of 2023 (2.7 million). The customer retention rate in 2024 was 98.4 percent (2023: 98.3 percent).

In 2024, flatexDEGIRO settled 63.0 million transactions, an increase of 10.9 percent compared to 2023 (56.9 million). New customer growth was the main driver of this increase.

Net cash inflows on flatexDEGIRO's platforms amounted to EUR 6.6 billion in 2024. This continued the positive trend of 2023, in which net cash inflows of EUR 4.5 billion were recorded. In 2024, flatexDEGIRO's customers invested EUR 6.3 billion (net) in securities, while the remaining EUR 0.3 billion – together with the increased utilization of Margin Loans – led to an overall increase of the customers' cash position of EUR 0.6 billion to EUR 4.3 billion at year-end 2024 (December 2023: EUR 3.6 billion). The value of securities held in custody amounted to EUR 67.2 billion, an increase of EUR 19.1 billion over year-end 2023 (EUR 48.1 billion). Total customer assets under custody, including securities as well as cash, increased by 38.2 percent to EUR 71.5 billion at the end of 2024 (December 2023: EUR 51.7 billion).

Customer cash under custody is invested in very short-duration assets. As at year-end 2024, this mainly comprised EUR 1.2 billion in fully collateralized margin loans provided to flatexDEGIRO brokerage customers and around EUR 3.1 billion in customer cash under custody, the majority of which are held directly with the German Federal Bank (Deutsche Bundesbank) with daily availability.

Due to the large proportion of customer deposits held directly with the German Federal Bank, flatexDEGIRO benefits directly from the positive interest rate environment and the on average higher deposit facilities of the European Central Bank (ECB) in 2024. In addition, flatexDEGIRO increased interest rates for collateralized margin loans to the respective interest rate environment at the beginning of 2024, which, paired with higher utilization of margin loans by flatexDEGIRO customers, also had a positive effect on net Interest Income.

In November 2023, DEGIRO extended its range of margin loans to all customers, which had a positive year-over-year effect in 2024.

## Financial position and results of operations

Revenues in 2024 amounted to EUR 480.0 million, an increase of 23 percent compared to Revenues in the previous period (2023: EUR 390.7 million). Commission income amounted to EUR 282.0 million in 2024, which corresponds to an average commission of EUR 4.47 per transaction. Commissions per transaction in 2023 amounted to EUR 4.13, resulting in commission income of EUR 235.0 million in 2023.

Interest income in 2024 amounted to EUR 180.5 million, an increase of 32.4 percent compared to 2023 (EUR 136.3 million). The increase is driven by higher deposit interest rates at the ECB and higher interest rates for margin loans at flatex and DEGIRO as well as an overall higher level of customer cash under custody and a higher utilization of margin loans by flatexDEGIRO's customers.

Other operating income amounted to EUR 17.5 million in 2024. In the same period of the previous year, other operating income amounted to EUR 19.4 million.

Raw materials and consumables amounted to EUR 69.3 million or 14.4 percent of revenues in 2024, compared to EUR 69.5 million and 17.8 percent in 2023. This ratio benefited from a more favorable revenue mix with a higher proportion of Interest Income. In the previous year, raw materials were also negatively impacted by some non-cash interest expenses.

Marketing expenses amounted to EUR 31.6 million in 2024, compared to EUR 34.0 million in 2023. Customer acquisition costs fell to EUR 75 in 2024 (2023: EUR 100).

Personnel expenses increased from EUR 97.4 million in 2023 to EUR 115.9 million in 2024. This development was driven by general salary increases and provisions for personnel measures. Provisions for long-term variable compensation components amounted to EUR 7.5 million in 2024 (2023: EUR 14.1 million). The capitalization of development costs amounted to EUR 26.0 million in the reporting year, which is EUR 2.0 million less than in the previous year (2023: EUR 28.0 million).

Other administrative expenses amounted to EUR 60.7 million in 2024. The increase compared to the previous year (2023: EUR 49.5 million) mainly resulted from higher legal and consultancy fees as well as higher IT costs.

Earnings before Interests, Tax, Depreciation and Amortization (EBITDA) increased in 2024 by 44.3 percent to EUR 202.5 million (2023: EUR 140.4 million). Consolidated Net Income reached EUR 111.5 million, an increase of 55.2 percent compared to 2023 (EUR 71.9 million).

