

Group Interim Management Statement, January – March 2021

Frankfurt/Main, 16 April 2021

flatexDEGIRO grows faster than three major competitors in Europe together – 2021 forecast raised significantly again

- Customer base increased by over 360,000 (+29%) to 1.6 m in the first quarter – more new customers acquired than three key peers together
- Number of transactions in Q1 2021 almost doubled to 33.59 m (Q1 2020: 17.33 m, pro forma)
- Revenue in Q1 2021 increased by 176% to EUR 134.9 m, Adjusted EBITDA margin of 54.2% (FY2020: 43.6%)
- Further growth initiatives launched at flatex and DEGIRO
- Full-year forecast raised to 2.0 - 2.2 m customers and 90 - 110 m transactions settled

"The new era in online brokerage that we started with the acquisition of DEGIRO last year is visibly beginning to take shape. Together, we are continuously expanding our customer offering and continuing to impress with outstanding user-friendly and stable platforms, one of the largest product ranges and particularly attractive conditions. Strategically, we are optimally positioned in 18 European countries," says Frank Niehage, CEO of flatexDEGIRO AG. "Our strategy is confirmed by the continuously high number of new customers. In 2020, we grew three times faster than our peers. We have continued this trend in the first months of this year. I have no doubt that we will continue to achieve this outperformance in the future. We are Europe's leading retail online broker in terms of transactions settled, but it is only a matter of time before flatexDEGIRO will become Europe's undisputed number one also in terms of customers. Given the sustained speed of growth in recent months, we may then also have to revise our Vision 2025."

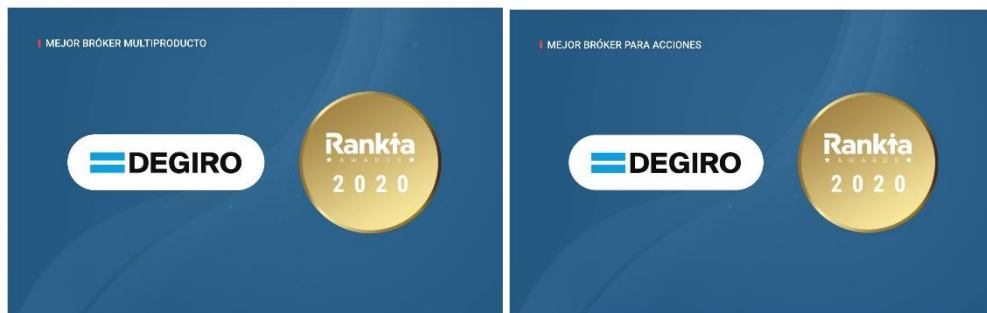
Major events

- **New location in Hamburg underpins growth plans**

With a new location in Hamburg (since January 2021), flatEXDEGIRO underpins its growth plans and strengthens especially the product management, marketing and banking center with highly experienced retail online brokerage experts.

- **DEGIRO repeatedly named best broker in Spain**

For the fifth time in a row, DEGIRO was awarded "Best Stock Broker 2020" as well as "Best Multi-Product Broker 2020" in Spain. Our outstanding development and rapid growth in Spain are the logical consequence of this continuous, exceptional customer satisfaction.



- **Germany's largest ETF and fund savings plan offering, permanently at zero cost**

Since 1 April 2021, flatEX has been offering its entire ETF and fund savings plan range in Germany, with over 3,000 products, permanently free of charge. In addition, the custody account fee for all ETF and fund products will be waived from now on. New and existing customers alike benefit from this offer, which is unique in Germany. Lowering the minimum savings rate to 25 euros enables an even broader range of customers to take their financial planning for the future into their own hands.

- **Upcoming expansion of DEGIRO's customer offering**

DEGIRO will also be significantly expanding its customer offering in the coming months, both in terms of products and services. This includes, for example, access to trading venues that allow pre- and post-trade from 8 am to 10 pm. This will enable DEGIRO to set itself even further apart from the competition in international markets.

Financial position and results of operations

"The operational development in the first quarter of 2021 was outstanding and demonstrates impressively our enormous growth potential in Europe. With more than 360,000 new customers, we were able to expand our customer base by almost 30 percent in just the first three months of the year. The number of transactions settled reached 33.59 million, already exceeding the figure from the full year 2019 (31.43 million, pro forma) after just one quarter. Due to the high scalability of the business model and its strong operating leverage, revenue increased by 176 percent in the quarter to a record value of 134.9 million euros, with an Adjusted EBITDA margin reaching more than 54 percent for the first time," summarizes Muhamad Chahrour, CFO of flatexDEGIRO AG, the successful first quarter. "Thanks to our exceptional strategic positioning, we are benefiting far above average from long-term growth trends across Europe. We will use this strength in a targeted manner in the coming months to further expand our leading market position and the long-term earnings power of our company."

