PRELIMINARY, UNAUDITED FIGURES

H1 / 2023

PRELIMINARY RESULTS

preliminary, unaudited figures

Operational development

The increase in gross customer accounts in H1 2023 amounted to approx. 186,000 (H1 2022: approx. 283,000). During Q2 2023, approx. 74,000 new gross customer accounts were opened (Q2 2022: approx. 97,000).

The customer base at the end of H1 2023 amounted to 2.56 million, an increase of 6.8 percent compared to year end 2022 (2.40 million) versus average peer customer account growth rates[1] from January to June 2023 of 3.2 percent. flatexDEGIRO's growth rate has thus been 2.1 times the one of its closest peers and was therefore slightly ahead of the Group's target range for 2023 of 1.5 to 2.0 times. Over the last twelve months, flatexDEGIRO grew its customer base by 11.9 percent (customer base H1 2022: 2.29 million). The annualized retention rate in H1 2023 amounted to 98.1 percent.

In H1 2023, flatexDEGIRO settled 29.5 million transactions, a decrease of 22.4 percent compared to H1 2022 (38.1 million). During Q2 2023, 13.2 million transactions were settled, compared to 16.2 million in the previous year's period (-18.5 percent). Trading development thus followed industry-wide trends and showed typical seasonal patterns.

Net cash inflows onto the platforms of flatexDEGIRO amounted to EUR 2.9 billion in H1 2023. This was in continuation of the positive trend of 2022, which saw a full-year net cash inflow of EUR 5.9 billion. Out of the recorded net cash inflows in H1 2023, our customers invested 91.3 percent or EUR 2.6 billion in securities. Customers' cash deposits increased over the last six months by EUR 0.3 billion.

Assets under custody increased by 21.0 percent to a record EUR 47.8 billion at the end of H1 2023 (31 December 2022: EUR 39.5 billion). This includes securities under custody of EUR 44.2 billion (+22.1 percent versus EUR 36.2 billion as of December 2022) and cash under custody of EUR 3.5 billion (+9.2 percent versus EUR 3.2 billion as of December 2022).

flatexDEGIRO continues its conservative treasury strategy with customer cash under custody being deployed in very short duration investments. This mainly includes EUR 0.9 billion of fully collateralized margin loans provided to flatexDEGIRO brokerage customers as well as approx. EUR 2.6 billion of customer cash under custody of with the vast majority being deposited directly at the German Federal Bank (Bundesbank) with overnight availability.

Over the last twelve months, the European Central Bank (ECB) strongly increased depository rates from minus 50 basis points in July 2022 to (positive) 350 basis points at the end of June 2023. Based on this sharp increase of 400 basis points, flatexDEGIRO has decided to adjust interest rates for margin loans at flatex and DEGIRO in two steps, resulting in an average yield expectation on its margin loan book of approx. 5 percent. The first increase took effect in January 2023, a second adjustment was done with effect to July 2023.

The increase in the ECB depository rate has a very direct and significant impact on flatexDEGIRO's net interest income, given the short duration of the EUR 2.6 billion cash deposits.

Regional development

In its Core Markets (The Netherlands, Germany and Austria), flatexDEGIRO won approx. 93,000 new gross customer accounts in the first half 2023, increasing the customer base in those three markets to 1.5 million (+ 5.6 percent compared to the end of 2022). The strongest growth rates were recorded in flatexDEGIRO's Growth Markets (especially in France, Spain, Portugal and Italy), were the customer base grew by 8.8 percent since the start of the year to now close to 1 million (+ approx. 85,000 new gross customer accounts in H1 2023).

With 20.5 million transactions settled, the Core Markets accounted for approx. 70 percent of all transactions during the first six months 2023, followed by 8.1 million transactions (approx. 27 percent) in the Growth Markets and 0.9 million transactions (approx. 3 percent) in Research Markets.

[1] Including Avanza, Fineco, Hargreaves Lansdown and Nordnet

Financial position and results of operations

Revenues in H1 2023 amounted to EUR 189.1 million, a decrease of 6.5 percent compared to the adjusted[2] revenues of the previous period (H1 2022: EUR 202.3 million). In Q2 2023, revenues amounted to EUR 90.8 million, an increase of 7.8 percent compared to the adjusted revenues of the previous period (Q2 2022: EUR 84.2 million).