## Segment development

flatexDEGIRO's business comprises two segments: "flatex" and "DEGIRO". IT services of flatexDEGIRO AG and Xervices GmbH are not assigned to individual segments but are allocated to them.

### ***"DEGIRO" segment***

The "DEGIRO" segment comprises the online brokerage activities of the DEGIRO brand and the part of the Credit & Treasury business division attributable to the DEGIRO brand. This reflects the deposit business and the margin loan business of the DEGIRO brand. Geographically, the "DEGIRO" business segment currently covers 15 countries in Europe: the Netherlands, Spain, Portugal, France, Germany, Italy, Switzerland, Ireland, the UK, Denmark, Sweden, Finland, Poland, the Czech Republic and Greece.

The increase in customer accounts (gross) in the DEGIRO segment in 2024 amounted to around 310,000 (2023: around 271,000). The customer base at "DEGIRO" amounted to 2.3 million at the end of 2024, which corresponds to an increase of 13.6 percent compared to the end of 2023 (2.0 million).

In 2024, DEGIRO customers settled 40.0 million transactions, an increase of 7.9 percent compared to 2023 (37.0 million).

Revenues (before consolidation) in the DEGIRO segment increased by 28.0 percent to EUR 286.1 million (2023: EUR 223.5 million). EBITDA (before consolidation) increased by 80.8 percent to EUR 116.6 million.

## ***"flatex" segment***

The "flatex" segment comprises the online brokerage activities of the flatex brand and the activities of the ViTrade brand, for which no separate segment was formed for reasons of materiality (not meeting the criteria for reporting segments). Geographically, the core business area of online brokerage of the flatex and ViTrade brands relates to Germany and Austria. Furthermore, the "flatex" segment includes the part of the Credit & Treasury business area of flatexDEGIRO Bank AG that is not attributable to DEGIRO, including the deposit business and the margin loan business of the flatex and ViTrade brands. The "Business Process Outsourcing" business area, which is also included, and the services offered as an outsourcing solution in the area of securities settlement and the largely automated transaction processing (General Clearing Member, GCM) are also included in this segment.

The increase in customer accounts (gross) in the flatex segment in 2024 amounted to around 111,000 (2023: around 69,000). The customer base at "flatex" amounted to 0.8 million at the end of 2024, which corresponds to an increase of 14.4 percent compared to the end of 2023 (0.7 million).

In 2024, customers in the flatex segment settled 23.0 million transactions, an increase of 16.5 percent compared to 2023 (19.8 million).

Revenues (before consolidation) in the flatex segment increased by 10.7 percent to EUR 270.6 million (2023: EUR 244.6 million). EBITDA (before consolidation) increased by 13.2 percent to EUR 85.9 million.

## **Outlook 2025**

flatexDEGIRO anticipates further customer growth in 2025, similar to numbers recorded in 2024. The average trading activity of retail investors is expected to remain around previous year's levels, leading to a higher number of settled transactions in total. Based on this transaction growth and the launch of new products such as crypto assets trading, the Management Board expects provision income to increase further in 2025.

Net Interest Income is expected to decline due to the expectation of further reduction of interest rates, negatively affecting the interest generated on customers' cash deposits and margin loans.

Based on these assumptions, the Management Board expects revenues in 2025 to be in the range of -5 percent to +5 percent compared to the record-levels achieved in 2024 (EUR 480.2 million) and consolidated Net Income to be in the range of -5 percent to +10 percent compared to the record figure of EUR 111.5 million achieved in 2024.

## **Strategic Priorities and growth 2027**

flatexDEGIRO intends to accelerate growth with a series of measures based on three strategic priorities. The online broker wants to expand and strengthen its existing business, broaden and diversify its product and service offerings and increase operational efficiency. By 2027, these growth measures are expected to increase Revenues compared to the record-levels of 2024 by around a third to around EUR 650 million and consolidated Net Income by around 75 percent to around EUR 200 million.