Key figures

		Q1 2021	Q1 2020	Q4 2020	Change vs. Q1 2020 in %	Change vs. Q4 2020 in %
Brokerage KPIs						
Settled Transactions	m	33.59	17.34*	21.05	+93.8	+59.6
Brokerage Customers at end of period	m	1.61	0.91*	1.25	+77.6	+29.0
Financials						
Revenues	m EUR	134.9	48.9		+175.9	
Adjusted EBITDA	m EUR	73.1	23.7		+208.5	
Adjusted EBITDA margin	in %	54.2	48.4		+5.7 pp	

* pro forma

Above-average customer growth

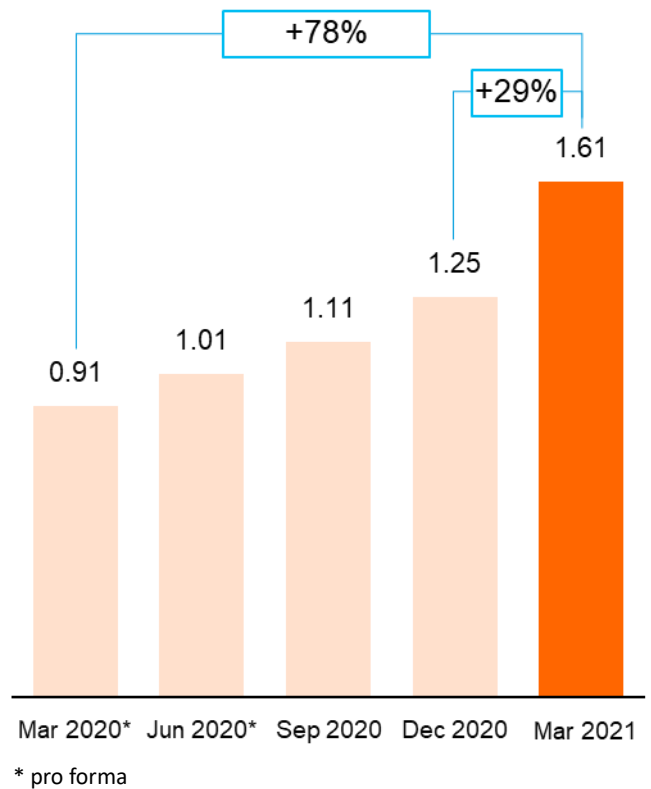
In the first three months of 2021, more than 360,000 new customers expressed their trust in flatexDEGIRO, an increase of almost 30 percent compared to the beginning of the year (1.25 million brokerage customers). Listed peer companies that have already published customer figures for the first three months of 2021¹ achieved average customer growth of around 9 percent in the first quarter of 2021. No peer company achieved more than 14 percent. In absolute terms, flatexDEGIRO's customer growth was higher than the total customer growth of these peer companies combined.

At the end of March 2021, the number of flatexDEGIRO brokerage customers stood at 1.61 million, an increase of around 78 percent compared to the 0.9 million customers recorded on 31 March 2020 (pro forma). Over the last 15 months, flatexDEGIRO has more than doubled the total number of customers organically (December 2019: 0.8 million customers, pro forma).

The management believes that flatexDEGIRO is thus already one of the three retail online brokers with the largest customer base in Europe and, based on the unparalleled growth rates, is well on its way to serving the largest customer base in Europe in the short to medium term.

For the remaining months of the current fiscal year, management expects to continue to dynamically increase the number of customers and to continue to gain significant market share in overall growing markets. The goal is to serve between 2.0 and 2.2 million customers on the flatex and DEGIRO platforms by the end of the year.

Number of Brokerage Customers (million)



¹ as of 15 April 2021

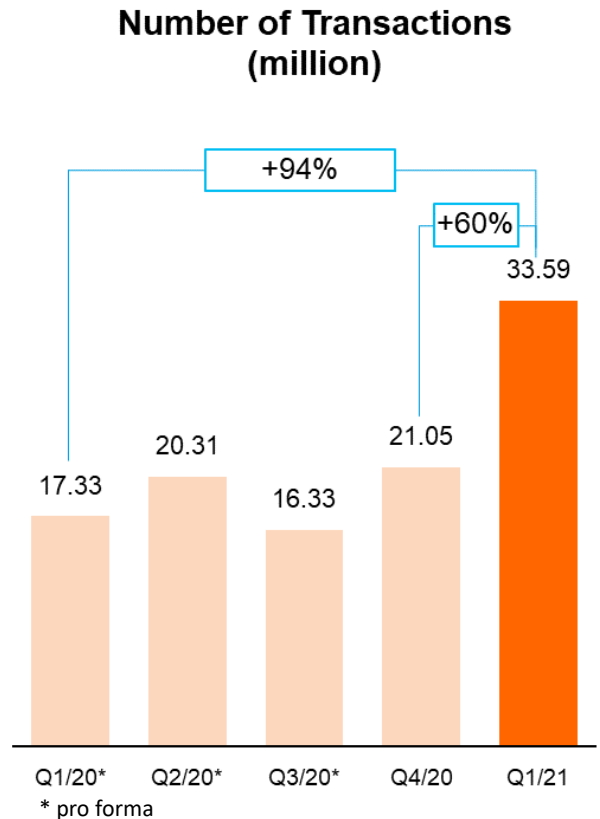


Strong increase in transactions settled

The number of trades settled on flatexDEGIRO's platforms increased by 94 percent to 33.59 million in the period from January to March 2021 (Q1 2020: 17.33 million, pro forma). It was driven by strong customer growth and high trading activity per customer. Q1 2021 thus exceeded the previous record quarter Q4 2020 (21.05 million transactions) by around 60 percent.