Commission income amounted to EUR 120.7 million in H1 2023 corresponding to an average of EUR 4.06 of commission per transaction. Commission per transaction in H1 2022 amounted to EUR 4.14, supported by a significantly larger number of high revenues transactions in the previous period, especially in regards to cash products with a generally higher commission. Commission income in H1 2022 amounted to EUR 157.8 million. In Q2 2023, average commission per transaction amounted to EUR 3.99, a slight increase over Q2 2022 (EUR 3.98). Commission income in Q2 2023 amounted to EUR 52.7 million, compared to EUR 64.4 million in Q2 2022 (-18.2 percent).

Interest income in H1 2023 amounted to EUR 59.0 million, an increase of 68.9 percent over H1 2022 (EUR 34.9 million). In Q2 2023, interest income amounted to EUR 32.4 million, an increase of 87.9 percent over Q2 2022 (EUR 17.3 million) and 22.1 percent over Q1 2023 (EUR 26.6 million). The increase results from higher depository rates at ECB, increased interest rates for margin loans at flatex and DEGIRO as well as growing amounts of customer cash under custody driven by significant net cash inflows.

Other Operating Income amounted to EUR 9.4 million in H1 2023. In the pervious year's period, Other Operating Income of EUR 16.9 million also included the release of provisions related to variable, long-term compensation (Stock Appreciation Rights, SARs) in the amount of EUR 7.3 million.

Raw materials and consumables amounted to EUR 29.9 million in H1 2023 or 15.6 percent of revenues. compared to EUR 34.2 million and 16.9 percent (in relation to adjusted revenues) in H1 2022. The improvement of the ratio was largely driven by a more favorable revenue mix with a significantly increased share of interest income. In Q2 2023, raw materials and consumables amounted to EUR 13.1 million (Q2 2022: 17.4 million) or 14.1 percent of revenues (Q2 2022: 20.7 percent of adjusted revenues).

In-line with Management commentary provided in the context of the presentation of 2022 preliminary results in February 2023, marketing expenses have peaked in Q1 2023 (EUR 17.2 million) and since been reduced significantly (Q2 2023: EUR 8.3 million). For the first half-year 2023, marketing expenses totaled to EUR 25.5 million, compared to EUR 31.0 million in H1 2022 (Q2 2022: EUR 12.6 million).

In addition, one-time effects in the amount of approx. EUR 9 million in H1 2023 resulted from the payment of an inflation compensation to all employees (EUR 3.3 million), the BaFin fine as published in February 2023 (EUR 1.1 million), success fees related to DEGIRO-sponsored Sevilla FC winning the Europa League in May 2023 and the prepayment of a fine issued by the Competition Authority in Italy (EUR 4 million) based on the complaint of a single local competitor. flatexDEGIRO is taking legal actions against this fine and expects to win the legal dispute with a high degree of probability.

Excluding SARs provisions, adjusted[3] EBITDA in H1 2023 amounted to EUR 63.9 million, compared to EUR 81.8 million in H1 2022. In Q2 2023, adjusted EBITDA increased by 24.2 percent to EUR 33.9 million (Q2 2022: EUR 27.3 million).

Adjusted EBITDA margin in H1 2023 amounted to 33.8 percent (H1 2022: 40.4 percent) and 37.4 percent in Q2 2023 (Q2 2022: 32.4 percent). Margins in 2023 have been impacted by a high share of

[2] Adjusted for effects of the release of provisions for long-term, variable compensation (Stock Appreciation Rights Plan, SARs) of EUR 7.3 million in H1 2022 and Q2 2022.
[3] Adjusted for effects of the building/release of provisions for long-term, variable compensation (Stock Appreciation Rights Plan, SARs). In Q2 2023, SARs provisions of EUR 4.8 million where included in personnel expenses. In H1 2023 these amounted to EUR 15.4 million. In H1 2022 and Q2 2022, the release SARs provisions of EUR 7.3 million was reflected in Other Operating Income, positively impacting revenues.

the total marketing budget (~ 70 percent) already been spent during the first six months as well as by non-recurring cost items in the amount of approx. EUR 9 million.

In H1 2023, SARs provisions of EUR 15.4 million were recorded in personnel expenses (EUR 4.8 million in Q2 2023), given the positive share price development over the period. Reported EBITDA thus amounted to EUR 48.5 million in H1 2023 and EUR 29.1 million in Q2 2023. In the previous year's period, SARs provisions had instead been released (shown in Other Operating Income) in the amount of EUR 7.3 million. Reported EBITDA in H1 2022 therefore stood at EUR 89.1 million and at EUR 37.4 million in Q2 2022.