## Key financial figures

		Q4 2024	Q4 2023	Change in %	2024	2023	Change in %
<b>Revenues</b>	<b>EUR m</b>	<b>126.7</b>	<b>100.2</b>	<b>+26.4</b>	<b>480.0</b>	<b>390.7</b>	<b>+22.9</b>
Commission Income	EUR m	77.0	55.4	+39.0	282.0	235.0	+20.0
<i>Commissions per transaction</i>	<i>EUR</i>	<i>4.57</i>	<i>4.11</i>	<i>+11.4</i>	<i>4.47</i>	<i>4.13</i>	<i>+8.3</i>
Interest Income	EUR m	44.7	39.0	+14.7	180.5	136.3	+32.4
Other Operating Income	EUR m	4.9	5.8	-14.8	17.5	19.4	-9.8
<b>Raw materials and consumables</b>	<b>EUR m</b>	<b>17.7</b>	<b>17.8</b>	<b>-0.4</b>	<b>69.3</b>	<b>69.5</b>	<b>-0.2</b>
Gross margin	%	86.0	82.2	+4.6	85.6	82.2	+4.1
<b>Operating expenses</b>	<b>EUR m</b>	<b>58.6</b>	<b>30.5</b>	<b>+92.0</b>	<b>208.2</b>	<b>180.9</b>	<b>+15.1</b>
Current personnel expenses	EUR m	33.8	18.7	+81.2	108.4	83.3	+30.1
Personnel expenses for long-term variable compensation components	EUR m	3.3	-2.5	n.a.	7.5	14.1	-46.9
Marketing expenses	EUR m	7.4	4.0	+84.6	31.6	34.0	-7.1
<i>Average customer acquisition costs</i>	<i>EUR</i>	<i>60</i>	<i>52</i>	<i>+15.6</i>	<i>75</i>	<i>100</i>	<i>-24.8</i>
Other administrative expenses	EUR m	14.1	10.4	+36.2	60.7	49.5	22.8
<b>EBITDA</b>	<b>EUR m</b>	<b>50.4</b>	<b>51.9</b>	<b>-3.0</b>	<b>202.5</b>	<b>140.4</b>	<b>+44.3</b>
EBITDA margin	%	39.8	51.8	-23.2	42.2	35.9	+17.5
<b>Consolidated Net Income</b>	<b>EUR m</b>	<b>25.8</b>	<b>31.3</b>	<b>-17.3</b>	<b>111.5</b>	<b>71.9</b>	<b>+55.2</b>
Consolidated Net Income margin	%	20.4	31.2	-34.6	23.2	18.4	+26.4

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## Commercial key figures

		12/2024	12/2023	Change in %	2024	2023	Change in %
<b>Customer accounts</b> at the end of the reporting period <sup>1)</sup>	m	3.1	2.7	+13.8	3.1	2.7	+13.8
- of which: flatex	m	0.8	0.7	+14.4	0.8	0.7	+14.4
- of which: DEGIRO	m	2.3	2.0	+13.6	2.3	2.0	+13.6
		<b>Q4 2024</b>	<b>Q4 2023</b>	<b>Change in %</b>	<b>2024</b>	<b>2023</b>	<b>Change in %</b>
<b>New customer accounts</b>	k	123.6	77.4	+59.7	421.5	340.9	+23.7
- of which: flatex	k	33.6	17.3	+93.6	111.3	69.5	+60.2
- of which: DEGIRO	k	90.0	60.1	+49.9	310.2	271.4	+14.3
		<b>Q4 2024</b>	<b>Q4 2023</b>	<b>Change in %</b>	<b>2024</b>	<b>2023</b>	<b>Change in %</b>
<b>Settled transactions</b>	m	16.8	13.5	+24.8	63.0	56.9	+10.9
- of which: flatex	m	6.5	4.8	+33.3	23.0	19.8	+16.5
- of which: DEGIRO	m	10.4	8.7	+20.0	40.0	37.1	+7.9
		<b>12/2024</b>	<b>12/2023</b>	<b>Change in %</b>	<b>2024</b>	<b>2023</b>	<b>Change in %</b>
<b>Assets under Custody</b> at the end of the reporting period <sup>1)</sup>	EUR bn	71.5	51.7	+38.2	71.5	51.7	+38.2
- of which: Securities	EUR bn	67.2	48.1	+39.8	67.2	48.1	+39.8
- of which: Deposits	EUR bn	4.3	3.6	+17.4	4.3	3.6	+17.4

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

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## Disclaimer

### Preliminary results

This release contains preliminary, unaudited information that is subject to change and does not purport to be complete.

### Non-IFRS key figures (APMs)

This presentation 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 terms such as "expect", "aim", "anticipate", "intend", "plan", "believe", "estimate" or "will". Such forward-looking statements are based on current expectations and certain assumptions that 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.