Average trading patterns tend to show a strong correlation with the volatility of global equity markets.

In the same period last year, March in particular had seen a jump in volatility and hence customer trading activity due to the foreseeable significant impact of the onset of the COVID pandemic. This resulted in March 2020 seeing the highest number of transactions settled in a single month in 2020. March 2021 also exceeded this peak value by around 20%.



Highest quarterly revenues ever achieved

Reported revenues increased by EUR 86.0 million to EUR 134.9 million (+175.9%) in the first three months of 2021 (Q1 2020: EUR 48.9 million). The significant increase was driven by above-average customer growth, strong trading activity per customer and the consolidation of DEGIRO.

Adjusted EBITDA margin reaches over 54 percent for the first time

Due to the high scalability of the business model and its strong operating leverage, adjusted EBITDA increased at an even faster rate by 208.5 percent to EUR 73.1 million in the first quarter of 2021 (Q1 2020: EUR 23.7 million). The Adjusted EBITDA margin reached 54.2 percent, an improvement of 5.7 percentage-points compared with the full year 2020 Adjusted EBITDA margin (48.4 percent).

First synergy effects resulting from the acquisition of DEGIRO started to contribute to this. This relates primarily to the use of marketing efficiencies and increased negotiating power from the combination of the two companies ("One firm") as well as the use of the Group's infrastructure and banking license for the entire European business ("One bank"). Synergies resulting from the harmonization of IT systems ("One IT") as well as from the combination of the companies' trade flows ("One Flow") are expected to be achieved in the second half of 2021 in line with the original timetable after full implementation by the end of June 2021.



Outlook and Vision 2025

For the full year 2021, flatexDEGIRO expects its customer base to increase to 2.0 to 2.2 million customers, who will process an average of around 55 to 65 transactions per year. The number of executed transactions is thus estimated at 90 to 110 million for 2021.

It is flatexDEGIRO's vision to serve at least 1 percent of the eligible population in Europe, and thus more than 3 million people, as flatexDEGIRO customers by 2025 at the latest. As a European brokerage powerhouse, flatexDEGIRO would then process more than 100 million transactions per year - even in years with only low volatility.

Basis of presentation

All information and figures contained in the Interim Group Statement of flatexDEGIRO AG (herein either "flatexDEGIRO", "Company" or "Group") relate to the reporting date of 31 March 2021 or the three-month period from 1 January 2021 to 31 March 2021. The personal pronouns "we", "us" or "our" used in this Interim Group Statement refer to flatexDEGIRO with its subsidiaries.

Comparability of information / pro forma information

On 30 July 2020, flatex completed the acquisition of DeGiro B.V. (DEGIRO). DEGIRO was consolidated in the Group as of 1 August 2020. The first-time inclusion of DEGIRO in the Group's figures has a material impact on comparability with information provided prior to the acquisition.

To enable a better understanding of the underlying operational developments, flatexDEGIRO reports pro forma figures for all key performance indicators. These are marked as "pro forma" in the Interim Group Statement and do not correspond to IFRS accounting.

The pro forma information is for illustrative purposes only.

The Adjusted EBITDA figures are presented net of personnel expense for long-term variable compensation (see also Note 33 in the Annual Report 2020).

Forward-looking statements

This Interim Group Statement may contain forward-looking statements, which can be identified by formulations such as "expect", "want", "anticipate", "intend", "plan", "believe", "aim", "estimate", "will" or similar expressions. Such forward-looking statements are based on current expectations and certain assumptions that may be subject to a number of risks and uncertainties. The results actually achieved by flatexDEGIRO may differ materially from these forward-looking statements. flatexDEGIRO assumes no obligation to update these forward-looking statements after publication or to revise them in the event of developments that differ from those anticipated.

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About flatexDEGIRO AG

flatexDEGIRO AG (WKN: FTG111, ISIN: DE000FTG1111, Ticker: FTK.GR) operates one of the leading and fastest growing online brokerage businesses in Europe, executing millions of paperless securities transactions per annum. B2C customers in 18 European countries are serviced via the flatex and DEGIRO brands and offered a wide range of independent products at competitive pricing, based on a modern, in-house state-of-the-art technology.

With more than 1.25 million customers and 75 million securities transactions in 2020, flatexDEGIRO is the largest retail online broker in Europe. In a time of bank consolidation, low interest rates and digitalization, the flatexDEGIRO Group is ideally positioned for further growth. Until 2025 at the latest, flatexDEGIRO aims to win over 3 million customers and execute at least 100 million transactions per year – even in years with only low volatility.