Full-year guidance unchanged

The financial development within the first half-year 2023 is in-line with Management's expectation when issuing the Company's full year financial guidance for 2023. Management continues to expect a slight increase of adjusted Revenues (2022: EUR 368.5 million) to approximately EUR 380 million. Adjusted EBITDA margin is expected to increase to over 40 percent and the adjusted EBT margin to over 30 percent.

The underlying assumptions to achieve this financial guidance have shifted towards a generally higher share of interest income, which also positively affects the gross margin assumptions. The assumed number of settled transactions and the corresponding commission income have been reduced. Based on already initiated measures, Management expects for the full year 2023 an average commission per transaction at a level of EUR 4.15 (2022: EUR 4.06), despite an overall lower trading activity with a lower share of high revenues transactions.

Cost assumptions, excluding the above mentioned non-recurring items, have not changed materially. For the full year 2023, Management expects marketing expenses to amount to approx. EUR 36 million, out of which EUR 25.5 million (~ 70 percent) have already been spent in H1 2023.

For the second half 2023, Management expects relative stable revenues compared to H1 2023, with a significant expansion of profitability due to lower marketing costs and the omission of non-recurring expenses.

Financials		H1 2023	H1 2022	Change in %	Q2 2023	Q2 2022	Change in %
Revenues	EUR m	189.1	209.6	-9.8	90.8	91.6	-0.9
Adj. Revenues	EUR m	189.1	202.3	-6.5	90.8	84.2	7.8
Commission income	EUR m	120.7	157.8	-23.5	52.7	64.4	-18.2
Interest income	EUR m	59.0	34.9	68.9	32.4	17.3	87.9
Other operating income[4]	EUR m	9.4	16.9	-44.3	5.6	9.9	-42.7
Commission per transaction	EUR	4.08	4.14	-1.4	3.99	3.98	0.3
EBITDA	EUR m	48.5	89.1	-45.6	29.1	37.4	-22.1
EBITDA margin	%	25.6	42.5	-39.7	32.1	40.8	-21.4
Adj. EBITDA	EUR m	63.9	81.8	-21.9	33.9	27.3	24.2
Adj. EBITDA margin	%	33.7	40.4	-16.4	37.4	32.4	15.3

Adjusted figures exclude the effects of the building/release of provisions for variable, long-term compensation (Stock Appreciation Rights, SARs).

[4] Including the release of provisions for variable, long-term compensation (Stock Appreciation Rights, SARs) of EUR 7.3 million in H1 2022 and Q2 2022

flatex DEGIRO

Commercial KPIs

		H1 2023	H1 2022	Change in %	Q2 2023	Q2 2022	Change in %
Customer accounts at the end of the period	m	2.56	2.29	11.9	2.56	2.29	11.9
New customer accounts (gross)	k	186.0	282.5	-34.2	73.6	97.3	-24.3
Transactions settled	m	29.5	38.1	-22.4	13.2	16.2	-18.5
		Jun 2023	Dec 2022	Change in %	Jun 2023	Mar 2023	Change in %
Assets under Custody	EUR bn	47.8	39.5	21.0	47.8	45.1	6.0
- thereof: Securities	EUR bn	44.2	36.2	22.1	44.2	41.7	6.0
- thereof: Cash	EUR bn	3.5	3.2	9.2	3.5	3.3	6.0

Regional split - Customer accounts

		H1 2023	H1 2022	Change in %	Q2 2023	Q1 2023	Change in %
flatexDEGIRO	**m**	**2.56**	**2.29**	**11.9**	**2.56**	**2.50**	**2.5**
Core Markets	m	1.49	1.38	7.8	1.49	1.46	2.1
Growth Markets	m	0.95	0.80	19.8	0.95	0.92	3.2
Research Markets	m	0.12	0.11	6.2	0.12	0.12	2.0

Regional split - Transactions settled

		H1 2023	H1 2022	Change in %	Q2 2023	Q2 2022	Change in %
flatexDEGIRO	**m**	**29.5**	**38.1**	**-22.4**	**13.2**	**16.2**	**-18.5**
Core Markets	m	20.5	25.9	-20.6	9.2	10.9	-15.1
Growth Markets	m	8.1	10.8	-25.3	3.6	4.7	-24.3
Research Markets	m	0.9	1.4	-34.0	0.4	0.6	-33.6

preliminary, unaudited figures

Disclaimer

Preliminary, unaudited information

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, including Adjusted EBITDA. 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 operating results 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 under 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 identified by terminology 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. Actual results achieved by flatexDEGIRO AG may differ materially from these forward-looking statements. flatexDEGIRO assumes no obligation to update these forward-looking statements or to revise them in the event of developments that differ from those anticipated.